

# BUILDING TODAY SHAPING TOMORROW

QUARTERLY REPORT MARCH 2019



*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  
Tel : 021-111-000-322  
Ext : 107-111-115  
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  
Fax : (021) 32463553

## Registered Office

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

Email : info@summitbank.com.pk  
companysecretary@summitbank.com.pk

Website : www.summitbank.com.pk

# VISION

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



# MISSION

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



**DIRECTORS' REVIEW**

On behalf of the Board of Directors, we are pleased to present the Directors' Review of the Bank along with the un-audited financial statements for the quarter ended March 31, 2019.

**THE BANK'S PERFORMANCE**

The highlights of the financial results for 2019 are as follows:

	<b>March 31, 2019</b>
	<b>Rupees in Millions</b>
<b>Financial Position</b>	
Shareholders' Equity	1,332
Total Deposits	85,527
Total Assets	111,292
Advances – net	57,053
Investments – net	18,051
<b>Financial Performance</b>	
Net Interest Income and Non Markup Income (Total Income)	406
Non Markup Expenses	1,348
Provisions and write offs (net)	1,530
Loss before tax	(2,472)
Loss after tax	(1,649)
Basic and diluted loss per share - (Rupee)	(0.63)

The Bank recorded a loss before tax of Rs. 2.472 billion and a loss after tax of Rs. 1.649 billion for the quarter ended 31 March 2019, as compared to a loss before tax of Rs. 457 million and a loss after tax of Rs. 328 million for the quarter ended 31 March 2018. This translated into a loss per share of Re. 0.63 (March 2018: loss per share Re. 0.12).

The Bank's earning capacity has significantly depleted as a result of which the Bank earned a net mark up income of Rs. 64.487 million as against a net mark-up income of Rs. 818.636 million earned during the same period last year. This is mainly attributable to volumetric reduction of earning assets together with the substantial amount of non-performing advances held by the Bank which resulted in major reduction of Bank's interest income. Due to extraordinary situation faced by the Bank since July 2018, the Bank reduced its earning assets portfolio to meet the liquidity requirements.

Non-funded income stood at Rs. 341.407 million, reflecting a decrease of 27% over the corresponding period last year, mainly due to a decline in fee and commission income earned as trade volumes, during first quarter of 2019, shrank considerably and a lower foreign exchange income earned amidst a volatile currency market.

Total non-mark up expenses were reported at Rs. 1.348 billion as against Rs. 1.409 billion last year, declining by 4%. This decrease was mainly attributable to a reduction in property and compensation expenses during first quarter of 2019.

The Bank recorded provisioning expense of Rs. 1.530 billion for the quarter ended March 31, 2019, against a provision expense of Rs. 336 million in the corresponding period last year. Provision against loans and advances was booked at Rs. 1.502 billion as against a provision of Rs. 331.905 million during the same period last year.

The Bank's net advances portfolio shrank by 7% to Rs. 57.053 billion as at March 31, 2019. Non-performing loans increased by 2% from Rs. 36.072 billion on December 31, 2018 to Rs. 36.662 billion as at March 31, 2019. The Bank's gross NPL ratio (Gross non-performing loans to Gross Advances) as at March 31, 2019 stood at 45.77% as against 43.57% as at December 31, 2018, while the coverage ratio at March 2019 stands at 62.74% (December 2018: 59.61%).

Total Deposits were reported at Rs. 85.527 billion as against Rs. 84.676 billion reported as at December 2018. At the quarter end, the Bank's gross advances to deposits ratio stands at 94% as compared to 98% as at December 31, 2018.

As at March 31, 2019, the Bank has recognized deferred tax assets (net) of Rs. 7.952 billion, this represents the management's best estimate of tax benefits expected to be realized in future years. We are hopeful that Bank will be able to realize these benefits. Based on the updated tax positions, deferred tax income for the current period amounted to Rs. 845.960 million as against an income of Rs. 169.335 million same period last year.

As at March 31, 2019, the Bank's paid up capital (net of losses) stood at negative (-) Rs. 1.589 billion as against the statutory requirement of Rs. 10 billion prescribed by SBP while the Capital Adequacy Ratio of the Bank stood at negative (-) 10.60% as against the minimum requirement of 11.90%.

Despite the current losses, the Board is confident that management has the capacity to turnaround the results of the Bank. The management is exploring all possible avenues to revert to profitability going forward.

### 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, 2020, 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, 2021. 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

During the first quarter of 2019, Pakistan's macroeconomic fundamentals showed some improvement after a turbulent 2018 as monetary and fiscal consolidation measures started bearing fruit. However, despite encouraging signs, there were still some significant areas which would need careful attention going forward.

Pakistan's current account deficit stood at \$9.6 billion during Jul – Mar FY19 from \$13.6 billion in the comparative period last year, thus, recording a sizeable improvement. While Pakistan's exports remained lower, in dollar terms, falling by 1.3% during Jul – Mar FY19, the improvement in the current account largely came about due to lower imports from \$41 billion in Jul – Mar FY18 to \$39 billion in the Jul – Mar FY19, a reduction of 4.9% in dollar terms and through workers' remittances which stood at \$16.1 billion, posting a healthy increase of 9.0% from the previous fiscal year.

Pakistan's FX reserves also improved during the quarter through bilateral support from Saudi Arabia, UAE and China. In particular, SBP reserves rose from \$7.2 billion at the end of 2018 to \$10.5 billion by March 2019. These inflows helped stem the tide on the external front as the Pakistani rupee depreciated by just 1.38% during the quarter, after a significant devaluation in 2018.

CPI inflation clocked in at 9.41% in March 2019 due to the lagged impact of PKR devaluation, adjustments in electricity and gas prices, rise in domestic petroleum prices and higher food inflation. Core inflation, however, fell from 8.7% YoY in January 2019 to 8.5% YoY in March 2019. The State Bank of Pakistan raised the policy rate by a cumulative 75 bps during the quarter from 10.00% to 10.75%.

On the fiscal side, the government's budget deficit stood at 2.7% of GDP during H1 FY2019. Tax collection remains a major challenge with FBR considerably behind its annual target. The government has much to work on fiscal consolidation, both in terms of increasing tax revenues and reducing expenditures.

The KSE-100 rose during the quarter owing to improvements in the economy particularly on the external front, beginning the quarter at 37,067 index points and ending it at 38,649 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, 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 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.

On Behalf of the Board of Directors

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**Jawad Majid Khan**  
President and Chief Executive Officer

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**Fauzia Hasnain**  
Director

Summit Bank  
October 08, 2021  
Karachi

## تعریف و توثیق

ہم، بورڈ کی جانب سے ایک بار پھر اسٹیٹ بینک آف پاکستان، سیکوریٹیز 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

جو ادا محمد خان  
صدر اور چیف ایگزیکٹو آفیسر

سمٹ بینک  
اکتوبر 2021، 08  
کراچی

## اقتصادی جائزہ

2019ء کی پہلی سہ ماہی کے دوران، پاکستان کے کئی معاشی مبادیات میں کچھ بہتری دکھائی دی جبکہ 2018ء کی ہنگامہ خیزی کے بعد جب زری اور مالیاتی سنجائی کے اقدامات نے اثر کرنا شروع کیا۔ تاہم، حوصلہ افزا اعلانات کے باوجود، اب کچھ بھی اہم شعبے ہیں جنہیں مستقبل میں احتیاط کی ضرورت ہوگی۔

پاکستان کا جاری کھاتے کا خسارہ جولائی تا مارچ مالی سال 19ء کے دوران 9.6 ارب ڈالر رہا جبکہ گذشتہ برس کی اسی مدت میں 13.6 ارب ڈالر تھا، اس طرح نمایاں بہتری درج کی گئی۔ اگرچہ پاکستان کی برآمدات کم رہیں، جولائی تا مارچ مالی سال 19ء کے دوران ڈالر کے لحاظ سے 1.3 فیصد کم ہو گئیں، جاری کھاتے میں بہت زیادہ بہتری آئی جس کی وجہ جولائی تا مارچ مالی سال 19ء کے دوران درآمدات میں کمی تھی جو کم ہو کر 39 ارب ڈالر ہو گئیں جبکہ جولائی تا مارچ مالی سال 18ء میں 40 ارب ڈالر تھیں، اور جولائی تا مارچ مالی سال 19ء کے دوران ڈالر کے لحاظ سے کالکونوں کی ترسیلات زر میں 4.9 فیصد کمی تھی جو گذشتہ مالی سال کی 9.0 فیصد کمی بھر پور نمونے کے بعد اب 16.1 ارب روپے تھیں۔

پاکستان کے زرمبادلہ کے ذخائر بھی دوران سہ ماہی سعودی عرب، متحدہ عرب امارات اور چین کی دو طرفہ معاونت کی وجہ سے بہتر ہو گئے۔ بالخصوص، مارچ 2019ء تک اسٹیٹ بینک کے ذخائر بڑھ کر 10.5 ارب ڈالر ہو گئے جبکہ 2018ء کے اختتام پر یہ 7.2 ارب روپے تھے۔ ان رقوم کی آمد سے بیرونی قرض پر پاکستانی روپے کی قدر میں ہونے والی کمی کی لہر کو روکنے میں مدد ملی جو 2018ء کے دوران نمایاں کمی کے بعد دوران سہ ماہی 1.38 فیصد گھٹی۔

مارچ 2019ء میں صارف اشاریہ قیمت مہنگائی 9.41 فیصد تک پہنچ گئی جس کی وجہ روپے کی قدر میں کمی، بجلی اور گیس کی قیمتوں میں ردوبدل، ملکی پٹرولیم کی قیمتوں میں اضافہ اور بلند غذائی مہنگائی کے تاخیر اثرات تھے۔ تاہم، قومی مہنگائی جنوری 2019ء کے 8.7 فیصد سے کم ہو کر مارچ 2019ء میں 8.5 فیصد سال بسال ہو گئی۔ سہ ماہی کے دوران اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ میں مجموعی طور پر 75 پی پی پی ایس اضافی کیا، جو 10.00 فیصد سے بڑھا کر 10.75 فیصد ہو گیا۔

مالیاتی لحاظ سے، مالی سال 2019ء کی پہلی چھ ماہی کے دوران حکومت کا بچت خسارہ جی ڈی پی کا 2.7 فیصد تھا۔ ایف بی آر کے سالانہ ہدف کے مقابلے میں ٹیکس وصولی ایک بڑا چیلنج بنی رہی۔ حکومت کو ٹیکس کی آمدنی بڑھانے اور اخراجات کو کم کرنے کے حوالے سے مالی استحکام پر بہت کام کرنا ہے۔

معیشت میں بہتری کی وجہ سے سہ ماہی کے دوران کے ایس ای 100 انڈیکس کا نشانہ بڑھ گیا، سہ ماہی کا آغاز 137,067 انڈیکس پوائنٹس سے ہو اور 138,649 انڈیکس پوائنٹس پر ختم ہوا۔

## بینکس شیٹ کی تاریخ کے بعد ہونے والے واقعات

20 مئی 2021ء کو ایچ ٹی سی کے صدر عبداللہ حسین لوط (سرماہ کار) کی جانب سے بینک کو ایک مراسلہ موصول ہوا جس کی بیرونی کرنے پر سرماہ کار نے بینک میں تازہ سیالیت سبسکرائب کرنے اور اس رقم کی جہاں ضروری ہو سرماہ کار کی کرنے کے ذریعے بینک کے کنٹرولنگ اختیار حاصل کرنے کے ارادے کا اظہار کیا۔ مزید برآں، اس طرح کے لین دین کے لئے نیکیو ریٹیز ایکٹ 2015ء اور قومی کمپنیز (دوگن شیئرز اور ونک اور ڈکافنی حصول) ریگولیشنز کے قابل اطلاق تقاضوں کی تعمیل کرتے ہوئے، سرماہ 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۔

سرماہ کار نے 10 اکتوبر 2021ء کو اپنی پیشکش خط کے ذریعے کی۔ بعد ازاں 104 اکتوبر 2021ء کو بینک اور سرماہ کار کے درمیان داخل کردہ شیئرز سبسکرائپشن معاہدہ (ایس ایس اے) ہوا جس میں بینک میں نئے عام حصص کی مجوزہ سبسکرائپشن کے لئے نئی ایکویٹی انجکشن کے بغیر حقوق کے پیشکش رعایتی قیمت پر داخل کیا گیا ہے۔ 2.51 روپے فی حصص ہے۔ سرماہ کار نے شیئرز سبسکرائپشن معاہدے میں طے شدہ پیشکش کی جسے بورڈ آف ڈائریکٹرز نے باضابطہ طور پر منظور کیا ہے۔ بینک گل 5,976.096 ملین نئے عام حصص جاری کرنے کا ارادہ رکھتا ہے۔

نان فنڈز آمدنی 341.407 ملین روپے رہی، جو کہ گذشتہ سال کے مقابلے میں 27 فیصد کمی کی عکاسی کرتا ہے، اس کی بنیادی وجہ 2019ء کی پہلی سہ ماہی کے دوران تجارتی حجم کے نمایاں سکڑاؤ کے باعث فیس اور کمیشن کی آمدنی میں کمی اور غیر مستحکم کرنسی مارکیٹ دوران زرمبادلہ کی پست آمدنی تھی۔

مجموعی غیر سودی اخراجات 4 فیصد کمی کے ساتھ 1.348 ارب روپے درج کیے گئے جبکہ گذشتہ برس یہ 1.409 ارب روپے تھے۔ یہ کمی بنیادی طور پر 2019ء کی پہلی سہ ماہی کے دوران جائیداد اور معاوضے کے اخراجات میں کمی کی وجہ سے تھی۔

بینک نے 31 مارچ 2019ء کو اختتام پذیر ہونے والی سہ ماہی کے دوران تمویں کے 1.530 ارب روپے درج کیے جبکہ گذشتہ برس کی اسی مدت کے دوران یہ 336 ملین روپے تھے۔ قرضوں اور ایڈوانسز پر بک کی گئی تمویں 1.502 ارب روپے تھی جبکہ گذشتہ برس کی اسی مدت کے دوران 331.905 ملین روپے تھی۔

31 مارچ 2019ء کو بینک کا خالص ایڈوائس 7 فیصد کم ہو کر 57.053 ارب روپے ہو گیا۔ غیر فعال قرضے 2 فیصد اضافے کے ساتھ 31 دسمبر 2018ء کے 36.072 ارب روپے سے بڑھ کر 31 مارچ 2019ء کو 36.662 ارب روپے ہو گئے۔ 31 مارچ 2019ء تک بینک کا مجموعی غیر فعال قرضوں کا تناسب (مجموعی غیر فعال قرضے اور مجموعی ایڈوائس) 45.77 فیصد رہا جو گذشتہ برس 43.57 فیصد تھا، جبکہ کورینج کا تناسب مارچ 2019ء میں 62.74 فیصد ہو گیا۔ (دسمبر 2018ء: 59.61 فیصد)۔

کل اثاثوں 85.527 ارب روپے درج کی گئیں جبکہ دسمبر 2018ء پر 84.676 ارب روپے درج کیے گئے تھے۔ سہ ماہی کے اختتام پر، بینک کا مجموعی ایڈوائس اور اثاثوں کا تناسب 94 فیصد ہے جو 31 دسمبر 2018ء کو 98 فیصد تھا۔

31 مارچ 2019ء تک، بینک نے 7.952 ارب روپے کے (خالص) مؤخر ٹیکس اثاثوں کو تسلیم کیا ہے جس سے آئندہ برسوں میں حاصل کیے جانے والے متوقع ٹیکس فوائد کے انتظامیہ کے بہترین تخمینے کا اظہار ہوتا ہے۔ ہمیں امید ہے بینک یہ فوائد حاصل کر سکے گا۔ ٹیکس کی تازہ ترین صورت حال کی بنیاد پر، موجودہ سال کے لیے مؤخر ٹیکس آمدنی 845.960 ملین روپے ہے جبکہ گذشتہ برس کی اسی مدت کے دوران یہ 169.335 ملین روپے تھی۔

روپے کی قانونی ضرورت کے مقابلے میں اسٹیٹ بینک کی جانب سے مقرر کیے گئے 10 ارب کے مقابلے میں 31 مارچ 2019ء تک، بینک کا ادراشدہ سرمایہ (خسارے کا خالص) منفی (-) 1.589 ارب روپے تھا، جبکہ بینک کی شرح کفایت سرمایہ کے کم از کم 11.90 فیصد کے تقاضے کے مقابلے میں منفی (-) 10.60 فیصد تھا۔

موجودہ سال کے نقصان کے باوجود، بورڈ کو یقین ہے کہ انتظامیہ بینک کے نتائج کو بہتر بنانے کی صلاحیت رکھتی ہے۔ انتظامیہ مستقبل میں منافع کی طرف پلٹنے کے لیے تمام ممکنہ طریقے تلاش کر رہی ہے۔

## کرڈٹ ریٹنگ

2019ء کے دوران، وی آئی ایس کرڈٹ ریٹنگ کمپنی لمیٹڈ نے بینک کی درمیانی تا طویل مدتی ریٹنگ بی بی بی - (تربل بی بائس) اور قلیل مدتی ریٹنگ اے - 3 (اے - تھری) تازہ ترین معلومات کی عدم دستیابی کی وجہ سے معطل کر دی۔ وی آئی ایس کرڈٹ ریٹنگ کمپنی لمیٹڈ تازہ 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 (ڈیفاسٹ) تقویض کیا گیا تھا کیونکہ کمپنی نے اسٹیٹ بینک آف پاکستان (SBP) کے قابل اطلاق ضوابط کے تحت بینک کی لاک ان دفعہ کے حوالے سے اپنی تازہ ترین سودی ادائیگی نہیں کی تھی۔ بینک کے ٹی ایف سی ہولڈرز نے 22 اکتوبر 2020ء کو ہونے والی اپنی میٹنگ میں ٹی ایف سی ایٹو کی مدت میں ایک سال کی مزید توسیع کی منظوری دی اور ساتھ ہی تمام انڈیکس کی قوم کی ادائیگیوں میں توسیع کے ساتھ عرصت کی نظر ثانی شدہ تاریخ 27 اکتوبر 2021ء مقرر کی۔ بینک اس وقت تمام اطلاق قوانین، قواعد و ضوابط اور اس سلسلے میں مطلوبہ ضوابطی تقاضوں کی تعمیل کو یقینی بنانے کے لیے مصروف عمل ہے۔

## ڈائریکٹرز کا جائزہ

بورڈ آف ڈائریکٹرز کی جانب سے، ہم بینک کی 31 مارچ 2019ء کو اختتام پذیر ہونے والی سہ ماہی کے لیے ڈائریکٹرز کا جائزہ اور غیر آڈٹ شدہ مالی گوشوارے پیش کرتے ہوئے مسرور ہیں:

### کارکردگی کا جائزہ

31 مارچ 2019ء کے لیے بینک کے مالی نتائج کی جھلکیاں مندرجہ ذیل ہیں:

31 مارچ 2019ء	
روپے ملین میں	مالی صورت حال
1,332	شیئرز ہولڈرز کی ایکویٹی
85,527	مجموعی اثاثیں
111,292	مجموعی اثاثے
57,053	ایڈوانس - خالص
18,051	سرمایہ کارایاں - خالص
	مالی کارکردگی
406	خالص سودی آمدنی اور غیر سودی آمدنی (مجموعی آمدنی)
1,348	غیر سودی اخراجات
1,530	پروویڈنڈ اور رائٹ آفس (نہیں)
(2,472)	خسارہ قبل از ٹیکس
(1,649)	خسارہ بعد از ٹیکس
(0.63)	خسارہ فی شیئر بنیادی اور سیال (diluted) - روپے

31 مارچ 2019ء کو اختتام پذیر ہونے والی زیر جائزہ سہ ماہی کے دوران، بینک نے 2,472 ارب روپے کا خسارہ قبل از ٹیکس اور 1,649 ارب روپے کا خسارہ بعد از ٹیکس درج کیا جبکہ گزشتہ برس کی اسی مدت کے دوران 457 ملین روپے کا خسارہ قبل از ٹیکس اور 328 ملین روپے کا خسارہ بعد از ٹیکس درج کیا گیا تھا۔ لہذا خسارہ فی شیئر 0.63 روپے رہا (مارچ 2018ء: خسارہ فی شیئر 0.12 روپے)۔

بینک کی آمدنی کی گنجائش نمایاں طور پر کم ہو گئی جس کے نتیجے میں بینک نے 64,487 ملین روپے خالص سودی آمدنی حاصل کی جبکہ گزشتہ برس کی اسی مدت کے دوران یہ 818,636 ملین روپے تھی۔ اس کی بنیادی وجہ بینک کے پاس موجود غیر فعال قرضوں کی کافی مقدار کے ساتھ آمدنی کے اثاثوں کے حجم میں کمی ہے جس کے نتیجے میں بینک کی سودی آمدنی میں بڑی کمی واقع ہوئی۔ جولائی 2018ء سے بینک کو درپیش غیر معمولی صورت حال کی وجہ سے، بینک نے سیالیت کی ضروریات کو پورا کرنے کے لیے اپنے آمدنی کے اثاثوں کا جزدان کم کر دیا۔

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

**FOR THE THREE MONTHS  
PERIOD ENDED  
MARCH 31, 2019**

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
AS AT MARCH 31, 2019

		(Un-audited) March 31, 2019	(Audited) December 31, 2018
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Cash and balances with treasury banks	7	4,805,043	5,043,089
Balances with other banks	8	1,198,992	996,982
Lendings to financial institutions		-	-
Investments	9	18,050,680	19,256,375
Advances	10	57,053,464	61,245,877
Fixed assets	11	10,599,381	8,708,878
Intangible assets	12	185,850	204,912
Deferred tax assets	13	7,951,842	7,214,989
Other assets	14	11,447,006	11,956,890
		<b>111,292,258</b>	<b>114,627,992</b>
<b>LIABILITIES</b>			
Bills payable	16	1,581,770	1,881,107
Borrowings	17	15,279,716	19,491,854
Deposits and other accounts	18	85,526,980	84,676,090
Liabilities against assets subject to finance lease		-	-
Subordinated debt	19	1,495,515	1,495,515
Deferred tax liabilities		-	-
Other liabilities	20	6,076,356	4,330,823
		<b>109,960,337</b>	<b>111,875,389</b>
<b>NET ASSETS</b>		<b>1,331,921</b>	<b>2,752,603</b>
<b>REPRESENTED BY</b>			
Share capital - net		20,500,194	20,500,194
Reserves		(425,043)	(425,043)
Surplus/ (deficit) on revaluation of assets	21	2,763,548	2,576,824
Accumulated losses		(21,506,778)	(19,899,372)
		<b>1,331,921</b>	<b>2,752,603</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	<b>22</b>		

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, 2019

		March 31, 2019	March 31, 2018
	Note	----- (Rupees in '000)-----	
Mark-up / return / interest earned	23	1,575,643	2,843,713
Mark-up / return / interest expensed	24	<u>1,511,156</u>	<u>2,025,077</u>
Net mark-up / interest income		64,487	818,636

**NON MARK-UP / INTEREST INCOME**

Fee and commission income	25	173,375	233,531
Dividend income		18,321	3,585
Foreign exchange income		115,188	171,517
Income / (loss) from derivatives		-	-
(Loss) / gain on securities	26	(1,555)	14,150
Other Income	27	36,078	46,767
Total non-mark-up / interest income		<u>341,407</u>	469,550
Total Income		<u>405,894</u>	1,288,186

**NON MARK-UP / INTEREST EXPENSES**

Operating expenses	28	1,343,410	1,395,977
Workers' welfare fund		-	-
Other charges	29	4,451	13,328
Total non-mark-up / interest expenses		<u>1,347,861</u>	1,409,305
Loss before provisions		<u>(941,967)</u>	(121,119)
Provisions and write offs - net	30	1,530,015	335,656
Extra ordinary / unusual items		-	-
<b>LOSS BEFORE TAXATION</b>		<u>(2,471,982)</u>	(456,775)
Taxation	31	(822,528)	(128,509)
<b>LOSS AFTER TAXATION</b>		<u>(1,649,454)</u>	<u>(328,266)</u>
		----- (Rupee)-----	
Basic loss per share	32	<u>(0.63)</u>	<u>(0.12)</u>
Diluted loss per share	32	<u>(0.63)</u>	<u>(0.12)</u>

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President /  
Chief Executive

Chief Financial Officer

Director

Director

Director



**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
FOR THE QUARTER ENDED MARCH 31, 2019

	March 31, 2019	March 31, 2018
	----- (Rupees in '000) -----	
<b>Loss after taxation for the period</b>	<b>(1,649,454)</b>	<b>(328,266)</b>
<b>Other comprehensive income</b>		
<b>Items that may be reclassified to profit and loss account in subsequent periods:</b>		
Movement in deficit on revaluation of investments - net of tax	219,621	89,348
<b>Items that will not be reclassified to profit and loss account in subsequent periods:</b>		
Movement in surplus on revaluation of operating fixed assets - net of tax	8,835	(46,831)
Movement in surplus on revaluation of non-banking assets - net of tax	316	(282,235)
	9,151	(329,066)
<b>Total comprehensive loss</b>	<b>(1,420,682)</b>	<b>(567,984)</b>

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, 2019

	Capital reserve			Surplus / (deficit) on revaluation of			Revenue reserve		Total
	Share capital	Share premium	Statutory reserve	Reserve arising on amalgamation	Investments	Fixed / Non banking assets	Property - held for sale	Accumulated losses	
	(Rupees in '000)								
<b>Balance as at January 01, 2018 (Audited)</b>	20,500,194	1,000,000	154,162	(1,579,205)	(793,175)	2,288,117	-	(11,328,979)	10,241,114
Loss after taxation for the period ended March 31, 2018	-	-	-	-	-	-	-	(328,266)	(328,266)
Other comprehensive income - net of tax	-	-	-	-	89,348	(329,066)	-	-	(239,718)
Transfer from surplus on revaluation of assets to accumulated losses - net of tax	-	-	-	-	-	(28,383)	-	28,383	-
<b>Balance as at April 01, 2018 (Un-audited)</b>	20,500,194	1,000,000	154,162	(1,579,205)	(703,827)	1,930,668	-	(11,628,862)	9,673,130
Loss after taxation for the period ended December 31, 2018	-	-	-	-	(385,701)	1,104,001	754,510	(8,422,807)	(8,422,807)
Other comprehensive income - net of tax	-	-	-	-	-	-	-	29,470	1,502,280
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	(85,149)	-	85,149	-
Surplus realized on disposal of non-banking assets	-	-	-	-	-	(37,678)	-	37,678	-
<b>Balance as at January 01, 2019 (Audited)</b>	20,500,194	1,000,000	154,162	(1,579,205)	(1,089,528)	2,911,842	754,510	(19,899,372)	2,752,603
Loss after taxation for the period ended March 31, 2019	-	-	-	-	-	-	-	(1,649,454)	(1,649,454)
Other comprehensive income - net of tax	-	-	-	-	219,621	9,151	-	-	228,772
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 non-banking assets	-	-	-	-	-	(902)	-	902	-
Surplus realized on disposal of fixed assets	-	-	-	-	-	(15,911)	-	15,911	-
<b>Balance as at March 31, 2019 (Un-audited)</b>	20,500,194	1,000,000	154,162	(1,579,205)	(869,907)	2,878,945	754,510	(21,506,778)	1,331,921

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, 2019

	March 31, 2019	March 31, 2018
Note	----- (Rupees in '000) -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Loss before taxation</b>	(2,471,982)	(456,775)
Less: Dividend income	(18,321)	(3,585)
	<u>(2,490,303)</u>	<u>(460,360)</u>
<b>Adjustments:</b>		
Depreciation on operating fixed assets	158,174	174,406
Depreciation on right-of-use assets	126,376	-
Depreciation on non-banking assets	10,937	11,977
Finance cost of lease liability	68,898	-
Amortization	15,568	15,207
Charge for defined benefit plan	15,322	15,322
Charge for employees compensated absences	3,750	3,750
Provision and write-offs excluding recoveries	1,530,633	336,027
Gain on sale of fixed assets	(20,872)	(743)
Gain on disposal of non-banking assets - net	-	(19,973)
Unrealised loss on revaluation of investments classified as held-for-trading securities - net	146	8,042
	<u>1,908,932</u>	<u>544,015</u>
	(581,371)	83,655
<b>Decrease / (increase) in operating assets</b>		
Lendings to financial institutions	-	2,210,225
Held-for-trading securities	(2,650)	(34,205)
Advances	2,690,548	(4,109,941)
Others assets (excluding advance taxation)	503,399	41,536
	<u>3,191,297</u>	<u>(1,892,385)</u>
<b>Decrease in operating liabilities</b>		
Bills Payable	(299,337)	(334,356)
Borrowings from financial institutions	(4,241,605)	(32,414,050)
Deposits	850,890	184,895
Other liabilities (excluding current taxation)	(263,214)	(730,524)
	<u>(3,953,266)</u>	<u>(33,294,035)</u>
Payments on account of staff retirement benefits	(7,676)	(53,218)
Income tax paid	(22,763)	(41,356)
<b>Net cash used in operating activities</b>	<u>(1,373,779)</u>	<u>(35,197,339)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net investments in available-for-sale securities	1,517,521	34,108,327
Dividends received	2,987	4,317
Investments in operating fixed assets	(98,348)	(205,302)
Investments in intangible assets	-	-
Proceeds from sale of fixed assets	154,791	2,005
Proceeds from sale of non-banking assets	10,000	350,000
<b>Net cash generated from investing activities</b>	<u>1,586,951</u>	<u>34,259,347</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payment of lease liability against right-of-use assets	(278,675)	-
Payments of subordinated debt	-	-
<b>Net cash used in financing activities</b>	<u>(278,675)</u>	<u>-</u>
Effect of exchange rate changes on cash and cash equivalent	15,871	220,056
<b>Decrease in cash and cash equivalents</b>	<u>(49,632)</u>	<u>(717,936)</u>
Cash and cash equivalents at beginning of the period	6,017,850	15,743,689
<b>Cash and cash equivalents at end of the period</b>	<u>5,968,218</u>	<u>15,025,753</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

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE QUARTER ENDED MARCH 31, 2019**

**I. STATUS AND NATURE OF BUSINESS**

- 1.1** 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, 2019.

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, 2018: 179 Conventional Banking Branches and 14 Islamic Banking Branches) in Pakistan as defined in the Banking Companies Ordinance, 1962.

- 1.2** In November 2018, VIS Credit Rating Company Limited assigned the Bank medium to long-term rating of 'BBB -' (Triple B minus) and short term rating of 'A-3' (A-three) while the Bank's TFC was assigned a rating of 'BBB - (SO)' (Triple B minus (Structured Obligation)). These ratings were placed on 'Rating Watch – Negative' status.

During the year, in February 2019, VIS Credit Rating Company Limited suspended the entity ratings of the Bank due to non-availability of updated information. 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, subsequently the TFC holders have approved extension in the maturity date of the TFC issue along with payment of all the instalments (mark-up and principal) till October 27, 2021, subject to applicable regulatory approvals and compliances. VIS Credit Rating Company Limited would reassess the ratings once required information along with latest financials is made available.

- 1.3** During the quarter, the Bank has incurred net loss of Rs. 1,649.454 million resulting in accumulated losses of Rs. 21,506.778 million and net equity of Rs. 1,331.921 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 11.90% (inclusive of Capital Conservation Buffer of 1.90%), Leverage Ratio (LR) at 3.00%, Liquidity Coverage Ratio (LCR) at 100% and Net Stable Funding Ratio (NSFR) at 100% as of December 31, 2018. However, the paid up capital of the Bank (net of losses), CAR and LR are negative, while LCR and NSFR are below prescribed levels as at March 31, 2019. Subsequently, from June 30, 2020 onwards, the Bank achieved compliance with the applicable LCR requirements.

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

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

- Injection of capital;
- Reaping benefits from the expected growth of Islamic finance in Pakistan since the Bank will speed-up the implementation process of its earlier decision of conversion to a full-fledged Islamic bank;
- Recoveries from non-performing advances through strenuous and focused recovery efforts;
- Reduction in overall level of non-earning assets held by the Bank;
- Identifying opportunities for rationalization of the cost structure;

- Improvement in the risk management and technological infrastructure of the Bank to support the business plan;
- Investments / exposures in safe avenues for achieving solid growth in the core business income; and
- Income generation through avenues for mark-up income and non-mark-up income

In this respect, the Bank had received a revised letter dated May 20, 2021 from H.E. Nasser Abdulla Hussain Lootah (The Investor) pursuant to 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, requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

The SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurements' and International Accounting Standard (IAS) 40, 'Investment Property' for banking companies through BSD Circular Letter No. 10 dated August 26, 2002 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. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements.

- 2.2** These unconsolidated condensed interim financial statements represent separate financial statements of Summit Bank Limited in which investment in subsidiary is accounted for on the basis of direct equity interest rather than on the basis of reported results. Accordingly, the consolidated financial statements have been presented separately.
- 2.3** Key financial figures of the Islamic banking branches are disclosed in note 38 to these unconsolidated condensed interim financial statements.
- 2.4** 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 in the audited annual financial statements, and should be read in conjunction with the audited annual financial statements for the financial year ended December 31, 2018.
- 2.5 Standards, interpretations of and amendments to existing accounting standards that have become effective in the current period**

IFRS 16, Leases, became effective for annual reporting periods commencing on or after January 01, 2019. The impact of the adaptation of IFRS 16 on the Bank's condensed interim financial statements is disclosed in note 4.1.2.

In addition, there are certain other new standards and interpretations of and amendments to existing accounting standards that have become applicable to the Bank for accounting periods beginning on or after January 01, 2019. These are considered either to not be relevant or to not have any significant impact on the Bank's unconsolidated condensed interim financial statements.

**2.6 Standards and amendments to existing accounting standards that are not yet effective**

The following new standards and amendments to existing accounting standards will be effective from the dates mentioned below against the respective standards or amendments:

	<b>Effective dates (annual periods beginning on or after)</b>
- IFRS 3, Definition of a Business (Amendments)	January 01, 2020
- IAS 1, Presentation of Financial Statements (Amendments)	January 01, 2020
- IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors (Amendments)	January 01, 2020
- IFRS 9, Financial instruments: Classification and reassessment	January 01, 2021

IFRS 9 'Financial Instruments' and amendment - Prepayment features with negative compensation (effective for annual periods beginning on or after July 01, 2018 and January 01, 2019 respectively). IFRS 9 replaces the existing guidance in IAS 39 'Financial Instruments: Recognition and measurement'. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The SECP vide its notification dated February 14, 2019 modified the effective date for implementation of IFRS 9 on reporting period / year ending on or after June 30, 2019 (earlier application permitted). SBP had earlier informed the Bank that keeping in view the implementation challenges of IFRS 9 and representations by the banking industry, IFRS 9 would not be applicable on financials of period ending June 30, 2019 for banks / DFIs / MFIs. Thereafter, the SBP vide BPRD Circular No. 4 of 2019 dated October 23, 2019 has issued fresh timelines for implementation of the said standard and has issued detailed instructions over the steps required to be undertaken, setting January 01, 2021 as the effective date of implementation. The Bank is in the process of assessing the full impact of this standard.

The Bank expects that adoption of the remaining interpretations and amendments will not affect its financial statements in the period of initial application.

### **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 unconsolidated condensed interim financial statements are consistent with those followed in the preparation of the unconsolidated financial statements for the year ended December 31, 2018 except as disclosed in note 4.1.

#### **4.1 Changes in accounting policies**

##### **4.1.1 Change in reporting format**

The State Bank of Pakistan (SBP) through its BPRD Circular No. 5 dated 22 March 2019 has amended the format of quarterly and half yearly financial statements of banks. All banks are directed to prepare their quarterly financial statements on the revised format effective from accounting year starting from 1 January 2019. Accordingly, the Bank has prepared these unconsolidated condensed interim financial statements on the new format prescribed by the State Bank of Pakistan.

##### **4.1.2 Leases**

During the current period, 'IFRS 16 - Leases' becomes applicable for the banks. IFRS 16 replaces existing guidance on accounting for Leases including 'IAS 17 - Leases', 'IFRIC' 'Determining whether an arrangement contains a Lease', 'SIC 15 - Operating Lease Incentives' and 'SIC 27 - Evaluating the substance of transactions involving the legal form of lease'. IFRS 16 introduces single lease accounting model and requires a lessee to recognize assets and liabilities of all leases with a term of more than 12 months unless the underlying assets are of low value. A lessee recognizes right-of-use asset representing its right of using underlying asset and corresponding lease liability representing its obligation to make lease payments. Lessor accounting remains similar to the current standard i.e. lessor continue to classify leases as either finance or operating leases. The Bank has adopted IFRS 16 using the modified retrospective approach with the date of initial application as January 01, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard being recognized at the date of initial application. Accordingly, the Bank has not restated comparatives for the 2018 reporting period.

On adoption of IFRS 16, the Bank has recognized liabilities in respect of leases which had previously been classified as operating leases under IAS 17. These liabilities were initially measured as the present value of the remaining lease payments, discounted using the Bank's incremental weighted average borrowing rate of 14.34% per annum at January 1, 2019. The Bank has used a single discount rate methodology for each portfolio of leases with similar characteristics. The lease liability is subsequently measured at amortized cost using the effective interest rate method.

	<b>Un-audited</b>	
	<b>March 31,</b>	<b>January 01,</b>
	<b>2019</b>	<b>2019</b>
	----- (Rupees in '000)-----	
Lease Liability	<u><b>1,997,351</b></u>	<u><b>2,075,149</b></u>

On adoption of IFRS 16, the associated right of use assets were measured at the amount equal to the lease liability, adjusted by the amount of prepaid lease payments recognized in the statement of financial position immediately before the date of initial application.

The right of use assets recognized subsequent to the adoption are measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. The right of use assets are depreciated on a straight line basis over the lease term.

	<b>Un-audited</b>	
	<b>March 31,</b>	<b>January 01,</b>
	<b>2019</b>	<b>2019</b>
	----- (Rupees in '000)-----	
Right-of-Use Asset	<u><b>2,080,752</b></u>	<u><b>2,207,128</b></u>

**Effect of change in Accounting policy  
Impact on Statement of Financial Position**

Increase in fixed assets - ROU Assets	<b>2,080,752</b>	2,207,128
Decrease in other assets - Advances , Deposits and Prepayments	<b>(141,040)</b>	(131,979)
Increase in other assets - Advance Taxation	-	-
Increase in other liabilities - Lease liability in respect of ROU Assets	<b>(1,997,351)</b>	(2,075,149)
<b>(Decrease ) / increase in net assets</b>	<u><b>(57,639)</b></u>	<u>-</u>

**Impact on profit and loss account**

Increase in mark-up expense	<b>(68,898)</b>	-
	<u><b>(68,898)</b></u>	<u>-</u>

**(Increase) / decrease in administrative expenses:**

-Depreciation of ROU Assets	<b>(126,376)</b>	-
-Rent expense	<b>137,635</b>	-
	<b>11,259</b>	-
Increase in loss before tax	<b>(57,639)</b>	-
Taxation	-	-
Increase in loss after tax	<u><b>(57,639)</b></u>	<u>-</u>



Loss per share for the quarter ended March 31, 2019 is Re 0.02 per share higher as a result of the adoption of IFRS 16.

When measuring lease liabilities for leases that were classified as operating leases, the Bank discounted lease payments using its incremental borrowing rate at January 01, 2019.

	<b>(Rupees in '000)</b>
Operating lease commitments disclosed as at December 31, 2018	<u>3,164,673</u>
Discounted using the lessee's incremental borrowing rate at the date of initial application	2,112,435
Less: short-term leases recognised on a straight-line basis as expense	<u>37,286</u>
Lease liability recognised as at January 01, 2019	<u><u>2,075,149</u></u>
Of which are:	
- Current lease liabilities	573,525
- Non Current lease liabilities	<u>1,501,624</u>
	<u><u>2,075,149</u></u>

#### 4.1.3 IFRS 15 - Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces IAS 18 'Revenue' IAS 11 'Construction Contracts' and related interpretations.

The Bank initially applied IFRS 15 on January 01, 2019 retrospectively in accordance with IAS 8 without any practical expedients. The application of IFRS 15 has no impact on the financial position and / or financial performance of the Bank. Accordingly, there was no adjustment in retained earnings on application of IFRS 15 as at January 01, 2019.

### 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis of 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, 2018 except for the following:

During the current period, the management of the Bank has revised its estimate of the useful lives of building on leasehold land. The management has decreased the depreciation rate from 5% per annum to 2.5% to 5% per annum. The revision has been made after taking into account the expected pattern of recovery of economic benefits associated with the use of these assets. The revision has been accounted for as a change in accounting estimate as defined in International Accounting Standard 8, 'Accounting Policies, Changes in Accounting Estimate and Errors'. Had the revision in useful lives in respect of building on leasehold land not been made, depreciation expense for the period would have been higher by Rs. 63.150 million and consequently the profit before tax would have been lower by the same amount.

### 6. 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, 2018.

(Un-audited) (Audited)  
March 31, Decemehr 31,  
2019 2018  
----- (Rupees in '000) -----

**7. CASH AND BALANCES WITH TREASURY BANKS**

**In hand**

Local currency	2,712,088	2,699,662
Foreign currency	234,205	190,719
	2,946,293	2,890,381

**With State Bank of Pakistan in**

Local currency current account	978,796	1,011,453
Foreign currency current account	313,137	302,719
Foreign currency deposit account	140,495	125,904
	1,432,428	1,440,076

With National Bank of Pakistan in Local currency current account 419,351 703,743

Prize bonds 6,971 8,889

<b>4,805,043</b>	<b>5,043,089</b>
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**8. BALANCES WITH OTHER BANKS**

**In Pakistan**

In current account	14,004	20,475
In deposit account	97,002	92,365
	111,006	112,840

**Outside Pakistan**

In current account	468,587	368,270
In deposit account	619,399	515,872
	1,087,986	884,142

<b>1,198,992</b>	<b>996,982</b>
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**9 INVESTMENTS**

**9.1 Investments by type:**

**Held-for-trading securities**  
Shares

March 31, 2019 (Un-audited)				December 31, 2018 (Audited)			
Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
----- (Rupees in '000) -----							
	2,650	-	(146)	2,504	-	-	-

**Available-for-sale securities**

**Federal Government Securities**

- Market Treasury Bills
- Pakistan Investment Bonds
- GoP Ijarah Sukuks

-	-	-	-	1,377,071	-	29	1,377,100
14,027,102	-	(1,099,962)	12,927,140	13,969,584	-	(1,233,323)	12,736,261
2,250,000	-	(23,850)	2,226,150	2,250,000	-	(40,275)	2,209,725
<b>Shares</b>							
- Fully paid up ordinary shares - Listed	4,147,681	(1,975,754)	1,957,422	4,147,681	(1,947,196)	(402,628)	1,797,857
- 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
<b>Non Government Debt Securities</b>							
- Term Finance Certificates	1,603,600	(1,008,500)	595,100	1,611,998	(1,008,500)	-	603,498
- Sukuk Bonds	212,500	(200,000)	12,500	402,070	(200,000)	-	202,070
<b>22,289,748</b>	<b>(3,185,254)</b>	<b>(1,338,317)</b>	<b>17,766,177</b>	<b>23,807,269</b>	<b>(3,156,696)</b>	<b>(1,676,197)</b>	<b>18,974,376</b>

**Subsidiary**

	396,942	(114,943)	-	281,999	396,942	(114,943)	-	281,999
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**Total Investments**

<b>22,689,340</b>	<b>(3,300,197)</b>	<b>(1,338,463)</b>	<b>18,050,680</b>	<b>24,204,211</b>	<b>(3,271,639)</b>	<b>(1,676,197)</b>	<b>19,256,375</b>
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(Un-audited) (Audited)  
March 31, 2019 December 31, 2018

**9.1.1 Investments given as collateral - market value**

- Pakistan Investment Bonds
- GoP Ijarah Sukuks
- Ordinary shares-Listed

	5,595,121	8,190,815
	296,820	2,209,725
	1,873,275	1,718,824
	<b>7,765,216</b>	<b>12,119,364</b>

**9.2 Provision for diminution in value of investments**

Opening balance

3,271,639 2,177,965

Charge / reversals

Charge for the period / year

28,558 1,120,666

Reversals for the period / year

- (26,992)

28,558 1,093,674

Closing Balance

**3,300,197 3,271,639**

**9.3 Particulars of provision against debt securities**

**Category of classification**

**Domestic**

Loss

March 31, 2019 (Un-audited)		December 31, 2018 (Audited)	
NPI	Provision	NPI	Provision
----- (Rupees in '000) -----			
1,522,034	1,208,500	1,522,034	1,208,500
<b>1,522,034</b>	<b>1,208,500</b>	<b>1,522,034</b>	<b>1,208,500</b>

- 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. 313.534 million (December 31, 2018: Rs. 313.534 million). This has a net of tax positive impact of Rs. 203.797 million (December 31, 2018: Rs. 203.797 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

Note	Performing		Non Performing		Total	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
	----- (Rupees in '000) -----					
Loans, cash credits, running finances, etc.	36,281,002	39,212,961	35,744,875	35,141,957	72,025,877	74,354,918
Islamic financing and related assets	5,496,743	5,875,686	870,409	882,663	6,367,152	6,758,349
Bills discounted and purchased	1,664,690	1,635,173	47,089	47,089	1,711,779	1,682,262
Advances - gross	43,442,435	46,723,820	36,662,373	36,071,709	80,104,808	82,795,529
Provision against advances						
- Specific	-	-	(23,001,643)	(21,502,664)	(23,001,643)	(21,502,664)
- General	(49,701)	(46,988)	-	-	(49,701)	(46,988)
	(49,701)	(46,988)	(23,001,643)	(21,502,664)	(23,051,344)	(21,549,652)
Advances - net of provision	43,392,734	46,676,832	13,660,730	14,569,045	57,053,464	61,245,877

10.1 Particulars of advances (Gross)	(Un-audited)	(Audited)
	March 31, 2019	December 31, 2018
	----- (Rupees in '000) -----	
In local currency	78,456,400	81,171,315
In foreign currencies	1,648,408	1,624,214
	<u>80,104,808</u>	<u>82,795,529</u>

10.2 Advances include Rs. 36,662.374 million (December 31, 2018: Rs. 36,071.709 million) which have been placed under non-performing status as detailed below:

### Category of Classification

	March 31, 2019 (Un-audited)		December 31, 2018 (Audited)	
	Non Performing Loans	Provision	Non Performing Loans	Provision
	----- (Rupees in '000) -----			
Domestic				
Other Assets Especially Mentioned	31,981	837	505,380	721
Substandard	939,249	41,735	5,479,696	460,682
Doubtful	13,940,325	4,906,985	7,709,088	1,609,889
Loss	21,750,819	18,052,086	22,377,545	19,431,372
	<u>36,662,374</u>	<u>23,001,643</u>	<u>36,071,709</u>	<u>21,502,664</u>

### 10.3 Particulars of provision against advances

	March 31, 2019 (Un-audited)			December 31, 2018 (Audited)		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	21,502,664	46,988	21,549,652	14,909,014	30,250	14,939,264
Charge for the period / year	1,591,966	2,713	1,594,679	7,247,738	16,738	7,264,476
Reversals	(92,813)	-	(92,813)	(622,642)	-	(622,642)
	1,499,153	2,713	1,501,866	6,625,096	16,738	6,641,834
Amounts written off	(174)	-	(174)	(31,446)	-	(31,446)
Closing balance	<u>23,001,643</u>	<u>49,701</u>	<u>23,051,344</u>	<u>21,502,664</u>	<u>46,988</u>	<u>21,549,652</u>

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 State Bank of Pakistan vide its circular No. 9 of 2017 dated December 22, 2017 reduced the requirement of maintaining general reserves against unsecured SE portfolio from 2% to 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. 5,825,809 million (2018: Rs. 5,944,384 million). The positive impact on the profit and loss account arising from availing this benefit - net of tax amounts to Rs. 3,786,776 million (2018: Rs. 3,863,850 million). As per the applicable Prudential Regulations, the positive impact of FSV benefit is not available for distribution either as cash or stock dividend to shareholders and bonus to employees.

The SBP has granted relaxation in provisioning requirements in respect of exposure in Dewan Group. Had this relaxation not been available, provision against loans and advances would have been higher by Rs. 205,502 million (2018: Rs. 205,502 million).

		(Un-audited) March 31, 2019	(Audited) December 31, 2018
<b>II FIXED ASSETS</b>	<b>Note</b>	----- (Rupees in '000) -----	
Capital work-in-progress	11.1	369,167	393,222
Property and equipment		8,149,462	8,315,656
Right-of-use assets	4.1.2	2,080,752	-
		<u>10,599,381</u>	<u>8,708,878</u>
<b>II.1 Capital work-in-progress</b>			
Civil works and related payments / progress billings		361,045	388,198
Advances and other payments to suppliers and contractors		8,122	5,024
Advances and other payments against capital work in progress - considered doubtful		1,158,340	1,158,340
Less: Provision there against		(1,158,340)	(1,158,340)
		-	-
		<u>369,167</u>	<u>393,222</u>
		----- (Rupees in '000) -----	
		(Un-audited)	
		March 31, 2019	March 31, 2018
		----- (Rupees in '000) -----	
<b>II.2 Additions to fixed assets</b>			
The following additions have been made to fixed assets during the period:			
<b>Capital work-in-progress</b>		-	164,549
<b>Property and equipment</b>			
Building -improvements		1,644	2,306
Furniture and fixture		57,633	1,608
Electrical, office and computer equipment		18,826	36,032
		78,103	39,946
Right-of-use assets		2,080,752	-
		<u>2,158,855</u>	<u>204,495</u>
<b>II.3 Transfer / disposal of fixed assets</b>			
Capital work-in-progress		24,055	-
The net book value of fixed assets disposed off during the period is as follows:			
Leasehold land		104,010	-
Building-improvements		144	-
Building on leasehold land		89	-
Furniture and fixture		-	39
Electrical, office and computer equipment		2,114	1,223
Vehicles		11	-
		<u>106,368</u>	<u>1,262</u>
Total		<u>130,423</u>	<u>1,262</u>

		(Un-audited) March 31, 2019	(Audited) December 31, 2018
	Note	----- (Rupees in '000) -----	
<b>12. INTANGIBLE ASSETS</b>			
Capital work-in-progress	12.1	49,992	53,488
Intangible assets in use	12.2	135,858	151,424
		<u>185,850</u>	<u>204,912</u>
<b>12.1 Capital work-in-progress</b>			
Advances to suppliers and contractors		49,992	53,488
Advances against capital work in progress considered doubtful		141,224	141,224
Less: Provision held there against		(141,224)	(141,224)
		-	-
		<u>49,992</u>	<u>53,488</u>
<b>12.2 Intangible assets in use</b>			
Computer softwares		66,792	73,517
Core deposits		40,287	45,534
Brand name		28,779	32,373
		<u>135,858</u>	<u>151,424</u>
		<u>(Un-audited)</u>	<u>(Un-audited)</u>
		<u>March 31,</u>	<u>March 31,</u>
		<u>2019</u>	<u>2018</u>
<b>12.3 Additions to intangible assets</b>		----- (Rupees in '000) -----	
The following additions have been made to intangible assets during the period:			
Directly purchased		<u>3,496</u>	<u>807</u>

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

### 13. DEFERRED TAX ASSETS

March 31, 2019 (Un-audited)			
At January 01, 2019	Recognised in profit and loss account	Recognised in Other Comprehensive Income	At March 31, 2019
----- (Rupees in '000) -----			
Deductible Temporary Differences on			
- Tax losses carried forward	3,811,924	380,162	-
- Deficit on revaluation of investments	586,669	-	(118,257)
- Provision against advances, off balance sheet etc.	3,433,882	471,365	-
- Provision for impairment loss - Investment	1,145,074	9,995	-
- Provision against intangible assets	43,107	-	-
- Staff compensated absences	35,380	(1,968)	-
- Unrealised loss on HFT Portfolio	-	51	-
- Provision against other assets	149,656	-	-
	<b>9,205,692</b>	<b>859,605</b>	<b>(118,257)</b>
			<b>9,947,040</b>
Taxable Temporary Differences on			
- Surplus on revaluation of fixed assets	(1,063,624)	-	8,834
- Surplus on revaluation of property - held for sale	(406,274)	-	-
- Surplus on revaluation of non-banking assets	(141,353)	-	316
- Fixed assets	(382,530)	(6,230)	-
- Unrealized (gain) on forward exchange contracts	3,078	(7,415)	-
	<b>(1,990,703)</b>	<b>(13,645)</b>	<b>9,150</b>
			<b>(1,995,198)</b>
	<b>7,214,989</b>	<b>845,960</b>	<b>(109,107)</b>
			<b>7,951,842</b>
December 31, 2018 (Audited)			
At January 01, 2018	Recognised in profit and loss account	Recognised in Other Comprehensive Income	At December 31, 2018
----- (Rupees in '000) -----			
Deductible Temporary Differences on			
- Tax losses carried forward	4,103,554	(291,630)	-
- Deficit on revaluation of investments	427,094	-	159,575
- Provision against advances, off balance sheet etc.	1,309,930	2,123,952	-
- Provision for impairment loss - Investment	762,288	382,786	-
- Provision against intangible assets	43,107	-	-
- Staff compensated absences	36,558	(1,178)	-
- Unrealised loss on HFT portfolio	5,560	(5,560)	-
- Provision against other assets	149,656	-	-
	<b>6,837,747</b>	<b>2,208,370</b>	<b>159,575</b>
			<b>9,205,692</b>
Taxable Temporary Differences on			
- Surplus on revaluation of fixed assets	(452,385)	-	(611,239)
- Surplus on revaluation of property - held for sale	-	-	(406,274)
- Surplus on revaluation of non-banking assets	(151,972)	-	10,619
- Fixed assets	(398,770)	16,240	-
- Unrealized (gain) / loss on forward exchange contracts	(30,429)	33,507	-
	<b>(1,033,556)</b>	<b>49,747</b>	<b>(1,006,894)</b>
			<b>(1,990,703)</b>
	<b>5,804,191</b>	<b>2,258,117</b>	<b>(847,319)</b>
			<b>7,214,989</b>

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.

	Note	(Un-audited)	(Audited)
		March 31, 2019	December 31, 2018
<b>14. OTHER ASSETS</b>		----- (Rupees in '000) -----	
Income / Mark-up accrued in local currency		1,390,242	1,631,155
Income / Mark-up accrued in foreign currency		1,853	2,805
Advances, deposits, advance rent and other prepayments		284,490	428,590
Advance taxation (payments less provisions)		570,136	570,805
Non-banking assets acquired in satisfaction of claims		2,782,638	2,802,674
Branch adjustment account		-	20
Mark to market gain on forward foreign exchange contracts		30,815	-
Acceptances		830,290	1,118,180
Receivable from brokers		-	5,038
Stationery and stamps on hand		8,499	8,999
Dividend receivable		15,334	-
Receivable from other banks against clearing and settlement		117,179	-
Commission receivable on home remittance		137,678	134,985
Property - held for sale	14.1	3,838,719	3,838,719
Others		460,389	435,111
		10,468,262	10,977,081
Less: Provision held against other assets	14.2	(585,003)	(584,840)
Other Assets (Net of Provision)		9,883,259	10,392,241
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		402,963	403,865
Surplus on revaluation of Property - held for sale		1,160,784	1,160,784
Other assets - total		11,447,006	11,956,890

- 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 had been transferred from Property and Equipment (land and capital work in progress) to other assets at the year ended December 31, 2018. Accordingly, the surplus held on this property represents surplus recognised till December 31, 2018 i.e. till the date of transfer of this asset to the 'Other Assets' category in accordance with the accounting policy for fixed assets. Moreover, this property will be carried at lower of market value / fair value less cost to sell and carrying amount at the time of transfer from owned assets category.

	(Un-audited)	(Audited)
	March 31, 2019	December 31, 2018
<b>14.2 Provision held against other assets</b>	----- (Rupees in '000) -----	
Income / Mark-up accrued in local currency	1,389	1,389
Advances, deposits, advance rent and other prepayments	79,664	79,664
Non banking assets acquired in satisfaction of claims	290,547	290,547
Commission receivable on guarantee	9,880	9,880
Receivable from Dewan Group	34,436	34,436
Account receivable - sundry claims	133,941	133,731
Receivable from Speedway Fondmetal (Pakistan) Limited	25,694	25,694
Others	9,452	9,499
	585,003	584,840

**14.2.1 Movement in provision held against other assets**

Opening balance	584,840	488,435
Charge for the period / year	210	96,499
Amount written off	(47)	(94)
Closing balance	585,003	584,840

**15. CONTINGENT ASSETS**

There were no contingent assets at the balance sheet date.



	(Un-audited) March 31, 2019	(Audited) December 31, 2018
----- (Rupees in '000) -----		
<b>16. BILLS PAYABLE</b>		
In Pakistan	1,581,770	1,881,107
Outside Pakistan	-	-
	<u>1,581,770</u>	<u>1,881,107</u>

**17. BORROWINGS**

**Secured**

Borrowings from State Bank of Pakistan	6,609,540	6,792,628
- Under export refinance scheme	250,000	250,000
- Under Islamic Export Refinance Scheme (IERF)	943,969	756,323
- Under Long-term financing facility	6,982	3,363
- Refinance facility for modernization of SMEs	-	8,163,360
- Repurchase agreement borrowings	7,810,491	15,965,674
Repurchase agreement borrowings	6,601,263	1,000,000
Foreign bills - rediscounted	832,145	608,830
<b>Total secured</b>	<u>15,243,899</u>	<u>17,574,504</u>

**Unsecured**

Call borrowings	-	1,911,000
Overdrawn nostro accounts	35,817	6,350
<b>Total unsecured</b>	<u>35,817</u>	<u>1,917,350</u>
	<u>15,279,716</u>	<u>19,491,854</u>

**17.1 Particulars of borrowings with respect to currencies**

In local currency	14,411,754	18,876,674
In foreign currencies	867,962	615,180
	<u>15,279,716</u>	<u>19,491,854</u>

**18. DEPOSITS AND OTHER ACCOUNTS**

March 31, 2019 (Un-audited)			December 31, 2018 (Audited)		
In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- (Rupees in '000) -----					

**Customers**

Current deposits	27,485,416	1,566,877	29,052,293	27,684,415	1,539,251	29,223,666
Savings deposits	35,957,974	1,687,173	37,645,147	34,873,064	1,605,157	36,478,221
Term deposits	9,230,091	1,712,113	10,942,204	8,624,571	1,579,424	10,203,995
Others	3,985,625	22,063	4,007,688	4,579,025	21,838	4,600,863
	<u>76,659,106</u>	<u>4,988,226</u>	<u>81,647,332</u>	<u>75,761,075</u>	<u>4,745,670</u>	<u>80,506,745</u>

**Financial Institutions**

Current deposits	964,086	146,588	1,110,674	988,132	126,472	1,114,604
Savings deposits	2,251,559	4	2,251,563	2,254,400	4	2,254,404
Term deposits	517,411	-	517,411	800,337	-	800,337
Others	-	-	-	-	-	-
	<u>3,733,056</u>	<u>146,592</u>	<u>3,879,648</u>	<u>4,042,869</u>	<u>126,476</u>	<u>4,169,345</u>
	<u>80,392,162</u>	<u>5,134,818</u>	<u>85,526,980</u>	<u>79,803,944</u>	<u>4,872,146</u>	<u>84,676,090</u>

**18.1** Deposits include Eligible Deposits of Rs. 58,243.000 million (December 31, 2018: 55,944.727 million) protected under Depositors Protection Mechanism introduced by the State Bank of Pakistan.

**19. SUBORDINATED DEBT**

Issue amount	Rs. 1,500,000,000
Issue date	October 27, 2011
Maturity date	October 27, 2020 (December 31, 2018: October 27, 2019)

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 was extended twice by the Bank to October 27, 2019 and October 27, 2020 through the extraordinary resolutions passed by the TFC holders on November 19, 2018, April 10, 2019 and November 20, 2019. The Bank completed necessary regulatory formalities for these extensions and executed the amended Declaration of Trusts on July 23, 2019 and September 23, 2020. A final approval of these extensions were approved by the SBP vide its letters dated October 21, 2019 and October 21, 2020.

Recently, the TFC holders of the Bank in their extraordinary meeting held on October 22, 2020 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 with the revised maturity date of October 27, 2021. The requisite formalities and compliance with the applicable regulatory requirements necessary for this extension have already been completed by the Bank and the final approval is awaited 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, 2019	(Audited) December 31, 2018
<b>20. OTHER LIABILITIES</b>	<b>Note</b>	----- (Rupees in '000) -----	
Mark-up / return / interest payable in local currency		847,932	827,718
Mark-up / return / interest payable in foreign currency		385	7,780
Unearned income		10,665	15,223
Accrued expenses		100,231	196,893
Advance against sale of property		440,542	438,852
Acceptances		830,290	1,118,180
Unclaimed dividends		2,213	2,213
Mark to market loss on forward foreign exchange contracts		18,425	8,793
Branch adjustment account		9	-
Payable to defined benefit plan		48,680	33,358
Charity fund balance		56	844
Security deposits against lease		748,462	789,230
Payable to Bangladesh Bank		41,389	41,389
Payable to Rupali Bank - Bangladesh		16,293	16,293
Payable to vendors / creditors		121,828	126,321
Provision for compensated absences		97,156	101,082
Payable to Bank of Ceylon, Colombo		20,163	20,163
Retention money		10,300	6,671
Workers' Welfare Fund		13,360	13,360
Withholding taxes and government levies payable		25,542	13,481
Federal excise duty and sales tax payable		5,861	10,254
Payable to other banks against clearing and settlement		-	137
Commission payable on home remittances		117,123	125,375
Lease Liability against right of use assets	4.1.2	1,997,351	-
Others		562,100	417,213
		<b>6,076,356</b>	<b>4,330,823</b>
<b>21. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS</b>			
Surplus / (deficit) on revaluation of			
- Available for sale securities	9.1	(1,338,317)	(1,676,197)
- Fixed assets		3,671,811	3,712,954
- Non-banking assets acquired in satisfaction of claims	14	402,963	403,865
- Property - held for sale	14	1,160,784	1,160,784
		3,897,241	3,601,406
Deferred tax on surplus / (deficit) on revaluation of:			
- Available for sale securities		468,410	586,669
- Fixed assets		(1,054,792)	(1,063,624)
- Non-banking assets acquired in satisfaction of claims		(141,037)	(141,353)
- Property - held for sale		(406,274)	(406,274)
		(1,133,693)	(1,024,582)
		<b>2,763,548</b>	<b>2,576,824</b>
<b>22. CONTINGENCIES AND COMMITMENTS</b>			
Guarantees	22.1	19,130,419	19,970,337
Commitments	22.2	29,308,270	31,599,152
Other contingent liabilities	22.3	10,923,376	11,661,255
		<b>59,362,065</b>	<b>63,230,744</b>
<b>22.1 Guarantees:</b>			
Financial guarantees		23,677	23,677
Performance guarantees		14,561,366	14,891,050
Other guarantees		4,545,376	5,055,610
		<b>19,130,419</b>	<b>19,970,337</b>

		(Un-audited) March 31, 2019	(Audited) December 31, 2018
	Note	----- (Rupees in '000) -----	
<b>22.2</b>	<b>Commitments:</b>		
	Documentary credits and short-term trade-related transactions		
	- letters of credit	6,328,274	6,604,310
	Commitments in respect of:		
	- forward foreign exchange contracts	22.2.1 4,131,358	4,315,349
	- forward lending	22.2.2 12,014,550	8,067,231
	- operating leases	22.2.3 45,901	3,164,673
	Commitments for acquisition of:		
	- Operating fixed assets	45,894	140,560
	- Intangible assets	141,030	143,669
	Other commitments	22.2.4 6,601,263	9,163,360
		<u>29,308,270</u>	<u>31,599,152</u>
<b>22.2.1</b>	<b>Commitments in respect of forward foreign exchange contracts</b>		
	Purchase	3,355,060	3,404,992
	Sale	776,298	910,357
		<u>4,131,358</u>	<u>4,315,349</u>
<b>22.2.2</b>	<b>Commitments in respect of forward lending</b>		
	Forward documentary bills	3,671,924	3,458,501
	Undrawn formal standby facilities, credit lines and other commitments to lend	22.2.2.1 8,342,626	4,608,730
		<u>12,014,550</u>	<u>8,067,231</u>
<b>22.2.2.1</b>	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.		
		(Un-audited) March 31, 2019	(Audited) December 31, 2018
		----- (Rupees in '000) -----	
<b>22.2.3</b>	<b>Commitments in respect of operating leases</b>		
	Not later than one year	45,901	652,360
	Later than one year and not later than five years	-	1,636,820
	Later than five years	-	875,493
		<u>45,901</u>	<u>3,164,673</u>
<b>22.2.4</b>	<b>Other commitments</b>		
	Purchase (Repo)	6,601,263	9,163,360
<b>22.3</b>	<b>Other contingent liabilities - claims against the Bank not acknowledged as debts</b>	22.4 10,923,376	11,661,255
<b>22.4</b>	In 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 subjudice. These proceedings in the opinion of the management will not have any effect on the operations and functioning of the Bank.		
<b>22.5</b>	Contingency related to tax is disclosed in note 31.2		

		(Un-audited)	
		Quarter ended	
		March 31,	March 31,
		2019	2018
Note		----- (Rupees in '000) -----	
<b>23. MARK-UP / RETURN / INTEREST EARNED</b>			
On:			
Loans and advances	1,276,256	1,600,052	
Investments	285,452	1,138,989	
Lendings to financial institutions	8,678	101,180	
Balances with banks	5,257	3,492	
	<u>1,575,643</u>	<u>2,843,713</u>	
<b>24. MARK-UP / RETURN / INTEREST EXPENSED</b>			
Deposits	982,106	1,240,731	
Borrowings	325,851	683,928	
Subordinated debt	47,348	34,745	
Cost of foreign currency swaps against foreign currency deposits / borrowings	86,953	65,673	
Finance cost of lease liability	68,898	-	
	<u>1,511,156</u>	<u>2,025,077</u>	
<b>25. FEE AND COMMISSION INCOME</b>			
Branch banking customer fees	2,137	5,729	
Consumer finance related fees	703	2,403	
Card related fees (debit cards)	25,255	20,330	
Credit related fees	5,070	7,653	
Investment banking fees	4,216	1,716	
Commission on trade	55,670	103,594	
Commission on guarantees	37,936	58,020	
Commission on cash management	1,322	1,461	
Commission on remittances including home remittances	16,391	22,592	
Commission on bancassurance	1,309	484	
Commission on Benazir Income Support Programme	18,281	634	
Alternate delivery channels	4,989	8,492	
Others	96	423	
	<u>173,375</u>	<u>233,531</u>	
<b>26. (LOSS) / GAIN ON SECURITIES</b>			
Realised	26.1	(1,409)	22,192
Unrealised - held for trading		(146)	(8,042)
		(1,555)	14,150
<b>26.1 Realised (loss) / gain on:</b>			
Federal Government Securities	(1,539)	2,949	
Shares	130	19,117	
Mutual Funds	-	99	
Non Government Debt Securities	-	27	
	<u>(1,409)</u>	<u>22,192</u>	

	Note	(Un-audited)	
		Quarter ended	
		March 31, 2019	March 31, 2018
		----- (Rupees in '000) -----	
<b>27. OTHER INCOME</b>			
Rent on property / locker		4,795	8,214
Gain on sale of fixed assets - net		20,872	743
Gain on sale of non banking assets - net		-	19,973
Gain on sale of ijarah assets		854	278
Account maintenance and other relevant charges		4,883	8,864
Recovery of expenses from customers		4,373	8,695
Others		301	-
		<b>36,078</b>	<b>46,767</b>
<b>28. OPERATING EXPENSES</b>			
<b>Total compensation expense</b>	<b>28.1</b>	<b>424,632</b>	<b>525,796</b>
<b>Property expense</b>			
Rent and taxes		44,076	197,614
Insurance - property		1,258	1,446
Insurance - non banking assets		80	213
Utilities cost		46,592	39,803
Security (including guards)		40,898	42,875
Repair and maintenance (including janitorial charges)		24,925	22,394
Depreciation on owned fixed assets		97,324	106,099
Depreciation on right-of-use assets		126,376	-
Depreciation on non banking assets		10,937	11,977
		<b>392,466</b>	<b>422,421</b>
<b>Information technology expenses</b>			
Software maintenance		12,456	13,932
Hardware maintenance		13,962	10,731
Depreciation on computer equipments		28,444	33,031
Amortisation of computer softwares		6,725	6,364
Network charges		22,143	24,083
Insurance		96	133
		<b>83,826</b>	<b>88,274</b>
<b>Other operating expenses</b>			
Directors' fees and allowances		550	1,150
Fees and allowances to Shariah Board		1,200	1,200
Legal and professional charges		110,634	16,507
Outsourced services costs		30,562	33,259
Travelling and conveyance		34,306	39,213
NIFT clearing charges		6,979	8,351
Depreciation		32,406	35,276
Amortisation core deposit and brand name		8,843	8,843
Training and development		1,119	2,772
Postage and courier charges		11,931	10,984
Communication		10,825	15,594
Stationery and printing		20,397	23,738
Marketing, advertisement and publicity		13,985	41,424
Brokerage and commission		302	3,200
Fee and subscription		33,187	21,760
Cash transportation and sorting charges		21,858	25,040
Entertainment		8,079	10,146
Insurance		39,874	40,530
Repair and maintenance		17,014	10,764
Auditors' remuneration		4,012	2,908
Others		34,423	6,827
		<b>442,486</b>	<b>359,486</b>
		<b>1,343,410</b>	<b>1,395,977</b>

		(Un-audited)	
		Quarter ended	
		March 31,	March 31,
		2019	2018
		----- (Rupees in '000) -----	
<b>28.1</b>	<b>Total compensation expense</b>		
	Fees and allowances etc	9,821	9,457
	Managerial remuneration		
	i) Fixed	259,851	325,328
	ii) Variable of which:		
	a) Cash Bonus / Awards etc.	704	1,671
	b) Incentives and commission	367	2,364
	Charge for defined benefit plan	15,322	15,322
	Contribution to defined contribution Plan	12,474	17,880
	Charge for employees compensated absences	3,750	3,750
	Rent and house maintenance	83,837	103,607
	Utilities	18,629	23,022
	Medical	19,877	23,395
	<b>Total</b>	<b>424,632</b>	<b>525,796</b>
<b>29.</b>	<b>OTHER CHARGES</b>		
	Penalties imposed by State Bank of Pakistan	266	6,855
	Bank charges	4,185	6,473
		<b>4,451</b>	<b>13,328</b>
<b>30.</b>	<b>PROVISIONS AND WRITE OFFS - NET</b>		
	Provisions for diminution in value of investments	28,558	-
	Provisions against loans and advances	1,501,692	331,905
	Fixed assets written off	-	3,061
	Provision against other assets	210	767
	Bad debts written off directly	173	294
	Recovery of written off / charged off bad debts	(618)	(371)
		<b>1,530,015</b>	<b>335,656</b>
<b>31.</b>	<b>TAXATION</b>		
	Current	31.1 & 31.2 23,432	40,826
	Prior years	-	-
	Deferred	(845,960)	(169,335)
		<b>(822,528)</b>	<b>(128,509)</b>
<b>31.1</b>	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.		
<b>31.2</b>	The Income Tax Returns of the Bank have been submitted up to and including the Bank's financial year ended December 31, 2017 i.e. tax year 2018.		
	In respect of assessments of Summit Bank Limited from tax year 2008 to tax year 2013, the tax authorities disputed Bank's treatment on certain issues and created additional tax demand (net of rectification) of Rs.230.52 million through amended assessment orders and the same have been paid / adjusted against available refunds.		

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

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

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

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

		(Un-audited) Quarter ended	
		March 31, 2019	March 31, 2018
		----- (Rupees in '000) -----	
<b>32.</b>	<b>BASIC AND DILUTED LOSS PER SHARE</b>		
	Loss for the period	<u>(1,649,454)</u>	<u>(328,266)</u>
		----- (Number of shares) -----	
	Weighted average number of ordinary shares	<u>2,638,151,060</u>	<u>2,638,151,060</u>
		----- (Rupee) -----	
	Basic loss per share	<u>(0.63)</u>	<u>(0.12)</u>
		----- (Number of shares) -----	
	Weighted average number of ordinary shares (adjusted for the effects of all dilutive potential ordinary shares)	<u>2,638,151,060</u>	<u>2,638,151,060</u>
		----- (Rupee) -----	
	Diluted loss per share	<u>(0.63)</u>	<u>(0.12)</u>

**32.1** There are no potential ordinary shares outstanding as of March 31, 2019.

		(Un-audited) Quarter ended	
		March 31, 2019	March 31, 2018
		----- (Rupees in '000) -----	
<b>33.</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash and balances with treasury banks	4,805,043	13,214,184
	Balances with other banks	1,198,992	2,305,607
	Overdrawn nostro accounts	(35,817)	(494,038)
		<u>5,968,218</u>	<u>15,025,753</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, other than investments in subsidiaries, 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.



### 35.1 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).

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 categorised:

March 31, 2019 (Un-audited)			
Level 1	Level 2	Level 3	Total
(Rupees in '000)			
<b>On balance sheet financial instruments</b>			
<b>Financial assets - measured at fair value</b>			
Investments			
- Federal Government Securities	-	15,153,290	- 15,153,290
- Shares - Listed	1,959,926	-	- 1,959,926
- Non-Government Debt Securities	-	-	-
<b>Financial assets - disclosed but not measured at fair value</b>			
Investments			
- Shares - Unlisted	-	-	1,857 1,857
<b>Non-Financial assets - measured at fair value</b>			
Operating fixed assets	-	-	7,411,941 7,411,941
Non banking assets acquired in satisfaction of claims	-	-	2,895,054 2,895,054
<b>Off-balance sheet financial instruments - measured at fair value</b>			
Forward purchase of foreign exchange	-	3,384,590	- 3,384,590
Forward sale of foreign exchange	-	793,438	- 793,438

December 31, 2018 (Audited)			
Level 1	Level 2	Level 3	Total
(Rupees in '000)			
<b>On balance sheet financial instruments</b>			
<b>Financial assets - measured at fair value</b>			
Investments			
- Federal Government Securities	-	16,323,086	- 16,323,086
- Shares - Listed	1,797,857	-	- 1,797,857
- Non-Government Debt Securities	-	12,489	- 12,489
<b>Financial assets - disclosed but not measured at fair value</b>			
Investments			
- Shares - Unlisted	-	-	1,857 1,857
<b>Non-Financial assets - measured at fair value</b>			
Operating fixed assets	-	-	7,591,618 7,591,618
Non banking assets acquired in satisfaction of claims	-	-	2,915,992 2,915,992
<b>Off-balance sheet financial instruments - measured at fair value</b>			
Forward purchase of foreign exchange	-	3,416,803	- 3,416,803
Forward sale of foreign exchange	-	930,961	- 930,961

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

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

**35. SEGMENT INFORMATION**

**35.1 Segment Details with respect to Business Activities**

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 March 31, 2019 (Un-audited)						
Corporate finance	Trading and sales	Branch banking	Islamic	Others	Total	
------(Rupees in '000)-----						
Balance Sheet						
Cash and bank balances	-	2,065,558	3,599,197	339,280	-	6,004,035
Investments	-	15,778,846	1,989,835	-	281,999	18,050,680
Net inter segment lending	-	-	-	11,000,398	-	11,000,398
Lendings to financial institutions	-	-	-	-	-	-
Advances - performing	-	-	37,908,158	5,484,576	-	43,392,734
- non-performing	-	-	13,155,352	505,378	-	13,660,730
Others	29,207	4,427,445	17,388,798	780,755	7,557,874	30,184,079
Total assets	29,207	22,271,849	74,041,340	18,110,387	7,839,873	122,292,656
Borrowings	14	6,632,588	8,397,114	250,000	-	15,279,716
Subordinated debt	2,946	406,416	1,086,153	-	-	1,495,515
Deposits and other accounts	-	-	70,460,212	15,066,768	-	85,526,980
Net inter segment borrowing	-	11,000,398	-	-	-	11,000,398
Others	497	171,573	5,599,409	1,300,696	585,951	7,658,126
Total liabilities	3,457	18,210,975	85,542,888	16,617,464	585,951	120,960,735
Equity	25,750	4,060,874	(11,501,548)	1,492,923	7,253,922	1,331,921
Total Equity and liabilities	29,207	22,271,849	74,041,340	18,110,387	7,839,873	122,292,656
Contingencies and Commitments	-	10,732,621	32,381,503	5,137,641	11,110,300	59,362,065

For the quarter ended March 31, 2018 (Un-audited)					
Corporate finance	Trading and sales	Branch Banking	Islamic	Others	Total

**Profit and Loss**

(Rupees in '000)						
Net mark-up / return / profit	(12)	358,223	266,794	193,631	-	818,636
Inter segment revenue - net	-	3,703	-	(3,703)	-	-
Non mark-up / return / interest income	19	176,744	263,033	9,781	19,973	469,550
Total income	7	538,670	529,827	199,709	19,973	1,288,186
Segment direct expenses	117	115,882	1,211,027	70,089	12,190	1,409,305
Inter segment expense allocation	-	-	(99,411)	99,411	-	-
Total expenses	117	115,882	1,111,616	169,500	12,190	1,409,305
(Reversal) / provisions	-	-	334,202	1,454	-	335,656
Profit / (loss) before tax	(110)	422,788	(915,991)	28,755	7,783	(456,775)

As at December 31, 2018 (Audited)					
Corporate finance	Trading and sales	Branch Banking	Islamic	Others	Total

**Balance Sheet**

(Rupees in '000)						
Cash and bank balances	-	2,090,681	3,601,854	347,536	-	6,040,071
Investments	-	16,774,074	2,200,302	-	281,999	19,256,375
Net inter segment lending	-	700,000	-	10,722,364	-	11,422,364
Lendings to financial institutions	-	-	-	-	-	-
Advances - performing	-	-	40,814,032	5,862,800	-	46,676,832
- non-performing	-	-	13,768,955	800,090	-	14,569,045
Others	4,010	4,059,629	11,199,049	592,337	12,230,644	28,085,669
<b>Total assets</b>	4,010	23,624,384	71,584,192	18,325,127	12,512,643	126,050,356
Borrowings	3	11,076,822	8,165,029	250,000	-	19,491,854
Subordinated debt	678	579,924	914,913	-	-	1,495,515
Deposits and other accounts	-	-	69,463,371	15,212,719	-	84,676,090
Net inter segment borrowing	-	10,722,364	-	700,000	-	11,422,364
Others	497	514,859	4,743,509	537,213	415,852	6,211,930
<b>Total liabilities</b>	1,178	22,893,969	83,286,822	16,699,932	415,852	123,297,753
Equity	2,832	730,415	(11,702,630)	1,625,195	12,096,791	2,752,603
<b>Total Equity and liabilities</b>	4,010	23,624,384	71,584,192	18,325,127	12,512,643	126,050,356
<b>Contingencies and Commitments</b>	-	13,475,014	31,689,074	6,125,410	11,941,246	63,230,744

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, 2019 (Un-audited)				December 31, 2018 (Audited)			
	Parent company	Key management personnel	Subsidiary	Other related parties	Parent company	Directors management	Subsidiary	Other related parties
	(Rupees in '000)							
<b>Balances with other banks</b>								
In current accounts	-	-	-	6,373	-	-	-	26,457
<b>Investments</b>								
Opening balance	-	-	396,942	1,713,990	-	-	396,942	1,803,185
Investment made during the period / year	-	-	-	-	-	-	-	54,983
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	(133,317)
Transfer in / (out) - net	-	-	-	-	-	-	-	(10,861)
Closing balance	-	-	396,942	1,713,990	-	-	396,942	1,713,990
Provision for diminution in value of investments	-	-	114,943	1,550,751	-	-	114,943	1,539,327
<b>Advances</b>								
Opening balance	-	259,303	-	932,302	-	-	-	1,213,053
Addition during the period / year	-	68,157	-	485,548	-	-	32,134	3,635,109
Repaid during the period / year	-	(59,627)	-	(530,920)	-	-	(180,248)	(3,915,860)
Transfer in / (out) - net	-	-	-	-	-	-	(2,117)	-
Closing balance	-	267,833	-	886,930	-	-	259,303	932,302
Provision held against advances	-	-	-	-	-	-	-	-

	March 31, 2019 (Un-audited)				December 31, 2018 (Audited)			
	Parent company	Directors management personnel	Subsidiary	Other related parties	Parent company	Directors management personnel	Subsidiary	Other related parties
	(Rupees in '000)							
<b>Other Assets</b>								
Interest / mark-up accrued	-	202	-	7,365	-	758	-	22,292
Other receivable	578	1,404	-	758	578	2,002	-	758
<b>Deposits and other accounts</b>								
Opening balance	-	18,463	13,421	1,769,716	-	32,259	128,456	860,510
Received during the period / year	-	405	104,308	1,298,415	-	23,465	7,046,626	16,458,586
Withdrawn during the period / year	-	(657)	(103,787)	(1,325,513)	-	(37,261)	(7,072,624)	(15,549,380)
Transfer in / (out) - net	-	-	392	-	-	-	(13,882)	-
Closing balance	-	18,212	14,334	75,360	-	18,463	13,421	1,769,716
<b>Other Liabilities</b>								
Interest / mark-up payable	-	125	113	11,538	-	119	325	11,855
Payable to staff retirement fund	-	-	-	48,680	-	-	-	33,358
Payable to Rupali Bank Limited	-	-	-	16,293	-	-	-	16,293
Brokerage payable to Summit Capital Private Limited	-	-	-	39	-	-	184	-
<b>Contingencies and Commitments</b>								
Guarantees, letters of credit and acceptances	-	-	-	17,642	-	-	-	918,975
Commitments to extend credit	-	-	-	400,000	-	-	400,000	230,337

	For the quarter ended March 31, 2019 (Un-audited)				For the quarter ended March 31, 2018 (Un-audited)			
	Parent company	Directors management personnel	Subsidiary	Other related parties	Parent company	Directors management personnel	Subsidiary	Other related parties
	(Rupees in '000)							
<b>Income</b>								
Mark-up / return / interest earned	-	1,592	-	10,227	-	5,834	-	397,107
Fee and commission income	-	-	95	-	-	-	-	-
Loss on securities	-	-	-	-	-	-	-	(2,002)
Foreign exchange income	-	-	-	-	-	-	-	2,786
Other Income	-	-	725	-	-	-	725	-
<b>Expense</b>								
Mark-up / return / interest paid	-	363	603	33,655	-	219	775	4,861
Operating expenses:								
- Rent and taxes	-	-	-	-	-	-	-	8,651
- Directors' fees and allowances	-	550	-	-	-	1,150	-	-
- Legal and professional charges	-	-	-	-	-	-	265	-
- Training and development	-	-	-	-	-	-	-	1,110
- Brokerage and commission	-	-	60	-	-	-	902	-
- Fee and subscription	-	-	3,114	-	-	-	795	750
- Managerial Remuneration	-	-	40,009	-	-	-	51,021	-
Contribution to defined contribution plan	-	-	-	12,474	-	-	-	17,880
Charge for defined benefit plan	-	-	-	15,322	-	-	-	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**

(Un-audited) (Audited)  
March 31, December 31,  
2019 2018  
----- (Rupees in '000) -----

**Minimum Capital Requirement (MCR):**

Paid-up capital (net of losses)	<u>(1,585,789)</u>	<u>21,617</u>
---------------------------------	--------------------	---------------

**Capital Adequacy Ratio (CAR):**

Eligible Common Equity Tier 1 (CET 1) Capital	<u>(10,308,345)</u>	<u>(7,962,104)</u>
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	<u>(10,308,345)</u>	<u>(7,962,104)</u>
Eligible Tier 2 Capital		
Total Eligible Capital (Tier 1 + Tier 2)	<u>(10,308,345)</u>	<u>(7,962,104)</u>

**Risk Weighted Assets (RWAs):**

Credit Risk	<u>82,621,606</u>	<u>82,548,281</u>
Market Risk	<u>6,049,689</u>	<u>8,129,085</u>
Operational Risk	<u>8,564,851</u>	<u>8,564,851</u>
Total	<u>97,236,146</u>	<u>99,242,217</u>

Common Equity Tier 1 Capital Adequacy ratio

<u>-10.60%</u>	<u>-8.02%</u>
----------------	---------------

Tier 1 Capital Adequacy Ratio

<u>-10.60%</u>	<u>-8.02%</u>
----------------	---------------

Total Capital Adequacy Ratio

<u>-10.60%</u>	<u>-8.02%</u>
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**Leverage Ratio (LR):**

Eligible Tier-1 Capital	<u>(10,308,345)</u>	<u>(7,962,104)</u>
Total Exposures	<u>158,069,963</u>	<u>183,954,593</u>
Leverage Ratio	<u>-6.52%</u>	<u>-4.33%</u>

**Liquidity Coverage Ratio (LCR):**

Total High Quality Liquid Assets	<u>10,785,445</u>	<u>27,495,433</u>
Total Net Cash Outflow	<u>19,761,488</u>	<u>31,044,717</u>
Liquidity Coverage Ratio	<u>54.58%</u>	<u>88.57%</u>

**Net Stable Funding Ratio (NSFR):**

Total Available Stable Funding	<u>72,542,088</u>	<u>72,435,261</u>
Total Required Stable Funding	<u>74,165,875</u>	<u>82,307,865</u>
Net Stable Funding Ratio	<u>97.81%</u>	<u>88.01%</u>

### 38. ISLAMIC BANKING BUSINESS

The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 14 (December 31, 2018: 14) Islamic banking branches and 35 (December 31, 2018: 35) Islamic banking windows at the end of the period.

#### STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2019

	<b>(Un-audited)</b>	<b>(Audited)</b>
	<b>March 31,</b>	<b>December 31,</b>
	<b>2019</b>	<b>2018</b>
<b>Note</b>	<b>----- (Rupees in '000) -----</b>	
<b>ASSETS</b>		
Cash and balances with treasury banks	243,264	269,475
Balances with other banks	96,016	78,061
Due from financial institutions	<b>38.1</b> 11,000,398	10,722,364
Investments	-	-
Islamic financing and related assets - net	<b>38.2</b> 5,989,954	6,662,890
Fixed assets	345,241	121,507
Intangible assets	6,305	6,861
Other assets	429,209	463,969
	<b>18,110,387</b>	<b>18,325,127</b>
<b>LIABILITIES</b>		
Bills payable	127,005	125,319
Due to financial institutions	<b>38.3</b> 250,000	950,000
Deposits and other accounts	<b>38.4</b> 15,066,768	15,212,719
Other liabilities	1,173,691	411,894
	<b>16,617,464</b>	<b>16,699,932</b>
<b>NET ASSETS</b>	<b>1,492,923</b>	<b>1,625,195</b>
<b>REPRESENTED BY</b>		
Islamic Banking Fund	1,000,000	1,000,000
Reserves	-	-
Surplus on revaluation of assets	-	-
Unappropriated / unremitted profit	<b>38.5</b> 492,923	625,195
	<b>1,492,923</b>	<b>1,625,195</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	<b>38.6</b>	



**ISLAMIC BANKING BUSINESS  
PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE QUARTER ENDED MARCH 31, 2019**

	March 31, 2019	March 31, 2018
Note	----- (Rupees in '000) -----	
Profit / return earned	<b>38.7</b>	384,397
Profit / return expensed	<b>38.8</b>	194,469
<b>Net profit / return</b>	<b>305,258</b>	189,928
<b>Other income</b>		
Fee and commission income	11,696	23,621
Dividend income	-	-
Foreign exchange loss	(7,373)	(15,867)
Income / (loss) from derivatives	-	-
loss on sale of securities	(1,888)	(295)
Other income	2,538	2,321
Total other income	4,973	9,781
<b>Total income</b>	<b>310,231</b>	199,709
<b>Other expenses</b>		
Operating expenses	160,455	169,500
Workers' welfare fund	-	-
Other charges	309	-
<b>Total other expenses</b>	<b>160,764</b>	169,500
<b>Profit before provisions</b>	<b>149,467</b>	30,209
Provisions and write offs - net	281,739	1,454
(Loss) / profit before taxation	(132,272)	28,755
Taxation	-	-
<b>(Loss) / profit after taxation</b>	<b>(132,272)</b>	28,755

	March 31, 2019 (Un-audited)			December 31, 2018 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- (Rupees in '000) -----						
<b>38.1 Due from financial institutions</b>						
Bai Muajjal Receivable						
from other Financial Institutions	38.1.1	10,400,398	-	10,400,398	10,722,364	-
Qard Based Placement	38.1.2	600,000	-	600,000	-	-
		<b>11,000,398</b>	<b>-</b>	<b>11,000,398</b>	<b>10,722,364</b>	<b>-</b>

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

38.1.2 This represents Qard based placement to a financial institution at mark-up rate of 0.00% (2018: Nil) per annum and is due to mature by April 2019.

	Note	(Un-audited)	(Audited)
		March 31, 2019	December 31, 2018
----- (Rupees in '000) -----			
<b>38.2 Islamic financing and related assets</b>			
Ijarah		835,601	919,439
Murabaha		16,524	16,444
Running Musharakah		763,775	1,007,981
Diminishing Musharakah		3,500,291	3,721,717
Istisna		31,403	31,403
Tijarah		1,218,558	1,056,823
Advance against Murabaha		-	4,042
Advance against Diminishing Musharakah		1,000	500
Gross Islamic financing and related assets		<b>6,367,152</b>	<b>6,758,349</b>
Less: provision against Islamic financings			
- Specific		365,031	82,573
- General		12,167	12,886
		<b>377,198</b>	<b>95,459</b>
Islamic financing and related assets - net of provision		<b>5,989,954</b>	<b>6,662,890</b>
<b>38.3 Due to financial institutions</b>			
<b>Secured</b>			
Acceptances from the SBP under Islamic Export Refinance Scheme		250,000	250,000
<b>Total secured</b>		<b>250,000</b>	<b>250,000</b>
<b>Unsecured</b>			
Musharakah	38.3.1	-	700,000
		<b>250,000</b>	<b>950,000</b>

38.3.1 This represented Musharaka acceptance with conventional operations of Summit Bank Limited.

**38.4 Deposits**

**Customers**

	March 31, 2019 (Un-audited)			December 31, 2018 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
Current deposits	4,953,827	590,601	5,544,428	4,865,906	541,588	5,407,494
Savings deposits	7,439,843	127,193	7,567,036	7,700,010	127,458	7,827,468
Term deposits	1,290,545	102,591	1,393,136	1,038,665	95,320	1,133,985
Margin accounts	298,179	-	298,179	581,337	-	581,337
	<b>13,982,394</b>	<b>820,385</b>	<b>14,802,779</b>	<b>14,185,918</b>	<b>764,366</b>	<b>14,950,284</b>

**Financial Institutions**

Current deposits	83,287	110	83,397	96,313	107	96,420
Savings deposits	180,592	-	180,592	156,015	-	156,015
Term deposits	-	-	-	10,000	-	10,000
	<b>263,879</b>	<b>110</b>	<b>263,989</b>	<b>262,328</b>	<b>107</b>	<b>262,435</b>
	<b>14,246,273</b>	<b>820,495</b>	<b>15,066,768</b>	<b>14,448,246</b>	<b>764,473</b>	<b>15,212,719</b>

**38.4.1** This includes deposits eligible to be covered under insurance arrangements amounting to Rs 9,526.534 million (2018: Rs. 8,885.304 million).

**(Un-audited) (Audited)**  
**March 31, December 31,**  
**2019 2018**  
----- (Rupees in '000) -----

**38.5 Islamic banking business unappropriated profit**

Opening balance	625,195	541,772
(Less) / add: Islamic Banking (loss) / profit for the period	(132,272)	83,423
Closing balance	<u>492,923</u>	<u>625,195</u>

**38.6 CONTINGENCIES AND COMMITMENTS**

Guarantees	4,282,014	4,478,490
Commitments	855,627	1,646,920
Other contingent liabilities	-	-
	<u>5,137,641</u>	<u>6,125,410</u>

	(Un-audited)	
	March 31, 2019	March 31, 2018
<b>38.7 Profit / return earned of financing, investments and placement</b>	----- (Rupees in '000) -----	
Profit earned on:		
Financing	225,047	231,125
Investments	-	129,286
Placements	250,241	23,987
Balances with banks	110	-
	<u>475,398</u>	<u>384,397</u>
<b>38.8 Profit on deposits and other dues expensed</b>		
Deposits and other accounts	158,325	189,524
Due to Financial Institutions	3,776	4,945
Finance cost of Lease Liability	8,039	-
	<u>170,140</u>	<u>194,469</u>

**39. DATE OF AUTHORIZATION OF ISSUE**

These unconsolidated condensed interim financial statements were authorised for issue on October 08, 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, 2019**

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
AS AT MARCH 31, 2019

		(Un-audited) March 31, 2019	(Audited) December 31, 2018
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Cash and balances with treasury banks	7	4,805,073	5,043,105
Balances with other banks	8	1,214,454	1,008,279
Lendings to financial institutions		-	-
Investments	9	17,806,631	19,007,773
Advances	10	57,054,301	61,246,803
Fixed assets	11	10,641,126	8,751,339
Intangible assets	12	190,347	209,418
Deferred tax assets	13	7,917,448	7,180,595
Other assets	14	11,622,813	12,150,539
		<b>111,252,193</b>	<b>114,597,851</b>
<b>LIABILITIES</b>			
Bills payable	16	1,581,770	1,881,107
Borrowings	17	15,279,716	19,491,854
Deposits and other accounts	18	85,451,619	84,573,632
Liabilities against assets subject to finance lease		-	-
Subordinated debt	19	1,495,515	1,495,515
Deferred tax liabilities		-	-
Other liabilities	20	6,147,297	4,434,250
		<b>109,955,917</b>	<b>111,876,358</b>
<b>NET ASSETS</b>		<b>1,296,276</b>	<b>2,721,493</b>
<b>REPRESENTED BY</b>			
Share capital - net		20,500,194	20,500,194
Reserves		(425,043)	(425,043)
Surplus / (deficit) on revaluation of assets	21	2,785,187	2,593,910
Accumulated losses		(21,564,062)	(19,947,568)
		<b>1,296,276</b>	<b>2,721,493</b>
<b>CONTINGENCIES AND COMMITMENTS</b>		<b>22</b>	

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, 2019

		March 31, 2019	March 31, 2018
	Note	----- (Rupees in '000) -----	
Mark-up / return / interest earned	23	1,577,067	2,841,301
Mark-up / return / interest expensed	24	<u>1,510,473</u>	<u>2,021,659</u>
Net mark-up / interest Income		66,594	819,642

**NON MARK-UP / INTEREST INCOME**

Fee and commission income	25	186,302	252,283
Dividend income		18,321	3,725
Foreign exchange income		115,188	171,517
Income / (loss) from derivatives		-	-
(Loss) / gain on securities	26	(1,555)	14,252
Other income	27	35,733	46,781
Total non-mark-up / interest income		<u>353,989</u>	<u>488,558</u>
Total income		<u>420,583</u>	<u>1,308,200</u>

**NON MARK-UP / INTEREST EXPENSES**

Operating expenses	28	1,366,018	1,422,138
Workers' welfare fund		-	-
Other charges	29	4,466	13,334
Total non-mark-up / interest expenses		<u>1,370,484</u>	<u>1,435,472</u>
Loss before provisions		<u>(949,901)</u>	<u>(127,272)</u>
Provisions and write offs - net	30	1,530,015	335,656
Extra ordinary / unusual items		-	-
<b>LOSS BEFORE TAXATION</b>		<u>(2,479,916)</u>	<u>(462,928)</u>

Taxation	31	(821,374)	(125,720)
<b>LOSS AFTER TAXATION</b>		<u>(1,658,542)</u>	<u>(337,208)</u>

----- (Rupee) -----

<b>Basic loss per share</b>	32	<u>(0.63)</u>	<u>(0.13)</u>
<b>Diluted loss per share</b>	32	<u>(0.63)</u>	<u>(0.13)</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

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
FOR THE QUARTER ENDED MARCH 31, 2019

	March 31, 2019	March 31, 2018
	----- (Rupees in '000) -----	
<b>Loss after taxation for the period</b>	<b>(1,658,542)</b>	<b>(337,208)</b>
<b>Other comprehensive income</b>		
<b>Items that may be reclassified to profit and loss account in subsequent periods:</b>		
Movement in deficit on revaluation of investments - net of tax	224,174	94,977
<b>Items that will not be reclassified to profit and loss account in subsequent periods:</b>		
Movement in surplus on revaluation of operating fixed assets - net of tax	8,835	9,935
Movement in surplus on revaluation of non-banking assets - net of tax	316	(2,007)
	9,151	7,928
<b>Total comprehensive loss</b>	<b>(1,425,217)</b>	<b>(234,303)</b>

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, 2019

	Capital reserve		Surplus / (deficit) on revaluation of			Revenue reserve	Total
	Share premium	Statutory reserve	Reserve arising on amalgamation	Fixed / Non banking assets	Property - held for sale	Accumulated losses	
Share capital							
20,500,194	1,000,000	154,162	(1,579,205)	(761,937)	2,288,117	-	10,263,493
Balance as at January 01, 2018 (Audited)							
Loss after taxation for the period ended March 31, 2018	-	-	-	-	-	(11,337,838)	(337,208)
Other comprehensive income - net of tax	-	-	-	94,977	7,928	-	102,905
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	(28,383)	-	-
Balance as at April 01, 2018 (Un-audited)	20,500,194	1,000,000	154,162	(666,960)	2,267,662	28,383	10,029,190
Loss after taxation for the period ended December 31, 2018	-	-	-	-	-	(8,453,782)	(8,453,782)
Other comprehensive income - net of tax	-	-	-	(405,482)	767,007	30,050	1,146,085
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	(85,149)	-	-
Surplus realized on disposal of non-banking assets	-	-	-	-	(37,678)	37,678	-
Balance as at January 01, 2019 (Audited)	20,500,194	1,000,000	154,162	(1,072,442)	2,911,842	754,510	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
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	(25,235)	-	-
Surplus realized on disposal of non-banking assets	-	-	-	-	(902)	-	902
Surplus realized on disposal of fixed assets	-	-	-	-	(15,911)	-	15,911
Balance as at March 31, 2019 (Un-audited)	20,500,194	1,000,000	154,162	(848,268)	2,878,945	754,510	1,296,276

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, 2019

	March 31, 2019	March 31, 2018	
Note	----- (Rupees in '000) -----		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Loss before taxation	(2,479,916)	(462,928)	
Less: Dividend income	(18,321)	(3,725)	
	(2,498,237)	(466,653)	
<b>Adjustments:</b>			
Depreciation on operating fixed assets	158,819	175,193	
Depreciation on right-of-use assets	126,376	-	
Depreciation on non-banking assets	11,330	12,075	
Finance cost of lease liability	68,898	-	
Amortization	15,620	15,220	
Provision and write-offs excluding recoveries	1,530,633	336,027	
Charge for defined benefit plan	16,039	16,072	
Charge for employees compensated absences	3,750	3,898	
Gain on sale of fixed assets	(20,872)	(743)	
Gain on disposal of non-banking assets - net	-	(19,973)	
Unrealised loss on revaluation of investments classified as held-for-trading securities - net	146	8,046	
	1,910,739	545,815	
	(587,498)	79,162	
<b>Decrease / (increase) in operating assets</b>			
Lendings to financial institutions	-	2,210,225	
Held-for-trading securities	(2,650)	(35,630)	
Advances	2,690,637	(4,110,049)	
Others assets (excluding advance taxation)	521,432	(40,458)	
	3,209,419	(1,975,912)	
<b>Decrease in operating liabilities</b>			
Bills Payable	(299,337)	(334,356)	
Borrowings from financial institutions	(4,241,605)	(32,414,050)	
Deposits	877,987	188,456	
Other liabilities (excluding current taxation)	(295,666)	(638,341)	
	(3,958,621)	(33,198,291)	
Payments on account of staff retirement benefits	(8,427)	(58,597)	
Income tax paid	(24,499)	(43,333)	
<b>Net cash used in operating activities</b>	(1,369,626)	(35,196,971)	
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Net investments in available-for-sale securities	1,517,521	34,108,329	
Dividends received	2,987	4,457	
Investments in operating fixed assets	(98,277)	(205,795)	
Investments in intangible assets	-	-	
Proceeds from sale of fixed assets	154,746	2,005	
Proceeds from sale of non-banking assets	10,000	350,000	
<b>Net cash generated from investing activities</b>	1,586,977	34,258,996	
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Payment of lease liability against right-of-use assets	(278,675)	-	
Payments of subordinated debt	-	-	
<b>Net cash used in financing activities</b>	(278,675)	-	
Effect of exchange rate changes on cash and cash equivalent	15,871	220,056	
<b>Decrease in cash and cash equivalents</b>	(45,453)	(717,919)	
Cash and cash equivalents at beginning of the period	6,029,163	15,743,804	
<b>Cash and cash equivalents at end of the period</b>	33 5,983,710	15,025,885	

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, 2019**

**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 Suoro 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, 2019.

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 (2018: 179 Conventional Banking Branches and 14 Islamic Banking Branches) in Pakistan as defined in the Banking Companies Ordinance, 1962.

In November 2018, VIS Credit Rating Company Limited has assigned rating to the Bank's medium to long-term at 'BBB-' (Triple B minus) and short term rating 'A-3' (A-three). Moreover, Bank's TFC rating has been assigned BBB- (SO) (Triple B minus (Structured Obligation)). These ratings have been placed on 'Rating Watch- Negative' status.

During the year in February 2019, VIS Credit Rating Company Limited suspended the entity ratings of the Bank due to non-availability of updated information. 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, subsequently the TFC holders have approved extension in the maturity date of the TFC issue along with payment of all the instalments (mark-up and principal) till October 27, 2021, subject to applicable regulatory approvals and compliances. VIS Credit Rating Company Limited would reassess the ratings once required information along with latest financials is made available.

**I.1.2 Subsidiary**

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

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

I.2 During the quarter, the Group has incurred net loss of Rs. 1,658.542 million resulting in accumulated losses of Rs. 21,564.062 million and net equity of Rs. 1,296.276 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 11.90% (inclusive of Capital Conservation Buffer of 1.90%), Leverage Ratio (LR) at 3.00%, Liquidity Coverage Ratio (LCR) at 100% and Net Stable Funding Ratio (NSFR) at 100% as of December 31, 2018. However, the paid up capital of the Group (net of losses), is below Rs. 10 billion, CAR and LR are negative, while LCR and NSFR are below prescribed levels as at March 31, 2019. Subsequently, from June 30, 2020 onwards, the Group achieved compliance with the applicable LCR requirements.

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

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

- Injection of capital;
- Reaping benefits from the expected growth of Islamic finance in Pakistan since the 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 Holding Company to support the business plan;
- Investments / exposures in safe avenues for achieving solid growth in the core business income; and
- Income generation through avenues for mark-up income and non-mark-up income

In this respect, the Bank had received a revised letter dated May 20, 2021 from H.E. Nasser Abdulla Hussain Lootah (The Investor) pursuant to 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, requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

The SBP has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies through BSD Circular Letter No. 10 dated August 26, 2002 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, 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. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements.

### **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, 2018.

### **2.6 Standards, interpretations of and amendments to existing accounting standards that have become effective in the current period**

IFRS 16, leases, became effective for annual reporting periods commencing on or after January 01, 2019. The impact of the adaptation of IFRS 16 on the Group's condensed interim financial statements is disclosed in note 4.1.2.

In addition, there are certain other new standards and interpretations of and amendments to existing accounting standards that have become applicable to the Group for accounting periods beginning on or after January 01, 2019. These are considered either to not be relevant or to not have any significant impact on the Group's condensed interim financial statements.

## 2.7 Standards and amendments to existing accounting standards that are not yet effective

The following new standards and amendments to existing accounting standards will be effective from the dates mentioned below against the respective standards or amendments:

	<b>Effective dates (annual periods beginning on or after)</b>
- IFRS 3, Definition of a Business (Amendments)	January 01, 2020
- IAS 1, Presentation of Financial Statements (Amendments)	January 01, 2020
- IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors (Amendments)	January 01, 2020
- IFRS 9, Financial instruments: Classification and reassessment	January 01, 2021

IFRS 9 'Financial Instruments' and amendment - Prepayment features with negative compensation (effective for annual periods beginning on or after July 01, 2018 and January 01, 2019 respectively). IFRS 9 replaces the existing guidance in IAS 39 'Financial Instruments: Recognition and measurement'. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The SECP vide its notification dated February 14, 2019 modified the effective date for implementation of IFRS 9 on reporting period / year ending on or after June 30, 2019 (earlier application permitted). SBP had earlier informed the Bank that keeping in view the implementation challenges of IFRS 9 and representations by the banking industry, IFRS 9 would not be applicable on financials of period ending June 30, 2019 for banks / DFIs / MFBs. Thereafter, the SBP wide BPRD Circular No. 4 of 2019 dated October 23, 2019 has issued fresh timelines for implementation of the said standard and has issued detailed instructions over the steps required to be undertaken, setting January 01, 2021 as the effective date of implementation. The Group is in the process of assessing the full impact of this standard.

The Group expects that adoption of the remaining interpretations and amendments will not affect its financial statements in the period of initial application.

## 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, 2018 except as disclosed in note 4.1.

##### 4.1 Changes in accounting policies

###### 4.1.1 Change in reporting format

The State Bank of Pakistan (SBP) through its BPRD Circular No. 5 dated 22 March 2019 has amended the format of quarterly and half yearly financial statements of banks. All banks are directed to prepare their quarterly financial statements on the revised format effective from accounting year starting from 1 January 2019. Accordingly, the Bank has prepared these condensed interim financial statements on the new format prescribed by the State Bank of Pakistan.

###### 4.1.2 Leases

During the current period, 'IFRS 16 - Leases' becomes applicable for the Banks. IFRS 16 replaces existing guidance on accounting for Leases including 'IAS 17 - Leases', 'IFRIC' 'Determining whether an arrangement contains a Lease', 'SIC 15 - Operating Lease Incentives' and 'SIC 27 - Evaluating the substance of transactions involving the legal form of lease'. IFRS 16 introduces single lease accounting model and requires a lessee to recognize assets and liabilities of all leases with a term of more than 12 months unless the underlying assets are of low value. A lessee recognizes right-of-use asset representing its right of using underlying asset and corresponding lease liability representing its obligation to make lease payments. Lessor accounting remains similar to the current standard i.e. lessor continue to classify leases as either finance or operating leases. The Bank has adopted IFRS 16 using the modified retrospective approach with the date of initial application as January 01, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard being recognized at the date of initial application. Accordingly, the Bank has not restated comparatives for the 2018 reporting period.

On adoption of IFRS 16, the Group has recognized liabilities in respect of leases which had previously been classified as operating leases under IAS 17. These liabilities were initially measured as the present value of the remaining lease payments, discounted using the Group's incremental weighted average borrowing rate of 14.34% per annum at January 01, 2019. The Group has used a single discount rate methodology for each portfolio of leases with similar characteristics. The lease liability is subsequently measured at amortized cost using the effective interest rate method.

	Un-audited	
	March 31, 2019	January 01, 2019
	----- (Rupees in '000) -----	
Lease Liability	<u>1,997,351</u>	<u>2,075,149</u>

On adoption of IFRS 16, the associated right of use assets were measured at the amount equal to the lease liability, adjusted by the amount of prepaid lease payments recognized in the statement of financial position immediately before the date of initial application.

The right of use assets recognized subsequent to the adoption are measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. The right of use assets are depreciated on a straight line basis over the lease term.

	<b>Un-audited</b>	
	<b>March 31, 2019</b>	<b>January 01, 2019</b>
	----- (Rupees in '000) -----	
Right-of-Use Asset	<b>2,080,752</b>	2,207,128
<b>Effect of change in Accounting policy</b>		
<b>Impact on Statement of Financial Position</b>		
Increase in fixed assets - ROU Assets	<b>2,080,752</b>	2,207,128
Decrease in other assets - Advances , Deposits and Prepayments	<b>(141,040)</b>	(131,979)
Increase in other assets - Advance Taxation	-	-
Increase in other liabilities - Lease Liability in respect of ROU Assets	<b>(1,997,351)</b>	(2,075,149)
<b>(Decrease ) / Increase in net assets</b>	<b>(57,639)</b>	-
<b>Impact on Profit and Loss Account</b>		
Increase in mark-up expense	<b>(68,898)</b>	-
	<b>(68,898)</b>	-
<b>(Increase) / decrease in administrative expenses:</b>		
-Depreciation of ROU Assets	<b>(126,376)</b>	-
-Rent expense	<b>137,635</b>	-
	<b>11,259</b>	-
Increase in loss before tax	<b>(57,639)</b>	-
Taxation	-	-
Increase in loss after tax	<b>(57,639)</b>	-

Loss per share for the quarter ended March 31, 2019 is Re 0.02 per share higher as a result of the adoption of IFRS 16.

When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate at January 01, 2019.

	<b>Rupees in '000</b>
Operating lease commitments disclosed as at December 31, 2018	<b>3,164,673</b>
Discounted using the lessee's incremental borrowing rate at the date of initial application	2,112,435
Less: short-term leases recognised on a straight-line basis as expense	<b>37,286</b>
Lease liability recognised as at January 01, 2019	<b>2,075,149</b>
Of which are:	
- Current lease liabilities	573,525
- Non Current lease liabilities	<b>1,501,624</b>
	<b>2,075,149</b>

#### 4.1.3 IFRS 15 - Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces IAS 18 'Revenue' IAS 11 'Construction Contracts' and related interpretations.

The Group initially applied IFRS 15 on January 01, 2019 retrospectively in accordance with IAS 8 without any practical expedients. The application of IFRS 15 has no impact on the financial position and / or financial performance of the Group. Accordingly, there was no adjustment in retained earnings on application of IFRS 15 as at January 01, 2019.



## 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis of 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, 2018 except for the following:

During the current period, the management of the Holding Company has revised its estimate of the useful lives of building on leasehold land. The management has decreased the depreciation rates from 5% per annum to 2.5% to 5% per annum. The revision has been made after taking into account the expected pattern of recovery of economic benefits associated with the use of these assets. The revision has been accounted for as a change in accounting estimate as defined in International Accounting Standard 8, 'Accounting Policies, Changes in Accounting Estimate and Errors'. Had the revision in useful lives in respect of building on leasehold land not been made, depreciation expense for the period would have been higher by Rs. 63.150 million and consequently the profit before tax would have been lower by the same amount.

## 6. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Group are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2018.

(Un-audited) (Audited)  
March 31, December 31,  
2019 2018  
----- (Rupees in '000) -----

## 7. CASH AND BALANCES WITH TREASURY BANKS

### In hand

Local currency	2,712,118	2,699,678
Foreign currency	234,205	190,719
	<b>2,946,323</b>	<b>2,890,397</b>

### With State Bank of Pakistan in

Local currency current account	978,796	1,011,453
Foreign currency current account	313,137	302,719
Foreign currency deposit account	140,495	125,904
	<b>1,432,428</b>	<b>1,440,076</b>

With National Bank of Pakistan in Local currency current account 419,351 703,743

Prize bonds 6,971 8,889

**4,805,073** **5,043,105**

## 8. BALANCES WITH OTHER BANKS

### In Pakistan

In current account	29,450	31,759
In deposit account	97,018	92,378
	<b>126,468</b>	<b>124,137</b>

### Outside Pakistan

In current account	468,587	368,270
In deposit account	619,399	515,872
	<b>1,087,986</b>	<b>884,142</b>

**1,214,454** **1,008,279**

**9 INVESTMENTS**

**9.1 Investments by type:**

**Held-for-trading securities**  
Shares

March 31, 2019 (Un-audited)				December 31, 2018 (Audited)			
Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
----- (Rupees in '000) -----							
2,650	-	(146)	2,504	-	-	-	-

**Available-for-sale securities**

**Federal Government Securities**

- Market Treasury Bills  
- Pakistan Investment Bonds  
- GoP Ijarah Sukuks

**Shares**

- Fully paid up ordinary shares - Listed  
- Fully paid up ordinary shares - Unlisted  
- Preference shares - Unlisted

**Non Government Debt Securities**

- Term Finance Certificates  
- Sukuk Bonds

-	-	-	-	1,377,071	-	29	1,377,100
14,027,102	-	(1,099,962)	12,927,140	13,969,584	-	(1,233,323)	12,736,261
2,250,000	-	(23,850)	2,226,150	2,250,000	-	(40,275)	2,209,725
4,152,347	(1,975,754)	(192,866)	1,983,727	4,152,347	(1,947,196)	(385,542)	1,819,609
14,475	(1,000)	-	13,475	14,475	(1,000)	-	13,475
46,035	-	-	46,035	46,035	-	-	46,035
1,603,600	(1,008,500)	-	595,100	1,611,998	(1,008,500)	-	603,498
212,500	(200,000)	-	12,500	402,070	(200,000)	-	202,070
<b>22,306,059</b>	<b>(3,185,254)</b>	<b>(1,316,678)</b>	<b>17,804,127</b>	<b>23,823,580</b>	<b>(3,156,696)</b>	<b>(1,659,111)</b>	<b>19,007,773</b>

**Total Investments**

**22,308,709 (3,185,254) (1,316,824) 17,806,631 23,823,580 (3,156,696) (1,659,111) 19,007,773**

**9.1.1 Investments given as collateral - Market Value**

Pakistan Investment Bonds  
GoP Ijarah Sukuks  
Ordinary shares-Listed

	(Un-audited) March 31, 2019	(Audited) December 31, 2018
	----- (Rupees in '000) -----	
	5,595,121	8,190,815
	296,820	2,209,725
	1,873,275	1,718,824
	<b>7,765,216</b>	<b>12,119,364</b>

**9.2 Provision for diminution in value of investments**

Opening balance  
Charge / reversals  
Charge for the period / year  
Closing Balance

	3,156,696	2,036,030
	28,558	1,120,666
	<b>3,185,254</b>	<b>3,156,696</b>

**9.3 Particulars of provision against debt securities**

**Category of classification**

**Domestic**

Loss

	March 31, 2019 (Un-audited)		December 31, 2018 (Audited)	
	NPI	Provision	NPI	Provision
	----- (Rupees in '000) -----			
	1,522,034	1,208,500	1,522,034	1,208,500
	<b>1,522,034</b>	<b>1,208,500</b>	<b>1,522,034</b>	<b>1,208,500</b>

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. 313.534 million (2018: Rs. 313.534 million). This has a net of tax positive impact of Rs. 203.797 million (2017: Rs. 203.797 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)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
<b>Note</b>	----- (Rupees in '000) -----					
Loans, cash credits, running finances, etc.	36,281,839	39,213,887	35,744,875	35,141,957	72,026,714	74,355,844
Islamic financing and related assets	5,496,743	5,875,686	870,409	882,663	6,367,152	6,758,349
Bills discounted and purchased	1,664,690	1,635,173	47,089	47,089	1,711,779	1,682,262
Advances - gross	43,443,272	46,724,746	36,662,373	36,071,709	80,105,645	82,796,455
Provision against advances						
- Specific	-	-	(23,001,643)	(21,502,664)	(23,001,643)	(21,502,664)
- General	(49,701)	(46,988)	-	-	(49,701)	(46,988)
	(49,701)	(46,988)	(23,001,643)	(21,502,664)	(23,051,344)	(21,549,652)
Advances - net of provision	43,393,571	46,677,758	13,660,730	14,569,045	57,054,301	61,246,803

**10.1 Particulars of advances (Gross)**

	(Un-audited)	(Audited)
	March 31, 2019	December 31, 2018
	----- (Rupees in '000) -----	
In local currency	78,457,237	81,172,241
In foreign currencies	1,648,408	1,624,214
	80,105,645	82,796,455

**10.2** Advances include Rs. 36,662.374 million (December 31, 2018: Rs. 36,071.709 million) which have been placed under non-performing status as detailed below:

**Category of Classification**

	March 31, 2019 (Un-audited)		December 31, 2018 (Audited)	
	Non Performing Loans	Provision	Non Performing Loans	Provision
	----- (Rupees in '000) -----			
<b>Domestic</b>				
Other Assets Especially Mentioned	31,981	837	505,380	721
Substandard	939,249	41,735	5,479,696	460,682
Doubtful	13,940,325	4,906,985	7,709,088	1,609,889
Loss	21,750,819	18,052,086	22,377,545	19,431,372
	36,662,374	23,001,643	36,071,709	21,502,664

**10.3 Particulars of provision against advances**

	March 31, 2019 (Un-audited)			December 31, 2018 (Audited)		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	21,502,664	46,988	21,549,652	14,909,014	30,250	14,939,264
Charge for the period / year	1,591,966	2,713	1,594,679	7,247,738	16,738	7,264,476
Reversals	(92,813)	-	(92,813)	(622,642)	-	(622,642)
	1,499,153	2,713	1,501,866	6,625,096	16,738	6,641,834
Amounts written off	(174)	-	(174)	(31,446)	-	(31,446)
Closing balance	23,001,643	49,701	23,051,344	21,502,664	46,988	21,549,652

**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 State Bank of Pakistan vide its circular No. 9 of 2017 dated December 22, 2017 reduced the requirement of maintaining general reserves against unsecured SE portfolio from 2% to 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 Bank, the specific provision against non-performing advances would have been higher by Rs. 5,825.809 million (2018: Rs. 5,944.384 million). The positive impact on the profit and loss account arising from availing this benefit - net of tax amounts to Rs. 3,786.776 million (2018: Rs. 3,863.850 million). As per the applicable Prudential Regulations, the positive impact of FSV benefit is not available for distribution either as cash or stock dividend to shareholders and bonus to employees.

The SBP has granted relaxation in provisioning requirements in respect of exposure in Dewan Group. Had this relaxation not been available, provision against loans and advances would have been higher by Rs. 205.502 million (2018: Rs. 205.502 million).

		March 31, 2019	December 31, 2018
	Note	----- (Rupees in '000) -----	
<b>II FIXED ASSETS</b>			
Capital work-in-progress	11.1	371,667	395,722
Property and equipment		8,188,707	8,355,617
Right-of-use assets	4.1.2	2,080,752	-
		<u>10,641,126</u>	<u>8,751,339</u>
<b>11.1 Capital work-in-progress</b>			
Civil works and related payments / progress billings		363,545	390,698
Advances and other payments to suppliers and contractors		58,114	5,024
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>421,659</u>	<u>395,722</u>
		(Un-audited)	
		March 31, 2019	March 31, 2018
		----- (Rupees in '000) -----	

**11.2 Additions to fixed assets**

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

Capital work-in-progress	-	164,599
<b>Property and equipment</b>		
Building -improvements	1,644	2,306
Furniture and fixture	57,633	1,691
Electrical, office and computer equipment	18,826	36,392
	<u>78,103</u>	<u>40,389</u>
Right-of-use assets	2,080,752	-
	<u>2,158,855</u>	<u>204,988</u>

**11.3 Transfer / disposal of fixed assets**

Capital work-in-progress	24,055	-
--------------------------	--------	---

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

Leasehold land	104,010	-
Building-improvements	144	-
Building on leasehold land	89	-
Furniture and fixture	-	122
Electrical, office and computer equipment	2,114	1,585
Vehicles	11	-
	<u>106,368</u>	<u>1,707</u>
Total	<u>130,423</u>	<u>1,707</u>

		(Un-audited) March 31, 2019	(Audited) December 31, 2018
	Note	----- (Rupees in '000) -----	
<b>12. INTANGIBLE ASSETS</b>			
Capital work-in-progress	12.1	49,992	53,488
Intangible assets in use	12.2	140,355	155,930
		<u>190,347</u>	<u>209,418</u>
<b>12.1 Capital work-in-progress</b>			
Advances to suppliers and contractors		49,992	53,488
Advances against capital work in progress considered doubtful		141,224	141,224
Less: Provision held there against		(141,224)	(141,224)
		-	-
		<u>49,992</u>	<u>53,488</u>
<b>12.2 Intangible assets in use</b>			
Computer Software		66,903	73,637
Core deposits		40,287	45,534
Brand name		28,779	32,373
Trading Rights Entitlement Certificate		4,386	4,386
		<u>140,355</u>	<u>155,930</u>
<b>(Un-audited)</b>			
		<b>March 31, 2019</b>	<b>March 31, 2018</b>
----- (Rupees in '000) -----			
<b>12.3 Additions to intangible assets</b>			
The following additions have been made to intangible assets during the period:			
Directly purchased		3,496	807
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
- 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
- Alternative corporate tax

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

3,811,925	380,162	-	4,192,087
586,668	-	(118,257)	468,411
3,433,882	471,365	-	3,905,247
1,104,844	9,995	-	1,114,839
43,107	-	-	43,107
36,027	(1,968)	-	34,059
-	51	-	51
149,656	-	-	149,656
773	-	-	773
4,512	-	-	4,512
<b>9,171,394</b>	<b>859,605</b>	<b>(118,257)</b>	<b>9,912,742</b>

**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
- Fixed assets
- Unrealized loss / (gain) on forward exchange contracts

(1,063,624)	-	8,834	(1,054,790)
(406,274)	-	-	(406,274)
(141,352)	-	316	(141,036)
(382,627)	(6,230)	-	(388,857)
3,078	(7,415)	-	(4,337)
<b>(1,990,799)</b>	<b>(13,645)</b>	<b>9,150</b>	<b>(1,995,294)</b>

**7,180,595      845,960      (109,107)      7,917,448**

December 31, 2018 (Audited)			
At January 01, 2018	Recognised in profit and loss account	Recognised in other comprehensive income	At December 31, 2018
----- (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
- Provision against other assets
- Minimum tax
- Alternative corporate tax

4,103,555	(291,630)	-	3,811,925
427,093	-	159,575	586,668
1,309,930	2,123,952	-	3,433,882
712,611	392,233	-	1,104,844
43,107	-	-	43,107
36,592	(565)	-	36,027
5,560	(5,560)	-	-
149,656	-	-	149,656
827	(54)	-	773
4,512	-	-	4,512
<b>6,793,443</b>	<b>2,218,376</b>	<b>159,575</b>	<b>9,171,394</b>

**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
- Fixed assets
- Unrealized (gain) / loss on forward exchange contracts

(452,385)	-	(611,239)	(1,063,624)
-	-	(406,274)	(406,274)
(151,972)	-	10,620	(141,352)
(398,779)	16,152	-	(382,627)
(30,429)	33,507	-	3,078
<b>(1,033,565)</b>	<b>49,659</b>	<b>(1,006,893)</b>	<b>(1,990,799)</b>
<b>5,759,878</b>	<b>2,268,035</b>	<b>(847,318)</b>	<b>7,180,595</b>

- 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 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 Group would be able to achieve the profits and consequently, the recognized deferred tax asset will be fully realized in future.

		(Un-audited) March 31, 2019	(Audited) December 31, 2018
----- (Rupees in '000) -----			
<b>14. OTHER ASSETS</b>	<b>Note</b>		
Income/ mark-up accrued in local currency		1,390,242	1,631,155
Income/ mark-up accrued in foreign currency		1,853	2,805
Advances, deposits, advance rent and other prepayments		356,075	502,044
Advance taxation (payments less provisions)		601,438	601,525
Non-banking assets acquired in satisfaction of claims		2,801,808	2,821,941
Branch adjustment account		-	20
Mark to market gain on forward foreign exchange contracts		30,815	-
Acceptances		830,290	1,118,180
Receivable from brokers		-	5,038
Stationery and stamps on hand		8,499	8,999
Dividend receivable		15,334	-
Receivable from other banks against clearing and settlement		117,179	-
Commission receivable on home remittance		137,678	134,985
Commission receivable on brokerage		8,947	6,477
Property - held for sale	14.1	3,838,719	3,838,719
Account receivable		108,347	127,275
Others		460,393	435,115
		<b>10,707,617</b>	<b>11,234,278</b>
Less: Provision held against other assets	14.2	<b>(648,551)</b>	<b>(648,388)</b>
Other Assets (Net of Provision)		<b>10,059,066</b>	<b>10,585,890</b>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		402,963	403,865
Surplus on revaluation of property - held for sale		1,160,784	1,160,784
Other assets - total		<b>11,622,813</b>	<b>12,150,539</b>

- 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 had been transferred from Property and Equipment (land and capital work in progress) to other assets at the year ended December 31, 2018. Accordingly, the surplus held on this property represents surplus recognised till December 31, 2018 i.e. till the date of transfer of this asset to the 'Other Assets' category in accordance with the accounting policy for fixed assets. Moreover, this property will be carried at lower of market value / fair value less cost to sell and carrying amount at the time of transfer from owned assets category.

		(Un-audited) March 31, 2019	(Audited) December 31, 2018
----- (Rupees in '000) -----			
<b>14.2 Provision held against other assets</b>			
Income / Mark-up accrued in local currency		1,389	1,389
Advances, deposits, advance rent and other prepayments		79,664	79,664
Non banking assets acquired in satisfaction of claims		290,547	290,547
Commission receivable on guarantee		9,880	9,880
Receivable from Dewan Group		34,436	34,436
Account receivable - sundry claims		197,489	197,279
Receivable from Speedway Fondmetal (Pakistan) Limited		25,694	25,694
Others		9,452	9,499
		<b>648,551</b>	<b>648,388</b>
<b>14.2.1 Movement in provision held against other assets</b>			
Opening balance		648,388	552,547
Charge for the period / year		210	96,499
Reversals		-	(564)
Amount written off		(47)	(94)
Closing balance		<b>648,551</b>	<b>648,388</b>

**15. CONTINGENT ASSETS**

There were no contingent assets at the balance sheet date.

	(Un-audited) March 31, 2019	(Audited) December 31, 2018
----- (Rupees in '000) -----		
16. <b>BILLS PAYABLE</b>		
In Pakistan	1,581,770	1,881,107
Outside Pakistan	-	-
	<u>1,581,770</u>	<u>1,881,107</u>

**17. BORROWINGS**

**Secured**

Borrowings from State Bank of Pakistan	6,609,540	6,792,628
- Under export refinance scheme	250,000	250,000
- Under Islamic Export Refinance Scheme (IERF)	943,969	756,323
- Under Long-term financing facility	6,982	3,363
- Refinance facility for modernization of SMEs	-	8,163,360
- Repurchase agreement borrowings	7,810,491	15,965,674
Repurchase agreement borrowings	6,601,263	1,000,000
Borrowings from other financial institutions - Foreign	832,145	608,830
<b>Total secured</b>	<u>15,243,899</u>	<u>17,574,504</u>

**Unsecured**

Call borrowings	-	1,911,000
Overdrawn nostro accounts	35,817	6,350
<b>Total unsecured</b>	<u>35,817</u>	<u>1,917,350</u>
	<u>15,279,716</u>	<u>19,491,854</u>

**17.1 Particulars of borrowings with respect to Currencies**

In local currency	14,411,754	18,876,674
In foreign currencies	867,962	615,180
	<u>15,279,716</u>	<u>19,491,854</u>

**18. DEPOSITS AND OTHER ACCOUNTS**

	March 31, 2019 (Un-audited)			December 31, 2018 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- (Rupees in '000) -----						
<b>Customers</b>						
Current deposits	27,485,416	1,566,877	29,052,293	27,684,415	1,539,251	29,223,666
Savings deposits	35,957,974	1,687,173	37,645,147	34,873,064	1,605,157	36,478,221
Term deposits	9,230,091	1,712,113	10,942,204	8,624,571	1,579,424	10,203,995
Others	3,985,625	22,063	4,007,688	4,579,025	21,838	4,600,863
	<u>76,659,106</u>	<u>4,988,226</u>	<u>81,647,332</u>	<u>75,761,075</u>	<u>4,745,670</u>	<u>80,506,745</u>
<b>Financial Institutions</b>						
Current deposits	922,121	146,588	1,068,709	932,005	126,472	1,058,477
Savings deposits	2,218,163	4	2,218,167	2,208,069	4	2,208,073
Term deposits	517,411	-	517,411	800,337	-	800,337
Others	-	-	-	-	-	-
	<u>3,657,695</u>	<u>146,592</u>	<u>3,804,287</u>	<u>3,940,411</u>	<u>126,476</u>	<u>4,066,887</u>
	<u>80,316,801</u>	<u>5,134,818</u>	<u>85,451,619</u>	<u>79,701,486</u>	<u>4,872,146</u>	<u>84,573,632</u>

18.1 Deposits include Eligible Deposits of Rs. 58,243.000 million (December 31, 2018: 55,944.727 million) protected under Depositors Protection Mechanism introduced by the State Bank of Pakistan.



**19. SUBORDINATED DEBT**

Issue amount	Rs. 1,500,000,000
Issue date	October 27, 2011
Maturity date	October 27, 2020 (December 31, 2018: October 27, 2019)

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 was extended twice by the Bank to October 27, 2019 and October 27, 2020 through the extraordinary resolutions passed by the TFC holders on November 19, 2018, April 10, 2019 and November 20, 2019. The Bank completed necessary regulatory formalities for these extensions and executed the amended Declaration of Trusts on July 23, 2019 and September 23, 2020. A final approval of these extensions were approved by the SBP vide its letters dated October 21, 2019 and October 21, 2020.

Recently, the TFC holders of the Bank in their extraordinary meeting held on October 22, 2020 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 with the revised maturity date of October 27, 2021. The requisite formalities and compliance with the applicable regulatory requirements necessary for this extension have already been completed by the Bank and the final approval is awaited 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, 2019	(Audited) December 31, 2018	
Note	----- (Rupees in '000) -----		
<b>20. OTHER LIABILITIES</b>			
Mark-up / return / interest payable in local currency	847,932	827,767	
Mark-up / return / interest payable in foreign currency	385	7,780	
Unearned income	10,665	15,223	
Accrued expenses	106,101	201,796	
Advance against sale of property	440,542	438,852	
Acceptances	830,290	1,118,180	
Unclaimed dividends	2,213	2,213	
Mark to market loss on forward foreign exchange contracts	18,425	8,793	
Branch adjustment account	9	-	
Payable to defined benefit plan	48,680	33,358	
Charity fund balance	56	844	
Security deposits against lease	749,882	790,621	
Payable to Bangladesh Bank	41,389	41,389	
Payable to Rupali Bank - Bangladesh	16,293	16,293	
Payable to vendors / creditors	121,828	126,321	
Provision for compensated absences	101,779	105,739	
Payable to Bank of Ceylon, Colombo	20,163	20,163	
Retention money	10,300	6,671	
Workers welfare fund	13,360	13,360	
Withholding taxes and government levies payable	25,542	13,481	
Federal excise duty and sales tax payable	5,861	10,254	
Payable to other banks against clearing and settlement	-	137	
Commission payable on home remittances	117,123	125,375	
Account payable	58,903	92,312	
Lease liability against right of use assets	1,997,351	-	
Others	562,225	417,328	
	<u>6,147,297</u>	<u>4,434,250</u>	
<b>21. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS</b>			
Surplus / (deficit) on revaluation of			
- Available for sale securities	9.1	(1,316,678)	(1,659,111)
- Fixed assets		3,671,811	3,712,954
- Non-banking assets acquired in satisfaction of claims	14	402,963	403,865
- Property - held for sale	14	1,160,784	1,160,784
		<u>3,918,880</u>	<u>3,618,492</u>
Deferred tax on surplus / (deficit) on revaluation of:			
- Available for sale securities		468,410	586,669
- Fixed assets		(1,054,792)	(1,063,624)
- Non-banking assets acquired in satisfaction of claims		(141,037)	(141,353)
- Property - held for sale		(406,274)	(406,274)
		<u>(1,133,693)</u>	<u>(1,024,582)</u>
		<u>2,785,187</u>	<u>2,593,910</u>
<b>22. CONTINGENCIES AND COMMITMENTS</b>			
Guarantees	22.1	19,130,419	19,970,337
Commitments	22.2	28,908,270	31,199,152
Other contingent liabilities	22.3	10,923,376	11,661,255
		<u>58,962,065</u>	<u>62,830,744</u>
<b>22.1 Guarantees:</b>			
Financial guarantees		23,677	23,677
Performance guarantees		14,561,366	14,891,050
Other guarantees		4,545,376	5,055,610
		<u>19,130,419</u>	<u>19,970,337</u>

		(Un-audited) March 31, 2019	(Audited) December 31, 2018
	Note	----- (Rupees in '000) -----	
<b>22.2 Commitments:</b>			
Documentary credits and short-term trade-related transactions			
- letters of credit		6,328,274	6,604,310
Commitments in respect of:			
- forward foreign exchange contracts	22.2.1	4,131,358	4,315,349
- forward lending	22.2.2	11,614,550	7,667,231
- operating leases	22.2.3	45,901	3,164,673
Commitments for acquisition of:			
- operating fixed assets		45,894	140,560
- intangible assets		141,030	143,669
Other commitments	22.2.4	6,601,263	9,163,360
		<u>28,908,270</u>	<u>31,199,152</u>
<b>22.2.1 Commitments in respect of forward foreign exchange contracts</b>			
Purchase		3,355,060	3,404,992
Sale		776,298	910,357
		<u>4,131,358</u>	<u>4,315,349</u>
<b>22.2.2 Commitments in respect of forward lending</b>			
Forward documentary bills		3,671,924	3,458,501
Undrawn formal standby facilities, credit lines and other commitments to lend	22.2.2.1	7,942,626	4,208,730
		<u>11,614,550</u>	<u>7,667,231</u>
<b>22.2.2.1</b> 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, 2019	(Audited) December 31, 2018
		----- (Rupees in '000) -----	
<b>22.2.3 Commitments in respect of operating leases</b>			
Not later than one year		45,901	652,360
Later than one year and not later than five years		-	1,636,820
Later than five years		-	875,493
		<u>45,901</u>	<u>3,164,673</u>
<b>22.2.4 Other commitments</b>			
Purchase (Repo)		<u>6,601,263</u>	<u>9,163,360</u>
<b>22.3 Other contingent liabilities - claims against the Group not acknowledged as debts</b>		<u>10,923,376</u>	<u>11,661,255</u>
<b>22.4</b> In 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 Sua Moto Case HRC-39216-G, appoint a Joint Investigation Team (JIT) which was constituted to investigate the matter. On recommendation of JIT, the matter was referred by the Honourable Supreme Court to the National Accountability Bureau (NAB) for further investigation and filing of references in the National Accountability Courts. The matter is currently under NAB investigations and only partial references have been filed in the NAB Courts. The Group has been and is committed to extending its full cooperation to the Law Enforcement Agencies in their investigations to the best extent possible and the matter is currently subjudice. These proceedings in the opinion of the management will not have any effect on the operations and functioning of the Group.			
<b>22.5</b> Contingency related to tax is disclosed in note 31.2			

		(Un-audited) Quarter ended	
		March 31, 2019	March 31, 2018
Note		----- (Rupees in '000) -----	
<b>23.</b>	<b>MARK-UP / RETURN / INTEREST EARNED</b>		
	On:		
	Loans and advances	1,276,275	1,600,069
	Investments	286,855	1,138,989
	Lendings to financial institutions	8,678	101,697
	Balances with banks	5,259	546
		<u>1,577,067</u>	<u>2,841,301</u>
<b>24.</b>	<b>MARK-UP / RETURN / INTEREST EXPENSED</b>		
	Deposits	981,423	1,237,313
	Borrowings	325,851	683,928
	Subordinated debt	47,348	34,745
	Cost of foreign currency swaps against foreign currency deposits / borrowings	86,953	65,673
	Finance cost of lease liability	68,898	-
		<u>1,510,473</u>	<u>2,021,659</u>
<b>25.</b>	<b>FEE AND COMMISSION INCOME</b>		
	Branch banking customer fees	1,982	1,831
	Consumer finance related fees	703	2,403
	Card related fees (debit cards)	25,255	19,147
	Credit related fees	5,070	7,653
	Investment banking fees	4,216	1,716
	Commission on trade	55,670	106,590
	Commission on guarantees	37,936	58,020
	Commission on cash management	1,322	1,461
	Commission on remittances including home remittances	16,391	22,592
	Commission on bancassurance	1,309	484
	Commission on Benazir Income Support Programme	18,281	634
	Alternate delivery channels	4,989	9,676
	Commission on brokerage	13,082	19,654
	Others	96	422
		<u>186,302</u>	<u>252,283</u>
<b>26.</b>	<b>(LOSS) / GAIN ON SECURITIES</b>		
	Realised	(1,409)	22,298
	Unrealised - held for trading	(146)	(8,046)
		<u>(1,555)</u>	<u>14,252</u>
<b>26.1</b>	<b>Realised (loss) / gain on:</b>		
	Federal Government Securities	(1,539)	2,949
	Shares	130	19,223
	Mutual Funds	-	99
	Non Government Debt Securities	-	27
		<u>(1,409)</u>	<u>22,298</u>

		(Un-audited) Quarter ended	
		March 31, 2019	March 31, 2018
		----- (Rupees in '000) -----	
<b>27. OTHER INCOME</b>	<b>Note</b>		
Rent on property / locker		4,450	8,228
Gain on sale of fixed assets - net		20,872	743
Gain on sale of non banking assets - net		-	19,973
Gain on sale of ijarah assets		854	278
Account maintenance and other relevant charges		4,883	8,864
Recovery of expenses from customers		4,373	8,695
Others		301	-
		<b>35,733</b>	<b>46,781</b>
<b>28. OPERATING EXPENSES</b>			
<b>Total compensation expense</b>	<b>28.1</b>	<b>440,000</b>	<b>544,764</b>
<b>Property expense</b>			
Rent and taxes		44,226	197,764
Insurance - property		1,258	1,446
Insurance - non banking assets		80	213
Utilities cost		47,207	40,471
Security (including guards)		40,898	42,875
Repair and maintenance (including janitorial charges)		24,925	22,701
Depreciation on owned fixed assets		97,593	106,463
Depreciation on right-of-use assets		126,376	-
Depreciation on non banking assets		11,330	12,075
		<b>393,893</b>	<b>424,008</b>
<b>Information technology expenses</b>			
Software maintenance		12,994	14,470
Hardware maintenance		13,618	10,432
Depreciation on computer equipments		28,444	33,031
Amortisation of computer softwares		6,777	6,377
Network charges		22,925	24,778
Insurance		96	133
		<b>84,854</b>	<b>89,221</b>
<b>Other operating expenses</b>			
Directors' fees and allowances		550	1,150
Fees and allowances to Shariah Board		1,200	1,200
Legal and professional charges		109,680	15,718
Outsourced services costs		30,886	33,529
Travelling and conveyance		35,035	39,947
NIFT clearing charges		6,979	8,351
Depreciation		32,782	35,699
Amortisation core deposit and brand name		8,843	8,843
Training and development		1,119	2,772
Postage and courier charges		11,991	11,098
Communication		11,281	16,056
Stationery and printing		20,511	23,859
Marketing, advertisement and publicity		13,985	41,424
Brokerage and commission		242	2,298
Fee and subscription		33,315	21,936
Cash transportation and sorting charges		21,858	25,040
Entertainment		8,364	10,672
Insurance		40,528	41,223
Repair and maintenance		17,014	10,764
Auditors' remuneration		5,398	4,112
Others		35,710	8,454
		<b>447,271</b>	<b>364,145</b>
		<b>1,366,018</b>	<b>1,422,138</b>

	Note	(Un-audited) Quarter ended	
		March 31, 2019	March 31, 2018
		----- (Rupees in '000) -----	
<b>28.1 Total compensation expense</b>			
Fees and Allowances etc		9,821	9,457
Managerial Remuneration			
i) Fixed		272,248	340,720
ii) Variable of which;		-	
a) Cash Bonus / Awards etc.		1,460	1,671
b) Incentives and commission		1,117	3,621
Charge for defined benefit plan		16,039	16,072
Contribution to defined contribution Plan		12,527	18,631
Charge for employees compensated absences		3,750	3,898
Charge for employee old age benefit		-	135
Rent and house maintenance		84,412	103,607
Utilities		18,749	23,022
Medical		19,877	23,930
<b>Total</b>		<b>440,000</b>	<b>544,764</b>
<b>29. OTHER CHARGES</b>			
Penalties imposed by State Bank of Pakistan		266	6,855
Bank charges		4,200	6,479
		<b>4,466</b>	<b>13,334</b>
<b>30. PROVISIONS AND WRITE OFFS - NET</b>			
Provisions for diminution in value of investments		28,558	-
Provisions against loans & advances		1,501,692	331,905
Fixed assets written off		-	3,061
Provision against other assets		210	767
Bad debts written off directly		173	294
Recovery of written off / charged off bad debts		(618)	(371)
		<b>1,530,015</b>	<b>335,656</b>
<b>31. TAXATION</b>			
Current	31.1 & 31.2	24,586	43,615
Prior years		-	-
Deferred		(845,960)	(169,335)
		<b>(821,374)</b>	<b>(125,720)</b>

**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, 2017 i.e. tax year 2018.

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

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

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

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

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

		(Un-audited) Quarter ended	
		March 31, 2019	March 31, 2018
		----- (Rupees in '000) -----	
<b>32. BASIC AND DILUTED LOSS PER SHARE</b>	<b>Note</b>		
Loss for the period		<u>(1,658,542)</u>	<u>(337,208)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares		<u>2,638,151,060</u>	<u>2,638,151,060</u>
		----- (Rupee) -----	
Basic loss per share		<u>(0.63)</u>	<u>(0.13)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares (adjusted for the effects of all dilutive potential ordinary shares)	<b>32.1</b>	<u>2,638,151,060</u>	<u>2,638,151,060</u>
		----- (Rupee) -----	
Diluted loss per share		<u>(0.63)</u>	<u>(0.13)</u>
<b>32.1</b>	There are no potential ordinary shares outstanding as of March 31, 2019.		

		(Un-audited) Quarter ended	
		March 31, 2019	March 31, 2018
		----- (Rupees in '000) -----	
<b>33. CASH AND CASH EQUIVALENTS</b>			
Cash and balance with treasury banks		<b>4,805,073</b>	13,214,203
Balance with other banks		<b>1,214,454</b>	2,305,720
Overdrawn nostro accounts		<b>(35,817)</b>	(494,038)
		<u><b>5,983,710</b></u>	<u>15,025,885</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 can not 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).

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 categorised:

March 31, 2019 (Un-audited)			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
<b>On balance sheet financial instruments</b>			
<b>Financial assets - measured at fair value</b>			
Investments			
Federal Government Securities	15,153,290		15,153,290
Shares - Listed	1,986,231	-	1,986,231
Non-Government Debt Securities	-	-	-
<b>Financial assets - disclosed but not measured at fair value</b>			
Investments			
Shares - Unlisted	-	62,940	62,940
<b>Non-Financial assets - measured at fair value</b>			
Operating fixed assets	-	7,436,141	7,436,141
Non banking assets acquired in satisfaction of claims	-	2,914,224	2,914,224
<b>Off-balance sheet financial instruments - measured at fair value</b>			
Forward purchase of foreign exchange	-	3,384,590	3,384,590
Forward sale of foreign exchange	-	793,438	793,438

December 31, 2018 (Audited)			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
<b>On balance sheet financial instruments</b>			
<b>Financial assets - measured at fair value</b>			
Investments			
Federal Government Securities	16,323,086		16,323,086
Shares - Listed	1,819,609	-	1,819,609
Non-Government Debt Securities	12,489	-	12,489
<b>Financial assets - disclosed but not measured at fair value</b>			
Investments			
Shares - Unlisted	-	62,940	62,940
<b>Non-Financial assets - measured at fair value</b>			
Operating fixed assets	-	7,616,204	7,616,204
Non banking assets acquired in satisfaction of claims	-	2,935,259	2,935,259
<b>Off-balance sheet financial instruments - measured at fair value</b>			
Forward purchase of foreign exchange	-	3,416,803	3,416,803
Forward sale of foreign exchange	-	930,961	930,961



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

Item	Valuation approach and input used
Federal Government Securities	The fair values of Federal Government securities are determined using the PKRV rates.
Units of mutual funds	The fair values of investments in units of mutual funds are determined based on their net asset values as published at the close of each business day.
Ordinary shares - Listed	The fair value of investment in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - Unlisted	This represents breakup value of investments.
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, 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
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Profit / (loss) before tax	1,922	(344,449)	(1,986,166)	(132,272)	(7,934)	(11,017)	(2,479,916)
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As at March 31, 2019 (Un-audited)						
Corporate finance	Trading and sales	Branch banking	Islamic	Brokerage business	Others	Total
------(Rupees in '000)-----						

**Balance Sheet**

Cash and bank balances	-	2,065,558	3,532,975	339,280	81,714	-	6,019,527
Investments	-	15,778,846	1,989,835	-	37,950	-	17,806,631
Net inter segment lending	-	-	-	11,000,398	-	-	11,000,398
Lendings to financial institutions	-	-	-	-	-	-	-
Advances - performing	-	-	37,908,158	5,484,576	837	-	43,393,571
- non-performing	-	-	13,155,352	505,378	-	-	13,660,730
Others	29,207	4,427,445	17,339,317	780,755	237,132	7,557,878	30,371,734
<b>Total assets</b>	<b>29,207</b>	<b>22,271,849</b>	<b>73,925,637</b>	<b>18,110,387</b>	<b>357,633</b>	<b>7,557,878</b>	<b>122,252,591</b>

Borrowings	14	6,632,588	8,397,114	250,000	-	-	15,279,716
Subordinated debt	2,946	406,416	1,086,153	-	-	-	1,495,515
Deposits and other accounts	-	-	70,384,851	15,066,768	-	-	85,451,619
Net inter segment borrowing	-	11,000,398	-	-	-	-	11,000,398
Others	497	171,573	5,599,297	1,300,696	71,053	585,951	7,729,067
<b>Total liabilities</b>	<b>3,457</b>	<b>18,210,975</b>	<b>85,467,415</b>	<b>16,617,464</b>	<b>71,053</b>	<b>585,951</b>	<b>120,956,315</b>

Equity	25,750	4,060,874	(11,541,778)	1,492,923	286,580	6,971,927	1,296,276
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<b>Total Equity and liabilities</b>	<b>29,207</b>	<b>22,271,849</b>	<b>73,925,637</b>	<b>18,110,387</b>	<b>357,633</b>	<b>7,557,878</b>	<b>122,252,591</b>
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Contingencies and commitments	-	10,732,621	31,981,503	5,137,641	-	11,110,300	58,962,065
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For the quarter ended March 31, 2018 (Un-audited)							
Corporate finance	Trading and sales	Branch Banking	Islamic	Brokerage Business	Others	Total	
------(Rupees in '000)-----							
<b>Profit and Loss</b>							
Net mark-up / return / profit	(12)	358,223	266,794	193,631	1,006	-	819,642
Inter segment revenue - net	-	3,703	-	(3,703)	-	-	-
Non mark-up / return / interest income	19	176,744	261,399	9,781	20,642	19,973	488,558
Total income	7	538,670	528,193	199,709	21,648	19,973	1,308,200
Segment direct expenses	117	115,882	1,209,394	70,089	27,800	12,190	1,435,472
Inter segment expense allocation	-	-	(99,411)	99,411	-	-	-
Total expenses	117	115,882	1,109,983	169,500	27,800	12,190	1,435,472
Provisions	-	-	334,202	1,454	-	-	335,656
(Loss) / profit before tax	(110)	422,788	(915,992)	28,755	(6,152)	7,783	(462,928)
------(Rupees in '000)-----							
As at December 31, 2018 (Audited)							
Corporate finance	Trading and sales	Branch Banking	Islamic	Brokerage Business	Others	Total	
------(Rupees in '000)-----							
<b>Balance Sheet</b>							
Cash and Bank balances	-	2,090,681	3,499,928	347,536	113,239	-	6,051,384
Investments	-	16,774,074	2,200,302	-	33,397	-	19,007,773
Net inter segment lending	-	700,000	-	10,722,364	-	-	11,422,364
Lendings to financial institutions	-	-	-	-	-	-	-
Advances - performing	-	-	40,814,032	5,862,800	926	-	46,677,758
- non-performing	-	-	13,768,955	800,090	-	-	14,569,045
Others	4,010	4,059,629	11,199,049	592,337	247,164	12,189,702	28,291,891
<b>Total Assets</b>	4,010	23,624,384	71,482,266	18,325,127	-	12,189,702	126,020,215
Borrowings	3	11,076,822	8,165,029	250,000	-	-	19,491,854
Subordinated debt	678	579,924	914,913	-	-	-	1,495,515
Deposits and other accounts	-	-	69,360,913	15,212,719	-	-	84,573,632
Net inter segment borrowing	-	10,722,364	-	700,000	-	-	11,422,364
Others	497	514,859	4,743,509	537,213	103,611	415,668	6,315,357
<b>Total liabilities</b>	1,178	22,893,969	83,184,364	16,699,932	103,611	415,668	123,298,722
Equity	2,832	730,415	(11,702,098)	1,625,195	291,115	11,774,034	2,721,493
<b>Total Equity and liabilities</b>	4,010	23,624,384	71,482,266	18,325,127	394,726	12,189,702	126,020,215
<b>Contingencies and Commitments</b>	-	13,475,014	31,289,074	6,125,410	-	11,941,246	62,830,744

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, 2019 (Un-audited)			December 31, 2018 (Audited)				
	Parent company	Directors	Key management personnel	Other related parties	Parent company	Directors	Key management personnel	Other related parties
	(Rupees in '000)							
<b>Balances with other banks</b>								
In current accounts	-	-	-	6,373	-	-	-	26,457
<b>Investments</b>								
Opening balance	-	-	-	1,713,990	-	-	-	1,803,185
Investment made during the period / year	-	-	-	-	-	-	-	54,983
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	(133,317)
Transfer in / (out) - net	-	-	-	-	-	-	-	(10,861)
Closing balance	-	-	-	1,713,990	-	-	-	1,713,990
Provision for diminution in value of investments	-	-	-	1,550,751	-	-	-	1,539,327
<b>Advances</b>								
Opening balance	-	-	259,303	932,302	-	-	409,534	1,213,053
Addition during the period / year	-	-	68,157	485,548	-	-	32,134	3,635,109
Repaid during the period / year	-	-	(59,627)	(530,920)	-	-	(180,248)	(3,915,860)
Transfer in / (out) - net	-	-	-	-	-	-	(2,117)	-
Closing balance	-	-	267,833	886,930	-	-	259,303	932,302
Provision held against advances	-	-	-	-	-	-	-	-

	March 31, 2019 (Un-audited)				December 31, 2018 (Audited)			
	Parent company	Directors	Key management personnel	Other related parties	Parent company	Directors	Key management personnel	Other related parties
(Rupees in '000)								
<b>Other Assets</b>								
Interest / mark-up accrued	-	-	202	7,365	-	-	758	22,292
Other receivable	578	-	1,404	758	578	-	2,002	758
<b>Deposits and other accounts</b>								
Opening balance	-	18,463	13,421	1,769,716	-	32,259	67,291	860,510
Received during the period / year	-	405	104,308	627,758	-	23,465	566,173	16,458,586
Withdrawn during the period / year	-	(657)	(103,787)	(764,905)	-	(37,261)	(606,161)	(15,549,380)
Transfer in / (out) - net	-	-	392	-	-	-	(13,882)	-
Closing balance	-	18,212	14,334	1,632,569	-	18,463	13,421	1,769,716
<b>Other Liabilities</b>								
Interest / mark-up payable	-	125	113	11,538	-	119	325	11,855
Payable to staff retirement fund	-	-	-	48,680	-	-	-	33,358
Payable to Rupali Bank	-	-	-	16,293	-	-	-	16,293
<b>Contingencies and Commitments</b>								
Guarantees, letters of credit and acceptances	-	-	-	17,642	-	-	-	918,975
Commitments to extend credit	-	-	-	293,465	-	-	-	230,337

	For the quarter ended March 31, 2019 (Un-audited)				For the quarter ended March 31, 2018 (Un-audited)			
	Parent company	Directors	Key management personnel	Other related parties	Parent company	Directors	Key management personnel	Other related parties
	(Rupees in '000)							
<b>Income</b>								
Mark-up / return / interest earned	-	-	1,592	10,227	-	-	5,834	397,107
Fee and commission income	-	-	27	-	-	-	38	-
Foreign exchange income	-	-	-	-	-	-	-	2,786
Loss on securities	-	-	-	-	-	-	-	(2,002)
<b>Expense</b>								
Mark-up / return / interest paid	-	363	61	33,655	-	219	94	4,861
Operating expenses:								
- Rent and taxes	-	-	-	-	-	-	-	8,651
- Directors' fees and allowances	-	550	-	-	-	1,150	-	-
- Legal and professional charges	-	-	-	-	-	-	-	-
- Training and development	-	-	-	-	-	-	-	1,110
- Fee and subscription	-	-	3,114	-	-	-	795	750
- Managerial Remuneration	-	-	41,285	-	-	-	52,298	-
Contribution to defined contribution plan	-	-	-	13,191	-	-	-	18,631
Charge for defined benefit plan	-	-	-	16,072	-	-	-	16,072
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.

(Un-audited) (Audited)  
March 31, December 31,  
2019 2018  
----- (Rupees in '000)-----

**37. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS**

**Minimum Capital Requirement (MCR):**

Paid-up capital (net of losses)	<u>(1,643,073)</u>	<u>(26,579)</u>
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**Capital Adequacy Ratio (CAR):**

Eligible Common Equity Tier 1 (CET 1) Capital	<u>(10,126,077)</u>	<u>(7,731,810)</u>
Eligible Additional Tier 1 (ADT 1) Capital	<u>-</u>	<u>-</u>
Total Eligible Tier 1 Capital	<u>(10,126,077)</u>	<u>(7,731,810)</u>
Eligible Tier 2 Capital		
Total Eligible Capital (Tier 1 + Tier 2)	<u>(10,126,077)</u>	<u>(7,731,810)</u>

**Risk Weighted Assets (RWAs):**

Credit Risk	<u>82,836,940</u>	<u>82,555,930</u>
Market Risk	<u>6,049,689</u>	<u>8,129,083</u>
Operational Risk	<u>8,723,054</u>	<u>8,723,054</u>
Total	<u>97,609,683</u>	<u>99,408,067</u>

**Common Equity Tier 1 Capital Adequacy ratio**

<u>-10.38%</u>	<u>-7.78%</u>
----------------	---------------

**Tier 1 Capital Adequacy Ratio**

<u>-10.38%</u>	<u>-7.78%</u>
----------------	---------------

**Total Capital Adequacy Ratio**

<u>-10.38%</u>	<u>-7.78%</u>
----------------	---------------

**Leverage Ratio (LR):**

Eligible Tier-I Capital	<u>(10,126,077)</u>	<u>(7,731,810)</u>
Total Exposures	<u>165,734,057</u>	<u>184,103,481</u>
Leverage Ratio	<u>-6.11%</u>	<u>-4.20%</u>

**Liquidity Coverage Ratio (LCR):**

Total High Quality Liquid Assets	<u>10,785,445</u>	<u>27,495,433</u>
Total Net Cash Outflow	<u>19,761,488</u>	<u>31,044,717</u>
Liquidity Coverage Ratio	<u>54.58%</u>	<u>88.57%</u>

**Net Stable Funding Ratio (NSFR):**

Total Available Stable Funding	<u>72,542,088</u>	<u>72,435,261</u>
Total Required Stable Funding	<u>74,165,875</u>	<u>82,307,865</u>
Net Stable Funding Ratio	<u>97.81%</u>	<u>88.01%</u>

**38. ISLAMIC BANKING BUSINESS**

The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 14 (December 31, 2018: 14) Islamic banking branches and 35 (December 31, 2018: 35) Islamic banking windows at the end of the period.

**STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2019**

	(Un-audited) March 31, 2019	(Audited) December 31, 2018
Note	----- (Rupees in '000) -----	
<b>ASSETS</b>		
Cash and balances with treasury banks	243,264	269,475
Balances with other banks	96,016	78,061
Due from financial institutions	38.1 11,000,398	10,722,364
Investments	-	-
Islamic financing and related assets - net	38.2 5,989,954	6,662,890
Fixed assets	345,241	121,507
Intangible assets	6,305	6,861
Other assets	429,209	463,969
	<b>18,110,387</b>	<b>18,325,127</b>
<b>LIABILITIES</b>		
Bills payable	127,005	125,319
Due to financial institutions	38.3 250,000	950,000
Deposits and other accounts	38.4 15,066,768	15,212,719
Other liabilities	1,173,691	411,894
	<b>16,617,464</b>	<b>16,699,932</b>
<b>NET ASSETS</b>	<b>1,492,923</b>	<b>1,625,195</b>
<b>REPRESENTED BY</b>		
Islamic Banking Fund	1,000,000	1,000,000
Reserves	-	-
Surplus on revaluation of assets	-	-
Unappropriated/ Unremitted profit	38.5 492,923	625,195
	<b>1,492,923</b>	<b>1,625,195</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	<b>38.6</b>	

**ISLAMIC BANKING BUSINESS  
PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE QUARTER ENDED MARCH 31, 2019**

	March 31, 2019	March 31, 2018
Note	----- (Rupees in '000) -----	
Profit / return earned	<b>38.7</b>	384,397
Profit / return expensed	<b>38.8</b>	194,469
<b>Net profit / return</b>	<b>305,258</b>	189,928
<b>Other income</b>		
Fee and commission income	11,696	23,621
Dividend income	-	-
Foreign exchange loss	(7,373)	(15,867)
Income / (loss) from derivatives	-	-
loss on sale of securities	(1,888)	(295)
Other income	2,538	2,321
Total other income	4,973	9,781
<b>Total income</b>	<b>310,231</b>	199,709
<b>Other expenses</b>		
Operating expenses	160,455	169,500
Workers' welfare fund	-	-
Other charges	309	-
<b>Total other expenses</b>	<b>160,764</b>	169,500
<b>Profit before provisions</b>	<b>149,467</b>	30,209
Provisions and write offs - net	281,739	1,454
(Loss) / profit before taxation	(132,272)	28,755
Taxation	-	-
<b>(Loss) / profit after taxation</b>	<b>(132,272)</b>	28,755



	March 31, 2019 (Un-audited)			December 31, 2018 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- (Rupees in '000) -----						
<b>38.1 Due from financial institutions</b>						
Bai Muajjal Receivable						
from other Financial Institutions	38.1.1	10,400,398	-	10,400,398	10,722,364	-
Qard Based Placement	38.1.2	600,000	-	600,000	-	-
		<b>11,000,398</b>	<b>-</b>	<b>11,000,398</b>	<b>10,722,364</b>	<b>-</b>

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

38.1.2 This represents Qard based placement to a financial institution at mark-up rate of 0.00% (2018: Nil) per annum and is due to mature by April 2019.

	Note	(Un-audited)	(Audited)
		March 31, 2019	December 31, 2018
----- (Rupees in '000) -----			
<b>38.2 Islamic financing and related assets</b>			
Ijarah		835,601	919,439
Murabaha		16,524	16,444
Running Musharakah		763,775	1,007,981
Diminishing Musharakah		3,500,291	3,721,717
Istisna		31,403	31,403
Tijarah		1,218,558	1,056,823
Advance against Murabaha		-	4,042
Advance against Diminishing Musharakah		1,000	500
Gross Islamic financing and related assets		<b>6,367,152</b>	<b>6,758,349</b>
Less: provision against Islamic financings			
- Specific		365,031	82,573
- General		12,167	12,886
		<b>377,198</b>	<b>95,459</b>
Islamic financing and related assets - net of provision		<b>5,989,954</b>	<b>6,662,890</b>
<b>38.3 Due to financial institutions</b>			
<b>Secured</b>			
Acceptances from the SBP under Islamic Export Refinance Scheme		250,000	250,000
<b>Total secured</b>		<b>250,000</b>	<b>250,000</b>
<b>Unsecured</b>			
Musharakah	38.3.1	-	700,000
		<b>250,000</b>	<b>950,000</b>

38.3.1 This represented Musharaka acceptance with conventional operations of Summit Bank Limited.

**38.4 Deposits**

	March 31, 2019 (Un-audited)			December 31, 2018 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- (Rupees in '000) -----						
<b>Customers</b>						
Current deposits	4,953,827	590,601	5,544,428	4,865,906	541,588	5,407,494
Savings deposits	7,439,843	127,193	7,567,036	7,700,010	127,458	7,827,468
Term deposits	1,290,545	102,591	1,393,136	1,038,665	95,320	1,133,985
Margin accounts	298,179	-	298,179	581,337	-	581,337
	<b>13,982,394</b>	<b>820,385</b>	<b>14,802,779</b>	<b>14,185,918</b>	<b>764,366</b>	<b>14,950,284</b>
<b>Financial Institutions</b>						
Current deposits	83,287	110	83,397	96,313	107	96,420
Savings deposits	180,592	-	180,592	156,015	-	156,015
Term deposits	-	-	-	10,000	-	10,000
	<b>263,879</b>	<b>110</b>	<b>263,989</b>	<b>262,328</b>	<b>107</b>	<b>262,435</b>
	<b>14,246,273</b>	<b>820,495</b>	<b>15,066,768</b>	<b>14,448,246</b>	<b>764,473</b>	<b>15,212,719</b>

**38.4.1** This includes deposits eligible to be covered under insurance arrangements amounting to Rs 9,526.534 million (2018: Rs. 8,885.304 million).

**38.5 Islamic banking business unappropriated profit**

Opening balance		
(Less) / add: Islamic Banking (loss) / profit for the period		
Closing balance		

(Un-audited) (Audited)  
March 31, December 31,  
2019 2018  
----- (Rupees in '000) -----

<b>625,195</b>	541,772
<b>(132,272)</b>	83,423
<b>492,923</b>	625,195

**38.6 CONTINGENCIES AND COMMITMENTS**

Guarantees	<b>4,282,014</b>	4,478,490
Commitments	<b>855,627</b>	1,646,920
Other contingent liabilities	-	-
	<b>5,137,641</b>	6,125,410

	(Un-audited)	
	March 31, 2019	March 31, 2018
<b>38.7 Profit / return earned of financing, investments and placement</b>	----- (Rupees in '000) -----	
Profit earned on:		
Financing	225,047	231,125
Investments	-	129,286
Placements	250,241	23,987
Balances with banks	110	-
	<u>475,398</u>	<u>384,397</u>
<b>38.8 Profit on deposits and other dues expensed</b>		
Deposits and other accounts	158,325	189,524
Due to Financial Institutions	3,776	4,945
Finance cost of Lease Liability	8,039	-
	<u>170,140</u>	<u>194,469</u>

**39. DATE OF AUTHORIZATION OF ISSUE**

These consolidated condensed interim financial statements were authorised for issue on October 08, 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

**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 I**

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

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

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

**Jami Commercial, DHA Branch**

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

**Jamshed Quarters Branch**

Showroom no. 3 & 4, AB Arcade Plot # 714-6-1 Block A, New M.A. Jinnah Road, Karachi  
Tel: 021-34860422-23, 34860425  
Fax: 021-34860424

**Jodia Bazar - Branch I**

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

**Karachi Stock Exchange Branch**

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

**Karimabad Branch**

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

**Khayaban-e-Shahbaz Branch**

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

**Khayaban-e-Tanzeem Branch**

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

**Korangi Industrial Area Branch**

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

**M.A. Jinnah Road Branch**

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

**Muhammad Ali Society Branch**

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

**Nazimabad (Gol Market) Branch**

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

**New Challi Branch**

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

**North Karachi Industrial Area Branch**

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

**Sea View, Clifton Branch, Karachi**

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

**PAF-Base Faisal Branch**

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

**Paper Market Branch**

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

**Plaza Quarters Branch**

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

**Ranchore Line Branch**

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

**Rizvia Society Branch**

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

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

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

**Saeedabad Branch**

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

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

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

**Shershah Branch**

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

**Soldier Bazar Branch**

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

**Steel Market Branch**

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

**Tariq Road Branch**

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

**Timber Market Branch**

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

**Malir Cantt Branch**

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

**Water Pump Branch**

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

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

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

**LAHORE**

**DHA Phase-VI Branch**

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

**Allama Iqbal Town Branch**

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

**Azam Cloth Market Branch**

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

**Badami Bagh Branch**

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

**Bahria Town Branch**

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

**Bedian Road Branch**

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

**Circular Road Branch**

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

**Darogawala Branch**

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

**DHA G Block Branch**

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

**DHAY Block Branch**

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

**Egerton Road Branch**

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

**Faisal Town Branch**

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

**Ferozepur 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 Ferozepur Road, Ichra More, Lahore  
Tel: 042-37572090-93 - 042-37426301  
Fax: 042-37572089

**Johar Town Branch**

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

**Kashmir Block, Allama Iqbal Town Branch**

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

**Lahore- Cantt Branch**

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

**Lahore Stock Exchange Branch**

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

**Liberty Market Branch**

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

**Mall Road Branch**

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

**Model Town Branch**

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

**New Garden Town Branch**

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

**Empress Road Branch**

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

**Shah Alam Gate Branch**

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

**Urdu Bazar Branch**

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

**Wahdat Road Branch**

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

**Z Block DHA Branch**

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

**ISLAMABAD**

**Bahria Town Branch**

Plot # 3-4, Express Way, 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, 2827913  
Fax: 051-2274276

**F-10 Markaz Branch**

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

**F-11 Markaz Branch**

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

**G-11 Markaz Branch**

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

**I-9 Markaz Branch**

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

**Stock Exchange Branch**

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

**Super Market Branch**

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

**RAWALPINDI**

**The Mall Road Branch, Rawalpindi**

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

**Raja Bazar Branch**

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

**Shamsabad Muree Road Branch**

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

**FAISALABAD**

**Satiana Road Branch**

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

**Jail Road Branch**

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

**Kotwali Road Branch**

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

**Liaquat Road Branch**

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

**Susan Road Branch**

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

**MULTAN**

**Vehari Road Branch**

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

**Abdali Road Branch**

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

**Hussain Agahi Road Branch**

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

**Qadafi Chowk Branch**

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

**SUKKUR**

**Marich Bazar Branch**

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



**Shikarpur Road Branch**

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

**Workshop Road Branch**

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

**GUJRANWALA**

**GT Road Branch**

B/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

**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 (2)**

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 - Rural**

**Chamman Branch**

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

**DADU**

**Dadu Branch**

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

**DINA**

**Dina Branch**

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

**GAWADAR**

**Gawadar Branch**

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

**GHOTKI**

**Ghotki Branch**

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

**GILGIT - Rural**

**Gilgit Branch**

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

**GUJAR KHAN**

**Gujar Khan Branch**

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

## HARIPUR

### Haripur Branch

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

## HAZRO

### Hazro Branch

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

## HYDERABAD

### Bohri Bazar Hyderabad Branch

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

### Latifabad No. 7 Branch

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

### Market Chowk Branch

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

### Qasimabad Branch

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

## JACOBABAD

### Jacobabad Branch

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

## JEHLUM

### Jhelum Branch

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

## KAMBAR

### Shahdad Kot Branch

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

## KAMOKE

### Kamoke - GT Road Branch

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

## KANDH KOT

### Kandh Kot Branch

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

## KASUR

### Gawadar Branch

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

## GHOTKI

### Kasur Branch

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

## KHAIRPUR - Rural

### Pacca Chang Branch

CS No. 418/1-08, Deh. Pacca Chang,  
Taluqa Faiz Ganji, 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

## GAWADAR

### Gawadar Branch

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

## JAMSHORO

### Nooriabad Branch

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

## GILGIT - Rural

### Gilgit Branch

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

## OKARA

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

## **RAHIMYAR KHAN**

### **Rahim Yar Khan Branch**

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

## **SADIQABAD**

### **Sadiqabad Branch**

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

## **SAHIWAL**

### **High Street Branch**

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

## **SARGODHA**

### **Sargodha Branch**

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

### **Satellite Town Branch**

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

## **SHIKARPUR**

### **Shikarpur Branch**

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

## **SIALKOT**

### **Kashmir Road Branch**

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

### **Paris Road Branch**

B1, 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-1, Survey # 274, Main Road, Tando Allah Yar - Sindh  
Tel: 022-2763181-83  
Fax: 022-2763184

## **TURBAT**

### **Main Bazar Branch**

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

## **WAH CANTT**

### **Wah Cantt Branch**

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

## ISLAMIC BANKING BRANCHES

### KARACHI

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

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

Tel: 021-32438212, 32472176, 32471796

Fax: 021-32438218

#### Super Highway Branch

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

Tel: 021 - 36830161-3

Fax: 021-36830162

#### Fish Harbour Branch

Plot No. L - 2, Block "L"

Fish Harbour, Dockyard Road,

West Wharf, Karachi

PABX: 021-32312166-68

Fax: 021-32312165

#### Zamzama Branch

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

Zamzama Commercial Lane DHA - Karachi

Tel: 021 - 35373135-7

Fax: 021 - 35373138"

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

Ground Floor IBL Building Center at Plot No. 1, Block 7 & 8, D.M.C.H.S, Shahrah-e-Faisal, Karachi

Tel: 021-32368002-4

Fax #. 021 - 32368005

### LAHORE

#### PIA Society Islamic Banking Branch

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

Opp Wapda Town Roundabout, Lahore

Tel: 042-35189957 - 59

Fax: 042-35210895

### HUB, BALUCHISTAN - RURAL

#### Hub Branch

Shop No. 12 - 14, Khasra No. 106/4, Int. Shopping Mall Hotel, Mouza Berot, Tehsil Hub, Lasbella, Baluchistan

Tel: 0853 - 363056 - 058

Fax: 0853 - 363050

### CHILAS - RURAL

#### Chilas Branch

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

Tel: 05812 - 450702-3

Fax: 05812-450704

### SKARDU - RURAL

#### Skardu Branch

Khasra No. 1265/39, Yadgar Chowk,

Tehsil Skardu, District Baltistan

Tel: 05815 - 456693-94

Fax: 05815-456696

### ISLAMABAD

#### Naval Anchorage Branch

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

Housing Scheme Anchorage, Islamabad

Tel: 051 - 5159126 - 28

Fax: 051 - 5159129

#### DHA Phase-2 Branch

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

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

Tel: 051-4918314 - 16

Fax: 051-4918317

### CHITRAL - RURAL

#### Chitral Branch

Attalique Bazar, Bank Square,

Opp: NBP Building, Chitral

Tel: 0943 - 412536-37

Fax: 0943 - 414352

### HYDERABAD

#### DHA Plaza Branch

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

Defence Plaza, Thandi Sarak, Hyderabad

Tel: 022- 2108474, 2108478

Fax # 022-210847

### RAWALPINDI

#### Bahria Town Branch Phase-IV

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

Tel: 051-5733945-46

Fax: 051-5733967

The logo for Summit Bank, featuring the word "Summit" in red and "Bank" in blue, with a stylized "S" in blue connecting the two words.

**Summit**S**Bank**

Committed to you

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