



BIPL Securities Limited
(formerly KASB Securities Ltd.)



**Condensed Interim Financial Information
(Un-Audited)
For the Quarter Ended March 31, 2017**

**BIPL Securities Limited, one of the oldest and largest
pure agency brokerage firms in Pakistan**

**Traditional
Service**

**Modern
Ideas**



Equities Brokerage

With a hand on the pulse of the market, BIPL Securities' sales and trading team provides its clients with real time market news and investment insight to help formulate return-oriented execution strategies. Our priority is to ensure that we have complete understanding of our clients' needs and to provide them with proactive and seamless service.

Our award-winning research focuses on specific product areas and primarily provides investment research, portfolio recommendations and relative value analysis to the firm's investment clients.

Our superior execution provides clients with market information and trading and investing opportunities and is responsible for executing client orders in conjunction with traders.

BIPL Securities clientele include:

- 1: Institutional Investors**
- 2: Foreign Clients**
- 3: High Net Worth Individuals**
- 4: Retail Investors**

BIPL Securities has an extensive branch network in 8 major cities across Pakistan serving more than 15,000 domestic and foreign clients.



BIPL Securities Limited
(formerly KASB Securities Ltd.)
UAN: 111 222 000
URI: www.biplsec.com
Email: biplho@biplsec.com

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COMPANY INFORMATION

Board of Directors

Mansur-ur-Rehman Khan	Chairman
Sikander Kasim	Director
Kamal uddin Tipu	Director
Saad Ahmed Madani	Director
Khawaja Ehrar-ul-Hassan	Director
Sohail Sikandar	Director
Ms. Natasha Matin	Director

Bankers

Allied Bank Limited
Bank Al-Habib Limited
Bank Al-Falah Limited
BankIslami Pakistan Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited

Audit Committee

Sohail Sikandar	Chairman
Mansur-ur-Rehman Khan	
Khawaja Ehrar-ul-Hassan	
Syed Sameer Abbas Ali	Secretary

Legal Advisor

Bawaney & Partners
Advocates and Investment &
Corporate Adviser
3rd & 4th Floors, 68-C, Lane 13, Bokhari
Commercial Area, Phase -VI, DHA,
Karachi, Pakistan
Ph : (92-21) 351-56191-4, Fax 351-56195
E-mail: bawaney@cyber.net.pk

HR & R Committee

Mansur-ur-Rehman Khan	Chairman
Saad Ahmed Madani	
Ms. Natasha Matin	
Ms. Jihan Malik Mehboob	Secretary

Registered and Head Office

5th Floor, Trade Centre, I.I. Chundrigar
Road, Karachi, Pakistan
Ph : (92-21) 111-222-000
Fax: (92-21) 326-30202
E-mail: biphlo@biplsec.com

Chief Executive Officer

Anwer Ahmed Sheikh

Website

www.biplsec.com

Company Secretary

Kashif Shahzad

Share Registrar

THK Associates (Private) Limited
1st Floor, 40-C, Block-6, P.E.C.H.S.,
Karachi Pakistan.
Ph: (92-21) 111-000-322
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Chief Financial Officer

Zafar Ahmed Khan

Auditors

RSM Avais Hyder Liaquat Nauman
Chartered Accountants
407, Progressive Plaza, Beaumont Road
Karachi, Pakistan

BRANCHES

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DIRECTORS REPORT TO THE MEMBERS

On behalf of the Board of Directors of BIPL Securities Limited (formerly KASB Securities Ltd.), I am pleased to present the unaudited standalone and consolidated interim financial information of the Company, and commentary for the quarter ended March 31, 2017.

Economic Review

The overall economic environment continued to remain conducive in the first quarter of the year backed by increased development spending, an accommodative monetary policy stance, growth in private sector credit and ongoing CPEC related activities. The manufacturing sector continued to grow (up 3.5% YoY) with major contribution coming from food, steel, cement and pharmaceutical industries on account of improved energy supplies and rising domestic demand. Foreign exchange reserves position remained strong during the quarter, increasing by US\$ 629 mn compared to corresponding period last year, to close the quarter at US\$ 21.6 bn.

Inflation has remained at comfortable levels, clocking in at 4.27% YoY in the quarter compared to 3.91% YoY in the previous quarter. We expect it to remain within the SBP target level of 6.0% for this fiscal year.

External account continues to remain under pressure with current account deficit more than doubling to US\$ 5.2 bn (2.6% of GDP) in 9 MFY 17. A sizable increase in import payments (11.2% YoY), delay in receipt of Coalition Support Fund (CSF), a fall in exports (down 2.0% YoY) and remittances (down 2.5% YoY), led to a significant widening of the current account deficit. In nominal terms, the deficit in trade rose to US\$ 15.4 bn backed by higher oil and capital equipment imports. The uptick in import of capital goods can be explained by increased pace of work on CPEC projects as the country transitions into high growth phase by addressing bottlenecks in energy and infrastructure.

On the fiscal front slower growth in tax collection (up 6.2%YoY in 1 HFY 17 vs 20.4% YoY increase in 1 HFY 16) on account of policy measures to support investments and various tax exemptions given to projects under CPEC are turning out to be the biggest impediment in meeting the tax collection target. This in confluence with increased defense and subsidy spending may result in the fiscal deficit expanding to 5.0% of the GDP.

Equity Market Review

The quarter kicked off on a positive note for the equity market with All Share Average Daily Traded volume (ADT) clocking in at 400 mn shares in the first two months of the quarter. However, last month of the quarter (Mar'17) witnessed a dull performance with ADT of 246 mn shares, dragging down the overall volumes for the quarter to 347 mn shares compared to 430 mn shares in the preceding quarter. The Average Daily Traded Value (ADTV), however, registered an increase of 8% to US\$ 164 mn compared to Dec'16. Investor sentiments in the market were hampered by lingering fears and uncertainty regarding the pending judicial decision on Panama Leaks. Overall the index closed the quarter at 48,156 pts, up a marginal 0.7% from its end Dec '16 closing.

Also, the Pakistan Stock Exchange (PSX) finally received US\$ 85 mn as sale proceeds from the strategic sale of 40% equity stake to the Chinese consortium, thus improving liquidity for brokers.

Debt and Currency Market Review

SBP's T-bill auctions during the quarter witnessed continued interest in the short term T-bills (3 and 6 months) while activity in 12 month T-bills and PIBs remained lackluster, signaling the market's anticipation of a rate hike in the second half of the ongoing year.

Liquidity crunch has remained persistent in the quarter, mainly driven by no significant maturities of Pakistan Investment Bonds. As a result, the size of open market operations also remained inflated with weekly injections of up to PKR 1.1 tn. Other mitigating factor has been the liquidity provided to commercial banks by Islamic Banks which do not have many Shariah compliant avenues for investments; consequently the demand for products like Bi-Mujjal has remained high. In line with stable interest rates in the quarter, money market instruments have also traded within a narrow band with yields remaining stagnant.

The currency market remained stable at PKR 104.8/ US\$ throughout the quarter. Despite worsening balance of payment situation, the exchange rate has largely held its ground. Some support to the reserves has come from disbursement of CSF payment in the month of Mar'17.

Operating and Financial Performance

During the period ended March 31, 2017 the Company reported Net profit after tax of Rs. 24.47 mn as compared to Net loss after tax of Rs. (20.83) mn for the period ended March 31, 2016.

Details of financial performance for the quarter ended are as follows:

	QUARTER ENDED MARCH 31,	
	2017 Rs. in '000'	2016 Rs. in '000'
Operating revenue	83,538	49,431
Mark-up / profit on bank deposits, and other receivables	13,057	10,041
Gain on sale of investments 'at fair value through profit or loss' - net	5,021	4,268
Gain on sale of 'available-for-sale' investments - net	43,797	-
Dividend income	303	945
Unrealized (loss) / gain on investments 'at fair value through profit or loss' - net	(1,116)	230
Other income	1,298	566
Total Income	145,898	65,481
Operating and administrative expenses	(113,082)	(86,161)
Finance cost	(3,469)	(3,662)
Total expenses	(116,551)	(89,823)
Net profit / (loss) (before impairment and taxation)	29,347	(24,342)
Impairment on long-term investment- Subsidiary	(13)	(193)
Taxation	(4,866)	3,701
Net profit / (loss) after tax	24,468	(20,834)
Earnings / (loss) per share	0.24	(0.21)

Future Outlook

We continue to remain bullish on the prospects for the Pakistan equity market due to the following reasons:

1. A large untapped domestic retail market exists in Pakistan which can be attracted by superior returns of the stock market and can prove to be a significant source of liquidity. Additionally, Real Estate which has historically been used to park surplus funds is now being taxed and documented, thus diverting some inflows from this assets class to the stock market.
2. Effective June 01, 2017, Pakistan will be upgraded to the MSCI Emerging Market Index. This reclassification can potentially lead to new inflows from Emerging Market funds. These potential inflows are expected to keep prices firm and provide support to the market.
3. Improvement in economic fundamentals driven by China-Pakistan Economic Corridor (CPEC) related investment into infrastructure and energy projects will help instill confidence in the local economy and the capital market.
4. The sale of 40% ownership interest in the Pakistan Stock Exchange to the Chinese consortium led by the Shanghai Stock Exchange is expected to lead to development of new products for retail investors which will enhance retail interest in the capital markets.

Acknowledgement

The Directors wish to record their gratitude to the Company's valued clients, shareholders, regulators, business partners and other stakeholders for their continued trust that they have reposed in the Company. The Board would also like to record their appreciation to the employees of the Company for their commitment and dedication.

On behalf of the Board of Directors

-----Sd-----
Mansur-ur-Rehman Khan
Chairman

Karachi: April 24, 2017

ڈائریکٹرز رپورٹ برائے اراکین

میں BIPL سیکیورٹیز لمیٹڈ (سابقہ KASB سیکیورٹیز لمیٹڈ) کے بورڈ آف ڈائریکٹرز کی جانب سے 31 مارچ 2017 کو اختتام پذیر سہ ماہی کمپنی کے بغیر آڈٹ شدہ (unaudited) علقده (standalone) اور اشتما لشدہ (consolidated) مالیاتی گوشوارے آپ کی خدمت میں پیش کر رہا ہوں۔

معاشی جائزہ

سال کی پہلی سہ ماہی میں مجموعی اقتصادی صورتحال سازگار رہی جس کی وجہ ترقیاتی کاموں کے اخراجات میں اضافہ، سہولت رساں مالیاتی پالیسی کا رویہ، نجی شعبے میں قرضوں کی فراہمی میں اضافہ اور CPEC سے متعلق جاری سرگرمیاں۔ توانائی کی فراہمی بہتر ہوتی ہوئی صورتحال اور ملکی طلب میں اضافے سے پیداواری شعبے میں اضافہ جاری رہا (سال بہ سال 3.5 فیصد اضافہ) جس میں بڑا حصہ غذا، لوہے، سیمینٹ اور ادویہ سازی کے صنعتوں کا ہے۔ اس سہ ماہی میں غیر ملکی زر مبادلہ کے محفوظ ذخائر کی صورتحال گذشتہ سال اسی مدت کے 21 بلین امریکی ڈالر میں 629 ملین امریکی ڈالر کے اضافے سے صورتحال مستحکم رہی۔

افراط زر اطمینان بخش سطح پر رہی جو سال بہ سال کی بنیاد پر گذشتہ سال کی اسی مدت کی سہ ماہی کی 3.91 فیصد کے مقابلے میں اس سہ ماہی میں یہ 4.27 فیصد رہی۔ ہمیں توقع ہے کہ ہم SBP کی اس اقتصادی سال کے لیے افراط زر کے 6 فیصد کے ہدف کے اندر رہیں گے۔ سال 2017 کے 9 ماہ میں جاری کھاتے کا خسارہ دگنا ہو کر 5.2 بلین امریکی ڈالر (GDP کا 2.6 فیصد) ہو گیا جس کی وجہ سے بیرونی کھاتہ پر دباؤ برقرار رہا۔ درآمد کی ادائیگیوں میں خاصہ بڑا اضافہ (سال بہ سال 11.2 فیصد)، باہمی اتحاد کی ضمانت کے فنڈ (Coalition Support Fund) کی فراہمی میں تاخیر، برآمدات میں کمی (سال بہ سال 2 فیصد) اور ترسیل زر میں کمی (سال بہ سال 2.5 فیصد) کے نتیجے میں جاری کھاتے کا خسارہ زیادہ بڑھ گیا ہے۔ رسمی شرائط پر، تیل کی بڑھتی ہوئی قیمتیں اور پیداواری صلاحیت کے آلات (equipment) کی درآمدات کے تناظر میں تجارتی خسارہ بڑھ کر 15.4 بلین امریکی ڈالر ہو گیا۔ پیداواری صلاحیت کے ساز و سامان کی درآمدات میں اضافے کی وضاحت CPEC کے منصوبوں کے کاموں کی رفتار میں اضافہ جو توانائی اور بنیادی ڈھانچے کو درپیش مسائل کے حل سے ملک زیادہ ترقی کے مراحل میں داخل ہو گا۔

اقتصادی محاذ پر محصولات کی وصولیابی میں کم تر اضافہ (سال 2016 کی پہلی ششماہی کے سال بہ سال 20.4 فیصد اضافہ کے مقابلے میں سال 2017 کی پہلی ششماہی کے سال بہ سال 6.2 فیصد رہا) کی وجہ CPEC کے منصوبوں میں کمی جانے والی سرمایہ کاری کی ضمانت میں کٹے جانے والے پالیسی سے متعلق اقدامات اور متعدد محصولات میں کمی جانے والے استثنیٰ محصول کی وصولی کے اہداف کے حصول سب سے بڑی رکاوٹ ہیں۔ اس کے ساتھ دفاع اور اعانتی اخراجات میں اضافے کے ملاپ کا نتیجہ اقتصادی خسارہ بڑھ کر مجموعی قومی پیداوار کا 5 فیصد ہو سکتا ہے۔

ایکوٹی مارکیٹ کا جائزہ

سہ ماہی کے پہلے دو ماہ میں تمام حصص کے روزانہ کے اوسط لین دین کا حجم Average Daily Traded (ADT) 400 ملین حصص دکھانے کے ساتھ ایکوٹی منڈی (مارکیٹ) نے سہ ماہی کا مثبت نوٹ سے آغاز کیا۔ تاہم سہ ماہی کے آخری ماہ میں (مارچ 17) میں 246 ملین حصص کی ADT کے ساتھ کارکردگی سست رہی سہ ماہی کا مجموعی حجم گھٹ کر 347 ملین حصص ہو گیا جبکہ پچھلی سہ ماہی میں یہ حجم 430 ملین حصص تھا تاہم، روزانہ کے اوسط لین دین کی مالیت (ADT) نے دسمبر 2016 کے مقابلے میں 8 فیصد اضافے کے ساتھ 164 ملین امریکی ڈالر مالیت کا اندازہ کیا۔ سرمایہ کاروں کے احساسات، پنامہ لیکس پر زبیر التوا عدالتی فیصلہ کی وجہ سے متاثر ہوئے۔ مجموعی طور پر اس سہ ماہی میں انڈیکس 48,156 پوائنٹس پر بند ہوا، جس میں دسمبر 2016 سے 0.7 فیصد کا معمولی اضافہ ہوا۔

پاکستان اسٹاک ایسچینج (PSX) نے اپنی انتہائی اہمیت کی 40 فیصد ایکوٹی کا حصہ چینی کنسورشیم کو فروخت سے ہونے والی 85 ملین امریکی ڈالر آمدنی بالآخر وصول کر لی ہے۔ جس سے بروکرز کی سیالیت (liquidity) بہتر ہو گئی ہے۔

قرضہ اور کرنسی مارکیٹ کا جائزہ

سہ ماہی کے دوران SBP کے تہذیبی نیلامی میں قلیل المدت کے تہذیب (3 اور 6 ماہ) میں مسلسل دلچسپی دیکھی گئی جبکہ 12 ماہ کے تہذیب اور PIBs کی سرگرمیاں نا توں رہیں جو اس منڈی کی توقعات کی جانب کا اشارہ کرتی ہیں کہ جاری سال کے دوسرے نصف میں نرخ بڑھیں گے۔

سہ ماہی میں خاص طور پر پاکستان سرمایہ کاری بونڈ کی ادائیگیاں نہ ہونے کے سبب سیالیت (liquidity) کی مستقل بحرانی کیفیت برقرار رہی۔ اس کے نتیجے میں کھلی منڈی اپریشن میں ہفتہ وار 1.1 کھرب روپے داخل کیے جانے سے منڈی کا سائز غیر حقیقی پھیلا ہوا رہا۔ اس کے اثرات کو کم کرنے والے عوامل میں اسلامی بینکوں کے پاس شریعہ کی تعمیل کرتے ہوئے سرمایہ کاری کے زیادہ مواقع نہ ہونے کے نتیجے میں وہ تجارتی بینکوں سیالیت (liquidity) فراہم کر رہا ہے اور اس کی نتیجے میں Bi-Mujjal جیسی مصنوعات کی طلب میں اضافہ رہا۔ سہ ماہی میں مستحکم سودی نرخ کے ساتھ زر کی منڈی کی مالیاتی دستاویزات (instrument) کا لین دین narrow band جس کی پیداواری صلاحیت ساکت رہی۔

سہ ماہی کے دوران PKR 104.8/ US\$ کی مساوات پر زر کی منڈی (currency market) مستحکم رہی۔ ادائیگی کے توازن کی خراب ہوتی ہوئی صورتحال کے باوجود مبادلہ نرخ زیادہ تر اس سطح پر برقرار رہا۔ مارچ 2017 میں ذخائر کی کچھ مدد CSF ادائیگی کی ادائیگی سے ہوئی۔

آپریٹنگ اور مالیاتی کارکردگی

31 مارچ 2017 کو ختم ہونے والی مدت میں کمپنی نے خالص منافع بعد از محصول 24.47 ملین روپے دکھایا جبکہ 31 مارچ 2016 کو خالص نقصان بعد از محصول (20.83) ملین روپے تھا۔

31 مارچ 2017 کو اختتام پذیر سہ ماہی میں مالیاتی کارکردگی کی تفصیلات درج ذیل ہیں:

31 مارچ کو اختتام ہونے والی سہ ماہی	
2016	2017
(Rs) روپے '000 میں	
49,431	83,538
10,041	13,057
4,268	5,021
-	43,797
945	303
230	(1,116)
566	1,298
65,481	145,898
(86,161)	(113,082)
(3,662)	(3,469)
(89,823)	(116,551)
(24,342)	29,347
(193)	(13)
3,701	(4,866)
(20,834)	24,468
(0.21)	0.24

آپریٹنگ آمدنی
 مارک اپ، بینک ڈپازٹس پر منافع، اور دیگر مالی وصولیابیاں
 سرمایہ کاری کی فروخت سے اضافہ 'مناسب قیمت پر نفع
 یا نقصان کی بنیاد پر - خالص
 سرمایہ کاری کی فروخت سے اضافہ 'فروخت کے لیے
 دستیاب' - خالص
 ڈیویڈنڈ کی آمدنی
 سرمایہ کاری پر غیر تکمیل شدہ اضافہ/نقصان) - خالص
 دیگر آمدنی
 کل آمدنی
 آپریٹنگ اور انتظامی اخراجات
 مالیاتی لاگت
 کل اخراجات
 خالص منافع/نقصان) - impairment اور محصول سے پہلے
 طویل المدت سرمایہ کاری پر impairment-ذیلی ادارہ
 محصول
 خالص منافع/نقصان) بعد از محصول
 نفع/نقصان) فی حصص

مستقبل کا منظر نامہ

ہم مندرجہ ذیل وجوہات کی وجہ سے ایکوٹی مارکیٹ میں تیزی کے امکانات سے پر امید ہیں؛

1. پاکستان میں موجود ایک بڑی ملکی ریٹیل مارکیٹ موجود ہے جس کا فائدہ نہیں اٹھایا جا سکا اس کی توجہ بہترین منافع کے لیے حصص کی منڈی کی جانب کروائی جا سکتی ہے جو سیالیت (liquidity) کا اہم ذریعہ ثابت ہو سکتی ہے۔ اس کے علاوہ جائیداد سے متعلق کاروبار جو تاریخی طور پر زائد از ضرورت سرمایہ وقتی طور پارک کیا جاتا تھا اس پر محصول لگایا جا رہا ہے اور اسے دستاویزی کر دیے جانے کی وجہ سے اثاثہ جاتی درجہ کا بہاؤ حصص منڈی کی جانب ہوگا۔
2. پہلی جون 2017 سے پاکستان ایم ایس سی آئی (MSCI) ابھرتی ہوئی مارکیٹ انڈیکس کے درجے پر پہنچ جائے گا۔ اس دوبارہ درجہ بندی کی وجہ سے ممکنہ طور پر ابھرتی ہوئی مارکیٹ کے فنڈز کا نئے بہاؤ کا باعث ہو گا۔ ان امکانی اندرونی بہاؤ سے توقع کی جارہی ہے کہ وہ قیمتوں کو مستحکم رکھیں گی اور مارکیٹ کو مدد فراہم کریں گی۔
3. چین پاکستان اقتصادی راہداری (CPEC) سے متعلق تعمیراتی ڈھانچے اور توانائی کے منصوبوں سے پیدا ہونے والی معیشت میں بہتری سے مقامی معیشت اور کپیٹل منڈی کا اعتماد بحال ہو کرے گی۔
4. پاکستان اسٹاک ایکسچینج کے 40 فیصد حصص کی شنگھائی اسٹاک ایکسچینج کی قیادت میں چینی کنسورشیم کو فروخت سے توقع کی جارہی ہے کہ وہ چھوٹے سرمایہ کاروں (retail investors) کے لیے نئی مصنوعات متعارف کروانے کی جس سے ریٹیل شعبے کی سرمایہ کی منڈی میں دلچسپی بڑھے گی۔

تسلیم و تحسین

ڈائریکٹرز اپنے معزز صارفین، حصص یافتگان، ریگولیشنز، کاروباری شراکت داروں اور دیگر stakeholders کے کمپنی پر کئے گئے مسلسل بھروسے پر ان کے مشکور ہیں۔ بورڈ اپنے تمام ملازمین کی لگن اور جانفشانی کو بھی تہہ دل سے سراہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

محترم منصور الرحمان خان،

صدر نشین

کراچی، 24 اپریل 2017



**STANDALONE CONDENSED INTERIM
FINANCIAL INFORMATION**

Securities

CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2017

	Note	(Un-audited) March 31, 2017 (Rupees in '000)	(Audited) December 31, 2016
ASSETS			
Non-current assets			
Property and equipment	4	26,792	28,165
Intangible assets		4,488	4,710
Investment properties		5,283	5,356
Long-term investments	5	689,103	730,438
Long-term loans and advances		278	203
Long-term deposits and prepayments		16,501	16,078
Deferred tax asset - net		59,108	40,201
		801,553	825,151
Current assets			
Short-term investments	6	100,664	72,499
Trade debts	7	181,493	197,436
Advances, deposits, prepayments and other receivables	8	409,570	573,620
Taxation - net		74,005	64,017
Cash and bank balances	9	786,123	644,614
		1,551,855	1,552,186
TOTAL ASSETS		2,353,408	2,377,337
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
		2,000,000	2,000,000
Issued, subscribed and paid-up capital			
General reserve		1,000,000	1,000,000
Unrealised gain on re-measurement of 'available-for-sale' investments to fair value - net		18,752	18,752
Accumulated loss		496,563 (432,407)	518,881 (456,875)
		1,082,908	1,080,758
Non-current liabilities			
Long-term financing	10	150,000	150,000
Current liabilities			
Trade and other payables	11	1,120,463	1,146,542
Accrued mark-up		37	37
		1,120,500	1,146,579
TOTAL EQUITY AND LIABILITIES		2,353,408	2,377,337
CONTINGENCIES AND COMMITMENTS			
	12		

The annexed notes 1 to 19 form an integral part of these Condensed Interim Financial Information.

----- Sd -----
Chairman

----- Sd -----
Chief Executive Officer

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2017

	Note	Quarter ended March 31,	
		2017	2016
		(Rupees in '000)	
Operating revenue	13	83,538	49,431
Net gain on investments			
Gain on sale of investments 'at fair value through profit and loss' - net		5,021	4,268
Gain on sale of 'available-for-sale' investments - net	5.2.1	43,797	-
Unrealised (loss) / gain on re-measurement of investments 'at fair value through profit or loss' - net		(1,116)	230
		47,702	4,498
Dividend income		303	945
Mark-up / profit on bank deposits, and other receivables	14	13,057	10,041
		144,600	64,915
Operating and administrative expenses	15	(113,082)	(86,163)
Impairment on long-term investment - Subsidiary	5.1	(13)	(193)
Reversal of provision against doubtful debts - net	7.2	-	2
		(113,095)	(86,354)
Operating profit / (loss)		31,505	(21,439)
Finance cost		(3,469)	(3,662)
		28,036	(25,101)
Other income		1,298	566
Profit / (loss) before taxation		29,334	(24,535)
Taxation			
Current - for the period		(6,219)	(2,919)
Deferred		1,353	6,620
		(4,866)	3,701
Profit / (loss) after taxation		24,468	(20,834)
Other comprehensive income / (loss) for the period:			
Reclassification adjustment on disposal of 'available-for-sale' investment included in profit and loss account - net		(21,718)	-
Unrealised loss arising during the period on re-measurement of 'available-for-sale' investments - net		(600)	-
		(22,318)	-
Total comprehensive income / (loss) for the period		2,150	(20,834)
		(Rupees)	
Earnings / (loss) per share - basic and diluted		0.24	(0.21)

The annexed notes 1 to 19 form an integral part of these Condensed Interim Financial Information.

----- Sd -----

Chairman

----- Sd -----

Chief Executive Officer

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2017

	Quarter ended March 31,	
	2017	2016
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	29,334	(24,535)
Non - cash adjustments to reconcile profit / (loss) before tax to net cash flows:		
Depreciation	3,308	3,804
Amortisation	222	145
Gain on sale of investments 'at fair value through profit and loss' - net	(5,021)	(4,268)
Gain on sale of 'available-for-sale' investments - net	(43,797)	-
Gain on sale of property and equipment	(22)	(9)
Unrealised loss / (gain) on re-measurement of investments 'at fair value through profit or loss' - net	1,116	(230)
Impairment on long-term investment - Subsidiary	13	193
Reversal of provision against doubtful debts-net	-	(2)
Finance cost	3,469	3,662
Dividend income	(303)	(945)
	(41,015)	2,350
Working capital adjustments:	(11,681)	(22,185)
Decrease / (increase) in current assets		
Trade debts	15,943	31,966
Advances, deposits, prepayments and other receivables	163,445	(21,360)
	179,388	10,606
(Decrease) / increase in current liabilities		
Trade and other payables	(26,078)	90,245
	141,629	78,666
Finance cost paid	(3,469)	(3,660)
Income tax paid	(16,207)	(6,257)
Net cash flows generated from operating activities	121,953	68,749
CASH FLOW FROM INVESTING ACTIVITIES		
Investments 'at fair value through profit or loss' - net	(24,260)	(8,297)
Purchase of property and equipment	(1,862)	(1,754)
Proceeds from disposal of property and equipment	22	31
Dividend received	908	342
Net cash flows used in investing activities	(25,192)	(9,678)
CASH FLOW FROM FINANCING ACTIVITIES		
Long-term loans and advances	(75)	29
Long-term deposits and prepayments	(423)	(205)
Long-term investment	45,247	-
Dividend paid	(1)	(1)
Net cash flows generated from / (used in) financing activities	44,748	(177)
Net increase in cash and cash equivalents	141,509	58,894
Cash and cash equivalents at the beginning of the period	644,614	547,174
Cash and cash equivalents at the end of the period	786,123	606,068

The annexed notes 1 to 19 form an integral part of these Condensed Interim Financial Information.

----- Sd -----

Chairman

----- Sd -----

Chief Executive Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2017

	Share capital	General reserve	Accumulated (loss) / profit	Unrealised gain / (loss) on remeasurement of 'available-for-sale' investments to fair value - net	Total
	(Rupees in '000)				
Balance as at January 01, 2016	1,000,000	18,752	(475,990)	394,241	937,003
Total comprehensive loss for the period	-	-	(20,834)	-	(20,834)
Balance as at March 31, 2016	1,000,000	18,752	(496,824)	394,241	916,169
Total comprehensive income for the period	-	-	39,949	124,640	164,589
Balance as at December 31, 2016	1,000,000	18,752	(456,875)	518,881	1,080,758
Total comprehensive income for the period	-	-	24,468	(22,318)	2,150
Balance as at March 31, 2017	1,000,000	18,752	(432,407)	496,563	1,082,908

The annexed notes 1 to 19 form an integral part of these Condensed Interim Financial Information.

----- Sd -----
Chairman

----- Sd -----
Chief Executive Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2017

1. STATUS AND NATURE OF BUSINESS

- 1.1 BIPL Securities Limited (formerly KASB Securities Ltd.) (the Company) was incorporated in Pakistan on October 24, 2000 under the Companies Ordinance, 1984 and commenced its operations effective January 1, 2003, on the transfer of assets and liabilities of the securities segment of the then Khadim Ali Shah Bukhari and Company Limited under a Scheme of Arrangement approved by the High Court of Sindh. The shares of the Company are listed on the Pakistan Stock Exchange Limited (PSX). The registered office of the Company is situated at 5th Floor, Trade Centre, I.I. Chundrigar Road, Karachi.
- 1.2 The Company is a subsidiary of BankIslami Pakistan Limited (BIPL) - (the Parent Company), which holds 77.12% shares of the Company.
- 1.3 The Company is a TREC holder of the Pakistan Stock Exchange Limited (PSX) and Corporate member of Pakistan Mercantile Exchange Limited (PMEX) and is principally engaged in the business of stocks, money market, foreign exchange and commodity broking. Other activities include investment in a mix of listed and unlisted equity and debt securities, economic research and advisory services.
- 1.4 These are separate condensed Interim Financial Information of the Company in which investment in subsidiary is reported on the basis of direct equity interest and is not consolidated.

2. STATEMENT OF COMPLIANCE

- 2.1 These condensed Interim Financial Information of the Company for the period ended March 31, 2017 have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of the Companies Ordinance, 1984 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements differ, the provisions of the Companies Ordinance, 1984 and the said directives have been followed.
- 2.2 These condensed Interim Financial Information do not include all the information and disclosures required in the Annual Financial Statements, and should be read in conjunction with the Company's Annual Financial Statements for the year ended December 31, 2016.
- 2.3 These condensed Interim Financial Information are un-audited.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed Interim Financial Information are consistent with those of the previous financial year except as follows:

New, amended and revised standards and interpretations of International Financial Reporting Standards (IFRSs).

The Company has adopted the following revised standard, amendments and interpretation of IFRSs which became effective for the current period :

- IFRS 7 – Financial Instrument: Disclosure Initiative (Amendment)
- IAS 12 – Income Taxes-Recognition of Deferred Tax Assets for Unrealized Losses (Amendments)

The adoption of the above amendments to accounting standards and interpretations did not have any effect on the condensed Interim Financial Information.

4. PROPERTY AND EQUIPMENT

The details of additions and disposals during the period are as follows:

	Quarter ended (Un-audited)		Year ended (Audited)	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
	Additions Cost	Disposals Cost	Additions Cost	Disposals Cost
	(Rupees in '000)			
Computers and office equipment	1,743	-	5,070	(6,625)
Vehicles	-	-	-	(54)
Furniture and fixtures	119	-	153	(108)
	<u>1,862</u>	<u>-</u>	<u>5,223</u>	<u>(6,787)</u>

5. LONG-TERM INVESTMENTS

	Note	(Un-audited) March 31, 2017	(Audited) December 31, 2016
		(Rupees in '000)	
Subsidiary company- Structured Venture (Private) Limited (SVPL)	5.1	1,839	1,852
'Available-for-sale' investments	5.2	687,264	728,586
		<u>689,103</u>	<u>730,438</u>
5.1 Subsidiary Company			
Cost		488,581	488,581
Less: Provision for impairment		(486,742)	(486,729)
		<u>1,839</u>	<u>1,852</u>

The net assets of the subsidiary company have reduced due to full impairment of investment of Rs. 81.567 million in an associated company New Horizon Exploration and Production Limited (NHEPL), and provision against advance for purchase of land of Rs. 375 million.

Structured Venture (Private) Limited (SVPL) had given advance against purchase of property Rs. 375 million which was being developed as a Housing Scheme (the 'Project') by M/s. Noor Developer (Private) Limited (the 'Developer'), the majority shareholder of which is Mr. Arif Ali Shah Bukhari. This amount includes development charges of Rs. 75 million paid to the Developer. The Developer had communicated in the previous years that the Project was pending final approval from the Cantonment Board Korangi Creek (CBKC) for last few years due to modification and revision required by the CBKC in the Project.

During the year 2015, the Developer canceled provisional booking vide its letter dated June 15, 2015 and in response, SVPL has filed legal suit for specific performance, declaration, injunction, partition and damages in the Sindh High Court.

In addition to the above, as per CBKC letter to Military Lands & Cantonments dated July 04, 2011, the land on which provisional booking was made is not eligible for the type of allotment made to SVPL as per sale agreement dated November 10, 2010 between SVPL and the Developer. Further, the development work on the Project, as communicated by the Developer vide their letter dated December 28, 2013, has also not been undertaken.

Moreover, verification from the Registrar of Housing Society has revealed that no record exists for the said Project, namely Noor Town, situated at survey number 288, 289 and 290 at Deh Korangi Township Karachi. Prima facie a fraud was committed with the Company against which, criminal and civil proceedings have already been initiated.

Considering the facts stated above, the history of this transaction and legal implications, SVPL as a matter of prudence, has fully provided this amount. Hence, the Company's investment in SVPL stands impaired.

During the period, the Company has recognized further impairment as the net assets of SVPL has decreased due to operating losses.

5.2 'Available-for-sale' investments

Name of the Investee Company

Unquoted shares

Note	(Un-audited) March 31, 2017 (Rupees in '000)	(Audited) December 31, 2016	
Pakistan Stock Exchange Limited	5.2.1	60,264	100,986
Al Jomaih Power Limited	5.2.2	627,000	627,600
New Horizon Exploration and Production Limited - (Related Party)			
- Class 'A' ordinary shares		31,629	31,629
Less: impairment		(31,629)	(31,629)
	5.2.3	-	-
		687,264	728,586

5.2.1 The Company's entitlement in respect of PSX's shares was determined on the basis of valuation of assets and liabilities of PSX as approved by the SECP and 4,007,383 shares of the face value of Rs 10/- each were allotted to the Company, out of which 2,404,430 shares were kept in the blocked account and the divestment of the same was to be made in accordance with the requirements of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012 [the Act] within two years from the date of promulgation of the Act.

On December 22, 2016, the Divestment Committee of PSX accepted the highest bid price of Rs. 28 per share from Chinese Consortium to divest 40% equity stake held by the existing shareholders of PSX, which were kept in the blocked account as mentioned above, under Stock Exchange (Corporatisation, Demutualisation and Integration) Act, 2012 and regulation framed thereunder.

Subsequent to above, PSX intimated vide letter dated December 29, 2016 that bidding process for the sale of PSX shares has been concluded. Further, consideration for the above sale will be paid by PSX after holding 10% of the sale price as Retention money in terms of Share Purchase Agreement executed among Anchor investor, Divestment Committee and PSX which will be retained for a period of one year to settle any outstanding liabilities of PSX. Accordingly, the Company revalued 4,007,383 shares of PSX after the discounting effect in the financial statement for the year ended December 31, 2016.

During the period ended March 31, 2017, the company has received sale proceed of Rs 40.39 million against disposal of 1,602,953 shares representing 90% of sale proceed as initially agreed with Chinese Consortium through sale purchase agreement mentioned above. Further, sale proceed of 13,000 freely held shares, (transferred to PSX due to freezing of shares of certain PSX shareholders in order to fulfill shortfall of 40% equity stake as agreed with Chinese Consortium), is yet to be received from PSX.

Further, the Company has pledged 1,589,953 shares with PSX to meet the requirement of Base Minimum Capital (BMC) under clause 19.2 of the Risk Management Regulations in PSX Rule Book.

5.2.2 The Company's investment in unquoted shares of Al Jomaih Power Limited are valued at its fair value as at year end based on the net assets value of the investee Company as at December 31, 2016.

5.2.3 In year 2015, the management carried out impairment testing of its investment in New Horizon Exploration and Production Limited (NHEPL), as required by IAS 36 - "Impairment of Assets". The recoverable amount of investment was estimated using "Value in use" approach. In considering the impairment, various business assumptions for estimating cash flows were used, which includes but are not limited to, historical performance of the investment, development and production activity in NHEPL's working interests, recoverability of future cash flows from the investment etc. Based on such analysis, the Company fully impaired it's investment in NHEPL and an impairment loss of Rs. 31.63 million was recognised in these financial statements.

	Note	(Un-audited) March 31, 2017 (Rupees in '000)	(Audited) December 31, 2016
6. SHORT-TERM INVESTMENTS			
'At fair value through profit or loss'			
- Listed shares	6.1	100,664	72,499
- Term finance certificate	6.2	-	-
		100,664	72,499
6.1 This includes shares with carrying value of Rs. 24.31 million (December 31, 2016: Rs. 39.33 million) which have been pledged with NCCPL against exposure margin.			
6.2 Term Finance Certificates			
Pace Pakistan Limited (Face value of 10,000 certificates at Rs. 5,000/- each)			
Cost		45,369	45,369
Less: impairment		(45,369)	(45,369)
	6.2.1	-	-
6.2.1 The above TFCs are secured and carry mark-up at the rate of 6 months KIBOR +2% and was to be matured in February 15, 2017. These TFCs are currently rated as 'non-performing' by the Mutual Funds Association of Pakistan and accordingly, the purchase cost of TFCs amounts to Rs. 45.37 million (December 31, 2016: Rs. 45.37 million) and during the previous years, the Company on the basis of prudence, has fully impaired the investment of Rs. 45.37 million.			
7. TRADE DEBTS			
Receivable against purchase of marketable securities			
- net of provisions	7.2	174,974	192,417
Inter-bank brokerage		3,270	2,537
Fees		3,249	2,482
		181,493	197,436
7.1 Trade debts are recognized at fair value and subsequently measured at carrying value. A provision for impairment in trade debts is made when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables whereas debts deemed uncollectible are written off.			
7.2 Considered good			
Secured		150,392	162,108
Unsecured		6,285	12,012
		156,677	174,120
Considered doubtful		136,323	136,323
Less: provision for doubtful debts	7.3	(118,026)	(118,026)
		174,974	192,417
7.3 Reconciliation of provisions against trade debts			
Opening balance		118,026	118,041
Reversal of provision during the period / year		-	(15)
		118,026	118,026
7.3.1 Provision against doubtful debts has been made after considering the market value of listed shares amounting to Rs. 18.30 million (December 31, 2016: Rs. 18.30 million) held in custody by the Company against the respective customers accounts.			
7.4 Trade debts for more than five days amounts to Rs. 51.01 million, and the amount by which it exceeds the value of collateral held from such customers after applying haircut on VAR basis is Rs. 11.89 million.			

	Note	(Un-audited) March 31, 2017 (Rupees in '000)	(Audited) December 31, 2016
8. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Advances to:			
- Suppliers		2,326	2,219
- Current portion of long-term loans and advances to employees and executives		281	273
- Others		-	40
		2,607	2,532
Deposits:			
- Exposure deposit with -NCCPL		257,849	437,310
- Exposure deposit with -PMEX		2,994	2,982
- Others		2,200	2,200
		263,043	442,492
Prepayments:			
- Rent		3,873	1,716
- Insurance		1,108	244
- Software development and maintenance		1,533	296
- Others		1,070	1,810
		7,584	4,066
Other receivables:			
- Dividends		472	1,077
- Profit on bank deposits		3,224	3,397
- Profit on exposure deposit with - PSX		1,080	1,352
- Receivable against margin finance		125,162	118,460
- Receivable from PSX against sale of shares	5.2.1	4,852	-
- Unrealized gain on revaluation of future equity transaction		1,257	-
- Receivable from related party		172	172
- Others		117	72
		136,336	124,530
		409,570	573,620
9. CASH AND BANK BALANCES			
Cash at bank in:			
Company accounts			
- Current accounts		3,304	1,521
- Saving accounts	9.1	123,794	550
		127,098	2,071
Client accounts			
- Current accounts		100,666	154,500
- Saving accounts	9.1	558,263	488,037
		658,929	642,537
	9.2	786,027	644,608
Cash in hand		88	-
Stamps in hand		8	6
		786,123	644,614

9.1 These carry profit at the rates ranging from 2.6% to 4.44% (December 31, 2016: 2.5% to 5.15%) per annum.

9.2 This includes Rs. 440.33 million (December 31, 2016: Rs. 440.15 million) with BankIslami Pakistan Limited, the Parent Company.

	Note	(Un-audited) March 31, 2017 (Rupees in '000)	(Audited) December 31, 2016
10. LONG-TERM FINANCING			
Financing from financial institution	10.1	150,000	150,000
10.1 This represents long-term financing obtained from the Parent Company (BIPL) on December 31, 2015. The financing facility is restructured into Islamic financing. The financing is secured by way of First Exclusive Charge over all commercial properties of the Company (Musharakah assets). The financing is payable as a bullet payment in December 2020. BIPL is entitled to rental payments for use of musharakah assets. Rental payments are calculated to provide return equal to 3 months KIBOR + 3% per annum payable on quarterly basis from March 2016 to December 2020.			
11. TRADE AND OTHER PAYABLES			
Trade creditors		958,093	1,013,130
Accrued expenses		136,722	107,329
Withholding tax		22,274	22,998
Unclaimed dividend		1,401	1,402
Others		1,973	1,683
		1,120,463	1,146,542
12. CONTINGENCIES AND COMMITMENTS			
Contingencies			
There were no contingencies outstanding at period / year end.			
Commitments			
Net-future sale transactions of equity securities entered into by the Company in respect of which the settlement is outstanding			
		102,033	-
13. OPERATING REVENUE			
Brokerage	13.1	79,213	48,927
Subscription research income		2,094	10
Financial advisory fee		1,443	-
Custody services		788	494
		83,538	49,431
13.1 This includes Rs 73.33 million equity trading brokerage income out of which Rs 12.42 million brokerage income is earned from institutional clients, Rs 60.92 million brokerage income is earned from retail clients and Rs Nil brokerage income is earned on proprietary trades.			
14. MARK-UP / PROFIT ON BANK DEPOSITS, AND OTHER RECEIVABLES			
Profit on bank deposits		9,068	8,331
Margin finance income		3,951	1,710
Others		38	-
		13,057	10,041
15. Operating and administrative expenses includes Rs. 8.51 million which relates to share of client in mark-up income earned against their unutilised fund balances in pls bank accounts of BIPL Securities Limited (formerly KASB Securities Ltd.) -Client account as per the notice no. KSE/N-1479 dated March 17, 2015 of Pakistan Stock Exchange Limited. The gross markup earned is recorded as profit on bank deposits and client share is charged as expense.			

16. RELATED PARTY TRANSACTIONS

The related parties of the Company comprise of BankIslami Pakistan Limited (the Parent Company), associated undertakings (including companies under common directorship), employee benefit plans and its key management personnel. The balances with related parties as at March 31, 2017 and December 31, 2016 and transactions with related parties during the period ended March 31, 2017 and March 31, 2016 are as follows:

	As at March 31, 2017 (Un-audited)				Total
	Parent Company	Subsidiary/ associates	Key management personnel	Others	
	(Rupees in '000)				
BALANCES					
Accrued mark-up	37	-	-	-	37
Bank balances	440,329	-	-	-	440,329
Long-term deposits	-	142	-	-	142
Long-term financing	150,000	-	-	-	150,000
Profit receivable on bank deposit	1,464	-	-	-	1,464
Prepaid rent	432	-	-	-	432
Receivable against expenses	-	172	-	-	172
Receivable against financial advisory	500	-	-	-	500
Trade debts	94	20	269	-	383
Trade and other payable	-	-	640	-	640

	As at December 31, 2016 (Audited)				Total
	Parent Company	Subsidiary/ associates	Key management personnel	Others	
	(Rupees in '000)				
BALANCES					
Accrued mark-up	37	-	-	-	37
Bank balances	440,154	-	-	-	440,154
Long-term deposits	-	142	-	-	142
Long-term financing	150,000	-	-	-	150,000
Profit receivable on bank deposit	1,546	-	-	-	1,546
Prepaid rent	108	-	-	-	108
Provident fund payable	-	-	-	11	11
Receivable against expenses	-	172	-	-	172
Trade debts	22	18	191	-	231
Trade and other payable	-	-	1,946	-	1,946

	Quarter ended March 31, 2017 (Un-audited)				
	Parent Company	Subsidiary/ associates	Key management personnel	Others	Total
	(Rupees in '000)				
TRANSACTIONS					
Income					
Brokerage income earned	304	-	152	-	456
Custody services	1	2	1	-	4
Profit on bank deposits	3,811	-	-	-	3,811
Financial advisory income	442	-	-	-	442
Expenses					
Bank charges	35	-	-	-	35
Charge in respect of contributory plan	-	-	-	1,430	1,430
Mark-up expense	3,373	-	-	-	3,373
Remuneration to management personnel	-	-	26,704	-	26,704
Rent expense	324	-	-	-	324
Other transactions					
Purchase of property and equipment	224	-	-	-	224

	Quarter ended March 31, 2016 (Un-audited)				
	Parent Company	Subsidiary/ associates	Key management personnel	Others	Total
	(Rupees in '000)				
TRANSACTIONS					
Income					
Brokerage income earned	69	-	91	-	160
Mark-up on staff loan	-	-	15	-	15
Custody services	2	2	16	-	20
Profit on bank deposits	5,674	-	-	-	5,674
Expenses					
Bank charges	57	-	-	-	57
Charge in respect of contributory plan	-	-	-	1,500	1,500
Mark-up expense	3,551	-	-	-	3,551
Reimbursement of expenses	-	1	-	-	1
Remuneration to management personnel*	-	-	23,199	-	23,199
Rent expense	240	-	-	-	240
Other transactions					
Loans repayment	-	-	419	-	419

* This includes remuneration paid to Chief Executive Officer resigned during the period.

17. OTHER DISCLOSURES UNDER REGULATION 34(2) OF SECURITIES BROKERS (LICENSING AND OPERATIONS) REGULATIONS 2016:

The disclosures under the regulation 34(2), other than disclosed elsewhere in these condensed interim financial information, are as follows:

17.1	Persons holding more than 5% of shares	% of holding		Number of shares	
		March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
	M/s. BankIslami Pakistan Limited	77.12%	77.12%	77,117,500	77,117,500
	Mrs. Noor Jehan Bano	6.53%	6.53%	6,525,000	6,525,000
	Mr. Mohammad Aslam Motiwala	6.66%	6.66%	6,664,500	6,664,500

17.2 There were no changes in the shareholding of persons holding more than 5% shares of the Company.

17.3 As at March 31, 2017 the value of customers' shares maintained with the Company and pledged with financial institutions is Rs. 113.72 million.

17.4 As at March 31, 2017 value of customers' shares maintained in the Company's Sub-Accounts held in the Central Depository Company of Pakistan Limited is Rs. 14,647 million.

18. DATE OF AUTHORISATION

These condensed Interim Financial Information have been authorised for issue by the Board of Directors of the Company on April 24, 2017.

19. GENERAL

19.1 Corresponding figures have been re-arranged and reclassified, wherever necessary, to facilitate comparison. However, there are no material reclassifications to report.

19.2 Figures have been rounded off to the nearest thousand of rupees.

----- Sd -----
Chairman

----- Sd -----
Chief Executive Officer



**CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION**

Securities

CONSOLIDATED CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2017

	(Un-audited) March 31, 2017 <small>(Rupees in '000)</small>	(Audited) December 31, 2016
ASSETS		
Non-current assets		
Property and equipment	26,792	28,165
Intangible assets	4,488	4,710
Investment properties	5,283	5,356
Long-term investments	687,264	728,586
Long-term loans and advances	278	203
Long-term deposits and prepayments	16,501	16,078
Deferred tax asset - net	59,108	40,201
	799,714	823,299
Current assets		
Short-term investments	100,664	72,499
Trade debts	181,493	197,436
Advances, deposits, prepayments and other receivables	409,574	573,624
Taxation - net	74,215	64,226
Cash and bank balances	787,763	646,311
	1,553,709	1,554,096
TOTAL ASSETS	2,353,423	2,377,395
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorized capital		
	2,000,000	2,000,000
Issued, subscribed and paid-up capital	1,000,000	1,000,000
General reserve	18,752	18,752
Unrealised gain on re-measurement of 'available- -for-sale' investments to fair value - net	496,563	518,881
Accumulated loss	(432,407)	(456,875)
	1,082,908	1,080,758
Non-current liabilities		
Long-term financing	150,000	150,000
Current liabilities		
Trade and other payables	1,120,478	1,146,600
Accrued mark-up	37	37
	1,120,515	1,146,637
TOTAL EQUITY AND LIABILITIES	2,353,423	2,377,395

CONTINGENCIES AND COMMITMENTS

The annexed notes 1 to 8 form an integral part of these Consolidated Condensed Interim Financial Information.

----- Sd -----
Chairman

----- Sd -----
Chief Executive Officer

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2017

	Quarter ended March 31,	
	2017	2016
	(Rupees in '000)	
Operating revenue	83,538	49,431
Net gain on investments		
Gain on sale of investments 'at fair value through profit and loss' - net	5,021	4,268
Gain on sale of 'available-for-sale' investments - net	43,797	-
Unrealised (loss) / gain on re-measurement of investments 'at fair value through profit or loss' - net	(1,116)	230
	47,702	4,498
Dividend income	303	945
Mark-up / profit on bank deposits, and other receivables	13,068	10,055
	144,611	64,929
Operating and administrative expenses	(113,106)	(86,370)
Reversal of provision against doubtful debts - net	-	2
	(113,106)	(86,368)
Operating profit / (loss)	31,505	(21,439)
Finance cost	(3,469)	(3,662)
	28,036	(25,101)
Other income	1,298	566
Profit / (loss) before taxation	29,334	(24,535)
Taxation		
Current - for the period	(6,219)	(2,919)
Deferred	1,353	6,620
	(4,866)	3,701
Profit / (loss) after taxation	24,468	(20,834)
Other comprehensive income / (loss) for the period:		
Reclassification adjustment on disposal of 'available- for-sale' investment included in profit and loss account - net	(21,718)	-
Unrealised loss arising during the period on re-measurement of 'available-for-sale' investments - net	(600)	-
	(22,318)	-
Total comprehensive income / (loss) for the period	2,150	(20,834)
	(Rupees)	
Earnings / (loss) per share - basic and diluted	0.24	(0.21)

The annexed notes 1 to 8 form an integral part of these Consolidated Condensed Interim Financial Information.

----- Sd -----

Chairman

----- Sd -----

Chief Executive Officer

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2017

	Quarter ended March 31,	
	2017	2016
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	29,334	(24,535)
Non - cash adjustments to reconcile profit / (loss) before tax to net cash flows:		
Depreciation	3,308	3,804
Amortisation	222	145
Gain on sale of investments 'at fair value through profit and loss' - net	(5,021)	(4,268)
Gain on sale of 'available-for-sale' investments - net	(43,797)	-
Gain on sale of property and equipment	(22)	(9)
Unrealised loss / (gain) on re-measurement of investments 'at fair value through profit or loss' - net	1,116	(230)
Reversal of provision against doubtful debts-net	-	(2)
Finance cost	3,469	3,662
Dividend income	(303)	(945)
	(41,028)	2,157
Working capital adjustments:		
Decrease / (increase) in current assets		
Trade debts	15,943	31,966
Advances, deposits, prepayments and other receivables	163,445	(21,360)
	179,388	10,606
(Decrease) / increase in current liabilities		
Trade and other payables	(26,121)	90,260
	141,573	78,488
Finance cost paid	(3,469)	(3,660)
Income tax paid	(16,208)	(6,258)
Net cash flows generated from operating activities	121,896	68,570
CASH FLOW FROM INVESTING ACTIVITIES		
Investments 'at fair value through profit or loss' - net	(24,260)	(8,297)
Purchase of property and equipment	(1,862)	(1,754)
Proceeds from disposal of property and equipment	22	31
Dividend received	908	342
Net cash flows used in investing activities	(25,192)	(9,678)
CASH FLOW FROM FINANCING ACTIVITIES		
Long-term loans and advances	(75)	29
Long-term deposits and prepayments	(423)	(205)
Long-term investment	45,247	-
Dividend paid	(1)	(1)
Net cash flows generated from / (used in) financing activities	44,748	(177)
Net increase in cash and cash equivalents	141,452	58,715
Cash and cash equivalents at the beginning of the period	646,311	549,181
Cash and cash equivalents at the end of the period	787,763	607,896

The annexed notes 1 to 8 form an integral part of these Consolidated Condensed Interim Financial Information.

----- Sd -----

Chairman

----- Sd -----

Chief Executive Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2017

	Share capital	General reserve	Accumulated (loss) / profit	Unrealised gain / (loss) on remeasurement of 'available-for-sale' investments to fair value - net	Total
	(Rupees in '000)				
Balance as at January 01, 2016	1,000,000	18,752	(475,990)	394,241	937,003
Total comprehensive loss for the period	-	-	(20,834)	-	(20,834)
Balance as at March 31, 2016	1,000,000	18,752	(496,824)	394,241	916,169
Total comprehensive income for the period	-	-	39,949	124,640	164,589
Balance as at December 31, 2016	1,000,000	18,752	(456,875)	518,881	1,080,758
Total comprehensive income for the period	-	-	24,468	(22,318)	2,150
Balance as at March 31, 2017	1,000,000	18,752	(432,407)	496,563	1,082,908

The annexed notes 1 to 8 form an integral part of these Consolidated Condensed Interim Financial Information.

----- Sd -----
Chairman

----- Sd -----
Chief Executive Officer

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2017

1. STATUS AND NATURE OF BUSINESS

The Group comprises of:

Holding company

-BIPL Securities Limited (formerly KASB Securities Ltd.)

Subsidiary company

-Structured Venture (Private) Limited (SVPL)

- 1.1 BIPL Securities Limited (formerly KASB Securities Ltd.) (the Company) was incorporated in Pakistan on October 24, 2000 under the Companies Ordinance, 1984 and commenced its operations effective January 01, 2003, on the transfer of assets and liabilities of the securities segment of the then Khadim Ali Shah Bukhari and Company Limited under a Scheme of Arrangement approved by the High Court of Sindh. The shares of the Company are listed on the Pakistan Stock Exchange Limited (PSX). The registered office of the Group is situated at 5th Floor, Trade Centre, I.I. Chundrigar Road, Karachi.
- 1.2 The Holding Company is a subsidiary of BankIslami Pakistan Limited (the Ultimate Parent Company) which holds 77.12% of the shares of the Group.
- 1.3 The Group is a TREC holder of the Pakistan Stock Exchange Limited (PSX) and Corporate member of Pakistan Mercantile Exchange Limited (PMEX) and is principally engaged in the business of stocks, money market, foreign exchange and commodity broking. Other activities include investment in a mix of listed and unlisted equity and debt securities, economic research and advisory services.
- 1.4 Structured Venture (Private) Limited (the subsidiary) was incorporated in Pakistan on June 25, 2010 under the Companies Ordinance, 1984. The registered office of the company is situated at 5th Floor, Trade Centre, I.I. Chundrigar Road, Karachi.
- 1.5 The subsidiary is wholly owned by BIPL Securities Limited (formerly KASB Securities Ltd.).
- 1.6 The subsidiary's core objective is to capitalize on opportunities across different asset classes, including but not limited to, commodities, structured products, real estate etc. In addition, the subsidiary can, subject to regulatory approvals, invest / participate in selected local and foreign business ventures.

2. BASIS OF PREPARATION

These consolidated condensed Interim Financial Information have been prepared under the historical cost convention except for investments which are carried at fair value.

3. STATEMENT OF COMPLIANCE

These consolidated condensed Interim Financial Information of the Group for the period ended March 31, 2017 have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of the Companies Ordinance, 1984 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements differ, the provisions of the Companies Ordinance, 1984 and the said directives have been followed.

These consolidated condensed Interim Financial Information do not include all the information and disclosures required in Annual Financial Statements and should be read in conjunction with the annual published financial statements for the year ended December 31, 2016.

These consolidated condensed Interim Financial Information are un-audited.

4. ACCOUNTING POLICIES

The accounting policies and methods of computation followed in the preparation of these consolidated condensed Interim Financial Information are consistent with those followed in the preparation of the Group consolidated annual published Financial Statement for the year ended December 31, 2016.

5. BASIS OF CONSOLIDATION

The Financial Information of the subsidiary are included in the consolidated condensed Interim Financial Information from the date the control commences until the date the control ceases. In preparing consolidated condensed Interim Financial Information, the Financial Information of the Holding Company and Subsidiary are consolidated on a line by line basis by adding together the like items of assets, liabilities, income and expenses. Significant intercompany transactions have been eliminated.

6. RELATED PARTY TRANSACTIONS

The related parties of the Group comprise of BankIslami Pakistan Limited (the Ultimate Parent Company), associated undertakings (including companies under common directorship), employee benefit plans and its key management personnel. The balances with related parties as at March 31, 2017 and December 31, 2016 and transactions with related parties during the period ended March 31, 2017 and March 31, 2016 are as follows:

As at March 31, 2017 (Un-audited)					
Parent Company	Subsidiary/ associates	Key management personnel	Others	Total	
(Rupees in '000)					
BALANCES					
Accrued mark-up	37	-	-	-	37
Bank balances	441,969	-	-	-	441,969
Long-term deposits	-	142	-	-	142
Long-term financing	150,000	-	-	-	150,000
Profit receivable on bank deposit	1,468	-	-	-	1,468
Prepaid rent	432	-	-	-	432
Receivable against expenses	-	172	-	-	172
Receivable against financial advisory	500	-	-	-	500
Trade debts	94	20	269	-	383
Trade and other payable	-	-	640	-	640

As at December 31, 2016 (Audited)					
Parent Company	Subsidiary/ associates	Key management personnel	Others	Total	
(Rupees in '000)					
BALANCES					
Accrued mark-up	37	-	-	-	37
Bank balances	441,851	-	-	-	441,851
Long-term deposits	-	142	-	-	142
Long-term financing	150,000	-	-	-	150,000
Profit receivable on bank deposit	1,550	-	-	-	1,550
Prepaid rent	108	-	-	-	108
Provident fund payable	-	-	-	11	11
Receivable against expenses	-	172	-	-	172
Trade debts	22	18	191	-	231
Trade and other payable	-	-	1,946	-	1,946

	Quarter ended March 31, 2017 (Un-audited)				
	Parent Company	Subsidiary/ associates	Key management personnel	Others	Total
	(Rupees in '000)				
TRANSACTIONS					
Income					
Brokerage income earned	304	-	152	-	456
Custody services	1	2	1	-	4
Profit on bank deposits	3,822	-	-	-	3,822
Financial advisory income	442	-	-	-	442
Expenses					
Bank charges	35	-	-	-	35
Charge in respect of contributory plan	-	-	-	1,430	1,430
Mark-up expense	3,373	-	-	-	3,373
Remuneration to management personnel	-	-	26,704	-	26,704
Rent expense	324	-	-	-	324
Other transactions					
Purchase of property and equipment	224	-	-	-	224

	Quarter ended March 31, 2016 (Un-audited)				
	Parent Company	Subsidiary/ associates	Key management personnel	Others	Total
	(Rupees in '000)				
TRANSACTIONS					
Income					
Brokerage income earned	69	-	91	-	160
Mark-up on staff loan	-	-	15	-	15
Custody services	2	2	16	-	20
Profit on bank deposits	5,688	-	-	-	5,688
Expenses					
Bank charges	57	-	-	-	57
Charge in respect of contributory plan	-	-	-	1,500	1,500
Mark-up expense	3,551	-	-	-	3,551
Reimbursement of expenses	-	1	-	-	1
Remuneration to management personnel*	-	-	23,199	-	23,199
Rent expense	240	-	-	-	240
Other transactions					
Loans repayment	-	-	419	-	419

* This includes remuneration paid to Chief Executive Officer resigned during the period.

7. DATE OF AUTHORISATION

These Consolidated condensed Interim Financial Information have been authorised for issue by the Board of Directors of the Group on April 24, 2017.

8. GENERAL

- 8.1 Corresponding figures have been re-arranged and reclassified, wherever necessary, to facilitate comparison. However, there are no material reclassifications to report.
- 8.2 Figures have been rounded off to the nearest thousand of rupees.



----- Sd -----
Chairman

----- Sd -----
Chief Executive Officer

**BIPL Securities Limited, one of the oldest and largest
pure agency brokerage firms in Pakistan**

**Traditional
Values**

**Modern
Practices**



BIPL Direct is the online brokerage arm of BIPL Securities Ltd. that caters to the diverse needs of equity investors around the globe, and is the market leader in Pakistan's retail equity business.

BIPL Direct has made stock trading user-friendly, fast, transparent and secure. You can place your orders online from

anywhere at anytime. Real-time execution and confirmation on your trades can be monitored through your online trading account. It also provides 24/7 access to your account balance, portfolio holdings and statements, backed by real-time stock quotes, news and research.



BIPL Securities Limited
(formerly KASB Securities Ltd.)
UAN: 111 222 000
URL: www.biplsec.com
Email: bipho@biplsec.com

If undelivered, please return to the address mentioned below

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