



JUNE 2021

HALF YEAR ENDED



Condensed Interim
Financial Information
(Un - Audited)



COMPANY INTRODUCTION

BIPL Securities Limited (BIPLS) is a full service brokerage house listed on the Pakistan Stock Exchange (PSX). We trace our history back to 1962 when we were incorporated as Khadim Ali Shah Bukhari. We were corporatized in Oct, 1991. BankIslami Pakistan Limited took over in May, 2015 and we eventually become BIPLS on Nov 03, 2016. On June 28, 2021 the share holding of BankIslami in BIPLS was acquired by AKD Securities Limited.

Over the 5 decades of our existence one thing that is constant is the drive for excellence and the desire to do the very best for our clients. Everything we do, the sole reason for our existence, is to serve our clients across our many product platforms and to help them achieve their investment objectives consistently and in a transparent and ethical manner.

Our efforts in service excellence has been consistently recognized, appreciated and awarded by local and international agencies. We believe that as long as we remain client focused and work for the long term bene fit of our clients, the company will continue to grow and all stakeholders will benefit and prosper.



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COMPANY INFORMATION

BOARD OF DIRECTORS

Kamal Uddin Tipu – Chairman
 Abdul Aziz Anis, CFA – Chief Executive Officer
 Sikander Kasim
 Muhammad Hafeezuddin Asif
 Ayesha Aqeel Dhedhi
 Afsheen Aqeel
 Khurshid Anwer
 Muhammad Noorul Hasan

AUDIT COMMITTEE

Sikander Kasim - Chairman
 Ayesha Aqeel Dhedhi
 Afsheen Aqeel

HR & R COMMITTEE

Kamal Uddin Tipu - Chairman
 Khurshid Anwer
 Afsheen Aqeel

CHIEF EXECUTIVE OFFICER

Abdul Aziz Anis, CFA

COMPANY SECRETARY

Arsalan Farooq

CHIEF FINANCIAL OFFICER

Zafar Ahmed Khan

STATUTORY / NCB AUDITOR

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

CREDIT RATING AGENCY

VIS Credit Rating Company Limited

BANKERS

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

LEGAL ADVISORS

Bawaney and Partners
 Advocates and Investment and Corporate
 Advisor 3rd & 4th Floors, 68-C, Lane 13,
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Gulshan-e-Iqbal - Karachi

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DIRECTORS' REVIEW TO THE MEMBERS

On behalf of the Board of Directors of BIPL Securities Limited, we are pleased to present the unaudited financial statements of the Company for the half year ended June 30, 2021.

Economic Review

There was stark difference in the economic performance in the two halves of FY21. In the 1HFY21 the country generated a Current Account (CA) surplus of approx. USD 1.1bn while in the 2HFY21 the CA saw a deficit of approx. USD 2.7bn. The main reason for the deficit in the second half was the soaring commodity prices during this period which inflated import numbers. Nonetheless, the overall resultant CA deficit of approx. USD 1.6bn in FY21 still represented a significant improvement YoY in external account as FY20 had previously closed with a deficit of approx. USD4.4bn.

On the fiscal front, the tax collection figures posted encouraging growth of 18%YoY during FY21 which took the overall collection to PKR4.7trn which was comfortably above the revised target of PKR4.6trn. The improved collection reduced provisional fiscal deficit in FY21 to 7.1% as opposed to 8.1% in FY20. In terms of Primary Deficit (PD), FY21 closed with a PD of 1.12% which again marked a significant YoY improvement where the same clocked at 1.8% a year earlier.

Headline GDP growth over FY21 surprised IMF and WB estimates on the upside, far outstripping their forecasts to clock in at 3.94%. The growth was broad based and unlike in the past wasn't concentrated in a few sub-sectors. To this end, LSM growth posted a growth of 14.6% as opposed to 4%YoY contraction in the same during 11MFY20. Reasonable support came from agro-sector which posted a growth of 2.8% on the back of bumper rice, sugar-cane, wheat and maize crops. Services sector, meanwhile, posted a growth of 4.4% as opposed to the official target of 2.6%.

Equity Market Review

Positive momentum that was seen in the 1QCY21 carried into 2QCY21 as the average daily trading volume in KSE-All Share Index jumped even further by 20% QoQ to an average at 669mn shares as opposed to 558mn shares earlier. Consequently, the average daily volumes during 1HCY21 stood at 612mn shares, representing a jump of 195% over the same period last year while the average daily traded value reported a jump of 180% YoY during the same period.

The selling by Foreign Investors (FI) continued unabated during 1HCY21 as the net FIPI outflow clocked in at approx. USD 109mn during the period. The FI selling was absorbed by local individual investors who remained the biggest buyers in the market with a net buy of approx. USD 173mn.

Debt and Currency Market Review

Rising commodity prices leading to CA deficit put the PKR under pressure in 2HFY21. Consequently the currency shed 1.61% from its Dec 2020 closing and ended the FY at 162.43/USD. Going forward, we expect the weakness in PKR to continue in coming quarters as the country makes scheduled heavy repayments on its international debt obligations and improving GDP growth keeps import bill elevated in the near term.

The yields on long term government debt came off by 30bps – 40bps during 2QCY21 as the central bank reiterated its desire to maintain interest rates at the current levels despite yet another spike in inflation. Yields on the shorter term government papers, on the other hand, have largely remained unchanged during the quarter. Also, with SBP looking to maintain interest rates at current rates for a foreseeable future, we do not see yields moving in any direction over the next quarter or so.

Operating and Financial Performance

During the half year ended June 30, 2021 the Company reported the following results:

	Half year ended June 30	
	2021	2020
	----- (Rupees in '000) -----	
Profit before taxation	161,652	23,695
Taxation	(49,113)	(8,538)
Profit after taxation	112,539	15,157
Accumulated (loss) as at January 01	(314,763)	(408,763)
Accumulated (loss) as at June 30	(202,224)	(393,606)
Earnings per share	1.13	0.15

The company saw a 124% increase in operating revenue in 1HCY21 to PKR 315mn as opposed to only PKR 141mn in the same period last year. This increase in the topline was primarily driven by the business generated through online and branch network. Given the continued focus on cost control the administrative costs increased by only 6% to PKR 60mn during the period under review as opposed to PKR 56mn same period last year while fixed salaries saw a rise of 14% YoY during the same period. Thus, the substantially large increase in revenue as opposed to increase in costs meant that a large part of the additional revenue generated flowed down to the bottom line in terms of increased profitability of the company.

Future Outlook

We believe that the GDP growth momentum will be maintained in FY22 and the GOP target of 4.5% seems achievable given the pro-business and industry friendly policies of the recent past. Nonetheless, this growth is expected to put the external account under pressure and so too the PKR. As a result we expect the stock market outlook to be neutral to range bound. Recent regional political developments are expected to influence investor sentiments in the short term.

Acknowledgement

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

On behalf of the Board of Directors

Karachi
August 23, 2021



Director



Chief Executive Officer



STANDALONE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

FOR THE HALF YEAR ENDED
JUNE 30, 2021



- Condensed Interim Statement Of Financial Position
- Condensed Interim Statement Of Profit And Loss Account And Other Comprehensive Income
- Condensed Interim Cash Flow Statement
- Condensed Interim Statement Of Changes In Equity
- Notes To The Condensed Interim Financial Information

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS



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Introduction

We have reviewed the accompanying condensed interim statement of financial position of BIPL Securities Limited as at June 30, 2021 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures for the quarters ended June 30, 2021 and June 30, 2020 in the condensed interim profit and loss account and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The engagement partner on the audit resulting in this independent auditor's report is Syed Naveed Abbas.

Chartered Accountants
Karachi
Dated: 23 August, 2021.

THE POWER OF BEING UNDERSTOOD
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RSM Avais Hyder Liaquat Nauman is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021**

	Note	(Un-Audited) June 30, 2021	(Audited) December 31, 2020
----- (Rupees in '000) -----			
ASSETS			
Non-current assets			
Property and equipment	5	36,057	43,346
Intangible assets		4,301	4,091
Long-term investments	6	335,558	296,017
Long-term loans and advances		559	645
Long-term deposits and prepayments		21,282	21,260
Deferred tax asset - net		30,465	51,253
		428,222	416,612
Current assets			
Short-term investments	7	169,401	-
Trade debts	8	117,932	362,828
Advances, deposits, prepayments and other receivables	9	726,312	874,037
Taxation - net		100,995	118,028
Cash and bank balances	10	1,054,303	909,207
		2,168,943	2,264,101
TOTAL ASSETS		2,597,165	2,680,713
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
Fair value reserve		117,831	78,210
Revenue reserve:			
General reserve		18,752	18,752
Accumulated loss		(202,224)	(314,763)
		934,359	782,199
Non-current liabilities			
Long-term financing-secured	11	150,000	150,000
Lease liability	12	1,439	4,233
		151,439	154,233
Current liabilities			
Trade and other payables	13	1,403,892	1,695,070
Short term financing-secured	14	100,000	40,000
Current portion lease liability	12	5,505	7,768
Unclaimed dividend		1,402	1,402
Accrued mark-up		568	42
		1,511,367	1,744,281
TOTAL EQUITY AND LIABILITIES		2,597,165	2,680,713
CONTINGENCIES AND COMMITMENTS			
	15		

The annexed notes 1 to 21 form an integral part of these Condensed Interim Financial Information.



Chief Executive Officer



Director



Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED JUNE 30, 2021**

	Note	Half year ended June 30,		Quarter ended June 30,	
		2021	2020	2021	2020
------(Rupees in '000)-----					
Operating revenue	16	314,936	140,846	155,614	69,475
Net gain on investment					
Gain on sale of short term investments 'at fair value through profit and loss' - net		8,014	4,368	3,799	1,863
Unrealised (loss) / gain on re-measurement of short term investments 'at fair value through profit or loss' -net		(1,521)	2,704	(1,006)	2,255
		6,493	7,072	2,793	4,118
Mark-up / profit on bank deposits and other receivables	17	60,244	52,328	28,988	21,281
		381,673	200,246	187,395	94,874
Operating and administrative expenses		(210,547)	(163,479)	(108,783)	(79,683)
Impairment on long-term investment - Subsidiary	6.1	(79)	(88)	(39)	(46)
Reversal against doubtful debts-net	8.1	360	1,342	463	2,427
		(210,266)	(162,225)	(108,359)	(77,302)
Operating profit		171,407	38,021	79,036	17,572
Finance cost		(11,522)	(13,191)	(4,861)	(6,360)
		159,885	24,830	74,175	11,212
Other income / (expense)		1,767	(1,135)	1,088	(1,166)
Profit before taxation		161,652	23,695	75,263	10,046
Taxation					
Current - for the period		(28,325)	(6,217)	(13,158)	(2,789)
Deferred		(20,788)	(2,321)	(10,013)	(1,026)
		(49,113)	(8,538)	(23,171)	(3,815)
Profit / (loss) after taxation		112,539	15,157	52,092	6,231
Other comprehensive income / (loss) for the period:					
Unrealised gain / (loss) arising during the period on re-measurement of long term investment at fair value through other comprehensive income - net		39,621	(143,681)	38,378	4,282
Total comprehensive income / (loss) for the period		152,160	(128,524)	90,470	10,513
------(Rupees in '000)-----					
Earnings per share - basic and diluted		1.13	0.15	0.52	0.06

The annexed notes 1 to 21 form an integral part of these Condensed Interim Financial Information.



Chief Executive Officer



Director



Chief Financial Officer

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021**
CASH FLOW FROM OPERATING ACTIVITIES

Profit before taxation

Non-cash adjustments to reconcile profit before tax to net cash flows:

Depreciation

Amortization

Gain on sale of short term investments 'at fair value through profit and loss' - net

Unrealised (loss) / gain on re-measurement of investments 'at fair value through profit or loss' - net

Gain on disposal of property and equipment

(Reversal) against doubtful debts-net

Impairment on long-term investment - Subsidiary

Finance cost

Working capital adjustments:
Decrease in current assets

Trade debts

Advances, deposits, prepayments and other receivables

(Decrease) in current liabilities

Trade and other payables

Finance cost paid

Income tax paid

Net cash flows generated from operating activities
CASH FLOW FROM INVESTING ACTIVITIES

Investments 'at fair value through profit or loss' - net

Purchase of property and equipment

Purchase of intangible assets

Sale proceeds from disposal of property and equipment

Net cash flows used in investing activities
CASH FLOW FROM FINANCING ACTIVITIES

Long-term loans and advances

Long-term deposits and prepayments

Lease liability

Net cash flows used in financing activities
Net increase in cash and cash equivalents

Cash and cash equivalents at the beginning of the period

Cash and cash equivalents at the end of the period

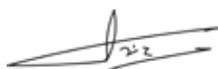
Cash and cash equivalents comprises of:

Cash and bank balances

Short term financing-secured

	Half year ended June 30,	
	2021	2020
	------(Rupees in '000)-----	
	161,652	23,695
	8,371	8,633
	106	222
	(8,014)	(4,368)
	1,521	(2,704)
	(27)	(1,200)
	(360)	(1,342)
	79	88
	11,522	13,191
	13,198	12,520
	174,850	36,215
	245,256	42,511
	147,725	516,969
	392,981	559,480
	(290,871)	(109,367)
	276,960	486,328
	(11,302)	(13,574)
	(11,292)	(10,120)
	254,366	462,634
	(162,908)	(62,849)
	(1,092)	(3,235)
	(315)	-
	39	1,200
	(164,276)	(64,884)
	85	(134)
	(22)	(649)
	(5,057)	(4,295)
	(4,994)	(5,078)
	85,096	392,672
	909,207	238,825
	994,303	631,497
	1,054,303	666,497
	(60,000)	(35,000)
	994,303	631,497

The annexed notes 1 to 21 form an integral part of these Condensed Interim Financial Information.



Chief Executive Officer



Director



Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021**

	Share Capital	Revenue Reserve		Fair Value reserve	Total
		General Reserve	Accumulated Loss		
----- (Rupees in '000) -----					
Balance as at January 01, 2020	1,000,000	18,752	(408,763)	143,406	753,395
Profit for the period	-	-	15,157	-	15,157
Other comprehensive (loss) for the period	-	-	-	(143,681)	(143,681)
Balance as at June 30, 2020	1,000,000	18,752	(393,606)	(275)	624,871
Profit for the period	-	-	78,843	-	78,843
Other comprehensive income for the period	-	-	-	78,485	78,485
Balance as at December 31, 2020 (Audited)	1,000,000	18,752	(314,763)	78,210	782,199
Profit for the period	-	-	112,539	-	112,539
Total comprehensive income for the period	-	-	-	39,621	39,621
Balance as at June 30, 2021	1,000,000	18,752	(202,224)	117,831	934,359

The annexed notes 1 to 21 form an integral part of these Condensed Interim Financial Information.



Chief Executive Officer



Director



Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2021

1. STATUS AND NATURE OF BUSINESS

- 1.1 BIPL Securities Limited (the Company) was incorporated in Pakistan on October 24, 2000 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) 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 AKD Securities Limited - the Parent Company, (2020 : BankIslami Pakistan Ltd.) 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 The former parent company ("BIPL") has released public information on April 24, 2019 pertaining to BIPL Securities Limited, in which board of parent had authorized the bank to explore and evaluate the strategic option including divestment of shares held in BIPL Securities Limited.

Further the BankIslami Pakistan Limited ("BIPL") the former parent company has approved the final bid of AKD Securities Limited ("AKD") for the purchase of BIPL's entire shareholding of 77,117,500 shares in BIPL Securities Limited at a price of PKR 8.60 per share and for this purpose BIPL and AKD Securities Limited have entered into Sale Purchase Agreement dated November 25, 2020.

In accordance with Section 96 and section 131 of the Securities Act, 2015 and Clause 5.6.1(a) of the Rule Book of Pakistan Stock Exchange Limited. The Board of Directors of BIPL Securities Limited ('Company') at its duly convened meeting held on June 28, 2021, has approved the transfer of 77,117,500/- shares (representing 77.12% share capital) of the Company held by BankIslami Pakistan Limited to AKD Securities Limited. The said approval has been effectuated in consonance of the approval for share transfer accorded by the Securities and Exchange Commission of Pakistan (the SECP) vide its letter dated April 06 2021.

As a result of the above share transfer, the Company is now a subsidiary of AKD Securities Limited.

- 1.5 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. BASIS OF PREPARATION

- 2.1 These unconsolidated condensed interim financial information of the Company for the period ended June 30, 2021 have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of the Companies Act, 2017 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements differ, the provisions of the Companies Act, 2017 and the said directives have been followed.
- 2.2 These unconsolidated 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, 2020.
- 2.3 These unconsolidated condensed interim financial information are un-audited.
- 2.4 **Changes in accounting standards, interpretations and pronouncements**

a) **Standards, interpretations and amendments to published approved accounting standards that are effective**

There are certain new standards, interpretations and amendments to the approved accounting standards and new interpretations which are mandatory for accounting periods beginning on or after January 1, 2021, but they do not have any significant effect on the Company's reporting and are therefore, not disclosed in these unconsolidated condensed interim financial statements.

b) **Standards, interpretations and amendments to published approved accounting standards that are not yet effective**

There are certain new standards, interpretations, amendments to the approved accounting standards and new interpretations that will not be mandatory for accounting periods beginning on or after January 1, 2021, therefore, not disclosed in these unconsolidated condensed interim financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these unconsolidated condensed interim financial information are consistent with those of the previous financial year.

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these unconsolidated condensed interim financial information requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectation of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgements and estimates made by the management in the preparation of these unconsolidated condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended December 31, 2020.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended December 31, 2020.

5. PROPERTY AND EQUIPMENT

	Note	(Un-audited)	(Audited)
		June 30, 2021	December 31, 2020
----- (Rupees in '000) -----			
Operating fixed assets	5.1	27,836	31,081
Right-of-use- assets	5.2	8,221	12,265
		36,057	43,346

5.1 OPERATING FIXED ASSETS

Details of additions and disposals during the period / year

	Half year ended (Un-audited)		Year ended (Audited)	
	June 30, 2021		December 31, 2020	
	Additions / Transfers Cost	Disposals Cost	Additions Cost	Disposals Cost
----- (Rupees in '000) -----				
Office Premises-leasehold	-	-	2,444	(607)
Furniture and fixtures	34	-	-	-
Computers and office equipment	1,058	(88)	2,930	-
	1,092	(88)	5,374	(607)

	Note	(Un-audited)	(Audited)
		June 30, 2021	December 31, 2020
------(Rupees in '000)-----			
5.2 RIGHT-OF-USE- ASSETS			
Opening balance		12,265	18,162
Additions during the period/year		-	2,720
Depreciation for the period/year		(4,044)	(8,617)
Closing balance		8,221	12,265
6. LONG-TERM INVESTMENTS			
Subsidiary company- Structured Venture (Private) Limited (SVPL)	6.1	463	543
Investments held at fair value through other comprehensive income	6.2	335,095	295,474
		335,558	296,017
6.1 Subsidiary Company			
Cost		488,581	488,581
Less: Provision for impairment		(488,118)	(488,039)
		463	543

"The net assets of SVPL 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.

SVPL had given advance against purchase of property of 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 cancelled 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.

On request of the Company for complaints against Criminal Acts of M/s. Noor Developers (Private) Limited, SECP vide its letter dated September 27, 2017, has informed that appropriate steps have been taken as to referring the matter to National Accountability Bureau (NAB) under Section 41-B of Securities and Exchange Commission of Pakistan (Amendment) Act, 2016. On the recommendation/ approval of SECP, NAB has initiated enquiry into the matter.

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

	Note	(Un-audited)	(Audited)
		June 30, 2021	December 31, 2020
------(Rupees in '000)-----			
6.2 Investments held at fair value through other comprehensive income			
Name of the Investee Company			
Quoted shares			
Pakistan Stock Exchange Limited	6.2.1	35,762	23,756
Unquoted shares			
Al Jomaih Power Limited	6.2.2	299,333	271,718
New Horizon Exploration and Production Limited - (Related Party) - Class 'A' ordinary shares		31,629	31,629
Less: impairment	6.2.3	(31,629)	(31,629)
		-	-
		335,095	295,474

6.2.1 This represents 1,602,953 shares having a market value of Rs 22.31 per share as at June 30, 2021 (December 31, 2020 :14.82 per share).

6.2.2 The Company's investment in unquoted shares of Al Jomaih Power Limited are valued at its fair value based on the net assets value of the investee company as at June 30, 2021.

6.2.3 In year 2015, the management recorded impairment of its investment in New Horizon Exploration and Production Limited (NHEPL) in accordance with IAS-36 which was again tested for impairment as required by IFRS 9 adopted by the company on January 01, 2019. 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 upto year 2016. As of reporting date there is no change in management assumption of recoverability of this investment, accordingly no impairment loss has been reversed.

	Note	(Un-audited)	(Audited)
		June 30, 2021	December 31, 2020
------(Rupees in '000)-----			
7. SHORT-TERM INVESTMENTS			
At fair value through profit or loss'			
-Listed shares	7.1	169,401	-
-Term Finance Certificates	7.2	-	-
		169,401	-

7.1 "This includes shares with carrying value of Rs.169.40 million (December 31, 2020: Nil) pledged with NCCPL against exposure margin.

7.2 Term Finance Certificates

		June 30 2021	December 31 2020		
Number of certificates				Name of Investee Company	
		4,000	4,000	Pace Pakistan Ltd.	
		-	-	(Face value Rs. 5,000/- each)	
		4,000	4,000	Opening	18,147
				Less: sold	-
				Closing	18,147
				Less: impairment	(18,147)
					-

	Note	(Un-audited) June 30, 2021	(Audited) December 31, 2020
(Rupees in '000)			
7.2.1 Impairment			
Opening balance		18,147	18,147
Adjustment during the period		-	-
		18,147	18,147

8. TRADE DEBTS

Receivable against purchase of marketable securities		111,921	322,113
Receivable from NCCPL		207	36,315
Inter-bank brokerage		5,804	4,400
		117,932	362,828
Considered doubtful		64,341	64,701
		182,273	427,529
Less: provision for doubtful debts	8.1	(64,341)	(64,701)
		117,932	362,828

8.1 Reconciliation of provisions against trade debts

Opening balance		64,701	69,119
Provision for the period/year		404	244
(Reversal) for the period/year		(764)	(4,663)
		(360)	(4,419)
		64,341	64,701

8.2 The aging analysis of trade debts are as follows:

Past due 1 - 30 days		33,188	279,225
Past due 31 days - 180 days		3,600	3,586
Past due 181 days - 1 year		1,499	1,790
More than one year-net of provision		79,645	78,227
		117,932	362,828

Note	(Un-audited) June 30, 2021	(Audited) December 31, 2020
----- (Rupees in '000) -----		
9. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Advances to employees:		
-Current portion of long-term loans and advances	1,263	973
Deposits:		
-Exposure deposit with -NCCPL	436,233	626,380
-Exposure deposit with -PMEX	6,388	6,080
-Ijarah deposit	1,462	1,462
-Others	2,100	2,100
	446,183	636,022
-Impact of expected credit loss	(2,100)	(2,100)
	444,083	633,922
Prepayments:		
-Rent	1,828	-
-Insurance	1,308	1,581
-Software development and maintenance	448	200
-Others	1,026	2,472
	4,610	4,253
Other receivables:		
-Profit on bank deposits	5,988	5,009
-Profit on exposure deposit with -NCCPL	1,588	2,280
-Receivable against margin finance	262,544	222,330
-Others	7,551	6,585
	277,671	236,204
-Impact of expected credit loss	(1,315)	(1,315)
	276,356	234,889
	726,312	874,037

9.1 This represent deposits with NCCPL against the exposure margin in respect of trade in future and ready market. This includes an amount of Rs 210 million relating to company's own exposure.

10. CASH AND BANK BALANCES

Cash at bank in:

Company accounts

- Current accounts	1,924	1,536
- Saving accounts	114,456	123,443
	116,380	124,979

Client accounts

- Current accounts	50	209
- Saving accounts	937,703	784,014
	937,753	784,223

	1,054,133	909,202
Cash in hand	168	-
Stamps in hand	2	5
	1,054,303	909,207

10.1 These carry profit at the rates ranging from 2.24% to 6.8% (December 31, 2020: 2.75% to 12.5%) per annum.

Note	(Un-audited) June 30, 2021	(Audited) December 31, 2020
----- (Rupees in '000) -----		

11. LONG-TERM FINANCING - SECURED

Loan from financial institution	11.1	150,000	150,000
---------------------------------	------	---------	---------

11.1 This represents long-term financing obtained from BankIslami Pakistan Limited (Former Parent Company) on December 31, 2015. The financing is secured by way of Exclusive Charge over DM Assets along with equitable mortgage over all other commercial properties of the Company. The financing was 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 till the date of bullet payment. The said financing has been rescheduled according to which company will pay off the financing as a bullet payment in December 2023, keeping other terms and conditions same.

12. LEASE LIABILITY

Opening balance	12,001	16,305
Additions during the period/year	-	2,447
Payments made during the period/year	(5,057)	(6,751)
	<u>6,944</u>	<u>12,001</u>
Transferred to current maturity	(5,505)	(7,768)
Closing balance	1,439	4,233

12.1 The future minimum lease payments to which the company is committed to is as follows:

	As at June 30, 2021		As at December 31, 2020	
	Principal	Finance Cost	Principal	Finance Cost
----- (Rupees in '000) -----				
Not later than one year	5,505	1,007	7,768	1,170
Later than one year but not later than five years	1,439	-	4,233	195
	<u>6,944</u>	<u>1,007</u>	<u>12,001</u>	<u>1,365</u>

Note	(Un-audited) June 30, 2021	(Audited) December 31, 2020
----- (Rupees in '000) -----		

13. TRADE AND OTHER PAYABLES

Trade creditors	1,310,816	1,658,271
Payable to NCCPL	46,205	-
Accrued expenses	41,822	31,980
Withholding tax	2,370	1,897
Unwinding part of Finance lease	206	513
Others	2,473	2,410
	<u>1,403,892</u>	<u>1,695,070</u>

14. SHORT TERM FINANCING-SECURED

This represents running musharkah facility obtained from BankIslami Pakistan Limited (Formerly Parent Company), which is secured by way of Hypothecation over shares / receivables equivalent to amount of financing obtained. This facility carries markup at the rate of 1 week KIBOR plus 1%. The payment frequency is maximum 30 days from the date of financing obtained.

15. CONTINGENCIES AND COMMITMENTS(Un-audited)
June 30, 2021(Audited)
December 31, 2020

(Rupees in '000)

15.1 Contingencies

There is no change in the status of contingencies as disclosed in the published annual financial statements for the year ended December 31, 2020.

However the status of the following cases are presented below:

15.1.1 The income tax authorities substitute Section 5A of Income Tax Ordinance 2001 through Finance Act 2017 which requires company to be subjected to additional tax of 7.5% of the accounting profit before tax if it fails to distribute at least 40% of profit after tax within six months of the end of tax year through cash or bonus. However, the company has filed an appeal before the Honorable High Court of Sindh at Karachi dated September 29, 2017. The Honorable High Court of Sindh has granted Stay orders in favor of the company. During the year 2021 the Honorable High Court of Sindh at Karachi dated April 30, 2021 decided the appeal in favour of the company. Accordingly, no provisions has been made in these financial statements.

15.1.2 In response to SVPL's Suit filed against Noor Developers (NDPL) & others, Arif Ali Shah Bukhari & Noor Developers filed Suit No.714/2018 against the Company & others. This Suit is basically a counterblast to the criminal and civil proceedings initiated by the Subsidiary Company against Mr. Bukhari and NDPL. The said Suit is inter-alia for cancellation of the Sale Agreement and for recovery of Rs.275 million along with special damages of Rs.4.355 billion and general damages of Rs.4 billion. In addition, Mr. Arif Ali Shah has filed another Suit (1829/2019) against the Company & others, stating amongst other things that his claim alleged in Suit No.714/2018 is a contingent liability. As per management's view, the claim of Mr. Bukhari is baseless, therefore, it does not required to be disclosed as contingent liability, however, as a matter of abundant caution, the subject case has been disclosed in the financial statements.

As per the opinion of the Company's legal counsel, the assertions made by Mr Bukhari in the suits are not likely to be upheld by the Court and the management based on the opinion of its legal counsel is confident that these Suits are likely to be dismissed by the Honorable Court.

15.2 Commitments

Net-future sale transactions of equity securities entered into by the Company in respect of which the settlement is outstanding

173,049

-

The Company has entered into Ijarah arrangements for vehicles with Bankislami Pakistan Limited. The aggregate amount of commitments against these arrangements are as follows:

Not later than one year

303

2,114

Later than one year but not later than five years

-

-

303

2,114

Half year ended June 30

Quarter ended June 30

2021

2020

2021

2020

(Rupees in '000)

16. OPERATING REVENUE

Brokerage	312,227	139,081	153,977	68,645
Subscription research income	191	356	94	178
Financial advisory fee	500	-	500	-
Custody services	2,018	1,409	1,043	652
	314,936	140,846	155,614	69,475

17. MARK-UP / PROFIT ON BANK DEPOSITS, AND OTHER RECEIVABLES

Profit on bank deposits	44,581	46,856	21,798	18,717
Margin finance income	15,561	5,377	7,139	2,516
Others	102	95	51	48
	60,244	52,328	28,988	21,281

18. RELATED PARTY TRANSACTIONS

The related parties of the Company comprise of the Parent Company, associated undertakings (including companies under common directorship), directors, employee benefit plans and its key management personnel. The balances with related parties as at June 30, 2021 and December 31, 2020 and transactions with related parties during the period ended June 30, 2021 and June 30, 2020 are as follows:

As at June 30, 2021 (Un-audited)

	Parent Company	Subsidiary/ Associates	Directors	Key Management Personnel	Others	Total
----- (Rupees in '000) -----						
BALANCES						
Accrued mark-up	-	-	-	-	-	-
Bank balances	-	-	-	-	-	-
Ijarah deposits	-	-	-	-	-	-
Ijarah rental payable	-	-	-	-	-	-
Long-term loan	-	-	-	-	-	-
Short-term loan	-	-	-	-	-	-
Profit receivable on bank deposit	-	-	-	-	-	-
Lease liability	-	-	-	-	-	-
Prepaid rent	-	-	-	-	-	-
Trade debts	-	-	2	-	-	2
Trade payables	-	-	277	391	-	668

As at December 31, 2020 (Audited)

	Old Parent Company	Subsidiary/ Associates	Directors	Key Management Personnel	Others	Total
----- (Rupees in '000) -----						
BALANCES						
Accrued mark-up	42	-	-	-	-	42
Bank balances	627,692	-	-	-	-	627,692
Ijarah deposits	1,462	-	-	-	-	1,462
Ijarah rental payable	675	-	-	-	-	675
Long-term loan	150,000	-	-	-	-	150,000
Short-term loan	40,000	-	-	-	-	40,000
Profit receivable on bank deposit	3,719	-	-	-	-	3,719
Lease liability	1,842	-	-	-	-	1,842
Prepaid rent	116	-	-	-	-	116
Trade debts	197	-	3	-	-	200
Trade payables	-	-	277	605	-	882

Half year ended June 30, 2021 (Un-audited)

	Parent Company	Subsidiary/ Associates	Directors	Key Management Personnel	Others	Total
----- (Rupees in '000) -----						
TRANSACTIONS						
Income						
Brokerage income earned	185	-	-	153	-	338
Custody services-net	3	-	-	-	-	3
Profit on bank deposits	22,559	-	-	-	-	22,559
Expenses						
Bank charges	16	-	-	-	-	16
Charge in respect of contributory plan	-	-	-	260	1,879	2,139
Mark-up expense	10,702	-	-	-	-	10,702
Meeting fee	-	-	960	-	-	960
Remuneration to key management personnel	-	-	-	11,457	-	11,457
Ijarah expense	1,176	-	-	-	-	1,176
Other transaction						
Short term loan obtained	679,000	-	-	-	-	679,000
Short term loan repaid	619,000	-	-	-	-	619,000
Rent paid	695	-	-	-	-	695
Maintenance paid	697	-	-	-	-	697

Half year ended June 30, 2020 (Un-audited)

	Old Parent Company	Subsidiary/ Associates	Directors	Key Management Personnel	Others	Total
----- (Rupees in '000) -----						
TRANSACTIONS						
Income						
Brokerage income earned	133	-	-	33	-	166
Custody services-net	3	2	-	-	-	5
Profit on bank deposits	11,448	-	-	-	-	11,448
Expenses						
Bank charges	409	-	-	-	-	409
Charge in respect of contributory plan	-	-	-	221	1,846	2,067
Mark-up expense	11,473	-	-	-	-	11,473
Meeting fee	-	-	900	-	-	900
Remuneration to key management personnel	-	-	-	8,615	-	8,615
Ijarah expense	1,293	-	-	-	-	1,293
Other transaction						
Rent paid	662	-	-	-	-	662
Short term loan obtained	35,000	-	-	-	-	35,000
Maintenance paid	2,665	-	-	-	-	2,665

19. 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 financial information are as follows:

19.1 Person holding more than 5% of shares

	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
	% of Holding		No. of Shares	
M/s. AKD Securities Ltd. (Year 2020: BankIslami Pak Ltd.)	77.12%	77.12%	77,117,500	77,117,500
Mrs. Noor Jehan Bano	6.55%	6.54%	6,551,000	6,535,500
Mr. Mohammad Aslam Motiwala	9.36%	8.34%	9,359,500	8,342,000

19.2 During the period, M/s. AKD Securities Ltd. acquired 77,117,500/- shares, Mr. Mohammed Aslam Motiwala acquired 1,017,500/- shares and Mrs. Noor Jehan Bano acquired 15,500/- shares of the company.

19.3 As at June 30, 2021, the value of customer shares maintained with the company pledged with financial institution is Rs.705 million (December 31, 2020: Rs. 1,434 million).

19.4 As at June 30, 2021, the value of customer shares maintained with the company sub-Accounts held in the Central Depository Company of Pakistan Limited is Rs.19,581 million (December 31, 2020: Rs. 19,125 million).

20. DATE OF AUTHORISATION

These condensed Interim Financial Information have been authorised for issue by the Board of Directors of the Company on August 23, 2021.

21. GENERAL

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



Chief Executive Officer



Director



Chief Financial Officer



CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

FOR THE HALF YEAR ENDED
JUNE 30, 2021



- Consolidated Condensed Interim Statement Of Financial Position
- Consolidated Condensed Interim Statement Of Profit And Loss Account And Other Comprehensive Income
- Consolidated Condensed Interim Cash Flow Statement
- Consolidated Condensed Interim Statement Of Changes In Equity
- Notes To The Consolidated Condensed Interim Financial Information

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021**
ASSETS
Non-current assets

	(Un-Audited) June 30, 2021	(Audited) December 31, 2020
------(Rupees in '000)-----		
Property and equipment	36,057	43,346
Intangible assets	4,301	4,091
Long-term investments	335,095	295,474
Long-term loans and advances	559	645
Long-term deposits and prepayments	21,282	21,260
Deferred tax asset - net	30,465	51,253
	427,759	416,070

Current assets

Short-term investments	169,401	-
Trade debts	117,932	362,828
Advances, deposits, prepayments and other receivables	726,335	874,078
Taxation - net	101,219	118,251
Cash and bank balances	1,055,066	909,966
	2,169,953	2,265,123
	2,597,712	2,681,193

TOTAL ASSETS
EQUITY AND LIABILITIES
Share capital and reserves
Authorized capital

Issued, subscribed and paid-up capital	2,000,000	2,000,000
Fair value reserve	1,000,000	1,000,000
Revenue reserve:	74,460	34,839
General reserve	18,752	18,752
Accumulated loss	(158,853)	(271,392)
	934,359	782,199

Non-current liabilities

Long-term financing-secured	150,000	150,000
Lease liability	1,439	4,233
	151,439	154,233

Current liabilities

Trade and other payables	1,404,439	1,695,550
Short term financing-secured	100,000	40,000
Current portion lease liability	5,505	7,768
Unclaimed dividend	1,402	1,402
Accrued mark-up	568	42
	1,511,914	1,744,761
	2,597,712	2,681,193

TOTAL EQUITY AND LIABILITIES
CONTINGENCIES AND COMMITMENTS

The annexed notes 1 to 9 form an integral part of these Consolidated Condensed Interim Financial Information.



Chief Executive Officer



Director



Chief Financial Officer

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED JUNE 30, 2021**

	Half year ended June 30,		Quarter ended June 30,	
	2021	2020	2021	2020
	(Rupees in '000)			
Operating revenue	314,936	140,846	155,614	69,475
Net gain on investment				
Gain on sale of short term investments 'at fair value through profit and loss' - net	8,014	4,368	3,799	1,863
Unrealised (loss) / gain on re-measurement of short term investments 'at fair value through profit or loss' -net	(1,521)	2,704	(1,006)	2,255
	6,493	7,072	2,793	4,118
Mark-up / profit on bank deposits and other receivables	60,253	52,340	28,993	21,286
	381,682	200,258	187,400	94,879
Operating and administrative expenses	(210,635)	(163,579)	(108,827)	(79,734)
Reversal against doubtful debts-net	360	1,342	463	2,427
	(210,275)	(162,237)	(108,364)	(77,307)
Operating profit	171,407	38,021	79,036	17,572
Finance cost	(11,522)	(13,191)	(4,861)	(6,360)
	159,885	24,830	74,175	11,212
Other income / (expense)	1,767	(1,135)	1,088	(1,166)
Profit before taxation	161,652	23,695	75,263	10,046
Taxation				
Current - for the period	(28,325)	(6,217)	(13,158)	(2,789)
Deferred	(20,788)	(2,321)	(10,013)	(1,026)
	(49,113)	(8,538)	(23,171)	(3,815)
Profit after taxation	112,539	15,157	52,092	6,231
Other comprehensive income / (loss) for the period:				
Unrealised gain / (loss) arising during the period on re-measurement of long term investment at fair value through other comprehensive income - net	39,621	(143,681)	38,378	4,282
Total comprehensive income / (loss) for the period	152,160	(128,524)	90,470	10,513
	(Rupees in '000)			
Earnings per share - basic and diluted	1.13	0.15	0.52	0.06

The annexed notes 1 to 9 form an integral part of these Consolidated Condensed Interim Financial Information.



Chief Executive Officer



Director



Chief Financial Officer

**CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021**
CASH FLOW FROM OPERATING ACTIVITIES

Profit before taxation

Non-cash adjustments to reconcile profit before tax to net cash flows:

Depreciation

Amortization

Gain on sale of short term investments 'at fair value through profit and loss' - net

Unrealised (loss) / gain on re-measurement of investments 'at fair value through profit or loss' - net

(Gain) on disposal of property and equipment

(Reversal) against doubtful debts-net

Finance cost

Working capital adjustments:
Decrease in current assets

Trade debts

Advances, deposits, prepayments and other receivables

(Decrease) in current liabilities

Trade and other payables

Finance cost paid

Income tax paid

Net cash flows generated from operating activities
CASH FLOW FROM INVESTING ACTIVITIES

Investments 'at fair value through profit or loss' - net

Purchase of property and equipment

Purchase of intangible assets

Sale proceeds from disposal of property and equipment

Net cash flows (used in) investing activities
CASH FLOW FROM FINANCING ACTIVITIES

Long-term loans and advances

Long-term deposits and prepayments

Lease liability

Net cash flows (used in) financing activities
Net increase in cash and cash equivalents

Cash and cash equivalents at the beginning of the period

Cash and cash equivalents at the end of the period

Cash and cash equivalents comprises of:

Cash and bank balances

Short term financing-secured

	Half year ended June 30, 2021	2020
	------(Rupees in '000)-----	
	161,652	23,695
	8,371	8,633
	106	222
	(8,014)	(4,368)
	1,521	(2,704)
	(27)	(1,200)
	(360)	(1,342)
	11,522	13,191
	13,119	12,432
	174,771	36,127
	245,257	42,511
	147,744	517,020
	393,001	559,531
	(290,805)	(109,378)
	276,967	486,280
	(11,302)	(13,574)
	(11,295)	(10,123)
	254,370	462,583
	(162,908)	(62,849)
	(1,092)	(3,235)
	(315)	-
	39	1,200
	(164,276)	(64,884)
	85	(134)
	(22)	(649)
	(5,057)	(4,295)
	(4,994)	(5,078)
	85,100	392,621
	909,966	239,702
	995,066	632,324
	1,055,066	667,324
	(60,000)	(35,000)
	995,066	632,324

The annexed notes 1 to 9 form an integral part of these Consolidated Condensed Interim Financial Information.



Chief Executive Officer



Director



Chief Financial Officer

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021**

	Revenue Reserve		Fair Value reserve	Total	
	Share Capital	General Reserve			Accumulated Loss
----- (Rupees in '000) -----					
Balance as at January 01, 2020	1,000,000	18,752	(365,392)	100,035	753,395
Profit for the period	-	-	15,157	-	15,157
Other comprehensive (loss) for the period	-	-	-	(143,681)	(143,681)
Balance as at June 30, 2020	1,000,000	18,752	(350,235)	(43,646)	624,871
Profit for the period	-	-	78,843	-	78,843
Other comprehensive income for the period	-	-	-	78,485	78,485
Balance as at December 31, 2020 (Audited)	1,000,000	18,752	(271,392)	34,839	782,199
Profit for the period	-	-	112,539	-	112,539
Total comprehensive income for the period	-	-	-	39,621	39,621
Balance as at June 30, 2021	1,000,000	18,752	(158,853)	74,460	934,359

The annexed notes 1 to 9 form an integral part of these Consolidated Condensed Interim Financial Information.



Chief Executive Officer



Director



Chief Financial Officer

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021**

1. STATUS AND NATURE OF BUSINESS

The Group comprises of:

- Holding Company-BIPL Securities Limited (BIPLS)
- Subsidiary Company-Structured Venture (Private) Limited (SVPL)

- 1.1 BIPLS was incorporated in Pakistan on October 24, 2000 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) 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 holding company are listed on the Pakistan Stock Exchange Limited (PSX). The registered office of the holding company is situated at 5th Floor, Trade Centre, I.I. Chundrigar Road, Karachi.
- 1.2 The Group is a subsidiary of AKD Securities Limited (2020 : BankIslami Pakistan Limited- the Ultimate Parent Holding Company) which holds 77.12% of the shares of the Group.
- 1.3 The holding 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, consultancy and corporate finance.

The former parent company ("BIPL") has released public information on April 24, 2019 pertaining to BIPL Securities Limited, in which board of parent had authorized the bank to explore and evaluate the strategic option including divestment of shares held in BIPL Securities Limited.

Further the BankIslami Pakistan Limited ("BIPL"), the former parent company, has approved the final bid of AKD Securities Limited ("AKD") for the purchase of BIPLS's entire shareholding of 77,117,500 shares in BIPL Securities Limited at a price of PKR 8.60 per share and for this purpose BIPL and AKD Securities Limited have entered into Sale Purchase Agreement dated November 25, 2020.

In accordance with Section 96 and section 131 of the Securities Act, 2015 and Clause 5.6.1(a) of the Rule Book of Pakistan Stock Exchange Limited. The Board of Directors of BIPL Securities Limited ('Company') at its duly convened meeting held on June 28, 2021, has approved the transfer of 77,117,500/- shares (representing 77.12% share capital) of the Company held by BankIslami Pakistan Limited to AKD Securities Limited. The said approval has been effectuated in consonance of the approval for share transfer accorded by the Securities and Exchange Commission of Pakistan (the SECP) vide its letter dated April 06 2021.

As a result of the above share transfer, the Company is now a subsidiary of AKD Securities Limited.

Subsidiary company was incorporated in Pakistan on June 25, 2010 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of the Holding Company is situated at 5th Floor, Trade Centre, I.I. Chundrigar Road, Karachi.

Subsidiary's core objective is to capitalize opportunities across different asset classes, including but not limited to, commodities, structured products, real estate etc. In addition, the company can, subject to regulatory approvals, invest / participate in selected local and foreign business ventures.

At present, SVPL has no operational activities, except to pursue legal case against M/s Noor Developer (Private) Limited (the Developer) for the purchase of investment property of Rs 375 million and as a matter of prudence SVPL has fully impaired such investment in its financial statements. Further, it has also fully provided its investment in New horizon Exploration and Production Limited amounting to Rs 81 million. These amounts constituted 99% of total assets of SVPL. SVPL does not have sufficient cashflows, equity and other means to operate the company, therefore the board of directors of SVPL have decided to prepare SVPL's financial information on other than going concern basis (net realisable basis).

The Carrying value of assets and liabilities of the Company as at June 30, 2021 is equivalent to the realizable value.

2. BASIS OF PREPARATION

- 2.1 These consolidated condensed interim financial information of the Group for the period ended June 30, 2021 have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of the Companies Act, 2017 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements differ, the provisions of the Companies Act, 2017 and the said directives have been followed.
- 2.2 These consolidated 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 Group's Annual Financial Statements for the year ended December 31, 2020.
- 2.3 These consolidated condensed interim financial information are un-audited.
- 2.4 **Changes in accounting standards, interpretations and pronouncements**

a) **Standards, interpretations and amendments to published approved accounting standards that are effective**

There are certain new standards, interpretations and amendments to the approved accounting standards and new interpretations which are mandatory for accounting periods beginning on or after January 1, 2021, but they do not have any significant effect on the Group's reporting and are therefore, not disclosed in these consolidated condensed interim financial statements.

b) **Standards, interpretations and amendments to published approved accounting standards that are not yet effective**

There are certain new standards, interpretations, amendments to the approved accounting standards and new interpretations that will not be mandatory for accounting periods beginning on or after January 1, 2021, therefore, not disclosed in these consolidated condensed interim financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these consolidated condensed interim financial information are consistent with those of the previous financial year.

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these consolidated condensed interim financial information requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectation of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgements and estimates made by the management in the preparation of these consolidated condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended December 31, 2020.

The Group's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended December 31, 2020.

5. BASIS OF CONSOLIDATION

The Financial information of the subsidiary are included in the consolidated financial information from the date of the control commences until the date control ceases. In preparing consolidated financial information, the financial information of the holding company and the subsidiary are consolidated on a line by line basis by adding together the items of assets, liabilities, income and expenses. All intercompany transactions have been eliminated.

6. RELATED PARTY TRANSACTIONS

The related parties of the Group comprise of AKD Securities Limited (the Ultimate Parent Company), associated undertakings (including companies under common directorship), directors, employee benefit plans and its key management personnel. The balances with related parties as at June 30, 2021 and December 31, 2020 and transactions with related parties during the period ended June 30, 2021 and June 30, 2020 are as follows:

As at June 30, 2021 (Un-audited)

	Parent Company	Subsidiary/ Associates	Directors	Key Management Personnel	Others	Total
----- (Rupees in '000) -----						
BALANCES						
Accrued mark-up	-	-	-	-	-	-
Bank balances	-	-	-	-	-	-
Ijarah deposits	-	-	-	-	-	-
Ijarah rental payable	-	-	-	-	-	-
Long-term loan	-	-	-	-	-	-
Short-term loan	-	-	-	-	-	-
Profit receivable on bank deposit	-	-	-	-	-	-
Lease liability	-	-	-	-	-	-
Prepaid rent	-	-	-	-	-	-
Trade debts	-	-	2	-	-	2
Trade payables	-	-	277	391	-	668

As at December 31, 2020 (Audited)

	Old Parent Company	Subsidiary/ Associates	Directors	Key Management Personnel	Others	Total
----- (Rupees in '000) -----						
BALANCES						
Accrued mark-up	42	-	-	-	-	42
Bank balances	628,451	-	-	-	-	628,451
Ijarah deposits	1,462	-	-	-	-	1,462
Ijarah rental payable	675	-	-	-	-	675
Long-term loan	150,000	-	-	-	-	150,000
Short-term loan	40,000	-	-	-	-	40,000
Profit receivable on bank deposit	3,721	-	-	-	-	3,721
Lease liability	1,842	-	-	-	-	1,842
Prepaid rent	116	-	-	-	-	116
Trade debts	197	-	3	-	-	200
Trade payables	-	-	277	605	-	882

Half year ended June 30, 2021 (Un-audited)

	Parent Company	Subsidiary/ Associates	Directors	Key Management Personnel	Others	Total
----- (Rupees in '000).-----						
TRANSACTIONS						
Income						
Brokerage income earned	185	-	-	153	-	338
Custody services-net	3	-	-	-	-	3
Profit on bank deposits	22,568	-	-	-	-	22,568
Expenses						
Bank charges	16	-	-	-	-	16
Charge in respect of contributory plan	-	-	-	260	1,879	2,139
Mark-up expense	10,702	-	-	-	-	10,702
Meeting fee	-	-	960	-	-	960
Remuneration to key management personnel	-	-	-	11,457	-	11,457
Ijarah expense	1,176	-	-	-	-	1,176
Other transaction						
Short term loan obtained	679,000	-	-	-	-	679,000
Short term loan repaid	619,000	-	-	-	-	619,000
Rent paid	695	-	-	-	-	695
Maintenance paid	697	-	-	-	-	697

Half year ended June 30, 2020 (Un-audited)

	Old Parent Company	Subsidiary/ Associates	Directors	Key Management Personnel	Others	Total
----- (Rupees in '000).-----						
TRANSACTIONS						
Income						
Brokerage income earned	133	-	-	33	-	166
Custody services-net	3	-	2	-	-	5
Profit on bank deposits	11,460	-	-	-	-	11,460
Expenses						
Bank charges	409	-	-	-	-	409
Charge in respect of contributory plan	-	-	-	221	1,846	2,067
Mark-up expense	11,473	-	-	-	-	11,473
Meeting fee	-	-	900	-	-	900
Remuneration to key management personnel	-	-	-	8,615	-	8,615
Ijarah expense	1,293	-	-	-	-	1,293
Other transaction						
Rent paid	662	-	-	-	-	662
Short term loan obtained	35,000	-	-	-	-	35,000
Maintenance paid	2,665	-	-	-	-	2,665

7. 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 consolidated condensed financial information are as follows:

7.1 Person holding more than 5% of shares

	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
	% of Holding		No. of Shares	
M/s. AKD Securities Ltd. (Year 2020: BankIslami Pak Ltd.)	77.12%	77.12%	77,117,500	77,117,500
Mrs. Noor Jehan Bano	6.55%	6.54%	6,551,000	6,535,500
Mr. Mohammad Aslam Motiwala	9.36%	8.34%	9,359,500	8,342,000

7.2 During the period, M/s. AKD Securities Ltd. acquired 77,117,500/- shares, Mr. Mohammed Aslam Motiwala acquired 1,017,500/- shares and Mrs. Noor Jehan Bano acquired 15,500/- shares of the company.

7.3 As at June 30, 2021, the value of customer shares maintained with the company pledged with financial institution is Rs.705 million (December 31, 2020: Rs. 1,434 million).

7.4 As at June 30, 2021, the value of customer shares maintained with the company sub-Accounts held in the Central Depository Company of Pakistan Limited is Rs.19,581 million (December 31, 2020: Rs. 19,125 million).

8. DATE OF AUTHORISATION

These condensed Interim Financial Information have been authorised for issue by the Board of Directors of the Holding Company on August 23, 2021.

9. GENERAL

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



Chief Executive Officer



Director



Chief Financial Officer



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