



Half Yearly Report

June 30, 2023

SIB

COMPANY INFORMATION

BOARD OF DIRECTORS

Haji Jan Muhammad (Chairman)
Mr Muhammad Mehboob
Mrs. Zillay Huma Khan
Mr Faisal Zahid
Mr. Azam Khan Ghauri
Mr. Farrukh Siddiqui
Mr. Muhammad Bilal Chaudhry

PRESIDENT & CEO

Mr Zafar M Sheikh

AUDIT COMMITTEE

Mr. Farrukh Siddiqui (Chairman)
Haji Jan Muhammad
Mr Muhammad Mehboob
Mr Faisal Zahid

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr Faisal Zahid (Chairman)
Mr Zafar M Sheikh
Mr Muhammad Mehboob
Mrs. Zillay Huma Khan

RISK MANAGEMENT COMMITTEE

Mr. Azam Khan Ghauri (Chairman)
Mr Muhammad Mehboob
Mr. Farrukh Siddiqui
Mr Faisal Zahid
Mr Zafar M Sheikh

Chief Financial Officer

Mr. Shakeel Ahmed

AUDITORS

Bakers Tilly Mehmood Idrees Qamar
Chartered Accountant

TAX ADVISORS

Grant Thoranton Anjum Rahman
Chartered Accountants

LEGAL ADVISORS

Rizwan Ahmed (Barrister at Law)
Ahmad, Azim & Co (Advocates)

SHARE REGISTRAR

M/s. C&K Management
Associates (Pvt) Limited
404, Trade Tower,
near Hotel Metropole, Karachi.

BANKERS

Habib Metropolitan Bank Limited.
United Bank Limited
Summit Bank Limited.

REGISTERED OFFICE

Suite No. 3, 1st Floor, Junaid Plaza,
I-10, Markaz, Islamabad.
Tel : (051) 4102919
Website : www.sibl.com.pk

KARACHI OFFICE

502, 5th Floor, Madina City Mall,
Abdullah Haroon Road, Saddar Karachi.
Tel: (021) 35659753-54
Fax: (021) 35659755
E-mail : sibl@sibl.com.pk

DIRECTORS' REPORT

The directors of Security Investment Bank Limited (the Company) are pleased to present the Financial Statements of the Company for the half year ended 30 June 2023.

Pakistan's economy is currently under severe stress with low foreign reserves, a depreciating currency, and high inflation. Political chaos has scared off foreign investors and last year's devastating floods have added to the many challenges facing the country. Pakistan and IMF reach standby agreement on \$3bn bailout to recover from its economic stabilization. But this is a "temporary relief". The major problems remain there is big borrowings by the government. This situation will lead to increased poverty, inflation and unemployment in the country.

As Pakistan looks to address these challenges in a turbulent moment, it is important to develop political stability, adopting long run economic policies, attracts foreign investment, and needs to undertake reforms with mutual consensus of all the parties and stakeholders.

SBP, Monetary Policy Committee (Committee) reviewed its policy frequently to take appropriate action towards supporting growth, financial stability and fiscal adjustments during these challenging times. During the quarter 2023 under review, the Committee keeping the view of overall economic situation, rising trend of domestic inflation and exchange rate depreciation, have decided to increase its policy rate 100 basis point to 22%.

During the quarter under review, Pakistan has secured a nine-month Stand-By Arrangement with the IMF that has helped address immediate external sector stability by supporting the foreign exchange reserves, therefore, capital market received positive impact and the PSX-100 index registered rising trend to 41437 points at the closing of the quarter 2023 under review as compared to 39848 of the last quarter of 2023.

Business Performance Review

Alhamdulillah, your company recorded profit from its operation Rs. 13 million and incurred unrealized gain on re-measurement of investment Rs. 7 million, resulted operating loss before taxes of Rs. 20 million for the half year ended 30 June 2023 as compared to operating loss before taxes Rs. 58 million of the corresponding period. Your Company's EPS was Rs. 0.397 as compared to negative Rs. 1.171 of the corresponding period.

The board wishes to place on record the gratitude to Pakistan Stock Exchange and Securities and Exchange Commission of Pakistan for their continued valued support, assistance and guidance. The board would also like to thank untiring efforts of the Management and staff.

On behalf of the Board

Haji Jan Muhammad
Chairman
Karachi, 28 Aug 2023

ڈائریکٹر پورٹ

سیکیورٹی انویسٹمنٹ بینک لمیٹڈ (کمپنی) کے ڈائریکٹرز 30 جون 2023 کو ختم ہونے والے ششماہی کے لئے کمپنی کے مالی بیانات پیش کرنے پر مسرور ہے۔

معاشی جائزہ

پاکستان کی معیشت اس وقت کم زرمبادلہ کے ذخائر، کرنسی کی قدر میں کمی، اور بلند افراط کے باعث شدید دباؤ کا شکار ہے۔ سیاسی افراتفریح نے غیر ملکی سرمایہ کاروں کو خوفزدہ کر دیا ہے اور گزشتہ سال کے تباہ کن سیلاب نے ملک کو درپیش بہت سے چیلنجوں میں اضافہ کر دیا ہے۔ پاکستان اور آئی ایم ایف معاشری استحکام سے بحالی کے لئے 13 ارب ڈالر کے تیل آؤٹ پراسیڈنٹ ہائی معاہدے پر پہنچ گئے ہیں۔ لیکن یہ ایک ”عاجزی راحت“ ہے۔ سب سے بڑا مسئلہ حکومت کی طرف سے بڑا قرضہ لینا ہے۔ اس صورتحال سے ملک میں غربت، مہنگائی اور بے روزگاری میں اضافہ ہوگا۔

چونکہ پاکستان ایک ہنگامہ خیز لمحے میں ان چیلنجوں سے نمٹنا چاہتا ہے، سیاسی استحکام کو فروغ دینا، طویل المدتی اقتصادی پالیسیوں کو اپنانا، غیر ملکی سرمایہ کاری کو راغب کرنا اور مقامی فریقین اور اسٹیک ہولڈرز کے باہمی اتفاقی رائے سے اصلاحات کرنے کی ضرورت ہے۔

اسٹیٹ بینک آف پاکستان مانٹری پالیسی کمیٹی (کمپنی) نے اس مشکل وقت کے دوران ترقی، مالی استحکام اور مالیاتی ایڈجسٹمنٹ کو سپورٹ کرنے کے لئے مناسب اقدام کرنے کے لئے اپنی پالیسی کا اکثر جائزہ لیا۔ زیر جائزہ سہ ماہی 2023 کے دوران کمپنی نے مجموعی معاشی صورتحال، ملکی افراط زر کے بڑھتے ہوئے رجحان اور شرح مبادلہ میں کمی کو مد نظر رکھتے ہوئے اپنی پالیسی ریٹ 100 بنیادی پوائنٹ بڑھا کر 22 فیصد کرنے کا فیصلہ کیا ہے۔

زیر جائزہ سہ ماہی کے دوران، پاکستان نے آئی ایم ایف کے ساتھ نو ماہ کا اسٹیڈ ہائی آرجمینٹ حاصل کیا ہے جس نے زرمبادلہ کے ذخائر کو سپورٹ کرتے ہوئے فوری طور پر بیرونی شعبے کے استحکام کو عمل کرنے میں مدد کی ہے، اس لئے کمپیٹل مارکیٹ پر مثبت اثرات مرتب ہوئے اور PSX-100 انڈیکس نے 2023 کا آخری سہ ماہی کے 39848 کے مقابلے میں 2023 کی سہ ماہی کے اختتام پر 41437 پوائنٹس تک اضافے کا رجحان درج کیا۔

کارکردگی کا جائزہ

الحمد للہ آپ کی کمپنی نے اپنے آپریشن سے 30 جون 2023 کو ختم ہونے والے ششماہی کے لئے 13 ملین منافع اعلان کیا اور سرمایہ کاری کی دوبارہ پیکائنس پر غیر حقیقی فائدہ 7 ملین ہوا جس کے نتیجے میں آپریٹنگ منافع 20 ملین روپے ٹیکس سے پہلے جو کہ پچھلے سال اسی مدت کے لئے آپریٹنگ نقصان 58 ملین تھا آپ کی کمپنی کا حصص پر شیئر 0.397 کے مقابلے پچھلے سال اسی مدت کے لئے حصص پر شیئر (1.171) تھا۔

بورڈ پاکستان اسٹاک ایکسچینج اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے مسلسل قابل قدر تعاون، مدد اور رہنمائی کے لئے ان کا شکریہ ادا کرنا چاہتا ہے۔ بورڈ انتظامیہ اور عملے کی انتھک کوششوں کا بھی شکریہ ادا کرنا چاہیے گا۔

بورڈ کی جانب سے

حاتی جان محمد

چیئرمین

کراچی 28 اگست 2023

**INDEPENDENT AUDITOR'S REPORT ON REVIEW OF
CONDENSED INTERIM FINANCIAL
INFORMATION TO THE MEMBERS**

Introduction

We have reviewed, the accompanying condensed interim statement of financial position of Security Investment Bank Limited ("the Bank") as at June 30, 2023 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and notes to the accounts for the six months' period then ended (here-in-after referred as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information 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 information 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 condensed interim financial information as at and for the six months' period ended June 30, 2023 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures for the quarters ended June 30, 2023 and June 30, 2022 in the accompanying condensed interim financial information 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 Mehmood A. Razzak.

BAKER TILLY MEHMOOD IDREES QAMAR
Chartered Accountants

Karachi
Date:
UDIN:

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2023

		June 2023 (Un-audited)	December 2022 (Audited)
ASSETS	Note	----- Rupees -----	
NON-CURRENT ASSETS			
Property and equipment	5	160,281,705	155,266,213
Intangible assets	6	2,560,000	2,590,000
Long term financing	7	29,443,119	21,871,420
Long term loans and advances	8	7,483,333	2,500,000
Deferred tax		18,451,450	18,451,450
		218,219,607	200,679,083
CURRENT ASSETS			
Short term financing	9	84,502,589	80,000,000
Current portion of long term financing	7	10,385,570	39,695,488
Short term investments	10	342,521,869	310,459,952
Current portion of loans and advances	8	2,470,595	2,573,498
Deposits, prepayments and other receivables		1,448,519	5,767,273
Accrued interest		17,235,233	14,160,129
Tax refund due from Government	11	68,248,017	70,195,185
Cash and bank balances	12	3,908,262	7,618,713
		530,720,654	530,470,238
TOTAL ASSETS		748,940,261	731,149,321
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Share Capital			
100,000,000 Ordinary shares of Rs.10/- each		1,000,000,000	1,000,000,000
Issued, subscribed and paid-up share capital		514,335,580	514,335,580
Statutory reserves		194,698,514	191,277,571
Unappropriated profit		16,083,569	2,399,795
		725,117,663	708,012,946
CURRENT LIABILITIES			
Unclaimed dividend		2,090,749	2,090,749
Accrued and other liabilities		21,731,849	21,045,626
		23,822,598	23,136,375
TOTAL EQUITY AND LIABILITIES		748,940,261	731,149,321
CONTINGENCIES AND COMMITMENTS			

The annexed notes form an integral part of these condensed interim financial information.

SHAKEEL AHMED
CHIEF FINANCIAL OFFICER

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2023

	Six Months Ended		Quarter Ended	
	June 2023	June 2022	June 2023	June 2022
Rupees				
Income				
Income on financing	13,243,943	3,955,197	6,821,232	1,925,240
Return on securities	15,295,243	12,330,288	8,403,562	6,684,072
Gain on sale of investments	-	1,568,623	-	1,568,623
Profit on deposit with banks	526,470	477,260	359,916	322,000
Other income	764,962	498,027	364,077	189,624
	29,830,618	18,829,395	15,948,787	10,689,559
Expenditure				
Administrative expenses	16,969,811	16,307,129	9,387,948	8,463,950
	12,860,807	2,522,266	6,560,839	2,225,609
Unrealized gain / (loss) on remeasurement of investments classified as fair value through profit or loss	7,561,916	(60,626,068)	24,659,906	(48,268,419)
Profit / (loss) before taxation	20,422,723	(58,103,802)	31,220,745	(46,042,810)
Taxation	(3,318,006)	(2,104,927)	(3,318,006)	(2,104,927)
Net profit / (loss) profit after tax	17,104,717	(60,208,729)	27,902,739	(48,147,737)
Earning / (loss) per share - basic and diluted	0.333	(1.171)	0.543	(0.936)

The annexed notes form an integral part of these condensed interim financial information.

SHAKEEL AHMED
CHIEF FINANCIAL OFFICER

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2023**

	Six Months Ended		Quarter Ended	
	June 2023	June 2022	June 2023	June 2022
	Rupees			
Net profit / (loss) profit after tax	17,104,717	(60,208,729)	27,902,739	(48,147,737)
Other Comprehensive loss for the period				
Deficit on revaluation of investments - net of tax	-	-	-	-
Total comprehensive income / (loss)	17,104,717	(60,208,729)	27,902,739	(48,147,737)

The annexed notes form an integral part of these condensed interim financial information.

SHAKEEL AHMED
CHIEF FINANCIAL OFFICER

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

CASH FLOW STATEMENT (UNAUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2023

	June 2023	June 2022
----- Rupees -----		
CASH FLOW FROM OPERATING ACTIVITIES		
Operating profit before taxation	12,860,807	2,522,266
Adjustments for non-cash and other items		
Depreciation	847,030	876,945
Amortization	30,000	113,344
Gain on disposal of shares	-	(1,568,623)
Gain on sale of fixed assets	(21,999)	(99)
	855,031	(578,433)
Cash flows from operating activities before working capital changes	13,715,838	1,943,833
(Increase) / decrease in operating assets		
Deposits, prepayment and other receivables	4,318,754	4,643,868
Accrued interest	(3,075,104)	(4,405,925)
	1,243,650	237,943
Increase in operating liabilities		
Accrued and other liabilities	686,223	5,244,522
	1,929,873	5,482,465
Net changes in operating assets and liabilities	1,929,873	5,482,465
Income tax paid	(1,370,839)	(1,408,330)
Net cash inflow from operating activities	14,274,872	6,017,968
CASH FLOW FROM INVESTING ACTIVITIES		
Capital work in progress	(5,584,329)	-
Purchase of fixed assets	(278,194)	-
Sales proceed against sales of fixed assets	22,000	63,113
Sale proceeds of quoted shares	-	6,718,673
Sale of Government securities	(24,500,000)	(27,000,000)
Short term financing	(4,502,589)	22,004,896
Long term financing - net	21,738,219	(6,900,495)
Net cash used in investing activities	(13,104,893)	(5,113,813)
CASH FLOW FROM FINANCING ACTIVITIES		
Loans and advances - net	(4,880,430)	(2,098,203)
Net cash used in financing activities	(4,880,430)	(2,098,203)
Net decrease in cash and cash equivalents	(3,710,451)	(1,194,048)
Cash and cash equivalents at the beginning of the period	7,618,713	7,272,005
Cash and cash equivalents at the end of the period	3,908,262	6,077,957

The annexed notes form an integral part of these condensed interim financial information.

SHAKEEL AHMED
CHIEF FINANCIAL OFFICER

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF
CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2023**

	Share capital	Statutory reserve	Accumulated profit / (loss)	Total
----- Rupees -----				
Balance as at January 01, 2022	514,335,580	191,277,571	35,467,685	741,080,836
Loss for the period	-	-	(60,208,729)	(60,208,729)
Other comprehensive income	-	-	-	-
Statutory reserves	-	-	-	-
Balance as at June 30, 2022	514,335,580	191,277,571	(24,741,044)	680,872,107
Balance as at January 01, 2023	514,335,580	191,277,571	2,399,795	708,012,946
Profit for the period	-	-	17,104,717	17,104,717
Other comprehensive income	-	-	-	-
Statutory reserves	-	3,420,943	(3,420,943)	-
Balance as at June 30, 2023	514,335,580	194,698,514	16,083,569	725,117,663

The annexed notes form an integral part of these condensed interim financial information.

SHAKEEL AHMED
CHIEF FINANCIAL OFFICER

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

**NOTES TO THE CONDENSED INTERIM FINANCIAL
INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2023**

1. STATUS AND PRINCIPAL ACTIVITIES

- 1.1** Security Investment Bank Limited (SIBL) is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company was incorporated in Pakistan on May 23, 1991 and started its commercial operation on December 31, 1991. Its shares are quoted on Pakistan Stock Exchange. The registered office of SIBL is situated at Office No.3, 1st Floor, Junaid Plaza, 1-10 Markaz, Islamabad.
- 1.2** The Company is licensed to carry out business of investment finance services as a Non-Banking Finance Company (NBFC) under section 282C of the repealed Companies Ordinance, 1984 (now Companies Act, 2017) , the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 issued by the Securities and Exchange Commission of Pakistan (SECP) as amended through SRO 1002 (I) /2015 dated October 15, 2015 and Non-Banking Finance Companies and Notified Entities Regulations 2008 as amended through SRO 1160(I) / 2015 dated November 25, 2015.
- 1.3** The bank had not renewed its credit rating as the status of the bank was non deposit taking entity. Previously, VIS Credit Rating Company Limited (VIS) had assigned initial entity ratings of ‘A-/A-2’ to Security Investment Bank Limited (SIBL). The long term rating of ‘A-’ signifies adequate credit quality. The short term rating of ‘A-2’ signifies good certainty of timely payment.

2. BASIS OF PRESENTATION

This condensed interim financial information have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations); directives issued by the Securities and Exchange Commission of Pakistan (SECP); and provisions of and directives issued under the Companies Act, 2017.

Where the provisions of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules) , Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations); directives issued by the Securities and Exchange Commission of Pakistan (SECP); and provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations), directives issued by the Securities and Exchange Commission of Pakistan (SECP), and provisions of and directives issued under the Companies Act, 2017 shall prevail.

This condensed interim financial information do not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended December 31, 2022. Further, these accounts are being circulated to the shareholders in accordance with the requirements of Section 237 of the Companies Act, 2017 and Listing Regulations of Pakistan Stock Exchange.

The comparative statement of financial position presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Company for the year ended December 31, 2022, whereas, the comparative condensed interim profit and loss accounts, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial information for the half year ended June 30, 2022.

3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding published annual financial statements of the Company for the year ended December 31, 2022.

4. ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial information requires management to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended December 31, 2022.

		June 2023 (Un-audited)	December 2022 (Audited)
		----- Rupees -----	
5. PROPERTY AND EQUIPMENT	Note		
Property and equipment	<i>5.1</i>	153,128,928	153,697,765
Capital work in progress		7,152,777	1,568,448
		<u>160,281,705</u>	<u>155,266,213</u>

5.1 PROPERTY AND EQUIPMENT

Leasehold property	Building	Furniture and fixtures	Computer and equipments	Vehicles	Generator	Telephone system	Total
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Rupees

Year ended December 31, 2022

Net carrying value basis

Opening net book value	121,516,047	30,026,670	3,194,233	474,086	67,913	38,805	-	155,317,754
Additions (at cost)	-	-	-	153,420	-	-	-	153,420
Disposals								
Cost	-	-	(161,776)	(284,185)	-	-	-	(445,961)
Accumulated depreciation	-	-	117,386	277,975	-	-	-	395,361
	-	-	(44,390)	(6,210)	-	-	-	(50,600)
Depreciation charge	-	(639,996)	(878,754)	(176,603)	(15,816)	(11,640)	-	(1,722,809)
Closing net book value	121,516,047	29,386,674	2,271,089	444,693	52,097	27,165	-	153,697,765

Gross carrying value basis

Cost	121,516,047	32,000,000	8,754,461	2,685,465	107,000	582,736	253,969	165,899,678
Accumulated depreciation	-	(2,613,326)	(6,483,372)	(2,240,772)	(54,903)	(555,571)	(253,969)	(12,201,913)
Net book value	121,516,047	29,386,674	2,271,089	444,693	52,097	27,165	-	153,697,765

Period ended June 30, 2023

Net carrying value basis

Opening net book value (NBV)	121,516,047	29,386,674	2,271,089	444,693	52,097	27,165	-	153,697,765
Additions (at cost)	-	-	-	164,250	-	-	113,944	278,194
Disposals								
Cost	-	-	-	(222,078)	-	-	-	(222,078)
Accumulated depreciation	-	-	-	222,077	-	-	-	222,077
	-	-	-	(1)	-	-	-	(1)
Depreciation charge	-	(319,998)	(437,730)	(62,690)	(6,648)	(5,820)	(14,144)	(847,030)
Closing net book value	121,516,047	29,066,676	1,833,359	546,252	45,449	21,345	99,800	153,128,928

Gross carrying value basis

Cost	121,516,047	32,000,000	8,754,461	2,627,637	107,000	582,736	367,913	165,955,794
Accumulated depreciation	-	(2,933,324)	(6,921,102)	(2,081,385)	(61,551)	(561,391)	(268,113)	(12,826,866)
Net book value	121,516,047	29,066,676	1,833,359	546,252	45,449	21,345	99,800	153,128,928

Depreciation rate per annum	-	2%	10%	20%	20%	10%	10%
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June **December**
2023 **2022**
(Un-audited) **(Audited)**

6. INTANGIBLE ASSETS

Note ----- Rupees -----

PMEX card	2,500,000	2,500,000
DHA membership	60,000	90,000
	2,560,000	2,590,000

7. LONG TERM FINANCING

Secured and considered good

Murahaba finance	7.1	36,367,689	41,102,290
Demand finance	7.2	13,781,517	32,827,532
Less: Deferred income from finance		(10,320,517)	(12,362,914)
Murahaba and demand finance receivable		39,828,689	61,566,908
Less: Current portion of long term financing		(10,385,570)	(39,695,488)
		29,443,119	21,871,420

7.1 These represent financing of vehicle on murahaba basis against hypothecation of vehicles for a period of 3 years to 5 years, carrying mark up 1 Year KIBOR plus 3% to 4% per annum (2022: 1 Year KIBOR plus 3% to 4%).

7.2 This represents financing of working capital requirement against hypothecation of stock and mortgage of property carrying mark up at 6 Month KIBOR plus 4% per annum (2022: 1 Year KIBOR plus 2% to 3%).

		June 2023 (Un-audited)	December 2022 (Audited)
8. LONG TERM LOANS AND ADVANCES		----- Rupees -----	
Advances-secured			
-	Staff advance	8.1 6,830,670	1,973,498
-	Against expenses	623,258	600,000
-	Against office premises	8.2 2,500,000	2,500,000
		9,953,928	5,073,498
Less: Current portion of loan and advances		(2,470,595)	(2,573,498)
		<u>7,483,333</u>	<u>2,500,000</u>

8.1 This includes interest free loan to CEO amounting to Rs.6.5 million (2022: Nil) for a period of 5 years.

8.2 This amount represents advance paid for office space in National Commodity Exchange Limited Building (NCEL) in the year 2003-04 and 2004-05. The said building is still under construction.

		June 2023 (Un-audited)	December 2022 (Audited)
9. SHORT TERM FINANCING		----- Rupees -----	
Demand finance	9.1	84,502,589	80,000,000
		<u>84,502,589</u>	<u>80,000,000</u>

9.1 These represent demand finance under collateral of hypothecation of stock and property, carrying mark-up at 1 Year KIBOR + 3% to 4% per annum (2022: 1 Year KIBOR+ 2% to 3%).

		June 2023 (Un-audited)	December 2022 (Audited)
10. SHORT TERM INVESTMENTS		----- Rupees -----	
Measured at amortised cost			
Market treasury bills		184,500,000	160,000,000
Measured at fair value through profit or loss			
Investment in quoted equity shares		158,021,869	150,459,952
		<u>342,521,869</u>	<u>310,459,952</u>

11. TAX REFUND DUE FROM GOVERNMENT

Advance tax		291,333,044	289,962,206
Less: Provisions for taxation		(223,085,027)	(219,767,021)
		<u>68,248,017</u>	<u>70,195,185</u>

12. CASH AND BANK BALANCES

Cash in hand	80,230	49,953
With State Bank of Pakistan in current account	5,021	21
Current accounts	1,922,462	1,922,462
Deposit accounts	1,900,549	5,646,277
	3,908,262	7,618,713

13. TRANSACTION WITH RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and includes subsidiary company, associated companies with or without common directors, directors and major shareholder and their close family members, key management personnel and retirement benefit funds. The Bank has a policy whereby all transactions with related parties are entered into at arm's length prices using comparable uncontrolled price method and are in the normal course of business at contracted rates and terms determined in accordance with market rates. Transactions with related parties during the period are as follows:

	June 2023 (Un-audited)	June 2022 (Un-audited)
	----- Rupees -----	
13.1 TRANSACTIONS DURING THE YEAR		
Return on financing		
- Others	-	416
Office rent		
- Associated undertakings	343,200	312,000
Contribution to staff retirement benefit plan	-	179,570
	June 2023 (Un-audited)	December 2022 (Audited)
13.2 PERIOD END BALANCES	----- Rupees -----	
Accrued and other liabilities		
- ARY IQ Precious Metals(Private) Limited	23,535	23,535
- Associated undertaking		
Deposits, prepayments and other receivables		
- ARY Services (Private) Limited	343,200	-
- Associated undertaking		

14. DATE OF AUTHORIZATION

These condensed interim financial statements were authorised for issue by the Board of Directors on _____.

15. GENERAL

Figures have been rounded off to the nearest rupee.

SHAKEEL AHMED
CHIEF FINANCIAL OFFICER

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR



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