

INVEST AND FINANCE SECURITIES LIMITED



COMPANY INFORMATION

Board of Directors

Mr. Muhammad Sohail Dayala (Chairman & Chief Executive Officer)

Mrs. Halima Dayala Syed Kaleem Akhtar Mr. Ahmad Zakir Hafeez Mr. Muhammad Awais Syed Rashid Ali Mr. Shakeel Ahmed

Audit Committee

Mr. Shakeel Ahmed - Chairman Syed Rashid Ali - Member Mrs. Halima Dayala - Member

HR & R Committee

Mr. Shakeel Ahmed - Chairman Mrs. Halima Dayala - Member Mr. Muhammad Sohail Dayala - Member

Company Secretary

Mr. Muhammad Awais

Chief Financial Officer

Mr. Ahmad Zakir Hafeez

Auditors

M/s. Riaz Ahmad, Saqib, Gohar & Company Chartered Accountants 5-Nasim, C.H.S. Major Nazir Bhatti Road, Off: Shaheed-e-Millat Road, Karachi, Pakistan.

Legal Advisor

M/s. K. D. Rajani & Company Suit No. 210, Progressive Plaza, Beaumont Road, Civil Lines, Karachi, Pakistan.

Share Registrar

M/s. Technology Trade (Private) Limited Dagia House, 241-C, Block-2, P.E.C.H.S., Off: Shahrah-e-Quaideen, Karachi, Pakistan.

Bankers

MCB Bank Limited Bank Alfalah Limited Standard Chartered Bank (Pakistan) Limited NIB Bank Limited Burj Bank Limited KAŚB Bank Limited United Bank Limited Bank AL Habib Limited BankIslami Pakistan Limited Habib Metropoliton Bank Limited Silk Bank Limited The Bank of Khyber Summit Bank Limited Habib Bank Limited JS Bank Limited Meezan Bank Limited

Registered Office

12th Floor, Corporate Tower, Techno City Building, Hasrat Mohani Road, Off: I. I. Chundrigar Road, Karachi, Pakistan.

Website

www.investfinance.com.pk



DIRECTORS' REVIEW

BEGIN IN THE NAME OF ALLAH THE MOST GRACIOUS AND MERCIFUL

Dear Member(s)

I, on behalf of Board of Directors of your Company, am pleased to present herewith condensed interim financial statements of the Company for the third quarter and nine months ended March 31, 2013.

During the third quarter ended March 31, 2013, the Company earned operating revenues of Rs. 73.061 million as compared to Rs. 18.151 million for the same period during last year. The increase is mainly contributed by dividend income and capital gains. The Company earned before and after tax profit of Rs. 49.414 million and Rs. 46.223 million respectively as compared to Rs. 57.053 million and Rs. 56.100 million respectively for the corresponding period. The bottom-line is shrinked mainly due to impact of revaluation of investments that have resulted in a loss of Rs. 11.629 million as compared to a gain of Rs. 55.825 million for the corresponding period. Earnings per share for the quarter are Rs. 0.70 as compared to Rs. 0.85 (restated) for the corresponding period.

For the nine months ended March 31, 2013, the Company earned operating revenues of Rs. 183.717 million as compared to Rs. 228.254 million for the corresponding period. Before and after tax profit stood at Rs. 171.939 million and Rs. 164.535 million respectively as compared to Rs. 181.999 million and Rs. 179.220 million respectively for the same period during last year. The decrease in profit is due to the fact described above and mainly by the figures for the first half of the financial year. Earnings per share for the nine months are Rs. 2.49 as compared to Rs. 2.71 (restated) for the corresponding period.

In conclusion, we pray to almighty Allah for his blessings, guidance, health and prosperity to us, our Company, Country and Nation.

For and on behalf of the Board of Directors

Karachi, April 15, 2013

MUHAMMAD SOHAIL DAYALA Chairman & Chief Executive Officer



CONDENSED INTERIM BALANCE SHEET

AS AT MARCH 31, 2013

Un-audited March 31, 2013 2012
ASSETS NON-CURRENT ASSETS Property, plant and equipment Intengible assets Advances, deposits, prepayments and other receivables Advance tax - net Receivable from NCCPL - net Cash and bank balances TOTAL ASSETS TOTAL ASSETS TOTAL ASSETS TOTAL ASSETS THAT CAPITAL AND RESERVES SHARE CAPITAL AND RESERVES Un-appropriated profit AND AND AND AND PROPERTY AND AND PROPRIES AND PROPRIES AND AND PROPRIES AND AND PROPRIES AND P
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CURRENT ASSETS Trade debts Short-term investments Advances, deposits, prepayments and other receivables Advance tax - net Receivable from NCCPL - net Cash and bank balances TOTAL ASSETS SHARE CAPITAL Authorized capital Authorized capital Authorized and paid-up capital RESERVES Un-appropriated profit Typ 13,13,286 492,976,553 A81,128,622 717,174,965 48,451,879 15,074,147 17,579,356 518,866,149 27,421,136 1,306,404,948 866,958,889 1,392,777,635 1,306,404,948 866,958,889 951,562,004 1,000,000,000 600,496,000 1,000,000,000 600,496,000 341,597,326 1,002,142,926 837,608,266 CURRENT LIABILITIES
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Advances, deposits, prepayments and other receivables Advance tax - net 21,375,945 17,579,356 18,866,149 27,421,136 17,119,626 1,306,404,948 866,958,889 17,119,626 1,306,404,948 866,958,889 1,392,777,635 951,562,004 1,000,000,000 1,000,000,000 1,000,000,0
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1,306,404,948 866,958,889 1,392,777,635 951,562,004 EQUITY AND LIABILITIES SHARE CAPITAL AND RESERVES SHARE CAPITAL Authorized capital 1,000,000,000 1,000,000 600,496,000 RESERVES Un-appropriated profit 341,597,326 237,112,266 1,002,142,926 837,608,266 CURRENT LIABILITIES
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RESERVES Un-appropriated profit 341,597,326 1,002,142,926 CURRENT LIABILITIES
RESERVES Un-appropriated profit 341,597,326 1,002,142,926 837,608,266 CURRENT LIABILITIES
RESERVES Un-appropriated profit 341,597,326 1,002,142,926 837,608,266 CURRENT LIABILITIES
Un-appropriated profit 341,597,326 237,112,266 1,002,142,926 837,608,266 CURRENT LIABILITIES
Un-appropriated profit 341,597,326 237,112,266 1,002,142,926 837,608,266 CURRENT LIABILITIES
1,002,142,926 837,608,266 CURRENT LIABILITIES
CURRENT LIABILITIES
Short-term running finance 364,815,311 87,109,110 Trade and other payables 25,819,398 26,844,628
390,634,709 113,953,738
CONTINGENCIES AND COMMITMENTS
CONTINGENCIES AND COMMITMENTS

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR



CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE NINE MONTHS AND THIRD QUARTER ENDED MARCH 31, 2013

	Nine Months Ended		Third Qua	rter Ended
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
	Rupe	ees	Ru	pees
OPERATING REVENUES				
Operating revenues	114,246,090	65,293,902	64,936,011	33,941,700
Gain / (loss) on sale of investments-net	69,471,284	162,960,605	8,125,270	(15,790,325)
	183,717,374	228,254,507	73,061,281	18,151,375
Operating expenses	(44,465,657)	(43,278,044)	(13,902,106)	(14,308,498)
Operating profit	139,251,717	184,976,463	59,159,175	3,842,877
Other income / (loss) - net Financial charges Gain / (loss) on revaluation of investments carried at fair value	4,552,009 (2,400,535)	(613,102) (5,669,403)	3,300,719 (1,417,691)	(1,017,264) (1,597,569)
through profit and loss account - net	30,536,047	3,304,808	(11,628,601)	55,825,469
	32,687,521	(2,977,697)	(9,745,573)	53,210,636
PROFIT BEFORE TAXATION	171,939,238	181,998,766	49,413,602	57,053,513
TAXATION	(7,404,578)	(2,778,601)	(3,190,642)	(953,128)
PROFIT AFTER TAXATION	164,534,660	179,220,165	46,222,960	56,100,385
Other comprehensive income	-			
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	164,534,660	179,220,165	46,222,960	56,100,385
Earnings per share - basic and diluted	2.49	(Restated)	0.70	(Restated) 0.85

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER	DIRECTO



Adjustments for:	FOR THE NINE MONTHS ENDED MARCH 31, 2013	Nine Months Ended	
Profit before taxation Adjustments for: Depreciation Amortization of software Gain) / loss on revaluation of investments carried at fair value through profit and loss account - net Gain)/loss on disposal of property, plant and equipment Profit before working capital (Increase)/decrease in current assets Grade debts Short term investments Advances, deposits, prepayments and other receivables Receivable under MTS transaction Receivable from NCCPL Decrease)/increase in current liabilities Trade and other payables Cash (used in)/generated from operating activities Long term deposits Long term deposits Long term deposits Long term deposits Long term disposal of property, plant and equipment Net cash (used in)/generated from investing activities Net (decrease)/increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period 171,939,238 181,998,76 29,272 2,400,535 3,866,33 3,866,33 3,866,33 3,866,33 3,866,33 3,866,33 4,390 24,40,536 24,400,535 3,669,40 (30,536,047) (614,506) 867,41 (30,536,047) (614,506) 867,41 867,42 (44,656,184) 7,142,26 189,141,03 189,141,03 181,998,76 181,998,76 24,693,60 181,998,74 189,141,03 181,998,76 24,693,60 3,374,732 189,141,03 181,998,76 24,694,562 24,404,561 189,141,03 181,998,76 24,904,562 24,404,561 189,141,03 181,998,76 24,694,691 (614,506) 867,41 189,141,03 181,998,76 24,900,535 3,866,33 4,390 183,900 183,004,800 183,004,800 184,905,85 186,742 189,141,03 181,998,76 184,999,34 189,141,03 181,998,76 184,999,34 189,141,03 183,149,90 184,906,33 184,906 184,9			•
Adjustments for: Depreciation Amortization of software inancial charges (30,536,047) (5,669,40 (3,304,80 (3,34,80 (3,344,80 (3	Cash Flows From Operating Activities	Rupe	ees
A,064,562	Profit before taxation	171,939,238	181,998,76
Amortization of software inancial charges Gain) / loss on revaluation of investments carried at fair value through profit and loss account - net Gain) / loss on revaluation of investments carried at fair value through profit and loss account - net (30,536,047) (614,506) (24,656,184) 7,142,26 Profit before working capital changes Changes in working capital (Increase) / decrease in current assets Frade debts Short term investments Advances, deposits, prepayments and other receivables Receivable under MTS transaction Receivable from NCCPL Decrease) / increase in current liabilities Trade and other payables Cash (used in)/generated from operating activities Long term deposits (used in)/generated from investing activities Net (decrease) / increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period Advances (29,272 2,400,535 (30,536,047) (614,506) (31,807,807,41 (614,506) (31,807,807 (318,714,207 (318,41,913) (318,414,03 (33,04,80 (3,304,80 (3,304,80 (3,304,80 (87,41 (116,184,664) 254,734,459 (33,377,732) (699,983,976) (333,777,732) (699,983,976) (333,777,732) (699,983,976) (394,811,913) (22,544,74 (318,74,207 (161,518,664) 254,734,459 (33,377,732) (699,983,976) (332,711,086 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (332,777,32) (499,983,976) (332,77,732) (499,983,976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (249,998,3976) (312,110,866 (312,110,866 (312,110,866 (312,110,866 (312,110,866 (312,110	Adjustments for:		
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Gain) / loss on revaluation of investments carried at fair value through profit and loss account - net (G14,506) (G1			
through profit and loss account - net Gain)/loss on disposal of property, plant and equipment Gain)/loss on disposal of property, plant and equipment Gain)/loss on disposal of property, plant and equipment Profit before working capital changes Changes in working capital (Increase)/decrease in current assets Trade debts Short term investments Advances, deposits, prepayments and other receivables Receivable under MTS transaction Receivable from NCCPL Cash (used in)/generated from operations Cash (used in)/generated from operating activities Cash Flows From Investing Activities Cash Flows From Investments Long term deposits Long term investments Proceeds from disposal of property, plant and equipment Net cash (used in)/generated from investing activities Net (decrease)/increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period (3,304,80 (3,304,80 (141,506) (186,455,184) (189,141,03 (116,184,664) (254,734,459 (33,377,732) (116,184,664) (254,734,459 (33,377,732) (993,50 (993,50 (33,277,732) (993,50 (33,277,732) (699,983,976) (699,983,976) (699,983,976) (7,623,900) (7,		2,400,333	3,009,40
(24,656,184) 7,142,266 7	through profit and loss account - net		(3,304,808
Changes in working capital (Increase) / Idea (In	(Gain)/loss on disposal of property, plant and equipment		
Changes in working capital (Increase)/decrease in current assets Trade debts Short term investments Advances, deposits, prepayments and other receivables Receivable under MTS transaction Receivable from NCCPL Cappage (1,802,095) Cash (used in)/generated from operating activities Cash Flows From Investing Activities Long term deposits Long term deposits Long term deposits Long term investments Purchase of property, plant and equipment Net cash (used in)/generated from investing activities Cash (used in)/generated from investing activities Net (decrease)/increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period (116,184,664) 254,734,459 (33,377,732) (499,983,976) (697,612) (312,110,86 (299,883,976) (1802,095) (1802,095) (1802,095) (1998		(24,656,184)	7,142,26
(Increase)/decrease in current assets Trade debts Short term investments Advances, deposits, prepayments and other receivables Receivable under MTS transaction Receivable from NCCPL (33,377,732) (499,983,976) (394,811,913) (22,544,74) Decrease)/increase in current liabilities Trade and other payables (1,802,095) (56,791,85) Cash (used in)/generated from operations (11,201,167) (1,623,670) (1,623,670) (2,297,36 (4,251,97 (1,623,670) (1,623,670) (1,623,670) (1,623,670) (1,623,670) (1,623,670) (1,623,900) (1,623,900) (1,7623,900) (1	Profit before working capital changes	147,283,054	189,141,03
Trade debts Short term investments Advances, deposits, prepayments and other receivables Receivable under MTS transaction Receivable from NCCPL Decrease)/increase in current liabilities Trade and other payables Cash (used in)/generated from operations Income tax paid Finance charges paid Net cash (used in)/generated from operating activities Cash Flows From Investing Activities Long term deposits Long term deposits Long term deposits Purchase of property, plant and equipment Net cash (used in)/generated from investing activities Net (decrease)/increase in cash and cash equivalents Net (decrease)/increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period (116,184,664) 254,734,459 (33,377,732) (499,983,976) (394,811,913) (22,544,74 (22,544,74 (249,330,954) (11,201,167) (1,623,670) (1,623,670) (1,623,670) (1,525,00) (1,5248,900) (1,525,00)	Changes in working capital		
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Advances, deposits, prepayments and other receivables Receivable under MTS transaction Receivable under MTS transaction Receivable from NCCPL (499,983,976) (394,811,913) (22,544,74) Decrease)/increase in current liabilities Trade and other payables (1,802,095) (56,791,85) Cash (used in)/generated from operations (249,330,954) (109,804,43) Income tax paid (11,201,167) (2,297,36) Finance charges paid (11,201,167) (1,623,670) (4,251,97) Net cash (used in)/generated from operating activities (262,155,791) (103,255,09) Cash Flows From Investing Activities Long term deposits Long term deposits Long term investments Purchase of property, plant and equipment Proceeds from disposal of property, plant and equipment Net cash (used in)/generated from investing activities (5,248,900) (1,250,000) Net (decrease)/increase in cash and cash equivalents (267,404,691) (69,989,484) (140,995,85)	Short term investments		160,725,10
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Decrease)/increase in current liabilities (1,802,095) (56,791,85 Cash (used in)/generated from operations (249,330,954) 109,804,43 Income tax paid (11,201,167) (2,297,36 Finance charges paid (1,623,670) (4,251,97 Net cash (used in)/generated from operating activities (262,155,791) 103,255,09 Cash Flows From Investing Activities 1,250,000 (150,00 Long term deposits 1,250,000 (697,01 Long term investments (7,623,900) (697,01 Purchase of property, plant and equipment 1,125,000 (5,248,900) Net cash (used in)/generated from investing activities (5,248,900) 3,197,95 Net (decrease)/increase in cash and cash equivalents (267,404,691) 106,453,08 Cash and cash equivalents at the beginning of the period (69,989,484) (140,995,85	Receivable Hoffi NCCFL		
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Income tax paid Finance charges paid Net cash (used in)/generated from operating activities Cash Flows From Investing Activities Long term deposits Long term investments Purchase of property, plant and equipment Proceeds from disposal of property, plant and equipment Net cash (used in)/generated from investing activities Net (decrease)/increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period (11,201,167) (1,623,670) (2,297,36 (4,251,97 103,255,09 (150,00 2,520,00 (697,01 1,125,000 (5,248,900) 3,197,99 (106,453,08 (140,995,85)	Trade and other payables	(1,802,095)	(56,791,853
Finance charges paid (1,623,670) Net cash (used in)/generated from operating activities (262,155,791) Cash Flows From Investing Activities Long term deposits Long term investments Purchase of property, plant and equipment Proceeds from disposal of property, plant and equipment Net cash (used in)/generated from investing activities Net (decrease)/increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period (1,623,670) (4,251,97 103,255,09 (150,00 2,520,00 (7,623,900) 1,125,000 (5,248,900) 3,197,99 (106,453,08 (140,995,85	Cash (used in)/generated from operations	(249,330,954)	109,804,43
Finance charges paid Net cash (used in)/generated from operating activities Cash Flows From Investing Activities Long term deposits Long term investments Purchase of property, plant and equipment Proceeds from disposal of property, plant and equipment Net cash (used in)/generated from investing activities Net (decrease)/increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period (1,623,670) (262,155,791) 1,250,000 (150,00 (2,520,00 (697,01 1,125,000 (5,248,900) 3,197,99 (697,404,691) (699,889,484) (140,995,85	Income tax paid	(11,201,167)	(2,297,367
Cash Flows From Investing Activities Long term deposits Long term investments Purchase of property, plant and equipment Proceeds from disposal of property, plant and equipment Net cash (used in)/generated from investing activities Net (decrease)/increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period Cash Flows From Investing Activities (7,623,900) 1,125,000 1,7623,900 1,525,00 (5,248,900) 3,197,99 106,453,08 (140,995,85	Finance charges paid	(1,623,670)	(4,251,976
Long term deposits Long term investments Purchase of property, plant and equipment Proceeds from disposal of property, plant and equipment Net cash (used in)/generated from investing activities Net (decrease)/increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period 1,250,000 2,520,00 (697,01 1,125,000 1,125,000 (5,248,900) 3,197,99 (697,989,484) (106,453,08 (140,995,85	Net cash (used in)/generated from operating activities	(262,155,791)	103,255,09
Long term investments Purchase of property, plant and equipment Proceeds from disposal of property, plant and equipment Net cash (used in)/generated from investing activities Net (decrease)/increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period Cash and cash equivalents at the beginning of the period Cash and cash equivalents at the beginning of the period Cash and cash equivalents at the beginning of the period Cash and cash equivalents at the beginning of the period Cash and cash equivalents at the beginning of the period	Cash Flows From Investing Activities		
Purchase of property, plant and equipment Proceeds from disposal of property, plant and equipment Net cash (used in)/generated from investing activities Net (decrease)/increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period (7,623,900) 1,125,000 (5,248,900) 3,197,99 (6697,01) 1,525,000 (5,248,900) 3,197,99 (699,89,484)	Long term deposits	1,250,000	(150,000
Proceeds from disposal of property, plant and equipment Net cash (used in)/generated from investing activities (5,248,900) Net (decrease)/increase in cash and cash equivalents (267,404,691) (106,453,08) (140,995,85)	Long term investments		2,520,00
Net cash (used in)/generated from investing activities Net (decrease)/increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period (69,989,484) (140,995,85)			, ,
Net (decrease)/increase in cash and cash equivalents (267,404,691) 106,453,08 (140,995,85) (140,995,85)			
Cash and cash equivalents at the beginning of the period (69,989,484) (140,995,85)	. , ,		
	•		

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2013

	Share capital	Un-appropriated profit	Total
		Rupees	
Balance as at June 30, 2011	600,496,000	19,337,423	619,833,423
Total comprehensive income for the nine months ended March 31, 2012	-	179,220,165	179,220,165
Balance as at March 31, 2012	600,496,000	198,557,588	799,053,588
Total comprehensive income for the period	-	38,554,678	38,554,678
Balance as at June 30, 2012	600,496,000	237,112,266	837,608,266
Issue of bonus shares for the year ended June 30, 2012	60,049,600	(60,049,600)	-
Total comprehensive income for the nine months ended March 31, 2013	-	164,534,660	164,534,660
Balance as at March 31, 2013	660,545,600	341,597,326	1,002,142,926

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER	DIRECTOR



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2013

1 STATUS AND NATURE OF BUSINESS

Invest and Finance Securities Limited ('the Company') was incorporated under the Companies Ordinance, 1984 on September 27, 1999 as a Private Limited Company and converted into Public Unquoted Company w.e.f. November 27, 2006. Effective March 20, 2008, the Company became a listed Company with its shares quoted on the Karachi Stock Exchange Limited. The registered office of the Company is situated at 12th Floor, Corporate Tower, Techno City Building, Hasrat Mohani Road, Off: I. I. Chundrigar Road, Karachi, Pakistan.

The Company is Trading Right Entitlement (TRE) Certificate Holder of the Karachi Stock Exchange Limited and the Lahore Stock Exchange Limited, Corporate Member of the Pakistan Mercantile Exchange Limited and is registered with/accredited by Financial Markets Association of Pakistan as inter-bank broker and Mutual Funds Association of Pakistan as service provider/distributor. The Company is engaged in Financial Brokerage, Corporate Finance and Financial Research.

2 BASIS OF PREPARATION

ACCOUNTING CONVENTION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

These condensed interim financial statements have been presented in condense form in accordance with the requirements of International Accounting Standard (IAS)-34 "Interim Financial Reporting" as applicable in Pakistan. These condensed interim financial statements do not include all of the information required of full annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2012.

These financial statements are un-audited and are being submitted to the shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984. These condensed interim financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency and rounded off to the nearest rupee.

The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements for the year ended June 30, 2012.

3 TAXATION

Provision for taxation has been estimated at the current rate of taxation.

4 PROPERTY, PLANT AND EQUIPMENT

		OII-audited	Addited
		March 31, 2013	June 30, 2012
		Ru _l	oees
Openin Add:	g book value Additions during the period	34,277,424 7,623,900	39,746,732 2,536,285
Less:	Disposals during the period (at book value) Depreciation charged during the period	(510,494) (4,064,562)	(2,781,081) (5,224,512)
		(4,575,056)	(8,005,593)
Closing	J book value	37,326,268	34,277,424

Audited

Un-audited



5 LONG-TERM INVESTMENTS

In the wake of promulgation of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012, in lieu of Membership Cards Shares and Trading Right Entitlement (TRE) Certificates have been issued to holders of such Cards. Out of total number of shares as mentioned below, 2,404,430 and 506,385 ordinary shares of the Karachi Stock Exchange Limited and the Lahore Stock Exchange Limited respectively, being 60% of total number of shares alloted to the Company have been blocked in the Company's Sub-Accounts maintained under the respective Stock Exchanges Participant IDs. Since these shares are not presently tradeable therefore, fair value cannot be determined. The Company has reclassified its investment from Intangible Assets to Tangible Assets as Long-Term Investments at cost price for better presentation. Detail and break-up of shares are as under:

	Un-audited Audit	
	March 31, 2013	June 30, 2012
Karachi Stock Exchange Limited	Rup	ees
(4,007,383 Ordinary Shares)	35,078,600	-
Lahore Stock Exchange Limited (843,975 Ordinary Shares)	8,000,000	-
	43,078,600	-

6 INTANGIBLE ASSETS

The Company has been granted Trading Right Entitlement (TRE) Certificate in pursuance of Section 5 of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012 read with Regulation 6 of the Stock Exchanges (Corporatisation, Demutualization and Integration) Regulation, 2012. These TRE Certificates also represent intangible assets but do not include value. Detail and break-up of intangible assets are as under:

	March 31, 2013	June 30, 2012
	Ru _l	pees
Membership - Pakistan Mercantile Exchange Limited Membership - Karachi Stock Exchange (Guarantee) Limited Membership - Lahore Stock Exchange (Guarantee) Limited Telephone booth Computer software	2,500,000 - 1,200,000 87,819	2,500,000 35,078,600 8,000,000 1,200,000 117,091
	3,787,819	46,895,691

7 RELATED PARTY TRANSACTIONS

The related parties comprise of major shareholders, associated companies with or without common directors, directors of the Company and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling activities of the entity. The Company considers all members of their management team, including the Chief Executive Officer and Directors to be its key management personnel. Remuneration and benefits to Executives of the Company are in accordance with the terms of the employment. Transactions with other related parties are entered into at rates negotiated with them.

Un-audited

Audited



Details of transactions with related parties, other than those which have been disclosed else where in these condensed interim financial statements, are as follows:

	Un-au	Un-audited	
	March 31, 2013	March 31, 2012	
Brokerage income earned from:	Rup	ees	
Directors	9,932	45,923	
Employees	92,781	221,621	
Transactions			
Contribution to IFSL - Employees Provident Fund	886,990	1,013,008	
Bank Guarantee in favour of Karachi Stock Exchange Limitee from The Bank of Khyber Limited (March 2012: KASB Ban Limited), secured against pledge of shares		10,000,000	
9 DATE OF AUTHORIZATION FOR ISSUE			
These condensed interim financial statements have been by the Board of Directors of the Company.	authorized for issue o	on April 15, 2013	

by the Board of Directors of the Company.

10 GENERAL

Figures in these condensed interim financial statements have been rounded to the nearest rupee.

The figures of the corresponding period have been re-arranged, wherever necessary, to facilitate comparison and for better presentation. $\frac{1}{2} \int_{-\infty}^{\infty} \frac{1}{2} \left(\frac{1}{2} \int_{-\infty}^{$

CHIEF EXECUTIVE OFFICER	DIRECTOR

