

**Zahid Latif Khan Securities  
(Private) Limited  
Audited Financial Statement  
For The Year Ended  
30 June 2021**



**INDEPENDENT AUDITOR'S REPORT**

**To the members of ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the annexed financial statements **ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2021 and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2021 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of Management and Board of Directors for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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Tel: 042-35754821-22, Fax: 042-36317513, Email: nasirgulzar@njmi.net

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Office No. 807, 8th Floor, Q.M. House, Plot No. 11/2, Ellander Road,  
Opposite to Shaheen Complex, Off. I.I Chundrigar Road.  
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In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Board of directors is responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

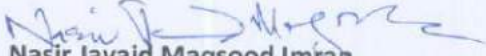
#### **Report on Other Legal and Regulatory Requirements**

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Imran Ul Haq.

Place: Islamabad  
Date: 05-Oct-2021

  
**Nasir Javaid Maqsood Imran**  
Chartered Accountants

**ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2021**

	Note	2021 Rupees	2020 Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	4	14,281,167	10,253,058
Long term deposits	5	1,420,000	1,420,000
Long term investments	6	47,097,039	43,091,363
Intangible assets	7	2,500,000	2,500,000
Deferred tax asset	8	2,561,346	6,465,055
		67,859,552	63,729,476
<b>CURRENT ASSETS</b>			
Short term investment	9	438,976,369	97,323,044
Trade receivables	10	129,841,438	84,156,863
Advances	11	150,025,644	7,071,884
Deposits and other receivables	12	78,395,199	26,152,754
Cash and bank balances	13	262,658,662	148,978,789
		1,059,897,311	363,663,335
<b>TOTAL ASSETS</b>		<b>1,127,756,863</b>	<b>427,412,811</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital	14	55,000,000	55,000,000
<b>Capital reserve:</b>			
Deposit for shares		55,500,000	55,500,000
<b>Revenue reserve:</b>			
Unappropriated profit		441,968,828	44,955,312
		552,468,828	155,455,312
<b>CURRENT LIABILITIES</b>			
Trade and other payables	15	380,009,222	177,780,380
Unclaimed dividend	16	6,622,568	6,541,246
Accrued interest	17	1,747,744	2,253,159
Short term bank borrowings	18	161,462,297	82,536,612
Provision for taxation	19	25,446,204	2,846,101
		575,288,035	271,957,498
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,127,756,863</b>	<b>427,412,811</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	20		

The annexed notes form an integral part of these financial statements.

  
**CHIEF EXECUTIVE**


  
**DIRECTOR**



ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED  
 STATEMENT OF PROFIT OR LOSS  
 FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
Revenue	21	265,372,344	80,857,505
Capital/gain (loss) realised - net		122,523,827	(3,610,362)
Unrealized fair value gain/(loss) on investment remeasurement-FVTPL - net	22.1	275,781,220	15,702,017
		663,677,391	92,949,161
Direct expenses	23	(211,135,541)	(37,669,325)
		452,541,850	55,259,836
Operating expenses	24	(19,524,696)	(15,523,826)
		433,017,154	39,736,010
Financial charges	25	(8,789,735)	(11,183,586)
Other income	26	-	558,719
Profit/(loss) before taxation		424,227,419	29,111,142
Taxation	27	(27,213,903)	4,076,736
Net profit/(loss) after taxation		397,013,516	33,187,878

The annexed notes form an integral part of these financial statements.

  
 CHIEF EXECUTIVE

  
 DIRECTOR

**ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2021**

	2021	2020
Note	Rupees	Rupees
Net (loss)/ profit for the year	397,013,516	33,187,878
<b>Items that may not be reclassified to profit or loss:</b>		
Gain on ISE REIT Management shares	-	-
<b>Total comprehensive (loss) / income for the year</b>	<b>397,013,516</b>	<b>33,187,878</b>

The annexed notes form an integral part of these financial statements.

  
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CHIEF EXECUTIVE



  
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DIRECTOR

**ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	2021	2020
Note	Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net (loss)/ profit before tax	424,227,419	29,111,142
<b>Adjustments for non-cash and other items:</b>		
Depreciation	1,764,942	1,460,495
Gain on sale of asset	-	(558,719)
Provision for bad debts	1,083,868	1,950,095
Unrealized (gain)/loss on short term investment	(275,781,220)	(15,702,017)
	<u>(272,932,410)</u>	<u>(12,850,147)</u>
	151,295,009	16,260,996
<b>Working capital changes</b>		
(Increase) / decrease in current assets:		
Short term investment	(69,877,781)	(46,271,117)
Trade receivables	(46,768,443)	(26,193,851)
Loans and advances	(142,953,760)	11,215,679
Deposits, prepayments and other receivables	(30,314,657.35)	(14,290,515)
	(289,914,641)	(75,539,804)
Increase / (decrease) in current liabilities	280,730,435	132,754,829
	<u>142,110,802</u>	<u>73,476,021</u>
Income tax paid	(22,637,878)	(474,751)
Net cash generated from operating activities	<u>119,472,924</u>	<u>73,001,270</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(5,793,051)	(6,525,992)
Disposal of fixed Asset	-	6,400,000
Net cash (used in) investing activities	<u>(5,793,051)</u>	<u>(125,992)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term deposit	-	100,000
Long term loan repaid	-	-
Deposit for shares	-	18,000,000
Net cash inflow from financing activities	<u>-</u>	<u>18,100,000</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	113,679,874	90,975,278
<b>Cash and cash equivalents at the beginning of the year</b>	148,978,789	58,003,511
<b>Cash and cash equivalents at the end of the year</b>	<u>13</u> <u>262,658,662</u>	<u>148,978,789</u>

The annexed notes form an integral part of these financial statements.

  
 CHIEF EXECUTIVE


  
 DIRECTOR



**ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	SHARE CAPITAL	REVENUE RESERVE	CAPITAL RESERVE	TOTAL
		ACCUMULATED PROFIT / (LOSS)	DEPOSIT FOR SHARES	
-----Rupees-----				
Balance as at July 01, 2019	55,000,000	11,767,434	37,500,000	104,267,434
Deposit for shares	-	-	18,000,000	18,000,000
Total comprehensive income for the year	-	33,187,878	-	33,187,878
Balance as at June 30, 2020	<b>55,000,000</b>	<b>44,955,312</b>	<b>55,500,000</b>	<b>155,455,312</b>
Balance as at July 01, 2020	55,000,000	44,955,312	55,500,000	155,455,312
Deposit for shares	-	-	-	-
Total comprehensive income for the year	-	397,013,516	-	397,013,516
Balance as at June 30, 2021	<b>55,000,000</b>	<b>441,968,828</b>	<b>55,500,000</b>	<b>552,468,828</b>

The annexed notes form an integral part of these financial statements.

  
 CHIEF EXECUTIVE

  
 DIRECTOR

**ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**1 The Company and its operations**

The company was incorporated in Pakistan on May 06, 1999 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a private limited company. The company is a Trading Right Entitlement Certificate (TREC) holder of Pakistan Stock Exchange Limited and duly registered with the Securities and Exchange Commission of Pakistan (SECP). It started its commercial activities with effect from July 06, 1999.

The main object of the company is to carry on the business of broker in stocks, shares, securities under license or with the foreign permission or approval of any recognized association, authority, stock exchange, or other market in Pakistan or abroad. The registered office of the company is situated at Room No. 624-627, 6th Floor, Stock Exchange Building, Stock Exchange Road, Karachi.

Geographical location of all Branches is:

Branches	Addresses
Corporate Office	412, 4th Floor, ISE Towers, 55-B Jinnah Avenue, Islamabad
Cantt Branch	23-AI Amin Plaza, The Mall, Rawalpindi Cantt
Chaklala Branch	61-C 1st Floor, Aneeq Plaza Street 12, Commercial area Chaklala Scheme-III, Rawalpindi
Abbottabad Branch	Office No. C-5, First Floor, Awan Plaza, Mandian, Abbottabad
City Branch	201, 2nd Floor, Dubai Orakzai Plaza, Murree Road, Rawalpindi
Pindi gheb Branch	Office No.1, Malik Saeed Market, Near Chief Chowk, Pindigheb
Wah Cantt Branch	Office No.2, 1st Floor, Mall View Plaza, The Mall, Wah Cantt
Islamabad Branch	408, 4th Floor, ISE Towers, 55-B Jinnah Avenue, Islamabad

**2 Basis of preparation of financial statements**

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, provisions of and directives issued under the Companies Act, 2017. In case requirements differ, the provisions or directives of the Companies Act, 2017 shall prevail.

The company changed its financial reporting framework from IFRS issued by IASB to IFRS for SMEs issued by IASB since it is no longer a public interest company as per the amendments made in third schedule to Companies Act, 2017. As per the schedule, all public interest companies are required to prepare their financial statements in accordance with IFRS issued by IASB as notified by SECP. The change described above has no material impact on carrying values of assets and liabilities therefore no adjustment has been made in these accounts except some decrease in disclosure requirements.

**2.2 Basis of measurement**

These accounts have been prepared under the historical cost convention, without any adjustments for the effects of inflation or current values except otherwise stated in relevant policies hereunder.

**2.3 Functional and presentation currency**

These financial statements are presented in Pakistan Rupees which is also the company's financial currency.

**ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

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**2.4 Use of significant estimates and judgments**

The preparation of financial statements in conformity with approved accounting standards requires management to make judgment, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgment about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision effects only that period, or in the period of the revision and future periods if the revision effects both current and future periods. Judgments made by management in the application of approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the ensuing paragraphs.

**3 Summary of significant accounting policies**

Significant accounting policies adopted in the preparation of these financial statements are:

**3.1 Taxation**

The provision for current taxation is based on taxable income at the current rates of taxation. Company provides for the deferred taxation, if any, using the liability method. A deferred tax liability is recognised for all temporary differences that are expected to increase taxable profit in the future. Deferred tax assets are recognised for all temporary differences that are expected to reduce taxable profit in the future, and the carryforward of unused tax losses. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities using the tax rates enacted at the statement of financial position date.

**3.2 Property and equipment**

- i These are stated at cost less accumulated depreciation and impairment losses, if any;
- ii Depreciation on operating assets is charged on reducing balance method. A full month's depreciation is charged in the month of addition and no depreciation is charged in the month of disposal;
- iii Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized;
- iv Gain and losses on disposal of fixed assets, if any, included in profit and loss account currently;
- v The Company reviews the useful lives and residual value of its assets on regular basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge.

**3.3 Impairment of non-financial assets**

Assets that are subject to depreciation/amortization are reviewed at each statement of financial position date to identify circumstances indicating occurrence of impairment loss or reversal of previous impairment losses. As impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost to sale and value in use. Reversal of impairment loss is restricted to the original costs of the asset.

**3.4 Intangible assets**

An intangible asset is recognized as an asset if it is probable that the economic benefits attributable to the assets will flow to the company and cost of the asset can be measured reliably.



**ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

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**3.5 Revenue recognition**

Brokerage and commission is recognized as and when such services are provided.  
Capital gains or losses on sale of investments are recognized in the year in which they arise.  
Dividend income is recognized at the time of book closure of the Company declaring the dividend.

**3.6 Trade debts**

These are stated transaction cost less provision for doubtful debts. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognised in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification. The provision for the year is provided as following:

Balance due within 360 days = 10%

Balance due above 360 days = 100%

**3.7 Cash and cash equivalents**

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand and cash with banks on current account.

**3.8 Financial instruments**

**Initial Recognition**

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value, amortised cost or cost as the case may be.

**Classification of financial assets:**

The Company classifies its financial instruments in the following categories:

- At Fair Value Through Profit or Loss (FVTPL)
- At Amortized Cost

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

**Classification of financial liabilities**

The Company classifies its financial liabilities in the following categories:

- At Fair Value Through Profit or Loss (FVTPL)
- At Amortized Cost

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

**Subsequent Measurement**

**i) Financial assets and liabilities at amortized cost**

Financial assets and liabilities at amortised cost are initially recognised at fair value, and subsequently carried at amortised cost, and in the case of financial assets, less any impairment.

**ii) Financial assets and liabilities at FVTPL**

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss in the period in which they arise.

Where management has opted to recognise a financial liability at FVTPL, any changes associated with the Company's own credit risk

will be recognized in other comprehensive income / (loss). Currently, there are no financial liabilities designated at FVTPL.



**ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**Impairment of financial asset**

The financial assets other than those that are carried at fair value are assessed at each reporting date to determine whether there is any objective evidence of their impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

The impairment loss is recognized immediately in the statement of profit or loss and the carrying amount of the related financial asset is reduced accordingly. An impairment loss is reversed only if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

**Derecognition**

**i) Financial assets**

The Company derecognises financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in profit or loss.

**ii) Financial liabilities**

The Company derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any noncash assets transferred or liabilities assumed, is recognised in the statement of profit or loss.

**4 Property and equipment**

	Office Building	Furniture and Fixture	Air Conditioners	Office Equipment	Motorcycle	Electronic Equipments	Computers	Generator	Telephone Installation	Motor Vehicle	Total
Rupees											
<b>Year ended June 30, 2020</b>											
Opening Net Book Value	7,187,202	1,653,114	140,648	33,845	19,604	539,371	1,237,873	1,591	215,394	-	11,028,842
Additions	6,400,000	-	-	39,307	-	-	86,685	-	-	-	6,525,992
Depreciation Charge	(683,154)	(247,967)	(21,097)	(9,832)	(2,971)	(80,906)	(382,021)	(239)	(32,309)	-	(1,460,495)
Disposal	(7,525,000)	-	-	-	-	-	-	-	-	-	(7,525,000)
Adjustment	1,683,719	-	-	-	-	-	-	-	-	-	1,683,719
<b>Net Book Value</b>	<b>7,962,757</b>	<b>1,405,147</b>	<b>119,551</b>	<b>63,320</b>	<b>16,833</b>	<b>458,465</b>	<b>942,537</b>	<b>1,352</b>	<b>183,085</b>	<b>-</b>	<b>10,253,058</b>
<b>As at June 30, 2020</b>											
Cost	8,975,000	2,782,610	394,107	127,690	167,925	772,885	3,152,040	19,100	326,522	-	16,718,169
Accumulated depreciation	(1,912,233)	(1,377,663)	(274,556)	(64,360)	(151,092)	(314,420)	(2,209,503)	(17,748)	(143,537)	-	(6,465,111)
<b>Net book value</b>	<b>7,962,757</b>	<b>1,405,147</b>	<b>119,551</b>	<b>63,320</b>	<b>16,833</b>	<b>458,465</b>	<b>942,537</b>	<b>1,352</b>	<b>183,085</b>	<b>-</b>	<b>10,253,058</b>
<b>Year ended June 30, 2021</b>											
Opening Net Book Value	7,962,757	1,405,147	119,551	63,320	16,833	458,465	942,537	1,352	183,085	-	10,253,058
Additions	91,946	336,503	298,000	24,261	-	-	162,937	-	9,425	4,929,979	5,793,051
Depreciation Charge	(710,874)	(234,069)	(20,908)	(15,492)	(2,525)	(68,770)	(313,830)	(203)	(28,523)	(369,748)	(1,754,942)
Disposal	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-	-
<b>Net Book Value</b>	<b>6,443,839</b>	<b>1,507,581</b>	<b>336,643</b>	<b>72,089</b>	<b>14,308</b>	<b>389,695</b>	<b>791,644</b>	<b>1,149</b>	<b>163,987</b>	<b>4,560,230</b>	<b>14,281,167</b>
<b>As at June 30, 2021</b>											
Cost	8,066,946	3,119,313	632,107	151,941	167,925	772,885	3,314,977	19,100	336,047	4,929,979	22,511,220
Accumulated depreciation	(2,623,107)	(1,611,732)	(295,464)	(79,852)	(153,617)	(383,190)	(2,523,333)	(17,951)	(172,060)	(369,748)	(8,230,053)
<b>Net book value</b>	<b>6,443,839</b>	<b>1,507,581</b>	<b>336,643</b>	<b>72,089</b>	<b>14,308</b>	<b>389,695</b>	<b>791,644</b>	<b>1,149</b>	<b>163,987</b>	<b>4,560,230</b>	<b>14,281,167</b>
<b>Rate of depreciation</b>	<b>10%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>30%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	

**ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Note	2021 Rupees	2020 Rupees
<b>5 Long term deposits</b>			
Security deposits with:			
National Clearing Company of Pakistan Limited		1,200,000	1,200,000
Pakistan Stock Exchange Limited		200,000	200,000
Mobile phones		20,000	20,000
		<u>1,420,000</u>	<u>1,420,000</u>
<b>6 Long term investment</b>			
ISE REIT Management company Limited	6.1	47,097,039	43,091,363
		<u>47,097,039</u>	<u>43,091,363</u>

**6.1** Pursuant to the promulgation of the Stock Exchange (Corporatization, Demutualization and Integration) Act, 2012 (The Act) the ownership in a Stock Exchange has been segregated from the right to trade on the Exchange. Accordingly, the company has received equity shares of ISE and Trading Right Entitlement Certificate (TREC) in lieu of membership card of ISE. The company entitlement in respect of ISE shares is determined on the basis of valuation of assets and liabilities of ISE as approved by SECP and the company has been allotted 3,034,603 shares of the face value of Rs 10/= each. These includes 60% shares of ISE, held in separate CDC blocked account to restrict the sale of these shares by the members whereas stock exchange will dispose off these shares under the provisions of the Act, however the proceeds of these shares and right to dividend/bonus are vested with the company whereas voting rights attached to these shares are suspended.

The company has recorded a surplus of Rs. 30.746 million on conversion of membership card of ISE to shares and TREC in the equity through profit and loss account during the year 2014-2015.

In absence of an active market for these shares, the company has taken has valued them at Rs.15.52/share(2020: 14.2/share), which is the value approved by the Board of Directors of PSX and intimated to SECP for the base minimum capital. This fact indicates an acceptable level of value for ISE REIT shares which is also used by the stock exchange for risk management and to safeguard investors' interest.

	Note	2021 Rupees	2020 Rupees
<b>7 Intangible assets</b>			
Trading Right Entitlement Certificate (TREC)	7.1	2,500,000	2,500,000
		<u>2,500,000</u>	<u>2,500,000</u>

**7.1** In the absence of an active market for TREC, the company has taken the cost of TREC at Rs 2.5 million, which is the value approved by the Board of Directors of ISE and intimated to SECP. This fact indicates an acceptable level of value for TREC which is also used by the Stock Exchange for risk management and to safeguard the investors' interest.

	Note	2021 Rupees	2020 Rupees
<b>8 Deferred tax asset/(liability)</b>			
Tax losses and credits - asset	8.1	2,848,464	6,891,508
Property and equipment - liability		(287,118)	(426,453)
		<u>2,561,346</u>	<u>6,465,055</u>

**8.1 Business Losses and tax credits will expire as follows:**

Year of Expiry	Minimum Tax
2025	2,205,443
2024	632,565
2023	10,456

Deferred tax has been provided at 29% and charged to profit or loss statement.





**ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	2021 Rupees	2020 Rupees
<b>12 Deposits and other receivables</b>		
<b>Deposits</b>		
Withholding income taxes	12.1 30,490,756	8,562,969
Security deposit - Office premises	310,000	260,000
Margin deposit - Pakistan Stock Exchange Limited	30,913,078	11,366,966
Security deposit - Central Depository Company of Pakistan	75,000	75,000
Security deposit - Pakistan Mercantile Exchange	750,000	750,000
Clearing Deposit with PMEX	2,395,915	1,876,748
	<b>64,934,749</b>	<b>22,891,683</b>
<b>Other receivables</b>		
Due from National Clearing Company of Pakistan Limited	13,243,337	3,183,593
Other Advances	45,367	-
Other receivable	171,746	77,479
	<b>13,460,450</b>	<b>3,261,072</b>
	<b>78,395,199</b>	<b>26,152,754</b>
<b>12.1 Withholding income taxes</b>		
Opening withholding tax	8,562,969	8,870,572
Adjusted during the year	(710,091)	(782,354)
(Paid)/ withheld during the year	22,637,878	474,751
	<b>30,490,756</b>	<b>8,562,969</b>
<b>13 Cash and bank balances</b>		
Cash in hand	3,109,016	2,955,973
Cash at bank - current accounts	259,549,645	146,022,816
	<b>262,658,662</b>	<b>148,978,789</b>
<b>14 Share capital and reserves</b>		
Authorized:		
1,100,000 ordinary shares of Rs. 100/= each	110,000,000	110,000,000
Issued, subscribed and paid up:		
550,000 ordinary shares of Rs. 100/= each in cash	55,000,000	55,000,000
	<b>55,000,000</b>	<b>55,000,000</b>
<b>15 Accrued and other liabilities</b>		
Trade payables	241,989,899	171,321,155
Other Liabilities	4,521,313	2,274,796
Sales tax / FED payable	4,236,749	1,377,884
Commission payable	66,713,474	2,096,217
Audit fee payable	250,000	225,000
CGT payable	58,656,374	-
PSX Taxes and charges	125,283	25,272
Withholding tax payable	3,516,131	460,055
	<b>380,009,222</b>	<b>177,780,380</b>
<b>16 Unclaimed dividend</b>		
Unclaimed dividend	6,622,568	6,541,246
	<b>6,622,568</b>	<b>6,541,246</b>

*[Handwritten signature]*





**ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Note	2021 Rupees	2020 Rupees
<b>21 Revenue</b>			
Securities brokerage		246,560,793	76,626,820
Dividend		10,639,044	1,219,161
IPO commission		14,485	-
Commodity brokerage		6,701,727	2,104,370
Profit on Margin Deposit		1,456,295	907,155
		<u>265,372,344</u>	<u>80,857,505</u>
<b>22 Un realized gain on remeasurment of investments at fair value-throughout profit or loss</b>			
Quoted Securities		271,775,544	-
Unquoted Securities		4,005,676	-
		<u>275,781,220</u>	<u>-</u>
<b>22.1 Quoted Securities</b>			
Market value of investment in shares(Quoted Securities)		438,976,369	97,323,044
Less: Cost of investment		(167,200,826)	(81,621,027)
		<u>271,775,544</u>	<u>15,702,017</u>
<b>22.2 Un quoted Securities</b>			
Market value of investment in shares		47,097,039	-
Less: Cost of investment		(43,091,363)	-
		<u>4,005,676</u>	<u>-</u>
<b>23 Direct Expenses</b>			
Staff salaries and benefits		28,420,671	22,151,624
Commission		165,830,525	7,071,642
Directors' remuneration		3,263,609	-
Investor protection fund		1,002,157	-
Central Depository Company expense		3,807,872	2,593,718
ISEL/SEL/NCCPL trading fee		5,343,939	3,416,756
Depreciation		1,764,942	1,460,495
Utilities - Internet		446,307	383,417
Utilities - Telephone		1,255,519	611,673
		<u>211,135,541</u>	<u>37,689,325</u>
<b>24 Operating expenses</b>			
Utilities - Other		2,096,186	2,614,355
Rents, Rates & Taxes		5,872,950	5,484,299
Entertainment		1,774,374	1,686,268
Fee and subscription		1,706,508	887,928
Miscellaneous		790,413	145,437
Printing and stationary		272,457	371,680
Postage and telegram		142,552	148,112
Travelling & Conveyance		414,448	193,150
Office repair and maintenance		501,771	273,145
Audit fee		250,000	225,000
Software expenses		3,279,442	329,253
Newspapers and periodicals		60,948	69,230
Legal and professional charges		85,000	542,000
Vehicle running and maintenance		811,285	409,547
Welfare Committee		84,500	87,400
Advertisement		140,616	-
Insurance		157,378	82,097
Bad debts written off		-	24,830
Provision for bad debts		1,083,868	1,950,095
		<u>19,524,696</u>	<u>15,523,826</u>

**ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	2021 Rupees	2020 Rupees
<b>25 Financial charges</b>		
Markup on running finance facility	8,036,407	10,828,376
Bank charges	753,328	355,210
	<u>8,789,735</u>	<u>11,183,586</u>
<b>26 Other income</b>		
Mark up on MFS		-
Gain on disposal	-	558,719
	<u>-</u>	<u>558,719</u>
<b>27 Taxation</b>		
Current tax	23,074,855	2,388,318
Prior year	235,339	1
Deferred	3,903,709	(6,465,055)
	<u>27,213,903</u>	<u>(4,076,736)</u>

27.1 The dividend income falls under the ambit of presumptive tax regime under section 169 of the Income Tax Ordinance, 2001. Provision for income tax is made accordingly. Further, provision against income from other sources is made under the relevant provisions of the Income Tax Ordinance, 2001.

27.2 Reconciliation of tax expense and product of accounting profit multiplied by the applicable tax rate is not required in view of minimum, final and fixed taxation.

**28 Financial instruments and related disclosures**

**28.1 Financial assets as per statement of financial position**

	At Ammortized Cost		At Fair Value Through Profit & Loss	
	2021	2020	2021	2020
Long term deposits	1,420,000	1,420,000	-	-
Short term investment			438,976,369	97,323,044
Long term investments			43,091,363	43,091,363
Trade debts	129,841,438	84,156,863	-	-
Deposits, prepayments and other receivables	47,904,443	17,589,786	-	-
Cash and bank balances	262,658,662	148,978,789	-	-
Loans and advances	150,025,644	7,071,884	-	-
	<u>591,850,186</u>	<u>259,217,322</u>	<u>482,067,732</u>	<u>140,414,407</u>

**28.2 Financial liabilities as per statement of financial position**

	At Ammortized Cost		At Fair Value Through Profit & Loss	
	2021	2020	2021	2020
Trade payables	241,989,899	171,321,155	-	-
Short term bank borrowings	161,462,297	82,536,612	-	-
Accrued and other liabilities	139,767,068	8,712,383	-	-
Provision for taxation	25,446,204	2,846,101	-	-
	<u>568,665,468</u>	<u>265,416,252</u>	<u>-</u>	<u>-</u>

**ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Note	2021 Rupees	2020 Rupees
<b>29 Capital Adequacy Level</b>			
Total Assets		1,127,756,863	427,412,811
Less: Total Liabilities		(575,288,035)	(271,957,498)
Less: Revaluation reserves (created upon revaluation of fixed assets)		-	-
		<u>552,468,828</u>	<u>155,455,313</u>

**Note:-**

While determining the Value of total assets of the TREC Holder, Notional Value of the TRE Certificate held by the Zahid Latif Khan Securities (Pvt.) Ltd as determined by Pakistan Stock Exchange has been considered.

	2021	2020
<b>30 Information required by regulation 34 of Securities Broker Regulations 2016</b>		
a) Customer shares in the central depository system	151,917,883	136,626,113
Customer's cash in bank account - PKR	241,998,105	144,651,160
b) Securities pledged with financial institutions-customer	Nil	Nil
Securities pledged with financial institutions-house	3,374,000	2,255,000
c) Income from dividends	10,639,044	1,219,161
d) Pattern of shares:		
Zahid Latif Khan (CEO/Director)	549,000	549,000
Ajmal Sultan (Director)	500	500
Muhammad Atif Khan (Director)	500	500
Total no of shares	550,000	550,000
e) Changes in shareholding	NIL	NIL
f) Trade and other receivables are stated at estimated realisable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the statement of profit or loss.		
g) Aging analysis of amount due from customers		
Due not more than 5 days - PKR	51,081,892	6,021,958
Due more than 5 days - PKR	90,219,780	88,511,271

**31 Remuneration of Chief Executive Officer and Director**

	2021		2020	
	Chief Executive	Director	Chief Executive	Director
	Rupees			
Managerial remuneration	-	3,263,609	-	2,239,880
Bonus	-	-	-	-
Commission	84,510,517	-	7,071,642	267,090
	<u>84,510,517</u>	<u>3,263,609</u>	<u>7,071,642</u>	<u>2,506,970</u>
Number of person	<u>1</u>	<u>2</u>	<u>1</u>	<u>2</u>



ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2021

32	Number of employees		2021	2020
	At year end		48	47
	Average		48	47
			2021	2020
33	Net and liquid capital balances		Rupees	Rupees
	Net capital balance-as per Annexure A		240,831,821	43,442,064
	Liquid capital balance-as per Annexure B		100,461,637	16,764,428
34	Related party transactions and relationships			
	<b>Name of related party</b>	<b>Relationship and percentage shareholding</b>	<b>Transactions during the year and balances</b>	
			2021	2020
			Rupees	Rupees
	Zahid Latif Khan	Chief Executive Officer, 99.82%	Sold office building	6,400,000
			Purchased office building	6,400,000
			Balance	Nil

35 Date of authorization for issue  
 These financial statements were authorized for issue on 05-OCT-2021 by the Board of Directors of the Company.

36 General  
 Figures have been rounded off to the nearest rupee

  
 CHIEF EXECUTIVE

  
 DIRECTOR

**Zahid Latif Khan Securities (Private) Limited**  
**Net Capital Balance Calculation**  
**As at June 30, 2021**

CURRENT ASSETS	Note	30-Jun-21 Rupees
<b>Cash and bank balances:</b>		
Cash in hand	1	3,109,016
Cash at bank	1	259,549,645
<b>Total cash and bank balances</b>		<b>262,658,662</b>
<b>Accounts Receivables and other assets:</b>		
Future Clearing		13,243,337
Margin deposit		33,308,993
Accounts receivables	2	72,061,743
Investment in listed securities in the name of broker	3	373,129,914
Shares/securities purchased for clients but payment has not been received within 14 days		38,318,320
<b>Total Accounts receivables and other assets</b>		<b>530,062,307</b>
<b>Total Current Assets</b>		<b>792,720,969</b>
<b>CURRENT LAIBILITIES</b>		
30 days overdue accounts payable	4	173,984,540
Other liabilities	5	377,904,608
<b>Total Current Liabilities</b>		<b>551,889,148</b>
<b>Net Capital Balance as at June 30, 2021</b>		<b>240,831,821</b>
"Read with annexed notes"		

  
 CHIEF EXECUTIVE

  
 DIRECTOR

**Zahid Latif Khan Securities (Private) Limited**  
**Notes to Net Capital Balance Calculation**  
**As at June 30, 2021**

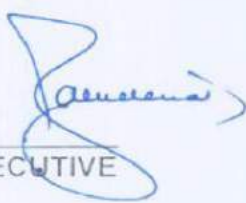
	Note	30-Jun-21 (Rupees)
<b>1 Cash and bank balances</b>		
Cash and bank balances have been taken as per book value.		
Cash in hand		3,109,016
<b>Cash at bank:</b>		
Bank balance pertaining to Brokerage House		638,394
Bank balance pertaining to clients		258,911,251
<b>Total bank balance</b>		259,549,645
<b>2 Accounts Receivable</b>		
<i>Aging and break-up of of accounts receivables:</i>		
Total receivables		141,301,672
Less: Outstanding from more than 14 days		69,239,929
<b>Balance generated within 14 days and/or not yet due</b>		72,061,743
<b>3 Investment in listed securities in the name of broker</b>		
Market value		438,976,369
Discount ( 15% of market value)		(65,846,455)
<b>Net Value</b>		373,129,914
<b>4 Accounts Payables</b>		
Total accounts payables	6	241,989,899
Less: Accounts payables over due for more than 30 days		68,005,359
<b>Accounts payable overdue for 30 days</b>		173,984,540

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**Zahid Latif Khan Securities (Private) Limited**  
**Notes to Net Capital Balance Calculation**  
**As at June 30, 2021**

	Note	30-Jun-21 (Rupees)
<b>5 Other Liabilities</b>		
Accounts Payables	4	68,005,359
Accrued and other liabilities		148,436,952
Short term running finance		161,462,297
		377,904,608
 <b>6 Reconciliation of client wise payable balance and their corresponding bank balance - PSX</b>		
Trade Payables - PSX	6.1	241,989,899
		241,989,899
<i>Client wise break-up of total trade payables is attached in Annexures</i>		
Trade Payables includes 50% profit on futures withheld amounting to Rs. 2,747,067		
6.1 Balance as per bank book - PSX		258,911,251
Less: CGT from July 2020 to May 2021 to be deducted on July 16, 2021		(16,902,029)
		242,009,222

  
 \_\_\_\_\_  
 CHIEF EXECUTIVE

  
 \_\_\_\_\_  
 DIRECTOR

Monthly statements of liquid capital with the Commission and the securities exchange  
M/S ZAHID LATIF KHAN SECURITIES (PVT) LTD  
Computation of Liquid Capital  
As on 30.06.2021

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.1	Property & Equipment	14,281,167	100.00%	-
1.2	Intangible Assets	2,500,000	100.00%	-
1.3	Investment in Govt. Securities (150,000*99)	-	-	-
	<b>Investment in Debt. Securities</b>			
	<b>If listed than:</b>			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.	-	5.00%	-
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	7.50%	-
	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	-	10.00%	-
	<b>If unlisted than:</b>			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-	10.00%	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	12.50%	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	-	15.00%	-
	<b>Investment in Equity Securities</b>			
	i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher.	438,976,369	357,564,411	357,564,411
	ii. If unlisted, 100% of carrying value.	47,097,039	100.00%	-
	iii. Subscription money against investment in IPO/offer for Sale: Amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker.	-	-	-
1.6	Investment in subsidiaries	-	100.00%	-
	<b>Investment in associated companies/undertaking</b>			
	i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.	-	-	-
	ii. If unlisted, 100% of net value.	-	100.00%	-
1.8	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity.	1,420,000	100.00%	-
1.9	Margin deposits with exchange and clearing house.	33,308,993	-	33,308,993
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	154,398,947	100.00%	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)	-	-	-
	<b>100% in respect of markup accrued on loans to directors, subsidiaries and other related parties</b>			
1.13	Dividends receivables.	-	-	-
	Amounts receivable against Repo financing.	-	-	-
1.14	Amount paid as purchaser under the REPO agreement. (Securities purchased under repo arrangement shall not be included in the investments.)	-	-	-
1.15	i. Short Term Loan To Employees: Loans are Secured and Due for repayment within 12 months	2,223,003	0.00%	2,223,003
	ii. Receivables other than trade receivables	1,995,747	100.00%	-
	<b>Receivables from clearing house or securities exchange(s)</b>			
	i. 100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	-	-	-
	ii. claims on account of entitlements against trading of securities in all markets including MtM gains.	13,243,337	13,243,337	13,243,337
	<b>Receivables from customers</b>			
	i. In case receivables are against margin financing, the aggregate of (i) value of securities held in the blocked account after applying VaR based haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut.	-	-	-
	<b>i. Lower of net balance sheet value or value determined through adjustments.</b>			
	ii. In case receivables are against margin trading, 5% of the net balance sheet value.	-	5.00%	-
	<b>ii. Net amount after deducting haircut</b>			
	iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract.	-	-	-
	<b>iii. Net amount after deducting haircut</b>			
	iv. In case of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value.	51,081,892	-	51,081,892
	<b>iv. Balance sheet value</b>			
	v. In case of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VaR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts.	90,219,780	53,355,138	53,355,138
	<b>v. Lower of net balance sheet value or value determined through adjustments</b>			
	vi. 100% haircut in the case of amount receivable from related parties.	-	100.00%	-
	<b>Cash and Bank balances</b>			
	i. Bank Balance-proprietary accounts	638,394	-	638,394
	ii. Bank balance-customer accounts	258,911,251	-	258,911,251
	iii. Cash in hand	3,109,016	-	3,109,016
1.19	<b>Total Assets</b>	<b>1,113,404,936</b>		



<b>Trade Payables</b>			
2.1	i. Payable to exchanges and clearing house	125,283	125,283
	ii. Payable against leveraged market products	-	-
	iii. Payable to customers	241,989,899	241,989,899
<b>Current Liabilities</b>			
	i. Statutory and regulatory dues	-	-
	ii. Accruals and other payables	146,264,352	146,264,352
	iii. Short-term borrowings	161,462,297	161,462,297
2.2	iv. Current portion of subordinated loans	-	-
	v. Current portion of long term liabilities	-	-
	vi. Deferred Liabilities	(2,561,346)	(2,561,346)
	vii. Provision for bad debts	11,460,234	11,460,234
	viii. Provision for taxation	2,195,389	2,195,389
	ix. Other liabilities as per accounting principles and included in the financial statements	-	-
<b>Non-Current Liabilities</b>			
	i. Long-Term financing	-	-
	a. Long-Term financing obtained from financial institution: Long term portion of financing obtained from a financial institution including amount due against finance lease	-	-
	b. Other long-term financing	-	-
	ii. Staff retirement benefits	-	-
2.3	iii. Advance against shares for Increase in Capital of Securities broker: 100% haircut may be allowed in respect of advance against shares if: a. The existing authorized share capital allows the proposed enhanced share capital b. Board of Directors of the company has approved the increase in capital c. Relevant Regulatory approvals have been obtained d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed. e. Auditor is satisfied that such advance is against the increase of capital.	-	-
	iv. Other liabilities as per accounting principles and included in the financial statements	-	-
<b>Subordinated Loans</b>			
	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted: The Schedule III provides that 100% haircut will be allowed against subordinated Loans which fulfill the conditions specified by SECP. In this regard, following conditions are specified: a. Loan agreement must be executed on stamp paper and must clearly reflect the amount to be repaid after 12 months of reporting period b. No haircut will be allowed against short term portion which is repayable within next 12 months. c. In case of early repayment of loan, adjustment shall be made to the Liquid Capital and revised Liquid Capital statement must be submitted to exchange.	-	-
2.4	ii. Subordinated loans which do not fulfill the conditions specified by SECP	-	-
2.5	<b>Total Liabilities</b>	<b>560,936,108</b>	<b>560,936,108</b>
<b>Liabilities Relating to:</b>			
<b>Concentration in Margin Financing</b>			
3.1	The amount calculated client-to-client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total financees.	-	-
<b>Concentration in securities lending and borrowing</b>			
3.2	The amount by which the aggregate of: (i) Amount deposited by the borrower with NCCPL (ii) Cash margins paid and (iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed	-	-
<b>Net underwriting Commitments</b>			
3.3	(a) In the case of right issue: if the market value of securities is less than or equal to the subscription price; the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issue where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting (b) in any other case: 12.5% of the net underwriting commitments	-	-
3.4	<b>Negative equity of subsidiary</b> The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary	-	-
3.5	<b>Foreign exchange agreements and foreign currency positions</b> 5% of the net position in foreign currency. Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency	-	-
3.6	Amount Payable under REPO	-	-
<b>Repo adjustment</b>			
3.7	In the case of financier/purchaser the total amount receivable under Repo less the 10% of the market value of underlying securities. In the case of financee/seller the market value of underlying securities after applying haircut less the total amount received less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	-	-
<b>Concentrated proprietary positions</b>			
3.8	If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security. If the market of a security exceeds 51% of the proprietary position, then 10% of the value of such security	-	34,729,704
<b>Opening Positions in futures and options</b>			
3.9	i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/pledged with securities exchange after applying VaR haircuts	90,144,189	77,307,987
	ii. In case of proprietary positions, the total margin requirements in respect of open positions to the extent not already met	23,380,235	-



Short sell positions			
3.10	i. In case of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VaR based Haircuts	-	-
	ii. In case of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VaR based haircut less the value of securities pledged as collateral after applying haircuts.	-	-
3.11	<b>Total Ranking Liabilities</b>	<b>113,524,424</b>	<b>70,946,141</b>
		<u>438,944,403</u>	<u>Liquid Capital 100,461,637</u>

  
 Chief Executive

  
 Director