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Private & Confidential

Crowe Hussain Chaudhury & Co.
Charted Accountants

TIME SECURITIES (PRIVATE) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

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Karachi, Pakistan.
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Independent Auditor's Report
To the members of Time Securities (Private) Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Time Securities (Private) Limited** (the Company) which comprise the statement of financial position as at 30 June 2024 and the statement of profit or loss, the statement of other 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 material 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, the statement of profit or loss, the statement of other 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 30 June 2024 and of its profit and other comprehensive income, 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 (the Code) 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.

Information Other than the Financial Statements and Auditor's Report Thereon

The management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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.

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 are 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.

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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 other 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).
e) the Company was in compliance with the requirement of section 78 of the Securities Act 2015, section 62 of the Future Market Act, 2016 and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016 as at the date on which the statement of financial statements were prepared.

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

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Crowe Hussain Chaudhury & Co.
Chartered Accountants

Karachi
Date: 26 OCT 2024

UDIN: AR20241020753WtVmAgC

TIME SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	2024	2023
		------ Rupees ------	
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised capital	5	**40,000,000**	40,000,000
400,000 (2023: 400,000) ordinary shares of Rs. 100 each			
Issued, subscribed & paid-up capital	6	**35,000,000**	35,000,000
Sponsors' loan	7	**118,257,484**	53,257,484
Fair value reserve		**21,106,465**	10,811,489
Unappropriated profit		**50,343,288**	32,928,101
		224,707,237	131,997,074
Current Liabilities			
Trade and other payables	8	**107,675,029**	30,699,553
Short term running finance - secured	9	**-**	1,405,991
Provision for taxation		**2,574,852**	1,291,655
		110,249,881	33,397,199
Contingencies and Commitments	10	**-**	-
Total Equity and Liabilities		**334,957,118**	165,394,273
ASSETS			
Non-Current Assets			
Property and equipment	11	**2,686,138**	2,453,383
Intangible assets	12	**2,500,000**	2,500,000
Deferred taxation	13	**842,265**	919,965
Long term deposits	14	**1,646,151**	1,646,151
		7,674,554	7,519,499
Current Assets			
Investment in margin financing	15	**1,499,218**	439,483
Trade debtors	16	**26,456,199**	75,815,985
Advances, deposits and other receivables	17	**187,524,336**	33,992,144
Short term investments	18	**66,175,020**	32,791,846
Cash and bank balances	19	**45,627,791**	14,835,316
		327,282,564	157,874,774
Total Assets		**334,957,118**	165,394,273

The annexed notes form 1 to 34 form an integral part of these financial statements.

CHIEF EXECUTIVE ____________________ **DIRECTOR** ____________________

TIME SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		------- Rupees ------	
Brokerage commision		**54,363,043**	22,958,055
Gain/(loss) on sale of investment		**14,959,485**	(3,585,089)
Unrealized loss on fair value through profit and loss investments		**(860,029)**	(2,876,045)
		68,462,499	16,496,921
Administrative and operating expenses	20	**(74,468,322)**	(39,819,404)
		(6,005,823)	(23,322,483)
Other income	21	**29,508,619**	13,849,071
Finance cost	22	**(4,312,530)**	(1,252,297)
Profit / (loss) before levy and income tax		**19,190,266**	(10,725,709)
Final tax- Levy	23	**(347,553)**	(1,291,655)
Profit / (loss) before income tax		**18,842,713**	(12,017,364)
Provision for taxation	24	**(1,427,526)**	(155,814)
Profit / (loss) after taxation		**17,415,187**	(12,173,178)

The annexed notes form 1 to 34 form an integral part of these financial statements.

CHIEF EXECUTIVE ____________________ **DIRECTOR** ____________________

TIME SECURITIES (PRIVATE) LIMITED
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	------- Rupees ------	
Profit / (loss) after taxation	**17,415,187**	(12,173,178)
Other comprehensive income		
Item that will not be subsequently reclassified to statement of profit or loss		
Unrealized profit / (loss)- FVOCI investment	**10,294,976**	(5,385,357)
Total comprehensive income/(loss) for the year	**27,710,163**	(17,558,535)

The annexed notes form 1 to 34 form an integral part of these financial statements.

CHIEF EXECUTIVE ____________ **DIRECTOR** ____________

TIME SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2024

Description	Issued, subscribed & paid-up capital	Capital Reserve	Revenue Reserve		Total
		Sponsors' loan	Unappropriated profits	Surplus on revaluation of investments	
	----------	----------	Rupees	----------	----------
Balance as at July 01, 2022	35,000,000	53,257,484	45,101,279	16,196,846	149,555,609
Total comprehensive loss for the year					
Loss after tax	-	-	(12,173,178)	-	(12,173,178)
Other comprehensive loss	-	-	-	(5,385,357)	(5,385,357)
	-	-	(12,173,178)	(5,385,357)	(17,558,535)
Balance as at June 30, 2023	**35,000,000**	**53,257,484**	**32,928,101**	**10,811,489**	**131,997,074**
Sponsor's loan recevied during the year	-	**65,000,000**	-	-	**65,000,000**
Total comprehensive income for the year					
Profit after tax	-	-	**17,415,187**	-	**17,415,187**
Other comprehensive Income	-	-	-	**10,294,976**	**10,294,976**
	-	-	**17,415,187**	**10,294,976**	**27,710,163**
Balance as at June 30, 2024	**35,000,000**	**118,257,484**	**50,343,288**	**21,106,465**	**224,707,237**

The annexed notes form 1 to 34 form an integral part of these financial statements.

CHIEF EXECUTIVE ____________

DIRECTOR ____________

TIME SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	------- Rupees -------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	**19,190,266**	(10,725,709)
Adjustments for		
Depreciation	**322,660**	343,361
Finance cost	**4,312,530**	1,252,297
(Gain) / loss on disposal of investment	**(14,959,485)**	3,585,089
Bad debts written off	**6,089,602**	-
Provision for bad debts	**1,027,703**	464,089
Loss on remeasurement of investments - net	**860,029**	2,876,045
	(2,346,961)	8,520,882
Operating profit/(loss) before working capital changes	**16,843,305**	(2,204,827)
Changes in working capital		
(Increase)/decrease in current assets		
Trade debts	**42,242,481**	(9,523,688)
Advance, deposits and other receivables	**(153,532,192)**	28,469,231
	(111,289,711)	18,945,543
(Decrease)/increase in current liabilities		
Trade and other payables	**77,101,190**	(2,773,790)
	(17,345,216)	13,966,926
Finance cost paid	**(4,438,244)**	(1,262,624)
Income tax paid	**(414,182)**	(1,162,080)
Net cash (used in) / generated from operating activities	**(22,197,642)**	11,542,222
CASH FLOWS FROM INVESTING ACTIVITIES		
Short term investments	**(8,988,742)**	(6,589,739)
Sale of investments - net	**-**	(440,943)
Investment in margin financing	**(1,059,735)**	-
Fixed capital expenditure	**(555,415)**	-
Net cash used in investing activities	**(10,603,892)**	(7,030,682)
CASH FLOW FROM FINANCING ACTIVITIES		
Running finance	**(1,405,991)**	(18,986,504)
Sponsors' loan received	**65,000,000**	-
Net cash used in financing activities	**63,594,009**	(18,986,504)
Net increase / (decrease) in cash and cash equivalents	**30,792,475**	(14,474,964)
Cash and cash equivalents at the beginning of the year	**14,835,316**	29,310,280
Cash and cash equivalents at the end of the year	**45,627,791**	14,835,316

The annexed notes form 1 to 34 form an integral part of these financial statements.

CHIEF EXECUTIVE ____________

DIRECTOR ____________

1. LEGAL STATUS AND NATURE OF BUSINESS

Time Securities (Private) Limited (the Company) is a private limited company incorporated in Pakistan on December 19, 2002 under the repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017). The Company is a corporate member of Pakistan Stock Exchange Limited.

The principle activities of Company include trading and brokerage for equities, underwriting of public issues, etc.

The registered office of the Company is located at Room No. 98-99 Pakistan Stock Exchange Building, Stock Exchange Road, Karachi.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act 2017; and
- Provisions of and directives issued under the Companies Act 2017.

Where provisions of and directives issued under the Companies Act 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under historical cost convention except for certain financial assets and financial liabilities which have been stated at their fair values.

2.3 Functional and presentation currency

These financial statements have been presented in Pakistan Rupees, which is the functional currency of the Company and rounded off to the nearest rupee.

2.4 Use of critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates involved or where judgment was exercised in application of accounting policies are as follows:

	Note
a) Useful life of property and equipment	4.2
b) Carrying amount of intangible assets	4.4
c) Provision of impairment of financial assets	4.5
d) Provision for current and deferred taxation	4.10

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3. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

3.1 Standards, amendments to approved accounting standards effective in current year

The were certain amendments to approved accounting standards and interpretations that are mandatory for the financial year beginning on July 01,2023. However, these are considered not to be relevant or to have any significant effect on the Corporation's financial reporting and operations and, therefore, have not been disclosed in these financial statements.

3.2 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Company

There is a standard and certain other amendments to accounting and reporting standards that are not yet effective and are considered either not to be relevant or to have any significant impact on the Company's financial statements and operations and, therefore, have not been disclosed in these financial statements.

4. MATERIAL ACCOUNTING POLICIES

The significant accounting policies adopted in preparation of these financial statements are set out below. These policies have been applied consistently to all the years for which financial information is presented in these financial statements, unless otherwise stated.

4.1 Accounting Guidance Issued By Icap On Accounting For Minimum Taxes And Final Taxes

Institute of Chartered Accountants of Pakistan (ICAP) issued a guidance "Application Guidance on Accounting for Minimum and Final Taxes" through circular No. 07/2024 date May 15, 2024. In light of the said guidance, as minimum taxes and final taxes are not calculated on the 'taxable profit' as defined in IAS - 12 but calculated on turnover or other basis (as per relevant sections of the Income Tax Ordinance (ITO, 2001)), accordingly minimum taxes and final taxes should be accounted for under IAS 37/ IFRIC 21 as levies (though these are charged under tax law) and not under IAS - 12 as income taxes. Based on the guidance, the minimum taxes under ITO, 2001 are hybrid taxes which comprise of a component within the scope of IAS 12 (Income Tax) and a component within the scope of IFRIC 21 (Levies) and final taxes fall under levy within the scope of IAS 37/IFRIC 21. Effect of reclassifications made in the financial statements due to this guidance are detailed in Note 31.

4.2 Property and equipment

Owned

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is charged to profit and loss account by applying the reducing balance method systematically on yearly basis at the rates specified in note 10. Depreciation on additions to property and equipment is charged from the month in which an item is acquired while no depreciation is charged in the month the item is disposed off.

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If such an indication exists the carrying amount of such assets are reviewed to assess whether they are recorded in excess of their recoverable amounts. Where carrying values exceed the estimated recoverable amount, assets are written down to the recoverable amount; and the impairment losses are recognised in the profit and loss account.

The residual value, depreciation method and the useful lives of each part of property and equipment that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposal of assets, if any are included in profit and loss account for the current year.

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Normal repairs and maintenance costs are charged to profit and loss account in the period of its occurrence, while major renovations and improvements are capitalized only when it is probable that the future economic benefits associated with the item will flow to the entity and its cost can be measured reliably. Disposal of assets is recognized when significant risk and rewards incidental to the ownership have been transferred to the buyers.

4.3. Capital work in progress

Capital work-in-progress is stated at cost less impairment (if any). It consists of expenditure incurred and advances made in respect of tangible and intangible assets in the course of their construction and installation.

4.4 Intangible assets

These represent Trading right entitlement certificate of PSX.
TRE Certificate has an indefinite useful life and are stated at the carrying value less impairment, if any. The carrying amount is reviewed at each balance sheet date to assess whether it is in excess of their recoverable amounts, and where the carrying value exceeds the estimated recoverable amount, it written down to their estimated recoverable amount.
Computer software is recognized in the financial statements, if and only if, it is probable that the future economic benefits that are attributable to the asset will flow to the Company; and the cost of the asset can be measured reliably. It is carried at cost less accumulated amortization and impairment, if any.Amortization is charged from the month of addition to the month proceeding the month of retirement / disposal, by applying reducing balance method.The amortization period and the amortization method for intangible assets with finite useful life are reviewed, and adjusted if appropriate, at each reporting date.

4.5 Financial instruments

a) 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

b) Classification of financial assets

The Company classifies its financial instruments in the following categories:

- at fair value through profit or loss ("FVTPL"),
- at fair value through other comprehensive income ("FVTOCI"), or
- at amortised cost.

The Company determines the classification of financial assets at initial recognition. The Financial assets that meet the following conditions are subsequently measured at amortised cost:
- the financial asset is held within a business model whose objective is to hold fiancial assets in
- the contractual terms of the financial asset give rise on specifid dates to cash flows that are

Financial assets that meet the following conditions are subsequently measured at FVTOCI:
- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specifid dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

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c) Classification of financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss ("FVTPL"), or
- at amortised 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.

d) Subsequent measurement

(i) **Financial assets at FVTOCI**

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognised in other comprehensive income / (loss).

(ii) **Financial assets and liabilities at amortised 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

(iii) **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 and other comprehensive income. 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 and other comprehensive income 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.

e) Impairment of financial assets

The Company recognises loss allowance for Expected Credit Loss (ECL) on financial assets

- bank balances;
- receivable from employee
- receivables from NCCPL and others

Loss allowance for trade receivables are always measured at an amount equal to life time

Life time ECLs are the ECLs that results from all possible default events over the expected life of a financial instrument. 12 months ECLs are portion of ECL that result from default events that are possible within 12 months after the reporting date.

Lifetime ECL is only recognised if the credit risk at the reporting date has increased
Provision against financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

f) **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. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to statement of changes in equity.

(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 non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss and other comprehensive income.

4.6 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are off set and the net amount is reported in the statement of financial position only when there is a legally enforceable right to set off the recognized amount and the Company intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

4.7 Long term deposits

These are stated at cost which represents the fair value of consideration given.

4.8 Trade debts

Trade debts are stated initially at fair value and subsequently measured at amortised cost using the effective interest rate method. A provision for impairment is established when there is an objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. Provision is made on the basis of lifetime ECLs that result from all possible default events over the expected life of the trade debts. Bad debts are written off when considered irrecoverable.

4.9 Borrowing costs

Borrowing costs are interest or other costs incurred by the Company in connection with the borrowing of funds. Borrowing cost that is directly attributable to a qualifying asset, i.e., an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, is capitalized as part of cost of that asset. All other borrowing costs are charged to income in the period in which they are incurred.

4.10 Taxation

Current

Provision for current taxation is based on taxability of certain income streams of the Company under presumptive / final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation underthe normal tax regime after taking into account tax credits and tax rebates available, if any.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all taxable temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is not recognised for the following temporary differences; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences arising on the initial recognition of goodwill. be available against which the deductible temporary differences, unused tax losses and tax

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted.

The Company takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Company's views differ from the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

Levy

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income.Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the ICAP,these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these financial statements

4.11 Revenue recognition

- Brokerage and commission income is recognised as and when such services are provided and when performance obligations have been satisifed and right to receive the consideration in exchange for services has been established.
- Dividend income is recognised when the right to receive dividend is established i.e. on the date of book closure of the investee company / institution declaring the dividend.
- Interest income is recognised on a time proportion basis that takes into account the effective yield.
- Income on continuous funding system is recognised on an accrual basis.
- Underwriting commission is recognised when the agreement is executed.
- Gains / (loss) arising on sale of investments are included in the profit and loss account in the period in which they arise.
- Unrealised gains / (losses) arising on mark to market of investments classified as 'Financial assets at fair value through profit or loss' are included in the profit and loss account in the period in which they arise.
- Unrealised capital gains / (losses) arising from mark to market of investments classified as 'available-for-sale' are taken directly to other comprehensive income.
- All other incomes are recognised on an accrual basis.

4.12 Expenses

All expenses are recognized in the profit or loss on an accrual basis.

4.13 Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

4.14 Creditors, accrued and other liabilities

Liabilities for trade and other amounts payable are measured at cost which is the fair value of the consideration to be paid in future for goods and services received.

4.15 Dividend

Dividend distributions and appropriations are recorded in the period in which the distributions and appropriations are approved.

4.16 Cash and cash equivalents

Cash and cash equivalents for cash flow purposes include cash in hand, current and deposit accounts held with banks.

4.17 Earning per share

Earning per share is calculated by dividing the profit after taxation for the year by the weighted average number of shares outstanding during the year.

4.18 Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the Board of Directors and Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance,and for which discrete financial information is available. Currently the company has only one reportable segments.

4.19 Related party transactions

All transactions with the related parties are priced on arm's length basis. Prices for those transactions are determined on the basis of admissible valuation methods.

4.20 Sponsors' Loan

According to technical release 32 issued by Institute of Chartered Accountant of Pakistan (ICAP) according to which a loan to an entity by the directors which is agreed to be paid at the discretion of the entity does not pass the test of liability and is to be recorded as equity at face value. This is not subsequent re-measured. The decision by the entity at any time in future to deliver cash or any other financial asset to settle the directors' loan would be a direct debit to equity.

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5 AUTHORIZED CAPITAL

During the year ended June 30, 2014, the Company has passed a resolution in its extra ordinary general meeting held on September 25, 2013, to increase its authorized share capital to Rs. 75 million. However, till the date of issuance of these financial statements, legal formalities of increase in authorized capital have not been completed.

6 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2024	2023		2024	2023
----Number of shares----			------- Rupees ------	
350,000	350,000	Issued for cash of Rs 100 each	**35,000,000**	35,000,000
350,000	350,000		**35,000,000**	35,000,000

6.1 Pattern of shareholding

Name of shareholder	2024	2023
	---- No of shares ----	
Muhammad Anis Silat	**17,500**	17,500
Amin A.Sattar	**175,000**	175,000
Muhammad Haris	**157,500**	157,500
	350,000	350,000

6.1.1 There is no change in shareholding during the year

6.2 There is no agreement among shareholders for voting rights, board selection, rights of first refusal, and block voting.

7 Sponsors' loan

	2024	2023
	------- Rupees ------	
Opening balance	**53,257,484**	53,257,484
Loan obtained during the year	**95,000,000**	-
Loan returned during the year	**(30,000,000)**	-
	118,257,484	53,257,484

7.1 These loans are provided by the directors and is repayble at the discretion of the Company. These loans are classified in accordance with the guidance provided by the Institute of Chartered Accountants of Pakistan through Technical Release (TR-32 "Accounting Director's Loan") and are measured at their face values as initially recognized.

8 TRADE AND OTHER PAYABLE

		2024	2023
		------- Rupees ------	
Trade payable		**90,124,993**	20,323,103
Provident fund payable	8.1	**2,553,318**	1,161,452
Accrued markup		**77,492**	203,206
Income tax payable		**1,574,378**	50,047
Accrued expenses		**541,540**	488,790
Payable against future exposure		**11,213,117**	7,933,365
FED payable		**579,453**	238,073
Other payable		**1,010,738**	301,517
		107,675,029	30,699,553

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8.1 The Company is in process of registering PF. The disclosure in these financial statement relating to the provident fund can not be provided due to unavailability of the financial statements of the fund.

		2024	2023
		------- Rupees ------	
9 SHORT TERM RUNNING FINANCE - SECURED			
JS Bank Limited	9.1	-	1,405,991
Bank Al-Falah Limited	9.2	-	-
		-	1,405,991

9.1 The Company has obtained running finance facilities of Rs. 100 million (2023: Rs. 150 million) from JS Bank Limited under mark-up arrangement of 3 months KIBOR plus 2.5%. This facility is secured against pledge of shares and personal guarantee of directors. This facility will expire on April 30, 2025.

9.2 The Company has obtained running finance facilities of Rs. 75 million (2023: Rs. 75 million) from Bank Al-Falah Limited under mark-up arrangement of 3 months KIBOR plus 2.5%. This facility is secured against pledge of shares and personal guarantee of directors. This facility will expire on April 30, 2025.

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies as at June 30, 2024 (2023: Nil).

	2024	2023
	------- Rupees ------	
10.1 COMMITMENTS		
Guarantees issued by commercial banks.	**8,000,000**	8,000,000

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11 PROPERTY AND EQUIPMENT

Description	Office Premise (Note 11.1)	Furniture and fixture	Office equipments	Computer Equipment	Motor Vehicles	Total
	--------	--------	-------- Rupees	--------	--------	
COST						
Balance as at 01 July, 2022	6,000,000	1,107,855	1,716,689	3,064,970	243,000	12,132,514
Additions	-	-	-	-	-	-
Deletion	-	-	-	-	-	-
Balance as at 30 June, 2023	6,000,000	1,107,855	1,716,689	3,064,970	243,000	12,132,514
Balance as at 01 July, 2023	**6,000,000**	**1,107,855**	**1,716,689**	**3,064,970**	**243,000**	**12,132,514**
Additions	-	-	**247,000**	**308,415**	-	**555,415**
Deletion	-	-	-	-	-	-
Balance as at 30 June, 2024	**6,000,000**	**1,107,855**	**1,963,689**	**3,373,385**	**243,000**	**12,687,929**
DEPRECIATION						
Balance as at 01 July, 2022	3,907,929	1,024,254	1,316,007	2,875,283	212,298	9,335,771
Charge for the year	209,207	12,540	60,102	56,906	4,605	343,360
Adjustment of disposal	-	-	-	-	-	-
Balance as at 30 June, 2023	4,117,136	1,036,794	1,376,109	2,932,189	216,903	9,679,131
Balance as at 01 July, 2023	**4,117,136**	**1,036,794**	**1,376,109**	**2,932,189**	**216,903**	**9,679,131**
Charge for the year	**188,286**	**10,659**	**72,256**	**47,544**	**3,915**	**322,660**
Adjustment of disposal	-	-	-	-	-	-
Balance as at 30 June, 2024	**4,305,422**	**1,047,453**	**1,448,365**	**2,979,733**	**220,818**	**10,001,791**
Carrying Amount - 2024	**1,694,578**	**60,402**	**515,324**	**393,652**	**22,182**	**2,686,138**
Carrying Amount - 2023	1,882,864	71,061	340,580	132,781	26,097	2,453,383
Rate of Depreciation	**10%**	**15%**	**15%**	**30%**	**15%**	

11.1 Office premises are pledged against the bank guarantee of Rs. 8 million.

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		Note	2024	2023
			------- Rupees	------
12	**INTANGIBLE ASSET - TRE CERTIFICATE**			
	Trading Right Entitlement Certificate (TREC)	12.1	**2,500,000**	2,500,000

12.1 This represents TREC acquired on surrender of Stock Exchange Membership Card.

12.2 Movement in Trading Right Entitlement Certificate (TREC)

	2024	2023
Opening carrying value	**2,500,000**	2,500,000
Impairment	**-**	-
Closing carrying value	**2,500,000**	2,500,000

13 DEFERRED TAXATION

The balance of deferred tax is in respect of the following:

	2024	2023
Accelerated tax depreciation	**77,996**	4,665
Investments- FVTPL	**(129,004)**	(431,407)
Provisions for doubful debts	**(791,257)**	(493,223)
Deferred tax asset	**(842,265)**	(919,965)

14 LONG TERM DEPOSIT

	2024	2023
Pakistan Stock Exchange Limited	**1,200,000**	1,200,000
National Clearing Company of Pakistan	**300,000**	300,000
Central Depository Company of Pakistan	**100,000**	100,000
Telephone deposits	**39,151**	39,151
Other deposits	**7,000**	7,000
	1,646,151	1,646,151

15 INVESTMENT IN MARGIN FINANCING

	Note	2024	2023
Investment in margin financing :	15.1	**1,499,218**	439,483
		1,499,218	439,483

15.1 This amount given as Margin Financing (MF) to the clients of the Company through National Clearing Company of Pakistan Limited. This amount is secured against securities of clients held in house accounts under pledged status. The Company is charging any markup on the margin financing amount

		Note	2024	2023
			------- Rupees	------
16	**TRADE DEBTORS**			
	Receivable from customers		**23,486,901**	20,878,578
	Receivable from related parties	16.1	**2,969,298**	54,937,407
	Considered doubtful		**2,728,473**	1,700,770
			29,184,672	77,516,755
	- Provision for impairment on Trade debts	16.2	**(2,728,473)**	(1,700,770)
			26,456,199	75,815,985

16.1 This represents amount receivable from directors and shareholders of the Company.

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		2024	2023
		------- Rupees ------	

16.2 Provision for impairment on trade debts

	2024	2023
Opening balance	**1,700,770**	1,236,681
Provision for the year	**1,027,703**	464,089
Closing balance	**2,728,473**	1,700,770

16.3 Aging analysis

The aging analysis of the trade debts relating to purchase of shares is as follow:

	2024	2023
	------- Rupees ------	
Upto 5 days	**9,330,811**	43,483,396
More than 5 days	**19,853,861**	34,033,359
	29,184,672	77,516,754

17 ADVANCES, DEPOSITS AND OTHER RECEIVABLES

	2024	2023
NCCPL deposits	**4,503,335**	3,641,881
Exposure deposits with NCCPL	**177,400,000**	10,050,000
Profit on deposit recievable from NCCPL	**2,966,422**	-
Advance payment of tax	**1,918,014**	414,181
Income tax refundable	**736,565**	19,886,082
	187,524,336	33,992,144

18 SHORT TERM INVESTMENT

	Note	2024	2023
Financial assets classified as FVTPL			
Shares of listed companies - carrying amount	18.1	**42,658,221**	21,586,039
Unrealized loss on revaluation of fair value through profit or loss investments		**(860,029)**	(2,876,045)
Fair value as at June 30,		**41,798,192**	18,709,994
Financial assets classified as FVTOCI			
Share of listed companies - carrying amount	18.2	**14,081,852**	19,467,209
Unrealized gain / (loss) on revaluation of fair value through other comrehensive income		**10,294,976**	(5,385,357)
Fair value as at June 30,		**24,376,828**	14,081,852
Total short term investment		**66,175,020**	32,791,846

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18.1 Financial assets classified as fair value through profit or Loss

2024	2023		2024		2023	
			----------Rupees----------			
Number of Shares		Name of the Company	Carrying Amount	Market Value	Carrying Amount	Market Value
49,528	-	OILBOY ENERGY LTD	313,120	299,644	-	-
388	-	DEWAN TEXTILE MILLS LTD.	1,164	2,778	-	-
1,350	1,350	JAVED OMER VOHRA AND COMPANY	-	-	-	-
24,400	-	BRR GUARDIAN LIMITED	255,956	382,836	-	-
36,100	36,100	Norrie Textile Mills Ltd.	-	-	-	-
40,000	-	BALUCHISTAN GLASS LTD.	594,758	517,600	-	-
1,000	-	AIRLINK COMMUNICATION LIMITED	80,481	88,830	-	-
25,000	-	AL-TAHUR LTD	374,810	350,250	-	-
26,000	26,000	Beem Pakistan Co.	-	-	-	-
86	86	Innoative Investment Bank Ltd.	-	-	-	-
16,500	-	BUSINESS AND INDUSTRIAL INSURA	-	-	-	-
200,000	-	AZGARD NINE LTD.	1,635,692	1,510,000	-	-
203,000	-	NETSOL TECHNOLOGIE	28,371,014	27,559,280	-	-
5,000	-	EFG HERMES PAK LTD	118,581	132,400	-	-
10,500	10,500	Mubarak Textile Mills Ltd.	-	-	-	-
17,500	17,500	SYSTEM LIMITED	7,078,166	7,320,250	8,481,027	7,058,275
5,000	5,000	TRANSMISSION ENGINEERING CO. L	-	-	-	-
428	-	SALMAN NOMAN ENTERPRIES LIMIT	-	1,780	-	-
19,000	2,000	TRG PAKISTAN	1,187,540	1,178,950	187,174	184,260
2,000	2,000	SOUTHERN ELECTRIC COMPANY LIM	-	-	-	-
40,000	-	JAHANGIR SIDDIQUI CO.LTD.	621,263	755,200	-	-
330,000	-	K-Electric Limited	1,681,554	1,527,900	-	-
3,000	-	MAQBOOL TEXTILE MILLS LIMITED.	274,500	102,990	-	-
1,784,080	1,784,080	ZEAL PAK CEMENT FACTORY LTD.	-	-	-	-
898	-	JAUHARABAD SUGAR MILLS LTD	18,325	18,409	-	-
339	339	PRUDENTIAL MODARBA 1ST.	731	651	501	424
400	400	Ali Asghar Textile Mills Ltd.	-	10,292	-	-
100	100	SHAHPUR TEXTILE MILLS LIMITED.	-	-	-	-
2,060	-	PAKLEATHER CRAFTS LIMITED	50,561	38,151	-	-
-	350	Attock Refinery Limited	-	-	61,523	60,071
-	24,400	B.R.R. Guardian Modaraba	-	-	-	-
-	878	Bank Of Punjab Limited	-	-	4,643	3,047
-	5,209	Cherat Packaging Limited	-	-	577,771	507,305
-	388	Dewan Textile Mills Limited	-	-	892	1,164
-	16,500	Business And Industrial Insurance Co.	-	-	-	-
-	20,000	Hascol Petroleum Limited	-	-	120,962	111,000
-	8,090	Shezan International Ltd.	-	-	1,375,300	853,657
-	409	J. D. W. Sugar Mills Limited	-	-	94,070	143,150
-	115,473	Javedan Corporation Limited	-	-	4,849,866	4,416,842
-	204	Kohinoor Mills Limited	-	-	5,457	8,762
-	3,000	Maqbool Textile Mills Limited	-	-	259,050	274,500
-	3	MCB Bank Limited	-	-	369	343
-	72	Nishat (Chunian) Limited	-	-	3,225	1,462
-	1,811	Packages Limited	-	-	722,335	704,370
-	2	Picic Insurance Limited	-	-	2	1
-	55	Shell Pakistan Limited	-	-	4,664	6,361
-	50,000	Sui Southern Gas Co. Limited	-	-	453,000	429,500
-	27,070	Tariq Glass Limited	-	-	2,446,971	1,843,467
-	500	AGRIAUTOS INDUSTRIES LIMITED.	-	-	30,857	31,025
-	5,000	D. G. KHAN CEMENT CO.	-	-	256,515	256,500
-	26,500	FARAN SUGAR MILLS LTD.	-	-	1,377,979	1,537,000
-	500	HALEON PAKISTAN LIMITED	-	-	70,086	70,070
-	1,000	MITCHELL'S FRUIT FARMS LIMITED	-	-	72,161	74,330
-	56	NISHAT CHUN POWER	-	-	1,425	935
-	500	PAK DATACOM LIMITED	-	-	28,507	33,175
-	428	SALMAN NOMAN ENTERPRIES LIMITED	-	-	-	-
-	15,000	TELECARD LIMITED	-	-	99,708	99,000
2,843,657	2,208,853		42,658,216	41,798,191	21,586,039	18,709,994

18.2 Financial assets carried at Fair value through other comprehensive income

Number Of Shares 2024	Number Of Shares 2023	Name of the Company	2024 Carrying Amount	2024 Market Value	2023 Carrying Amount	2023 Market Value
			---Rupees---			
1,902,953	1,902,953	Paktistan Stock Exchange Limited	**14,081,852**	**24,376,828**	19,467,209	14,081,852
1,902,953	1,902,953		**14,081,852**	**24,376,828**	19,467,209	14,081,852

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	Note	2024	2023
		------- Rupees ------	
19 CASH AND BANK BALANCES			
Cash in hand		**66,175**	66,175
Cash at bank-current account	19.1	**45,561,616**	14,769,141
		45,627,791	14,835,316

19.1 This includes balance amount of Rs. 41,742,705 (2023: 13,823,996) held on the behalf of clients

	Note	2024	2023
		------- Rupees ------	
20 ADMINISTRATIVE AND OPERATING EXPENSES			
Salaries allowance and other benefits	20.1	**29,154,516**	29,047,452
Rent, rates and taxes		**21,500**	316,208
Repairs and maintainance		**1,073,732**	908,706
Software maintenance charges		**943,679**	746,038
Auditors' remuneration	20.2	**584,960**	433,592
Legal and professional charges		**628,385**	241,365
Printing and stationary		**130,944**	125,745
Travelling and conveyance		**74,670**	60,570
Utilities		**1,488,980**	392,080
Fees and subscription		**7,253,863**	3,631,485
Entertainment		**563,021**	506,537
Communication and postage		**223,230**	39,939
Depreciation		**322,660**	343,361
Insurance expense		**38,000**	38,000
Transaction charges		**4,169,925**	1,542,747
Trade debts written off		**6,089,602**	-
Provision for ECL		**1,027,703**	464,089
Others		**1,314,419**	981,490
Advance tax written off		**19,149,517**	-
Donation		**215,016**	-
		74,468,322	39,819,404

20.1 Remuneration of Director and Executives

Particulars	Chief Executive		Director		Executives	
	------------------------- Rupees -----------------------					
	2024	2023	2024	2023	2024	2023
Remuneration	3,191,500	3,120,000	2,400,000	2,400,000	8,500,000	8,400,000
No of Persons	1	1	1	1	6	6

	2024	2023
	------- Rupees ------	
20.2 Auditors' remuneration		
Audit fee	**440,827**	367,356
Out of pocket expense	**44,083**	36,736
Other services	**100,050**	29,500
	584,960	433,592

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	Note	2024	2023
		------- Rupees ------	
21 OTHER INCOME			
Profit on margin deposit		**14,066,663**	5,324,502
Dividend income		**2,317,019**	3,148,194
Transaction and custody fees		**13,124,937**	5,376,375
		29,508,619	13,849,071
22 FINANCE COST			
Short term running finance		**3,947,862**	965,666
Bank charges		**364,668**	286,631
		4,312,530	1,252,297

23 FINAL TAX - LEVIES

This represents final taxes paid under the section 5 and section 8 of Income Tax Ordinance, 2001 representing levy in terms of the requirements of IAS 37/IFRIC 21.

	Note	2024	2023
		------- Rupees ------	
24 TAXATION			
Current		**2,227,299**	-
Deferred		**77,700**	74,851
Prior		**(877,473)**	80,963
		1,427,526	155,814

25 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to certain financial risk. Such financial risk emanate from various factors that include, but not limited to, market risk, credit risk and liquidity risk. The company's overall risk management focuses on the unpredictability of financial market and seeks to minimize potential adverse effects on the company's financial performance. Risk measures and managed by company are explained below:

25.1 Market Risk

Market risk is the risk that the fair value of future cash flows of financial instrument will fluctuate due to changes in market variables such as interest rate and foreign exchange rates.

(i) Foreign exchange risk

Foreign currency risk is the risk that the value of financial assets or a financial liability will fluctuate due to a change in foreign exchange rates. It arises mainly where recievables and payables exist due to transaction in foreign currency. The company has no transactions in foreign currency during the current year.

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25.2 Liquidity risks

Liquidity risk is a risk that an enterprise will encounter difficulties in raising funds to meet commitments associated with financial instruments, The management believe that it is not expose to any significant level of liquidity risk. The management forecast the liquidity of the company on basis of expected cash flow considering the level of liquid assets neccessary to meet such risk. This involves monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

2024	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	-----------------------Rupees-------------------------				
Trade and other payables	107,675,029	-	-	-	107,675,029
Short term running finance - secured	-	-	-	-	-
Total	107,675,029	-	-	-	107,675,029

2023	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	-----------------------Rupees-------------------------				
Trade and other payables	30,699,553	-	-	-	30,699,553
Short term running finance - secured	-	1,405,991	-	-	1,405,991
Total	30,699,553	1,405,991	-	-	32,105,544

Fair value of financial instruments

Fair value is an amount for which an assets could be exchanged, or a liability settled, between knowledgable willing parties in an arm's length transaction, consequently, difference may arises between the carrying value and fair value estimates.

As at June 30, 2024 the net fair value of all financial assets and financial liabilities are estimated to approximate their carrying value.

25.3 Credit risks

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2024	2023
	------- Rupees ------	
Financial Assets		
Long term deposits	**1,646,151**	1,646,151
Investment in margin financing	**1,499,218**	439,484
Trade debts	**26,456,199**	75,815,984
Advance, deposits and other receivables	**181,903,335**	13,691,881
Short term investments	**66,175,020**	32,791,847
	274,534,554	137,068,853

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26 CAPITAL RISK MANAGEMENT

The primary objective of the Company's capital management is to maintain healthy capital ratios and optimal capital structures in order to ensure ample availability of finance for its existing operations, for maximizing shareholder's value, for tapping potential investment opportunities and to reduce cost of capital.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. Furthermore, the Company finances its operations through equity, borrowing and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk.

Net capital requirements of the Company are set and regulated by PSX. These requirements are put in place to ensure sufficient solvency margins and are based on excess of current assets over current liabilities. The Company manages its net capital requirements by assessing its capital structure against required capital level on a regular basis.

27 BASE MINIMUM CAPITAL

In compliance with the Regulation 19.2 of the Rule Book of Pakistan Stock Exchange Limited, every Trading Right Entitlement Certificate (TREC) holder registered as a broker under Securities Brokers (Licensing and Operations) Regulations, 2016 is required to maintain a Base Minimum Capital (BMC) in the amount and form as prescribed in the Rule on the basis of Assets Under Custody (AUC). As per the said regulation, as at 30 June 2024, the Company is required to maintain BMC of Rs. 20.24 million.

The notional value of TREC, cash deposit and breakup value of shares for the purpose of BMC is determined by PSX as under:

Trading Right Entilement Certificate	-
Cash deposit	-
Securitized PSX Shares	30,645,525
	30,645,525

Symbol	No of Shares	Market Value per Share	Total Market Value
PSX	1,902,500	12.81	24,371,025
SYS	15,000	418.3	6,274,500
	1,917,500		**30,645,525**

28 Capital Adequacy Level

	2024 Rupees
Total assets	**334,957,118**
Total liabilities	**(110,249,881)**
Revaluation reserve created upon revaluation of fixed assets	**-**
	224,707,237

28.1 While determining the value of the total assets of the TREC Holder, Notional value of the TRE certificate held by Time Securities (Private) Limited Limited as at year ended 30 June 2024 as determined by Pakistan Stock Exchange has been considered.

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29 Liquid Capital Balance

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	2,686,138	2,686,138	-
1.2	Intangible Assets	2,500,000	2,500,000	-
1.3	Investment in Govt. Securities	-	-	-
1.4	**Investment in Debt. Securities**			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.	-	-	-
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-	-	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
1.5	**Investment in Equity Securities**			
	i. If listed 15% or VaR of each securities on the cut off date as computed by the Securities Exchange for respective securities whichever is higher.	35,529,495	5,639,484	29,890,011
	ii. If unlisted, 100% of carrying value.	-	-	-
1.6	Investment in subsidiaries	-	-	-
1.7	**Investment in associated companies/undertaking**			
	i. If listed 20% or VaR of each securities as computed by the Securites Exchange for respective securities whichever is higher.	-	-	-
	ii. If unlisted, 100% of net value.	-	-	-
1.8	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity.	1,646,151	1,646,151	-
1.9	Margin deposits with exchange and clearing house.	177,400,000	-	177,400,000
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	10,124,336	10,124,336	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)	-	-	-
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	-	-	-
1.13	Dividends receivables.	-	-	-
1.14	Amounts receivable against Repo financing. 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	-	-	-
	ii. Receivables other than trade receivables	-	-	-
1.16	**Receivables from clearing house or securities exchange(s)**			
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	-	-	-
	claims on account of entitlements against trading of securities in all markets including MtM gains.	-	-	-

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S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.17	**Receivables from customers**			
	i. In case receivables are against margin financing, the aggregate if (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. ***i. Lower of net balance sheet value or value determined through adjustments.***	1,499,218	397,565	1,101,653
	ii. Incase receivables are against margin trading, 5% of the net balance sheet value. ***ii. Net amount after deducting haircut***	-	-	-
	iii. Incase receivalbes are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, ***iii. Net amount after deducting haricut***	-	-	-
	iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. ***iv. Balance sheet value***	7,519,052	-	7,519,052
	v. Incase 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. v. Lower of net balance sheet value or value determined through adjustments	18,696,324	7,878,947	10,817,377
	vi. In the case of amount of receivable form related parties, values determined after applying applicable haircuts on underlying securities readily available in respective CDS account of the related party in the following manner: a. Up to 30 days, values determined after applying VaR based haircuts; b. Above 30 days but upto 90 days, values determined after applying 50% or VaR based haircuts whichever is higher; c. Above 90 days, 100% haircut shall be applicable.	2,969,298	674,241	2,295,057
1.18	**Cash and Bank balances**			
	I. Bank Balance-proprietory accounts	3,818,911	-	3,818,911
	ii. Bank balance-customer accounts	41,742,705	-	41,742,705
	iii. Cash in hand	66,175	-	66,175
1.19	**Total Assets**	**306,197,803**	**31,546,862**	**274,650,941**
2. Liabilities				
2.1	**Trade Payables**			
	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
	iii Payable to customers	90,124,993	-	90,124,993
2.2	**Current Liabilities**			
	i. Statutory and regulatory dues	-	-	-
	ii. Accruals and other payables	14,996,718	-	14,996,718
	iii. Short-term borrowings	-	-	-
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	-	-	-
	vi. Deferred Liabilities	-	-	-
	vii. Provision for bad debts	2,728,473	-	2,728,473
	viii. Provision for taxation	2,574,852	-	2,574,852
	ix. Other liabilities as per accounting principles and included in the financial statements		-	-

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S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
2.3	**Non-Current Liabilities**	-	-	-
	i. Long-Term financing	-	-	-
	a. Long-Term financing obtained from financial instituion: 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	2,553,318	-	2,553,318
	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. Boad 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	-	-	-
2.4	**Subordinated Loans**			
	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.	118,257,484	118,257,484	-
	ii. Subordinated loans which do not fulfill the conditions specified by SECP	-	-	-
2.5	**Total Liabilites**	**231,235,838**	**118,257,484**	**112,978,354**

3. Ranking Liabilities Relating to :				
3.1	**Concentration in Margin Financing**			
	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.	1,499,218	389,273	1,109,945
3.2	**Concentration in securites lending and borrowing**			
	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	-	-	-

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S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
3.3	**Net underwriting Commitments**			
	(a) in the case of right issue : if the market value of securites 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 issuse 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	**Negative equity of subsidiary**	-	-	-
	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	**Foreign exchange agreements and foreign currency positions**	-	-	-
	5% of the net position in foreign currency.Net position in foreign currency means the difference of total assets denominated in foreign cuurency less total liabilities denominated in foreign currency	-	-	-
3.6	Amount Payable under REPO			
3.7	**Repo adjustment**	-	-	-
	In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securites. **In the case of financee/seller** the market value of underlying securities after applying haircut less the total amount received ,less value of any securites deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	-	-	-
3.8	**Concentrated proprietary positions**			
	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	2,755,928	-	2,755,928
3.9	**Opening Positions in futures and options**	-	-	-
	i. In case of customer positions, the total margin requiremnets in respect of open postions less the amount of cash deposited by the customer and the value of securites held as collateral/ pledged with securities exchange after applyiong VaR haircuts			
	ii. In case of proprietary positions , the total margin requirements in respect of open positions to the extent not already met	-	-	-

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S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
3.10	**Short selll positions**	-	-	-
	i. Incase 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. Incase of proprietory 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	**Total Ranking Liabilites**	**4,255,146**	**389,273**	**3,865,873**

	Liquid Capital Balance	**70,706,819**		**157,806,714**

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30 RELATED PARTY TRANSACTIONS

Related parties comprise of shareholders, directors and their subordinates and key management personnel of the company. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Relationship	Nature of transaction	2024	2023
		------- Rupees ------	
Directors	Loan repaid	30,000,000	(22,707,484)
Directors	Loan obtained	95,000,000	22,707,484

31 RECLASSIFICATION

In the statement of profit of loss, the final taxes previously presented as income taxes have now been reclassified as 'final taxes - levies' under IAS 37 / IFRIC 21. The effects of the amounts reclassified in the statement of profit or loss and the statement of financial position are as follows:

	Before Reclassification	Reclassification	After Reclassification
	------------- Rupees -------------		
Final taxes - levies	-	1,291,655	1,291,655
Provision for taxation	1,291,655	(1,291,655)	-

32 NUMBER OF EMPLOYEES

	2024	2023
	------- Number ------	
Average number of employees during the year	30	30
Employees at year end	29	30

33 DATE OF AUTHORIZATION

These financial statements were authorized for issue on 24 OCT 2024 by the Board of Directors of the company.

34 GENERAL

Figures have been rounded off to the nearest rupee.

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CHIEF EXECUTIVE ____________ **DIRECTOR** ____________

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