YASIR MAHMOOD SECURITIES (PVT) LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2020

DIRECTORS' REPORT

On behalf of the Board of Directors, I am pleased to present the Report and the Audited Financial Statements of the company for the year ended June 30, 2020.

Market Review

Stock Market FY20 saw double dips of KSE100 towards 28,000 level, first being in August 2019 and the second time in March 2020. In August 2019 the loss sustained by the Index was a result of Pakistan's macro-economic situation, which worsened gradually due to late entry in IMF Program, and in March 2020 it's because of Covid-19 pandemic that brought World markets down. However, the leading indicators that stand today are obviously different from where they stood at the start of the fiscal year. Regardless of a highly volatile trading year, where the benchmark Index went up and down since the beginning, overall FY20 could add only 520pts over FY19 to close the fiscal at 34,421pts.

Economic Review

Business Environment With the unprecedented onset of pandemic Covid-19 taking over the world in FY20, the global economy slid into recession with overall economic growth shrinking 4.9 percent this year; a sharper reduction than the 3 percent predicted earlier by IMF. Pakistan was no exception, with GDP shrinking by 0.38% as compared to 3.3% growth recorded a year earlier. However, on the external front, despite global trade being affected by Covid-19, Pakistan was able to bring down the Current Account Deficit to 1.1% of GDP (USD 2.97 Billion) from previous year's 4.8% (USD 13.4 Billion). This significant relief was due to measures taken by the government to restrict import of certain commodities and dip in global oil prices, resulting in a 19.3% YoY decline in overall import bill. Furthermore, remittances also supported the external sector, registering a growth of 6.3% YoY to USD 23.1 billion, with highest inflows coming in from KSA followed by USA.

Financial Results

The Company has suffered a loss of PKR 308,142 compared to loss of PKR 8,197,643 for the comparative period last year. The financial results of the company are summarized as under:

	2020	2019
	(In Rupees)	(In Rupees)
Operating Revenue	7,929,108	3,384,389
Direct Cost	2,174,997	2,475,398
Operating Expenses	11,743,475	14,331,564
Other Income (Expenses)	7,857,787	7,078,563
Operating Profit / (Loss)	1,868,423	(6,344,010)
Financial Charges	1,812,285	1,659,663
Profit / (Loss) before tax	56,138	(8,003,673)
Taxation	364,280	193,970
Profit / (Loss) for the year	(308,142)	(8,197,643)

Future Prospects

We are very positive for the coming year on account of increasing traded values and higher market volumes seen in the first quarter of FY21. The lower interest rates are the key reason for this positive change in investor sentiment and we hope that this will continue in FY21, Insha' Allah.

Auditors

The Board of Directors has proposed reappointment of the retiring auditors, Amin Mudassar & CO. Chartered Accountants, for the financial year ending June 30, 2021.

October 07, 2020

for & on behalf of the Board

Muhammad Yasir Mahmood (Chief Executive)

AMIN, MUDASSAR & CO. Chartered Accountants



Independent Auditor's Report to the members of YASIR MAHMOOD SECURITIES (PVT) LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **YASIR MAHMOOD SECURITIES (PVT) LIMITED**, which comprise the statement of financial position as at June 30, 2020, 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 and 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, 2020 and of the loss, total 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 (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

Management is responsible for the other information. The other information comprises the Directors' Report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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. 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.

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 and 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;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose
 of the Company's business;
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980); and
- e) the company has duly complied with the requirements of Section 78 of the Securities Act, 2015, and relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016 as at June 30, 2020.

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

CHARTERED ACCOUNTANTS

Lahore: 17 OCT 2020

YASIR MAHMOOD SECURITIES (PVT.) LIMITED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2020

· · · · · · · · · · · · · · · · · · ·	Note	Rupees	Rupees
ASSETS			
NON CURRENT ASSETS			
Property and equipment	5	1,627,791	1,798,409
Intangible assets	6	8,025,000	8,099,167
Long term investments	7	17,847,956	18,655,666
Long term deposits	8	727,500	1,727,500
CURRENT ASSETS		28,228,247	30,280,742
Trade debts	9	2,564,771	3,919,352
Investment at fair value through profit and loss	10	21,131,293	13,125,528
Loans and advances	11	520,459	385,388
Trade deposits, short term prepayments and current	11	020,407	303,300
account balances with statutory authorities	12	1,962,803	3,768,241
Other receivable	13	-	-
Interest accrued		-	239,535
Cash and bank balances	14	43,849,203	53,307,543
		70,028,529	74,745,587
		98,256,776	105,026,329
EQUITY AND LIABILITIES		-9	
SHARE CAPITAL AND RESERVES			
Share capital			
Share capital	15	45,001,000	45,001,000
Revenue reserve Accumulated loss		(3,677,196)	(3,369,054)
		(0,0.7,170)	(0)007)001)
Capital reserve			
Fair value adjustment reserve	16	888,713	1,276,896
		42,212,517	42,908,842
NON CURRENT LIABILITIES			
Deferred taxation	17	-	-
CURRENT LIABILITIES			
	10	244 592	222.076
Deposits, accrued liabilities and advances Trade and other payable	18 19	244,582 44,404,174	223,076 51,466,713
Accrued markup	19	428,857	439,734
Loan from banking company	20	10,966,646	9,987,964
Provision for taxation		-	-
		56,044,259	62,117,487
CONTINGENCIES AND COMMITMENTS	21	~	-
		98,256,776	105,026,329
			100,020,02)
The annexed notes form an integral part of these financial state	ements.		00
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2020

2019

YASIR MAHMOOD SECURITIES (PVT.) LIMITED STATEMENT OF PROFIT OR LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020 Rupees	2019 Rupees
Brokerage and commission Capital loss on investment in listed securities	22	8,146,913 (217,805)	7,663,665 (4,279,276)
		.7,929,108	3,384,389
Direct cost	23	2,174,997	2,475,398
		5,754,111	908,991
Operating expenses Other operating expenses Other income	24 25 26	(11,742,352) (1,123) 7,857,787	(13,638,356) (693,208) 7,078,563
		(3,885,688)	(7,253,001)
OPERATING PROFIT/(LOSS)		1,868,423	(6,344,010)
Finance cost	27	(1,812,285)	(1,659,663)
PROFIT/(LOSS) BEFORE TAXATION		56,138	(8,003,673)
Taxation	28	(364,280)	(193,970)
LOSS FOR THE YEAR		(308,142)	(8,197,643)
		R и р	e e s
EARNINGS PER SHARE-BASIC AND DILUTED	29	(0.07)	(1.82)
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The annexed notes form an integral part of these financial statements.

Mahena Gam DIRECTOR

YASIR MAHMOOD SECURITIES (PVT.) LIMITED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2020

		2020 Rupees	2019 Rupees
Loss for the year		(308,142)	(8,197,643)
Items that will not be reclassified subsequently to statement of profit or loss		-	
Items that may be reclassified subsequently to statement of profit or loss			
(Loss)/gain on investment categorised as fair value through other comprehensive income		(388,183)	9,544,226
Other comprehensive (loss)/income for the year		(388,183)	9,544,226
Total comprehensive (loss)/income for the year	:	(696,325)	1,346,583
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The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE

Mahane Yash DIRECTOR

YASIR MAHMOOD SECURITIES (PVT.) LIMITED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2020

FOR THE YEAR ENDED JUNE 30, 2020			
FOR THE STATE OF T	NT-1-	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES	Note	Rupees	Rupees
•		F (100	(0.000 (72)
Loss before taxation		56,138	(8,003,673)
Adjustments for non cash items:	5 [237,618	247,482
Depreciation Amortization	6	124,167	115,000
Interest expense		1,752,491	1,594,378
Unrealized loss on re-measurement of investments	10	(55,972)	610,470
Loss on disposal of fixed asset		-	(296)
	_	2,058,304	2,567,034
Operating cash Flows Before Working capital changes		2,114,442	(5,436,639)
Changes in Working Capital			
(Increase) / decrease in current assets		4.004.004	0.500.405
Accounts receivables Loans and advances		1,354,581 (135,071)	2,793,125 66,133
Trade deposits, short term prepayments		2,293,418	(1,487,365)
Interest accrued		239,535	(166,295)
Increase / (decrease) in current liabilities			
Deposits, accrued liabilities and advances		21,506	(51,221)
Trade and other payable	7	(7,062,539)	12,911,353
		(3,288,570)	14,065,730
Cash Outflow From Operations		(1,174,128)	8,629,091
Taxes paid	Г	(852,260)	(1,068,681)
Interest cost paid		(1,763,368)	(1,453,577)
		(2,615,628)	(2,522,258)
Net cash Flows From Operating Activities		(3,789,756)	6,106,833
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditures	- [(67,000)	(102,351)
Sales proceeds from disposal of fixes assets		-	500
Short term investments		(7,530,266)	4,370,129
Long term investment		1,000,000	57,530 100,000
Long term deposits	L		
Net cash Flows From Investing Activities		(6,647,266)	4,425,808
CASH FLOWS FROM FINANCING ACTIVITIES			
NET INCREASE IN CASH AND CASH EQUIVALENTS		(10,437,022)	10,532,641
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		43,319,579	32,786,938
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	A	32,882,557	43,319,579
A Cash and Cash Equivalents			
Short term running finance	20	(10,966,646)	(9,987,964)
Cash and bank balances	14	43,849,203	53,307,543
	,	32,882,557	43,319,579
The annexed notes form an integral part of these financial statements.			11
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CHIEF EXECUTIVE			DIRECTOR

YASIR MAHMOOD SECURITIES (PVT.) LIMITED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2020

	Paid up capital	Accumulated loss	Fair value adjustment reserve	Total
		(R u p	e e s)	100 HE SE
Balance as at June 30, 2018	45,001,000	4,828,589	(8,267,330)	41,562,259
Loss after taxation	-	(8,197,643)	-	(8,197,643)
Other comprehensive income	_	-	9,544,226	9,544,226
Total comprehensive loss for the year	-	(8,197,643)	9,544,226	1,346,583
Balance as at June 30, 2019	45,001,000	(3,369,054)	1,276,896	42,908,842
Impact of reclassification (note 3.1)		t in more		_
Balance as at June 30, 2019	45,001,000	(3,369,054)	1,276,896	42,908,842
Loss after taxation	-	(308,142)	-	(308,142)
Other comprehensive loss		-	(388,183)	(388,183)
Total comprehensive loss for the year	_	(308,142)	(388,183)	(696,325)
Balance as at June 30, 2020	45,001,000	(3,677,196)	888,713	42,212,517
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The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE

llahena Gasir DIRECTOR

YASIR MAHMOOD SECURITIES (PVT.) LIMITED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

1 COMPANY AND ITS OPERATION

1.1 'Yasir Mahmood Securities (Private) Limited ("the Company") was incorporated on June 05, 2006 as a private limited Company under the repealed Companies Ordinance, 1984. The Company is principally engaged in the business of brokerage, financial consultancy, underwriting, portfolio management/acquisition of securities and securities research. The registered office of the Company is situated at 2nd Floor, Room # 205, 19- Khayaban-e-Aiwan-e-Iqbal, Lahore Stock Exchange Building, Lahore.

The company is holder of Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange.

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 Standard for Small and Medium Sized Entities (IFRS for SMEs) 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 for SMEs, 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 the historical cost convention except as disclosed in the accounting policy notes.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in Pakistani Rupee, which is the company's functional and presentation currency.

2.4 JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires 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 and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Judgments and estimates made by management that may have a significant risk of material adjustments to the financial statements in subsequent years are as follows:

- Useful lives, residual values and depreciation method of property and equipment
- Useful lives, residual values and amortization method of intangible assets
- Valuation of investment in ordinary shares of LSE Financial Services Limited
- Provision for doubtful account receivables
- Estimation of provisions
- Estimation of contingent liabilities
- Current income tax expense, provision for current tax and recognition of deferred tax asset



3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 PROPERTY AND EQUIPMENT

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

Depreciation is charged on reducing balance method at the rates mentioned in the relevant notes to the financial statements. Depreciation on additions is charged for the month in which an asset is acquired while no depreciation is charged for the month in which an asset is disposed off. Normal repair and maintenance is charged to revenue as and when incurred, while major renewals and replacements are capitalized. The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

Gain or loss on disposal of property and equipment, if any is taken to profit and loss account.

3.2 INTANGIBLE ASSETS

Intangible assets with finite useful life are stated at cost less amortization and impairment, if any. The carrying amount is reviewed at each reporting date to assess whether it is in excess of its recoverable amount, and where carrying value exceeds estimated recoverable amount, it is written down to estimated recoverable amount. The useful lives, residual values and amortization method are reviewed on a regular basis. The effect of any changes in estimate accounted for on a prospective basis.

3.2.1 Membership card and offices

This is stated at cost less impairment, if any. The carrying amount is reviewed at each reporting date to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds estimated recoverable amount, it is written down to its estimated recoverable amount.

3.2.2 Computer Software

Expenditure incurred to acquire identifiable computer software and having probable economic benefits exceeding the cost beyond one year, is recognized as an intangible asset. Such expenditure includes the purchase cost of software (license fee) and related overhead cost.

Costs associated with maintaining computer software programs are recognized as an expense when incurred.

Costs which enhance or extend the performance of computer software beyond its original specification and useful life is recognized as capital improvement and added to the original cost of the software.

Computer software and license costs are stated at cost less accumulated amortization and any identified impairment loss and amortized through straight line method.

Amortization is charged when asset is available for use until asset is disposed off.

3.3 FINANCIAL ASSETS

Financial assets are classified in the following categories: Held-to-maturity, at fair value through profit or loss, available-for-sale and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

3.3.1 Held to Maturity

The investments with fixed maturity, if any, that the company has to positive intent and ability to hold to maturity. Held to maturity investments are initially measured at fair value plus transaction costs and are subsequently stated at amortized cost using the effective interest rate method less impairment, if any. These are classified as current and non-current assets in accordance with nature of investment.

3.3.2 At fair value through profit and loss

Investments classified as held for trading are included in the category of financial assets at fair value through profit and loss. These are listed securities that are acquired principally for the purpose of generating a profit from short term fluctuations in price or dealer's margin. Λ

All investments are initially recognized at cost, being the fair value of the consideration given excluding acquisition charges with the investment. After initial recognition, investments are measured at their fair values. Unrealized gains and losses on investments are recognized in profit and loss account of the period.

Fair values of these securities representing listed equity and debt securities are determined by reference to stock exchange quoted market prices at the close of the business on reporting date.

3.3.3 Available-for-sale

Investments which are intended to be held for an undefined period of time but may be sold in response to the need for liquidity or changes in interest rates are classified as available-for-sale.

Subsequent to initial recognition at cost, these are premeasured at fair value. The Company uses latest stock exchange quotations to determine the fair value of its quoted investments whereas fair value of investments in un-quoted companies is determined by applying the appropriate valuation techniques. Gains or losses on available-for-sale investments are recognized directly in other comprehensive income until the investments are sold or disposed-off, or until the investments are determined to be impaired, at that time cumulative gain or loss previously recognized in other comprehensive income, is re-classified from equity to profit and loss as re-classification adjustment.

3.3.3 Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the reporting date, which are classified as non-current assets. Loans and receivables comprise trade debts, loans, advances, deposits, other receivable and cash and bank balances in the statement of financial position.

3.4 FINANCIAL LIABILITIES

Financial liabilities are initially measured at cost, which is the fair value, of the consideration given and subsequently carried at amortized cost using effective interest rate method.

3.5 OFF-SETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

A financial asset and a financial liability is offset and the net amount is reported in the financial statements if the Company has a legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.6 TRADE DEBTS AND OTHER RECEIVABLES

Trade and other receivables are recognised and carried at transaction price less an allowance for impairment. 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 allowance for doubtful debts of the Company is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer.

3.7 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash balances and call deposits. For the purpose of statement of cash flows; cash and cash equivalents comprise cash in hand, bank balances and running finances.

3.8 BORROWINGS

Loans are measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in finance costs. Λ

In case the loan is interest–free or carries interest below the prevalent market rate, it is initially recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. The difference between the discounted present value and actual receipt is recognised as finance income. Subsequently, the interest-free loan is measured at amortized cost, using the effective Interest rate method, this involves unwinding of discount, such that at the repayment date, the carrying value of obligation equals the amount to be repaid. The unwinding of discount is included in finance costs in the statement of profit or loss.

3.9 TAXATION

Current

Provision for current taxation is based on taxable income at the applicable rates of taxation after taking into account tax credits, brought forward losses, accelerated depreciation allowances and any minimum limits imposed by the taxation laws.

Deferred

Deferred tax is recognized using the balance sheet liability method on all temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the amounts used for taxation purposes.

Deferred tax asset is recognized for all the deductible temporary differences only to the extent that it is probable that future taxable profits will be available against which the asset may be utilized. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax liabilities are recognized for all the taxable temporary differences.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantially enacted by the reporting date.

Deferred tax is charged or credited in the income statement, except in the case of items credited or charged to comprehensive income or equity, in which case it is included in comprehensive income or equity.

3.10 TRADE AND OTHER PAYABLES

Trade and other payables are recognised initially at cost, which is the fair value of the consideration to be paid, in the future for goods and services received and subsequently measured at amortized cost.

3.11 PROVISIONS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as finance cost in the statement of profit or loss.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

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3.12 CONTINGENT LIABILITIES

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.13 FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION

Transactions denominated in foreign currencies are translated to Pakistan Rupees at the exchanges rate ruling at the date of transaction.

Monetary assets and liabilities in foreign currencies at reporting date are translated into Pakistan Rupees at exchange rates ruling on that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

3.14 IMPAIRMENT OF NON-FINANCIAL ASSETS

The assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognised in the statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The Company recognises the reversal immediately in the statement of profit or loss, unless the asset is carried at a revalued amount in accordance with the revaluation model. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

3.15 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of any direct expenses and sales tax. Revenue is recognized on the following basis:

- Brokerage, consultancy and advisory fee, commission etc. are recognized as and when such services are provided, and thereby the performance obligations are satisfied.
- Profit on saving accounts, profit on exposure deposits and markup on marginal financing is recognized at effective yield on time proportion basis.
- Gains/(losses) arising on sale of investments are included in the profit and loss account in the period in which
 they arise.
- Dividend income is recorded when the right to receive the dividend is established.
- Unrealised gains / (losses) arising on revaluation of securities classified as 'fair value through other comprehensive income' are included in other comprehensive income in the period in which they arise.
- Unrealised gains / (losses) arising on revaluation of securities classified as 'fair value through profit or loss' are
 included in profit or loss in the period in which they arise.
- Other revenues are recorded, as and when due, on accrual basis.

3.16 BASIC AND DILUTED EARNINGS PER SHARE

The Company presents basic and diluted earnings per share (EPS) for its shareholders. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

3.17 RELATED PARTY TRANSACTIONS

Transactions and contracts with the related parties are carried out at an arm's length price determined in accordance with comparable uncontrolled price method except reason disclosed in relevant note to the financial statements, if any. Transactions with related parties have been disclosed in the relevant notes to the financial statements.

3.18 TRADE DATE ACCOUNTING

All "regular way" purchases and sales of financial assets are recognized on the trade date, i.e. the date on which the Company commits to purchase or sell an asset. Regular way purchases or sales of financial assets are those, the contract for which requires delivery of assets within the time frame generally established by regulation or convention in the market.

3.19 CHANGE IN ACCOUNTING POLICIES

The Securities & Exchange Commission of Pakistan has introduced amendments in the Companies Act, 2017 in respect of accounting and reporting standards applicable to company, which have been applied for the first time in these financial statements. The changes in the accounting and reporting standards have impacted the Company's accounting policies relating to revenue recognition, classification and measurement of financial assets. Accordingly, relevant accounting policies have been changed and applied retrospectively in these financial statements to comply with the accounting and reporting standards applicable to the Company. As a result, the company has considered affects due to application of these accounting policies and concluded that there is no material impact resulting from such adoption except the following reclassification of financial assets:

Heads of Accounts	Original Classification	New Classification	Original Amount	New Carrying Amount
			R U P	E E S
	Foir Volum			
Long term investment	Fair Value through OCI	Available for sale	18,236,139	18,236,139
Long term deposits	Amortised cost	Loans and receivables	1,727,500	1,727,500
Trade debts	Amortised cost	Loans and receivables	3,919,352	3,919,352
Trade deposits	Amortised cost	Loans and receivables	2,400,000	2,400,000
Interest accrued	Amortised cost	Loans and receivables	239,535	239,535
Cash and bank balances	Amortised cost	Loans and receivables	53,307,543	53,307,543
			79,830,069	79,830,069

4 IMPACT OF COVID-19

The novel coronavirus (COVID-19) emerged and since then, the condition has continued to deteriorate. On January 30, 2020, The International Health Regulations Emergency Committee of the World Health Organisation declared the outbreak "Public Health Emergency of International Concern". Many countries including Pakistan have enacted protection measures against COVID-19, with a significant impact on economic activities in these countries. The evolution of COVID-19 as well as its impact on the global and the local economy is hard to predict at this stage. As of the release date of these financial statements, there has been no specifically material quantifiable impact of COVID-19 on the Company's financial condition or results of operations. Further, the management evaluates going concern assumption used for the preparation of financial statements. However, as per the management assessment, there is no significant impact on the above.

		Ö	Cost				Depreciation	n		W.D.V.
Particulars	As at June 30, 2019	Additions	Deletion	As at June 30, 2020	Rate %	As at June 30, 2019	charge for	Adjustment	As at June 30, 2020	As at June 30, 2020
		Ŕ						0		
OWNED		K	Kupees					Nupees		00 to
Computers	1,477,725	000'29	ı	1,544,725	33	1,322,651	73,284		1,395,935	148,790
Furniture and fixtures	224,964	T.	1	224,964	10	155,546	6,942	ı	162,488	62,476
Office equipments	534,537	1	ī	534,537	10	364,039	17,050	1	381,089	153,448
Electric equipments	851,076	ī	1	851,076	10	434,781	41,630	1	476,411	374,665
Vehicles	1,400,000	1	1	1,400,000	10	412,876	98,712		511,588	888,412
	4,488,302	67,000		4,555,302		2,689,893	237,618	ı	2,927,511	1,627,791
5.1 Property and equipment										7
		Ö	Cost				Depreciation	u		W.D.V.
Particulars	As at June 30, 2018	Additions	Deletion	As at June 30, 2019	Rate %	As at June 30, 2018	charge for the year	Adjustment	As at June 30, 2019	As at June 30, 2019
		ananananana RU	Кирееѕ					Rupees		
OWNED										

OWNED										
Computers	1,476,225	12,500	11,000	1,477,725	33	1,261,071	72,376	10,796	1,322,651	155,074
Furniture and fixtures	224,964	=1	1	224,964	10	147,833	7,713	ı	155,546	69,418
Office equipment	520,686	13,851	1	534,537	10	345,249	17,790		364,039	170,498
Electric equipment	775,076	26,000	1	851,076	10	394,859	39,922	T	434,781	416,295
Vehicle	1,400,000	1	1	1,400,000	10	303,195	109,681	ī	412,876	987,124
	4,396,951	102,351	11,000	4,488,302		2,453,207	247,482	10,796	2,689,893	1,798,409



INTANGIBLE ASSETS	Note	Rupees	Rupees
Rights of room Trading right entitlement certificate (TREC) Membership deposit-Royal Palm Country Club	6.1	5,000,000 2,500,000 400,000	5,000,000 2,500,000 400,000
Computer software	6.2	125,000	199,167
		8,025,000	8,099,167

2019

2020

Entitlement Certificate is pledged/mortgaged with the Pakistan Stock Exchange Limited as a collateral for running the brokerage business This represents Trading Right Entitlement Certificate (TREC) received from the Pakistan Stock Exchange Limited without any additional payment, in lieu of TREC issued by the Lahore Stock Exchange Limited, surrendered on, January 10, 2016 on the consequence of Scheme(s) of Integration approved by the Securities and Exchange Commission of Pakistan vide Order No. 01/2016 dated January 11, 2016 under regulation 6 (8) of the Stock Exchange (Corporatization, Demutualization and Integration) Regulations, 2012. The Trading Right and to meet partly, the Base Minimum Capital Requirement. It has been carried at cost less impairment. 6.1

ftware	
puter so	
Com	
6.2	

			Cost			An	Amortization		WDV
	Particulars	A o at Line	1 dational		, c				
	1 at the utalia	As at June	Additions	As at June	Kate	As at June	charge for	As at June	As at June
		30, 2019	(Deletions)	30, 2020	%	30, 2019	the year	30, 2020	30, 2020
			Runees	S				Damooo	
								Inpees	
	Computer software	1,659,000	20,000	1,709,000	20	20 1,459,833	124,167	1,584,000	125,000
								,	
6.2.1	6.2.1 Computer software								
			Cost			Am	Amortization		W.D.V.
	Particulars	As at June	Additions/	As at June	Rate	As at June	charge for	As at June	As at Iune
		30, 2018	(Deletions)	30, 2019	%	30, 2018	the year	30, 2019	30, 2019

6.2.2 This includes fully amortized software having cost and accumulated depreciation of Rs. 1,084,000.

1,659,000

1,659,000

Computer software



--Rupees--

		Note	2020 Rupees	2019 Rupees
7	LONG TERM INVESTMENTS			
	Unquoted shares of LSE Financial Services Ltd. Investment in mutual funds	7.1 7.3	17,847,956	18,236,139 419,527
			17,847,956	18,655,666
7.1	Unquoted - shares of LSE Financial Services Limited: Available for sale		,	
	Cost as at July 01, Fair value adjustment		16,959,243 888,713	16,959,243 1,276,896
		7.2	17,847,956	18,236,139

7.2 Pursuant to the promulgation of the Stock Exchanges (Corporation, Demutualization and Integration) Act, 2012 (The Act), The Lahore Sock Exchange Limited, now LSE Financial Services Limited had allotted 843,875 shares of the face value of Rs. 10 each to the TREC holder. All shares are held in freeze status in the respective CDC sub-account of the TREC holder. The divestment of the same will be made in accordance with the requirements of the Act within one year from the date of Scheme(s) of Integration approved by the Securities and Exchange Commission of Pakistan vide Order No. 01/2016 dated January 11, 2016 under regulation 6 (8) of the Stock Exchange (Corporatization, Demutualization and Integration) Regulations, 2012. The Company has pledged 843,875 shares of LSE Financial Services Limited with the Pakistan Stock Exchange to fulfill the Base Minimum Capital requirement.

The Company, as per its policy, carried out the valuation of the aforementioned investments. In this connection, the valuation technique used by the Company was Discounted Cash Flow of Earnings method. Assumptions and inputs used in the valuation are post-tax earnings, historic growth rate of earning, rate of return on equity, risk premium. Principal assumptions used in the valuation of above unquoted investments are based on current market/industry conditions in respect of discount rate and growth rate. Business net cash flow forecast over an indefinite (infinity) has been assumed after projection period of 5 years.

7.3	Investment in mutual funds: Fair value through profit or loss	Note	2020 Rupees	2019 Rupees
	Carrying value as at July 01, Add: Dividend reinvested		419,527	477,057 6,407
			419,527	483,464
	Fair value adjustment		~	(63,937)
			419,527	419,527
	Less: Transferred to short term investments			
	through profit or loss	10.2	(419,527)	
			-	419,527

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	Y.	Note	2020 Rupees	2019 Rupees
8	LONG TERM DEPOSITS			
	Deposit with: National Clearing Company of Pakistan Ltd. LSE Financial Services Limited Central Depository Company Limited Others		400,000 100,000 100,000 127,500	1,400,000 100,000 100,000 127,500
9	Trade debts		727,500	1,727,500
9	Receivable from clients on account of: Purchase of shares on behalf of clients Receivables from related party Less: Provision for doubtful debts	9.1 9.2 9.3	702,087 479 (41,237) 661,329	1,226,558 - (46,554) 1,180,004
	National Clearing Company of Pakistan Ltd.		1,903,442	2,739,348
			2,564,771	3,919,352
9.1	Receivable from related party		Bar = =	
	Mrs. Mahena Yasir-Director		479	-
9.2	Provision for doubtful debts			
	Opening balance (Reversal)/provision made during the year		46,554 (5,317)	27,753 18,801
			41,237	46,554
9.3	Aging Analysis			
	Upto five days More than five days		161,573 499,756	157,305 1,022,690
			661,329	1,179,995
	e de la companya del companya de la companya del companya de la co			
10	INVESTMENT AT FAIR VALUE THROUGH PROFIT AND LOSS			
	Investment in listed companies Investment in mutual funds	10.1 10.2	21,124,040 7,253	13,125,528
			21,131,293	13,125,528
				A

		2020	2019
the description of the second second	Note	Rupees	Rupees
10,1 Investment in listed companies		media per	
*Carrying value		21,068,068	13,735,998
Gain/(Loss) on remeasurement of fair			
value of investment as at June 30,		55,972	(610,470)
	10.3	21,124,040	13,125,528
10.2 Investment in mutual funds			
Opening balance as at 01, July		-	- ,
Transferred from long term investments	7.3	419,527	~
Investments redeemed during the year		(412,788)	
		6,739	
Gain on re-measurement of fair			
value of investment as at June 30,		514	
		7,253	_
10.3 This includes shares having carrying value of Rs.	.6,995,240 (20	19: Rs. 1,273,100)	pledged with

10.3 This includes shares having carrying value of Rs.6,995,240 (2019: Rs. 1,273,100) pledged with National Clearing Company of Pakistan Limited.

11	LOANS AND ADVANCES Un-secured but considered good	Note	2020 Rupees	2019 Rupees
	Advances to: Employees		520,459	385,388

12 TRADE DEPOSITS, SHORT TERM PREPAYMENTS AND CURRENT ACCOUNT BALANCE WITH STATUTORY AUTHORITIES

Deposits with:			
National Clearing Company of Pakistan Ltd.	12.1	50,000	2,400,000
Prepayments		128,624	72,042
Tax deducted at source		1,784,179	1,296,199
		1,962,803	3,768,241

12.1 This represents deposit with National Clearing Company of Pakistan Limited against exposure margin in respect of trade in ready market. The deposits in future and ready market carry profit at rates ranging from 6% to 12% (2019: 3.5% to 10%) per annum respectively.

		Note	2020 Rupees	2019 Rupees
13	OTHER RECIEVABLE			*
	Other receivable		1,983,000	1,983,000
	Less: Provision against other receivables	13.1	(1,983,000)	(1,983,000)



13.1 This represents provision made against balance amount due from a former employee against fraud committed by him. The Company is pursuing the matter with the police and in a court of law and is hopeful that it will be able to recover the amount. However, as a matter of prudence, the balance amount receivable has been fully provided for in these financial statements.

14	CASH AND BANK BALANCES	Note	2020 Rupees	2019 Rupees
	These were held as under: In hand Cash at bank: Current Accounts		3,248	2,495
	Pertaining to brokerage house Pertaining to clients Deposit Accounts		188,033 23,641 211,674	161,330 41,081,711 41,243,041
	Pertaining to brokerage house Pertaining to clients	14.1 14.1	1,674,653 41,959,628	1,929,150 10,132,857
			43,634,281 43,845,955 43,849,203	12,062,007 53,305,048 53,307,543

14.1 These carries markup ranging from @ 6.50% to 12.50% (2019: @ 4.50% to 10.25%) per annum.

15	SHARE CAPITAL	2020 Rupees	2019 Rupees
	Authorized 10,000,000 (2019: 10,000,000) ordinary shares of Rs.10 each	_100,000,000	100,000,000
	Issued, subscribed and paid up 4,500,100 (2019: 4,500,100) ordinary shares of Rs.10 each fully paid in cash	<i>γ</i>	
	of 16.10 each runy paid in cash	45,001,000	45,001,000

15.1 Categories of shareholders

	% age of Sha	res Held	Number of S	hares Held
Individuals	2020	2019	2020	2019
	4			
Director				
Mrs. Mahena Yasir	0.01%	0.01%	450	450
Chief Executive				
Muhammad Yasir Mahmood	99.99%	99.99%	4,499,650	4,499,650
A	100%	100%	4,500,100	4,500,100

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FAIR VALUE ADJUSTMENT RESERVE 16

This represents accumulated loss on available for sale investment and it will be reclassified to statement of profit or loss upon disposal of related investment.

		Note	2020 Rupees	2019 Rupees
17	DEFERRED TAXATION			
	Deferred tax liabilities/(assets) arising due to:		,	
	Accelerated tax depreciation		172,922	169,388
	Accelerated tax amortization		(364)	(313)
	Provision against receivables		(11,188)	(11,991)
	Minimum taxes paid		(344,459)	(168,586)
	Taxable losses		(393,594)	(800,924)
			(576,683)	(812,426)
	Balance as at July 01,		_	149,372
	Less: charge for the year			(149,372)
				_

17.1 At year end, net deductible temporary differences amounting Rs. 1,145,230 (2019: Rs. 2,388,723) which results in a net deferred tax asset of Rs. 576,683 (2019: Rs. 812,426) However, deferred tax asset has not been recognized in these financial statements being prudent. The Management of the Company is of the view that recognition of deferred tax asset shall be reassessed as at June 30, 2021.

17.2 Minimum taxes would expire as follows:

Accounting year to wl minimum tax relate	***************************************	Accounting year in which minimum tax will expire
2019	120,096	2024
2020	224,363	2025

Business losses would expire as follows: 17.3

Accounting year to which business loss relates	Amount of business losses (Rupees)	Accounting year in which business loss will expire
2019	1,039,566	2025

Depreciation losses with no limit to expire are as follows: 17.4

Accounting year to which depreciation loss relates 2019	Amount of depreciation losses 317,653	_	year in which oss will expire iry limit
DEPOSITS, ACCRUED LIABILIT	Note IES	2020 Rupees	2019 Rupees
AND ADVANCES			

18 D

Accrued expenses	244,582	223,076

19	TRADE AND OTHER PAYABLE	Note	2020 Rupees	2019 Rupees
	Creditors for sale of shares on behalf of clients Tax deducted at source payables Punjab workers welfare fund payable Sales tax payable	19.1 & 19.2	44,282,771 15,969 1,123	51,403,021 8,497
	Sales tax payable		104,311 44,404,174	55,195 51,466,713

19.1 The total value of securities pertaining to clients are Rs. 575,636,922 (2019: Rs. 526,480,931) held in sub-accounts of the company. No security is pledged by client to the financial institutions except with NCCPL amounting Rs. 12,484,135 (2019: Rs. 16,580,740) for exposure.

19.2 Creditors for sale of shares on behalf of clients include the following amount due to related parties:

	Name of related party	Basis of relationsh	aip	2020 Rupees	2019 Rupees
	Muhammad Yasir Mahmood Ms. Mahena Yasir	Chief Executive Director		62,083	22,303 761 23,064
				2020	2019
			Note	Rupees	Rupees
20	LOAN FROM BANKING CO	MPANY			
	From financial instruction - Rus	nning finance	20.1	10,966,646	9,987,964

20.1 The company has been sanctioned a credit limit of Rs. 20.00 million (2019: Rs. 20 million) by the JS Bank Limited. It is secured by pledge of proprietary shares registered with CDC and personal guarantee of the all directors. It carries mark up at the rate of one month KIBOR plus 600 basis points.

21 CONTINGENCIES AND COMMITMENTS

Contingencies

Refer to notes 14.1 and 27.2

Commitments

Commitments as at reporting date were Rs. Nil (2019: Rs. Nil).

	Acodemia in many	1	Note	2020 Rupees	2019 Rupees
22	BROKERAGE AND COMMISSION				
	Retail Customers Less: Sales Tax			9,450,419 (1,303,506)	8,889,851 (1,226,186)
		1	22.1	8,146,913	7,663,665

		Note	2020 Rupees	2019 Rupees
22.1	Name of related party	Basis of relationship		
	Muhammad Yasir Mahmood	Chief Executive	17,095	1,383
23	DIRECT COST			
	Charges paid to:		,	
	National Clearing Company tra Central Depository Company of Pakistan Stock Exchange charg LSE Financial Services Limited Commission paid	charges es	331,405 616,679 597,491 52,902 576,520 2,174,997	383,799 846,537 624,931 69,937 550,194 2,475,398
24	OPERATING EXPENSES		2/11/1/07/	2,473,390
	Directors' remunerations Salaries and other benefits Rent, rates and taxes Traveling and conveyance Utilities Communication charges Printing and stationery Repair and maintenance Fee and subscription Legal and professional charges News papers and periodicals Entertainment Insurance Postage and telegram Donation Depreciation Amortization	24.1 5 6	5,400,000 3,982,226 1,040 46,190 218,036 276,634 90,333 176,093 244,095 494,076 7,613 208,096 38,450 159,558 2,582 237,618 124,167	6,600,000 4,691,476 6,984 47,000 195,233 392,685 105,405 203,740 175,425 315,500 8,094 253,132 115,688 117,605 15,619 247,482
	Miscellaneous expenses	6	1 24, 167 35,545	115,000 32,288
			11,742,352	13,638,356

24.1 Auditors' remuneration

The audit fee and remuneration for other services included in the financial statements is as follows:

Statutory audit			Note	2020 Rupees	2019 Rupees
Statutory audit Non-Audit Services Certification fee for regulatory purposes 74,720 52,500 158,720 131,250 131		Amin, Mudassar & Co. Chartered Accountants		-	
Non-Audit Services Certification fee for regulatory purposes 74,720 52,500 158,720 131,250 131,250 131,250 25 OTHER OPERATING EXPENSES Provision for doubtful debts		*Audit Services			
Non-Audit Services Certification fee for regulatory purposes 74,720 52,500 158,720 131,250 131,250 128,720 131,250 128,720 131,250 128,720 131,250 128,720 131,250 128,720 131,250 128,720 131,250 128,720 131,250 128,720 131,250 128,720 131,250 128,720 131,250 1		Statutory audit		84,000	78,750
158,720 131,250		Non-Audit Services			
Provision for doubtful debts		Certification fee for regulatory purposes		74,720	52,500
Provision for doubtful debts - 18,801 Un-realised loss on remeasurement of investment at fair value through profit & loss - 674,407 Punjab workers welfare fund 1,123 - 26 OTHER INCOME 1,123 693,208 Income from financial assets 5,490,802 3,878,685 Dividend income 985,350 1,222,977 Profit on bank deposits 5,490,802 3,878,685 Un-realised Gain on remeasurement of investment at fair value through profit or loss 55,972 - Un-realised Gain on remeasurement of investment in mutual funds at fair value through profit or loss 514 - Profit on NCCPL Deposit 196,423 - - Reversal of provision for doubtful debts 5,317 - - Income from assets other than financial assets 6,734,378 5,101,662 Income from assets other than financial assets - 296 - Account maintenance and custody fee IPO Commission - - 296 - - 296 Other income 359,109 1,089,329 - - -<				158,720	131,250
Un-realised loss on remeasurement of investment at fair value through profit & loss Punjab workers welfare fund 2.1,123 2.1,123 2.1,123 2.1,123 2.1,123 2.1,123 2.1,123 2.1,123 2.1,123 2.1,122,1,123 2.1,123	25	OTHER OPERATING EXPENSES			-
Un-realised loss on remeasurement of investment at fair value through profit & loss Punjab workers welfare fund 2.1,123 2.1,123 2.1,123 2.1,123 2.1,123 2.1,123 2.1,123 2.1,123 2.1,123 2.1,122,1,123 2.1,123					
Un-realised loss on remeasurement of investment at fair value through profit & loss Punjab workers welfare fund 21,123 26 OTHER INCOME Income from financial assets Dividend income Profit on bank deposits Un-realised Gain on remeasurement of investment at fair value through profit or loss Un-realised Gain on remeasurement of investment in mutual funds at fair value through profit or loss Profit on NCCPL Deposit Reversal of provision for doubtful debts Account maintenance and custody fee Income from assets other than financial assets Account maintenance and custody fee Other income The Name of the Markup on borrowings Bank charges 1,752,491 1,594,378 1,59		Provision for doubtful debts			18,801
Punjab workers welfare fund 1,123 - 1,123 693,208 26 OTHER INCOME Income from financial assets Dividend income Profit on bank deposits Un-realised Gain on remeasurement of investment at fair value through profit or loss Un-realised Gain on remeasurement of investment in mutual funds at fair value through profit or loss Profit on NCCPL Deposit Reversal of provision for doubtful debts Account maintenance and custody fee IPO Commission Gain on disposal of asset Other income 7,857,787 7,078,563 27 FINANCE COST Markup on borrowings Bank charges 1,123 693,208 1,123 693,208 1,222,977 5,490,802 3,878,685 5,490,802 5					
1,123 693,208				-	674,407
Income from financial assets Dividend income Profit on bank deposits Un-realised Gain on remeasurement of investment at fair value through profit or loss Un-realised Gain on remeasurement of investment in mutual funds at fair value through profit or loss Profit on NCCPL Deposit Reversal of provision for doubtful debts Dividend Profit on NCCPL Deposit Profit on NCCPL Deposit Dividend Profit on NCCPL Deposit Dividend Profit on NCCPL Deposit Dividend Dividen		Punjab workers welfare fund		1,123	
Income from financial assets Dividend income Profit on bank deposits 5,490,802 3,878,685 Un-realised Gain on remeasurement of investment at fair value through profit or loss 55,972 Un-realised Gain on remeasurement of investment in mutual funds at fair value through profit or loss Profit on NCCPL Deposit 196,423 Profit on NCCPL De				1,123	693,208
Dividend income	26			4-70-0-1	
Profit on bank deposits Un-realised Gain on remeasurement of investment at fair value through profit or loss Un-realised Gain on remeasurement of investment in mutual funds at fair value through profit or loss Profit on NCCPL Deposit Reversal of provision for doubtful debts Account maintenance and custody fee IPO Commission Gain on disposal of asset Other income 764,300 854,723 3,878,685 5,490,802 55,972 - 6,792 - 196,423 - 6,734,378 5,101,662 764,300 854,723 32,553 Gain on disposal of asset - 296 Other income 359,109 1,089,329 1,123,409 1,976,901 7,857,787 7,078,563 27 FINANCE COST Markup on borrowings Bank charges 5,490,802 3,878,685 55,490,802 55,972 - - 196,423 - 196,423 - 6,734,378 5,101,662 764,300 854,723 32,553 - 296 074,300 1,089,329 1,123,409 1,976,901 7,857,787 7,078,563					
Un-realised Gain on remeasurement of investment at fair value through profit or loss Un-realised Gain on remeasurement of investment in mutual funds at fair value through profit or loss Profit on NCCPL Deposit Reversal of provision for doubtful debts Account maintenance and custody fee IPO Commission Gain on disposal of asset Other income 764,300 854,723 32,553 Gain on disposal of asset Other income 7857,787 7,078,563 7,078,563 7,078,563 7,078,563 7,078,563 7,078,563 7,078,563					1,222,977
at fair value through profit or loss Un-realised Gain on remeasurement of investment in mutual funds at fair value through profit or loss Profit on NCCPL Deposit Reversal of provision for doubtful debts Account maintenance and custody fee IPO Commission Gain on disposal of asset Other income 764,300 854,723 32,553 Gain on disposal of asset Other income 7857,787 7,078,563 27 FINANCE COST Markup on borrowings Bank charges 1,752,491 1,594,378 55,972			i Till Bug	5,490,802	3,878,685
Un-realised Gain on remeasurement of investment in mutual funds at fair value through profit or loss Profit on NCCPL Deposit Reversal of provision for doubtful debts Income from assets other than financial assets Account maintenance and custody fee IPO Commission Gain on disposal of asset Other income 764,300 854,723 32,553 Gain on disposal of asset Other income 359,109 1,089,329 1,123,409 1,976,901 7,857,787 7,078,563 27 FINANCE COST Markup on borrowings Bank charges 1,752,491 1,594,378 5,101,662			ent	FF 070	
in mutual funds at fair value through profit or loss Profit on NCCPL Deposit Reversal of provision for doubtful debts 5,317 6,734,378 5,101,662 Income from assets other than financial assets Account maintenance and custody fee IPO Commission Gain on disposal of asset Other income 764,300 854,723 854,723 97,078,553 97,078,563 27 FINANCE COST Markup on borrowings Bank charges 1,752,491 1,594,378 5,9794 65,285			ont	35,972	-
Profit on NCCPL Deposit Reversal of provision for doubtful debts Income from assets other than financial assets Account maintenance and custody fee IPO Commission Gain on disposal of asset Other income 764,300 854,723 - 32,553 Gain on disposal of asset - 296 Other income 359,109 1,089,329 1,123,409 1,976,901 7,857,787 7,078,563 27 FINANCE COST Markup on borrowings Bank charges 1,752,491 1,594,378 5,101,662				514	
Reversal of provision for doubtful debts 5,317 - 6,734,378 5,101,662			1 1000		
Income from assets other than financial assets		그 그리고 그가 얼마나 하는 그 그리고 그리고 그리고 그리고 그리고 그리고 그리고 그리고 그리고 그			_
Account maintenance and custody fee IPO Commission Gain on disposal of asset Other income 764,300 854,723 32,553 - 32,553 596 1,089,329 1,123,409 1,976,901 7,857,787 7,078,563 27 FINANCE COST Markup on borrowings Bank charges 1,752,491 1,594,378 59,794 65,285					5,101,662
IPO Commission Gain on disposal of asset Other income 32,553 296 Other income 359,109 1,089,329 1,123,409 1,976,901 7,857,787 7,078,563 27 FINANCE COST Markup on borrowings Bank charges 1,752,491 1,594,378 59,794 65,285		Income from assets other than financial assets			
Gain on disposal of asset Other income 359,109 1,089,329 1,123,409 1,976,901 7,857,787 7,078,563 27 FINANCE COST Markup on borrowings Bank charges 1,752,491 1,594,378 59,794 65,285				764,300	854,723
Other income 359,109 1,089,329 1,123,409 1,976,901 7,857,787 7,078,563 27 FINANCE COST 4 Markup on borrowings Bank charges 1,752,491 1,594,378 59,794 65,285				-	32,553
1,123,409 1,976,901 7,857,787 7,078,563 27 FINANCE COST Markup on borrowings Bank charges 1,752,491 1,594,378 59,794 65,285				-	296
7,857,787 7,078,563 27 FINANCE COST Markup on borrowings Bank charges 1,752,491 1,594,378 59,794 65,285		Other income		359,109	1,089,329
27 FINANCE COST 4 Markup on borrowings 1,752,491 1,594,378 Bank charges 59,794 65,285				1,123,409	1,976,901
Markup on borrowings 1,752,491 1,594,378 Bank charges 59,794 65,285				7,857,787	7,078,563
Bank charges 59,794 65,285	27	FINANCE COST			
Bank charges 59,794 65,285		Markup on borrowings		1.752 491	1 594 378
<u>1,812,285</u> <u>1,659,663</u>					65,285
				1,812,285	1,659.663
					H

		2020	2019
28 TAXATION	Note	Rupees	Rupees
Income tax:			
-Current		364,280	343,342
-Prior year		-	-
-Deferred		-	(149,372)
	_	364,280	193,970

- 28.1 No numeric tax rate reconciliation was presented for the current year and prior year as the company was either liable to pay tax under final tax regime or minimum tax u/s 113 of Income Tax Ordinance 2001.
- 28.2 The Company has been selected for tax audit under Section 214-D of the Income Tax Ordinance, 2001 for the audit of the Income Tax affairs U/S 177 for the tax year 2016 through notice no. 100000024391654 dated October 13, 2017 issued by the Deputy Commissioner Inland Revenue (DCIR). Further, the Income Tax Authorities initiated the proceedings U/S 122(9) of the Ordinance to amend the assessment order of aforesaid tax year through notice no. 100000030373722 dated February 21, 2018. The Company has submitted all requisite information with the Income Tax Authorities through its representative. However, no further correspondence has been received by the Company from the Income Tax Department till date.

The Income Tax Authorities has initiated the proceedings under Section 161 (1A) of the Income Tax Ordinance, 2001, against the Company for the tax year 2013, 2014, 2015 and 2016. The company has duly complied the said notices by submitting requisite information with the income tax authorities. During the year, proceedings initiated under aforesaid Section have been finalized in respect of tax year 2014 and tax demand was raised amounting Rs.52,139. The Company has requested to adjust tax demand against the refund due from the Income Tax Department (FBR) and same have been adjusted subsequent to the reporting date. However, no order has been passed in respect of remaining tax years till date. The Company has also received notice under Rule 44(4) of Income Tax Rules, 2002 for the tax year 2018. The Company has submitted all requisite information with the Income Tax Authorities through its representative. However, no further correspondence has been received by the Company from the Income Tax Department till date.

29	EARNINGS PER SHARE-BASIC AND DILUTED	2020	2019
	Loss for the year - Rupees	(308,142)	(8,197,643)
	Weighted average number of ordinary shares outstanding during the year - Numbers	4,500,100	4,500,100
30	Earnings per share-Rupees NUMBER OF EMPLOYEES	(0.07)	(1.82)
		2020 (N u n	2019 n b e r)
	Number of employees at the end of year	9	12
	Average number of employees during the year	9	12

31 REMUNERATION TO CHIEF EXECUTIVE AND DIRECTORS

The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits to the chief executive and directors of the company is as follows:

		2020	
	Chief	Rupees	
	Executive	Director	Total
Managerial Remuneration	2,700,000	2,700,000	5,400,000
Number of persons	1	1	2
		2019	
Managarial Dames	Also app and any age age age age age	Rupees	
Managerial Remuneration	3,300,000	3,300,000	6,600,000
Number of persons	1	1	2

The Chief Executive and directors are entitled to free use of cars according to the company's policy.

32	FINANCIAL INSTRUMENTS BY CATEGORY Financial assets and financial liabilities: Financial assets	2020 Rupees	2019 Rupees
	Available for sale Long term investment	17,847,956	18,236,139
	At fair value through profit and loss: Investment in mutual funds Listed Companies	7,253 21,131,293	419,527 13,125,528
	Loans and receivables Long term deposits Trade debts Trade deposits Interest accrued Cash and bank balances	21,138,546 727,500 2,564,771 50,000 - 43,849,203	13,545,055 1,727,500 3,919,352 2,400,000 239,535 53,307,543
	Financial liabilities	47,191,474	61,593,930
]	Financial liabilities at amortized cost Deposits, accrued liabilities and advances Trade and other payables Accrued markup Loan from banking company	244,582 44,404,174 428,857 10,966,646 56,044,259	223,076 51,466,713 439,734 9,987,964 62,117,487

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33 LIQUID CAPITAL BALANCE

The liquid capital balance has been prepared on the basis of Securities Brokers (Licensing and Operations) Regulations, 2016 (The Regulations) issued by Securities and Exchange Commission of Pakistan.

	Head of Account			
Asse			3 3	
1.1				
1.1	Property & Equipment Intangible Assets	1,627,791	100.00%	-
1.3	Investment in Govt. Securities	8,025,000	100.00%	-
1.0	Investment in Debt. Securities	, -	-	-
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.		= 000/	
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	5.00%	-
1.4	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	-	7.50%	-
	If unlisted than:	-	10.00%	-
	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%	
	Investment in Equity Securities		15.00 %	
	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.	21,124,040	8,379,288	12,744,75
	ii. If unlisted, 100% of carrying value.	17,855,209	100.00%	_
	iii. Subscription money against Investment in IPO/offer for Sale: Amount paid as		200,007	
	subscription money provided that shares have not been alloted or are not included in the	_	_	_
1.5	investments of securities broker.are not included in the investments of securities broker			
	iv. 100% Haircut shall be applied to Value of Investment in any asset including shares of listed securities that are in Block, Freeze or Pleadge status as on reporting date. (July 19, 2017). Provided that 100% haircut shall not be applied in case of investment in those securities which are Pledged in favor of Stock Exchange / Clearing House against Margin Financing requirements or pledged in favor of Banks against Short Term financing arrangements. In such cases, the haircut as provided in schedule III of the Regulations in respect of investment in securities shall be applicable (August 25, 2017)			-
1.6	Investment in subsidiaries		100.000	
1.0	Investment in associated companies/undertaking	-	100.00%	-
1.7	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.		100.00%	
1.8	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity.	600,000	100.00%	-
1.9	Margin deposits with exchange and clearing house.	50,000		50,00
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	50,000	,	30,00
1.11	Other deposits and prepayments	2,040,303	100.00%	
	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities	2,040,303	100.00%	
1.12	etc.(Nil)	-	-	-
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	-	100.00%	
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.
1.15	i. Short Term Loan To Employees: Loans are Secured and Due for repayment within 12 months	-		
	Receivables other than trade receivables	520,459	100.00%	
	Receivables from clearing house or securities exchange(s)	-	100.0070	
	i. 100% value of claims other than those on account of entitlements against trading of securities in			
1.16	all markets including MtM gains. ii) Receivable on entitlements against trading of securities in all markets including MTM	-	-	-
	gains.	1,903,442	-	1,903,44
	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.	-	-	

	Head of Account			
	ii. Incase receivables are against margin trading, 5% of the net balance sheet value. ii. Net amount after deducting haircut	-	5.00%	-
1.17	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. <i>iv. Balance sheet value</i>	161,573	-	161,573
	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	499,277		499,277
	vi. 100% haircut in the case of amount receivable form related parties.	479	100.00%	_
	Cash and Bank balances			
1 10	I. Bank Balance-proprietory accounts	1,862,686	-	1,862,686
1.18	ii. Bank balance-customer accounts	41,983,269	-	41,983,269
	iii. Cash in hand	3,248	-	3,248
1.19	Total Assets	98,256,776		59,208,247
2. Liab	ilities	10,000,000		03/200/22
	Trade Payables			
0.4	i. Payable to exchanges and clearing house	_	_	
2.1	ii. Payable against leveraged market products	_	-	
	iii. Payable to customers	44,282,771	-	44,282,771
	Current Liabilities	44,202,771	-	44,202,771
	i. Statutory and regulatory dues	101 402		101 100
	ii. Accruals and other payables	121,403	-	121,403
	* '	673,439	-	673,439
	iii. Short-term borrowings	10,966,646	-	10,966,646
2.2	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	-	-	- :
	vi. Deferred Liabilities		-	-
	vii. Provision for bad debts	-	-	-
	viii. Provision for taxation	-		-
	ix. Other liabilities as per accounting principles and included in the financial statements	-	-	-
	Non-Current Liabilities			
	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. 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	-	-	-
	Subordinated Loans	-		
2.4	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	-	-	-
2.5	Total Liabilites	56 044 250		56 044 050
=10		56,044,259		56,044,259

Ran	iking Liabilities Relating to :		*	
	Concentration in Margin Financing			
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.	-		-
	Concentration in securites lending and borrowing			
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	, =	-	
	Net underwriting Commitments			
3.3	(a) in the case of right issuse: 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	-	-	-
	Negative equity of subsidiary			
3.4	The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary	-	-	-
	Foreign exchange agreements and foreign currency positions		•	
3.5	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	-	_	
	Repo adjustment			
3.7	In the case of financier/purchaser the total amount receivable under Repo less the 110% 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 securites deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	134 4.	-	-
	Concentrated proprietary positions			
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	-	857,969	857,96
	Opening Positions in futures and options		,	
3.9	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	-	-	-
	Short sell positions			
3.10	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	-	-	<i>3</i> :
	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	-		857,90
		40.010.515		
		42,212,517		2,306,02

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34 NET CAPITAL BALANCE

The net capital balance has been prepared on the basis of Securities Exchange Commission (SEC) Rules, 1971, the Securities Brokers (Licensing and Operations) Regulation, 2016 (The Regulations) and guidelines issued by Securities and Exchange Commission of Pakistan.

		Rupees	Rupees
	CURRENT ASSETS		
	Margin Deposit with Clearing Houses	•	
	National Clearing Company of Pakistan Limited	50,000	50,000
	Cash in hand and bank balances		
	Bank balances		
	Pertaining to Brokerage House	1,862,686	
	Pertaining to Clients	41,983,269	
		43,845,955	
	Cash in hand	3,248	43,849,203
3	Trade Receivables		
	Receivable from National Clearing Company of Pakistan	1,903,442	
	Receivables from clients	702,566	
	Less: Outstanding for more than 14 days	502,562	
		200,004	2 102 446
	Investment in Listed Securities	200,004	2,103,446
	Securities appearing and owned by Brokerage House	21 124 040	
	Less: 15% discount	21,124,040	45.055.404
		3,168,606	17,955,434
	Securities purchased for clients		
	Receivable from clients after expiry of 14 days	469,677	469,677
			64,427,760
	LESS: CURRENT LIABILITIES		
P	Trade and other payables		
	Overdue payables	44,282,771	
	Less: Overdue more than 30 days	35,162,084	
		9,120,687	
	Other Liabilities		
	Trade payables overdue more than 30 days	35,162,084	
	Accrued expenses	244,582	
	Loan from banking company	10,966,646	
	Other liabilities	550,260	
		46,923,572	56,044,259
	NET CAPITAL BALANCE		0 202 E01

NET CAPITAL BALANCE

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35 CORRESPONDING FIGURES

The corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and better presentation. However, there was no major reclassification to report.

36 GENERAL

Figures have been rounded off to the nearest of rupee.

37 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on _______ by the Board of Directors of the company. //

CHIFF EXECUTIVE

Mahena Garri DIRECTOR