



**DAWOOD EQUITIES LIMITED**

**Half Yearly Report  
December 31, 2019  
( Un-Audited )**

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**DAWOOD EQUITIES LIMITED**

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## **Our Vision**

Our vision is to be leader of “Brokerage industry” in Pakistan with a passion to endeavor maximum business opportunities. We strive to deliver results and perform to the highest standards

## **Our Mission**

Our mission is to become a competetive, dynamic and growing brokerage house that provides cometicitive services, identifies investment opportunities and developers research based data and information.



**DAWOOD EQUITIES LIMITED**

**Company Information**

<b>Board of Directors</b>	Mr. Junaid Dada (Chairman) Abdul Aziz Habib (Chief Executive) Mr. Khalid Yousuf (Non executive Director) Mr. Asim Iftekhhar Yakoob (Independent Director) Ms. Sobia Saif (Independent Director) Syed Muhammad Abbas ( Non executive Director) Mr. Saifullah
<b>Chief Financial officer &amp; Company Secretary</b>	Mr. Salman Yaqoob
<b>Audit Committee</b>	Mr. Asim Iftekhhar Yakoob- Chairman Mr. Khalid Yousuf Ms. Sobia Saif
<b>HR &amp; R Committee</b>	Mr. Asim Iftekhhar Yakoob- Chairman Syed Muhammad Abbas Abdul Aziz Habib
<b>External Auditor</b>	Reanda Haroon Zakaria & Company Chartered Accountants
<b>Internal Auditor</b>	Sajid & Co. Chartered Accountants
<b>Legal Advisor</b>	Rauf & Ghaffar Law Associates
<b>Bankers</b>	Bank Al Habib Limited Habib Metropolitan Bank Limited Bank Al Falah Limited United Bank Limited Albaraka Bank (Pakistan) Limited MCB Bank Limited The Bank of Khyber
<b>Website</b>	<a href="http://www.dawoodequities.com">www.dawoodequities.com</a>
<b>Registered Head Office</b>	17th Floor - Saima Trade Towers A, I.I. Chindrigar Road, Karachi. Phone No. 021-32271881-1883 Fax No. 021-32275086  Office no 07, Mezzanine Floor, Auto Bhan Tower Auto, Auto Bhan Road, Latifabad No. 3, Hyderabad. Tel: +92-22-3411027
<b>Registered Branch Office</b>	Room 409-410, 4th Floor, New Stock Exchange Building, Stock Exchange Road, Karachi. Phone No. 021-32418874, 32460744 Fax No. 021-32418873
<b>Share Registrar</b>	F.D Registrar Services (SMC-Pvt) Ltd 1705 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi. Phone No. 021-35478192-93, 32271905 Fax. 021-32621233



**DAWOOD EQUITIES LIMITED**

**DIRECTORS' REPORT TO THE MEMBERS**

Dear Shareholders

On the behalf of Board of Directors of Dawood Equities Limited (DEL), we are pleased to present herewith the unaudited financial statements for the second quarter ended December 31, 2019.

**FINANCIAL PERFORMANCE**

The company operating profit increased to Rs. 15.6 million from Rs. 8.34 million depicting an increase of 87.6% from last year. The Company earned profit after tax amounting to Rs. 8.78 million translates to earnings per share of Rs.0.35 per share.

The summary of Financial Results is as follows:

	<b>December 31, 2019 Rupees</b>	<b>December 31, 2019 Rupees</b>
Net Revenue	19,323,929	11,864,198
Operating Profit	15,660,712	8,347,322
Administrative Expenses	11,107,879	8,609,631
Profit / (Loss) after tax	8,789,204	12,682,325
Earnings per share basic and diluted	0.35	0.48

**EMPHASIS OF MATTER PARAGRAPH IN AUDITORS' REPORT**

We draw attention of the users of the financial statements towards the deferred tax annexed to the financial statements. Deferred tax assets based on business projection for five years devised by the company. The plan involve certain key assumptions underlying the estimation of future taxable profits of the company which would then be utilized to sett-off the deferred tax assets.

**Junaid Dada**  
Chairman

**Abdul Aziz Habib**  
Chief Executive Officer

Karachi: **February 26, 2020**



DAWOOD EQUITIES LIMITED

## ڈائریکٹرز کی رپورٹ:

محترم شیئر ہولڈرز

داؤدا کیویٹیز لمیٹڈ (DEL) کے بورڈ آف ڈائریکٹران کی جانب سے میں مندرجہ ذیل میں 31 دسمبر 2019 کی ششماہی غیر آڈٹ شدہ آمدنی کا گوشوارہ پیش کرتے ہوئے خوش محسوس کرتا ہوں۔


مالیاتی کارکردگی:

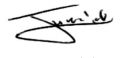
گزشتہ سال کے مقابلے میں اس سال کمپنی کے منافع جات گزشتہ سال 8.34 ملین روپے کے مقابلے میں 15.6 ملین روپے ہو گئے جو کہ واضح طور پر 87.6% کا اضافہ ظاہر کر رہے ہیں۔ ٹیکسوں کی ادائیگی کے بعد کمپنی نے 8.78 ملین روپے کمپنی کے محفوظات میں منتقل کیئے جو کہ 0.35 روپے فی شیئر کے حساب سے ظاہر ہو رہا ہے۔ کمپنی کے مالیاتی نتائج کا مختصر جائزہ مندرجہ ذیل ہے:-

31 دسمبر 2018 روپے	31 دسمبر 2019 روپے	
11,864,198	19,323,929	خالص آمدنی
8,347,322	15,660,712	انتظامی نفع
8,609,631	11,107,879	انتظامی اخراجات
12,682,325	8,789,204	نفع ( نقصان) ٹیکس کے بعد
0.48	0.35	آمدنی فی شیئر

آڈیٹر رپورٹ سے حاصل کیا گیا پیرا گراف:

ہم مالیاتی بیانات کے اس حصے پر توجہ دلاتے ہیں جو کہ قابل ادائیگی کے بارے میں ہے۔ قابل ادائیگی کاروبار کے اثاثہ جات پر بنیاد کرتے ہوئے 5 سال کا اظہار کرتا ہے اس منصوبے میں کچھ بنیادی مفروضات برائے مستقبل کے قابل ٹیکس منافع کا اظہار کرتے ہیں جو کہ استعمال کیا جائے گا قابل ادائیگی کی ادائیگی کے لئے۔

  
عبدالعزیز چوہدری  
چیف ایگزیکٹو آفیسر

  
چید ڈاؤ  
چیرمین

کراچی: 26 فروری 2020



DAWOOD EQUITIES LIMITED

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)  
AS AT DECEMBER 31, 2019

		<i>(Un-audited)</i> December 31, 2019 Rupees	<i>(Audited)</i> June 30, 2019 Rupees
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
Property and equipment	5	7,152,595	7,463,573
Intangible assets	6	6,000,000	2,500,000
Investment property	7	6,063,038	6,218,500
Long term investment	8	23,748,844	24,738,389
Long term deposit		1,887,500	1,887,500
Deferred tax asset		41,499,336	41,499,336
		<u>86,351,313</u>	<u>84,307,298</u>
<b>Current Assets</b>			
Short term investments	9	39,372,402	28,976,668
Trade debts	10	76,789,681	77,789,488
Receivable against margin finance		2,210,720	1,513,424
Trade deposits and short term prepayments		8,005,972	9,623,616
Other receivables		14,090,976	11,284,135
Tax refunds due from government		21,059,656	20,727,692
Cash and bank balances	11	7,782,567	2,822,842
		<u>169,311,974</u>	<u>152,737,865</u>
<b>Total Assets</b>		<u>255,663,287</u>	<u>237,045,163</u>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Capital and Reserves</b>			
<b>Authorized Share Capital</b>			
30,000,000 Ordinary shares of Rs.10 each		<u>300,000,000</u>	<u>300,000,000</u>
Issued, subscribed and paid up capital		249,965,000	249,965,000
Reserves		<u>(18,124,870)</u>	<u>(25,924,530)</u>
		231,840,130	224,040,470
<b>Non Current Liabilities</b>			
Rental deposits		25,000	25,000
<b>Current Liabilities</b>			
Trade and other payables	12	23,266,124	12,339,453
Dividend payable		532,033	640,240
<b>Contingencies</b>			
	13		
<b>Total Equity and Liabilities</b>		<u>255,663,287</u>	<u>237,045,163</u>

The annexed notes from 1 to 20 form an integral part of these financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer



DAWOOD EQUITIES LIMITED

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2019**

	Note	<i>Half year ended</i>		<i>Quarter Ended</i>	
		<i>December 31,</i>	<i>December 31,</i>	<i>December 31,</i>	<i>December 31,</i>
		<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
----- Rupees -----					
Operating revenue	14	<b>19,323,929</b>	11,861,198	<b>14,111,860</b>	6,203,049
Operating expenses		<b>(3,663,217)</b>	(3,513,876)	<b>(2,459,206)</b>	(2,312,135)
Operating profit		<b>15,660,712</b>	8,347,322	<b>11,652,654</b>	3,890,914
Capital gain on disposal of investments - net		<b>1,188,001</b>	3,888,016	<b>1,804,437</b>	4,501,512
Profit on remeasurement of investments carried at fair value through profit and loss		<b>2,337,625</b>	2,144,496	<b>2,901,729</b>	767,391
		<b>19,186,338</b>	14,379,834	<b>16,358,820</b>	9,159,817
Administrative expenses		<b>(11,107,879)</b>	(8,609,631)	<b>(6,632,961)</b>	(4,832,571)
		<b>8,078,459</b>	5,770,203	<b>9,725,859</b>	4,327,246
Other operating income		<b>1,407,946</b>	295,255	<b>119,001</b>	-
Reversal of provision	15	-	6,652,576	-	2,699,176
Financial charges		<b>(43,103)</b>	(35,709)	<b>(26,728)</b>	(17,425)
<b>Profit before taxation</b>		<b>9,443,302</b>	12,682,325	<b>9,818,132</b>	7,008,997
Taxation-net		<b>(654,098)</b>	(584,877)	<b>(578,223)</b>	(429,087)
<b>Profit after taxation</b>		<b>8,789,204</b>	12,097,448	<b>9,239,909</b>	6,579,910
<b>Earning per share -Basic and Diluted</b>		<b>0.35</b>	0.48	<b>0.37</b>	0.26

The annexed notes from 1 to 20 form an integral part of these financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer





DAWOOD EQUITIES LIMITED

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2019**

	<i>Half year ended</i>		<i>Quarter Ended</i>	
	<i>December 31, 2019</i>	<i>December 31, 2018</i>	<i>December 31, 2019</i>	<i>December 31, 2018</i>
	----- Rupees -----			
Profit for the period	<b>8,789,204</b>	12,097,448	<b>9,239,909</b>	6,579,910
Unrealized gain / (loss) on remeasurement	<b>(989,545)</b>	(24,020,122)	<b>8,724,979</b>	(8,130,291)
<b>Total comprehensive income / (loss)</b>	<b><u>7,799,659</u></b>	<b><u>(11,922,674)</u></b>	<b><u>17,964,888</u></b>	<b><u>(1,550,381)</u></b>

The annexed notes from 1 to 20 form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer



DAWOOD EQUITIES LIMITED

**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2019**

	<i>(Un-audited)</i> <b>December 31, 2019</b>	<i>Audited</i> <b>June 30, 2019</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	<b>9,443,302</b>	5,646,764
<b>Adjustment for non cash items:</b>		
Depreciation	380,477	1,119,122
(Gain) / loss on remeasurement of investment	(2,337,625)	1,414,967
Capital gain on disposal of investment	(1,188,001)	(2,114,390)
Dividend income	(101,759)	(259,846)
Bank profit	-	(623,885)
Reversal for provision	-	(6,652,576)
Revaluation gain on Universal PMEX Membership	(1,000,000)	-
Financial charges	43,103	114,563
	<b>5,239,497</b>	<b>(1,355,281)</b>
<b>(Increase) / decrease in current assets</b>		
Trade debts	999,807	(22,610,560)
Other receivables	(2,806,841)	(56,649)
Receivable against Marginal finance	(697,296)	2,210,261
Trade deposits and short term prepayments	1,617,644	2,312,787
	<b>(886,686)</b>	<b>(18,144,161)</b>
<b>(Decrease) / increase in current liabilities</b>		
Trade and other payables	10,926,671	(37,261,273)
Dividend payable	(108,207)	-
	<b>10,818,464</b>	<b>(37,261,273)</b>
Taxes paid	(986,062)	(1,921,948)
Financial charges paid	(43,103)	(114,563)
	<b>(1,029,165)</b>	<b>(2,036,511)</b>
<b>Net cash generated from / (used in) operating activities</b>	<b>14,142,110</b>	<b>(58,797,226)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(69,500)	(270,400)
Purchase of Intangible Asset	(2,500,000)	-
(Purchase) /Disposal of investments - net	(7,902,646)	43,497,556
Dividend received	101,759	259,846
Long term deposits	-	(750,000)
Gain on disposal of investment	1,188,001	-
<b>Net cash (used in) / generated from investing activities</b>	<b>(9,182,385)</b>	<b>42,737,002</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B)</b>	<b>4,959,725</b>	<b>(16,060,224)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>2,822,842</b>	<b>18,883,066</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>7,782,567</b>	<b>2,822,842</b>

The annexed notes from 1 to 20 form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer



DAWOOD EQUITIES LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2019

	<i>Reserves</i>				<i>Total</i>	<i>Total equity</i>
	<i>Capital</i>		<i>Revenue</i>			
	<i>Issued, subscribed and paid up capital</i>	<i>Gain on remeasurement of investment - at fair value through OCI</i>	<i>Share premium</i>	<i>Unappropriated loss</i>		
----- <i>Rupees</i> -----						
<b>Balance as at July 01, 2018</b>	249,965,000	14,572,684	74,973,750	(85,981,950)	3,564,484	253,529,484
Profit for the period	-	-	-	12,097,448	12,097,448	12,097,448
Dividend paid	-	-	-	(2,499,650)	(2,499,650)	(2,499,650)
<b>Other comprehensive income</b>						
Unrealized loss on remeasurement	-	(24,020,122)	-	-	(24,020,122)	(24,020,122)
	-	(24,020,122)	-	9,597,798	(14,422,324)	(14,422,324)
<b>Balance as at December 31, 2018</b>	<b>249,965,000</b>	<b>(9,447,438)</b>	<b>74,973,750</b>	<b>(76,384,152)</b>	<b>(10,857,840)</b>	<b>239,107,160</b>
<b>Balance as at July 01, 2019</b>	249,965,000	(12,896,239)	74,973,750	(88,002,040)	(25,924,529)	224,040,470
Profit for the period	-	-	-	8,789,204	8,789,204	8,789,204
<b>Other comprehensive income</b>						
Unrealized gain on remeasurement of investments	-	(989,545)	-	-	(989,545)	(989,545)
	-	(989,545)	-	8,789,204	7,799,659	7,799,659
<b>Balance as at December 31, 2019</b>	<b>249,965,000</b>	<b>(13,885,784)</b>	<b>74,973,750</b>	<b>(79,212,836)</b>	<b>(18,124,870)</b>	<b>231,840,129</b>

The annexed notes from 1 to 20 form an integral part of these financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer



DAWOOD EQUITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2019

### 1 NATURE AND STATUS OF BUSINESS

Dawood Equities Limited (the Company) was incorporated in Pakistan as an unquoted public limited company on May 3, 2006 under the Repealed Companies Ordinance, 1984 now Companies Act 2017. The Company commenced commercial operations from October 03, 2006. Subsequently the Company obtained listing on the Pakistan Stock Exchange Limited (Formerly Karachi Stock Exchange Limited) on April 14, 2008. The registered office of the Company is situated at 1700-A, Saima Trade Towers, I.I. Chundrigar Road, Karachi. The Company's principal business is trading and brokerage of listed equities, underwriting and other investments.

### 2 BASIS OF PRESENTATION

#### 2.1 Statement of Compliance

This condensed interim financial report of the company for the six months period ended December 31, 2019 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act have been followed.

This condensed interim financial report is unaudited but subject to limited scope review by auditors. This condensed interim financial report do not include all of the information and disclosures required in the financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2019.

#### 2.2 Functional and Presentation Currency

This condensed interim financial report has been presented in Pakistan Rupees, which is the functional currency of the Company.

### 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial report is the same as those applied in the preparation of the financial statements for the year ended June 30, 2019.

Certain standards, amendments and interpretations to the approved accounting standards are effective for accounting periods beginning on or after July 1, 2019 but are considered not to be relevant or have any significant effect on the Company's operation and are therefore not detailed in this condensed interim financial report.

### 4 ESTIMATES

The preparation of this condensed interim financial report in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

In preparing this condensed interim financial report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended 30 June, 2019.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2019.



**DAWOOD EQUITIES LIMITED**

		<i>(Un-audited)</i> <i>December 31,</i> <i>2019</i>	<i>(Audited)</i> <i>June 30,</i> <i>2019</i>
	<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>
<b>5</b>	<b><i>PROPERTY AND EQUIPMENT</i></b>		
Opening net book value		7,463,572	8,222,260
Add: Additions	5.1	69,500	270,400
Depreciation		(380,477)	(1,029,088)
Closing net book value		<u>7,152,595</u>	<u>7,463,572</u>
<b>5.1</b>	<b><i>Following additions were made during the period</i></b>		
Office equipment		15,000	35,000
Motor vehicle		54,500	235,400
		<u>69,500</u>	<u>270,400</u>
<b>6</b>	<b><i>INTANGIBLE ASSETS</i></b>		
Trading Rights Entitlement Certificates (TREC)s		2,500,000	2,500,000
PMEX Univrsal Membership		2,500,000	-
		<u>5,000,000</u>	2,500,000
Fair value gain on PMEX Universal membership		1,000,000	-
		<u>6,000,000</u>	<u>2,500,000</u>
<b>7</b>	<b><i>INVESTMENT PROPERTY</i></b>		
Opening net book value		6,218,500	7,137,500
Add: Additions		-	-
Depreciation		(155,463)	(919,000)
Closing net book value		<u>6,063,038</u>	<u>6,218,500</u>
<b>8</b>	<b><i>LONG TERM INVESTMENT</i></b>		
		<i>December 31,</i> <i>2019</i>	<i>June 30,</i> <i>2019</i>
		<i>No of shares</i>	
	1,902,953	1,902,953	
		Investment in shares of PSX - available for sale	37,583,322
		24,738,389	(12,844,933)
		Unrealized loss on remeasurement	(989,545)
	<u>1,902,953</u>	<u>1,902,953</u>	<u>24,738,389</u>
<b>8.1</b>	<b><i>Shares in Hand</i></b>		
Available for sale-freeze		-	1,081,194
Available for sale when		259	21,759
Shares Pledged		1,902,694	800,000
		<u>1,902,953</u>	<u>1,902,953</u>



**DAWOOD EQUITIES LIMITED**

		<i>(Un-audited)</i> <b>December 31,</b> <b>2019</b>	<i>(Audited)</i> <b>June 30,</b> <b>2019</b>
		<i>Rupees</i>	<i>Rupees</i>
<b>9</b>	<b>SHORT TERM INVESTMENTS</b>		
	At fair value through OCI	<b>23,349,690</b>	14,649,690
	At fair value through profit or loss	<b>16,022,712</b>	14,326,978
		<b>39,372,402</b>	<b>28,976,668</b>
<b>9.1</b>	Shares worth Rs.64.46 million appears in the records of the company, which are held on behalf of the related party. It is not a part of short term investment of the company.		
		<i>(Un-audited)</i> <b>December 31,</b> <b>2019</b>	<i>(Audited)</i> <b>June 30,</b> <b>2019</b>
<b>10</b>	<b>TRADE DEBTS</b>	<i>Rupees</i>	<i>Rupees</i>
	Considered good	<b>60,257,167</b>	66,756,974
	Considered doubtful	<b>158,708,724</b>	153,208,724
	Provision for doubtful receivables	<b>(142,176,210)</b>	(142,176,210)
		<b>76,789,681</b>	<b>77,789,488</b>
<b>10.1</b>	This includes an amount of Rs. 9,898,075/- (June 30, 2019 : Rs.10,985,138) receivable from related parties of the Company.		
		<i>(Un-audited)</i> <b>December 31,</b> <b>2019</b>	<i>(Audited)</i> <b>June 30,</b> <b>2019</b>
<b>11</b>	<b>CASH AND BANK</b>	<i>Rupees</i>	<i>Rupees</i>
	<b>Cash in hand</b>	<b>14,860</b>	15,000
	<b>Cash at bank</b>		
	In current accounts	<b>7,281,842</b>	2,534,812
	In saving account	<b>485,865</b>	273,030
		<b>7,767,707</b>	2,807,842
		<b>7,782,567</b>	<b>2,822,842</b>
<b>11.1</b>	<b>Balance pertaining to:</b>		
	- clients	<b>6,011,570</b>	1,018,372
	- brokerage house	<b>1,756,137</b>	743,471
		<b>7,767,707</b>	<b>1,761,843</b>
<b>12</b>	<b>TRADE AND OTHER PAYABLE</b>		
	Trade creditors	<b>12,524,399</b>	9,495,597
	Payable to Provident fund	<b>62,798</b>	-
	Payable to dealers	<b>1,887,760</b>	-
	Accrued expenses	<b>8,157,383</b>	2,434,553
	Withholding tax payable	<b>633,784</b>	409,304
		<b>23,266,124</b>	<b>12,339,453</b>



**DAWOOD EQUITIES LIMITED**

**12.1** This includes an amount of Rs. 172,752/- (June 30, 2019 : Rs.207,586) payable to related parties of the Company.

**13 CONTINGENCIES & COMMITMENTS**

The status of contingencies as were reported in the financial statements for the year ended June 30, 2019 is same as follows:

**13.1** The Company has filed a suit in the Honorable High Court of Sindh against one of its corporate client against recovery of Rs.75.436 million and proceedings are in process. Honorable High Court has appointed Commissioner for determination of amount. Currently 100% provision of Rs. 75.436 million has been made as ultimate outcome is uncertain.

**13.2** Commitment against unrecorded transactions executed before year end having settlement date subsequent to period end :-

	<i>Note</i>	<i>(Un-audited)</i>	<i>(Audited)</i>
		<i>December 31, 2019</i>	<i>June 30, 2019</i>
		<i>Rupees</i>	<i>Rupees</i>
For purchase of shares		<b>64,299,133</b>	49,611,250
For sale of shares		<b>54,719,318</b>	42,878,527

		<i>(Un-audited)</i>	
		<i>December 31, 2019</i>	<i>December 31, 2018</i>
		<i>Rupees</i>	<i>Rupees</i>
<b>14 OPERATING REVENUE</b>			
Brokerage commission	14.1	<b>10,742,920</b>	9,185,742
Underwriting commission		<b>6,751,769</b>	1,268,618
Custody / Laga / NCSS Fees		<b>1,249,156</b>	881,904
Dividend income		<b>101,759</b>	87,093
Profit on cash exposure deposit		<b>478,325</b>	304,002
Brokerage commission on subscription		-	133,838
		<b>19,323,929</b>	11,861,198

**14.1 Brokerage commission**

Gross commission	<b>12,127,921</b>	10,557,895
Sindh Sales Tax	<b>(1,385,001)</b>	(1,372,153)
	<b>10,742,920</b>	9,185,742

**15 REVERSAL OF PROVISION**

Provision as at June 30,	-	148,828,786
Provision as at December 31,	-	(142,176,210)
Reversal of provision	-	6,652,576



**DAWOOD EQUITIES LIMITED**

**16 PATTERN OF SHAREHOLDINGS**

Following are the shareholders having more than 5% holding as at December 31, 2019:

<i>Sr. No.</i>	<i>Name of Shareholder</i>	<i>No. of Shares Held</i>	<i>Percentage %</i>
1.	Ayaz Dawood	4,822,131	19.29
2.	The Bank of Khyber	3,750,000	15.00
3.	Asim Abdul Ghani	2,513,000	10.05
4.	B.R.R. Guardian Modaraba	1,800,000	7.20
5.	Equity International (Private) Limited	1,733,500	6.93
		<b>14,618,631</b>	<b>58.47</b>

**17 TRANSACTION WITH RELATED PARTIES**

Related parties comprises of major shareholders, associated companies with or without common directors, other companies with common directors, retirement benefits fund, directors, key management personal and their close family members.

	<i>(Un-Audited)</i> <i>Half year ended</i>		<i>(Un-Audited)</i> <i>Quarter ended</i>	
	<i>December 31, 2019</i>	<i>December 31, 2018</i>	<i>December 31, 2019</i>	<i>December 31, 2018</i>
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Commission earned from brokerage transactions with member companies and key management personnel of members companies	<b>3,501,080</b>	1,799,437	<b>2,485,657</b>	1,154,819
Loan received during the period.	-	-	-	-
Expenses paid to member companies	<b>120,000</b>	120,000	<b>60,000</b>	60,000
FDIBL and others Employee Provident Fund Employer's contribution paid	<b>185,394</b>	182,394	<b>3,000</b>	91,197

**18 Reclassification**

Following comparative figures has been reclassified for better presentation and disclosure requirement:

<i>Disclosed In June 30, 2019 as:</i>	<i>Note</i>	<i>Amount in Rs.</i>	<i>Reclassified As</i>	
			<i>Head of Account</i>	<i>Amount in Rs.</i>
<i>Trade and Other Payable</i>	12		<i>Dividend payable</i>	640,240
<i>-Accrued expenses</i>		640,240		
<i>Disclosed In December 31, 2018 as:</i>	<i>Note</i>	<i>Amount in Rs.</i>	<i>Reclassified As</i>	
			<i>Head of Account</i>	<i>Amount in Rs.</i>
<i>Operating Revenue</i>	14			
<i>Brokerage and Commission</i>		-	<i>Operating expenses</i>	-





**DAWOOD EQUITIES LIMITED**

**19 DATE FOR AUTHORIZATION FOR ISSUE**

The Board of Directors of the Company authorized these interim financial statements for issue on February 26, 2020.

**20 GENERAL**

Amounts have been rounded off to the nearest rupee unless otherwise stated.

Chief Executive

Director

Chief Financial Officer

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