

ANNUAL REPORT 2019





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MISSION

To ensure Growth of various financial services by creating new products and services in the Financial Sector

VISION

To be the leader in the Financial Services Sector



Company Information

Board of Directors	Mr. Muhammad Yousuf Amanullah Mr. Muhammad Kamran Nasir Mr. Shahab Anwar Khawaja Mr. Iftikhar Ahmad Rao Mr. Munir Hassan Taher Mr. Khusro Iqbal Mumtaz Mr. Abdul Hamid Mihrez Ms. Shireen Raza	Chairman Chief Executive Officer Independent Director Independent Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
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Audit Committee	Mr. Shahab Anwar Khawaja Mr. Munir Hassan Taher Mr. Khusro Iqbal Mumtaz Ms. Shireen Raza	Chairman
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Risk Management Committee	Mr. Khusro Iqbal Mumtaz Mr. Muhammad Kamran Nasir Mr. Muhammad Yousuf Amanullah Mr. Abdul Hamid Mihrez	Chairman
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Human Resource & Remuneration Committee	Mr. Iftikhar Ahmed Rao Mr. Muhammad Kamran Nasir Mr. Muhammad Yousuf Amanullah Mr. Khusro Iqbal Mumtaz	Chairman
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Mr. Khusro Iqbal Mumtaz, Ms. Shireen Raza, Mr. Iftikhar Ahmed Rao and Mr. Shahab Anwar Khawaja have been appointed in place of outgoing directors Mr. Khurshid Hadi, Mr. Junaid Imran, Mr. Ammar Talib Hajeyah and Mr. Khurram Shaikh via election of directors held on December 24, 2019. The remaining directors were reelected and the Committees were reconstituted in first meeting of directors held after election of directors. Regulatory approval for new elected directors has applied and is currently pending.

Chief Financial Officer	Mr. Fahad Muslim
Company Secretary	Mr. Syed Sufyan Ahmed

External Auditor	EY Ford Rhodes Chartered Accountants Progressive Plaza, Beaumont Road, P.O. Box 15541, Karachi 75530, Pakistan.
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Internal Auditor	Deloitte Yousuf Adil Chartered Accountants Cavish Court, A-35, Block 7 & 8, KCHSU, Shahrah-e-Faisal, Karachi.
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Company Information

Bankers

JS Bank Limited
MCB Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Bank Alfalah Limited
United Bank Limited
National Bank of Pakistan
Askari Bank Limited
Faysal Bank Limited
Sindh Bank Limited
Meezan Bank Limited
Summit Bank Limited

Legal Advisors

Bawaney & Partners
3rd & 4th Floors, 68-C, Lane-13,
Bukhari Commercial Area, Phase-VI, D.H.A., Karachi.

S.A Law Associates
Office No. 409, 4th Floor, Land Mark Plaza,
Near Jang Press, Off. I.I. Chundrigar Road, Karachi.

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahra-e-Faisal, Karachi.

Registered Office

17/18th Floor, The Centre, Plot No. 28, S.B.5,
Abdullah Haroon Road, Saddar, Karachi-74400, Pakistan
www.jsgcl.com | www.jsglobalonline.com
UAN: +92-21-111-574-111 | Fax: +92-21-356-325-74

Profile of Board of Directors

Mr. Muhammad Yousuf Amanullah - Chairman

Mr. Muhammad Yousuf Amanullah is a fellow member of the Institute of Chartered Accountants of Pakistan. He is a certified Director from the Pakistan Institute of Corporate Governance. He previously served on the Boards of Jahangir Siddiqui Investment Bank Limited, JS Global Capital Limited, JS Value Fund Limited and JS Investments Limited.

He joined JS Group in 2003 and is presently the Chief Financial Officer of JS Bank Limited as the Senior Executive Vice President. He was previously associated at a senior level with A.F. Ferguson & Co. Chartered Accountants, a member firm of PricewaterhouseCoopers after having qualification with them. Prior to A.F. Ferguson & Co., he worked with Ernst & Young Ford Rhodes. During his association with the firm, he was involved in various Statutory and Special assignments relating to Commercial banks, Non-Banking Finance Companies, Pharmaceutical and Automobile sectors.

Mr. Muhammad Kamran Nasir - Chief Executive Officer

Mr. Muhammad Kamran Nasir joined JS Group in 2010 and has been leading JS Global Capital Limited, the largest brokerage and investment banking firm which is listed on the stock exchange, as its Chief Executive Officer since 2011.

Mr. Nasir is a Chartered Accountant from the Institute of Chartered Accountants of England & Wales and also a Chartered Certified Accountant from the Association of Chartered Certified Accountants U.K. He brings with him rich experience of Investment Banking and handling complex financial matters. His Investment Banking experiences ranges from advising companies on mergers, acquisitions, divestitures, debt raising and re-profiling including taking companies public. Besides this, he has also held various senior level positions within the Financial Sector and Multinational companies including Chief Financial Officer. He has played an instrumental role in setting up and managing one of the largest Brokerage Divisions in his previous company that performed exceptionally well. He has also been associated with KPMG where he was primarily involved in audits of Financial Sector Institutions particularly Commercial Banks.

Mr. Nasir is a Certified Director from the Pakistan Institute of Corporate Governance. He has been a notable speaker in many public/commercial speaking events ranging from specialized topics to covering Pakistan Capital Markets on Electronic Media. He has wide experience of engaging with Global Fund Managers and has conducted various Road Shows in London, USA and elsewhere to showcase the Pakistan Corporate Sector. Due to his diverse experience he is routinely invited by the Apex and Frontline Regulatory Bodies in Pakistan to deliberate on a host of technical and specialized matters.

Mr. Munir Hassan Taher - Non Executive Director

Munir has over 16 years of combined professional experience in asset management, private equity and corporate finance. He joined Global in 2007 and was primarily responsible in managing and creating exits for the proprietary investments previously valued at USD1bn. He was part of a team involved in the setup of a USD1.5bn specialized fund and played a role in creating ~USD200mn in exits during Global's first round of restructuring in 2009. He later played a similar role in the successful conclusion of Global's USD1.7bn second and final round of restructuring in 2013.

Mr. Abdul Hamid Mihrez - Non Executive Director

Abdul Hamid brings over 12 years of experience in investment banking, asset management and capital markets. He is currently responsible for managing a portfolio of special situation assets worth USD 600 million which entails proactive management of the underlying positions, focusing on creating and enhancing the value and ensuring an orderly asset disposition. Abdul Hamid is a board member of a number of regional and international companies in the sectors of real estate, insurance, food, industrial and financial services.

During his career, he has led or co-led a number of investment banking transactions worth over USD 700 million covering valuations, financial advisory, mergers & acquisitions, capital raising, bond issuance, financial restructuring and listing assignments. Abdul Hamid started his career in the asset management field where he was a member of the management team of 2 mutual funds.

Mr. Khusro Iqbal Mumtaz - Non Executive Director

Mr. Khusro Iqbal Mumtaz has an experience of over 28 years in enterprise wide risk management including credit risk for Corporate Banking (including FIs), Retail Banking, SME Banking, Consumer Banking, Agricultural Financing as well as management of Special Assets, Operational Risk, Market & Liquidity Risk, Information Security risk and Credit Administration managing portfolio of around USD 3.4 Bn. He has implemented overall risk management framework for various companies and overseeing its effective application. He has developed and deployed Obligor Risk Rating (ORR) and facility risk rating (FRR) models for Wholesale (Corporate & Investment Banking, Financial Institutions) and SME & Commercial Banking portfolios. He has also developed and deployed various risk pricing models for Wholesale & SME & Commercial Banking. He has served as a Chief Risk Officer in various Companies and also act as a Group Head - SME & Commercial Banking.

Profile of Board of Directors

Ms. Shireen Raza - Non Executive Director

Shireen Raza is a value driven professional with over 22 years of experience in Banking on Corporate and Commercial side for Long & Short Term Credit Facilities, Branch Banking and Operations. She is currently serving as Head / EVP of Corporate Banking Department of JS Bank Limited in Lahore. During her tenure at JS Bank Limited, she has successfully increased the Credit Portfolio and Trade business, work alongwith Business Head for growth and enhancement of business opportunities with existing and potential clients, develop and manage Asset portfolio to achieve growth in Fund / Non-fund based credits and monitor the relationships to ensure risk and yield criteria are being met. She has completed her Masters in Business Administration (MBA) Degree with concentration both in Marketing & Finance subjects. During her professional career, She has served on senior management positions of various leading banks in Pakistan.

Mr. Iftikhar Ahmed Rao - Independent Director

Mr. Iftikhar Ahmed Rao has an experience of over 37 years in Pak Navy and was awarded "Sword of Honour" on commissioning, Tamgha-e-Imtiaz (Military), Sitara-e-Imtiaz (Military), Hilal-e-Imtiaz (Military) and Pak-China friendship medal awarded by the Government of China. He has an extensive experience onboard ships and aviation commanded Ships as well as Aviation squadrons and Pakistan Naval Aviation. He has served on the post of of Director of Plans, Principal Secretary to the Chief of Naval Staff and Deputy Chief of Naval Staff (Operations) in Naval Head Quarters. He has also served as MD in KS&EW and Abu Dhabi Pakistan Holding Limited (now merged with Mubadla). He has also served as an Advisor to Royal Saudi Naval Forces. He was a member of Board of Governors of Bahria University, Gwadar Port Implementation Committee and Policy Board for development of Shipbuilding Industry which was headed by Prime Minister. He has also served as a Vice Chairman of Executive Committee for Shipbuilding.

Mr. Shahab Anwar Khawaja - Independent Director

Mr. Shahab Khawaja served in the public sector for almost 36 years as a career Civil Servant of Pakistan Administrative Service (previously District Management Group) and held many key positions such as Federal Secretary of Privatization and Industries and Production, Additional Secretary Population Welfare, Joint Secretary Economic Affairs Division, CEO of Small and Medium Enterprises Development Authority (SMEDA) and held Director's position in various renowned companies. He has extensive experience in field of social development particularly in legal matters, community mobilization and community development. He is also a Certified Director, under Listed Companies' requirements, as prescribed by SECP. Earlier to above mentioned positions, Mr. Shahab Khawaja also remained Secretary to Department of Agriculture and Livestock and Dairy Development, Government of Punjab. After his retirement, he also held the positions of CEO, Competitiveness Support Fund (CSF), a joint Project of Ministry of Finance and USAID and as the Executive Director, Fertilizer Manufacturers of Pakistan Advisory Council (FMPAC). He has served on a number of Public Sector Organizations' Boards and has represented Government of Pakistan in multiple International Bodies and Seminars such as UNDP, UNFPA, UNIDO, ECOSOC APO etc. The Academic and professional qualification of Mr. Shahab Khawaja includes MSc. in Chemistry, Post Graduate Diplomas in Development Administration from Birmingham University, UK and in Public Policy from University of Connecticut Hartford, USA.

Details of Different Committees of the Board of Directors

1. Audit Committee
2. Risk Management Committee
3. Human Resource & Remuneration Committee

1. Audit Committee

The Audit Committee comprises of four members including the Chairman. All the members of Committee are Non- Executive Directors.

The members of Committee are as follows:

Mr. Shahab Anwar Khawaja	Chairman
Mr. Munir Hassan Taher	Member
Mr. Khusro Iqbal Mumtaz	Member
Ms. Shireen Raza	Member

The terms of reference (TORs) of Audit Committee determined by the board shall be as follows:

- (i) determination of appropriate measures to safeguard the company's assets;
- (ii) review of annual and interim financial statements of the company, prior to their approval by the Board, focusing on,-
 - (a) major judgmental areas;
 - (b) significant adjustments resulting from the audit;
 - (c) going concern assumption;
 - (d) any changes in accounting policies and practices;
 - (e) compliance with applicable accounting standards;
 - (f) compliance with these Regulations and other statutory and regulatory requirements; and
 - (g) all related party transactions;
- (iii) review of preliminary announcements of results prior to external communication and publication;
- (iv) facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- (v) review of management letter issued by external auditors and management's response thereto;
- (vi) ensuring coordination between the internal and external auditors of the company;
- (vii) review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the company;
- (viii) consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
- (ix) ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;
- (x) review of the company's statement on internal control systems prior to endorsement by the Board and internal audit reports;
- (xi) instituting special projects, value for money studies or other investigations on any matter specified by the Board, in consultation with the chief executive officer and to consider remittance of any matter to the external auditors or to any other external body;
- (xii) determination of compliance with relevant statutory requirements;
- (xiii) monitoring compliance with these Regulations and identification of significant violations there of;

Details of Different Committees of the Board of Directors

(xiv) review of arrangement for staff and management to report to audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;

(xv) recommend to the Board the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the company by the external auditors in addition to audit of its financial statements, measures for redressal and rectification of non-compliances with the Regulations. The Board shall give due consideration to the recommendations of the audit committee and where it acts otherwise it shall record the reasons thereof;

(xvi) consideration of any other issue or matter as may be assigned by the Board;

2. Risk Management Committee

The Risk Management Committee ("the Committee") comprises of four members including the Chairman of the Risk Management Committee.

Mr. Khushro Iqbal Mumtaz	Chairman
Mr. Muhammad Kamran Nasir	Member
Mr. Muhammad Yousuf Amanullah	Member
Mr. Abdul Hamid Mihrez	Member

The terms of reference (TORs) of Risk Management Committee determined by the board shall be as follows:

- (i) Monitoring and review of all material controls related to trading limits, exposure margins, collateral management, financing products and compliances activities.
- (ii) Appropriate extent of disclosure of company's risk framework and internal control system in Directors report.
- (iii) To evaluate and recommend to the Board the approval of major additions/ deletions in trading portfolio and changes in investment portfolio in accordance with the Risk Management Guidelines specified in SIOF of the Company and other internal guidelines.
- (iv) The Committee will review the Company's adherence to the Policy Statement and, if needed, make recommendations to the Board of Directors for changes as a result of new developments.
- (v) The Committee will regularly review Company's operations based on monthly operating reports (to include a summary of the Company's net capital position based on market value) prepared and submitted by the Chief Financial Officer or any other person nominated by the Board of Directors in comparison with the annual budget.
- (vi) To review and recommend changes in Company Policies, to the Board for approval.
- (vii) To review the status of legal matters of the Company.
- (viii) To ensure that the margin requirements are commensurate with the risks and avoid concentration
- (ix) To review and approve the position/trading limits of clients
- (x) To review and approve the list of Margin Financing Eligible securities.

Risk Management Policy

Risk Management is the process of identifying, controlling, eliminating or minimizing uncertain events that may affect the system resources. It includes risk analysis, cost-benefit analysis, controls selection, implementation and tests, security evaluation of safeguards and overall security review.

Risk Management is a continuous, measured, rational and vigilant process. It is designed to identify and manage the risks inherent in the brokerage business. The goal of an effective Risk Management process is not only to avoid financial losses, but also to ensure that the Company achieves its targeted financial results with high degree of reliability.

The Company's principal business activities by their nature engender significant market and credit risks. In addition, the Company is also subject to other risks including operating risk, legal risk and funding risk. Effective identification, assessment and management of these risks are critical to the success and stability of the Company. As a result, comprehensive Risk Management policies and procedures have been established to identify, control and monitor each of these risks.

Risk Management begins with the Board of Directors, which reviews the governance of these activities formulation of policy and day to day Risk Management is the responsibility of Risk Management Committee. The Board of Directors has adopted a Statement of Investment & Operational Policies (SIOFs) which provides overall Risk Management guidelines for the Company. The Statement also provides authority limits for the Board, the Risk Management Committee and the CEO.

Details of Different Committees of the Board of Directors

3. Human Resource & Remuneration Committee

The Human Resource & Remuneration Committee ("the Committee") comprises of four members including the Chairman of the Committee.

Mr. Iftikhar Ahmed Rao	Chairman
Mr. Muhammad Kamran Nasir	Member
Mr. Muhammad Yousuf Amanullah	Member
Mr. Khusro Iqbal Mumtaz	Member

The terms of reference (TORs) of HR & Remuneration Committee determined by the board shall be as follows:

- (i) recommendation to the Board for consideration and approval a policy framework for determining remuneration of directors (both executive and non-executive directors and members of senior management). The definition of senior management will be determined by the Board which shall normally include the first layer of management below the chief executive officer level;
- (ii) undertaking, annually, a formal process of evaluation of performance of the Board as a whole and its committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the directors' report disclosing therein name and qualifications of such consultant and major terms of his / its appointment;
- (iii) recommending human resource management policies to the Board;
- (iv) recommending to the Board the selection, evaluation, development, compensation (including retirement benefits) of chief operating officer, chief financial officer, company secretary and head of internal audit;
- (v) consideration and approval on recommendations of chief executive officer on such matters for key management positions who report directly to chief executive officer or chief operating officer; and
- (vi) where human resource and remuneration consultants are appointed, they shall disclose to the committee their credentials and as to whether they have any other connection with the company.

Our Key Corporate Social Responsibility (CSR) Aspects

As part of JS Group, Some of holding Company – JS Bank Limited's key initiatives and projects in the past fiscal year include:

Accreditation to the Green Climate Fund (GCF):

In 2019, JS Bank became Pakistan's first and only financial institution to have been accredited by the Green Climate Fund (GCF), the world's largest climate fund. GCF's aim is to provide facilities to public and private sector corporations in emerging economies to limit or reduce their greenhouse gas (GHG) emissions through investments in low-emission and climate resilient programs. As an accredited entity, JS Bank will be able to apply for funding of up to USD 250 million per project. As of December 31, 2019, the Fund had 124 active projects worldwide with 348 million beneficiaries and has a pledged total of nearly USD 10 Billion. JS Bank can also mobilize additional funds from private sector investors to support action on climate change. In addition to opening new paths of local and international funding, the Bank can partner in contributions to climate adaptation and mitigation financing in Pakistan. This approval was based on JS Bank meeting GCF's stringent criteria including fiduciary standards, environmental and social safeguards and specialized capacities in driving climate action.

Solar Financing Solutions:

In order to provide solutions that are environmentally friendly, JS Bank has successfully financed over 120 Solar projects for commercial, residential and agriculture purposes. It has also been actively working towards reducing the carbon footprint of the country and has deployed approximately 5 MW worth of solar panel systems with a further 18 MW under process. JS Bank customers are now able to generate their own electricity in a hassle-free manner through the solar panel system installed on their businesses / residences / farms without being dependent on the grid for electricity.

Supporting Communities:

Partnering with organizations working in the fields of emotional and psychological health, gender, violence against women and children, education and the psychological and reproductive health of adolescents; JS Bank has worked to create a measurable on-ground impact in the lives of the people of the nation. JS Bank has also extended its support for humanitarian relief in areas affected by flash floods in the Sindh province. This included provision of staple food items and free primary medical camps at key distribution points in the province. These support activities helped provide relief for several thousand affectees in the region.

Notice of Annual General Meeting

Notice is hereby given that the Nineteenth (19th) Annual General Meeting ("**AGM**") of the members of **JS Global Capital Limited** (the "**Company**" or "**JSGCL**") will be held on **Wednesday, April 22, 2020 at 10:00 a.m. PST** at 17th Floor, The Center, Abdullah Haroon Road, Saddar, Karachi to transact the following business:

ORDINARY BUSINESSES:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended December 31, 2019 together with the Directors' Report and Auditors' Report thereon and Chairman's Review report.
2. To appoint auditors of the Company and fix their remuneration. The Audit Committee and the Board of Directors have recommended the re-appointment of retiring auditors M/s EY Ford Rhodes, Chartered Accountants, as auditors of the Company, who being eligible have offered themselves for re-appointment.

SPECIAL BUSINESS:

To consider and approve the acquisition of the three floors in the Building known as "The Centre" from JS Lands (Private) Limited, as related party transaction and if thought fit, to pass the following resolutions as special resolutions, with or without modification:

"RESOLVED THAT consent and approval be and is hereby accorded under Section 208 of the Companies Act, 2017 read with Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018 to acquire/purchase three floors in the Building known as "The Centre" from JS Lands (Private) Limited ("**JS Lands**") - a related party at arms length basis for a lumpsum consideration of Rs.748,845,000/- payable to JS Lands plus estimated cost of approximately Rs.60,150,000.- on account of stamp duty, official registration fee, capital value tax, town tax, advance income tax, legal fees and miscellaneous expenses, etc. i.e. at total approximate cost of Rs.808,995,000/-"

"FURTHER RESOLVED THAT the Chief Executive Officer and/or the Chief Operating Officer and/or the Chief Financial Officer and/or the Company Secretary (hereinafter the 'Authorized Persons') be and are hereby jointly and severally authorized and empowered to take all such necessary, ancillary and incidental steps and to do or cause to be done all such acts, deeds and things that may be required for the purpose of giving effect to this special resolution, including signing agreements, sale/conveyance deeds and other ancillary documents, as may be prepared or advised by the Company's Legal Advisor, to appear before the concerned Sub-Registrar of Assurances and to get the sale/conveyance deeds registered. "

By Order of the Board

Karachi: April 01, 2020

Syed Sufyan Ahmed
Company Secretary

Notes:

1. The Share Transfer Books of the Company shall remain closed from April 16, 2020 to April 22, 2020 (both days inclusive) for determining shareholders for attending and voting at the Annual General Meeting.
2. Physical transfers and deposit requests under Central Depository System received at the close of business on April 15, 2020 by the Company's Share Registrar i.e. CDC Share Registrar Services Limited, CDC House, 99 - B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal Karachi will be treated in time for the purpose of attending and voting at the meeting.
3. Beneficial owners of the shares registered in the name of Central Depository Company of Pakistan Limited (CDC) and/or their proxies will have to follow the following guidelines as laid down by the Securities and Exchange Commission of Pakistan in Circular No.1 of 2000:

A. For Attending the Meeting

- (i) In view of the recent threats posed by and precautions to be taken against spread of the evolving COVID-19 pandemic, the Service General Administration and Coordination Department, Government of Sindh, vide notification No. So/(C-IV)/SGA&CD/3-1/2020 dated March 14, 2020 suspended large public gatherings at one place with immediate effect. Additionally, the Securities & Exchange Commission of Pakistan (SECP) through its Circular No. 5 dated March 17, 2020 and Pakistan Stock Exchange Limited (PSX) through its notice Ref: PSX/N-372 dated March 19, 2020 have advised the Companies to modify their planning for conducting annual general meetings with a view to protect the well-being of their shareholders. Considering the above referred regulatory directives, the Company intends to convene this AGM electronically through Webinar with minimum number of Shareholders in person while ensuring compliance of the quorum requirement and requests the members to consolidate their attendance and vote through proxies.
- (ii) The Members who are willing to attend and participate in the 19th AGM of Company can do so through video link arrangement that will be provided to members after completing identification and verification formalities i.e. members are requested to

Notice of Annual General Meeting

provide their name, CNIC scan (both sides), folio number, cell phone number and email address before 05:00 pm on and before April 20, 2020 at the following email jsgcl.cs@js.com. The video link of meeting will be sent to the members on their email addresses.

- (iii) The members can also provide their comments / suggestions for discussion on the agenda items of the AGM related to the agenda items of the meeting through following means:

Whatsapp	SMS	EMAIL
0301-8486279	0301-8486279	jsgcl.cs@js.com

- (iv) The Company will ensure that comments / suggestions of the members will be read out at the meeting by the Company Secretary and the responses will be made part of the minutes of the meeting. Any and all suggestions and comments received from shareholders shall be duly discussed in the meeting and be recorded appropriately in the minutes. The minutes of the meeting will be recorded and kept as per requirements.
- (v) The Company will follow the best practices and comply with the instructions of the Government and SECP to ensure protective measures are in place for well-being of its Members.

B. For Appointing Proxies

- In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
 - The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
 - Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
 - The proxy shall produce his original CNIC or original passport at the time of the meeting.
 - In case of corporate entity, the Board's resolution/power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.
4. Shareholders are requested to notify immediately of any change in their address to the Company's Share Registrar.
5. Members, in accordance with the proviso to Section 132(2) of the Companies Act 2017, can also avail video conference facility. In this regard, members are requested to fill out the following form and submit the same to the registered address of the Company seven (7) days before holding of the General Meeting. If the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least seven (7) days prior to date of the meeting, the Company will arrange video conference facility in the city subject to availability of such facility in that city.
- "I/We, _____ of _____, being a member of JS Global Capital Limited, holder of _____ ordinary share(s) as per Registered Folio No. _____ hereby opt for video conference facility at _____."
- In terms of the directives of the Securities and Exchange Commission of Pakistan (SECP), the Computerized National Identity Card Numbers (CNIC) of the registered shareholders or the authorized person except in the case of minor(s) and corporate shareholders are required to be mentioned on the dividend warrants and the annual return required to be filed by the Company with the SECP. Therefore, the shareholders who have not yet provided copies of their CNICs are advised to provide at earliest the attested copies of their CNICs (if not already provided) directly to our Independent Share Registrar at the address mentioned above.
 - In terms of Section 242 of the Companies Act, 2017, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. Accordingly, the shareholders holding physical shares are requested to provide the Company's Share Registrar at the address mentioned above, electronic dividend mandate on E-Dividend Form which is available on website of the Company i.e. www.jsgcl.com. In the case of shares held in CDC, the same information should be provided to the CDS Participants for updating and forwarding to the Company in order to make process of payment of cash dividend more efficient.
 - The deduction of income tax from dividend payments shall be at the applicable rate as prescribed under Income Tax Ordinance, 2001.
 - Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax certificate or necessary documentary evidence, as the case maybe.

Notice of Annual General Meeting

10. The Shareholders who have joint shareholdings held by filers and non-filers shall be dealt with separately and in such particular situation, each account holder is to be treated as either a Filer or a Non-Filer and tax will be deducted according to his shareholding. If the share is not ascertainable, then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher rate, the joint account holders are requested to provide the below details of their shareholding to the Share Registrar of the Company.

Folio /CDC Account No	Total Shares	Principal Shareholder		Principal Shareholder	
		Name & CNIC	Shareholding proportion	Name & CNIC	Shareholding proportion

11. Shareholders who by any reason could not collect their dividend are advised to contact our Share Registrar to collect / inquire about their unclaimed dividend, if any. In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividends outstanding for a period of 3 years or more from the date due shall be deposited to the credit of Federal Government.
12. Under Section 223(6) of the Companies Act, 2017, listed companies are allowed to send the Audited Financial Statements etc., through electronic mail system (e-mail). The members are hereby requested to convey their consent via email on a standard request form which is available at the Company's website i.e. www.jsqcl.com. Please ensure that your email account has sufficient rights and space available to receive such email which may be greater than 1 MB in size. Members can request a hard copy of Audited Financial Statements which shall be provided free of cost within seven days from the date of requisition. Further, it is the responsibility of the member(s) to timely update the Share Registrar of any change in his (her/its/their) registered email address at the address of Company's Share Registrar mentioned above.
13. The Company has placed the Audited Financial Statements for the year ended December 31, 2019 along with Auditors and Directors Reports thereon and Chairman's Review Report on its website: www.jsqcl.com.

STATEMENT OF MATERIAL FACTS U/S 134(3) OF THE COMPANIES ACT, 2017 PERTAINING TO SPECIAL BUSINESS

This explanatory statement sets out the material facts pertaining to the special business as given in agenda item of special business to be transacted at the Annual General Meeting of the Company to be held on April 22, 2020.

The information and particulars required under Section 208 of Companies Act, 2017 read with Regulation 5(2) of the Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018 are as under:

Serial #	Description	Information & Particulars required
1	Name of related party	JS Lands (Private) Limited
2	Names of the interested or concerned persons or directors	Mr. Muhammad Yousuf Amanullah, Mr. Khuro Iqbal Mumtaz and Ms. Shireen Raza are directors of JS Global Capital Limited and represent the holding Company - JS Bank Limited.
3	Nature of relationship, interest or concern along with complete information of financial or other interest or concern of directors, managers or key managerial personnel in the related party.	<p>Mr. Jahangir Siddiqui owns 70.33% shares directly and indirectly through group companies in Jahangir Siddiqui & Company Limited (JSCL). JSCL holds 75.02% shares directly in JS Bank Limited (JSBL). JSBL holds 83.53% shares directly in JS Global Capital Limited. So, effectively direct and indirect Shareholding of Mr. Jahangir Siddiqui in JS Global Capital Limited is 44.11%.</p> <p>Mr. Jahangir Siddiqui holds 99.99% shares directly in JS Lands (Private) Limited.</p> <p>Interested directors' interest is limited to the extent of their representation of JS Bank Limited on Board of JS Global Capital Limited.</p> <p>Interest of other Directors of JS Global Capital Limited is only limited to their being directors of JS Global Capital Limited with no direct or indirect personal interest in the transaction.</p>

Notice of Annual General Meeting

4	Detail, description, terms and conditions of transactions.	Acquisition/purchase of three floors in the Building known as "The Centre" from JS Lands (Private) Limited - a related party, being Floors No. 14th, 16th and 17th, each having gross covered area measuring 11,610 square feet with proportionate undivided sub-leasehold share in the Commercial Plot of land bearing Survey No.28, Sheet SB-5, situated in the area of Saddar Bazar Quarters, Saddar Town, Karachi.
5	Amount of transactions	Purchase consideration of Rs.748,845,000/- payable to JS Lands, plus estimated cost of approximately Rs.60,150,000/- on account of stamp duty, official registration fee, capital value tax, town tax, advance income tax, legal fees and miscellaneous expenses, etc. i.e. at total approximate cost of Rs.808,995,000/- based on management's estimate and as determined on the basis of fair market value determined by three Independent Valuers listed on SBP's Panel of Valuers. The Company has the requisite resources.
6	Timeframe or duration of the transactions or contracts or arrangements	Within one year of approval from members in AGM. If transaction is not executed till the next AGM, the matter shall be placed before members in subsequent AGM for further decision.
7	Pricing policy	The Properties will be acquired at Fair Market Value as determined by three Independent Valuers listed on SBP's Panel of Valuers.
8	Recommendation of the Audit Committee	The Audit Committee vide its resolution dated February 20, 2020 has recommended the transaction to the Board.
9	Advantages to the Company	Presently the Company has been operating from one and a half floor of the Building known as The Centre, as tenant and is paying sizeable rent, which will be saved. Moreover, the Company also foresees expansion of its core business with the anticipated improvement of business and economic conditions, which is also expected to result appreciation of prices of real estate, which will be in the best interest of the Company and its shareholders.

Financial Highlights

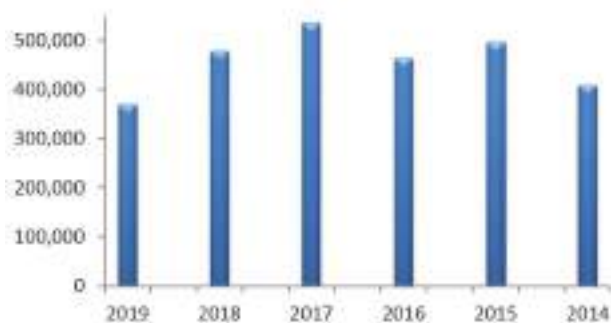
	2019	2018	2017	2016	2015	2014
	-----Year ended-----					
	-----December 31-----					
Operating Performance (Rupees in 000)						
Operating Revenue	369,611	478,163	535,850	463,958	494,794	407,319
Operating expenses	569,258	649,797	634,326	498,626	472,708	367,639
Financial expenses	39,805	7,114	54,408	621	7,168	708
Other income	319,230	284,166	280,775	214,064	289,845	263,004
Profit before tax	107,289	98,836	198,444	239,007	376,362	409,750
Profit after tax	47,248	25,637	85,530	171,035	251,296	282,567
Per Ordinary Share (Rupees)						
Earning per share	1.31	0.67	2.25	4.13	5.03	5.65
Breakup value per share	73.1	68.6	68.4	67.2	57.7	52.5
Dividends (Percentage)						
Cash	-	-	-	-	-	10(I)
	-	-	-	-	-	30(I)
Bonus shares	-	-	-	-	-	-
Assets & Liabilities (Rupees in 000)						
Total assets	4,091,855	4,840,047	3,762,454	4,458,216	3,532,593	3,427,368
Current assets	3,274,942	4,312,407	3,479,766	4,197,472	3,309,412	3,211,588
Current liabilities	1,630,848	2,231,646	1,161,038	1,902,713	647,256	801,107
Financial Position (Rupees in 000)						
Shareholders equity	2,233,553	2,608,401	2,555,503	2,885,337	2,626,261	2,535,854
Share capital	305,570	380,070	380,070	500,000	500,000	500,000
Reserves	1,927,983	2,228,331	2,175,433	2,385,337	2,126,261	2,035,854
Shares outstanding- (Numbers in 000)	30,557	38,007	38,007	50,000	50,000	50,000
Return on equity - (%)	2.12	0.98	6.69	8.71	10.76	5.92
Return on total assets - (%)	1.15	0.53	3.84	7.11	8.24	5.25
Current ratio-times	2.01	1.93	2.21	5.11	4.01	8.22

(I) Interim

(F) Final

Financial Highlights

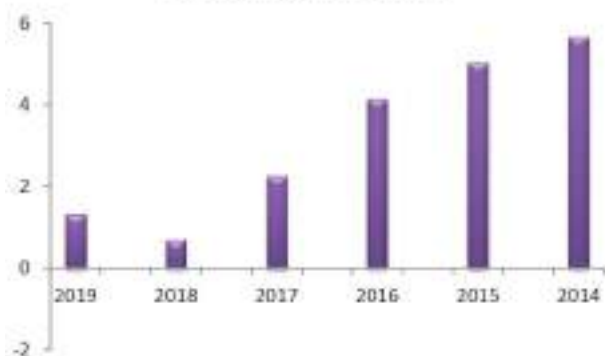
Operating Revenue



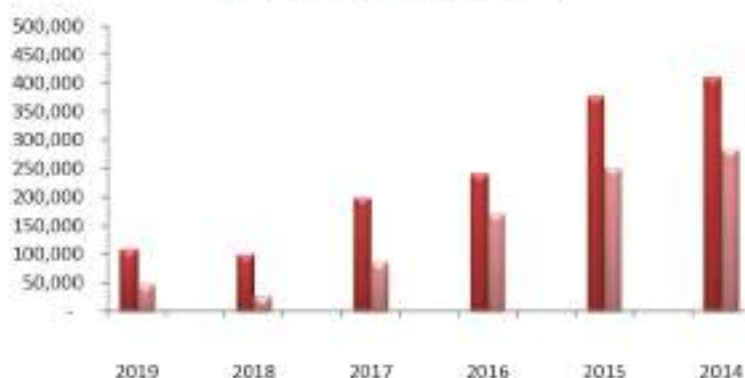
Breakup Value Per Share



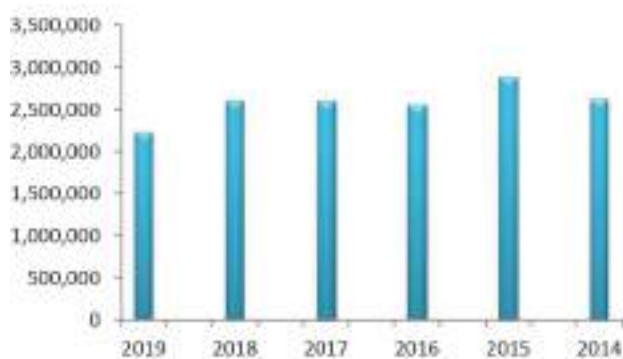
Earning Per Share



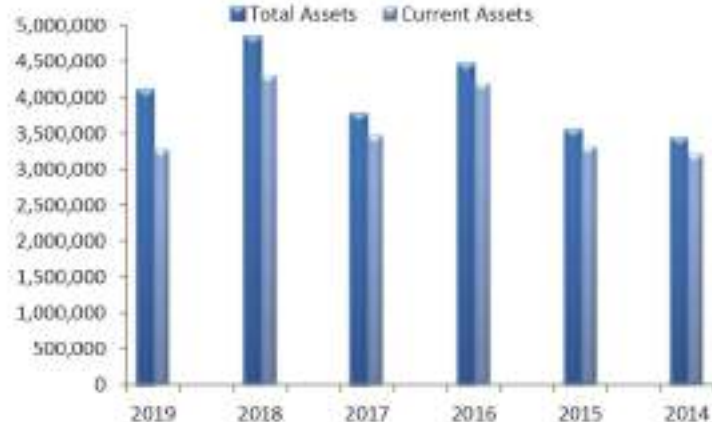
Profit Before Tax Profit After Tax



Shareholders Equity



Total Assets Current Assets



Chairman's Review

I take pride in presenting this report to the shareholders of JS Global Capital Limited ("the Company"). Once again, the Company has maintained its tradition of being the market leader in investment banking and capital markets.

The Company has remained at the top tier of the market despite unfavorable conditions at the bourse, particularly in the first half of the Calendar Year. On the basis of value traded at Pakistan Stock Exchange, the Company continued to enjoy the largest market share in 2019. Also, during the year, the investment banking division was engaged in various valuations, advisory and capital market transactions.

The Company continued to lead efforts to attract foreign portfolio investment into the country. This year, the company arranged the fourth edition of the Pakistan Investment Conference (PIC-2019) in the United States, accompanied by esteemed delegates from political and corporate backgrounds. The Conference was successful in informing the foreign participants about the current positive changes in the country via reforms and the long term implications for the equity market. The corporate delegates also held one-on-one meetings with global fund managers and apprised them of various opportunities that Pakistan has to offer. All in all, the event was a great success and is expected to boost foreign investment potential for Pakistan.

Yet again, the Company's steadfast commitment towards being an industry leader in structural and operational excellence has been acknowledged by PACRA, a leading Credit Rating Agency as it awarded the Company AA (long term) and A1+ (short term) entity rating and BMR1 Management ratings - the highest for any equity brokerage firm in the country. These ratings are a testament to the hard work of our team in ensuring that the Company retains its position as a market leader.

The Board and its committees have played an instrumental role in providing strategic oversight to the Company and assisted in key decision making areas that have led the Company on a path of sustainable growth.

Keeping in mind the low penetration levels of the equity market among the local population, I feel extremely confident that the efforts in place at present to amend rules for the local exchange will prove extremely beneficial in the longer term as the additional accountability mechanism will help bridge the trust gap between the markets and small investors and encourage the latter to invest in the stock market. For its part, the Company continues to set new benchmarks in terms of compliance and protection of customers' assets while offering investors services of highly qualified, skilled and proficient sales and research teams.

On behalf of JSGCL and its management, I extend my sincere gratitude to all our stakeholders for their belief and hard work in making our shared vision a reality and look forward to yet another year and more of success.

Muhammad Yousuf Amanullah
Chairman

Date: February 20, 2020

Directors' Report

We are pleased to present the Annual Report of JS Global Capital Limited ("the Company") along with the audited accounts and auditors' report for the year ended December 31, 2019.

The Economy

The year 2019 saw Pakistan making some major improvements on the macroeconomic front. Firstly, after massive devaluation of the local currency, there was finally some respite for the external account; during CY19, the current account deficit (CAD) declined by nearly 62% from the same period last year. Although exports remained stagnant during CY19, imports contracted sharply by 19%, leading to a smaller trade deficit, whereas some support for CAD was also found from 5.3% growth in remittances. On the fiscal side too, there was improvement seen in 1QFY20, when the country registered a fiscal deficit of 0.7%, and a primary surplus of 0.6%, which is a positive sign, particularly when one casts an eye on the tough 0.6% primary deficit target set by IMF for FY20. Inflows from IMF along with the reduction in CAD helped the country shore up its foreign exchange reserves, as SBP's reserves jumped by 58% in 2019 to USD 11.5 billion compared to USD 7.3 billion in 2018, with significant improvement in the import cover as well. Declining twin deficits also helped in improving the risk profile of the country. This was duly recognized by Moody's, which changed the country's outlook to Stable from Negative, a testament to the significant reforms that have been implemented over the year. The country also managed to jump 28 places in the rankings on the World Bank's Ease of Doing Business Index, another indication of the efforts underway to enact reforms and take the country on to the path of sustainable growth. Moreover, the government has focused on various initiatives to improve Pakistan's exports, including renegotiation of the China-Pakistan Free Trade Agreement (CPFTA-II), which will provide duty free access (or lower duties), to Pakistani products in the Chinese markets.

While the steps being taken appear promising, some challenges remain, such as headline inflation which surged by 9.4 percent during 2019 compared to the previous year, leading to multiple policy rate hikes amounting to 325 basis points in the year. Considering potential energy tariff hikes to reduce the circular debt burden, it is possible that inflation might sway north of the 11-12 percent target set by the central bank for the next year, delaying any possible interest rate cuts. However, the on-going reforms are expected to bear fruit in the longer term, leading to a more stable economy.

Equity Capital Markets

After negative closes in the previous two years, the KSE-100 finally witnessed a rebound during CY19 as it closed up 10% at 40,735. This was driven by the 42% rally witnessed from the low the index made in Aug-2019. Major reasons for the recovery were commencement of the IMF program and subsequent improvement in major macroeconomic indicators. Foreign investors also turned net buyers in the year under review with cumulative net buying of US\$55mn, while Mutual Funds were net sellers (US\$169mn). On a sector-wise basis, the Textile Composite (+12% YoY) and Oil & Gas Exploration (+11% YoY) sectors outperformed the KSE-100 index, while Refineries (-28% YoY) Oil & Gas Marketing Companies (-14% YoY), Engineering (-13% YoY) and Power Generation and Distribution (-12% YoY) sectors were among major underperformers. While investor participation increased in the second half of CY19, average daily traded volumes declined to 159mn shares (down 14% YoY), whereas average daily traded value decreased to US\$39mn (down 40% YoY). For CY20, considering potential economic recovery, valuations are expected to catch up and narrow the existing high discount of KSE-100 vis-à-vis regional markets.

Foreign Exchange Market

During the year 2019, USD/PKR traded between the range of 138.15 and 164.50, compared to 110.53 and 142.00 in the previous year. The USD/PKR opened the year at 138.8391, making a low of 138.15 in Jan-19 and made a high of 164.50 in Jun-2019, as the USD appreciated by 19.07%. In the later part of the year, the USD depreciated by 5.86%, closing the year at 155.0183 in Dec-2019. For the full year 2019, USD appreciated by 11.48%.

The average SWAPs in Jan-19 for 1 month, 3 month & 6 month were at PKR 0.2271, PKR 0.8344 and PKR 2.0394 respectively. During this period SWAPs witnessed an upward trend and increased significantly in the month of Aug 19. In Aug-19, the average SWAPs for 1 month, 3 month & 6 month traded at PKR 1.5910, PKR 4.3050 and PKR 8.2536 respectively. Coming towards the year end the average SWAPs for 1 month, 3 month & 6 month traded at PKR 1.218, PKR 3.121, and PKR 6.047 respectively. The increase in SWAPs was mainly on account of the repeated increases in the discount rate by the central bank.

Money Market

The money market remained volatile during CY19 as the State Bank of Pakistan raised the interest rate by a cumulative 325 basis points. However, after achieving stability on the external front, the Discount Rate was left unchanged in the last two policy meetings. Moving forward, interest rates are expected to decline in 2HCY20 based on lower inflation projections.

At the year-end, cut off of T-bills remained at 13.49%, 13.29% and 13.13% in 3M, 6M and 12M tenor respectively. Overall participation in T-Bills remained high. In PIB auctions, participants increased the maturities of their portfolios in expectation of monetary easing, which reflected in higher participation in longer tenures. By the end of CY19, cut off of PIB remained at 11.75%, 11.19% and 11.00% for the 3Y, 5Y, and 10Y papers. However, bids in 20 year PIBs were rejected by SBP. Moreover, the cut off of floating rate PIB remained at 39.5 basis points over the 6 month T-bill weighted average yield.

Directors' Report

Commodities Market

Volumes at the Pakistan Mercantile Exchange (PMEX) declined by 10.8% during 2019 to 3.49 million, whereas value traded posted an increase of 11.8%. The US-China trade war, Brexit, and tensions in the Middle East heaped pressure on investor sentiment and led to reduced activity and an increase in commodity prices during the year. Crude oil prices depicted high volatility during the year as WTI prices closed the year at USD 61.20 per barrel compared to USD 45.53 at the close of last year, up by 34.4%. The recent incident between USA and Iran at the start of 2020 could keep tensions high in the short term in the geo-political situation. However, recent statements from leaders have suggested efforts are underway to mitigate the crisis.

Principal activities

The Company is a Trading Right Entitlement Certificate (TREC) holder of Pakistan Stock Exchange Limited (PSX) and member of Pakistan Mercantile Exchange Limited (PMEX). The principal activities of the Company are share brokerage, money market brokerage, forex brokerage, commodity brokerage, advisory, underwriting, book running and consultancy services. Other activities include investment in a mix of listed and unlisted equity and debt securities and reverse repurchase transactions.

Overview of Financial Performance

The summarized results are set out below:

	Year ended December 31, 2019	Year ended December 31, 2018
	Rupees	
Profit before tax	107,289,020	98,836,356
Profit after tax	47,248,393	25,637,137
Earnings per share	1.31	0.67

Monetary impacts of significant P&L items on the Company's bottom-line are highlighted as under:

The Company earned operating revenue amounting to PKR 370 million relative to PKR 478 million in the corresponding period prior year, thus clocking the decline of 23%.

On the cost front, the Company incurred PKR 569 million (down 12% YoY) for the said year in respect of administrative and operating expenses.

The increase in profitability is directly attributable to the significant increase in volumes at the bourse during last three months of period under consideration. These were market related factors whereas the Company was once again able to maintain its overall market share despite all challenges. Going forward, as the volumes at the bourse improves; the Company is poised to capitalize on the back of its growing market share.

Moreover, the Company is focused on maintaining its growth momentum in the long run. The management is acutely monitoring its resources to reap the maximum benefits for its shareholders. This involves optimizing revenue generation from treasury management, core brokerage and fee based operations whilst at the same time rationalizing our cost base.

As detailed in the Notice of Annual General Meeting, the Company intends to purchase/acquire three floors in "The Centre" building primarily because of low property cost these days in Pakistan and for future expansion or earn rental income by letting out additional space till the time it is not used for expansion and will also result in savings in terms of current rent expense.

Directors' Report

Appropriation of Profits

Profit for the year ended, along with distributable profit at year-end, has been appropriated as follows:

	Year ended December 31, 2019 ----- Rupees -----	Year ended December 31, 2018 ----- Rupees -----
Un-appropriated profit brought forward	410,067,028	384,429,891
Impact of initial application of IFRS-9 (Net of deferred tax)	(9,697,830)	-
Distribution of profits through buy back of shares	(335,250,000)	-
Profit after tax	47,248,393	25,637,137
Un-appropriated profit carried forward	112,367,591	410,067,028
Other Comprehensive Income		
Un realized gain on revaluation of AFS Investments	5,510,021	8,158,847

The Board of Directors of the Company has not proposed any distribution to shareholders for the year ended December 31, 2019 on account of future liquidity requirements.

Corporate Governance and Financial Reporting Framework

The Directors confirm compliance for the following matters:

- The financial statements, prepared by the management of the Company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards (IFRS), as applicable in Pakistan have been followed in preparation of financial statements and any departures therefrom has been adequately disclosed and explained.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- The Company has not defaulted in payment of any debt liability during the year.
- Reasons for significant deviation from the last year's operating results have been explained in the relevant section of the Directors Report.
- There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations.
- Key operating and financial data of last six years has been given in annual report.
- Information about outstanding taxes, duties, levies and charges, if any, is given in notes to the accounts.
- The Company operates an approved Contributory Provident Fund for its eligible employees. Value of investments as per audited financial statements for the year ended June 30, 2019 amounts to approximately PKR 99 million (2018: PKR 87.6 million).
- Material changes and commitments (if any) affecting the financial position of the Company that have occurred between the balance sheet date and the date of the Directors' Report is appropriately disclosed in accounts.

Directors' Report

The Board

The Board comprises of two independent directors, five other non-executive directors and the CEO. The Board comprises of all male members except one female member. The Board includes a mix of Directors with the right expertise and necessary experience required to fulfill their essential oversight roles. The Board values diversity of business skills and experience as the Directors with diverse skill set, capabilities and experience gained from different geographic and cultural background are critical in today's competitive business environment.

The positions of the Chairman and CEO are separate in line with the Code and best governance practices.

The Board of Directors has a formal policy and transparent procedures for remuneration of its directors. Directors excluding directors currently employed at any entity of JS Group receive fixed fee for attending each meeting of the Board and its committees along with travelling, conveyance and accommodation charges at actual. The purpose is to provide fixed remuneration to reflect the scale and complexity of both the business and the role, and to be competitive with the external market. No benefits like retirement, pension, gratuity, provident fund or insurance shall be available for any Non-Executive directors. Non-Executive directors cannot receive any rewards under any incentive or performance based remuneration plans, and personal loans or guarantees shall not be granted to them by the Company.

The aggregate remuneration including certain benefits to the CEO, Directors and Executives of the Company is disclosed in financial statements.

The annual formal process of evaluation of performance of the Board as a whole and its committees perform by engaging external independent consultant which is Pakistan Institute of corporate Governance (PICG) - an institute duly approved by SECP for this purpose.

The Board has three subcommittees comprising of Audit Committee, Executive Committee and Human Resource & Remuneration Committee, which assist the Board in the performance of its functions during the period under consideration. The Board has constituted Risk Management Committee and dissolved Executive Committee just before the year end. There is no meeting of Risk Management Committee held during the period under consideration.

Board Meetings and Attendance

During FY19, the Board of directors held 7 meetings. The attendance record of the directors is as follows:

S.no	Name of Director	Eligibility	Meetings attended
1	Mr. Muhammad Yousuf Amanullah	7	7
2	Mr. Muhammad Kamran Nasir (CEO)	7	7
3	Mr. Munir Hassan Taher	7	7
4	Mr. Khurshid Hadi*	6	3
5	Mr. Junaid Imran*	6	6
6	Mr. Ammar Talib Hajeyah*	6	2
7	Mr. Abdul Hamid Mihrez	7	6
8	Mr. Khusro Iqbal Mumtaz*	1	1
9	Ms. Shireen Raza*	1	1
10	Mr. Iftikhar Ahmed Rao*	1	1
11	Mr. Shahab Anwar Khawaja*	1	1
12	Mr. Khurram Shaikh*	6	5

The Board Audit Committee

During FY19, the Board Audit Committee held 4 meetings. The attendance record of the directors is as follows:

S.no	Name of Director	Eligibility	Meetings attended
1	Mr. Khurshid Hadi*	4	3
2	Mr. Ammar Talib Hajeyah*	4	1

Directors' Report

3	Mr. Munir Hassan Taher*	-	-
4	Mr. Khurram Shaikh*	4	4
5	Mr. Khusro Iqbal Mumtaz*	-	-
6	Ms. Shireen Raza*	-	-
7	Mr. Shahab Anwar Khawaja*	-	-

The Board Human Resource & Remuneration Committee

During FY19, the Board Human Resource & Remuneration Committee held 1 meeting. The attendance record of the directors is as follows:

S.no	Name of Director	Eligibility	Meetings attended
1	Mr. Muhammad Yousuf Amanullah*	-	-
2	Mr. Muhammad Kamran Nasir	1	1
3	Mr. Khurshid Hadi*	1	1
4	Mr. Khusro Iqbal Mumtaz*	-	-
5	Mr. Abdul Hamid Mihrez*	1	1
6	Mr. Iftikhar Ahmed Rao*	-	-

The Board Executive Committee

During FY19, the Board Executive Committee held 4 meetings. The attendance record of the directors is as follows:

S.no	Name of Director	Eligibility	Meetings attended
1	Mr. Muhammad Yousuf Amanullah	3	3
2	Mr. Muhammad Kamran Nasir	4	4
3	Mr. Abdul Hamid Mihrez	4	4
4	Mr. Munir Hassan Taher	4	3
5	Mr. Khurram Shaikh*	3	2

* Mr. Khusro Iqbal Mumtaz, Ms. Shireen Raza, Mr. Iftikhar Ahmed Rao and Mr. Shahab Anwar Khawaja have been appointed in place of outgoing directors Mr. Khurshid Hadi, Mr. Junaid Imran, Mr. Ammar Talib Hajeyah and Mr. Khurram Shaikh via election of directors held on December 24, 2019. The remaining directors were reelected and the Committees were reconstituted in first meeting of directors held after election of directors. The members highlighted in red font represent outgoing members and the members highlighted in green font represent incoming members of board and its committees.

Adequacy of Internal Financial Control

The Board of Directors has established a system of sound internal financial controls, for achieving effectiveness and efficiency in its operations, reliable financial reporting and compliance with applicable laws and regulations. The independent outsourced Internal Audit function of the Company regularly monitors implementation of financial controls whereas the Audit Committee reviews the effectiveness of the internal control framework and financial statements on a quarterly basis.

Corporate Social Responsibility

Statement of Corporate & Social Responsibility is disclosed in Annual Report.

Management Discussion of Financial Responsibility and Significant Risks and Uncertainty

The Company's management is responsible for preparing the financial statements and related notes contained in the Annual Report. The Board Audit Committee ('BAC') monitors and supervises the functions of the outsourced Internal Audit Department and assists the Board in overseeing internal control and monitoring and managing risks, (including but not limited to credit risk, liquidity risk, market risk, operational risk, legal/regulatory risk and reputational risk among others) that results from operating in the capital market industry. Internal Audit adopts a risk-based approach for planning and conducting business process audits, which are very much consistent with the established Framework. The Committee also reviews the performance of the Company's external auditors and recommends their appointment and the terms of their appointment.

Directors' Report

BAC operates in accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 issued by the Securities Exchange Commission of Pakistan (SECP). Terms of reference as approved by the Board sets out the scope of the Committee. The newly constituted Committee comprises of four non-executive directors including the Chairman who is an independent, non-executive director. The Chairman of the BAC satisfies the requirement of having at least one financial literate member, being a member of a recognized body of professional accountants. The Internal Audit function is outsourced to Deloitte Yousuf Adil, Chartered Accountants, who reports directly to the Chairman of the BAC, and the Chief Financial Officer is invited to attend the meetings. During the year, the Committee held four meetings. The external auditors were also in attendance to discuss specific issues. The financial statements of the company were reviewed by the BAC before approval by the Board.

Auditors

The auditors EY Ford Rhodes stand retired and are eligible for reappointment for the financial year 2020. BAC has recommended the reappointment of the retiring auditors along with its remuneration to board who recommends the same for members' approval at the forthcoming Annual General Meeting.

Pattern of Shareholding

Major shareholder of JS Global Capital Limited is JS Bank Limited who holds 83.53% shares. Other shareholders include one foreign institution, local institutions and the general public.

A statement of the general pattern of shareholding along with pattern of shareholding of certain classes of shareholders whose disclosure is required under the regulatory framework and the statement of purchase and sale of shares, if any, by Directors, Executives and their spouses including minor children during the year ended December 31, 2019 is presented later in annual report.

Credit Rating and Broker Management Rating

The Pakistan Credit Rating Agency (PACRA) has maintained the Company's long term and short-term ratings at AA (Double A) and A1+ (A-One Plus) respectively, for FY19. These ratings reflect the Company's sound financial position resulting from a robust capital structure and denotes a very low expectation of credit risk and very strong capacity for timely payments of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

During the FY19, PACRA conducted the Broker Management (BM) Rating and assigned BMR1 with a 'Stable' outlook. The rating derives comfort from the Company's policy prohibiting proprietary trading stocks, thus limiting the market risk and liquidity risk. The rating also reflects Strong regulatory compliance, control environment, and financial management; governance and risk management frameworks are highly effective; HR, IT, and customer services are highly proactive.

Future Outlook

With the strength that our balance sheet and reserves have to offer and our constant desire to achieve steady and tangible growth, we will continue to strengthen and improve on our services as well as create new financial products and services. In spite of the numerous challenges being faced by the country and the economy, we are confident that we will maintain our growth momentum in the long run and continue to build shareholders value as we have always in the past.

We plan on maintaining our focus on institutional building by continuously strengthening our core business units, increasing market share in all domains and constantly remaining in search of innovative financial products and services.

Acknowledgement

We express our sincere appreciation to our employees for their dedication and hard work and to our clients, business partners and shareholders for their support and confidence. The Board also takes this opportunity to express its gratitude to all the employees of JS Global Capital Limited for their untiring efforts.

We would like to acknowledge the Securities and Exchange Commission of Pakistan, Central Depository Company of Pakistan Limited, National Clearing Company of Pakistan Limited and the management of Pakistan Stock Exchange Limited for their efforts to strengthen capital markets and their measures to protect investor rights.

For and on behalf of the
Board of Directors

Muhammad Kamran Nasir
Chief Executive Officer

Muhammad Yousuf Amanullah
Director

Date: February 20, 2020

31 دسمبر 2019ء بعد میں سالانہ رپورٹ میں پیش کی جاتی ہے۔

کریڈٹ درجہ بندی اور بروکر کی انتظامی درجہ بندی پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے کمپنی کے طویل المدت اور قلیل مدت درجہ بندی برائے FY19 بالترتیب (Double A)+ A1 اور (A-One Plus) + A1 ترتیب دی ہے۔ یہ درجہ بندی کمپنی کی مستحکم مالیاتی حالت کی عکاسی کرتی ہے جو مضبوط سرمایہ کاری ساخت کا نتیجہ ہے اور کریڈٹ رسک کی بہت کم توقع اور مالیاتی معاہدات کی بروقت ادائیگی کیلئے بہت مضبوط گنجائش کو ظاہر کرتی ہے۔ یہ گنجائش امکانی واقعات کے خطرات سے دوچار نہیں ہے۔

FY19 کے دوران، PACRA نے بروکر مینجمنٹ (BM) درجہ بندی کی ہے اور ”مستحکم“ خاکہ کے ساتھ BMRI وضع کی ہے۔ درجہ بندی کے نتائج کمپنی کی ملکیتی تجارتی اسٹاک روکنے کی پالیسی کو سہولت دیتے ہیں، لہذا مارکیٹ رسک اور لیکوڈیٹی رسک کو محدود کرتے ہیں۔ یہ درجہ بندی ضابطہ کی سخت تعمیل، ماحولیاتی انضباط، اور مالیاتی انتظام کی عکاسی کرتی ہے: انتظامی اور خطرانی انتظامی لائحہ عمل انتہائی مؤثر ہیں: IT، HR، اور کسٹمر سروس انتہائی محتاط ہیں۔

مستقبل کا خاکہ قوت کے ساتھ کہ ہمارے بیلنس شیٹ اور ذخائر پیش کرنا پڑتے ہیں اور مستحکم اور مضبوط پیداوار کی ہماری مستقل خواہش کے ساتھ، ہم اپنی خدمات کو مضبوط اور بہتر کرنے میں نیز نئی مالیاتی مصنوعات اور خدماتی تخلیق کو جاری رکھیں گے۔ ملک اور اقتصادیات کو درپیش متعدد دشواریوں کا سامنا کرنے کے باوجود ہم پر امید ہیں کہ ہم اپنی پیداواری رفتار کو طویل المدت برقرار رکھنے اور حصص یافتگان کی قدر کو جاری رکھیں گے جیسا کہ ہم ہمیشہ ماضی میں کر چکے ہیں۔

توثیق ہم اپنے ملازمین کی لگن اور محنت، اور اپنے مؤکلین، کاروباری شراکت داران اور حصص یافتگان کا ان کی حمایت اور اعتماد کو پر خلوص طور پر سراہتے ہیں۔ یہ بورڈ جے ایس گلوبل لمیٹڈ کے تمام ملازمین کی انتھک کوششوں کیلئے شکریہ کا اظہار کرتا ہے۔

ہم سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، سینٹرل ڈپوزیٹری کمپنی آف پاکستان، نیشنل کلیئرنگ کمپنی لمیٹڈ اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی جانب سے لمیٹڈ مارکیٹ کو مضبوط کرنے کی ان کی کوششوں اور سرمایہ کار کے حقوق کا تحفظ کرنے کیلئے ان کے اقدامات کو تسلیم کرتے ہیں۔

ومنجان بورڈ آف ڈائریکٹرز

محمد یوسف امان اللہ

ڈائریکٹر

محمد کامران ناصر

چیف ایگزیکٹو آفیسر

کراچی، 20 فروری 2020

معقول اندرونی مالیاتی انضباط

بورڈ کے ڈائریکٹرز نے مستحکم اندرونی مالیاتی انضباط قائم کیا ہے، اپنے افعال میں مہارت اور استعداد حاصل کرنے، قابل اعتماد مالیاتی آگاہی اور قابل اطلاق قوانین و ضوابط کی تعمیل کیلئے۔ آزاد بیرونی ذرائع سے کمپنی کے اندرونی آڈٹ کے افعال مالیاتی انضباط پر عملدرآمد ہونے کی باقاعدہ نگرانی کرتا ہے جبکہ آڈٹ کمیٹی اندرونی انضباطی لائحہ عمل اور سہ ماہی بنیاد پر مالیاتی تفصیلات کا مؤثر طریقے سے جائزہ لیتی ہے۔

ادارتی سماجی ذمہ داری
ادارتی اور سماجی ذمہ داری کی تفصیل سالانہ رپورٹ میں ظاہر کی گئی ہے۔

مالیاتی ذمہ داری اور نمایاں خدشات اور غیر یقینی صورتحال پر انتظامی بات چیت

کمپنی کی انتظامیہ مالیاتی تفصیلات اور سالانہ رپورٹ میں شامل متعلقہ نوٹس تیار کرنے کی ذمہ دار ہے۔ بورڈ آڈٹ کمیٹی (’بی اے سی‘) بیرونی ذرائع سے اندرونی آڈٹ ڈیپارٹمنٹ کے افعال کی نگرانی و جانچ کرتی ہے اور اندرونی نگرانی اور خطرات کی نگرانی میں بورڈ کی معاونت کرتی ہے، (بشمول لیکن محدود نہیں جس میں شامل ہے کریڈٹ رسک، لیکویڈیٹی رسک، مارکیٹ رسک، آپریشنل رسک، قانونی / ضابطہ کے خطرات اور دوسروں کے مابین سیاکھ کے خطرات) جو سرمایہ مارکیٹ کی صنعت میں کام کا نتیجہ ہوتے ہیں۔ اندرونی آڈٹ کاروباری طریقہ کی جانچ پڑتال کا ایک خطرانی بنیاد پر مبنی طریقہ اپناتا ہے، جو قائم کردہ لائحہ عمل کے ساتھ بہت پائیدار ہیں۔ یہ کمیٹی کمپنی کے بیرونی آڈیٹرز کی کارکردگی کا بھی جائزہ لیتی ہے اور ان کا تقرر اور ان کے تقرر کی شرائط تجویز کرتی ہے۔

بی اے سی فہرست شدہ کمپنیوں (طریقہ اداری انتظام) کے ضوابط 2019ء کی تعمیل کے تحت کلم کرتی ہے جو سکیورٹیز ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) سے جاری کردہ ہیں۔ حوالہ کی شرائط جیسا کہ بورڈ سے منظور کردہ ہیں کمیٹی کا دائرہ کار طے کرتی ہیں۔ نئی تشکیل کردہ کمیٹی چار غیر اعلیٰ ڈائریکٹرز پر مشتمل ہونی ہے بشمول چیئرمین کے جو ایک آزاد، غیر اعلیٰ ڈائریکٹر ہوتا ہے۔ بی اے سی کا چیئرمین مالیات سے واقف کم از کم ایک رکن رکھنے کی درکار ضرورت کو پورا کرتا ہے، پیشہ وارانہ اکاؤنٹینٹس سے منظور شدہ بطور ایک رکن۔ اندرونی آڈٹ کا کام بیرونی ذرائع سے ڈیلٹ یوسف عادل، چارٹرڈ اکاؤنٹس کو دیا جاتا ہے جو بی اے سی کے چیئرمین کو براہ راست رپورٹ دیتے ہیں اور چیف فنانشل آفیسر کو اجلاس میں شرکت کیلئے مدعو کیا جاتا ہے۔ اس سال کے دوران، کمیٹی نے چار اجلاس منعقد کیئے۔ بیرونی آڈیٹرز بھی خصوصی مسائل پر بات کرنے کیلئے موجود تھے۔ بورڈ کی منظوری سے قبل بی اے سی کی جانب سے کمپنی کی مالیاتی تفصیلات کا جائزہ لیا گیا۔

آڈیٹرز

آڈیٹرز ای وائی فورڈ رھوڈز سبکدوش ہیں اور مالیاتی سال 2020ء کیلئے دوبارہ تقرری کے اہل ہیں۔ بی اے سی نے سبکدوش ہونے والے آڈیٹرز کی تقرری تجویز کی ہے بشمول بورڈ سے ان کے معاوضہ جات جو آئندہ سالانہ عمومی اجلاس میں اراکین کی منظوری کیلئے انہیں تجویز کرتے ہیں۔

نمونہ حصص کاری

جے ایس گلوبل کپیتل لمیٹڈ کا بڑا حصص یافتہ ہے ایس بینک لمیٹڈ ہے جس کے پاس 83.53% حصص ہیں۔ دیگر حصص یافتگان میں ایک غیر ملکی ادارہ، مقامی ادارے اور عوام الناس شامل ہیں۔

حصص کاری کے عمومی نمونے کی تفصیل بشمول ضابطہ کے تحت ایسے حصص یافتگان کی اقسام کیلئے درکار حصص کاری نمونہ اور ڈائریکٹرز، ایگزیکٹوز اور ان کے زوجین بشمول انکے چھوٹے بچوں کی جانب سے حصص کی خرید و فروخت کی تفصیل اگر کوئی ہے، دوران اختتام سال

ڈائریکٹرز کی رپورٹ

بورڈ آڈٹ کمیٹی

FY19 کے دوران، بورڈ آڈٹ کمیٹی نے 4 اجلاس منعقد کیے۔ ڈائریکٹرز کی حاضری کا اندراج درج ذیل ہے:

نمبر شمار	نام ڈائریکٹر	اہلیت	شرکت کردہ اجلاس
۱	جناب خورشید حاجی *	۴	۳
۲	جناب عمار طالب حاجیہ *	۴	۱
۳	جناب منیر حسن طاہر *	-	-
۴	جناب خرم شیخ *	۴	۴
۵	جناب خسرو اقبال ممتاز *	-	-
۶	مسماة شیریں رضا *	-	-
۷	جناب شہاب انور خواجہ *	-	-

بورڈ کے انسانی وسائل اور معاوضہ جاتی کمیٹی

FY19 کے دوران، بورڈ انسانی وسائل اور معاوضہ جاتی کمیٹی نے 1 اجلاس منعقد کیا۔ ڈائریکٹرز کی حاضری کا اندراج درج ذیل ہے:

نمبر شمار	نام ڈائریکٹر	اہلیت	شرکت کردہ اجلاس
۱	جناب محمد یوسف امان اللہ *	-	-
۲	جناب محمد کامران ناصر	۱	۱
۳	جناب خورشید حادی *	۱	۱
۴	جناب خسرو اقبال ممتاز *	-	-
۵	جناب عبدالحمید مہریر	۱	۱
۶	جناب افتخار احمد راؤ *	-	-

بورڈ ایگزیکٹو کمیٹی

FY19 کے دوران، بورڈ ایگزیکٹو کمیٹی نے 4 اجلاس منعقد کیے۔ ڈائریکٹرز کی حاضری کا اندراج درج ذیل ہے:

نمبر شمار	نام ڈائریکٹر	اہلیت	شرکت کردہ اجلاس
۱	جناب محمد یوسف امان اللہ	۳	۳
۲	جناب محمد کامران ناصر	۴	۴
۳	جناب عبدالحمید مہریر	۴	۴
۴	جناب منیر حسن طاہر	۴	۳
۵	جناب خرم شیخ *	۳	۲

* جناب خسرو اقبال ممتاز، مسماة شیریں رضا، جناب افتخار احمد راؤ اور جناب شہاب انور خواجہ کو سبکدوش ہونے والے ڈائریکٹرز جناب خورشید حادی، جناب جنید عمران، جناب عمار طالب حاجیہ اور جناب خرم شیخ کی جگہ بذریعہ ڈائریکٹرز کے الیکشن مورخہ ۲۴ دسمبر ۲۰۱۹ء کو تقریر کیے گئے۔ بقایا ڈائریکٹرز کو دوبارہ منتخب کیا گیا اور ڈائریکٹرز کے الیکشن کے بعد منعقد ہونے والی ڈائریکٹرز کی پہلی میٹنگ میں کمیٹیاں تشکیل دی گئیں۔ لال رنگ میں نمایاں اراکین سبکدوش ہونیوالے اراکین کو ظاہر کرتے ہیں اور سبز رنگ میں نمایاں اراکین آنے والے اراکین کو ظاہر کرتا ہے۔

ڈائریکٹرز کی رپورٹ

درجے اور پیچیدگی کی عکاسی کرنا اور بیرونی مارکیٹ کے ساتھ مسابقت میں ہونا ہے۔ کوئی فوائد جیسے کہ ریٹائرمنٹ، پنشن، گریجویٹ، پروویڈنٹ فنڈ یا انشورنس کسی بھی غیر اعلیٰ ڈائریکٹرز کو دستیاب نہیں ہوں گے۔ غیر اعلیٰ ڈائریکٹرز کسی بھی مراعت یا کارکردگی کی بنیاد پر معاوضہ جاتی لائحہ عمل کے تحت کوئی انعام وصول نہیں کر سکتے اور، ذاتی قرضہ جات یا ضمانت کمپنی کی جانب سے منظور نہیں کی جائے گی۔

سی ای او، ڈائریکٹرز اور کمپنی کے اعلیٰ عہدیداران کو مجموعی معاوضہ بشمول متعلقہ فوائد کو مالیاتی تفصیلات میں ظاہر کیا گیا ہے۔

بورڈ کی بحیثیت مجموعی کارکردگی جائزہ کا سالانہ رسمی طریقہ کار اور اس کی کمیٹیاں بیرونی آزاد مشیر کو شامل کرتے ہوئے انجام دیتی ہیں جو کہ پاکستان انسٹیٹیوٹ آف کارپوریٹ گورننس (پی آئی سی جی) ہے جو اس مقصد کیلئے ایس ای سی پی کی جانب سے ایک باقاعدہ منظور کردہ ادارہ ہے۔

اس بورڈ کے پاس ذیلی کمیٹیاں ہیں جو آڈٹ کمیٹی، ایگزیکٹو کمیٹی اور ہیومن ریسورس اینڈ ری مینوزیشن کمیٹی پر مشتمل ہیں، جو بورڈ کے افعال کی کارکردگی میں زیر جائزہ مدت کے دوران اس کی معاونت کرتی ہیں۔ اس بورڈ نے رسک مینجمنٹ کمیٹی تشکیل دی ہے اور سال کے اختتام سے قبل ایگزیکٹو کمیٹی کو تحلیل کر دیا ہے۔ رسک مینجمنٹ کمیٹی کی کوئی میٹنگ زیر جائزہ مدت کے دوران منعقد نہیں ہوئی۔

بورڈ کے اجلاس اور شرکت

دوران FY19، بورڈ کے ڈائریکٹرز کے 7 اجلاس منعقد ہوئے۔ ڈائریکٹرز کی حاضری کا اندراج درج ذیل ہے:

نمبر شمار	نام ڈائریکٹر	اہلیت	شرکت کردہ اجلاس
۱	جناب محمد یوسف امان اللہ	۷	۷
۲	جناب محمد کامران ناصر (سی ای او)	۷	۷
۳	جناب منیر حسن طاہر	۷	۷
۴	جناب خورشید حادی*	۶	۳
۵	جناب جنید عمران*	۶	۶
۶	جناب عمار طالب حاجیہ*	۶	۲
۷	جناب عبدالحمید مہیرز	۷	۶
۸	جناب خسرو اقبال ممتاز*	۱	۱
۹	جناب شیریں رضا*	۱	۱
۱۰	جناب افتخار احمد راؤ*	۱	۱
۱۱	جناب شہاب انور خواجہ*	۱	۱
۱۲	جناب خرم شیخ*	۶	۵

ڈائریکٹرز کی رپورٹ

410,067,028		112,367,591	غیر تحریص منافع گذشتہ سے ماخوذ
			دیگر مجموعی آمدنی
8,158,847		5,510,021	اے ایف ایس سرکاری پر غیر تسلیم حاصل

کمپنی بورڈ کے ڈائریکٹرز نے اختتام سال 31 دسمبر 2019 کیلئے حصص یافتگان کو مستقبل کی لیکوڈیٹ ضروریات کی مد میں کوئی تقسیم تجویز نہیں کی۔

ادارتی انتظام اور مالیاتی آگاہی لائحہ عمل

ڈائریکٹرز درج ذیل معاملات پر تعمیل کی تصدیق کرتے ہیں:

کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی تفصیلات، اس کے معاملات، افعالی نتائج، نقدی بہاؤ اور ایکویٹی میں تبدیلی کو ظاہر کرتی ہے۔ کمپنی کی جانب سے باقاعدہ کتابی کھاتے ترتیب دیئے گئے۔

مالیاتی تفصیلات کی تیاری میں حسابی لائحہ عمل کو بدستور اپنایا گیا ہے اور حسابی تخمینے معقول اور محتاط فیصلے کی بنیاد پر ہیں۔ بین الاقوامی مالیاتی معیار (آئی ایف آر ایس)، جیسا کہ پاکستان میں رائج ہے اسے مالیاتی تفصیلات کی تیاری میں اپنایا گیا اور کہیں بھی کسی ڈپارچر کو مناسب طور پر ظاہر اور واضح کیا گیا ہے۔

اندرونی چارج پڑتالی نظام وضع کے لحاظ سے مستحکم ہے اور اسے مؤثر طریقے سے اپنایا گیا اور اس کا مشاہدہ کیا گیا ہے۔ کاروباری سلسلے کیلئے فنڈز کی حیثیت پر کوئی شبہ نہیں ہے۔

دوران سال کمپنی کسی قرضہ جاتی واجبات کی ادائیگی میں ناہندہ نہیں ہے۔

گزشتہ سال کے افعالی نتائج سے نمایاں تفریق کی وجوہات کو ڈائریکٹرز رپورٹ کے متعلقہ حصہ میں وضاحت کی گئی ہے۔

ادارتی انتظام کے بہتر اقدامات سے کوئی میٹرل ڈپارچر نہیں ہے، جیسا کہ فہرست کردہ ضوابط میں تفصیل سے درج ہے۔

گزشتہ چھ سالوں کے کلیدی افعال اور مالیاتی اعداد و شمار سالانہ رپورٹ میں دیئے گئے ہیں۔

ٹیکس بقایاجات کی معلومات، معاوضہ، لگان و واجبات اگر کوئی ہوں کھاتوں کے ٹوکس میں دیئے گئے ہیں۔

کمپنی اپنے اہل ملازمین کیلئے ایک منظور شدہ کنٹری بیوٹری پروویڈنٹ فنڈ چلاتی ہے۔ آڈٹ شدہ مالیاتی تفصیلات کے مطابق سرمایہ کاری کا حجم برائے اختتام سال 30 جون 2019، تقریباً 99 ملین پاکستانی روپے (2018: 87.6 ملین)۔

کمپنی کی مالیاتی حالت پر اثر انداز ٹوکس تبدیلیاں اور معاہدات (اگر کوئی ہوں) جو بیننس شیٹ کی تاریخ اور ڈائریکٹرز رپورٹ کی تاریخ کے درمیان واقع ہوئے ان کو کھاتوں میں باقاعدہ ظاہر کیا گیا ہے۔

بورڈ

یہ بورڈ دو آزاد ڈائریکٹرز، پانچ دیگر غیر اعلیٰ ڈائریکٹرز اور ایک سی ای او پر مشتمل ہے۔ بورڈ تمام مرد اراکین پر مشتمل ہے سوائے ایک خاتون رکن کے۔ اس بورڈ میں ڈائریکٹرز یکجا ہیں جو اپنے اہم فرائض کی انجام دہی میں درکار درست مہارت اور ضروری تجربہ کے حامل ہیں۔ یہ بورڈ کاروبار کی جداگانہ مہارت اور تجربہ کی قدر کرتا ہے جیسا کہ یہ ڈائریکٹرز جداگانہ مہارت، قابلیت اور مختلف جغرافیائی اور ثقافتی پس منظر سے حاصل تجربہ کے حامل ہیں جو آج کے کاروباری مسابقتی ماحول کیلئے ناگزیر ہیں۔

چیرمین اور سی ای او کے عہدے علیحدہ ہیں بمطابق ضوابط اور بہتر ادارتی قواعد۔

اس بورڈ کے ڈائریکٹرز اپنے ڈائریکٹرز کے معاوضہ جات کیلئے ایک رسمی لائحہ عمل اور شفاف طریقہ کار رکھتے ہیں۔ ڈائریکٹرز سوائے ان ڈائریکٹرز کے جو جے ایس گروپ کے کسی بھی ادارے میں حالیہ تعینات ہیں، بورڈ اور کمیٹی کی ہر ایک میٹنگ کیلئے طے شدہ فیس وصول کرتے ہیں بشمول سفری، آمدورفت اور قیام کے اصل اخراجات پر۔ طے شدہ معاوضہ کی ادائیگی کا مقصد کاروبار اور منصب دونوں کے

ڈائریکٹر کی رپورٹ

ایکویٹی میں سرمایہ کاری اور قرضہ جاتی ضمانتیں اور ریورس ری پرچیز لین دین۔

مالیاتی کارکردگی کا خاکہ
مختصر نتائج درج ذیل ترتیب دیئے گئے۔

اختتام سال 31 دسمبر، 2018	روپے	اختتام سال 31، دسمبر 2019	
98,836,356		107,289,020	منافع قبل از ٹیکس
25,637,137		47,248,393	منافع بعد از ٹیکس
0.67		1.31	آمدنی فی حصص

کمپنی کے نتائج پر P & L کی نمایاں اشیاء کے مالیاتی اثرات کو درج ذیل واضح کیا گیا جاتا ہے، کمپنی نے 370 ملین پاکستانی روپے کے فعال محصول آمدنی حاصل کی بلحاظ گزشتہ سال اسی مدت کے دوران 478 ملین پاکستانی روپے تھی، اس طرح اس میں 23% کی کمی واقع ہوئی ہے۔

لاگتی محاذ پر، کمپنی نے 569 ملین پاکستانی روپے (YoY 12% کم) مذکورہ سال کیلئے بسلسلہ انتظامی و افعالی اخراجات کی مد میں کیئے۔

منافع میں اضافہ گزشتہ تین ماہ کی زیر غور مدت کے دوران بازار کے نمایاں حجم میں اضافہ سے براہ راست منسوب ہے۔ یہ مارکیٹ سے متعلق عوامل تھے جبکہ باوجود تمام مشکلات کے کمپنی ایک بار پھر اپنے مجموعی مارکیٹ حصص کو برقرار رکھنے کے قابل تھی۔ آگے بڑھتے ہوئے، جیسے ہی بازار میں حجم بہتر ہوتا ہے، کمپنی اپنے بڑھتے ہوئے مارکیٹ حصص پر سرمایہ لگانے کیلئے پرامید ہے۔

مزید یہ کہ، کمپنی کی توجہ اپنی پیداواری رفتار کو طویل مدت تک برقرار رکھنے پر مرکوز ہے انتظامیہ اپنے حصص یافتگان کو زیادہ سے زیادہ فوائد دینے کیلئے اپنے وسائل کی ٹھیک طرح نگرانی کر رہی ہے۔ اس میں انتظامی خزانہ سے سے محصول آمدنی پیداوار میں اضافہ کرنا اہم بروکریج اور فیس کی بنیاد پر افعال اور جبکہ ساتھ ہی ہماری لاگتی بنیاد کو معقول بنانا شامل ہیں۔

جیسا کہ سالانہ عمومی اجلاس میں، یہ کمپنی ”دی سینئر“ عمارت میں ابتدائی طور پر تین منزلیں خریدنے/حاصل کرنے کا ارادہ رکھتی ہے کیونکہ آج کل پاکستان میں جائیداد کی قیمتیں کم ہیں اور مستقبل میں وسعت دینے کیلئے یا اضافی جگہ کرائے پر دے کر کرایہ آمدنی کیلئے، جب تک کہ اسے وسعت دینے کیلئے استعمال نہیں کیا جاتا اور موجودہ کرایہ اخراجات میں بچت کا نتیجہ بھی ہوگا۔

منافع کی تخصیص
منافع برائے اختتام سال، بشمول قابل تقسیم منافع اختتام سال پر درج ذیل تخصیص کیا گیا ہے:-

اختتام سال 31 دسمبر، 2018	روپے	اختتام سال 31، دسمبر 2019	
384,429,891		410,067,028	غیر تخصیص منافع گزشتہ سے ماخوذ
-		(9,697,830)	IFRS-9 کا ابتدائی اطلاق کا اثر (مجموعی التواء ٹیکس)
-		(335,250,000)	حصص کی واپسی کے ذریعے منافع کی تقسیم
25,637,137		47,248,393	منافع بعد از ٹیکس

اضافہ ہوا ہے، روزانہ اوسط تجارتی حجم 159 ملین حصص تک (YoY -14%) کم ہوا۔ جبکہ اوسط یومیہ تجارت کی مالیت 39 ملین امریکی ڈالر (YoY -40%) رہ گئی۔ CY20 کیلئے، ممکنہ اقتصادی بحالی پر غور کرتے ہوئے، تخمینہ جات کے حصول اور مقامی مارکیٹوں میں KSE-100 کی موجودہ زیادہ رعایت کی توقع ہے۔

بیرونی زرمبادلہ مارکیٹ

سال 2019 کے دوران امریکی ڈالر/پاکستانی روپے نے 138.15 اور 164.50 کی حد کے درمیان تجارت کی جبکہ گزشتہ سال کے مقابلے میں 110.53 اور 142 تھا۔ اس سال امریکی ڈالر/پاکستانی روپے 138.8391 پر کھولا، جنوری 19 میں 138.15 کی کم ترین سطح پر رہا اور جون 2019 میں امریکی ڈالر %19.07 سے بڑھ کر 164.50 کی بلند ترین سطح پر پہنچ گیا۔ سال کے آخر میں دسمبر 19 میں امریکی ڈالر %5.86 سے کم ہو کر 155.0183 پر آ گیا۔ پورے سال 2019 کا خلاصہ کریں تو امریکی ڈالر %11.48 سے اوپر رہا۔

جنوری-19 میں اوسط SWAPs 1 ماہ، 3 ماہ اور 6 ماہ کیلئے بالترتیب پاکستانی روپے 0.2271، پاکستانی روپے 0.8344 اور 2.0394 پاکستانی روپے پر تھے۔ اس مدت کے دوران SWAPs میں اضافہ کا رجحان ہوا اور اگست 19 میں نمایاں طور پر اضافہ ہوا۔ اگست 19 میں اوسط SWAPs نے 1.5910 پاکستانی روپے، 4.3050 پاکستانی روپے اور 8.2536 پاکستانی روپے پر تجارت کی۔ سال کے اختتام پر ماہ 3، ماہ 6 اور 12 ماہ کے اوسط SWAPs کا کاروبار بالترتیب PKR 1.218، PKR 3.121، PKR 6.0476 پر ہوا۔ تاہم SWAPs نے یہ اضافہ زیادہ شرح رعایت کے باعث دیکھا۔

بازار حصص

دوران CY19 بازار حصص غیر مستحکم رہا جیسا کہ اسٹیٹ بینک آف پاکستان نے شرح سود میں 325 پوائنٹس کی بنیاد پر اضافہ کر دیا۔ تاہم، بیرونی جانب استحکام حاصل ہونے کے بعد، یہ شرح رعایت گزشتہ دو پالیسی اجلاس میں غیر تبدیل رہی۔ آگے بڑھتے ہوئے، شرح سود 2HCY20 میں کم ہونے کی توقع ہے کم ترین افراط زر کے امکانات کی بنیاد پر۔

سال کے اختتام پر، ٹی بلز کے کٹ آف %13.49، %13.29 اور %13.13 پر رہے بالترتیب 3m، 6m اور 12m مدت میں۔ ٹی بلز میں مجموعی شراکت زیادہ رہی۔ پی آئی بی نیلامی میں، شراکت داروں نے مالی سہولیات کی توقع میں اپنے پورٹ فولیو کی اختتامی مدت کو بڑھا دیا، جو طویل مدت بنیاد پر زیادہ شراکت داری کا باعث بنا۔ CY19 کے اختتام تک، پی آئی بی کے کٹ آف %11.75، %11.19 اور %11.00 پر رہے 3Y، 5Y اور 10Y پیپرز کیلئے۔ تاہم، 20 سال کی پی آئی بی میں بولیاں ایس بی پی کی جانب سے مسترد کی گئیں۔ مزید یہ کہ، فلوٹنگ ریٹ کٹ آف سے 6 ماہ کے اوسط ٹی بل حصول پر پی آئی بی 39.5 پوائنٹس کی بنیاد پر رہی۔

کموڈوٹیز مارکیٹ

پاکستان مرکنٹائل ایکسچینج (PMEX) کا حجم %10.8 سے کم ہو کر 2019 کے دوران 3.49 ملین ہو گیا، جبکہ تجارت کردہ حجم %11.8 ظاہر کیا گیا۔ امریکہ۔ چائنا تجارتی جنگ، بریگزٹ، اور مشرق وسطیٰ میں کشیدگی سے سرمایہ کار پر دباؤ پڑا جو اس سال کے دوران کم سرگرمی اور مصنوعات کی قیمتوں میں اضافہ کے کا باعث بنا۔ خام تیل کی قیمتوں نے دوران سال زیادہ اتار چڑاؤ ظاہر کیا جیسا کہ WTI کی قیمتیں اختتام سال پر امریکی ڈالر 61.20 فی بیرل پر بند ہوئیں بہ نسبت گزشتہ اختتام سال کے امریکی ڈالر 45.53 کے مقابلے میں۔ اور سال کے اختتام تک %34.4 سے بڑھ گیا۔ 2020ء کے آغاز پر امریکہ اور ایران کے درمیان حالیہ واقعہ قلیل مدت کیلئے سیاسی جغرافیائی حالت پر کشیدگی برقرار رکھ سکتا ہے۔ تاہم، رہنماؤں کے حالیہ بیانات نے تجویز کیا ہے کہ بحران کو کم کرنے کیلئے پیشکشیں جاری ہیں۔

بنیادی سرگرمیاں

یہ کمپنی پاکستان اسٹاک ایکسچینج لمیٹڈ (PSX) کی ایک ٹریڈنگ رائٹ انٹیکلمنٹ سرٹیفکیٹ (TREC) کی حامل ہے اور پاکستان مرکنٹائل ایکسچینج لمیٹڈ (PMEX) کی ممبر ہے۔ اس کمپنی کی بنیادی سرگرمیاں ہیں تخصص بروکریج، بازار حصص بروکریج، فاریکس بروکریج، مصنوعات کی بروکریج، مشاورت، ضمانت، اور مشاورتی خدمات۔ دیگر سرگرمیوں میں شامل ہیں فہرست اور غیر فہرست شدہ

جے ایس گلوبل کیپیٹل لمیٹڈ ("کمپنی") کی سالانہ رپورٹ بشمول آڈٹ کردہ کھاتے اور آڈیٹرز کی رپورٹ برائے اختتام 31 دسمبر 2019ء پیش کرتے ہوئے ہمیں خوشی ہے۔

معیشت

سال 2019ء نے پاکستان کو میکرو ایکنا مک محاذ پر بڑی اصلاحات کرتے دیکھا۔ سب سے پہلے، مقامی کرنسی کی قدر میں انتہائی کمی کے بعد، آخر کار کچھ خارجی کھاتے کیلئے وقفہ تھا: دوران سال 19، موجودہ کرنٹ اکاؤنٹ (سی اے ڈی) تقریباً 62% تک کم ہوا گزشتہ سال کی اسی مدت کے دوران۔ تاہم سال CY19 کے دوران برآمدات جامد رہی، درآمدات 19% سے کم ہو گئی جو ایک کم تجارتی خسارہ کا باعث ہے، جبکہ سی اے ڈی کیلئے کچھ سپورٹ ترسیلات زر کی پیداوار 5.3% پائی گئی۔ مالیاتی لحاظ سے بھی 1QFY20 میں بہتری دیکھی گئی جب ملک میں مالی خسارہ 0.7% اور 0.6% کا ابتدائی اضافہ درج ہوا جو ایک مثبت علامت ہے، خصوصاً جب آئی ایم ایف کی جانب سے FY20 کیلئے طے کردہ ابتدائی خسارہ کے سخت حدف 0.6% پر نظر پڑتی ہے۔ آئی ایم ایف سے داخلی بہاؤ نے سی اے ڈی میں کمی کے ساتھ ملک کو اپنے بیرونی زرمبادلہ کے ذخائر کو سہارا دینے میں مدد دی ہے، جیسا کہ ایس بی بی کے ذخائر 2019 میں 58% سے 11.5 بلین امریکی ڈالر تک عبور کر چکے ہیں درآمدی طلب میں بہتری کے ساتھ 2018 میں 7.3 بلین امریکی ڈالر کے مقابلے میں۔ دہرا خسارہ کم ہونے سے بھی ملکی خدشات بہتر بنانے میں مدد ملی ہے۔ اسے موڈی کی جانب سے بھی تسلیم کیا گیا ہے، جس نے ملکی خاکہ کو منفی سے مستحکم میں تبدیل کر دیا ہے جو نمایاں اصلاحات پر پورا سال عملدرآمد کرنے کا ثبوت ہے۔ یہ ملک ورلڈ بینک کے ایز آف ڈوننگ بزنس انڈیکس پر 28 جگہیں عبور کر چکا ہے، جو اصلاحات کے نفاذ اور ملک کو پائیدار نمو کی جانب لے جانے کیلئے رواں کوششوں کی ایک اور علامت ہے۔ مزید یہ کہ، حکومت نے پاکستان کی درآمدات کو بہتر کرنے کیلئے کئی اقدامات پر توجہ مرکوز کی ہے، جس میں چائنا پاکستان فری ٹریڈ ایگریمنٹ (سی پی ایف ٹی اے-II) شامل ہے، جو چائنا کی مارکیٹوں میں پاکستانی مصنوعات کو ڈیوٹی فری رسائی فراہم کرے گا۔

جبکہ یہ اقدامات امید افزاء ہیں، کچھ دشواریوں کا سامنا ہے، جیسا کہ نمایاں افراط زر جو دوران 2019ء میں 9.4 فیصد گزشتہ سال کے مقابلے میں بڑھی ہے جس کے باعث اس سال متعدد شرح پالیسی میں 325 پوائنٹس کی بنیاد تک اضافہ ہوا۔ گردشی قرضوں کا بوجھ کم کرنے کیلئے اہم توانائی ٹیرف میں اضافہ پر غور کرتے ہوئے، یہ ممکن ہے کہ افراط زر آئندہ سال کیلئے مرکزی بینک کی جانب سے طے کردہ 11-12 فیصد کے حدف کی جانب بڑھے گی شرح سود میں کسی ممکنہ کمی میں تاخیر کرتے ہوئے، تاہم رواں اصلاحات سے زیادہ مستحکم معیشت کی جانب طویل المدت شمر حاصل ہونے کی توقع ہے۔

ایکویٹی کیپیٹل مارکیٹ

گزشتہ دو سالوں میں منفی اختتام کے بعد، کے ایس ای 100 میں دوران CY19 مال آخر پیشرفت ہوئی ہے جیسا کہ اس کا اختتام 40,735 جو کہ 10% ہوا ہے۔ اس کی وجہ اگست 2019 میں بنائے گئے کم انڈیکس سے 42% ریلی ہے۔ اس وصولیابی کی بڑی وجہ آئی ایم ایف کے پروگرام کا آغاز اور بعد ازاں اہم میکرو اکنامک عوامل میں بہتری ہونا تھا۔ زیر جائزہ سال کے دوران بیرونی سرمایہ کار 55 بلین امریکی ڈالر کی مجموعی فروخت کے ساتھ مجموعی خریدار بن گئے، جبکہ میچوکل فنڈ مجموعی فروخت کار (169 بلین امریکی ڈالر) تھے۔ شعبہ جاتی بنیاد پر، ٹیکسٹائل کمپوزٹ (+12% YoY) اور تیل اور گیس کی تلاش (+11% YoY) کے شعبوں نے KSE-100 انڈیکس کو زیادہ بہتر انجام دیا، جبکہ ریٹائرمنٹ (-28% YoY) تیل اور گیس مارکیٹنگ کمپنیاں (-14% YoY)، انجینئرنگ (-13% YoY) اور بجلی کی پیداوار اور تقسیم (-12% YoY) کے شعبے توقع سے کم کارکردگی انجام دینے والے تھے۔ جبکہ CY19 کے دوسرے نصف میں شراکتی سرمایہ کاری میں

Statement of Compliance with listed companies (Code of Corporate Governance) Regulations, 2019

Name of Company
Year Ended

JS Global Capital Limited ("the Company")
December 31, 2019

The company has complied with the requirements of the Regulations in the following manner:-

1. The total number of directors are Eight (8) as per the following:

GENDER	NUMBER OF DIRECTORS
Male	Seven (7)
Female	One (1)

2. The composition of the Board is as follows:

CATEGORY	NAMES
i) Independent Directors	Mr. Shahab Anwar Khawaja Mr. Iftikhar Ahmed Rao
ii) Non-Executive Directors	Mr. Muhammad Yousuf Amanullah Mr. Munir Hassan Taher Mr. Abdul Hamid Mihrez Mr. Khusro Iqbal Mumtaz
iii) Executive Director	Mr. Muhammad Kamran Nasir
iv) Female Director	Ms. Shireen Raza (Non-executive director)

3. The directors have confirmed that none of them is serving as a director on any other listed company other than **JS Global Capital Limited**.
4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. No Director has obtained Directors' Training program during the year; reason being that half of the directors on previous board have already attended appropriate directors' training program, and new directors have recently joined as a result of election of directors held on December 24, 2019.
10. The Board has approved appointment of chief financial officer, Company Secretary and Head of Internal Audit (if any), including their remuneration and terms and conditions of employment and complied with relevant requirements of the regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below.-

Statement of Compliance with listed companies (Code of Corporate Governance) Regulations, 2019

a) Audit Committee

- Mr. Shahab Anwar Khawaja - Chairman
- Mr. Khusro Iqbal Mumtaz - Member
- Ms. Shireen Raza - Member
- Mr. Munir Hassan Taher - Member

b) HR and Remuneration Committee

- Mr. Iftikhar Ahmed Rao - Chairman
- Mr. Muhammad Yousuf Amanullah - Member
- Mr. Muhammad Kamran Nasir - Member
- Mr. Khusro Iqbal Mumtaz - Member

c) Risk Management Committee

- Mr. Khusro Iqbal Mumtaz - Chairman
- Mr. Muhammad Yousuf Amanullah - Member
- Mr. Muhammad Kamran Nasir - Member
- Mr. Abdul Hamid Mihrez - Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings of the committee were as per following,-

a) Audit Committee - Quarterly

b) HR and Remuneration Committee - Yearly

15. The Board has outsourced the internal audit function to Deloitte Yousuf Adil Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with. The explanations as required under these regulations are as follows;

Regulation 6: Currently elected two (2) independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently as per laws and regulations under which hereby fulfill the necessary requirements; not warrant the appointment of a third independent director.

Regulation 8: The Board has only one (1) Executive director.

Muhammad Yousuf Amanullah
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Dated: February 20, 2020
Karachi

To The Members Of JS Global Capital Limited

Review Report On Statement of Compliance Contained In The Listed Companies (Code Of Corporate Governance) Regulations, 2019



EY Ford Rhodes
Chartered Accountants
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To the members of JS Global Capital Limited

Review Report on Statement of Compliance contained in the Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of JS Global Capital Limited (the Company) for the year ended 31 December 2019 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review, whether the statement of compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to assess and determine the company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Regulations as applicable to the Company for the year ended 31 December 2019.

EY Ford Rhodes

Chartered Accountants

Date: 18 March 2020

Place: Karachi

Compliance of Corporate Governance Code for Securities Broker*

To the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of any securities market laws.

Karachi: February 20, 2020

Muhammad Kamran Nasir
Chief Executive Officer

*This statement is given as per the requirements of Regulation 16(1)(f) [to be read with Annexure D clause 9(a)(iii)] of Securities Brokers (Licensing & Operations) Regulations, 2016.



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INDEPENDENT AUDITOR'S REPORT

To the members of JS Global Capital Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of JS Global Capital Limited (the Company), which comprise the statement of financial position as at 31 December 2019, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of the profit or loss and other comprehensive income or loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Following are the Key audit matters:

Key audit matters	How our audit addressed the key audit matter
<p>1. Measurement of equity brokerage income</p> <p>As disclosed in note 20 to the accompanying financial statements, the Company has equity brokerage income amounting to Rs.280.864 million, which is 76% of the operating revenue of the Company.</p> <p>We have identified the measurement of equity brokerage income as a key audit matter due to its significant effect on the Company's profitability, involvement of highly automated system based controls in the calculation and risk of unauthorized changes to the commission rates incorporated in the system.</p>	<p>Our key audit procedures in respect of Information Technology (IT) systems and controls of revenue processing and GL application and reporting processes included the following:</p> <ul style="list-style-type: none"> - Obtained a front-to-end understanding of the revenue recognition and reporting processes and identified the automated controls and the corresponding key IT systems that support the processes; - We assessed the IT control environment, reviewed the IT governance framework and tested the IT general controls of the key IT application that support the revenue recognition and reporting to evaluate whether the system dependent controls and information could be relied on throughout the period. Our testing of IT general controls covered access management, change management and IT operations; - We have tested the identified automated application controls, which are critical to the revenue recognition processes. Our testing procedures included the testing of system logics, automated calculations and validations, testing of system generated information, system interfaces and reconciliations; and - We have also assessed the adequacy of the Company's disclosures in respect of the operating revenue.



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Key audit matters	How our audit addressed the key audit matter
<p>2. First time adoption of IFRS 9 and IFRS 16</p> <p>Effective 01 January 2019, the Company has changed its accounting policies due to the adoption of the following new accounting standards:</p> <ul style="list-style-type: none"> - IFRS 9 'Financial Instruments' (IFRS 9) addresses the classification, measurement, recognition and de-recognition of financial instruments and introduces a new impairment model for financial assets which requires the Company to make provision using expected credit loss (ECL) approach as against the incurred loss model previously applied by the Company. Determination of ECL requires significant judgement and assumptions including consideration of factors such as historical credit loss experience and forward-looking macro-economic information. - IFRS 16 'Leases' (IFRS 16) sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model with corresponding recognition of right-of-use asset (ROU). Lessor accounting under IFRS 16 is substantially unchanged from accounting under IAS 17 'Leases' i.e. operating and finance leases. For lessees all leases will be classified as finance leases only. <p>We have considered the first time application of IFRS 9 and IFRS 16 as a key audit matter due to significance of the change in accounting methodology, involvement of significant estimates and judgments resulting adjustments in opening retained earnings, presentation and incremental quantitative and qualitative disclosures.</p>	<p>Our key audit procedures amongst others, includes obtaining of an understanding of the analysis performed by management to identify all significant differences between previous accounting standards and the new accounting standards which can impact the financial statements. We also reviewed management's assessment of the impact of new accounting standards on the Company's financial statements.</p> <p>We further considered the key decisions made by the Company with respect to accounting policies, estimates and judgments in relation to adoption of new accounting standards and assessed their appropriateness based on our understanding of the Company's business and its operations.</p> <p>Our procedures to review the application of IFRS 9, amongst others, included the following:</p> <ul style="list-style-type: none"> - Reviewed the methodology developed and applied by the management to estimate the allowance for ECL against the financial assets; - Considered and evaluated the approach and assumptions used in applying the ECL model based on historical information and qualitative factors as relevant for such estimates; - Assessed the integrity and quality of the data used for allowance for ECL computation based on the accounting records and information system of the Company as well as the external sources used for this purpose; - Checked the mathematical accuracy of the ECL model by performing recalculation on test basis. <p>Our audit procedures to review the application of IFRS 16, amongst others, included the following:</p> <ul style="list-style-type: none"> - Review of managements' impact assessment of all operating lease contracts with lessor in light of application of the new standard. Our assessment included; - Considered the completeness, by testing the reconciliation to the Company's operating lease commitments (if any) and by inspecting terms;



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	<ul style="list-style-type: none"> - Inspecting terms for a sample of operating lease contracts to determine whether the same are in scope of IFRS 16 and are also subject to recognition exemption under IFRS 16 for short-term and low value leases. We also reviewed contracts to identify whether it is a lease contract, and if so its various component, lease term, extended period, company historical experience, rental amount, payment terms, lease modifications terms, etc.; - Reviewed discount rate used by the Company to determine the present value of lease obligation and right of use ROU; - Reviewed and checked the period considered for depreciating ROU; - Tested calculation of PV of liability and ROU and its related finance cost and depreciation charge for the period; - We further tested the adjustments made in opening retained earnings as of 01 January 2019, where applicable as part of the transition process based on the differences identified; and - We also assessed the adequacy and appropriateness of financial statements presentation and disclosures in respect of IFRS 9 and IFRS 16 in accordance with the applicable financial reporting framework.
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Information Other than the Financial Statements and Auditor's Report Thereon

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

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



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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.



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- 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.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account;

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Independent Auditor's Report



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- c) 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 was in compliance with the requirements of section 78 of the Securities Act, 2015 and section 62 of the Futures Market Act, 2016, and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016 as at the date on which the statement of financial position was prepared.

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

Chartered Accountants

Date: 03 March 2020

Karachi



ABOUT JS GLOBAL

JS Global is one of Pakistan's oldest and arguably the largest brokerage firm by paid up capital and market share. JS Global is backed by reputable domestic and international shareholders namely JS Bank and Global Investment House, Kuwait. In addition to being a subsidiary of JS Bank, JS Global is also a listed company on the Pakistan Stock Exchange. JS Global has been awarded with the BMR 1 (Brokerage Management Rating 1) by PACRA (Pakistan's leading credit rating agency). JS Global remains a market leader in both Pakistan's Fixed income and equity brokerage markets, handling major market share of foreign fund business in the country.

JS GLOBAL CAPITAL LIMITED

PAKISTAN'S PREMIER BROKERAGE &
INVESTMENT BANKING FIRM



AHEAD

OF THE CURVE BY WINNING HISTORIC 5 CFA AWARDS

JS Global set the bar high at the 16th Annual Excellence Awards Ceremony (2018) hosted by the CFA Society Pakistan by winning a record 5 prestigious awards to become the first and only brokerage house in Pakistan to achieve this feat.

Best Equity Brokerage House
Best Economic Research House
Best Transaction (IPO of AGP Limited)
Best Equity Analyst
Best Equity Trader



INVEST WITH THE BEST!

JS Global Capital Limited, one of the largest Brokerage and Investment Banking firms in Pakistan, with a continued leadership position in the domestic capital markets, has become the first brokerage house in Pakistan to be rated as

BROKERAGE MANAGEMENT RATING 1

by PACRA (Pakistan's leading credit rating agency) This rating differentiates brokers based on quality of management and services provided to investors.

The rating reflects the strong standards of Corporate Governance, Business & Financial Stability, Management Quality, Client Services, IT Infrastructure, Risk Management Standards and Strict Adherence to the Regulatory Compliance Framework.

We further aim to provide unmatched services and highly effective management expertise to retain our position as the unchallenged market leaders.



Financial Statements

Statement of Financial Position

As at December 31, 2019

		2019	2018
	Note	(Rupees)	
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital:			
150,000,000			
(December 31, 2018:			
150,000,000) ordinary			
shares of Rs.10 each			
		1,500,000,000	1,500,000,000
Issued, subscribed and			
paid-up share capital	4	305,570,000	380,070,000
Share premium		1,810,104,900	1,810,104,900
Unrealised gain on revaluation			
of available-for-sale			
investments - net		-	8,158,847
Unrealised gain on revaluation			
of investments at fair value through			
other comprehensive income		5,510,021	-
Unappropriated profit		112,367,591	410,067,028
		2,233,552,512	2,608,400,775
LIABILITIES			
Non-current liabilities			
Liability against assets			
subject to finance lease	5	227,454,320	-
Current liabilities			
Creditors, accrued expenses and			
other liabilities	6	1,602,615,025	2,228,284,374
Unclaimed dividend		3,361,843	3,361,843
Current maturity of liability against			
assets subject to finance lease		24,870,804	-
		1,630,847,672	2,231,646,217
		4,091,854,504	4,840,046,992
Contingencies and commitments			
	7		

The annexed notes 1 to 35 form an integral part of these financial statements.

Muhammad Yousuf Amanullah
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Statement of Financial Position

As at December 31, 2019

		2019	2018
	Note	(Rupees)	
ASSETS			
Non-current assets			
Property and equipment	8	518,456,550	216,757,123
Intangible assets	9	14,512,810	17,789,847
Long term investments	10	130,098,199	141,999,318
Long term loans and deposits	11	32,478,602	28,996,577
Deferred taxation - net	12	121,366,133	122,096,696
		816,912,294	527,639,561
Current assets			
Short term investments	13	518,531,954	1,019,068,046
Trade debts	14	515,709,758	1,085,989,859
Receivable against margin finance		315,474,761	297,726,631
Loans and advances - considered good	15	17,967,996	11,019,245
Short-term deposits and prepayments	16	552,876,081	136,239,312
Interest and mark-up accrued	17	14,953,123	12,684,564
Other receivables	18	4,308,396	56,944,676
Advance tax		132,062,405	121,133,650
Cash and bank balances	19	1,203,057,736	1,571,601,448
		3,274,942,210	4,312,407,431
		4,091,854,504	4,840,046,992

The annexed notes 1 to 35 form an integral part of these financial statements.

Muhammad Yousuf Amanullah
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Statement of Profit or Loss

For the year ended December 31, 2019

		2019	2018
	Note	(Rupees)	
Operating revenue	20	369,610,717	478,163,009
Capital gain on sale of investments - net	21	29,150,101	39,707,340
Unrealised gain / (loss) on remeasurement of investments at fair value through profit or loss - net		550,906	(44,271,168)
Unrealised gain on remeasurement of derivatives at fair value through profit or loss - net		90,189	44,434,766
Dividend income		81,641,160	78,608,524
Margin finance income		45,585,898	55,059,663
		526,628,971	651,702,134
Administrative and operating expenses	22	(569,257,744)	(649,797,458)
		(42,628,773)	1,904,676
Other operating income - net	23	191,912,273	106,063,143
		149,283,500	107,967,819
Provision for Sindh Workers' Welfare Fund	6.3	(2,189,572)	(2,017,068)
Finance cost	24	(39,804,908)	(7,114,395)
Profit before taxation		107,289,020	98,836,356
Taxation - current		(44,114,043)	(59,423,121)
- prior		(11,049,309)	(9,617,363)
- deferred		(4,877,275)	(4,158,735)
	25	(60,040,627)	(73,199,219)
Profit after taxation		47,248,393	25,637,137
Earnings per share - basic and diluted	26	1.31	0.67

The annexed notes 1 to 35 form an integral part of these financial statements.

Muhammad Yousuf Amanullah
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Statement of Comprehensive Income

For the year ended December 31, 2019

		2019	2018
	Note	(Rupees)	
Profit for the year		47,248,393	25,637,137
Other comprehensive loss			
Items that will not be reclassified to statement of profit or loss subsequently		-	-
Unrealised loss on revaluation of investments at fair value through OCI during the period	10.2	(2,401,219)	-
Less: Related tax		120,641	-
		(2,280,578)	-
Items that may be reclassified to statement of profit or loss subsequently			
Unrealised loss on revaluation of investments at fair value through OCI during the period	10.2	(433,233)	(19,446,829)
Less: Related tax		64,985	793,913
		(368,248)	(18,652,916)
Total comprehensive income for the year		44,599,567	6,984,221

The annexed notes 1 to 35 form an integral part of these financial statements.

Muhammad Yousuf Amanullah
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Statement of Changes in Equity

For the year ended December 31, 2019

	Issued, subscribed and paid-up share capital	Share premium	Reserves		Sub- total	Total
			Unrealised gain / (loss) on revaluation of available-for-sale / fair value through other comprehensive income investments - net (Rupees)	Revenue reserve Unappropriated profit		
Balance as at January 01, 2018	380,070,000	1,810,104,900	26,811,763	384,429,891	2,221,346,554	2,601,416,554
Total comprehensive income for the year						
Profit for the year ended December 31, 2018	-	-	-	25,637,137	25,637,137	25,637,137
Other comprehensive loss - net of tax	-	-	(18,652,916)	-	(18,652,916)	(18,652,916)
Total comprehensive loss for the year	-	-	(18,652,916)	25,637,137	6,984,221	6,984,221
Balance as at December 31, 2018 as previously reported	380,070,000	1,810,104,900	8,158,847	410,067,028	2,228,330,775	2,608,400,775
Impact of initial application of IFRS 9 (note 2.5.2)	-	-	-	(13,658,916)	(13,658,916)	(13,658,916)
Impact of deferred tax	-	-	-	3,961,086	3,961,086	3,961,086
Adjusted balance as at January 01, 2019	380,070,000	1,810,104,900	8,158,847	400,369,198	2,218,632,945	2,598,702,945
Total comprehensive (loss) / income for the year						
Profit for the year ended December 31, 2019	-	-	-	47,248,393	47,248,393	47,248,393
Other comprehensive loss - net of tax	-	-	(2,648,826)	-	(2,648,826)	(2,648,826)
Total comprehensive (loss) / income for the year	-	-	(2,648,826)	47,248,393	44,599,567	44,599,567
Transactions with owners recognised directly in equity						
Buy back of 7,450,000 shares having face value of Rs.10 each at a price of Rs.55 each	(74,500,000)	-	-	-	-	(74,500,000)
Amount paid in excess of face value of 7,450,000 shares	-	-	-	(335,250,000)	(335,250,000)	(335,250,000)
Balance as at December 31, 2019	305,570,000	1,810,104,900	5,510,021	112,367,591	1,927,982,512	2,233,552,512

The annexed notes 1 to 35 form an integral part of these financial statements.

Muhammad Yousuf Amanullah
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Statement of Cash Flow

For the year ended December 31, 2019

		2019	2018
	Note	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		107,289,020	98,836,356
Adjustments for:			
Depreciation	8.1	43,331,135	25,535,148
Depreciation of right-of-use assets	8.2	40,760,243	-
Gain on disposal of right-of-use assets		(12,419,581)	-
Impairment of TRE Certificate	9.2	3,227,330	-
Amortisation of intangible assets	9.3	49,707	321,138
Gain on sale of long term investment		-	(4,488,264)
Gain on sale of property and equipment	8.1.1	(9,560,024)	(11,668,213)
Unrealised loss on remeasurement of investments at fair value through profit or loss - net		(550,906)	44,271,168
Unrealised gain on remeasurement of derivatives at fair value through profit or loss - net		(90,189)	(44,434,766)
Provision for Sindh Workers' Welfare Fund		2,189,572	2,017,068
Finance cost	24	39,804,908	7,114,395
		106,742,195	18,667,674
Cash generated from operating activities before working capital changes		214,031,215	117,504,030
Decrease / (increase) in current assets			
Trade debts		564,312,371	(524,391,036)
Receivable against margin finance		(17,748,130)	30,440,372
Loans and advances		(6,948,751)	1,227,538
Short-term deposits and prepayments		(417,734,608)	48,006,056
Interest and mark-up accrued		(2,268,559)	2,464,505
Other receivables		45,035,283	9,207,452
		164,647,606	(433,045,113)
(Decrease) / increase in current liabilities			
Creditors, accrued expenses and other liabilities		(616,283,378)	1,068,660,944
Cash generated from operations		(237,604,557)	753,119,861
Finance cost paid		(4,900,840)	(7,114,395)
Taxes paid		(66,092,106)	(133,039,180)
Net cash (used in) / generated from operating activities		(308,597,503)	612,966,286
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	8.1 & 8.3	(90,661,541)	(172,148,875)
Proceeds from disposal of property and equipment	8.1.1	11,550,786	15,328,348
Long term loans, advances and deposits		(3,482,025)	364,954
Addition to intangible assets	9	-	(9,510,507)
Long term investments - net		9,252,293	(124,511,736)
Short term investments - net		501,086,998	(429,347,458)
Net cash generated / (used in) from investing activities		427,746,511	(719,825,274)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid / adjustment		-	(69,499)
Lease rentals paid		(77,942,720)	-
Payment of buy back of shares		(409,750,000)	-
Net cash used in financing activities		(487,692,720)	(69,499)
Decrease in cash and cash equivalents during the year		(368,543,712)	(106,928,487)
Cash and cash equivalents at the beginning of the year		1,571,601,448	1,678,529,935
Cash and cash equivalents at the end of the year	19	1,203,057,736	1,571,601,448

The annexed notes 1 to 35 form an integral part of these financial statements.

Muhammad Yousuf Amanullah
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Notes to the Financial Statements

For the year ended December 31, 2019

1. STATUS AND NATURE OF BUSINESS

JS Global Capital Limited (the Company) was incorporated as a private limited company on June 28, 2000. However, the Company commenced its operations in May 2003 and name of the Company was changed from JSCL Direct (Private) Limited to Jahangir Siddiqui Capital Markets (Private) Limited. Subsequently, the Company was converted into a public unquoted company and the holding company Jahangir Siddiqui & Co. Ltd. (JSCL) offered its 25% shareholding to the general public for subscription in December 2004 and the Company obtained listing on Karachi Stock Exchange Limited and Islamabad Stock Exchange Limited on February 07, 2005. During 2006-07, the Company issued 10,009,700 shares to Global Investment House K.S.C.C Kuwait, ('Global'). The shares were issued to Global without offering right shares on the basis of a special resolution passed on July 11, 2006. The Securities and Exchange Commission of Pakistan vide its letter no. EMD/CI/49/2006-458 dated July 19, 2006 gave its in-principle approval to the scheme.

During the year 2012, JS Bank Limited (the Bank), a subsidiary of JSCL, acquired 25,525,169 shares of the Company from JSCL and other shareholders against issuance of 185,321,537 shares in lieu thereof. As a result, the principal ownership of the Company was transferred to the Bank. Presently, the Company is subsidiary of JS Bank Limited, which is a subsidiary of JSCL, the ultimate parent of the Company.

During the year, the Company announced public announcement of buy back for purchase of its owns shares up to maximum of 7,450,000 shares through tender offer for the purpose of cancellation. The payment for accepted shares was made on October 01, 2019. The unaccepted shares were subsequently returned to unsuccessful shareholders and accepted shares were subsequently cancelled on October 02, 2019.

The Company is a Trading Right Entitlement Certificate (TREC) holder of Pakistan Stock Exchange Limited (PSX) and member of Pakistan Mercantile Exchange Limited (PMEX). The principal activities of the Company are share brokerage, money market brokerage, forex brokerage, commodity brokerage, advisory, underwriting, book running and consultancy services. Other activities include investment in a mix of listed and unlisted equity and debt securities and reverse repurchase transactions. The registered office of the Company changes from 6th floor, Faysal House, Shahr-ah-e-Faisal, Karachi, Pakistan to 17th Floor, The Centre, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi, Pakistan during the year. The Company has eight branches (2018: eleven) in seven cities of Pakistan which are as follows:

Branch Name	Address
1 Stock Exchange Branch	Room No. 634, 6th Floor, Stock Exchange Building, Stock Exchange Road, Karachi
2 Gulshan-e-Iqbal Branch	Suite No. 607-A, 6th Floor, Al Ameen Towers, Plot No E-2, Block 10, Gulshan-e- Iqbal, Main NIPA, Karachi
3 Hyderabad Branch	Shop No. 20, Ground Floor, Auto Bhan Towers, Auto Bhan Road, Unit No. 3, Latifabad, Hyderabad
4 Islamabad Branch	Room No. 413, 4th Floor, ISE Towers, 55-B, Jinnah Avenue , Islamabad
5 Faisalabad Branch	Office No. G-04, Ground Floor, Mezan Executive Tower Plot No 4, Liaquat Road, Faisalabad
6 Lahore Branch	Plot No. 434-G/1, MA Johar Town, Lahore
7 Multan Branch	Office No. 608-A, 6 th Floor, The United Mall, Plot No. 74, Abdali Road, Multan
8 Peshawar Branch	1 st Floor, State Life Building No. 34 The Mall Road, Peshawar Cantt, Peshawar

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:

Notes to the Financial Statements

For the year ended December 31, 2019

- International Financial Reporting Standards (IFRS Standards) 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 Standards, 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 for certain investments and derivative financial instruments which are stated at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupee, which is also the functional and presentation currency of the Company and rounded off to the nearest rupee.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and as other comprehensive income at assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which are apparent from other sources. Actual results may differ from these estimates.

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

The estimates and judgments that have a significant effect on the financial statements are in respect of the following:

- Investments (notes 3.4, 10 and 13);
- Residual values and useful lives of property and equipment (notes 3.2 and 8);
- Useful lives of intangible assets (notes 3.3 and 9);
- Recognition of current and deferred taxation (notes 3.6 and 12);
- Impairment of fair value through other comprehensive income investments (notes 3.4 and 13.3);
- Provision for impairment on financial assets (notes 3.14, 13 and 18); and
- Leases (notes 3.14).

- 2.5** The Company has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year.

Standard or Interpretation

IFRS 9 - Financial Instruments: Classification and Measurement

IFRS 15 - Revenue from Contracts with Customers

IFRS 16 – Leases

IAS 19 - Plan Amendment, Curtailment or Settlement (Amendments)

IAS 28 - Long-term Interests in Associates and Joint Ventures (Amendments)

IFRIC 23 - Uncertainty over income tax treatments

Notes to the Financial Statements

For the year ended December 31, 2019

Improvements to Accounting Standards Issued by the IASB in December 2017

IFRS 3 Business Combinations - Previously held Interests in a joint operation

IFRS 11 Joint Arrangements - Previously held Interests in a joint operation

IAS 12 Income Taxes - Income tax consequences of payments on financial instruments classified as equity

IAS 23 Borrowing Costs - Borrowing costs eligible for capitalisation

The adoption of the above standards, amendments and improvements to accounting standards did not have any material effect on the Company's financial statements except for IFRS 9 and IFRS 16. The impact of adoption of IFRS 9 and IFRS 16 are described below:

2.5.1 IFRS 16 Leases

During the current year, the Company have adopted IFRS 16 as issued by the International Accounting Standards Board (IASB) in January 2016.

IFRS 16 supersedes IAS 17 "Leases", IFRIC 4 "Determining whether an Arrangement contains a Lease", SIC-15 "Operating Leases-Incentives" and SIC-27 "Evaluating the Substance of Transactions Involving the Legal Form of a Lease". The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Company is the lessor.

The Company has lease contracts for its head office and various branches. Before the adoption of IFRS 16, the Company classified each of its leases (as lessee) at the inception date as an operating lease. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in statement of profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under 'Short term deposits and prepayments' and 'Creditors, accrued expenses and other liabilities', respectively.

Upon adoption of IFRS 16, the Company initially recognized a lease liability for the obligation to make lease payments and a right-of-use (RoU) asset for the right to use the underlying asset for the lease term against a consideration. The lease liability is measured at the present value of the consideration (lease payments) to be made over the lease term. The lease payments are discounted using the interest rate implicit in the lease, unless it is not readily determinable, in which case the lessee may use the incremental rate of borrowing. The RoU asset is initially measured at the present value of lease liability, adjusted for lease prepayments and borrowing costs.

As permitted by the transitional provisions of IFRS 16, the Company elected not to restate the comparative figures and not to adjust the opening unappropriated profit. Accordingly, adjustment to the carrying amount of assets and liabilities were recognised in the current period.

The effect of adoption of IFRS 16 as at January 01, 2019 is as follows:

	January 01, 2019
	----- Rupees -----
Increase in RoU asset	313,161,074
Decrease in trade deposits, short term prepayments and other receivables	(1,097,839)
Increase in total assets	312,063,235
Increase in lease liability against assets subject to finance lease	(312,063,235)
Increase / (decrease) in net assets	-

Notes to the Financial Statements

For the year ended December 31, 2019

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The lease liabilities as at January 01, 2019 can be reconciled to the operating lease commitments as of December 31, 2018 as follows:

	----- Rupees -----
Operating lease commitments as at December 31, 2018	61,358,394
Weighted average incremental borrowing rate as at January 01, 2019	12.30%
Discounted operating lease commitments as at January 01, 2019	<u>55,298,234</u>
Add: Lease payments relating to renewal periods not included in operating lease commitments as at December 31, 2018	<u>256,765,001</u>
Lease liabilities as January 01, 2019	<u>312,063,235</u>

2.5.2 IFRS 9 "Financial Instruments"

IFRS 9 "Financial Instruments" has replaced IAS 39 "Financial Instruments: Recognition and Measurement" for annual periods beginning on or after January 01, 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting. The Company has applied IFRS 9, with the initial application date of January 01, 2019 as notified by the Securities and Exchange Commission of Pakistan (SECP).

(a) Classification and measurement

The classification and measurement requirements of IFRS 9 have been adopted retrospectively as of the date of initial application on January 01, 2019. However, the Company has chosen to take advantage of the option not to restate comparatives. Therefore, the 2018 figures are presented and measured under IAS 39. The following table shows the original measurement categories in accordance with IAS 39 and the new measurement categories under IFRS 9 for the Company's financial assets and financial liabilities as at January 01, 2019:

Financial assets

January 01, 2019	IAS 39 Classification	Measurement --- Rupees ---	IFRS 9 Classification	Measurement --- Rupees ---
Long term investments	Available for sale	141,999,318	Fair value through other comprehensive income*	141,999,318
Long term loans and advances	Loans and receivables	28,996,577	Amortised cost	28,996,577
Short term investments	Held for trading	1,019,068,046	Fair value through profit or loss	1,019,068,046
Trade debts	Loans and receivables	1,085,989,859	Amortised cost	1,080,022,129
Receivable against margin finance	Loans and receivables	297,726,631	Amortised cost	297,726,631
Loans and advances - considered good	Loans and receivables	11,019,245	Amortised cost	11,019,245
Short-term deposits	Loans and receivables	126,174,758	Amortised cost	126,174,758
Interest and mark-up accrued	Loans and receivables	12,684,564	Amortised cost	12,684,564
Other receivables**	Loans and receivables	56,944,676	Amortised cost	49,253,490
Cash and Bank Balances	Loans and receivables	1,571,601,448	Amortised cost	1,571,601,448

Notes to the Financial Statements

For the year ended December 31, 2019

- * The Company has elected to classify its non-trading equity securities at fair value through other comprehensive income.
- ** The change in carrying amount is a result of additional impairment allowance. See the discussion on impairment below.

Financial liabilities

January 01, 2019	IAS 39 Classification	Measurement --- Rupees ---	IFRS 9 Classification	Measurement --- Rupees ---
Creditors, accrued expenses and other liabilities	Other financial liabilities	2,189,565,972	Amortised cost	2,189,565,972
Unclaimed dividend	Other financial liabilities	3,361,843	Amortised cost	3,361,843

IFRS 9 has not resulted in changes in the carrying amount of the Company's financial instruments due to changes in measurement categories except for trade debts and other receivables. All financial assets that were classified as available for sale under IAS 39 are classified as fair value through other comprehensive income under IFRS 9. All financial assets that were classified as held for trading under IAS 39 are classified as fair value profit and loss under IFRS 9. All financial assets that were classified as loans and receivables and measured at amortised cost continue to be.

(b) Impairment

The adoption of IFRS 9 has fundamentally changed the Company's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive.

The adoption of IFRS 9 resulted in following:

Reserves

As at December 31, 2018	410,067,028
IFRS 9 impact:	
Decrease due to impairment charge against trade debts	(5,967,730)
Decrease due to impairment charge against other receivables	(7,691,186)
Related tax impact	3,961,086
	(9,697,830)
As at January 01, 2019 - adjusted	400,369,198

Trade debts

As at December 31, 2018	1,085,989,859
IFRS 9 impact:	
Decrease due to impairment charge against trade debts	(5,967,730)
As at January 01, 2019 - adjusted	1,080,022,129

Other receivables

As at December 31, 2018	56,944,676
IFRS 9 impact:	
Decrease due to impairment charge against other receivables	(7,691,186)
As at January 01, 2019 - adjusted	49,253,490

Notes to the Financial Statements

For the year ended December 31, 2019

Deferred tax assets - net

As at December 31, 2018	122,096,696
IFRS 9 impact:	
Deferred tax income on impairment charge against trade debts	1,730,642
Deferred tax income on impairment charge against other receivables	2,230,444
As at January 01, 2019 - adjusted	126,057,782

2.6 New accounting standards / amendments and IFRS interpretations that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 14 – Regulatory Deferral Accounts	July 01, 2019
IFRS 3 - Definition of a Business (Amendments)	January 01, 2020
IAS 1 / IAS 8 - Definition of Material (Amendments)	January 01, 2020
IFRS 10 Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associates or Joint Venture (Amendment)	Not yet finalized

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after 01 January 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard	IASB Effective date (annual periods beginning on or after)
IFRS 1 – First time adoption of IFRSs	January 01, 2004
IFRS 17 – Insurance Contracts	January 01, 2021

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these financial statements are set out below. These accounting policies have been applied consistently to all periods presented in these financial statements.

Notes to the Financial Statements

For the year ended December 31, 2019

3.1 Employee benefits

Defined contribution plan

The Company operates a defined contribution plan. i.e. recognised provident fund scheme for all its eligible employees in accordance with the trust deed and rules made thereunder. Equal monthly contributions at the rate of 7.33% of basic salary are made to the fund by the Company and the employees.

3.2 Property and equipment

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Depreciation is calculated on straight line basis over the estimated useful lives of the assets. Depreciation on additions is charged from the month in which they are available for use and on deletions up to the month of deletion.

Category of Operating Assets

Useful life

Office equipment - computer related items	03 years
Office equipment - others	04 years
Office furniture	10 years
Leasehold improvements	10 years
Motor vehicles	05 years

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits as other comprehensive income with the item will flow to the Company and its cost can be reliably measured. Cost incurred to replace an item of property and equipment is capitalized and the asset so replaced is retired from use and its carrying amount is derecognised. Normal repairs and maintenance are charged to the statement of profit or loss during the period in which they are incurred.

The residual values and useful lives of assets are reviewed and adjusted, if appropriate at each reporting date. Capital work-in-progress is stated at cost less impairment loss, if any.

Gains and losses on disposal of assets, if any, are taken to statement of profit or loss.

3.3 Intangible assets

Intangible assets having finite useful lives are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Such intangible assets are amortised using the straight-line method taking into account residual value, if any, at the rates specified in note 9 to these financial statements. Amortisation is charged from the date the asset is available for use while in the case of assets disposed of, it is charged till the date of disposal. The useful lives and amortisation method are reviewed and adjusted, if appropriate, at each reporting date.

Intangible assets having an indefinite useful life are stated at cost less accumulated impairment losses, if any. An intangible asset is regarded as having an indefinite useful life, when, based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Company. An intangible asset with an indefinite useful life is not amortised. However, the carrying amount is reviewed at each reporting date or whenever there is an indication that the asset may be impaired, to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds the estimated recoverable amount, it is written down to its estimated recoverable amount.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in statement of profit or loss when the asset is derecognised.

3.4 Financial instruments - Policy applicable from January 01, 2019

In the current period, the Company has adopted IFRS 9 Financial Instruments. See note 2.5.2 for an explanation of the impact. Comparative figures for the year ended 31 December 2018 have not been restated as allowed by IFRS 9

Notes to the Financial Statements

For the year ended December 31, 2019

Therefore, financial instruments in the comparative period are still accounted for in accordance with IAS 39 Financial Instruments: Recognition and Measurement.

Initial recognition and measurement

Financial assets and liabilities, with the exception of bank balances, loans and advances to employees / counter parties and due to counterparties, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Bank balances and loans and advances to employees / counter parties are recognised when funds are transferred to the banks / employees / counterparties. The Company recognises due to counterparties when funds reach the Company.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded as 'at fair value through profit or loss'.

3.4.1 Financial assets

The financial assets are subsequently measured at fair value through profit or loss, authorized cost or fair value through offer comprehensive Income on the basis of both:

- The entity's business model for managing the financial assets; and
- The contractual cash flow characteristics of the financial asset.

Financial assets measured at fair value through other comprehensive income

a) Debt instruments at fair value through other comprehensive income

Debt Instruments at fair value through other comprehensive income are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in other comprehensive income. Interest income and foreign exchange gains and losses are recognised in profit or loss. On de-recognition, cumulative gains or losses previously recognised in other comprehensive income are reclassified from other comprehensive income to profit or loss. Debt instruments are subject to impairment under Expected Credit Loss model. The ECLs for debt instruments measured at fair value through other comprehensive income do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in other comprehensive income as an accumulated impairment amount, with a corresponding charge to statement of profit or loss. The accumulated loss recognised in other comprehensive income is recycled to the statement of profit or loss upon de-recognition of the assets.

b) Equity instruments at fair value through other comprehensive income

Upon initial recognition, the Company elects to classify irrevocably its equity investments as equity instruments at fair value through other comprehensive income when they meet the definition of Equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The Company's policy is to designate equity investments as fair value through other comprehensive income when those investments are held for purposes other than to generate investment returns. Such classification is determined on an instrument by instrument basis.

Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in profit or loss as other operating income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in other comprehensive income. Equity instruments at fair value through other comprehensive income are not subject to an impairment assessment.

Notes to the Financial Statements

For the year ended December 31, 2019

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets measured at fair value through profit or loss

A financial asset is measured at fair value through profit or loss if:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding;
 - (b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; and
- or
- (c) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss, if any.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Company has:

- (a) Transferred substantially all of the risks and rewards of the asset; or
- (b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises an other comprehensive income liability. The transferred asset and the other comprehensive income liability are measured on a basis that reflects the rights and obligations that the Company has retained. The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

Impairment of financial assets

Financial assets at fair value through profit or loss are not subject to impairment under IFRS 9.

Notes to the Financial Statements

For the year ended December 31, 2019

The ECL allowance on financial assets (other than trade debts, receivable against margin finance, loans and advances and other receivables) is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. In order to determine appropriate staging for financial assets (other than trade debts, receivable against margin financing, loans and advances and other receivables) under IFRS 9, the Company applies the Low Credit Risk (LCR) expedient. The Company considers only those balances as LCR that have investment grade rating from an External Rating Agency (BBB- or equivalent or higher) at the reporting date. The LCR balances are considered as stage 1. The Company considers a financial instrument defaulted and therefore, Stage 3 (credit-impaired) for ECL calculations in all cases when there is an objective evidence of impairment of financial assets and Company believes that the counter party will not be able to make its contractual payments. All other balances are considered as stage 2 as at reporting date. For measurement of ECL, PD, EAD and LGD are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in earlier year) on annual basis. This effectively calculates an ECL for each future year, which is then discounted back to the reporting date and summed. The discount rate used in ECL computation is the original effective interest rate or an approximation thereof. Forward looking economic information is also included in determining the 12 month and lifetime ECL and economic variables (the "base economic scenario") are obtained from external sources. For ECL estimation, the PDs as other comprehensive income with each rating grade are determined based on realized default rates as published by the rating agency.

The Company holds trade debts, receivable against margin finance and other receivables which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply an approach similar to the simplified approach for expected credit losses (ECL) under IFRS 9 to all its trade debts, receivable against margin finance, loans and advances and other receivables. Therefore, the Company does not track changes in credit risk, but instead, recognises a loss allowance based on lifetime ECLs at each reporting date. The Company's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. The Company uses the provision matrix as a practical expedient to measuring ECLs on trade receivables, based on days past due for groupings of receivables with similar loss patterns. Receivables are grouped based on their nature. The provision matrix is based on historical observed loss rates over the expected life of the receivables and is adjusted for forward-looking estimates.

Offsetting of financial assets and financial liabilities

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

Financial instruments - Policy applicable for the period ended or before December 31, 2018

Financial assets at fair value through profit or loss - held-for-trading

Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in prices are classified as 'financial assets at fair value through profit or loss - held for trading'. Subsequent to initial recognition, these investments are marked to market and are carried on the statement of financial position at fair value, except for investments in unquoted debt securities which are carried at cost. Net gains and losses arising on changes in fair values of these investments are taken to the statement of profit or loss.

Held-to-maturity investments

Investments with a fixed maturity where the Company has the intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are carried at amortised cost using the effective interest rate method, less any accumulated impairment losses.

Available-for-sale

Investments intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in market prices, are classified as 'available-for-sale'. Subsequent to initial measurement, 'available-for-sale' investments are remeasured to fair value. Net gains and losses arising on changes in fair values of these investments are taken to other comprehensive income. However, any premium or discount on acquisition of debt securities is amortised and taken to the statement of profit or loss over the life of the investment using the effective interest rate method. When securities are disposed off or impaired, the related fair value adjustments previously taken to equity are transferred to the statement of profit or loss.

Notes to the Financial Statements

For the year ended December 31, 2019

Fair value for listed securities are the quoted prices on stock exchange on the date it is valued. Fair value of term finance certificates, units of open-end mutual funds and government securities are determined on the basis of rates notified by Mutual Fund As other comprehensive income of Pakistan for term finance certificates, relevant redemption prices for the open-end mutual funds and quotations obtained from the PKRV sheets for government securities respectively. Unquoted securities are stated at cost, where the fair value is not reasonably determined.

Derivatives

Derivative instruments held by the Company primarily comprise of future contracts in the capital market. These are initially recognised at fair value and are subsequently remeasured at fair value. The fair value of future contracts is calculated as being the net difference between the contract price and the closing price reported on the primary exchange of the future contracts. Derivatives with positive market values (unrealised gains) are included in assets and derivatives with negative market values (unrealised losses) are included in liabilities in the statement of financial position. The resultant gains and losses are included in the statement of profit or loss. Derivative financial instrument contracts entered into by the Company do not meet the hedging criteria as defined by International Accounting Standard (IAS) '39: 'Financial Instruments: Recognition and Measurement'. Consequently hedge accounting is not being applied by the Company.

Securities purchased / sold under resale / repurchase agreements

Transactions of purchase under resale (reverse-repo) of marketable securities including the securities purchased under marginal trading system are entered into at contracted rates for specified periods of time. Securities purchased with a corresponding commitment to resale at a specified future date (reverse-repo) are not recognised in the statement of financial position. Amounts paid under these agreements in respect of reverse repurchase transactions are included in assets. The difference between purchase and resale price is treated as income from reverse repurchase transactions in marketable transactions / marginal trading system and accrued over the life of the reverse repo agreement.

Transactions of sale under repurchase (repo) of marketable securities are entered into at contracted rates for specified periods of time. Securities sold with a simultaneous commitment to repurchase at a specified future date (repo) continue to be recognised in the balance sheet and are measured in accordance with accounting policies for investments. The counterparty liabilities for amounts received under these transactions are recorded as liabilities. The difference between sale and repurchase price is treated as finance cost and accrued over the life of the repo agreement.

Trade debts and other receivables

Trade debts are recognised initially at invoice amount less provision for doubtful debts, if any.

Other receivables are stated at amortised cost less provision for impairment, if any.

Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is an objective evidence of impairment as a result of one or more events that has occurred after initial recognition of asset (an incurred loss event) and that loss event (or events) has impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. In case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of an equity security below its cost is considered as an objective evidence of impairment.

If, in a subsequent period, the fair value of an impaired available-for-sale security increases and the increase can be objectively related to an event occurring after the impairment loss recognised in profit and loss, the impairment loss is reversed, with the amount of the reversal recognised in profit and loss.

Financial liabilities

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

Financial instruments

All financial assets and liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instruments. Any gain or loss on the recognition and derecognition of the financial assets and liabilities is taken to statement of profit or loss.

Notes to the Financial Statements

For the year ended December 31, 2019

Offsetting of financial assets and liabilities

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

3.5 Revenue recognition

Brokerage, consultancy, advisory fee, underwriting, book running fee, commission on foreign exchange dealings and debt securities etc. are recognised as and when such services are provided.

Income from reverse repurchase transactions, debt securities and bank deposits is recognised at effective yield on time proportionate basis.

Interest income on financial assets (including margin financing) is recognised on time proportionate basis taking into account effective / agreed rate of the instrument.

Dividend income is recorded when the right to receive the dividend is established.

Gains / losses arising on sale of investments are included in the statement of profit or loss in the period in which they arise.

Unrealised capital gains / losses arising from mark to market of investments classified as 'financial assets at fair value through profit or loss' are included in statement of profit or loss in the period in which they arise.

Unrealised gains / losses arising from mark to market of investments classified as 'fair value through other comprehensive income' are taken directly to statement of other comprehensive income in the period in which they arise.

Gains / losses arising on revaluation of derivatives to fair value are taken to statement of profit or loss under other income / other expense in the period in which they arise.

3.6 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

Current

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

Deferred

Deferred tax is recognised using the balance sheet liability method on all major temporary differences between the carrying amount of assets and liabilities used for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the rates that are expected to be applied to the temporary differences when they arise, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax is charged or credited to the statement of profit or loss.

3.7 Cash and cash equivalents

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

3.8 Impairment non-financial assets

The carrying amount of the Company's non-financial assets other than deferred tax asset and intangible assets with indefinite useful life is reviewed at each reporting date to determine whether there is any objective evidence that an

Notes to the Financial Statements

For the year ended December 31, 2019

asset or group of assets may be impaired. If any such evidence exists, the asset or group of assets' recoverable amount is estimated. Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in statement of profit or loss immediately. An impairment loss is reversed only to the extent that the asset's 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.

3.9 Foreign currency translation

Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupees at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are converted into rupees at the rates of exchange prevailing at the transaction date. Exchange gains or losses are taken to statement of profit or loss.

3.10 Borrowing costs

Borrowing costs incurred on long term finances directly attributable for the construction / acquisition of qualifying assets are capitalized up to the date the respective assets are available for intended use. All other mark-up, interest and other related charges are taken to the statement of profit or loss directly.

3.11 Provisions

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

3.12 Earnings per share

Earnings per share is calculated by dividing the profit after tax for the period by the weighted average number of ordinary shares outstanding during the period.

3.13 Dividend distributions and appropriations

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

3.14 Summary of new accounting policies in respect of adoption of IFRS 16

Set out below are the new accounting policies of the Company upon adoption of IFRS 16, which have been applied from the date of initial application:

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Notes to the Financial Statements

For the year ended December 31, 2019

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of property and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has the option, under some of its leases to lease the assets for additional terms of one to five years. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

The Company included the renewal period as part of the lease term for leases of Company's head office and branches due to the significance of these assets to its operations. These leases have a short non-cancellable period (i.e., three to five years) and there will be a significant negative effect on operations if a replacement is not readily available.

3.15 Operating segments

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

The operating segments of the Company are as follows:

Brokerage

The brokerage activities include services provided in respect of share brokerage, money market brokerage, forex brokerage, commodity brokerage and share subscription commission.

Investment and treasury

It consists of capital market, money market investment and treasury functions. The activities include profit / mark-up on bank deposit, term deposit receipts, capital gains on equity and debt securities, mark-up income on margin financing and term finance certificates and profit on sukuk and dividend income.

Other operations

It consists of advisory and consultancy function.

Notes to the Financial Statements

For the year ended December 31, 2019

4. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2019	2018		2019	2018
(Number of shares)			(Rupees)	
20,009,700	20,009,700	Ordinary shares of Rs.10 each fully paid in cash	200,097,000	200,097,000
29,990,300	29,990,300	Ordinary shares of Rs.10 each issued as fully paid bonus shares	299,903,000	299,903,000
(11,993,000)	(11,993,000)	First buy back of 11,993,000 shares having face value of Rs.10 each	(119,930,000)	(119,930,000)
(7,450,000)	-	Second buy back of 7,450,000 shares having face value of Rs.10 each (Note 1)	(74,500,000)	-
30,557,000	38,007,000		305,570,000	380,070,000

4.1 Parent company held 25,525,169 (2018: 25,525,169) ordinary shares of Rs.10 each at year end.

4.2 There is only one class of ordinary shares. Voting rights, board selection, right of first refusal and block voting are in proportion to their shareholding.

4.3 Pattern of shareholding

2019	2018		2019	2018
Number of shares		Particulars / name of the shareholders	Percentage of holding	
25,525,169	25,525,169	JS Bank Limited	83.52%	67.15%
2,358,551	10,166,832	Kamco Investment Company K.S.C.P (formerly Global Investment House, Kuwait)	7.72%	26.75%
2,300,916	1,949,037	Others	7.53%	5.13%
340,323	340,323	Insurance company	1.11%	0.90%
32,041	25,639	Joint stock companies	0.11%	0.07%
30,557,000	38,007,000		100%	100%

4.3.1 Kamco Investment Company K.S.C.P is a major foreign shareholder holding 7.72% (2018: 26.75%) of paid up capital in the company. The Chief Executive Officer of the company is Mr. Faisal Mansoor Ebrahim Hassan Muhammad Sorkhou.

5. LIABILITY AGAINST ASSETS SUBJECT TO FINANCE LEASE

As at January 01

Interest expense

Deletion

Payments

As at December 31

Less: Current Maturity

Note	2019	2018
	(Rupees)	
2.5.1	312,063,235	-
	34,904,068	-
	(16,699,459)	-
	(77,942,720)	-
	252,325,124	-
	(24,870,804)	-
	227,454,320	-

5.1 This includes rental agreement with a related party.

Notes to the Financial Statements

For the year ended December 31, 2019

		2019	2018
	Note	(Rupees)	
6. CREDITORS, ACCRUED EXPENSES AND OTHER LIABILITIES			
Trade creditors	6.1	1,384,491,188	2,044,999,990
Accrued expenses		41,646,010	53,808,724
Staff Provident Fund		2,372,570	1,669
Provision for staff bonus	6.2	17,000,000	20,780,276
Provision for Workers' Welfare Fund - Federal	6.3	-	11,730,325
Provision for Workers' Welfare Fund - Sindh		29,177,754	26,988,077
Others		127,927,503	69,975,313
	6.4	1,602,615,025	2,228,284,374

6.1 This includes payables to PSX and National Clearing Company of Pakistan Limited (NCCPL) amounting to Rs.0.131 (2018: Rs.0.969) million and Rs.327.858 (2018: Rs.342.511) million respectively in respect of trading in securities, settled subsequent to the year end.

6.2 Movement of provision for staff bonus is as follows:

Balance at the beginning of the year	20,780,276	39,880,732
Paid during the year	(14,896,558)	(26,600,456)
Charged during the year	11,116,282	7,500,000
Balance at the end of the year	17,000,000	20,780,276

6.3 During the year, based on the legal opinion obtained by the Company, provision against Federal Workers' Welfare Fund amounting to Rs.11.730 (2018: Nil) million has been reversed.

6.4 Included herein is a sum of Rs. 5.604 (2018: Rs.32.234) million payable to related parties.

7. CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

There are no outstanding contingencies as at December 31, 2019 (2018: Nil) other than tax contingencies disclosed in note 25 of these financial statements.

Notes to the Financial Statements

For the year ended December 31, 2019

	Note	2019 (Rupees)	2018
7.2 Commitments			
Net - future sale transactions of equity securities entered into by the Company in respect of which the settlement is outstanding		493,102,995	1,003,368,025
Bank Guarantee from a commercial bank in favor of National Clearing Company of Pakistan Limited expiring on May 25, 2020		400,000,000	400,000,000
Outstanding settlements against margin financing contracts - net		5,304,801	12,348,192
Outstanding against capital expenditure		89,678,479	112,021,268

	Note	2019 (Rupees)	2018
8. PROPERTY AND EQUIPMENT			
Operating assets	8.1	262,065,267	60,518,917
Right-of-use assets	8.2	256,391,283	-
Capital work-in-progress	8.3	-	156,238,206
		518,456,550	216,757,123

8.1 Operating assets

	2019							
	Cost				Accumulated Depreciation			Written down
	As at January 01, 2019	Additions / (disposals)	As at December 31, 2019	Rate (%)	As at January 01, 2019	Charge for the year / (disposals)	As at December 31, 2019	value as at December 31, 2019
	(Rupees)				(Rupees)			
Office equipment	105,174,630	27,451,292 (2,930,000)	129,695,922	25 - 33	93,520,892	14,289,148 (2,762,692)	105,047,348	24,648,574
Office furniture	25,857,538	23,300,041 -	49,157,579	10	12,115,500	3,768,356 -	15,883,856	33,273,723
Leasehold improvements	-	196,148,414	196,148,414	10	-	14,711,130	14,711,130	181,437,284
Motor vehicles	64,474,880	- (11,846,060)	52,628,820	20	29,351,739	10,562,501 (9,991,106)	29,923,134	22,705,686
	195,507,048	246,899,747 (14,776,060)	427,630,735		134,988,131	43,331,135 (12,753,798)	165,565,468	262,065,267

Notes to the Financial Statements

For the year ended December 31, 2019

	2018							
	Cost			Rate (%)	Accumulated Depreciation			Written down value as at December 31, 2018
	As at January 01, 2018	Additions / (disposals)	As at December 31, 2018		As at January 01, 2018	Charge for the year / (disposals)	As at December 31, 2018	
	(Rupees)				(Rupees)			
Office equipment	103,619,429	1,882,451 (327,250)	105,174,630	25 - 33	81,092,360	12,739,697 (311,165)	93,520,892	11,653,738
Office furniture	31,856,158	880,380 (6,879,000)	25,857,538	10	16,981,036	2,013,463 (6,878,999)	12,115,500	13,742,038
Motor vehicles	67,972,743	14,532,648 (18,030,511)	64,474,880	20	32,956,212	10,781,988 (14,386,461)	29,351,739	35,123,141
	203,448,330	17,295,479 (25,236,761)	195,507,048		131,029,608	25,535,148 (21,576,625)	134,988,131	60,518,917

8.1.1 Disposal of Operating assets - owned

The following is a statement of Operating assets - owned disposed off during the year:

	Cost	Accumulated depreciation	Written down value	Proceeds / settlement	Gain	Particulars of buyer	Mode of disposal
	(Rupees)						
Office equipments							
IVY Interface	850,000	(849,999)	1	20,202	20,201	Primitive Tech	Negotiation
UPS	363,000	(362,999)	1	20,202	20,201	Primitive Tech	Negotiation
UPS	363,000	(362,999)	1	56,159	56,158	Primitive Tech	Negotiation
UPS	1,354,000	(1,241,153)	112,847	263,437	150,590	Primitive Tech	Negotiation
Motor vehicles							
Motor Car	1,017,200	(1,017,199)	1	735,000	734,999	Rabbani Motors	Negotiation
Motor Car	2,049,200	(1,791,295)	257,905	1,650,000	1,392,095	Rabbani Motors	Negotiation
Motor Car	1,719,398	(831,407)	887,991	2,025,786	1,137,795	Mr. Kashif Naeem	Negotiation
Motor Car	1,331,418	(1,020,750)	310,668	1,465,000	1,154,332	Mr. Umar Iqbal	Negotiation
Motor Car	1,643,574	(1,451,826)	191,748	1,815,000	1,623,252	Mr. Aftab Alam	Negotiation
Motor Car	1,967,949	(1,738,352)	229,597	1,900,000	1,670,403	EFU General Insurance Limited	Insurance Claim
Motor Car	1,048,740	(1,048,739)	1	800,000	799,999	Mr. Habib Mehmood	Negotiation
Motor Car	1,068,581	(1,068,580)	1	800,000	799,999	Mr. Akhtar Alam	Negotiation
December 31, 2019	14,776,060	(12,785,298)	1,990,762	11,550,786	9,560,024		
December 31, 2018	25,236,761	(21,576,626)	3,660,135	15,328,348	11,668,213		

8.2 Right-of-use assets

	Note	2019 (Rupees)	2018
As at January 01	2.5.1	313,161,074	-
Additions		-	-
Depreciation expense		(40,760,243)	-
Deletion		(16,009,548)	-
As at December 31		256,391,283	-

Notes to the Financial Statements

For the year ended December 31, 2019

8.3 Capital work-in-progress

Advance against capital expenditure

	2019	2018
	(Rupees)	
	-	156,238,206

9. INTANGIBLE ASSETS

Trading Right Entitlement Certificate (TREC) -

Pakistan Stock Exchange Limited (PSX)

Less: Impairment

Note	2019	2018
	(Rupees)	

Membership card - Pakistan Mercantile Exchange Limited

Softwares

Advance against acquisition of software

9.1	5,727,330	5,727,330
9.2	(3,227,330)	-
	2,500,000	5,727,330
	2,500,000	2,500,000
	5,000,000	8,227,330
9.3	2,303	52,010
9.4	9,510,507	9,510,507
	14,512,810	17,789,847

9.1 This represents TREC received from PSX in accordance with the requirements of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012. The Company has also received shares of PSX after completion of the demutualization process.

9.2 During the year, PSX has determined that the notional value of transferable TRE Certificate shall be taken at Rs. 2.5 million for the purpose of Base Minimum Capital (BMC) Requirement. Accordingly the company has reduced it's carrying amount to Rs. 2.5 million and thereby recognizing an impairment of Rs. 3.227 million.

9.3 Softwares

2019							
Cost				Accumulated Amortisation			Written down
As at	As at		Rate	As at	Charge for	As at	value as at
January 01,	December 31,			January 01,	the year	December 31,	December 31,
2019	2019	Additions	(%)	2019		2019	2019
(Rupees)				(Rupees)			
12,929,278	-	12,929,278	33.33	12,877,268	49,707	12,926,975	2,303
2018							
Cost				Accumulated Amortisation			Written down
As at	As at		Rate	As at	Charge for	As at	value as at
January 01,	December 31,			January 01,	the year	December 31,	December 31,
2018	2018	Additions	(%)	2018		2018	2018
(Rupees)				(Rupees)			
12,929,278	-	12,929,278	33.33	12,556,130	321,138	12,877,268	52,010

Notes to the Financial Statements

For the year ended December 31, 2019

- 9.4** Represents advance paid to Saudi National Technology Group Company Limited situated in Riyadh, Kingdom of Saudi Arabia amounting to Rs.9.510 (2018: Rs.9.510) million equivalent to \$ 75,000 for acquisition of software. The remaining payments will be made after the completion of the project.

	Note	2019	2018
		(Rupees)	
10. LONG TERM INVESTMENTS			
Available-for-sale			
Shares of PSX - at cost (2018: 2,202,953 shares)		-	23,060,884
Term finance / sukuk certificates - secured	10.1	-	129,000,000
Surplus on revaluation - net	10.2	-	6,838,434
Current maturity	13	-	(16,900,000)
		-	141,999,318

Classified as 'at fair value through Other Comprehensive Income'

Shares of PSX - at cost 2019: 2,202,953 shares		23,060,884	-
Term finance / sukuk certificates	10.1	112,100,000	-
Surplus on revaluation - net	10.2	4,003,982	-
Current maturity	13	(29,066,667)	-
Advance against subscription of sukuk certificate	10.3	20,000,000	-
		130,098,199	-

10.1 Term finance / sukuk certificates

Number of Certificates		Name of term finance / sukuk certificates	Carrying value	
2019	2018		2019	2018
			(Rupees)	
Listed				
3,000	3,000	Jahangir Siddiqui & Co. Limited XI - related party	15,000,000	15,000,000
520	520	Dawood Hercules Corporation Limited - Sukuk - I	41,600,000	52,000,000
600	600	Dawood Hercules Corporation Limited - Sukuk - II	54,000,000	60,000,000
20	20	BYCO Petroleum Pakistan Limited - Sukuk - I	1,500,000	2,000,000
			112,100,000	129,000,000

Notes to the Financial Statements

For the year ended December 31, 2019

10.1.1 Significant terms and conditions of term finance / sukuk certificates outstanding at the year end are as follows:

Name of security	Face value (Rupees)	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Maturity	Rating
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Listed debt securities - secured

Jahangir Siddiqui & Co. -

Limited term finance certificate XI - related party	5,000	5,000	6 month KIBOR +1.75%	March 6, 2023	AA+
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Dawood Hercules -

Corporation Limited Sukuk - I	100,000	80,000	3 month KIBOR +1.00%	November 16, 2022	AA
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Dawood Hercules -

Corporation Limited Sukuk - II	100,000	90,000	3 month KIBOR +1.00%	March 01, 2023	AA
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BYCO Petroleum -

Pakistan Limited Sukuk - I	100,000	83,333	3 month KIBOR +1.05%	January 18, 2022	AAA
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The term finance / sukuk certificates held by the Company are secured against pledged listed securities and first ranking pari passu floating charge over all movable properties of the issuer. The maximum aggregate amount of term finance / sukuk certificates loans due from the related party at the end of any month during the year was Rs.15 (2018: Rs.15) million.

10.2 Movement of surplus on remeasurement of investment classified as at fair value through Other Comprehensive Income is as follows:

Note	2019 ----- (Rupees) -----	2018 -----
Balance at the beginning of the year	6,838,434	
Reversed through Other Comprehensive Income during the year	(2,834,452)	
Balance at the end of the year	4,003,982	

10.3 This represents advance against subscription of sukuk certificates, Bank Islami Pakistan Limited - Ehad Sukuk I (related party) having perpetual tenure and carrying mark-up at the rate of 2.75% + 3 months KIBOR.

10.4 Investments in associated companies have been made in accordance with the requirements under the Companies Act, 2017.

Notes to the Financial Statements

For the year ended December 31, 2019

	Note	2019 ----- (Rupees) -----	2018 -----
11. LONG TERM LOANS AND DEPOSITS			
Long term loans - secured and considered good			
- Executives	11.1	10,127,309	5,307,367
- Employees		8,455,226	8,521,494
	11.2	18,582,535	13,828,861
Current maturity	15	(7,026,401)	(6,547,352)
		11,556,134	7,281,509
Advance for purchase of office - unsecured		2,500,000	2,500,000
Security deposits	11.3	18,422,468	19,215,068
		32,478,602	28,996,577
11.1 Reconciliation of carrying amount of loans to executives:			
Balance at the beginning of the year		5,307,367	6,277,706
Disbursements		7,837,000	2,834,000
Repayments		(3,017,058)	(3,804,339)
Balance at the end of the year		10,127,309	5,307,367

11.2 Loan to executives and employees are given for purchase of house, home appliances and other personal goods at variable interest rates per annum in accordance with the Company's policy and terms of employment. The loans are repayable over a period of two to ten years.

11.3 This includes Rs.1.55 (2018: Rs.1.55) million deposited with PSX, Rs.1.05 (2018: Rs.1.05) million with NCCPL, Rs.0.20 (2018: Rs.0.20) million with Central Depository Company of Pakistan Limited (CDC), Rs.10.42 (2018: Rs.10.42) million with Pakistan Mercantile Exchange Limited and Rs. 3.035 (2018: 3.035) million with JS Land (related party).

	2019					
	Opening	Impact of adoption of IFRS 9 (see note 2.5.2)	Opening - adjusted	(Charge) / reversal to statement of profit or loss	Charge to statement of other comprehensive income	Closing
12. DEFERRED TAXATION - NET						
Taxable temporary difference						
Difference in accounting and tax base of intangible - assets	(3,101)	-	(3,101)	3,592	-	491
Deductible temporary differences						
Unused tax losses	3,355,917	-	3,355,917	(3,355,917)	-	-
Accelerated depreciation for tax purposes	4,517,397	-	4,517,397	(4,154,022)	-	363,375
Liability against assets subject to finance lease - net	-	-	-	(1,179,186)	-	(1,179,186)
Revaluation of investments	1,297,447	-	1,297,447	(224,922)	185,626	1,258,151
Provision for doubtful debts	112,929,036	3,961,086	116,890,122	4,033,180	-	120,923,302
	122,096,696	3,961,086	126,057,782	(4,877,275)	185,626	121,366,133

Notes to the Financial Statements

For the year ended December 31, 2019

	2018			Closing
	Opening	(Charge) / reversal to statement of profit or loss	Charge to statement of other comprehensive income	
	(Rupees)			
Taxable temporary difference				
Difference in accounting and tax base of intangible - assets	7,705.00	(10,806.00)	-	(3,101)
Deductible temporary differences				
Unused tax losses	-	3,355,917	-	3,355,917
Accelerated depreciation for tax purposes	3,670,164	847,233	-	4,517,397
Revaluation of investments	788,253	(284,719)	793,913	1,297,447
Provision for doubtful debts	120,995,396	(8,066,360)	-	112,929,036
	<u>125,461,518</u>	<u>(4,158,735)</u>	<u>793,913</u>	<u>122,096,696</u>

13. SHORT TERM INVESTMENTS	Note	2019	2018
		(Rupees)	
At fair value through profit or loss - held-for-trading			
Quoted equity securities	13.1	-	993,811,509
Term finance / sukuk certificates	13.2	-	8,356,537
		-	1,002,168,046
Available-for-sale			
Privately placed term finance certificates - unsecured	13.3	-	-
Current maturity of long term investments - secured	10	-	16,900,000
Advance against subscription of right shares	13.4	-	-
		-	<u>1,019,068,046</u>
At fair value through profit or loss			
Quoted equity securities	13.1	487,185,287	-
Term finance / sukuk certificates	13.2	-	-
		487,185,287	-
At fair value through other comprehensive income			
Privately placed term finance certificates - unsecured	13.3	-	-
Current maturity of long term investments - secured	10	29,066,667	-
Advance against subscription of right shares	13.4	2,280,000	-
		<u>518,531,954</u>	<u>-</u>

Notes to the Financial Statements

For the year ended December 31, 2019

13.1 Quoted equity securities

Fully paid ordinary shares of Rs. 10 (unless stated otherwise)

Number of shares		Name of company	2019		2018
2019	2018		Average cost	Fair value	
				(Rupees)	
598,500	3,988,500	The Bank of Punjab	6,880,985	6,781,005	47,742,345
-	85,000	Askari Bank Limited	-	-	2,033,200
227,500	-	Amreli Steels Limited	8,323,031	8,217,300	-
6,000	745,000	Habib Bank Limited	949,720	944,520	89,735,250
		Cherat Cement			
-	86,000	Company Limited	-	-	5,989,900
519,500	1,401,000	National Bank of Pakistan	22,853,955	22,494,350	58,884,030
211,500	-	Fauji Fertilizer Bin Qasim Limited	4,038,890	4,128,480	-
40,500	1,162,000	Nishat Chunian Limited	1,713,775	1,727,325	56,449,960
5,000	-	National Refinery Limited	720,000	705,400	-
		Oil & Gas Development			
153,000	324,000	Company Limited	21,282,790	21,774,960	41,472,000
		Pakistan State Oil			
382,500	27,000	Company Limited	72,233,260	73,302,300	6,086,610
319,500	37,000	The Searle Company Limited	61,227,614	60,302,430	9,086,830
12,000	-	The General Tyre and Rubber	668,100	669,120	-
61,000	-	The Hub Power Company Limited	5,483,225	5,694,350	-
3,500	375,500	United Bank Limited	586,725	575,750	46,051,320
420,000	210,000	Attock Refinery Limited	47,857,710	46,909,800	30,979,200
1,985,500	-	K-Electric Limited *	8,181,525	8,676,635	-
		D. G. Khan Cement			
633,000	1,033,000	Company Limited	47,314,796	47,012,910	82,794,950
-	9,000	Descon Oxychem Limited	-	-	259,290
		Mughal Iron and Steel			
19,000	-	Industries Limited	750,690	778,430	-
75,500	-	NetSol Technologies Limited	4,953,045	4,972,430	-
85,000	-	Pakistan Petroleum Limited	11,530,991	11,656,900	-
316,500	1,187,000	Engro Fertilizers Limited	22,966,629	23,240,595	81,962,350
3,500	22,500	Engro Foods Limited	280,000	277,550	1,793,700
-	64,500	Engro Corporation Limited	-	-	18,774,660
		Engro Polymer &			
549,000	62,000	Chemicals Limited	18,787,790	18,232,290	2,302,680
		Fatima Fertilizer			
21,500	3,019,500	Company Limited	2,190,879	2,181,605	110,121,165
253,000	92,000	Fauji Cement Company Limited	3,979,730	3,936,680	1,925,560
158,500	197,000	Fauji Foods Limited	2,255,425	2,293,495	5,965,160
-	5,000	Gul Ahmed Textile Mills Limited	-	-	230,850

Notes to the Financial Statements

For the year ended December 31, 2019

935,000	638,000	International Steels Limited	53,699,984	54,127,150	41,961,260
		Lotte Chemical			
227,000	111,000	Pakistan Limited	3,153,555	3,182,540	1,874,790
-	8,500	Lucky Cement Limited	-	-	3,694,695
		Maple Leaf Cement			
190,000	138,500	Factory Limited	4,188,021	4,396,600	5,630,025
17,000	1,000	Nishat Mills Limited	1,810,361	1,804,380	126,530
513,000	2,849,500	Pak Elektron Limited	13,661,936	13,886,910	70,952,550
153,500	72,000	Pioneer Cement Limited	4,585,350	4,680,215	3,017,520
18,000	3,000	Pakistan Oilfields Limited	8,162,000	8,040,960	1,274,460
-	1,069,000	Power Cement Limited	-	-	8,370,270
		Sui Northern Gas			
-	1,453,000	Pipelines Limited	-	-	111,982,710
		Sui Southern Gas			
559,500	962,000	Company Limited	12,364,795	12,040,442	22,222,200
468,000	857,500	Unity Foods Limited	6,997,099	7,539,480	22,063,489
			486,634,381	487,185,287	993,811,509
		Unrealised gain on remeasurement at fair value through profit or loss - net	550,906	-	-
			487,185,287	487,185,287	993,811,509

* This has a face value of Rs.3.5 per share.

13.2 Term Finance / Sukuk Certificates - secured

Number of Certificates		Name of term finance / sukuks certificates	2019		2018
2019	2018		Carrying value	Fair value	
			(Rupees)		
		Listed			
-	6,000	Jahangir Siddiqui & Co. Limited VIII - related party	-	-	5,262,143
-	597	Engro Corporation Limited Islamic - Rupiya Sukuk - II	-	-	3,094,394
			-	-	8,356,537

Notes to the Financial Statements

For the year ended December 31, 2019

13.2.1 These TFCs / Sukuks matured during the year.

13.3 Privately Placed Term Finance Certificates - Unsecured

2019					
Number of certificates	Mark-up rate (%)	Name of company	Note	Maturity date	Cost (Rupees)
12	11.00%	Azgard Nine Limited (Privately Placed Term Finance Certificates)	13.3.1	October 19, 2020	326,456,184
		Provision for impairment			(326,456,184)
					-
2018					
					-

13.3.1 Considering the financial position of the issuer, the Company has fully provided outstanding amount of the PPTFCs and records mark-up / interest on receipt basis.

13.4 This represents advance against subscription of right shares of Maple Leaf Cement Factory (MLCF). These shares were released by the investee company subsequent to the year end.

14. TRADE DEBTS

	Note	2019 (Rupees)	2018 (Rupees)
Purchase of shares on behalf of clients		459,764,044	1,031,487,282
Advisory services		2,799,786	6,889,484
Forex and fixed income commission		7,887,494	5,687,848
Commodity		45,258,434	41,925,245
		515,709,758	1,085,989,859
Considered doubtful		409,285,717	403,317,987
		924,995,475	1,489,307,846
Provision for doubtful debts	14.1	(409,285,717)	(403,317,987)
	14.2	515,709,758	1,085,989,859

14.1 Included herein is a sum of Rs.215.397 (2018: Rs.326.567) million receivable from related parties.

15. LOANS AND ADVANCES - considered good

	Note	2019 (Rupees)	2018 (Rupees)
Current maturity of long term loans - secured	11	7,026,401	6,547,352
Advances to staff		3,962,796	2,606,150
Advance to suppliers		6,978,799	1,865,743
		17,967,996	11,019,245

Notes to the Financial Statements

For the year ended December 31, 2019

		2019	2018
	Note	(Rupees)	
16. SHORT-TERM DEPOSITS AND PREPAYMENTS			
Deposits	16.1	543,335,326	126,174,758
Prepayments			
- Rent		-	1,177,839
- Others		9,540,755	8,886,715
		552,876,081	136,239,312
16.1	This includes Rs.540.535 (2018: Rs.105.536) million given to NCCPL against ready and future exposure.		
17. INTEREST AND MARK-UP ACCRUED			
Accrued mark-up on margin finance		12,133,320	9,352,285
Accrued mark-up on term finance / sukuk certificates		2,435,978	3,285,304
Profit receivable on bank deposits		383,825	46,975
		14,953,123	12,684,564
18. OTHER RECEIVABLES			
Unrealised gain on revaluation of future equity transactions		90,189	44,434,766
Dividend receivable		-	1,864,891
Sales tax paid on account of forex and advisory		16,009,999	16,009,999
Others		11,909,393	10,645,019
		28,009,581	72,954,675
Provision made against sales tax paid and others	18.1	(23,701,185)	(16,009,999)
	18.2	4,308,396	56,944,676
18.1	The movement in provision during the year is as follows:		
Balance at beginning of the year		16,009,999	16,009,999
Impact of adoption of IFRS-9		7,691,186	-
Balance at beginning of the year - adjusted		23,701,185	16,009,999
Provision recognised during the year		-	-
Reversal due to recoveries during the year		-	-
Balance at the end of the year		23,701,185	16,009,999
18.2	Included herein is a sum of Rs.3.153 (2018: Rs.3.114) million receivable from related parties.		
19. CASH AND BANK BALANCES			
Cash with banks:			
- Current accounts		4,043,558	3,008,585
- Profit or loss savings (PLS) / deposit accounts	19.1	1,198,257,740	1,368,343,863
- Deposits maturing within 12 months	19.2	-	200,000,000
		1,202,301,298	1,571,352,448
Cash in hand:		756,438	249,000
	19.3	1,203,057,736	1,571,601,448

Notes to the Financial Statements

For the year ended December 31, 2019

- 19.1** These carry profit / mark-up rates ranging from 6.75% to 12.75% (2018: 3.00% to 9.50%) per annum.
- 19.2** These term deposit certificates carry mark-up rate of Nil (2018: 9.6%) placed with the Parent Company. and have matured during the year.
- 19.3** These include balances with the Parent Company amounting to Rs.1,191.917 (2018: Rs.1,564.143) million.
- 19.4** Detail of customer assets held in designated bank accounts and Central Depository Company of Pakistan Limited are as follows:

Customers' assets held in the designated bank accounts	1,002,724,903	1,352,363,828
Customers' assets held in the CDC	33,921,514,583	29,935,147,057
19.5 Securities pledged with financial institutions	3,748,885,157	3,001,505,809
20. OPERATING REVENUE		
Brokerage and operating income	331,363,628	388,558,731
Advisory and consultancy fee	38,247,089	89,604,278
	369,610,717	478,163,009
21. CAPITAL GAIN ON SALE OF INVESTMENTS - NET		
Gain on redemption of investment in units of open-end mutual funds	55,104	313,970
Gain on sale of quoted equity securities - net	6,347,393	28,171,549
Gain on sale of PSX shares	-	4,488,264
Gain on sale / redemption of term finance / sukuk certificates - net	21,370,062	6,360,524
Gain on sale of Government securities - net	1,377,542	373,033
	29,150,101	39,707,340

	Note	2019 ----- (Rupees) -----	2018
22. ADMINISTRATIVE AND OPERATING EXPENSES			
Salaries and benefits	22.1	257,343,483	274,594,879
Contribution to provident fund	22.2	13,595,814	14,400,194
Fee for directors / committee meetings	27	2,700,000	2,133,225
Printing and stationery		2,072,309	3,303,328
Telephone, fax, telegram and postage		11,249,863	10,436,701
Amortisation of intangible assets	9.3	49,707	321,138
Rent, rates and taxes		11,690,284	95,641,729
Vehicle running expenses		16,548,915	17,603,175
Electricity, gas etc.		11,434,010	8,624,172
Legal and professional charges		15,876,115	20,133,147
Insurance		10,841,211	13,402,444

Notes to the Financial Statements

For the year ended December 31, 2019

		2019	2018
	Note	(Rupees)	
Newspaper and periodicals		299,801	370,255
Entertainment		991,125	1,355,352
Advertisement and business promotion		2,670,123	7,193,931
Office supplies		2,307,070	3,912,147
Depreciation expense	8.1 & 8.2	84,091,378	25,535,148
Auditors' remuneration	22.3	1,570,800	2,700,000
Fees and subscription		27,660,838	20,604,237
Conveyance and traveling		21,945,875	23,267,529
Repairs and maintenance		15,760,671	15,103,051
Commission expenses		-	21,565,000
Computer expenses		12,405,814	9,473,696
PSX, NCCPL, SECP and CDC charges		27,425,208	39,425,594
Royalty	22.4	15,000,000	13,750,000
Contract and consultancy charges		300,000	4,345,000
Donation	22.5	200,000	602,386
Impairment against TREC-PSX		3,227,330	-
		569,257,744	649,797,458
22.1 Number of employees at the end of the year		185	206
Average number of employees during the year		194	213
22.2 The Company's staff retirement benefits includes a separate provident fund - a defined contribution plan. The un-audited information related to the provident fund as at June 30, 2019 (which is accounting year end of the fund) is as follows:			
Number of employees		163	195
Size of provident fund - Total assets (Rupees)		100,789,681	89,386,118
Cost of investments made (Rupees)		98,980,831	87,644,742
Percentage of investments made		99%	98%
Fair value of investments (Rupees)		98,980,831	87,646,549
Break-up of investments - at amortised cost / fair value:			
- Balance in National / Special Savings Scheme			
Amount of investment (Rupees)		584,229	584,229
Percentage of size of the fund		1%	1%

Notes to the Financial Statements

For the year ended December 31, 2019

- Balance in listed equity securities		
Amount of investment (Rupees)	-	-
Percentage of size of the fund	0%	0%
- Balance in Term Finance and sukuk certificates		
Amount of investment (Rupees)	916,667	1,700,652
Percentage of size of the fund	1%	2%
- Balance in scheduled banks		
Amount of investment (Rupees)	97,479,935	85,361,668
Percentage of size of the fund	97%	95%

22.2.1 Investments in collective investment schemes, listed equity and listed debt securities out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

	Note	2019 ----- (Rupees) -----	2018 -----
22.3 Auditors' remuneration			
Statutory audit fee		545,000	545,000
Half year review		290,000	290,000
Review of code of corporate governance		85,000	85,000
Other certifications		370,000	1,450,000
Out of pocket expenses and sales tax on services		280,800	330,000
		1,570,800	2,700,000

22.4 This represents the royalty payable to Mr. Jahangir Siddiqui (associated person) on account of use of "JS" as a part of Company's name under an agreement dated February 07, 2007 which has been amended through addendum dated April 23, 2018 whereby the Company agreed to pay Rs.15 million per annum (previously Rs. 10 million per annum) effective from April 01, 2018. His registered address is D-185, Block 5, Clifton, Karachi.

22.5 This represents donation paid to Bait-ul-Sukoon Cancer Hospital amounting to Rs.0.2 (2018: Rs.0.592) million. Donation was not made to any donee fund in which directors of the Company or their spouses had any interest.

	Note	2019 ----- (Rupees) -----	2018 -----
23. OTHER OPERATING INCOME - NET			
Income from financial assets:			
Mark-up / profit on debt and government securities		16,795,796	10,475,098
Return on cash margin on future contracts		10,793,456	4,119,258
Exchange gain on foreign currency transactions		18,365	26,028
Mark-up / profit earned on PLS / deposit accounts		140,046,997	78,441,294
		167,654,614	93,061,678
Income from non-financial assets:			
Gain on sale of property and equipment	8.1.1	9,560,024	11,668,213
Reversal of provision against Workers' Welfare Fund	6.3	11,730,325	-
Other income		2,967,310	2,981,545
		24,257,659	13,001,465
		191,912,273	106,063,143

Notes to the Financial Statements

For the year ended December 31, 2019

	Note	2019 ----- (Rupees) -----	2018 -----
24. FINANCE COST			
Commission expense on bank guarantee	24.1	4,631,832	4,635,604
Bank and other charges		269,008	2,478,791
Interest expense on assets subject to finance lease		34,904,068	-
		39,804,908	7,114,395

24.1 During the year, the Company renewed bank guarantee from a commercial bank, to meet exposure requirements, amounting to Rs.400 (2018: Rs.400) million. It was priced at 1.15% (2018: 1.15%) per annum and will be expiring on May 25, 2020 (2018: May 25, 2019).

25. TAXATION

25.1 Except for tax year 2009, 2014, 2015, 2016, 2017 and 2018 income tax assessments have been filed and are deemed to have been assessed under the Income Tax Ordinance, 2001 (the Ordinance) unless selected by taxation authorities for audit purposes.

25.2 For tax year 2009, an ITRA no. 07/2013 was filed by the Commissioner Inland Revenue against an order passed by the Learned Appellate Tribunal Inland Revenue (ATIR) in ITA no. 923/KB/2011 dated August 28, 2012 which was related to the apportionment of expenses, allowability of expenses and claiming of tax deducted at source aggregating to Rs. 61.16 million. However, the same is pending for decision before the Sindh High Court (SHC).

25.3 For tax year 2014, an amended assessment order dated April 28, 2016, has been passed under section 122 (5A) of the Ordinance by the Additional Commissioner Inland Revenue (ACIR). Through said order, the ACIR raised demand amounting to Rs. 20.081 million. The Company has filed rectification application identifying various errors / details not considered by the ACIR and requested ACIR to rectify the same. In addition to that, the Company has also filed an appeal to the Commissioner Inland Revenue Appeals (CIR-A) which is pending. The Company has also obtained stay against recovery of demand from SHC till the decision of CIR-A.

25.4 For tax year 2015, an order dated November 23, 2016 was passed under section 4B of the Ordinance by the Deputy Commissioner Inland Revenue (DCIR). Through said order, an income of Rs.810.584 million was computed under section 4B of the Ordinance and resultant demand of super tax of Rs. 24.318 million was raised. An appeal was filed against the above order before CIR-A on December 01, 2016 identifying various errors / details not considered. The CIR-A, has confirmed DCIR's order vide his order dated May 30, 2017. In pursuance of the order of CIR-A, the Company has filed appeal before ATIR along with application for stay against recovery of demand. The appeal before ATIR has been heard and order is reserved whilst ATIR vide order dated July 18, 2017 has granted stay for 60 days and subsequently the said stay was further extended vide various orders by ATIR. Subsequently, recovery of aforesaid tax demand has now been stayed by the Hon'able SHC through C.P No 4915 of 2018 vide order dated June 28, 2018 with direction to the Department not to enforce recovery of tax demand till the decision of ATIR.

25.5 For tax year 2016 and 2017, notices dated December 27, 2016 and January 3, 2018 were issued under section 4B of the Ordinance by the DCIR. In the said notices the DCIR has contended that the Company is liable to pay Super Tax amounting to Rs. 24.483 million and Rs. 19.490 million on 'income' of Rs. 816.122 million and Rs. 649.676 million for Tax Years 2016 and 2017 respectively. The Company has challenged both notices through writ petition before SHC on constitutional grounds wherein the SHC has, vide its orders dated January 16, 2017 and January 11, 2018 for Tax Years 2016 and 2017 respectively, has stated that no coercive action shall be taken against the Company. The DCIR passed the orders under section 4B vide order dated April 23, 2018 and May 4, 2018 for tax years 2016 and 2017 respectively to levy Super tax of above mentioned amounts under the view that SHC has not restrained the department from passing the orders. In pursuance of the said orders, Company filed appeals which confirmed by CIR-A vide its order dated October 12, 2018 for both years. The Company has filed appeals before Appellant Tribunal Inland Revenue (ATIR) against the orders of CIR-A. Meanwhile, the Company paid 50% of tax demand of both tax years to maintain the above suits in light of judgment of Hon'able Supreme Court of Pakistan (Civil Appeals No. 1171/2017 and other connected appeals) wherein, the pending suits are declared to be entertained on the condition that a minimum of 50% of tax demand is deposited with tax authorities during the pendency of appeal. During the year the appeal has been heard before ATIR and is reserved for order.

For tax year 2018, a notice under section 4B of the Ordinance by the DCIR dated December 7, 2018 was issued, contending that the Company is liable to pay Super Tax amounting to Rs. 45.211 million on 'income' of Rs. 1,507.039

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For the year ended December 31, 2019

million. The Company has challenged the notice on constitutional grounds before SHC through C.P. No. 8670 of 2018. The SHC, vide its order dated December 14, 2018, has stated that no coercive action shall be taken against the Company.

- 25.6** For tax year 2016, an amended assessment order has been passed under section 122(5A) of the Ordinance by the Additional Commissioner Inland Revenue (ACIR). Through the said order, the ACIR raised demand amounting to Rs. 241.217 million. Upon appeal filed, CIR-A confirmed the ACIR's order vide its order dated December 12, 2017. In pursuance of the order of CIR-A, the Company has filed appeal before ATIR. During the year ATIR has decided the matter has annulled CIRAs action on confirming disallowances made in the order passed by ACIR dated November 02, 2017, with directions to CIRA to pass speaking and reasoned order after providing due opportunity of being heard. As a result, the likely assessment position after appeal effect of ATIR's order under section 124 of the Ordinance is that only tax demand on account of undistributed reserves is outstanding, which has also been stayed by SHC vide interim order in CP No. 0-2343 of 2019 dated April 9, 2019.

Furthermore, during the year a rectification application has been filed for erroneously considered share premium reserves while computing excess reserves under section 5A of the Ordinance by the ACIR, in its order dated November 2, 2017. As a result of which tax demand under section 5A would be reduced to Rs. 7,523,230.

- 25.7** For tax year 2017, an amended assessment order has been passed under section 122(5A) of the Ordinance by the ACIR. Through the said order, the ACIR raised a demand amounting to Rs. 17.649 million. The Company has filed an appeal before CIR-A which has been heard, however, no order has been passed till date. The total tax demand was partially stayed by the order of SHC vide CP No. 5431 of 2017 dated August 16, 2017, while the remaining liability was adjusted from the available refunds as declared in the return for tax year 2017.

- 25.8** For tax year 2017, a show-cause notice under section 161/205 of the Ordinance has been issued by tax authority. Through the said order, the Company was alleged for non-deduction of tax under section 150 of the Ordinance on payment made to shareholders in respect of buy back of shares. The said notice has been challenged before Sindh High Court (SHC) through legal counsel of the Company and SHC has prohibited tax department from passing any order without its permission. On the directions of court, detailed reply to show-cause notice has also been submitted vide our letter dated January 26, 2018. Tax authorities have issued a subsequent notice dated March 6, 2018, requesting to provide certain factual details which have also been submitted vide our letter dated March 16, 2018.

- 25.9** During 2013, the Company received a show cause notice from the Sindh Revenue Board (SRB) under section 47 of the Sindh Sales Tax on Services Act, 2011. Subsequently, an order was passed reducing the demand to Rs. 9.86 million along with default surcharge. The Company filed an appeal before the CIR-A and after being decided against the Company, it subsequently filed an appeal before Appellate Tribunal SRB. During the year 2014, the Company paid an amount of Rs. 7.15 million in respect of the abovementioned liability before June 25, 2014 under the notification SRB 3-4/8/2014 to avail the exemption from application of penalty and 75% of default surcharge. Appellate Tribunal SRB vide order dated November 29, 2017 decided the issue of Sindh Sales Tax (SST) in favor of the Company. However, the issue of SST on advisory and consultancy services and commission earned on purchase/sale of mutual funds have been remanded back whilst the issue relating to SST on commission on foreign exchange dealing, services rendered outside Sindh and levy of default surcharge and penalty have been decided against the Company. The Company has filed a reference application before SHC in respect of the issues decided against the Company and remanded back.

During 2014, the Company also received another show cause notice from SRB under section 47 of the Sindh Sales Tax on Services Act, 2011. Subsequently, an order was passed raising a tax demand amounting to Rs. 10.77 million. The Company has filed an appeal against the order with CIR-A which is pending. Further, in respect of the same, rectification application has also been filed with the department. The Company and other stock brokers have also filed petition with the SHC and has been granted interim stay against recovery of demand. However, the Company has paid an amount of Rs. 9.24 million before June 25, 2014 under the notification SRB 3-4/8/2014 to avail the exemption of penalty and 75% of default surcharge.

Furthermore, for fiscal year 2014 and 2015, SRB alleged short payment of SST vide Notice dated February 02, 2017. The Company has submitted all the required details in response to the notice and no order in this respect has been passed.

- 25.10** Tax department has issued show cause notice dated June 08, 2015 confronting (alleged) non payment of Federal Excise Duty (FED) on Company's services under Federal Excise Act, 2005 and subsequently issued an order raising a demand amounting to Rs.78.003 million for tax year 2010 to tax year 2013. The Company filed a rectification appeal, in addition, to filing an appeal in the SHC, through Stockbroker Association (of which the Company is also the member) against aforementioned order on the grounds that after 18th amendment to the Constitution, the services that were previously subjected to FED under the federal laws are now subject to the provincial sales tax and the Company has accordingly discharged its tax obligation. The SHC initially, stayed Federal Board of Revenue from demanding sales tax on services from stockbrokers and subsequently, disposed of the order in Company's favor. However, CIR-A on the matter of appeal

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filed by the Company issued an order in favor of the department vide its order dated January 31, 2017. In pursuance of the order of CIR-A the Company has filed an appeal before Appellate Tribunal SRB along with application for stay of demand which was granted initially for 30 days and was subsequently extended vide various orders. Appellate Tribunal SRB has decided the matter vide order dated December 20, 2017, received by us on April 09, 2018, whereby ATIR decided that FED is applicable only on the commission earned from trading of shares and no other type of commission comes under the ambit of FED. With this opinion, ATIR has remanded back the issue related to pre amendment era. For post amendment era, ATIR has relied upon the decision of SHC (stated above) and declared the charge of FED after July 01, 2011 null and void.

	Note	2019 ----- (Rupees) -----	2018 -----
25.11 Reconciliation of tax charge for the year			
Profit before taxation		107,289,020	98,836,356
Tax at the applicable tax rate of 29% (2018: 29%)		31,113,816	28,662,543
Tax effect of income under Presumptive Tax Regime		(8,657,348)	(42,072,616)
Tax effect of prior year tax charge		11,049,309	9,617,363
Tax effect of non-deductible expenses		11,251,189	64,116,156
Tax effect of exempt income / permanent differences		(3,333,758)	584,950
Tax effect of change in tax rate		-	4,314,226
Tax effect of minimum tax and alternate corporate tax (ACT)		18,617,419	3,442,835
Others		-	4,533,762
		60,040,627	73,199,219
26. EARNINGS PER SHARE - BASIC AND DILUTED			
Profit after taxation		47,248,393	25,637,137
		----- (Number) -----	
Weighted average number of shares		36,065,885	38,007,000
		----- (Rupees) -----	
Earnings per share - basic and diluted		1.31	0.67

Notes to the Financial Statements

For the year ended December 31, 2019

27. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration, including certain benefits to the Chief Executive, Directors and Executives of the Company is as follows:

	Chief Executive		Directors		Executives	
	2019	2018	2019	2018	2019	2018
	(Rupees)					
Managerial remuneration	26,670,978	21,212,481	-	-	115,679,206	109,354,412
Medical allowance	-	-	-	-	9,331,053	10,670,326
House rent allowance	1,580,722	1,472,727	-	-	-	-
Utilities allowance	175,633	163,636	-	-	-	-
Staff retirement benefits	1,296,000	1,199,999	-	-	6,389,821	7,301,783
Medical	289,005	471,135	-	-	-	-
Fees for attending meetings	-	-	2,700,000	2,133,225	-	-
	30,012,338	24,519,978	2,700,000	2,133,225	131,400,080	127,326,521
Number of persons	1	1	7	7	35	42

27.1 Managerial remuneration includes Rs.9.670 (2018: Rs.7.500) million charged in the statement of profit or loss in respect of bonus to chief executive and executives of the Company.

28. RELATED PARTY TRANSACTIONS

28.1 Following are the name of associated companies, related parties and associated undertakings with whom the Company had entered into transactions or had agreements in place during the year:

Name of Related parties	Relationship	Aggregate % of Shareholding by Related Parties in JS Global Capital Limited
JS Bank Limited	Parent company	83.53%
Jahangir Siddiqui & Co. Limited	Ultimate parent company	0.00%

Name of Related parties	Relationship	Aggregate % of Shareholding by Related Parties in JS Global Capital Limited
EFU General Insurance Limited	Major shareholding of ultimate parent company	0.00%
EFU Life Assurance Limited	Major shareholding of ultimate parent company	1.11%
JS Global Capital Limited - Staff Provident Fund	Post Employment Benefit plan of company	0.00%
JS Bank Limited - Staff Provident Fund	Post Employment Benefit plan of parent company	0.00%
JS Land Private Limited	Major shareholding of controlling person	0.00%
Mr. Adil Matcheswala	Key Management Personnel of parent company	0.00%
Mr. Jahangir Siddiqui	Controlling person	0.00%
Mr. Muhammad Kamran Nasir	Key Management Personnel of company	0.00%
Mr. Junaid Mirza	Key Management Personnel of company	0.00%
Mr. Rizwan Khan	Key Management Personnel of company	0.00%
Mr. Tanzeel ur Rehman	Key Management Personnel of company	0.00%
Mr. Syed Faran Haider Rizvi	Key Management Personnel of company	0.00%
Mr. Khalilullah Usmani	Key Management Personnel of company	0.00%

Notes to the Financial Statements

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- 28.2** Related parties comprise of parent company, major shareholders, associated companies with or without common directors, other companies with common directors, retirement benefit fund, directors, key management personnel and their close family members. Contribution to defined contribution plan (provident fund) are made as per the terms of employment. Remuneration of key management personnel are in accordance with their terms of engagements. Transactions with other related parties are entered into at rates negotiated with them (agreed terms).

Details of transactions and balances at year end with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	2019		2018	
	Key management personnel of entity and associated entities	Associated entities other than parent company	Key management personnel of entity and associated entities	Associated entities other than parent company
	----- (Rupees) -----			
Trade debts				
Opening balance	751,152	126,548,025	167,470	2,230,737
Invoiced during the year	36,535,541	12,197,459,991	29,571,166	18,966,515,485
Received during the year	(36,574,943)	(12,190,480,094)	(28,987,484)	(18,842,198,197)
Closing balance	<u>711,750</u>	<u>133,527,922</u>	<u>751,152</u>	<u>126,548,025</u>
Trade payable				
Opening balance	908,271	20,887,955	43,838	14,323,967
Invoiced during the year	23,706,106	1,013,526,640	23,560,575	3,533,520,498
Paid during the year	(19,794,587)	(1,033,636,976)	(22,696,142)	(3,526,956,510)
Closing balance	<u>4,819,790</u>	<u>777,619</u>	<u>908,271</u>	<u>20,887,955</u>
Loans and advances				
Opening balance	4,068,315	-	4,833,988	-
Disbursements during the year	9,837,000	-	3,085,000	-
Repayments during the year	(3,953,667)	-	(3,850,673)	-
Closing balance	<u>9,951,648</u>	<u>-</u>	<u>4,068,315</u>	<u>-</u>

	2019	2018
	----- (Rupees) -----	
Balances with Parent Company		
Trade debts	<u>902,218</u>	<u>179,797</u>
Other receivables	<u>-</u>	<u>1,188,651</u>
Bank balances with parent company	<u>1,191,916,629</u>	<u>1,564,143,145</u>
Other payable	<u>6,960</u>	<u>4,206,960</u>

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	2019	2018
	(Rupees)	
Balances with ultimate Parent Company		
Trade debts	80,255,294	199,087,961
Other receivables	272,757	233,465
Mark-up receivable on term finance certificates	736,044	617,937
Principal outstanding on term finance certificates	15,000,000	20,250,000
Rent payable	-	160,000

Balances with associated entities of group companies

Other receivables	1,334,459	1,692,038
Rent Payable	-	6,070,400
Security Deposit	3,035,200	3,035,200

Transactions with associated entities of group companies

Nature of transactions

Brokerage income	19,948,421	23,613,013
Purchase of units of JS Cash Fund	-	250,000,000
Redemption of units of JS Cash Fund	-	250,087,717
Lease rentals paid	63,471,854	-

Transactions with the Parent Company

Nature of transactions

Brokerage income	3,787,822	1,582,203
Purchase of Pakistan Investment Bonds	83,215,938	21,621,204

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	2019	2018
	(Rupees)	(Rupees)
Purchase of sukuk certificates	-	2,026,237
Sale of sukuk certificates	25,044,918	-
Gain on sukuk certificates	25,000	-
Commission expense	-	21,000,000
Purchase of term deposit	3,500,000,000	-
Sale of term deposit	3,504,007,233	-
Mark-up income on term deposit	4,671,232	-
Rent, utilities and consultancy charges	4,500,000	4,200,000
Bank charges	166,458	2,284,110
Mark-up on deposit accounts	130,322,447	77,663,776
	2019	2018
	(Rupees)	(Rupees)

Transactions with ultimate Parent Company

Nature of transactions

Brokerage income	859,679	1,141,430
Reimbursement of expenses by the ultimate parent company	75,897	4,027,478
Reimbursement of expenses to the ultimate parent company	20,171,489	66,025,085
Market maker fee received	506,800	12,020,768
Mark-up received on term finance certificates	1,911,634	1,592,166
Principal received on term finance certificates	5,250,000	9,000,000

Notes to the Financial Statements

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	2019	2018
	(Rupees)	
Transactions with key management personnel of the Company and its Parent Company		
Nature of transactions		
Brokerage income	214,599	269,208
Directors' remuneration	2,700,000	2,136,164
Remuneration paid to Chief Executive Officer	30,723,332	31,134,519
Remuneration paid to key management personnel	86,901,060	92,343,315
Transactions with other related parties		
Nature of transactions		
Royalty expense	15,000,000	13,750,000
Brokerage expense	454,535	-
Insurance expense	14,412,319	9,928,603
Insurance claim	1,900,000	203,163
Purchase of term finance certificates	-	46,974,752
Sale of term finance certificates	1,313,762,758	32,145,951
Capital gain on sale of term finance certificates	1,229,597	160,101
Purchase of sukuk certificates	20,000,000	25,635,314
Sale of sukuk certificates	4,774,037,224	413,133,600
Mark-up on sukuk certificates	128,668	-
Capital gain on sale of sukuk certificates	6,499,413	1,892,929
Contributions to staff provident fund	13,295,814	14,400,194

Notes to the Financial Statements

For the year ended December 31, 2019

29. OPERATING SEGMENTS

	2019			
	Brokerage	Investment and treasury	Other operations	Total
	(Rupees)			
Segment revenues	331,363,628	314,670,141	62,396,545	708,430,314
Loss on remeasurement of investments	-	550,906	-	550,906
Administrative and operating expenses	(268,805,768)	(69,270,001)	(147,040,890)	(485,116,659)
Depreciation	(22,105,398)	(8,371,177)	(53,614,803)	(84,091,378)
Amortisation of intangible assets	-	-	(49,707)	(49,707)
Finance cost	(39,804,908)	-	-	(39,804,908)
	(647,554)	237,579,869	(138,308,855)	99,918,568
Gain on sale of property and equipment				9,560,024
Provision for Sindh Workers' Welfare Fund				(2,189,572)
Taxation				(60,040,627)
Profit after tax				47,248,393
Segment assets	2,519,806,655	1,330,535,680	241,512,064	4,091,854,399
Segment liabilities	1,407,517,097	-	450,824,790	1,858,341,887
Capital expenditure	65,332,112	8,767,582	16,561,847	90,661,541
Non cash items other than depreciation and amortisation				
- Loss on remeasurement of investments	-	550,906	-	550,906
- Gain on remeasurement of future equity transactions	-	90,189	-	90,189

There were no major customer of the Company which derived 10 percent or more of the Company's revenue. All non-current assets of the Company as at December 31, 2019 and December 31, 2018 are located and operating in Pakistan.

	2018			
	Brokerage	Investment and treasury	Other operations	Total
	(Rupees)			
Segment revenues	388,558,731	307,935,459	93,874,042	790,368,232
Loss on remeasurement of investments	-	(44,271,168)	-	(44,271,168)
Administrative and operating expenses	(332,631,979)	(62,717,027)	(228,592,166)	(623,941,172)
Depreciation	(16,682,686)	(175,454)	(8,677,008)	(25,535,148)
Amortisation of intangible assets	-	-	(321,138)	(321,138)
Finance cost	(7,114,395)	-	-	(7,114,395)
	32,129,671	200,771,810	(143,716,270)	89,185,211
Gain on sale of property and equipment				11,668,213
Provision for Sindh Workers' Welfare Fund				(2,017,068)
Taxation				(73,199,219)
Profit after tax				25,637,137

Notes to the Financial Statements

For the year ended December 31, 2019

	2018			
	Brokerage	Investment and treasury	Other operations	Total
	(Rupees)			
Segment assets	2,894,192,564	1,698,463,387	247,391,041	4,840,046,992
Segment liabilities	2,071,628,673	-	160,017,544	2,231,646,217
Capital expenditure	90,041,396	63,287,234	18,820,245	172,148,875
Non cash items other than depreciation and amortisation				
- Loss on remeasurement of investments	-	(44,271,168)	-	(44,271,168)
- Gain on remeasurement of future equity transactions	-	44,434,766	-	44,434,766

30. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

30.1 Financial instruments by category

30.1.1 Financial assets

	2019			
	At fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
	(Rupees)			
Long term loans and deposits	-	-	32,478,002	32,478,602
Long term investments	-	130,098,199	-	130,098,199
Short term investments	518,531,954	-	-	518,531,954
Trade debts	-	-	515,709,758	515,709,758
Receivable against margin finance	-	-	315,474,761	315,474,761
Loans and advances	-	-	10,989,197	10,989,197
Short-term deposits	-	-	543,335,326	543,335,326
Interest and mark-up accrued	-	-	14,953,123	14,953,123
Other receivables	90,189	-	4,218,207	4,308,396
Cash and bank balances	-	-	1,203,057,736	1,203,057,736
	518,622,143	130,098,199	2,640,216,710	3,288,937,052

Notes to the Financial Statements

For the year ended December 31, 2019

2018				
	At fair value through profit or loss - held for trading	Available-for-sale	Loans and receivables	Total
	(Rupees)			
Long term loans and deposits	-	-	26,496,577	26,496,577
Long term investments	-	141,999,318	-	141,999,318
Short term investments	1,019,068,046	-	-	1,019,068,046
Trade debts	-	-	1,085,989,859	1,085,989,859
Receivable against margin finance	-	-	297,726,631	297,726,631
Loans and advances	-	-	9,153,502	9,153,502
Short-term deposits	-	-	126,174,758	126,174,758
Interest and mark-up accrued	-	-	12,684,564	12,684,564
Other receivables	44,434,766	-	12,509,910	56,944,676
Cash and bank balances	-	-	1,571,601,448	1,571,601,448
	1,063,502,812	141,999,318	3,142,337,249	4,347,839,379

30.1.2 Financial liabilities

2019			
	Amortised cost	At fair value through profit or loss	Total
	(Rupees)		
Creditors, accrued expenses and other liabilities	1,573,437,271	-	1,573,437,271
Liability against assets subject to finance lease	252,325,124	-	252,325,124
Unclaimed dividend	3,361,843	-	3,361,843
	1,829,124,238	-	1,829,124,238

2018			
	Amortised cost	At fair value through profit or loss	Total
	(Rupees)		
Creditors, accrued expenses and other liabilities	2,189,565,972	-	2,189,565,972
Liability against assets subject to finance lease	-	-	-
Unclaimed dividend	3,361,843	-	3,361,843
	2,192,927,815	-	2,192,927,815

Notes to the Financial Statements

For the year ended December 31, 2019

30.2 Financial risk management

The Company primarily invests in a portfolio of money market investments and investments in marketable securities and short term debt securities. Such investments are subject to varying degrees of risk.

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

30.2.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Credit risk arises from the inability of the issuers of the instruments, the relevant financial institutions or counter parties in case of placements or other arrangements to fulfill their obligations.

Exposure to credit risk

Credit risk of the Company arises principally from the trade debts, short term investments, loans and advances, deposits and other receivables. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk, the Company has developed its own risk management policies and guidelines whereby clients are provided trading limits according to their worth and proper margins are collected and maintained from the clients. The management continuously monitors the credit exposure towards the clients and makes provision against those balances considered doubtful of recovery.

The Company's policy is to enter into financial contracts in accordance with the internal risk management policies and investment and operational guidelines approved by the Board of Directors. In addition, credit risk is also minimised due to the fact that the Company invests only in high quality financial assets, majority of which have been rated by a reputable rating agency. All transactions are settled / paid for upon delivery. Except for provision made against the trade debts amounting to Rs. 409.286 and Rs. 23.701 million respectively (refer note 14 to the financial statements) and impairment against investment in Privately Placed Term Finance Certificates amounting to Rs.326.456 million (refer note 13.3 to the financial statements), the Company does not expect to incur material credit losses on its financial assets. The maximum exposure to credit risk at the reporting date is as follows:

	2019	2018
	----- (Rupees) -----	
Financial Assets		
Long term loans and deposits	32,478,602	26,496,577
Short term investments	31,346,667	25,256,537
Long term investments	83,033,333	112,100,000
Trade debts	515,709,758	1,085,989,859
Receivable against margin finance	315,474,761	297,726,631
Loans and advances	10,989,197	9,153,502
Short-term deposits	543,335,326	126,174,758
Interest and mark-up accrued	14,953,123	12,684,564
Other receivables	4,218,207	12,509,910
Bank balances	1,202,301,298	1,571,352,448
	2,753,840,272	3,279,444,786

Notes to the Financial Statements

For the year ended December 31, 2019

30.2.1.1 The maximum exposure to credit risk for trade debts and margin finance at the reporting date by geographic region is as follows:

Local clients	829,757,780	1,381,120,329
Foreign clients	1,426,739	2,596,161
	831,184,519	1,383,716,490

The ageing of trade debts as at year reporting date is as follows:

	2019			2018		
	Gross	Impairment	Net	Gross	Impairment	Net
	(Rupees)					
Past due 1-30 days	503,442,898	-	503,442,898	1,072,623,528	-	1,072,623,528
Past due 31 days -180 days	9,919,981	-	9,919,981	8,902,817	-	8,902,817
Past due 181 days -1 year	1,074,048	-	1,074,048	1,106,584	-	1,106,584
More than one year	409,285,717	409,285,717	-	406,674,917	403,317,987	3,356,930
Total	923,722,644	409,285,717	514,436,927	1,489,307,846	403,317,987	1,085,989,859

Except for the impairment disclosed above, no impairment has been recognised in respect of these debts as the custody of equity securities against the same is considered to be adequate.

The ageing of trade debts, other receivables and loans and advances from related parties as at year reporting date is as follows:

	Total	Past due 1-30 days	Past due 31 days - 180 days	Past due 181 days - 1 year	More than one year
2019					
Trade debts	212,087,863	211,201,702	51,693	243,430	591,038
Other receivables	1,607,216	39,292		-	1,567,924
Loans and advances	9,951,648	87,187	449,627	570,960	8,843,874
2018					
Trade debts	326,566,935	325,672,730	288,252	4,069	601,884
Other receivables	3,114,154	233,465	-	-	2,880,689
Loans and advances	4,068,315	375,000	982,190	-	2,711,125

No provision has been recognized in respect of these trade debts, other receivables and loans and advances in these financial statements.

30.2.1.2 Bank balances

The analysis below summarizes the credit quality of the Company's bank balance:

	2019	2018
	(Rupees)	
AA+	5,742,080	3,779,562
AA	10,588	3,045,464
AAA	4,623,728	377,202
A+	300	1,564,143,145
AA-	1,191,924,602	7,075
	1,202,301,298	1,571,352,448

Notes to the Financial Statements

For the year ended December 31, 2019

30.2.1.3 Investment in debt securities

Exposure of the Company in Term Finance Certificates according to credit ratings is as follows:

	2019	
	(Rupees)	Percentage
Term finance / sukuk certificates		
Credit rating		
AA+	15,000,000	13.38%
AA	95,600,000	85.28%
AAA	1,500,000	1.34%
	112,100,000	100.00%

	2018	
	(Rupees)	Percentage
Term finance / sukuk certificates		
Credit rating		
AA+	23,356,567	17.00%
AA	112,002,868	81.54%
AAA	2,002,348	1.46%
	137,361,783	100.00%

30.2.1.4 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. The Company's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentrations of credit risk.

Details of the industrial sector analysis of the trade debts and margin finance are as follows:

	2019		2018	
	(Rupees)	%	(Rupees)	%
Services (including insurance)	26,939,102	3.24%	326,374,052	23.59%
Manufacturing	18,900,843	2.27%	47,390	0.00%
Banking and financial institutions	85,054,309	10.23%	273,990,431	19.80%
Individuals	700,290,265	84.25%	783,304,617	56.61%
	831,184,519	100.00%	1,383,716,490	100.00%

30.2.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding to an adequate amount of committed credit facilities and the ability to close out market positions due to the dynamic nature of the business. The Company's treasury aims at maintaining flexibility in funding by keeping committed credit lines available. The following are the contractual maturities of financial liabilities:

Notes to the Financial Statements

For the year ended December 31, 2019

2019						
Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years	
(Rupees)						
Financial liabilities						
Creditors, accrued expenses and other liabilities	1,573,437,271	1,573,437,271	1,573,437,271	-	-	-
Liability against assets subject to finance lease	252,325,124	394,059,862	5,615,536	42,635,545	197,707,032	148,101,749
Unclaimed dividend	3,361,843	3,361,843	3,361,843	-	-	-
	<u>1,576,799,114</u>	<u>1,576,799,114</u>	<u>1,576,799,114</u>	<u>-</u>	<u>-</u>	<u>-</u>
2018						
Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years	
(Rupees)						
Financial liabilities						
Creditors, accrued expenses and other liabilities	2,189,565,972	2,189,565,972	2,189,565,972	-	-	-
Unclaimed dividend	3,361,843	3,361,843	3,361,843	-	-	-
	<u>2,192,927,815</u>	<u>2,192,927,815</u>	<u>2,192,927,815</u>	<u>-</u>	<u>-</u>	<u>-</u>

*The amounts disclosed in the table are the contractual undiscounted cash flows.

On the reporting date, the Company has cash and bank balances of Rs.1,203 (2018: Rs.1,572) million as mentioned in note 19 and unutilised credit lines of Rs.400 (2018: Rs.990) million against the investments of the Company.

30.2.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, management manages market risk by monitoring exposure on marketable securities by following the internal risk management and investment policies and guidelines.

Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions in foreign currencies. Currently, the Company's foreign exchange risk exposure is restricted to foreign currency in hand.

	Statement of Financial Position	
	Date Rate	
	2019	2018
Pak rupees / US Dollar	<u>154.85</u>	<u>138.86</u>

Sensitivity analysis

A 10% strengthening / weakening of the Rupee against US Dollar as at December 31, 2019 would have increased / (decreased) the profits of the Company as follows:

	Impact on profit before tax	
	2019	2018
	(Rupees)	
Strengthening of Rupees by 10%	<u>53,083</u>	<u>-</u>
Weakening of Rupees by 10%	<u>(53,083)</u>	<u>-</u>

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Notes to the Financial Statements

For the year ended December 31, 2019

The Company manages fair value risk by investing primarily in variable rate term finance certificates, preferably with no cap and floor which insulates the Company from fair value interest rate risk, as coupon rates correspond with current market interest rate. The Company also invests in fixed rate bank accounts and Government securities such as Market Treasury Bills and Pakistan Investment Bonds.

As at December 31, 2019 and 2018, investments in term finance and sukuk certificates exposed to interest rate risk are detailed in notes 10.1 and 13.2 to the financial statements.

At the reporting date, the interest rate profile of Company's interest-bearing financial instruments is as follows:

	Carrying amount	
	2019	2018
	(Rupees)	
Fixed rate investments (notes 13.2 and 19)	1,198,257,740	1,571,438,257
Variable rate investments (note 10.1 and 13.2)	427,574,761	431,988,774

Cash flow sensitivity analysis for variable rate instruments

The Company holds KIBOR based interest bearing investments in term finance certificates exposing the Company to cash flow interest rate risk.

For cash flow sensitivity analysis of variable rate instruments, a hypothetical change of 100 basis points in interest rates during the year would have decreased / increased profit for the year by the amounts shown below. It is assumed that the changes occur immediately and uniformly to each category of instrument containing interest rate risk. Actual results might differ from those reflected in the details specified below. The analysis assumes that all other variables remain constant.

	"Impact on profit before tax"	
	100 bp increase	100 bp decrease
	(Rupees)	
As at December 31, 2019		
Cash flow sensitivity - variable rate instruments	4,275,748	(4,275,748)
As at December 31, 2018		
Cash flow sensitivity - variable rate instruments	4,319,888	(4,319,888)

Fair value sensitivity analysis for fixed rate instruments

As at December 31, 2019, the Company held no fixed rate financial instruments.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market.

The Company is exposed to other price risk on investments in listed shares. The Company manages the risk through portfolio diversification, as per recommendation of Investment Committee of the Company. The Committee regularly monitors the performance of investees and assess their financial performance on an on-going basis.

However, the Company is not exposed to other price risk in equity securities as Ready Buy Future Sale (RBFS) securities are not exposed to any price risk.

30.2.4 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risks arise from all of the Company's activities.

Notes to the Financial Statements

For the year ended December 31, 2019

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibility;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

30.3 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms length transaction.

The carrying values of all financial assets and liabilities reflected in these financial statements approximate to their fair value. The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2:** Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3:** Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Fair value of the financial assets that are traded in active markets are based on quoted market prices or dealer price quotations.

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

		2019			
Financial assets at fair value through profit or loss	Note	Level 1	Level 2	Level 3	Total
Quoted equity securities		487,185,287	-	-	487,185,287
		487,185,287	-	-	487,185,287
Fair value through other comprehensive income					
Quoted securities	30.3.1	139,164,866	-	-	139,164,866
	30.3.2	139,164,866	-	-	139,164,866

Notes to the Financial Statements

For the year ended December 31, 2019

	2018			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Quoted equity securities	993,811,509	-	-	993,811,509
Term finance / sukuk certificates - secured	-	8,356,537	-	8,356,537
	<u>993,811,509</u>	<u>8,356,537</u>	<u>-</u>	<u>1,002,168,046</u>
Available-for-sale				
Listed securities	158,899,318	-	-	158,899,318
	<u>158,899,318</u>	<u>-</u>	<u>-</u>	<u>158,899,318</u>

30.3.1 Investment in term finance certificates / sukuks issued for the purpose of raising funds are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan (SECP).

30.3.2 The carrying values of remaining financial assets and liabilities reflected in these financial statements approximate to their fair values.

30.4 Capital risk management

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

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

The Company finances its operations through equity, borrowing and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk.

Net Capital requirements of the Company are set and regulated by PSX. These requirements are put in place to ensure sufficient solvency margins and are based on excess of current assets over current liabilities. The company manages its net capital requirements by assessing its capital structure against required capital level on a regular basis. Net Capital Balance as at December 31, 2019 is Rs.1,281.716 (2018: 1,587.227) million.

	2019	2018
	(Rupees)	
31. Capital Adequacy Level		
Total assets	4,091,854,504	4,836,819,662
Less: Total liabilities	(1,858,301,992)	(2,231,646,217)
Less: Revaluation reserves (created upon revaluation of fixed assets)	-	-
Capital Adequacy Level	<u>2,233,552,512</u>	<u>2,605,173,445</u>

Notes to the Financial Statements

For the year ended December 31, 2019

32. DISCLOSURE UNDER REGULATION 5 (4) OF RESEARCH ANALYST REGULATIONS, 2015

At present, JSGCL employs eight members in its research department (including head of research, three senior analysts, a junior analyst, a technical analyst, a librarian and a data administrator). All members report to Head of Research who in turn reports to CEO.

Compensation structure of research analysts is flat and is subject to qualification, experience and skillset of the person. However, the compensation of anyone employed in the research department does not in any way depend on the contents / outcome of research report.

During the year ended December 31, 2019, the personnel employed in the Research Department have drawn an aggregate salary and benefits amounting to Rs.18.655 million, which comprises basic salary, medical allowance, provident fund and other benefits as per company policy.

33. NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

33.1 The Board of Directors have proposed cash dividend of Nil (December 31, 2018: Nil) amounting to Rs. Nil (December 31, 2018: Rs.Nil) and bonus of Nil (December 31, 2018: Nil) in their meeting held on February 20, 2020. This appropriation will be approved in the forthcoming Annual General Meeting.

33.2 Subsequent to the year end, the Board of Directors of the Company in their meeting held on February 20, 2020:

33.2.1 Gave an in-principal approval to the management of the Company to start the negotiation process for the acquisition of certain properties (including the leasehold premises) from a related party, subject to the fair market valuation as determined by the independent valuer and compliance with regulatory requirements. The estimated cost of the subject properties as estimated by the management is Rs.800 million; and

33.2.2 Authorized the management of the Company to conduct detailed due diligence, work out share value and appoint an advisor / consultant for the purpose to participate in the process of acquisition of upto 77.12% of the total issued paid up share capital of BIPL Securities Limited.

34. CORRESPONDING FIGURES

Comparative figures have been re-arranged and reclassified wherever necessary to comply with the requirements of Companies Act, 2017 and for the purpose of comparison and better presentation, in the current year. However, there are no material reclassification / re-arrangement to report. Following major reclassification has been made.

		2018 --- (Rupees) ---
Reclassified from component	Reclassified to component	
Loans and advances considered good	Long term loans and deposits	<u>2,500,000</u>

35. DATE OF AUTHORISATION

These financial statements were authorised for issue in the Board of Directors' meeting held on February 20, 2020.

Muhammad Yousuf Amanullah
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Pattern of Shareholding

For the year ended December 31, 2019

# Of Shareholders	Shareholdings'Slab			Total Shares Held
472	1	to	100	5,310
189	101	to	500	59,222
88	501	to	1000	78,017
139	1001	to	5000	292,594
14	5001	to	10000	107,753
5	10001	to	15000	58,885
3	15001	to	20000	50,000
3	20001	to	25000	72,592
2	25001	to	30000	55,493
1	35001	to	40000	38,091
1	40001	to	45000	44,000
1	70001	to	75000	72,500
1	170001	to	175000	170,500
1	340001	to	345000	340,323
1	475001	to	480000	478,000
1	745001	to	750000	750,000
1	2355001	to	2360000	2,358,551
1	25525001	to	25530000	25,525,169
924				30,557,000

S.No.	Categories of Shareholders	No. of Shareholders	Total Shares Held	Percentage
1	Individuals	895	1,534,988	5.02%
2	Insurance Companies	1	340,323	1.11%
3	Joint Stock Companies	14	32,041	0.10%
4	Financial Institutions	1	25,525,169	83.53%
5	Foreign Institutions	1	2,358,551	7.72%
6	Others	12	765,928	2.51%
		924*	30,557,000	100%

*Includes 607 CDC Beneficial Owners as appeared in CDS.

Pattern of Shareholding

For the year ended December 31, 2019

<u>Categories of Shareholders</u>	Shareholders	Shares Held
Associated Companies, undertakings and related parties		
JS Bank Limited	1	25,525,169
Kamco Investment Company (Formerly: Global Investment House K.P.S.C)	1	2,358,551
Mr. Jahangir Siddiqui	1	10,377
Mr. Mahboob Ahmed	1	2,658
Trustee - Future Trust	1	750,000
	5	28,646,755
NIT and ICP	Nil	Nil
Directors, CEO and their spouse(s) and minor children		
Mr. Muhammad Kamran Nasir	1	1
Mr. Abdul Hamid Mihrez	1	4
Mr. Munir Hassan Tahir	1	4
Mr. Muhammad Yousuf Amanullah	1	1
Mr. Shahab Anwar Khawaja*	1	1
Ms. Shireen Raza*	1	1
Mr. Iftikhar Ahmed Rao*	1	1
Mr. Khusro Iqbal Mumtaz*	1	1
	8	14
Executives	Nil	Nil
Public Sector Companies and Corporations	Nil	Nil
Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Takaful, Modarabas, Mutual and Pension Funds	1	340,323
Joint Stock Companies and Others	26	797,969
Individuals	895	1,534,988
Total	924	30,557,000

Mr. Khusro Iqbal Mumtaz, Ms. Shireen Raza, Mr. Iftikhar Ahmed Rao and Mr. Shahab Anwar Khawaja have been appointed in place of outgoing directors Mr. Khurshid Hadi, Mr. Junaid Imran, Mr. Ammar Talib Hajeyah and Mr. Khurram Shaikh via election of directors held on December 24, 2019. The remaining directors were reelected and the Committees were reconstituted in first meeting of directors held after election of directors. Regulatory approval for new elected directors has applied and is currently pending.

Pattern of Shareholding

For the year ended December 31, 2019

Share holders holding 5% or more

Shares Held

JS Bank Limited	25,525,169
Kamco Investment Company (Formerly: Global Investment House K.P.S.C)	2,358,551
	<u>27,883,720</u>

The Directors, CEO, COO, CFO, Head of Internal Audit, Company Secretary and their spouses and minor children had reportedly carried out no trading in the shares of the Company other than transfer of qualification shares to newly elected directors during the year ended December 31, 2019.

Form of Proxy

19th Annual General Meeting

The Company Secretary
JS Global Capital Limited
17th & 18th Floor, The Center, Plot No. 28
S.B.5, Abdullah Haroon Road, Karachi.

I/We _____ of _____
being member(s) of JS Global Capital Limited holding _____ ordinary shares as per Registered
Folio No. / CDC A/c. No. (for members who have shares in CDS) _____ hereby appoint
Mr. / Mrs. / Miss _____ of (full address) _____
_____ of failing him/her Mr. / Mrs. / Miss _____ of
(full address) _____
as my / our proxy in my / our absence to attend, act and vote for me / us and on my / our behalf at the Annual General Meeting
of the Company to be held on **April 22, 2020** and / or any Adjournment thereof.
As witness my / our hand / seal this _____ day of 2020.

Signed by _____

in the presence of _____

Witness:

1. Name _____

Signature _____

Address _____

CNIC or Passport No.: _____

Witness:

2. Name _____

Signature _____

Address _____

CNIC or Passport No.: _____

**Signature on
Rs.5/-
Revenue Stamp**

The Signature should
agree with the
specimen registered
with Company.

Form of Proxy

19th Annual General Meeting

Important:

1. A member of the Company entitled to attend and vote may appoint another member as his/her proxy to attend and vote instead of him /her.
2. This proxy form, duly completed and signed, must be received at the Office of the Company situated at 17th & 18th Floor, The Center, Plot No. 28, S.B.5, Abdullah Haroon Road, Karachi, not less than 48 hours before the time of holding meeting.
3. No Person shall act as proxy unless he / she himself / herself is a member of the Company, except that a corporation may appoint a person who is not a member.
4. If a member appoints more than one proxy and / or more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
5. Beneficial Owner of the physical shares and the shares registered in the name of Central Depository Company of Pakistan Ltd. (CDC) and / or their proxies are required to produce their original Computerized National Identity Card (CNIC) or passport for identity purpose at the time attending the meeting. The form of Proxy must be submitted with the Company within the stipulated time, duly witnessed by two persons whose name, addresses and CNIC numbers must be mentioned on the form, along with attested copies of CNIC or the passport of the beneficial owner and the proxy. In case of corporate entity, the Board of Directors' Resolution/Power of Attorney with specimen signature shall be submitted along with Proxy form.

**AFFIX
CORRECT
POSTAGE**

The Company Secretary
JS Global Capital Limited
17th & 18th Floor, The Center,
Plot No. 28, S.B.5,
Abdullah Haroon Road,
Karachi-

اہم:

- 1- کمپنی کا ممبر اپنی جگہ شرکت اور ووٹ دینے کے لئے ممبر کو بطور پراکسی منتخب کرنے کا حق رکھتا/رکھتی ہے۔
- 2- مکمل اور دستخط شدہ پراکسی فارم کمپنی کے آفس، بمقام سٹریٹس اور اٹھارویں منزل، دی سینٹر، پلاٹ نمبر 28، ایس۔ بی۔ 5، عبداللہ ہارون روڈ، کراچی پر اجلاس کے انعقاد سے 48 گھنٹے قبل ضرور موصول ہو جانے چاہئیں۔
- 3- کوئی فرد بطور پراکسی اجلاس میں شرکت نہیں کر سکتا/ کر سکتی بشرطیکہ وہ خود کمپنی کا/ کی ممبر نہ ہو، ماسوائے کارپوریشن کے جو اس فرد کو پراکسی نامزد کر سکتا/ کر سکتی ہو جو ممبر نہ ہو۔
- 4- اگر ممبر ایک سے زائد پراکسیز نامزد کرتا/ کرتی ہے اور/یا کمپنی کے کسی ممبر کی جانب سے پراکسی کے ایک سے زائد انسٹرومنٹس جمع کروائے جاتے ہیں تو ایسے تمام انسٹرومنٹس غیر مستند تصور کئے جائیں گے۔
- 5- فزیکل شیئرز کے بینیفیشل اوزر اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (CDC) کے نام پر رجسٹر ہونے والے شیئرز اور/یا ان کی پراکسیز کو اپنے اصل کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا پاسپورٹ بطور شناخت اجلاس میں شرکت کے لئے پیش کرنے ہوں گے۔ پراکسی فارم کمپنی کو مقررہ وقت پر، دو افراد کی گواہی کے ساتھ جن کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) نمبر فارم پر بیان کئے گئے ہوں جمع بینیفیشل اوزر اور پراکسی کے کمپیوٹرائزڈ قومی شناختی کارڈ کی تصدیق شدہ نقول یا پاسپورٹ جمع کروادینے جائیں۔ کارپوریٹ اثنتی کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد یا پاور آف اٹارنی جمع نمونے کے دستخط پراکسی فارم کے ساتھ جمع ہوگی۔

درست ٹکٹ چپکائیں

کمپنی سیکریٹری

JS گلوبل کینیڈل لمیٹڈ

سٹریٹس اور اٹھارویں منزل، دی سینٹر،

پلاٹ نمبر 28، ایس۔ بی۔ 5،








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Exchange Building, Stock
Exchange Road,
Karachi, Pakistan.
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Tel: +92 21 3242 7461

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Ameen Towers, Plot # E-2,
Block-10, Gulshan-e-Iqbal, Main
NIPA, Karachi.
No. 3, Latifabad, Hyderabad.
Tel: +92 21 3483 5701-9

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Executive Tower, Liaquat
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