

# Our Commitment to Growth

Annual Report 2021



**TRUST SECURITIES**  
& BROKERAGE LTD







# Our Commitment to Growth

For over 25 years, Trust Securities and Brokerage Limited have been providing cutting edge brokerage solutions. We consecutively strive to achieve client satisfaction by providing a diversified portfolio with well-measured risk management. Our commitment to growth is well tied with our mantra 'to give back' to our stakeholders. With similar zeal, innovation, discipline and integrity, we strive to be the leading brokerage firm of Pakistan.



# Our Commitment to Build





# Overview

Trust Securities and Brokerage Limited (TSBL) is a leading brokerage house listed on the Pakistan Stock Exchange with its headquarters in Karachi. We trace our history back to 1993 providing a full array of brokerage services to our clientele. We have our presence in Lahore and Karachi with a total of 4 branches on a pan-Pakistan basis, with combined staff strength of highly experienced employees.

The current sponsors took over the company in 2017 and through a fresh capital injection, hiring of experienced and dedicated staff, the company has made a turn around.

We remain client focused and work for long term benefit of our clients eventually leading to continuous growth for our stakeholders. We are committed on serving our clients offering them unmatched services to help them achieve targets from the ever-growing capital market.



# Our Commitment to Develop





# Contents

Vision / Mission / Core Values	07
Code of Conduct	09
Corporate Social Responsibility	09
Company Information	11
Chairperson's Message	12
CEO's Message	13
Directors' Profiles	15
Chairperson's Review	19
Directors' Report	21
Financial and Business Highlights	28
Share Price Analysis	30
Key Performance Indicators	32
Graphical Representation	34
Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019	38
Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019	40
Independent Auditors Report to the Members	41
Financial Statements	47
Categories of Shareholders	91
Notice of AGM	93
Notice of AGM (Urdu)	94
Directors Report (Urdu)	102
Form of Proxy	103



Our Commitment to Diversify





# Vision

To create a viable and a diversified brokerage and financial services business dedicated to creating continuous value for our clients, fully compliant with the letter and spirit of the laws, while earning profits for our shareholders and crafting a workplace which attracts the best talent and enables us to train and retain them.

# Mission

To be a top tier brokerage and financial service company in Pakistan, with innovation, discipline and integrity at the heart of our business involved in creating real value, impacting clients and shareholders.

# Core Values

## **Integrity**

Serve our customers with uncompromising honesty and transparency.

## **Excellence**

Provide our customers with innovative technology and superior quality, value and service.

## **Social Responsibility**

Be active in Social responsibility by paying attention to our social and physical environment.

## **Leadership**

Value and develop our employees' diverse talents, initiative and leadership and make it possible for them to take on challenges.



Our Commitment to Prosper





# Code of Conduct

Trust Securities And Brokerage Limited (TSBL) strongly supports corporate decorum and ensure in running its business progressively while adopting a Code of Ethics and Business Practices.

# Corporate Social Responsibility

Corporate social responsibility (CSR) is a subject that has garnered considerable attention in recent years.

It is our endeavor to contribute towards environmental responsibility, ethical responsibility, philanthropic responsibility and economic responsibility.

We strive hard to maintain equilibrium between revenues for our shareholders and our responsibility towards fellow beings.



# Company Information



**Board of Directors**

Mrs. Zenobia Wasif  
 Mr. Abdul Basit  
 Mr. Zulfiqar Ali Anjum  
 Mr. Khizer Hayat Farooq  
 WG CDR. Talat Mahmood (Retd.)  
 Mr. Junaid Shehzad Ahmed  
 Mr. Sardar Abdul Majeed Khan (Appointed Sep 17, 2021)

Chairperson/Director (Non-Executive)  
 Chief Executive Officer/Director (Executive)  
 Director (Executive)  
 Director (Non-Executive – Independent)  
 Director (Non-Executive – Independent)  
 Director (Non-Executive)  
 Director (Non-Executive)

**Chief Financial Officer**

Mr. Muhammad Ahmed

**Company Secretary**

Syed Maqsood Ahmad

**Audit Committee**

WG CDR. Talat Mahmood (Retd.)	Chairman
Mrs. Zenobia Wasif	Member
Mr. Junaid Shehzad Ahmed	Member

**H.R & Remuneration Committee**

Mr. Khizer Hayat Farooq	Chairman
Mr. Junaid Shehzad Ahmed	Member
Mr. Zulfiqar Ali Anjum	Member

**Auditors**

Reanda Haroon Zakaria & Company  
 Chartered Accountants

**Internal Auditors**

Muhammad Adnan Siddiqui  
 Chartered Accountant

**Legal Advisors**

Lashari & Co

**Share Registrar**

Hameed Majeed Associates (Pvt.) Ltd.  
 H.M. House, 7-Bank Square, Lahore  
 Tel: (92-42) 3723 5081-82, Fax: (92-42) 37358817

**Legal Consultant**

Haider Waheed Partners

**Bankers**

Habib Bank Limited  
 J.S. Bank Limited  
 Habib Metropolitan Bank Limited  
 Meezan Bank Limited  
 MCB Bank Limited

Bank AL Habib Limited  
 Bank Islami Limited  
 Bank Al Baraka

**Registered Office**

Suite No. 401, 4<sup>th</sup> Floor, Business & Finance Centre  
 I.I. Chundrigar Road, Karachi (Pakistan)  
 UAN: (92-21)111-000-875  
 Tel: (92-21) 32469044-48, Fax: (92-21)32467660

**Branch Office LSE Plaza, Lahore**

Room No. 607, 6<sup>th</sup> Floor, LSE Plaza  
 19-Khayaban-e-Aiwan-e-Iqbal, Lahore  
 Tel: (92-42) 36300181, 36300554, 36373045, 36374710

**Branch Office Lahore**

2<sup>nd</sup> Floor, Associated House  
 Building No. 1&2, 7-Kashmir Road, Lahore  
 Tel: (92-42) 36310241-44, Fax: (92-42) 36373040

**PMEX Branch Office – DHA, Karachi**

Mezzanine No. 2, Mezzanine Floor, Plot No. 550-C,  
 11th Commercial Street, DHA, Phase-II Ext., Karachi

**Branch Office Karachi**

2<sup>nd</sup> Floor, 202-203 & 725, PSX Building  
 Stock Exchange Road, Karachi, Pakistan  
 Tel: (92-21) 32460161-7, Fax: (92-21) 32467660



I would like to praise the management for its immense efforts in achieving wonderful results in 2021 and hope that the Company would continue its upward growth trajectory in future as well.

## Chairperson's Message

It is my privilege to be serving as the Chairperson of Board of Directors of TSBL. I would like to thank our esteemed shareholders, the board of directors for entrusting me with this responsibility and I assure that all my efforts will continue to be aimed at steering the Company towards consistent qualitative and quantitative growth in future as well.

We are committed towards fulfilling our mission of becoming the leading brokerage company in Pakistan. This commitment is reflected through the milestones we achieved this year by making the largest profits ever.

In acknowledgment of the confidence and trust shown by our esteemed shareholders, TSBL has achieved its highest EPS ever this year.

On governance side, performance of members of our Board remained excellent throughout the year and their collective contributions and efforts allowed the Company to not only achieve its targets but also maintain its excellent market reputation.

I would like to praise the management for its immense efforts in achieving wonderful results in 2021 and hope that the Company would continue its upward growth trajectory in future as well.

A stylized, handwritten signature in black ink, likely belonging to Zenobia Wasif.

**Zenobia Wasif**  
Chairperson



Our most important commitments are to provide exceptional client service and to live our core values: Excellence in Everything, Leadership by Example, Integrity and Transparency, Focus on the Client and Employee Centered.

## CEO's Message

After spending over 27 years with TSBL, I feel very privileged to be writing this message as the Chief Executive Officer. This is a special time in our company's history as we celebrate our 27th anniversary. The past 4 years since the new sponsors took control, we have continued to build our brand, which has now become synonymous with our commitment to provide quality service to our clients. Ofcourse this wouldn't be possible had it not been for the team, we have nearly quadrupled our workforce and have embraced diversity and gender balance.

Our most important commitments are to provide exceptional client service and to live our core values: Excellence in Everything, Leadership by Example, Integrity and Transparency, Focus on the Client and Employee Centered.

Looking ahead, we are focused on accelerating the execution of our growth strategy while continuing to build on the strength of our brand. It is our quest to bring about positive change to the communities in which we work and live.

Lastly, we are thankful to our stakeholders including our directors, employees, clients as well as the regulators for the active guidance and we look forward to their continued support as we move forward.

I am incredibly excited about this journey and truly believe the best of TSBL is yet to come.

A handwritten signature in black ink, appearing to read 'A. Basit', with a horizontal line underneath.

**Abdul Basit**  
CEO





# Directors' Profile



## Mrs. Zenobia Wasif

### **Chairperson/Director (Non-Executive)**

Mrs. Zenobia wasif holds as bachelor degree and is founder of FIDE chess Academy, holding leadership quality with commitment, dedication and has an ability to work in a competitive and challenging environment.

She started her career as Company secretary in the year 2003 and later on joined various well reputed organizations.

She is well-versed, competent, self motivated, aggressive and ambitious, result oriented and possess excellent analytical and problem solving skills.

Liaising smooth interaction with confidence, she holds highly organized administrative and professional's skills with vast experience in business profession.

Her meticulous approach in data collection and presentation, maintaining records, incorporating confidential information and maintaining high quality reports and analysis in the requisite style and format supported her functional performance in administration and corporate affairs.

Her rapidly assimilating and learning process applicable to in-house operations, consistently impressing higher management have resulted in fast track advancement to more senior positions.



## Mr. Abdul Basit

### **Chief Executive Officer/Director (Executive)**

Mr. Abdul Basit is associated with the company for the last 27 years. He did his bachelor of science from the University of Punjab in 1987. He started his career as a trader with the member of Lahore Stock Exchange and worked for four years. After that he served couple of commercial banks and gained the experience of custodial and brokerage services.

In the year 1994, he joined TSBL, as a settlements manager. During the period with the company he held various important positions like company secretary, General Manager and Chief Operating Officer and gained vast experience & in depth knowledge of Financial Markets. By virtue of his rich experience of the capital markets, he was elevated to the position of CEO in 2010.

Having a professional career of 27 years of senior management positions covering various areas of operations of listed brokerage company, he holds command on corporate, business and company laws, Securities and Exchange Commission rules and regulations and NCCPL regulations. He also attended several courses, Seminars, Training Sessions and conferences on financial markets and Capital regulations. He is also member of institute of Financials Markets of Pakistan.



## Mr. Junaid Shehzad Ahmed

### Director (Non-Executive)

Junaid is a seasoned global professional and entrepreneur by choice. Junaid has exceptional academic credentials. His diversified knowledge base holds him second to none among his peers and professional cadre. Junaid holds multiple degrees in different top-notch academic disciplines. He did his bachelor's in mechanical engineering from the United States of America. He holds a dual discipline Master's degree in Management Science and operational research from the United Kingdom. His appetite to keep up the pace with the changing global academic and corporate trends, lure him into an MBA in Entrepreneurship and Finance from the United Kingdom.

Junaid got a jumpstart to his professional career in the realm of Finance and strategy at British Petroleum's Headquarters located in London. Junaid got the knack of the corporate world at a very early stage in his career. After few years of exposure to international finance and strategy at the British Petroleum, Junaid decided to venture into a journey of exploring global businesses. Since 2009 he has been phenomenally involved in various Agro businesses in middle east and Pakistan. His Entrepreneurial spirit got him in to project management consultancy and a joint venture in a corporate finance advisory boutique.



## Mr. Sardar Abdul Majeed Khan

### Director (Non-Executive)

Sardar Abdul Majeed Khan joined the police service of Pakistan on October 20, 1985 after qualifying Central Superior Service and was retired from services in July 17, 2020 as Inspector General of Police, Federal Secretary Grade-22 officer. He completed graduation from Karachi University.

During his service he appeared in various training programmes and qualified promotional examination from civil services academy, national police academy, national institute of police and National Defence University were attended and successfully completed as outstanding officer along with foreign courses at USA, France, Azerbaijan on terrorism. He developed Metropolitan Policing of new state mechanism. Commanded several districts where administrative operations were performed professionally with most progress dynamic strategies.

Law and order situations were tackled with all the odds. Technological uplift, result oriented investigation, supervision of financial tasks and training management were to integral part of his commitment to improve with Law and Order. Firm and bold created a deterrent effect in the area of responsibility.

Huge challenges were tackled by him with all the diligence and high standards of competency, disciplined and strategic vision to understand the situation and also to plan solutions for any task to be assigned. He has proactive approach and professionally efficient divergent to accomplish any task to be assigned. Coherent the task and working and create an appropriate response plan rise to the challenges as a leader 5 'C'.

- i) competences
- ii) confidence and courage
- iii) communication skills
- iv) compass are the traits to lead an organization





## Mr. Zulfiqar Ali Anjum

### Director (Executive)

Mr. Zulfiqar Ali Anjum is an executive director of the company. He holds a Master's Degree in Finance and has nearly two decades of experience in stock exchange. He started his career in the year 1993 as Agent and Accounts Officer in a brokerage house and after that in the year 2002 he joined Darson Securities as Senior Equity Trader. He has excellent communication skills, exceptional knowledge of corporate fundamentals and parameters. Mr. Zulfiqar is associated with the company since 2018.



## Mr. Khizer Hayat Farooq

### Director (Non-Executive – Independent)

Mr. Khizer Hayat Farooq is a Computing & Information Technology graduate from Staffordshire University, U.K. He has over 7 Years experience in the field of financial markets which includes investing in listed securities. He is a Certified Director under the Listed Companies (Code Of Corporate Governance) Regulations. Khizer has a proven track record of establishing successful business organizations.

In 2005, Khizer started his career with SparePro Auto Parts Trdg LLC, as Manager Imports, which led to the foundation of TONII – PAKISTAN, the branded spares for Pakistan Market.

With a vision to diversify and grow, Khizer founded SNAP A DEAL in the year 2012, offering unmatched services in the Travel Sector. The firm made its growth catering corporate clients providing end-to-end services.

Khizer serves as Chairman of the Human Resource & Remuneration Committee of Trust Securities & Brokerage Limited (TSBL).



## WG CMR. Talat Mehmood (Retd.)

### Director (Non-Executive – Independent)

Mr. Talat Mehmood retired from Air Force on August 31, 2017 as Wing Commander. Mr. Talat completed graduation from the Karachi University in the year 1992 while he also holds BSc (Hons) degree from Air University in the year 2006. Similarly, he successfully completed Governance & Financial Management, conducted at the Defence International Training Centre, Melbourne Australia in the year 2010. He is a man with meticulous self discipline.

He is energetic, ambitious person who has developed a mature and responsible approach to any task that he undertakes or situation that he presented with. He is excellent in working with others to achieve a certain objective on time and with excellence. His diversified knowledge base holds him second to none among his peers and professional cadre. Mr. Talat is the Chairman of Audit Committee at the company.



# Chairperson's Review



## Review report by the Chairperson's on the Overall Performance of Board

The board of directors of Trust Securities and Brokerage Limited (TSBL) has performed their duties diligently in the best interest of shareholders of the company and has managed the affairs of the company in an effective and efficient manner. The board was found in compliance and exercised powers and duties according to the Companies Act 2017 and the Code of Corporate Governance outlined in the Rule Book of Pakistan Stock Exchange (PSX).

During the year ended June 30, 2021, the board played an effective role in managing the affairs of the company in the following manner:

- The board ensured that the meetings of the board and of its committees were held with the required quorum.
- Decision making was done through proper board resolution and that the minutes of the meetings of the board and the committees are appropriately recorded and maintained.
- The board has developed significant policies for smooth functioning of the company along with the Code of Conduct setting for the professional standards and corporate values.
- The board has participated in risk management, policy development, financial structure and business development process.
- The board has ensured that there is adequate representation of executive, non-executive and independent directors on the board.
- The Board and its committee have members having appropriate mix of core competencies, diversity, requisite skills, knowledge, and experience and fulfil any other criteria as deem relevant in the context of the company's operations.
- The board has ensured on the representation of a female director in view of the Code.
- The board has formed the Human Resource and Remuneration Committee and Audit Committee and has approved the TORs in order for them to perform their responsibilities diligently.
- The board has a mechanism for an annual evaluation of its own performance and the committees.
- The board has ensured that the directors are provided with the orientation courses to enable them to perform their duties and four of its directors on the board have already taken the certification under the Directors Training Program while one of them meet the qualification and experience criteria of the code.
- All the significant issues throughout the year were presented before the board or its committees to strengthen the decision making process and all related party transactions executed by the company were approved by the board on the recommendation of the Audit Committee.
- The board ensured that there is adequate system of internal control is in place.
- The board has prepared and approved the Director's report and has ensure that the directors report is published with the quarterly and annual financial statements of the company.
- The board has exercised its power in light of the power assigned to the board in accordance with the relevant laws and regulations applicable on the company and the board.

Based on the aforementioned, it can be reasonably stated that the Board of TSBL has played a key role in ensuring the company targets are not only achieved but also exceed expectations through a joint effort with the management team and guidance.



**Zenobia Wasif**  
Chairperson

September 17, 2021





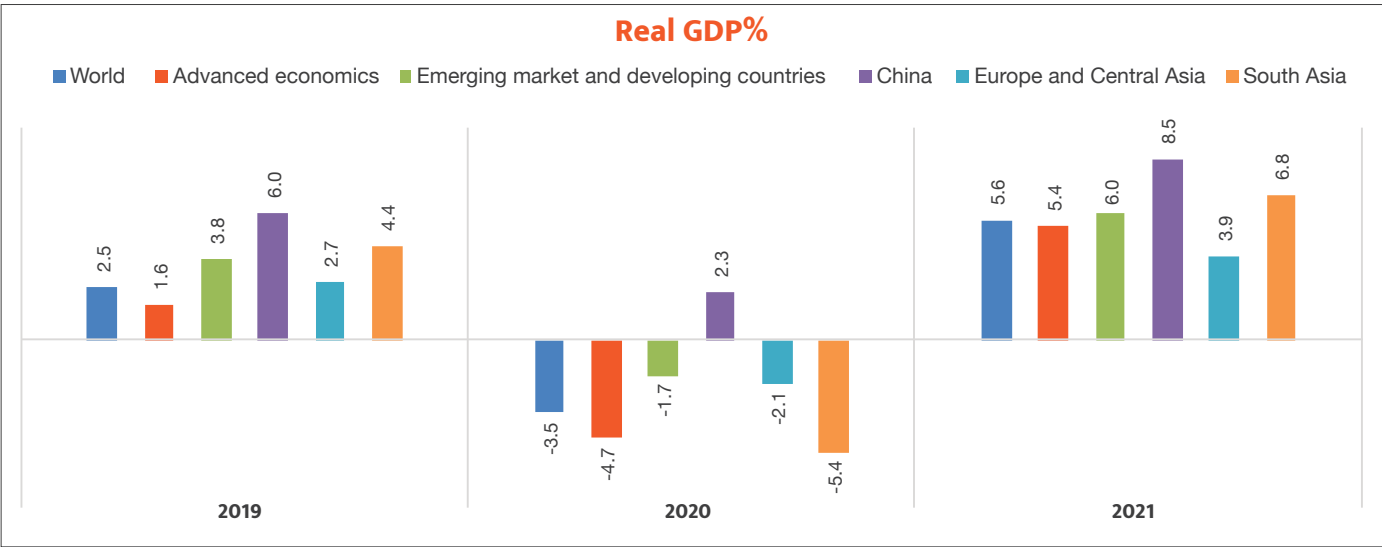
# Directors' Report

Dear Fellow shareholders of Trust Securities and Brokerage Limited (TSBL),

On behalf of the Board of Directors of the company we are pleased to present the Annual Report of the company for the year ended June 30, 2021 along with the audited financial statements for the year in accordance with the accounting, regulatory and legal standards and requirements.

Pakistan’s Economic Review

Global economies have triggered unprecedented human & economic losses in 2020 due to the COVID-19 pandemic. According to the Organization for Economic Cooperation and Development (OECD), global real GDP growth has deteriorated by 3.5% in 2020. After almost one and half year, world has learned to live with the virus. Consequently, it is projected that global economies to post V-shaped recovery and could post the Real GDP Growth of 5.80% GDP in 2021. After experiencing supply-chain disruptions, travelling restrictions and unmatched losses, global economies started recovering to their pre-pandemic levels.



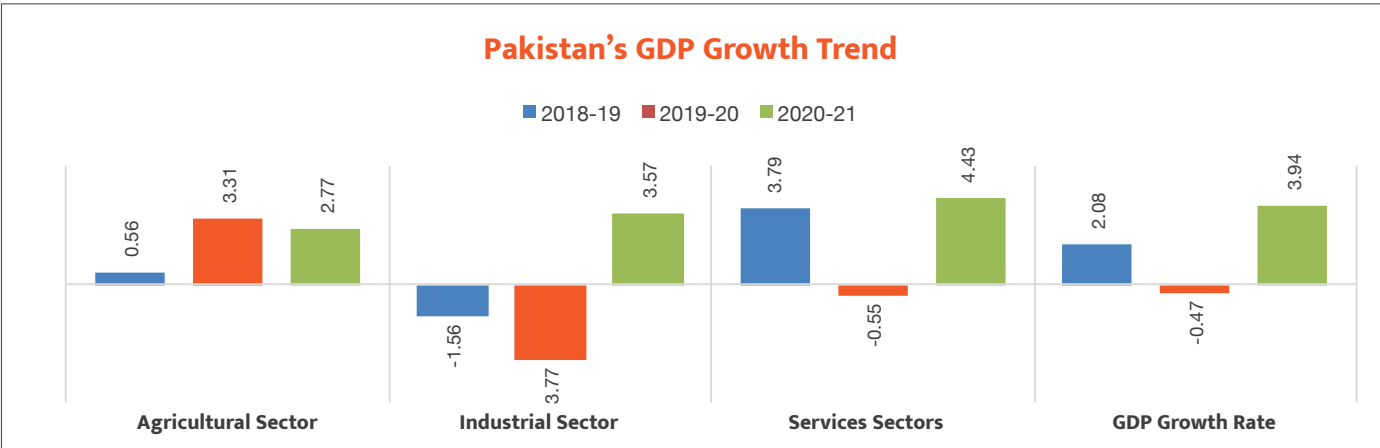
Source: (World Bank)

Under the IMF program, Pakistan had pursued tight fiscal and monetary policies, coupled with high energy prices and rupee devaluation. This dropped Large Scale Manufacturing activities, crowded-out private sector and deteriorated tax revenues. In addition to this, deep rooted effects of COVID-19 pandemic further exposed underlying ‘faultiness’ and vulnerabilities of the Pakistan’s economy. This has negatively affected overall growth prospects of the economy.

The strategic shift in overall Policy Response has rejuvenated Pakistan’s economy. This has accelerated economic activities. Policymakers boosted demand through monetary easing, subsidized energy tariffs for industrial sector, provided ample liquidity to facilitate the Private Sector. As a result, revival in Pakistan’s agriculture, industrial and services sector has increased Pakistan’s provisional GDP growth appreciated to 3.94% in 2020-21. (This real GDP growth is projected to increase to 4.5% in 2020-21, once final numbers released by National Accounts Committee).

Sr. No	Sector/Industry	2018-2019	2019-2020	2020-2021
1	Agricultural Sector	0.56	3.31	2.77
2	Industrial Sector	-1.56	-3.77	3.57
3	Services Sector	3.79	-0.55	4.43
4	GDP Growth Rate	2.08	-0.47	3.94

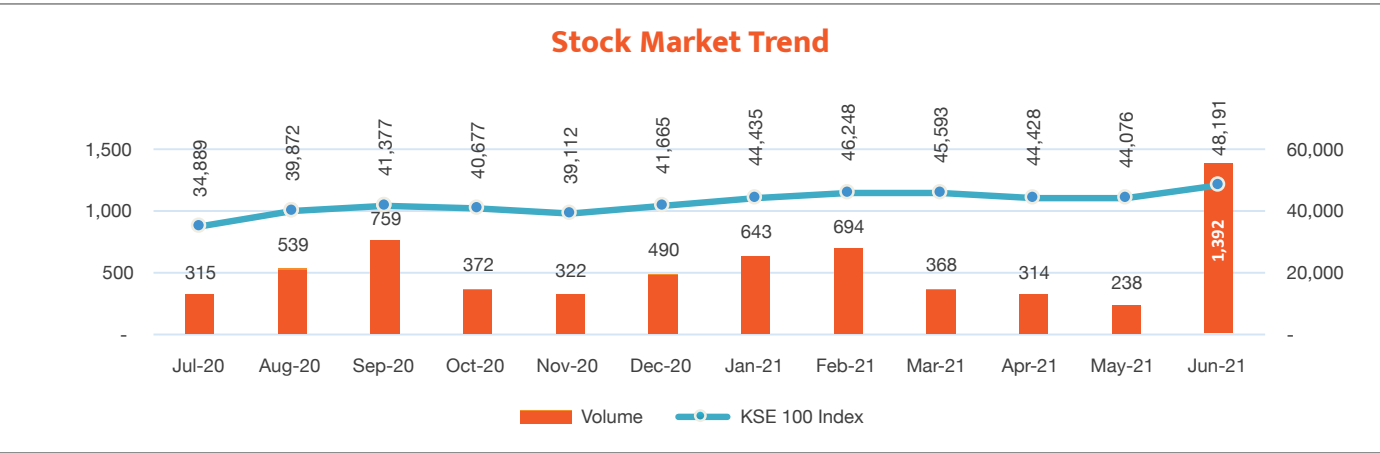
Source: (PBS)



Source: (PBS)

### Stock Market Review

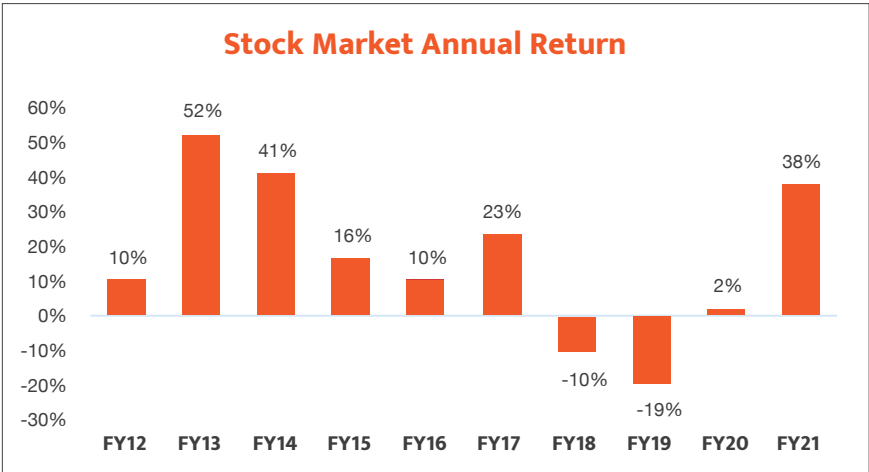
Based on Pakistan's economic fundamentals & relatively better equity valuation, Pakistan's stock market average returns stood at 16%. The KSE 100 index has appreciated by 38% in 2020-21. Pakistan's Equity Markets offers P/E multiples of 7.6, forward P/E of 6.04 & dividend yield 5.19%, making it attractive among its peers.



Source: (PSX)

10 Year Average Returns	
Period	Stock Market Annual Return
FY12	10%
FY13	52%
FY14	41%
FY15	16%
FY16	10%
FY17	23%
FY18	-10%
FY19	-19%
FY20	2%
FY21	38%
*Average Return 16%	

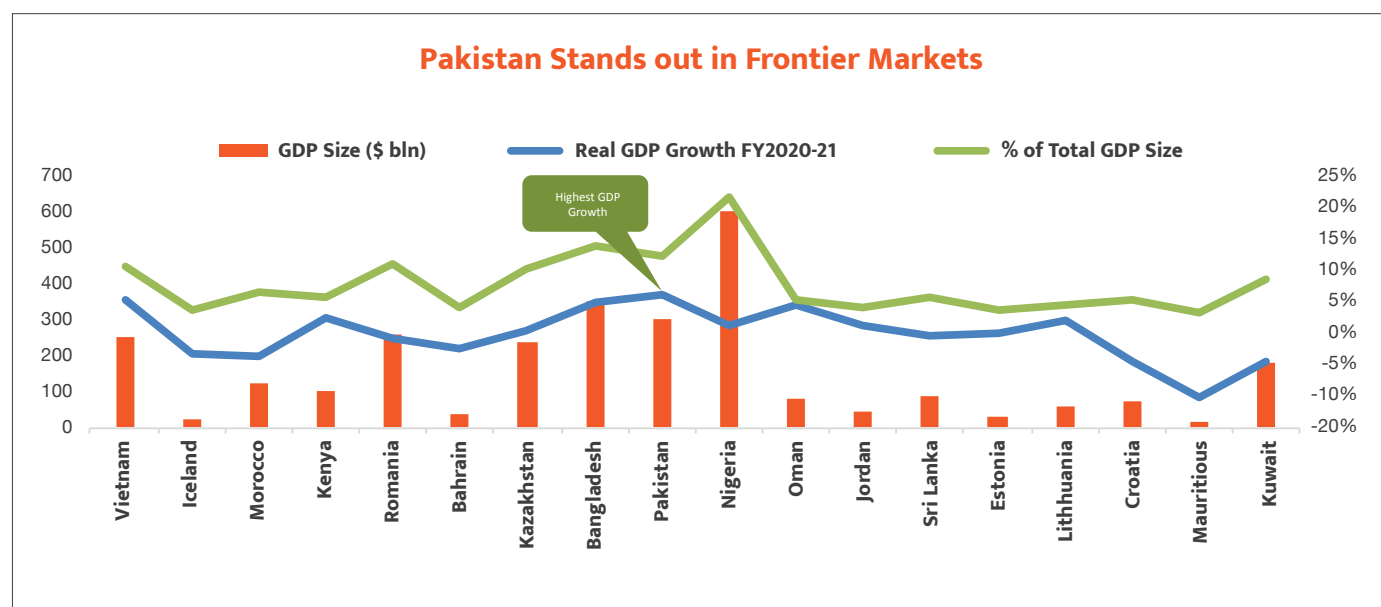
Source: (PSX)



The reclassification of Pakistan from the MSCI's Emerging Market index to MSCI's Frontier Markets index started during the MSCI's consultative process in June 2021 from the market participants over the status. Therefore, this reclassification is not surprising for the market participants & was on the cards (as we were not meeting emerging Markets Size & Liquidity criteria within MSCI Market Classification Framework).



## The comparison of Pakistan's equity markets with frontier markets is hereafter;



Interestingly, within MSCI's Frontier Markets Index, there are only three countries, whose Real GDP growth performed better in FY2020-21. This includes; a) Vietnam, b) Bangladesh & c) Pakistan. The Pakistan's Real GDP is highest as compared to the Bangladesh & Vietnam. The provisional real GDP growth of Pakistan stood at 3.94% which is likely to be revised to around 4.5% in FY202-21. As 4th quarter of FY2020-21, was not incorporated. Pakistan's real GDP growth is expected to cross 5% next year. Whereas, Vietnam's real GDP growth stood at 2.91% in 2020-21. Bangladesh real GDP growth stood at 2.38%.

Countries	Current Index Weight	*Stimulated Index Weight	Real GDP Growth FY2020-21	GDP Size (\$ bln)	% of Total GDP Size
Vietnam	31%	31%	2.91%	250	8.78%
Iceland	9%	8.6%	-6.65%	25	0.88%
Morocco	9%	8.6%	-7.12%	120	4.21%
Kenya	8.60%	7.70%	-0.31%	100	3.51%
Romania	8.10%	7.30%	-3.86%	260	9.13%
Bahrain	7.20%	6.40%	-5.81%	35	1.23%
Kazakhstan	6.90%	6.20%	-2.60%	240	8.42%
Bangladesh	6.50%	5.90%	2.38%	350	12.29%
Pakistan	0%	**1.9%	***3.94%	300	10.53%
Nigeria	6.40%	5.70%	-1.79%	600	21.06%
Oman	2.30%	2.10%	1.80%	80	2.81%
Jordan	1.50%	1.30%	-1.55%	45	1.58%
Sri Lanka	1.10%	1%	-3.57%	90	3.16%
Estonia	0.90%	0.80%	-2.93%	30	1.05%
Lithuania	0.90%	0.80%	-0.87%	55	1.93%
Croatia	0.30%	0.30%	-8.37%	75	2.63%
Mauritius	0.30%	0.30%	-14.87%	14	0.49%
Kuwait	0.00%	0%	-8.10%	180	6.32%
Total	100%	100%	-	2,849	100%

\* Simulated Index weight as per MSCI June 2021.

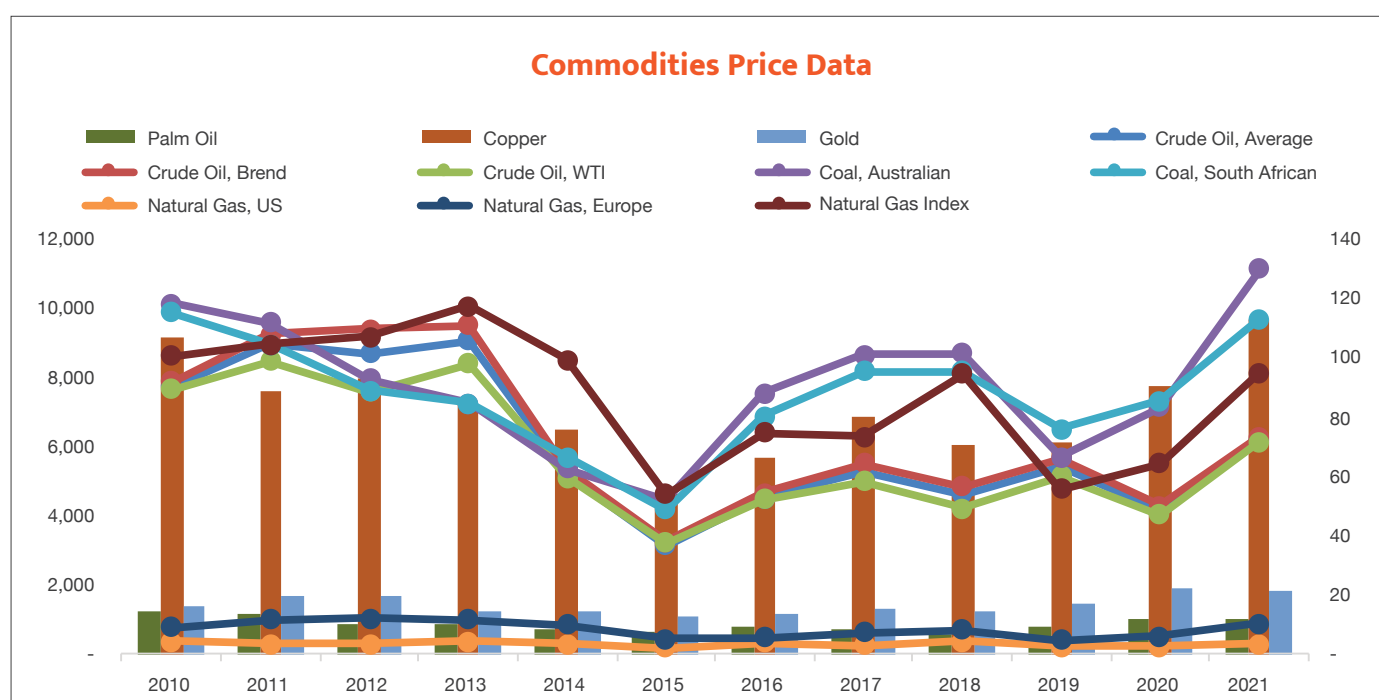
(Source: MSCI, World Bank)

Despite consequential effects of the Covid-19 pandemic, Pakistan economy has become more relatively inclusive & a resilient in region. On the back of industrial sector's competitiveness, exports and remittances posted double digit growth, Pakistan has managed in balancing economic growth & controlled Covid-19 infection ratio. This ratio is one of the lowest in the world. Pakistan's GDP size \$300 billion is over 10% of the total economic size of the Frontier Markets \$2.85 trillion. Pakistan's Foreign earnings were over \$56 billion in FY2020-21 which includes; a) \$Exports 27.2bn & b) Remittances \$29.3 billion.

With aforementioned solid economic fundamentals, Pakistan is cheapest among the Frontier Markets & offers attractive valuations (P/E multiples) and yields to foreign investors & fund managers. The passive Frontier Market funds would also be interested in investing in Pakistan given relative political & economic stability in Pakistan & region. Therefore, foreign investors have higher probability of success, investing in Pakistan's Frontier Markets to earn the long-term sustainable growth of their invested capital & double-digit returns based on the solid economic footing as drivers of economic growth have been strengthening & heading towards the path of inclusive growth.

## Commodities

After witnessing mounting losses across the globe, most of the economies have been resurfacing to the pre-Covid-19 pandemic levels. On account of persistence of pandemic, this Rollercoaster ride is not over yet. Consequently, evolving pandemic variants and the mitigating efforts around the world are affecting global commodity consumption patterns & exposing lingering economic vulnerabilities.



Source: (World Bank)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Jun-21
Crude oil, average	90	104	101	105	61	37	53	61	54	63	49	72
Crude oil, Brent	92	108	110	111	62	38	54	64	56	66	50	73
Crude oil, WTI	89	99	88	98	59	37	52	58	49	60	47	71
Coal, Australian	118	112	93	84	62	52	88	101	101	66	83	130
Coal, South African	115	104	89	85	66	49	80	95	95	76	85	113
Natural gas, US	4	3	3	4	3	2	4	3	4	2	3	3
Natural gas, Europe	9	12	12	12	10	5	5	7	8	5	6	10
Natural gas index	100	104	107	117	99	54	74	73	94	56	64	95
Palm oil	1,235	1,122	844	886	720	607	811	679	535	764	1,016	1004
Copper	9,147	7,565	7,966	7,215	6,446	4,639	5,660	6,834	6,075	6,077	7,772	9632
Gold	1,391	1,640	1,685	1,222	1,201	1,076	1,157	1,264	1,250	1,479	1,858	1835

Source: (World Bank)

## Financial Performance

The company recorded an operating revenue growth of 260% for the year despite increasingly difficult economic conditions and competitive pressures coupled with severe COVID pandemic issues which still continue to provide uncertain business conditions. Despite these pressures, the company was able to make an operating profit after tax of Rs. PKR 88 million as compared with PKR 34.8 million in the previous year. This translates to earnings per share of PKR 2.93 as compared with PKR 1.16 last year.

Summary of the Financial Results is as follows:

	2021 Rupees	2020 Rupees
Operating Revenue	305,382,104	96,561,064
Gain on Sale of Short Term Investments	12,984,644	12,179,255
Gain / (loss) on Remeasurement of Investments – At FVTPL	5,146,939	(578,587)
Operating and Administrative Expenses	(262,600,220)	(107,717,460)
Finance Cost	(4,688,957)	(825,538)
Other Charges	(651,051)	(1,215,871)
Other Income	51,013,830	31,786,412
Profit Before Taxation	106,587,289	30,189,275
Taxation	(18,559,680)	4,701,339
Profit After Taxation	88,027,609	34,890,614
Earning Per Share – Basic And Diluted	2.93	1.16

## Brokerage Revenue Performance

The brokerage operations of the company have posted as Total Revenue of PKR 305 million in FY21, which translates into a 260% growth when compared with FY20. This exceptional performance in brokerage has been achieved not only due to the traded volumes but also due to our management's aggressive decisions on investing on the Human Resource. The result of this was positive as the team's contribution was seen penetrating the retail sector. The company witnessed a noticeable growth in account opening adding new Unique Identification Numbers (UINs) as of June 30, 2021. Technology played an important role with the NCCPL's focus on ease of doing business. In FY21, we opened 713 new accounts and nearly 45% of these were done online.

## Risk Management

TSBL's risk management governance starts with our Board, which plays an integral role in reviewing and approving risk management policies. Due to the nature of business at TSBL, risks are unavoidable and include liquidity, market, and credit, operational, legal, regulatory and reputational risks. We believe that effective risk management is of utmost

importance to the success of the company. The risk management team follow due processes in which it monitor, evaluate and manage the risks while conducting our activities.

## Corporate Social Responsibility

Corporate social responsibility (CSR) is a subject that has garnered considerable attention in recent years.

It is our endeavor to contribute towards environmental responsibility, ethical responsibility, philanthropic responsibility and economic responsibility.

We strive hard to maintain equilibrium between revenues for our shareholders and our responsibility towards fellow beings.

## Code of Corporate Governance

The Board and Management of the company are committed to ensuring that requirements of the Code of Corporate Governance are fully met. The Company has adopted strong corporate Governance practices with an aim to enhance the accuracy, comprehensiveness and transparency of financial and non-financial information.



The Directors are pleased to report that:

1. The financial statements prepared by the management of the company present fairly its state of affairs, the results of its operations, cash flows and changes in the equity
2. Proper books of account of the company have been maintained
3. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment
4. International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements
5. The system of internal control is sound in design and has been effectively implemented and monitored
6. There are no significant doubts upon the Company's ability to continue as a going concern
7. There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations
8. The company has on account of statutory payment of taxes, duties, levies and changes has no outstanding liability as at the balance sheet date
9. There are no transactions entered into by the broker during the year which are fraudulent, illegal or in violation of any securities market laws

## Changes In The Board

During the year under review, there was one change in the structure of the board where Mr. Muhammad Khurram Faraz resigned as a board member and due to this change being casual vacancy, it was prior filled in the stipulated period defined.

## Composition of Board, Audit Committee, H.R. & Remuneration Meetings and Attendance

1. The total number of directors are 7 (including CEO who is deemed Director) as per the following:
  - a. Male: 6 Members
  - b. Female: 1 Member

2. The composition of the Board of Directors is as follows:

Category	Names
<b>Independent Directors:</b>	Mr. Khizer Hayat Farooq Wg. Cmdr (Retd) Talat Mehmood
<b>Non-Executive Directors:</b>	Mr. Junaid Shehzad Ahmed Mr. Sardar Abdul Majeed Khan* Mrs. Zenobia Wasif

**Executive Directors:** Mr. Abdul Basit  
Mr. Zulfiqar Ali Anjum

**Female Director:** Mrs. Zenobia Wasif

The position of the Chairman and the Chief Executive Officer are kept separate in line with the best governance practices and the Chairman has been elected from among the Independent Directors. The Board has established a separate Audit Committee and H.R. & Remuneration Committee to assist the board in the performance of its functions. The Chairman of the Board and Audit Committee are Independent Directors and are not same person, in line with best practices.

## Board Meetings

The total number of Board Meetings were five (5) during the year ended 2021. As per the requirements of the Code of Corporate Governance, written notices were circulated to the board seven days (7) in advance except for the emergent meeting.

Name of Director	Meetings Attended
Mrs. Zenobia Wasif	4
Mr. Abdul Basit	5
Mr. Khizer Hayat Farooq	5
Mr. Junaid Shehzad Ahmed	2
Mr. Zulfiqar Ali Anjum	5
WG CDR. Talat Mahmood (Retd.)	5
Mr. Muhammad Khurram Faraz (Resignation June 22, 2021)	5

Leave of absence was granted to members who did not attend the Board and Committee meetings.

## Audit Committee

As per the Code of Corporate Governance, the Audit Committee consists of entirely of non-executive directors with the Chairman of the committee being an Independent Director. The attendance of the Audit Committee is as follows:

Name of Member	Meetings Attended
Wg. Cmdr (Retd) Talat Mehmood - Chairman	4
Mr. Junaid Shehzad Ahmed - Member	2
Mrs. Zenobia Wasif - Member	4

\*a casual vacancy occurred on the Board due to resignation of one director on June 22, 2021, which was filled up within prescribed period of 90 days.

## HR & Remuneration Committee

As per the Code of Corporate Governance, the H.R. & Remuneration Committee consists of entirely of non-executive directors with the Chairman of the committee being an Independent Director. The attendance of the Committee is as follows:

Name of Member	Meetings Attended
Mr. Khizer Hayat Farooq - Chairman	1
Mr. Zulfiqar Ali Anjum - Member	1
Mr. Junaid Shehzad Ahmed - Member	1

## Audit Committee

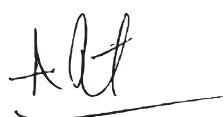
The Audit committee of the board continued to perform its duties and responsibilities in an effective manner as per its terms of reference duly approved by the Board.

## Pattern of Shareholding

The detailed pattern of the shareholding and categories of shareholders of the company as at June 30, 2021, as required under the listing regulations, have been appended to this Annual Report.

## Related Party Transaction

The company has presented all related party transactions before the Audit Committee and Board for their review and approval. These transactions have been approved by the Audit Committee and Board in their respective meetings. The details of all related party transactions have been annexed audited financial statements.



**Abdul Basit**  
Chief Executive Officer

Karachi, September 17, 2021

## Future Prospects

The future prospects of your company are promising on account of the Management and Team efforts towards increasing the sales eventually resulting into the company's wider market share and better brokerage results. The PSX segment of the company is looked towards achieving better results from the retail division through digital onboarding. The company is striving to yield better volumes from its existing clientele as well as looking forward on bringing the institutional sales. The sales team is actively approaching foreign clients by growing relationship and offering company's premium suite of services.

The management also foresees increased activity on account of the commodity division while expanding the branch network.

The management is confident that the company's equity will likely demonstrate good results as the economy and the market continue to recover.

## Acknowledgement

We are grateful to the company's shareholders for their continuing confidence and patronage. We record our sincere appreciation to all stakeholders, the Securities and Exchange Commission of Pakistan, the Central Depository Company, the National Clearing Company of Pakistan Limited, and the Pakistan Stock Exchange Limited for their unwavering support and guidance.

We further acknowledge and appreciate the hard work put in by the employees of the Company. We also acknowledge the valuable contribution and active role of the members of the Board in supporting and guiding the management.



**Zenobia Wasif**  
Chairperson

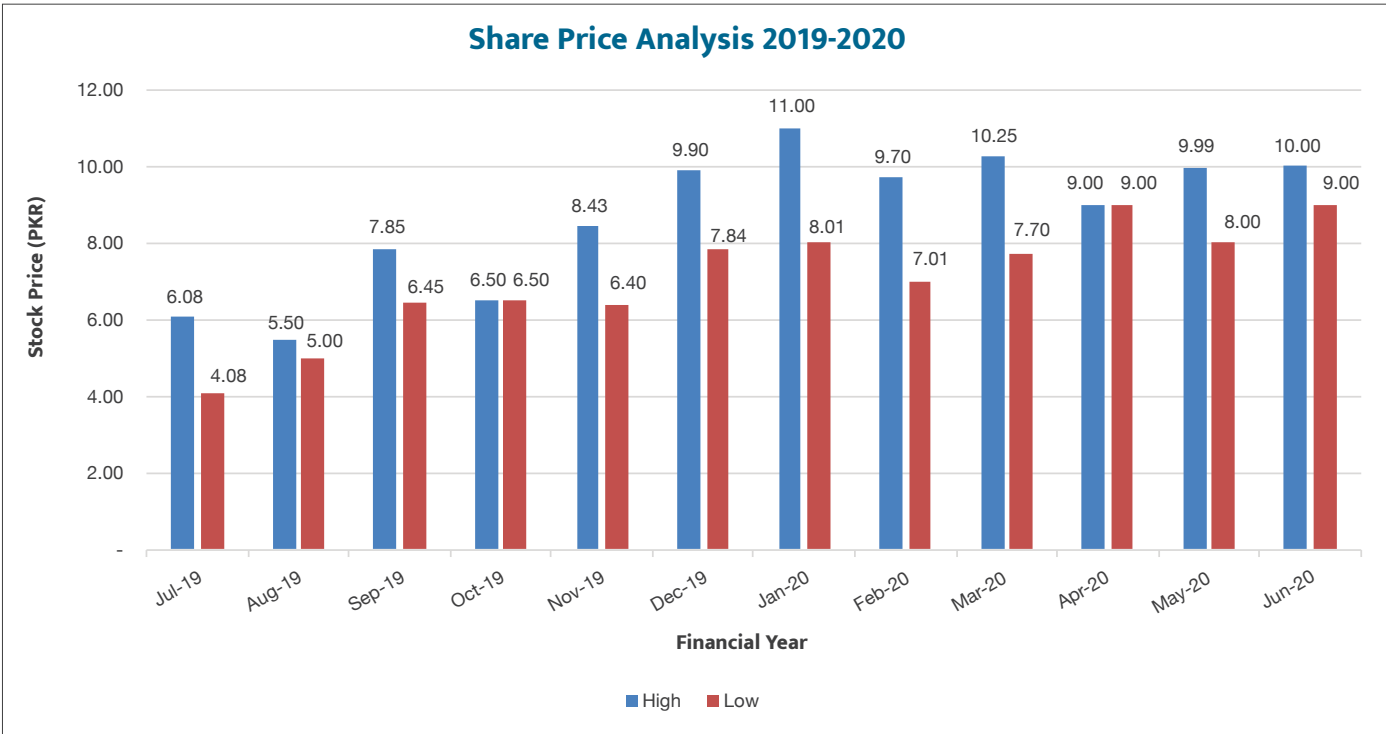
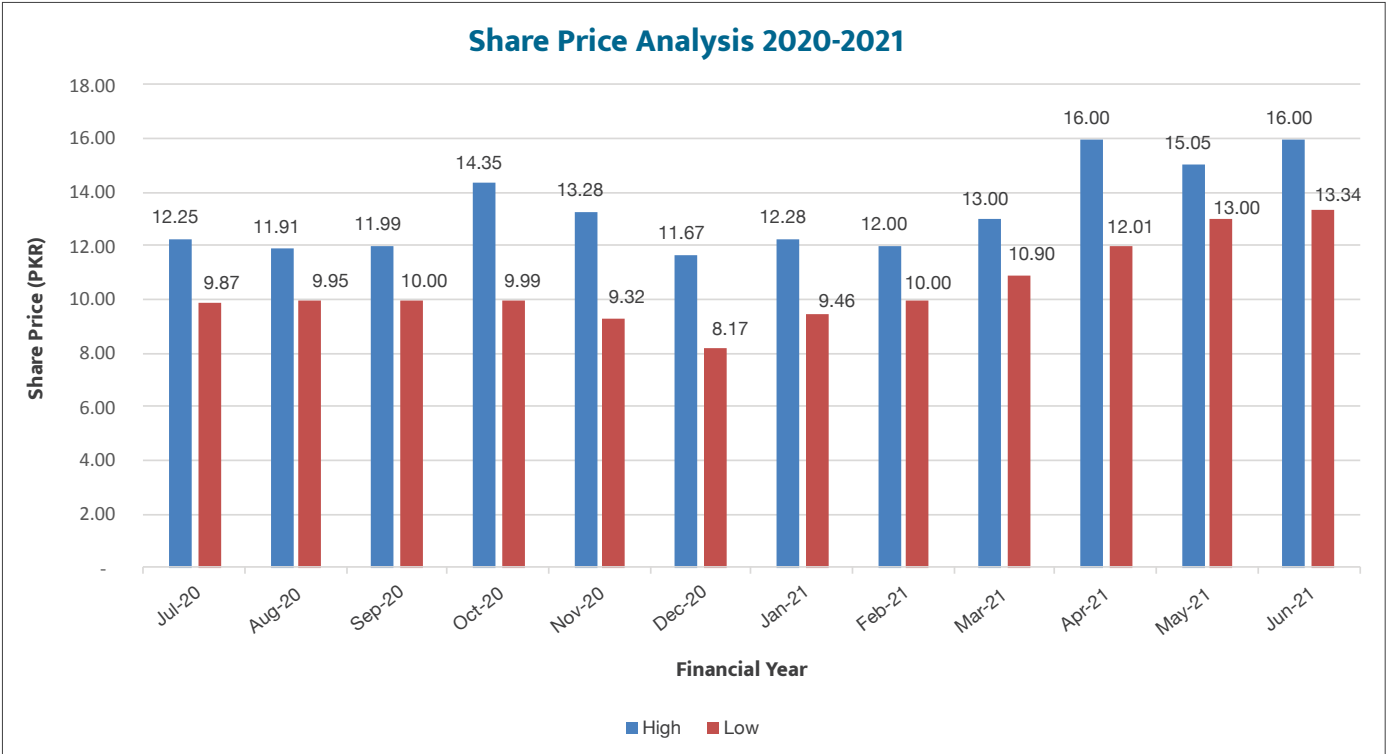
# Financial and Business Highlights

	2021	2020	2019	2018	2017
	Rupees	Rupees	Rupees	Rupees	Rupees
<b>Non-Current Assets</b>					
Property and Equipment	12,749,879	12,989,347	13,475,292	1,912,030	1,035,402
Intangibles	6,013,434	6,288,434	6,563,434	4,042,600	1,542,600
Long Term Investments	12,684,944	2,720,000	2,720,000	2,720,000	2,720,000
Right of Use Asset	17,121,108	3,337,495	-	-	-
Deferred Taxation	9,534,563	9,271,141	-	-	-
Long Term Deposits	3,480,200	2,130,000	1,675,149	1,825,149	525,149
	61,584,128	36,736,417	24,433,875	10,499,779	5,823,151
Current Assets	551,903,949	261,142,201	218,515,581	212,782,288	28,732,116
<b>Total Assets</b>	<b>613,488,077</b>	<b>297,878,618</b>	<b>242,949,456</b>	<b>223,282,067</b>	<b>34,555,267</b>
<b>Equity and Liabilities</b>					
<b>Share Capital and Reserves</b>					
Authorised Share Capital	750,000,000	750,000,000	750,000,000	750,000,000	100,000,000
Issued, Subscribed and Paid Up Capital	300,000,000	300,000,000	300,000,000	300,000,000	100,000,000
General Reserve	-	-	-	-	-
Capital Reserve	-	-	-	-	-
Accumulated Profit/(Losses)	3,123,469	(94,869,084)	(129,759,698)	(106,323,250)	(87,969,799)
	303,123,469	205,130,916	170,240,302	193,676,750	12,030,201
<b>Non-Current Liabilities</b>					
Lease Liabilities	11,040,435				
Current Liabilities	299,324,173	92,747,702	72,709,154	29,605,317	22,525,066
<b>Total Equity and Liabilities</b>	<b>613,488,077</b>	<b>297,878,618</b>	<b>242,949,456</b>	<b>223,282,067</b>	<b>34,555,267</b>

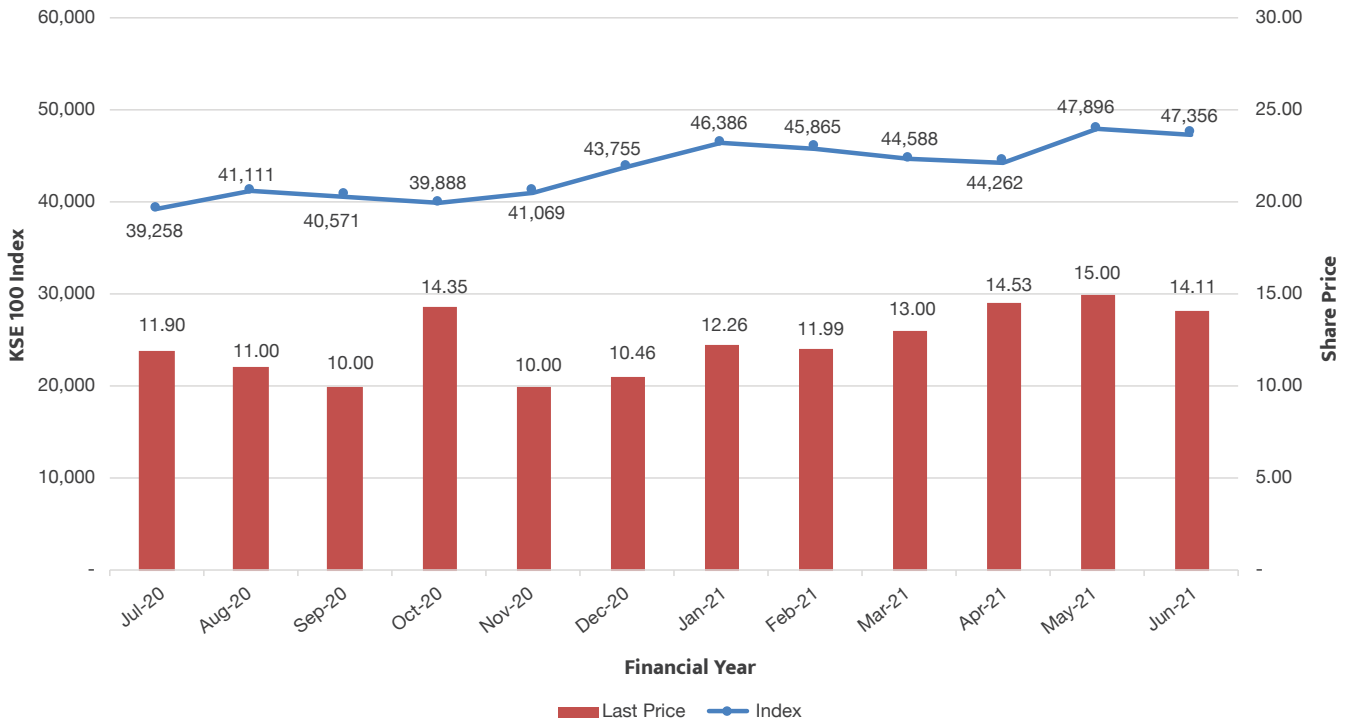


	2021	2020	2019	2018	2017
	Rupees	Rupees	Rupees	Rupees	Rupees
Operating revenue	305,382,104	96,561,064	37,074,178	2,905,421	8,019,005
Gain/(loss) on sale of securities/ remeasurement of investemnts	18,131,583	11,600,668	(5,039,245)	47,679	59,987
	323,513,687	108,161,732	32,034,933	2,953,100	8,078,992
Operating and administrative expenses	(262,600,220)	(107,717,460)	(63,418,060)	(22,063,568)	(9,736,563)
Finance cost	(4,688,957)	(825,538)	(1,172,273)	(1,083,015)	(11,807)
	(267,289,177)	(108,542,998)	(64,590,333)	(23,146,583)	(9,748,370)
	56,224,510	(381,266)	(32,555,400)	(20,193,483)	(1,669,378)
Other charges	(651,051)	(1,215,871)	(6,671,378)	(80,739)	(2,848,604)
Other income	51,013,830	31,786,412	16,391,442	2,081,988	2,056,919
Profit/(loss) before taxation	106,587,289	30,189,275	(22,835,336)	(18,192,234)	(2,461,063)
Taxation	(18,559,680)	4,701,339	(601,112)	(368,462)	(128,778)
<b>Profit/(loss) after taxation</b>	<b>88,027,609</b>	<b>34,890,614</b>	<b>(23,436,448)</b>	<b>(18,560,696)</b>	<b>(2,589,841)</b>
<b>Earnings/(loss) per share-basic &amp; diluted</b>	<b>2.93</b>	<b>1.16</b>	<b>(0.78)</b>	<b>(0.91)</b>	<b>(0.26)</b>

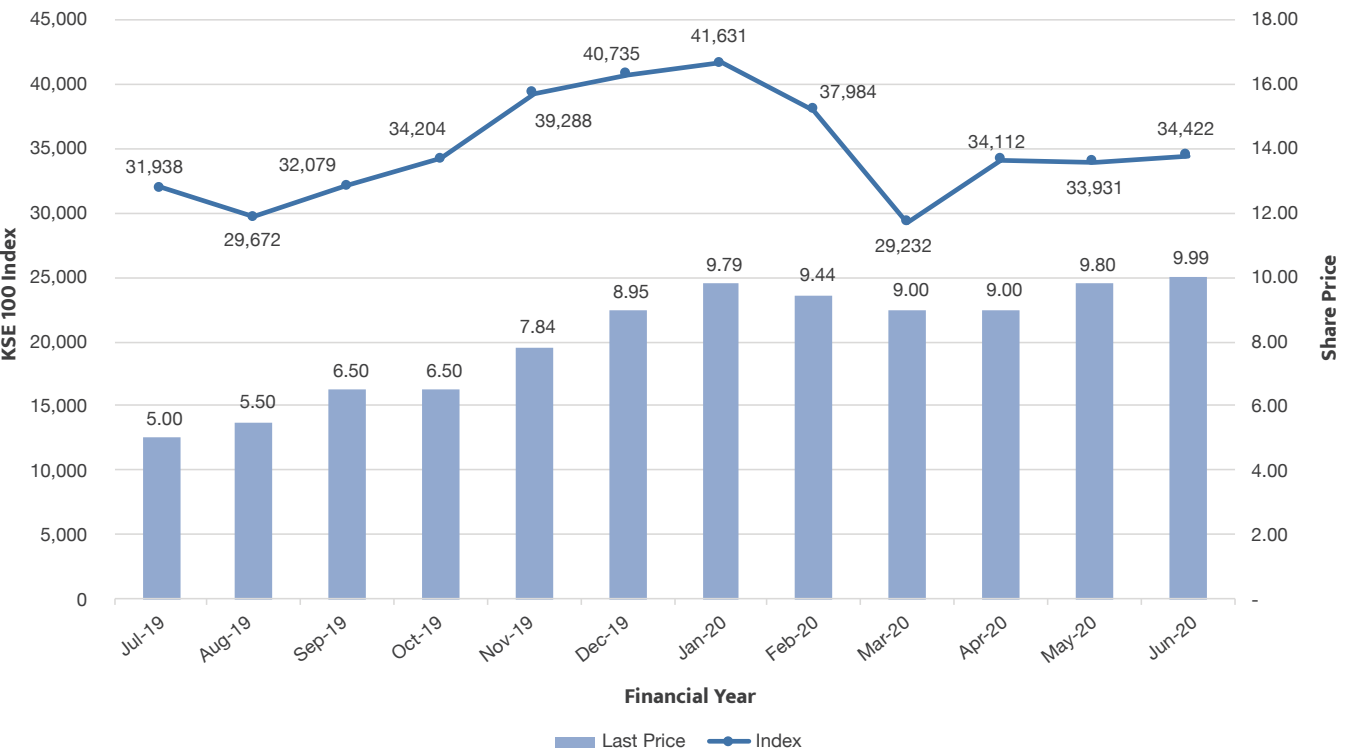
# Share Price Analysis



Share Price / KSE 100 Index 2020-2021



Share Price / KSE 100 Index 2019-2020





# Key Performance Indicators

For the period ended June 30, 2021

Total Revenue  
(in PKR)

374.53 Million

Profit after Tax  
(in PKR)

88.030 Million

Ebitida  
(in PKR)

118.74 Million

Total Assets  
(in PKR)

613.49 Million

Total Equity  
(in PKR)

303.12 Million

Return on Equity  
(in Percentage)

123.56 %

## Market Capitalization

(in PKR)

423.30 Million

## Market Price per Share

(Year End)

14.11 Rupees

## Net Assets per Share

(in PKR)

10.10 Million

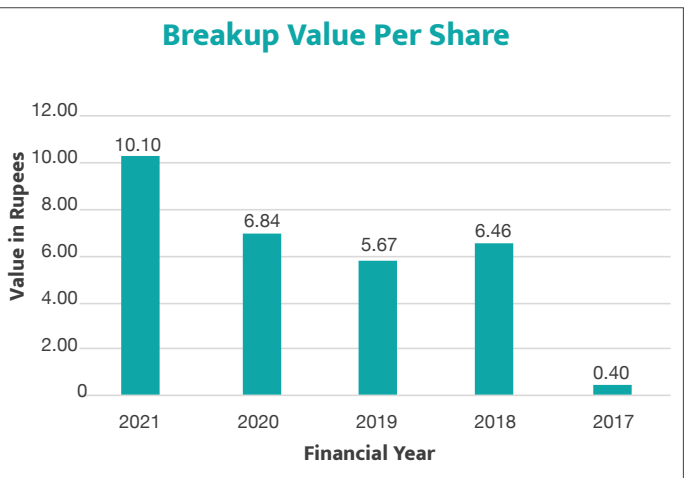
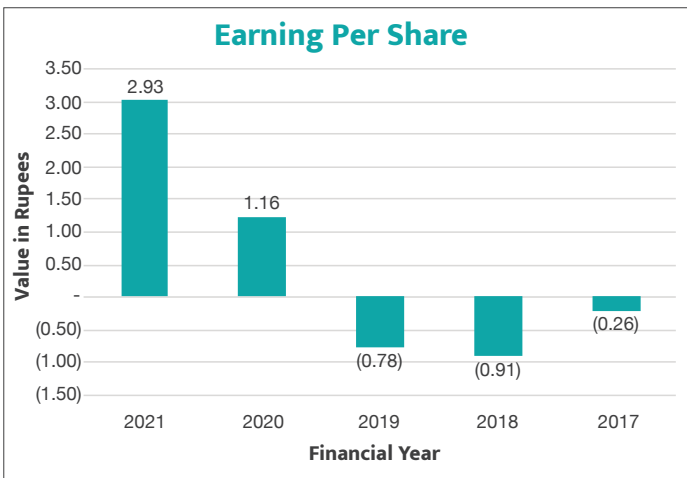
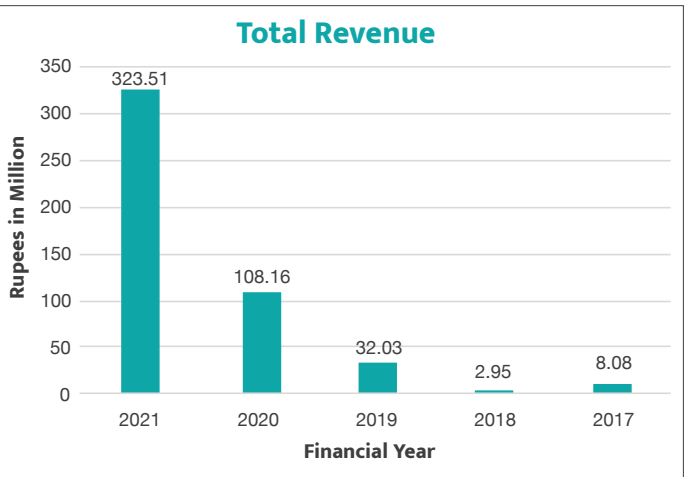
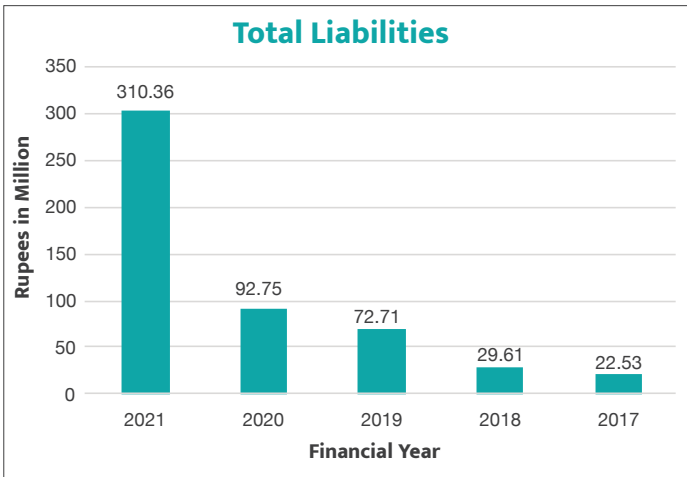
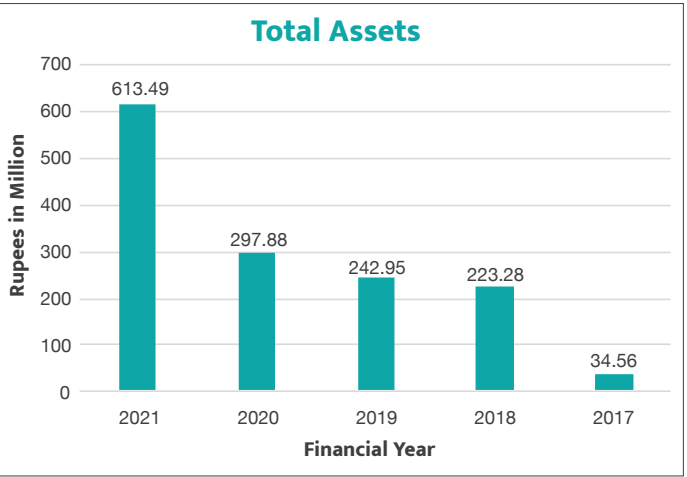
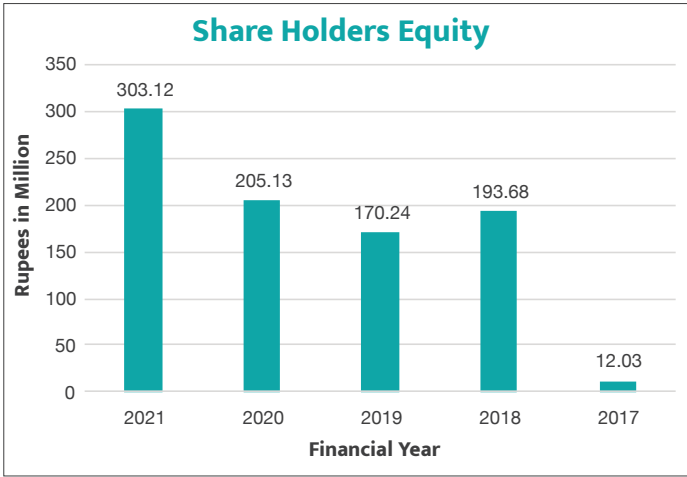
## Number of Shareholders

836 Partners

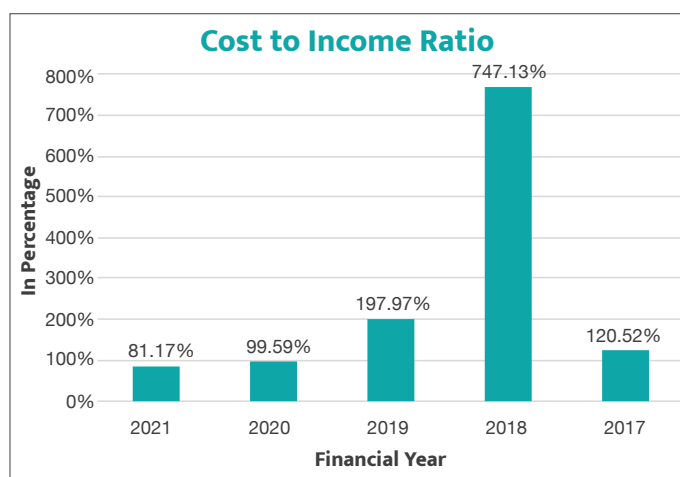
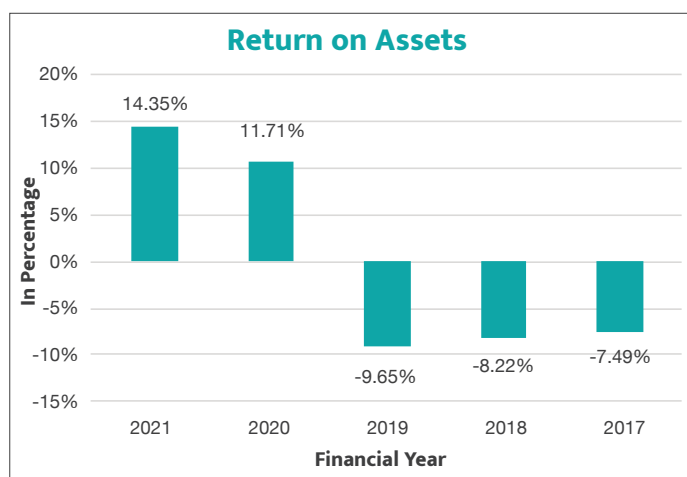
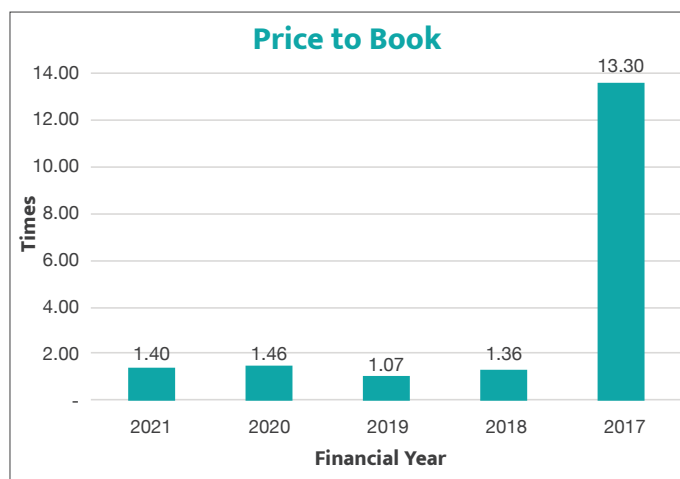
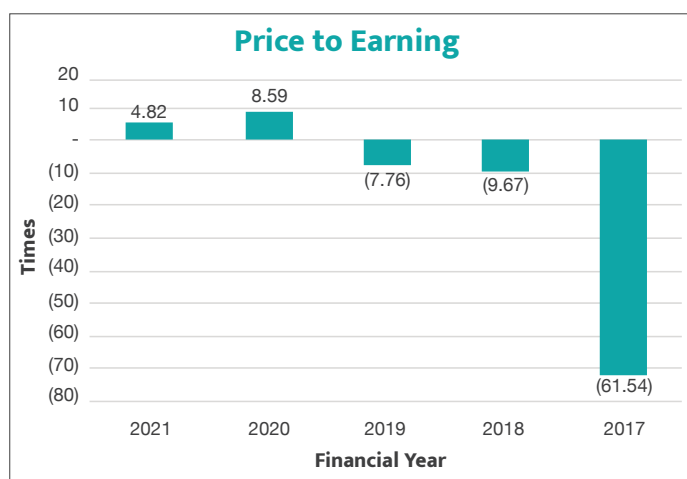
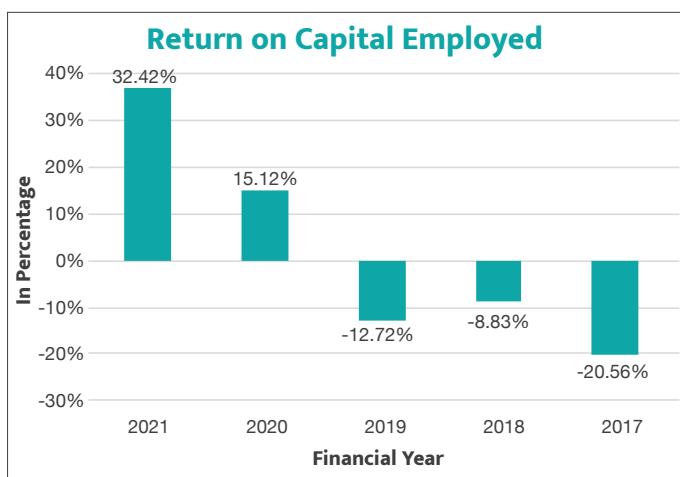
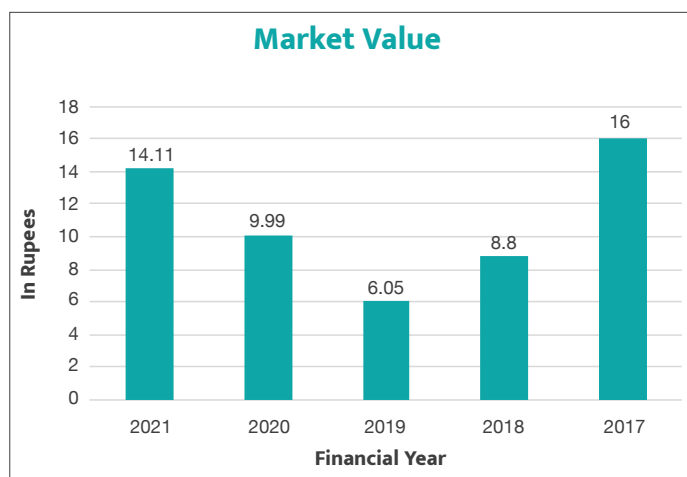
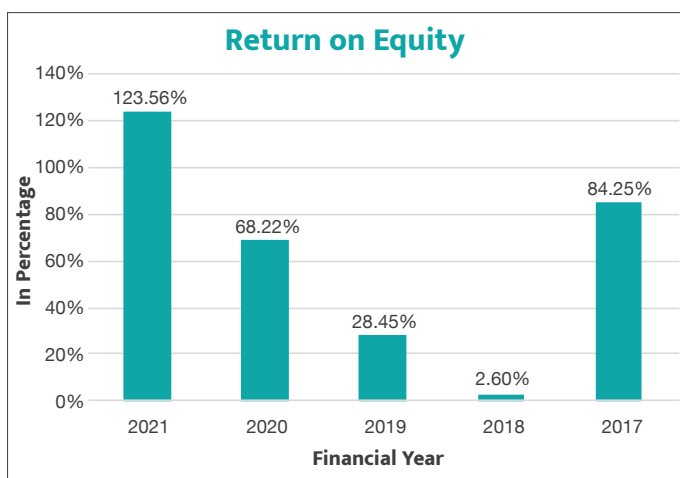
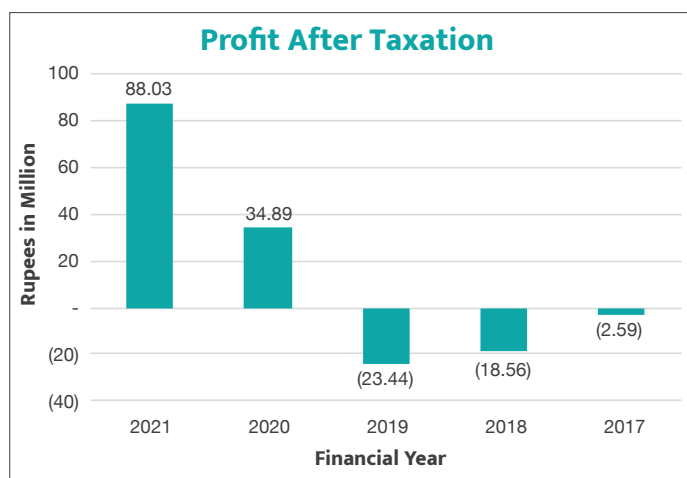
## Earning per Share

2.93 Rupees

# Graphical Representation











# Governance



# Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 For the year ended June 30, 2021

M/s. Trust Securities and Brokerage Limited (TSBL) has complied with the requirements of listed Companies (Code of Corporate Governance) Regulations 2019, in the following manner:

1. The total number of directors are 7 as per the following:
  - a. Male: 6 Members
  - b. Female: 1 Member

2. The composition of the Board of Directors is as follows:

Category	Names
<b>Independent Directors:</b>	Mr. Khizer Hayat Farooq Wg. Cmdr (Retd) TalatMehmood
<b>Non-Executive Directors:</b>	Mr. JunaidShehzad Ahmed Mr. Sardar Abdul Majeed Khan*
<b>Non-Executive Female Director:</b>	Mrs. Zenobia Wasif
<b>Executive Directors:</b>	Mr. Abdul Basit Mr. Zulfiqar Ali Anjum

Fraction (0.33) related to requirement for number of independent Directors is less than 0.5 and therefore, has not been rounded up as one.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies including this company.
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 a complete record of particulars of significant policies along with the dates of approval or updation/amendment 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 board/share holders as empowered by the relevant provisions of the companies Act, 2017 and the Regulations.  
\*a casual vacancy occurred on the board due to resignation of one director on 22 June 2021, which was filled up within prescribed period of 90 days.
7. The meetings of the board were presided over by the Chairman and, in her absence, by a director elected by the board for this purpose. The board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meetings of the board.
8. The Board have a formal policy and transparent procedure for remuneration of directors in accordance with the Act and the Regulations.
9. Out of 7 directors, four (4) have completed Director's Training Program (DTP) and one (1) director meets exemption requirement of DTP. The newly appointed director, along with one (1) remaining director shall obtain the DTP certification in due course of time.
10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, 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:

**a). Audit Committee**

Wg. Cmdr (Retd) Talat Mahmood	Chairman
Mrs. Zenobia Wasif	Member
Mr. Junaid Shehzad Ahmed	Member

**b). HR and Remuneration Committee**

Mr. Khizer Hayat Farooq	Chairman
Mr. Junaid Shehzad Ahmed	Member
Mr. Zulfiqar Ali Anjum	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**

Four quarterly meetings were held during the financial year ended June 30, 2021

**b). HR and Remuneration Committee**

One meeting was held during the financial year ended June 30, 2021

15. The board has outsourced the internal audit function 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 Accountant of Pakistan (ICAP) 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 ICAP 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 the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.



**Zenobia Wasif**  
Chairperson

**Place:** Karachi  
**Dated:** September 17, 2021

## Independent Auditor's Review Report

To the members of Trust Securities and Brokerage Limited

### Review Report on the Statement of Compliance contained in 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 **Trust Securities and Brokerage Limited** ("the Company") for the year ended June 30, 2021 in accordance with the requirement of regulation 36 of the Regulation.

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 a part of our audit of the 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 Regulation require 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 transaction by the board of directors upon recommendations of the Audit committee. We have not carried out procedures to assess and determine the company's process for identification of the related party 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 requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2021.

*Reanda Haroon Zakaria & Co.*

**Reanda Haroon Zakaria & Company**  
**Chartered Accountants**

**Place:** Karachi

**Date:** September 17, 2021



## **Independent Auditor's Report**

### **To the Members of Trust Securities and Brokerage Limited**

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

#### **Opinion**

We have audited the annexed financial statements of Trust Securities and Brokerage Limited, which comprise the statement of financial position as at June 30, 2021, and the statement of profit or loss, 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, statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2021 and of the profit, other comprehensive income, the changes in equity and its cash flows for the year then ended.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of financial statements for 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.

S. No.	Key Audit Matters	How the Matter was Addressed in our Audit
01.	<p><b>Valuation of unquoted investments in equity securities</b></p> <p>As stated in note 9.2 to the financial statements, the Company revalued its investment in unquoted ordinary shares of M/s. LSE Towers RIET Management Company Limited based on the valuation carried out independent external valuer engaged by management through the use of Discounted Free Cash Flow to Equity model for business valuation. Since the use of such valuation model requires management to make significant estimates and assumptions, the degree of subjectively and complexity involved in the valuation increases to a considerable extent. This, in turn affected our assessment of the risk that the financial statements may be materially misstated due to error and, hence, necessitated us to devote our significant time and resources to address the risk successfully.</p>	<p><b>Our procedures included the following:</b></p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the valuation exercise carried out by the independent external valuer engaged by management who was responsible for performing the valuation.</li> <li>• Made inquiries of such persons in order to assess their competence, capability and objectivity of the external valuer which are recognized as the important factors affecting the reliability of the valuation.</li> <li>• Evaluated the appropriateness of the work of the Company's personnel by assessing the reasonableness of significant assumptions use by management in estimating the following factors.</li> <li>• Components of cost of equity of investee company (used as discount rate) such as the risk-free rate of return, market risk premium and equity beta;</li> <li>• Significant amounts of revenues, operating expenses, capital expenditures, tax payments, dividend receipts etc. use in the cash flow projections; and</li> <li>• Long term growth rates assumed by management in estimating the terminal value of the investee companies at the end of the 5-year projection period.</li> </ul>

### **Information Other than Financial Statements and Auditor's Report Thereon**

Management is responsible for other information. Other information comprises the information included in the annual report for the year ended June 30, 2021, 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 information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, information, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### **Board of directors are responsible for overseeing the Company's financial reporting process.**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 therefore the key audit matters. We describe these matters in our auditors' 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, statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;



- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat is deductible at source under the Zakat and Ushr Ordinance, 1980.
- e) the Company was in compliance with the requirement of section 78 of the Securities Act, 2015, 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 balance sheet was prepared.

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

*Reanda Haroon Zakaria & Co.*

**Reanda Haroon Zakaria & Company**  
**Chartered Accountants**

**Place:** Karachi

**Dated:** September 17, 2021





# Financials



# Statement of Financial Position

AS AT JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property and equipment	6	12,749,879	12,989,347
Right of use asset	7	17,121,108	3,337,495
Intangibles	8	6,013,434	6,288,434
Long term investments	9	12,684,944	2,720,000
Long term deposits	10	3,480,200	2,130,000
Deferred taxation	11	9,534,563	9,271,141
		61,584,128	36,736,417
<b>Current Assets</b>			
Short term investments	12	20,595,180	8,852,700
Trade debts	13	74,892,752	53,477,285
Investment in margin financing	14	78,091,508	46,397,969
Advances, deposits, prepayments and other receivables	15	279,028,184	110,493,354
Tax refunds due from government	16	-	4,672,365
Cash and bank balances	17	99,296,325	37,248,528
		551,903,949	261,142,201
<b>Total Assets</b>		<b>613,488,077</b>	<b>297,878,618</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
<b>Authorized Capital</b>			
75,000,000 (2020 : 75,000,000) Ordinary shares			
Ordinary shares) of Rs. 10 each		750,000,000	750,000,000
Issued, subscribed and paid-up capital	18	300,000,000	300,000,000
<b>Reserves</b>			
Accumulated profit / (losses)		3,123,469	(94,869,084)
<b>Shareholders' Equity</b>		<b>303,123,469</b>	<b>205,130,916</b>
<b>Non-Current Liabilities</b>			
Lease liabilities		11,040,435	-
<b>Current Liabilities</b>			
Current maturity of lease liabilities	7	6,318,650	3,520,273
Short term borrowings	19	37,110,437	-
Provision for taxation	20	11,537,330	-
Trade and other payables	21	244,357,756	89,227,429
		299,324,173	92,747,702
<b>Commitment</b>	22		
<b>Total Equity and Liabilities</b>		<b>613,488,077</b>	<b>297,878,618</b>

The annexed notes from 1-38 form an integral part of these financial statements



Chief Executive



Chief Financial Officer



Director



# Statement of Profit or Loss

For the Year Ended June 30, 2021

	Note	2021 Rupees	2020 Rupees
Operating revenue	23	305,382,104	96,561,064
Gain on sale of short term investments		12,984,644	12,179,255
Gain / (Loss) on remeasurement of investments - at FVTPL		5,146,939	(578,587)
Operating and administrative expenses	24	(262,600,220)	(107,717,460)
Finance cost	25	(4,688,957)	(825,538)
Other charges	26	(651,051)	(1,215,871)
Other income	27	51,013,830	31,786,412
<b>Profit before taxation</b>		<b>106,587,289</b>	<b>30,189,275</b>
Taxation	28	(18,559,680)	4,701,339
<b>Profit after taxation</b>		<b>88,027,609</b>	<b>34,890,614</b>
<b>Earning per share - basic and diluted</b>	29	<b>2.93</b>	<b>1.16</b>

The annexed notes from 1-38 form an integral part of these financial statements



Chief Executive



Chief Financial Officer



Director

# Statement of Comprehensive Income

For the Year Ended June 30, 2021

	2021 Rupees	2020 Rupees
Profit for the year	88,027,609	34,890,614
Other comprehensive income		
Items that will not be reclassified to statement of profit or loss subsequently		
Remeasurement gain of investments fair value through OCI	9,964,944	-
Total comprehensive income for the year	97,992,553	34,890,614

The annexed notes from 1-38 form an integral part of these financial statements



Chief Executive



Chief Financial Officer



Director

# Statement of Changes in Equity

## For the Year Ended June 30, 2021

			Revenue reserve		
	Share capital	Remeasurement gain of investments fair value through OCI	Accumulated Losses	Sub Total	Shareholders Equity
			Rupees		
Balance as at June 30, 2019	300,000,000	-	(129,759,698)	-	170,240,302
<b>Total comprehensive income for the year</b>					
Profit for the year	-	-	34,890,614	-	34,890,614
<b>Balance as at June 30, 2020</b>	<b>300,000,000</b>	<b>-</b>	<b>(94,869,084)</b>	<b>(94,869,084)</b>	<b>205,130,916</b>
<b>Total comprehensive income for the year</b>					
Profit for the year	-	-	88,027,609	88,027,609	88,027,609
Remeasurement gain of investments fair value through OCI	-	9,964,944	-	9,964,944	9,964,944
	-	9,964,944	88,027,609	97,992,553	97,992,553
<b>Balance as at June 30, 2021</b>	<b>300,000,000</b>	<b>9,964,944</b>	<b>(6,841,475)</b>	<b>3,123,469</b>	<b>303,123,469</b>

The annexed notes from 1-38 form an integral part of these financial statements



Chief Executive



Chief Financial Officer



Director

# Statement of Cash Flows

For the Year Ended June 30, 2021

	Note	2021 Rupees	2020 Rupees
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		106,587,289	30,189,275
Adjustment for non-cash charges and other items			
Depreciation		1,674,128	1,573,527
Amortization on right of use assets		5,510,736	3,612,342
Amortization		275,000	275,000
Provision for doubtful debts		651,051	1,215,871
Interest income		(22,689,900)	(16,978,505)
Finance cost		4,688,957	825,538
Dividend income		(1,235,147)	(1,051,180)
Reversal of provision for doubtful debts		(1,004,211)	(6,681,718)
Gain on sale of fixed assets		-	(876)
Unrealised (gain) / loss on remeasurement of investment		(15,111,883)	578,587
		(27,241,269)	(16,631,414)
		79,346,020	13,557,861
Changes in Working Capital:			
(Increase) / decrease in current assets			
Trade debts		(21,062,307)	(14,226,976)
Investment in margin financing		(31,693,539)	(26,437,776)
Investment in margin trading system - net		-	5,100,203
Advances, deposits, prepayments and other receivables		(166,645,743)	(45,616,774)
		(219,401,589)	(81,181,323)
Increase / (decrease) in current liabilities			
Trade and other payables		153,362,371	16,518,275
Cash generated from / (used in) operations		13,306,802	(51,105,187)
Taxes paid		(2,613,407)	(2,330,387)
Finance cost paid		(2,103,950)	(188,210)
Long term deposits - net		(1,350,200)	(454,851)
Net cash generated from / (used in) operating activities		7,239,245	(54,078,635)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets		(1,434,660)	(1,170,106)
Capital work in progress		-	80,000
Proceeds from sale of property and equipment		-	3,400
Interest income received		20,800,814	17,237,220
Dividend income received		1,235,147	1,051,180
Investments - net		3,369,403	(7,141,466)
Net cash generated from investing activities		23,970,704	10,060,228
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from short term borrowings		37,110,437	-
Repayment of liabilities against use of asset		(6,272,589)	(4,066,892)
Net cash generated from / (used in) financing activities		30,837,848	(4,066,892)
Net increase / (decrease) in cash and cash equivalents (A+B+C)		62,047,797	(48,085,299)
Cash and cash equivalents at beginning of year		37,248,528	85,333,827
Cash and cash equivalents at end of year	17	99,296,325	37,248,528

The annexed notes from 1-38 form an integral part of these financial statements

Chief Executive

Chief Financial Officer

Director



# Notes to the Financial Statements

For the Year Ended June 30, 2021

## 1 THE COMPANY AND ITS OPERATION

The Company was incorporated in Pakistan on October 19, 1993 as a Public Limited Company under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017). The company is listed on Pakistan Stock Exchange Limited. The Company is the Trading Right Entitlement Certificate holder of the Pakistan Stock Exchange Limited and a member of Pakistan Mercantile Exchange Limited.

The Company is principally engaged in brokerage of shares, stocks, equity and debt securities, commodities and other financial instruments and corporate financial services.

Further the company is also engaged in trading in equity and debt securities on its own account through ready, spot and forward counters of the stock exchange.

## 2 GEOGRAPHICAL LOCATION AND ADDRESS OF OFFICES ARE AS UNDER:

- **Head Office :** Suite No. 401, 4th floor, Business and Finance Center, I.I Chundrigar Road, Karachi.

- **Branch Offices :** 2nd Floor, Associated House Building No. 1&2, 7-Kashmir Road, Lahore.

Room No. 202 & 203, 2nd Floor New Stock Exchange Building, I.I. Chundrigarh Road, Karachi.

Room No. 725, 7th Floor New Stock Exchange Building, I.I. Chundrigarh Road, Karachi.

Room No. 607, 6th Floor, LSE Plaza 19-Khayaban-e-Iqbal, Lahore.

PMEX Branch Office- DHA, Karachi Mezzanine No.2, Plot No. 550-C 11th Commercial Street, DHA, Phase-II Ext, Karachi.

## 3 IMPACT OF COVID-19 ON THE FINANCIALS STATEMENTS

In light of ongoing COVID - 19 pandemic, the Company has reviewed its exposure to business risks and has not identified any risks that could materially impact the financial performance or position of the Company. Consequently, there was no significant impact of COVID-19 pandemic on the Company's operations and financial results. In future also, the Company does not foresee any significant adverse impact on its operations and financial results.

## 4 BASIS OF PREPARATION

### 4.1 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 as applicable in Pakistan comprise of:

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

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

#### **4.2 Basis of Measurement**

These Financial Statements have been prepared under the historical cost convention, except that certain investments are stated at fair value.

These financial statements have been prepared following accrual basis of accounting except for statement of cash flow information.

#### **4.3 Functional and presentation currency**

The financial statements are presented in Pak Rupees, which is also the Company's functional and presentation currency.

#### **4.4 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 associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are 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.

Judgments made by management in the application of approved accounting standard as, applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material judgment in the next year are as follows:-

##### ***Property and equipment***

The Company reviews the rate of depreciation, useful life, residual value and value of assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property and equipment with a corresponding affect on the depreciation charge and impairment.

##### ***Intangible assets***

The Company reviews the rate of amortization and value of intangible assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of intangible assets with a corresponding affect on the amortization charge and impairment.

##### ***Trade debts***

Trade debts and other receivables are recognized initially at fair value and subsequently measured at amortized cost less loss allowance, if any. The Company measures the loss allowance for trade debts at an amount equal to lifetime expected credit losses (ECL). The expected credit losses on trade debts are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

##### ***Income taxes***

In making the estimates for income taxes currently payable by the Company, the management looks at the current income tax laws and establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### **4.5 Standards, interpretations and amendments to approved accounting standards**

##### **4.5.1 Amendments to published accounting and reporting standards which are effective for the year ended June 30, 2021**

There were certain amendments to accounting and reporting standards which became effective for the Company for the current year. However, these are considered not to be relevant or to have any significant impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements.

##### **4.5.2 Standards, interpretations and amendments to the existing standards that are not yet effective and have not been early adopted by the company**

<i>Effective date (annual reporting periods beginning on or after)</i>		
IAS 1	Presentation of financial statements (Amendments)	January 1, 2023
IAS 8	Accounting policies, changes in accounting estimates and errors (Amendments)	January 1, 2023
IAS 12	Income Taxes (Amendments)	January 1, 2023
IAS 16	Property, Plant and Equipment (Amendments)	January 1, 2022
IAS 37	Provisions, Contingent Liabilities and Contingent Assets (Amendments)	January 1, 2022
IFRS 3	Business Combinations (Amendments)	January 1, 2022
FRS 7	Financial Instruments: Disclosures (Amendments)	January 1, 2021
IFRS 9	Financial Instruments (Amendments)	January 1, 2021
IFRS 16	Leases (Amendments)	January 1, 2021

## **5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

### **5.1 Property and Equipment**

These are initially measured at cost. Subsequent to initial recognition these are measured at cost less accumulated depreciation and impairment loss if any.

Depreciation is charged to statement of profit or loss using the reducing method at the rates specified in the relevant note. Monthly depreciation is charged on additions during the month while no depreciation is charged on assets in the month of disposal.

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalized.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of asset) is included in the statement of profit or loss in the year in which the asset is derecognized.

The Company reviews the useful lives and residual value of its assets on regular basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, equipment with a corresponding effect on the depre

## **5.2 Capital work in progress**

Capital work-in-progress is stated at cost accumulated upto the reporting date less impairment if any. Transfer are made to relevant property, plant and equipment category as and when assets are available for their intended use.

## **5.3 Leases**

### **a) Right of Use Assets**

The Company measures the right-of-use asset applying a cost model whereby the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any remeasurement of the lease liability.

The right-of-use asset is depreciated on a straight line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

### **b) Lease Liability**

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Company has elected not to recognize right-of-use assets and lease liabilities for some leases of low value assets. The lease payments associated with these leases are recognized as an expenses on a straight-line basis over the lease term. The right-of-use assets are presented in the same line items as it presents underlying assets of the same nature that it owns.

## **5.4 Intangible Assets**

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

Intangible assets having finite useful lives are stated at cost less accumulated amortization and accumulated impairment losses, if any. Amortization 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 amortization 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 asset is expected to generate net cash inflows for the Company.

An intangible asset with an indefinite useful life is not amortized. 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 recognized in statement of profit or loss when the asset is derecognized.

## **5.5 Financial instruments**

### **5.5.1 Initial Recognition**

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

### **5.5.2 Classification of financial assets**

The Company classifies its financial instruments in the following categories:

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

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

#### **Financial assets at amortized cost**

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and;
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Financial assets at fair value through OCI**

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and;
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

However, Company may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income.

#### **Financial assets at fair value through profit or loss**

A financial asset is measured at fair value through profit or loss unless it is measured at amortized or at fair value through OCI.

### **5.5.3 Financial liabilities**

The Company classifies its financial liabilities in the following categories:

- at fair value through profit and loss ("FVTPL"), or
- at amortized cost.

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

### **5.5.4 Subsequent measurement**

#### **Financial assets at FVTOCI**

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognized in OCI.

Investments in un-quoted equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value. However, in limited circumstances, where there is insufficient recent information is available or where there is wide range of possible fair value measurements, the cost may be an appropriate estimate of fair value.

#### **Financial assets and liabilities at amortized cost**

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

#### **Financial assets and liabilities at FVTPL**

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss and other comprehensive income in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income/(loss). Currently, there are no financial liabilities designated at FVTPL.

### **5.5.5 Impairment of financial assets at amortized cost**

The Company recognizes a loss allowance for expected credit losses (ECLs) on financial assets that are measured at amortized cost. Loss allowances are measured on the basis of life time (ECLs) that result from all possible default events over the expected life of a financial instrument.

Lifetime ECL is only recognized if the credit risk at the reporting date has increased significantly relative to the credit risk at initial recognition. Further, the Company considers the impact of forward looking information (such as Company's internal factors and economic environment of the country of customers) on ECLs. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity and the cash flows that the Company expects to receive).

Provision against financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

### **5.5.6 Derecognition**

#### **Financial assets**

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets

expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognized in statement of profit or loss.

In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to statement of profit or loss.

In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to statement of profit or loss, but is transferred to revenue reserve.

### ***Financial liabilities***

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of profit or loss and other comprehensive income.

#### **5.5.7 Offsetting of financial assets and financial liabilities**

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

#### **5.6 Trade debts**

These are classified at amortized cost and are initially recognised when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss (ECL).

Trade receivables in respect of securities sold on behalf of client are recorded at settlement date of transaction

#### **5.7 Advances, deposits, prepayments and other receivables**

These are recognized at cost, which is the fair value of the consideration given. However, an assessment is made at each reporting date to determine whether there is an indication that assets may be impaired. If such indication exists, the estimated recoverable amount of that asset is determined and any impairment loss is recognized for the difference between the recoverable amount.

Other receivables are recognized and carried at cost which is the fair value of the consideration to be received in the future for goods and services.

#### **5.8 Cash and cash equivalents**

Cash and cash equivalent are carried in the statement of financial position at amortized cost.

#### **5.9 Trade and other payables**

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for

goods and services received up to the year end, whether or not billed to the Company. The company follows settlement date accounting.

#### **5.10 Taxation**

##### ***Current***

Provision for current taxation is based on taxable income at the current rates for taxation after taking into account tax credit and rebates available, if any in accordance with the provision of Income Ordinance, 2001. The charge for the current tax also includes adjustments where necessary, relating to prior years which arise from assessments framed/ finalized during the year.

##### ***Deferred***

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences at the reporting date between the tax base and carrying amount of assets and liabilities for financial reporting purposes.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences and carried forward unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and carried forward unused tax losses can be utilized. Carrying amount of all deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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

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

#### **5.11 Provisions**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

However, provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

#### **5.12 Contingencies**

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

#### **5.13 Revenue**

Brokerage commission, consultancy and other income are recognised as and when such services are provided and performance obligation is satisfied.

Interest income is recognized on a time proportion basis using the effective interest rate of return.

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

Capital gain / (loss) on sale of securities are included in statement of profit or loss account on the settlement date basis.

#### **5.14 Expenses**

All expenses are recognized in the statement of profit or loss account on accrual basis.

#### **5.15 Impairment**

##### ***Non-Financial assets***

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognized, as an expense in the statement of profit or loss account, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sale and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 amortization if no impairment loss had been recognized.

#### **5.16 Earnings per share**

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

#### **5.17 Dividend and revenue reserves appropriation**

Dividend and movement in revenue reserves are recognised in the financial statements in the period in which these are approved.

#### **5.18 Related party transactions**

All transactions with related parties are carried out by the Company at arms' length price using the admissible pricing method.



## 6 PROPERTY AND EQUIPMENT

Note

2021  
Rupees

2020  
Rupees

Operating fixed assets	6.1	12,749,879	12,989,347
------------------------	-----	------------	------------

### 6.1 Operating fixed assets

Particular	Computers	Furniture and fittings	Vehicles	Office equipment	Total
	Rupees				
Net book value as at June 30, 2019	781,537	8,368,304	94,082	4,151,369	13,395,292
Additions	640,206	362,500	-	167,400	1,170,106
Disposal					
Cost	-	(14,000)	-	-	(14,000)
Accumulated depreciation	-	11,476	-	-	11,476
	-	(2,524)	-	-	(2,524)
Depreciation charged	(295,703)	(841,205)	(18,816)	(417,802)	(1,573,527)
Net book value as at June 30, 2020	1,126,040	7,887,075	75,266	3,900,968	12,989,347
Additions	340,572	727,043	241,710	125,335	1,434,660
Depreciation charged	(393,827)	(827,003)	(55,767)	(397,531)	(1,674,128)
Net book value as at June 30, 2021	1,072,785	7,787,115	261,209	3,628,772	12,749,879
<b>At June 30, 2020</b>					
Cost	3,893,462	10,874,739	1,232,000	5,529,454	21,529,654
Accumulated depreciation	2,767,422	2,987,663	1,156,734	1,628,486	8,540,307
Net book value	1,126,040	7,887,075	75,266	3,900,968	12,989,347
<b>At June 30, 2021</b>					
Cost	4,234,034	11,601,782	1,473,710	5,654,789	22,964,314
Accumulated depreciation	3,161,249	3,814,666	1,212,501	2,026,017	10,214,435
Net book value	1,072,785	7,787,115	261,209	3,628,772	12,749,879
Rate of depreciation %	30%	10%	20%	10%	

2021  
Rupees

2020  
Rupees

### 6.2 Capital work in progress

Opening balance	-	80,000
Addition during the year	572,880	250,000
Transferred to fixed assets	(572,880)	(330,000)
Closing balance	-	-

## 7 RIGHT OF USE ASSETS / LEASE

### 7.1 Right-of-use assets

	2021 Rupees	2020 Rupees
Opening balances	3,337,495	6,949,837
Additions	19,294,350	-
Depreciation expense	(5,510,737)	(3,612,342)
	13,783,613	(3,612,342)
Closing balance	17,121,108	3,337,495

### 7.2 Lease Liabilities

Rental contracts are made for a fixed period subject to renewal upon mutual consent of Company and lessor. Wherever practicable the Company seeks to include extension option to provide operational flexibility. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. The future lease payments have been discounted using incremental borrowing cost on properties lease from 9.92%-10.01% and vehicles leases borrowings cost from 10.30%-10.45%.

Set out below the carrying amount of lease liabilities and the movements during the year:

	2021 Rupees	2020 Rupees
Opening balances	3,520,273	6,949,837
Additions	19,294,350	-
Interest expense	817,051	637,328
Payments	(6,272,589)	(4,066,892)
	13,838,812	(3,429,564)
Closing balances	17,359,085	3,520,273
Current	6,318,650	3,520,273
Non - current	11,040,435	-
	17,359,085	3,520,273

Lease liabilities are payable as follows:

	As at June 30, 2021		
	Minimum lease payments	Interest	Present value of minimum lease payments
	Rupees		
Less than one year	7,768,555	1,449,905	6,318,650
Between one and five years	12,121,483	1,081,048	11,040,435
	19,890,038	2,530,953	17,359,085

	As at June 30, 2020		
	Minimum lease payments	Interest	Present value of minimum lease payments
	Rupees		
Less than one year	3,731,376	211,103	3,520,273
Between one and five years	-	-	-
	3,731,376	211,103	3,520,273

8	INTANGIBLES	Note	2021 Rupees	2020 Rupees
	<b>Trading Rights Entitlement Certificate (TREC)</b>			
	Pakistan Stock Exchange Limited (PSX)	8.1&8.2	1,280,000	1,280,000
	<b>Offices</b>			
	LSE Financial Services Limited (LFSL)	8.3	262,600	262,600
	<b>Pakistan Mercantile Exchange Limited (PMEX) membership</b>			
	Pakistan Mercantile Exchange Limited		2,500,000	2,500,000
	<b>Software</b>	8.4	1,970,834	2,245,834
			6,013,434	6,288,434

**8.1** Pursuant to the promulgation of the Stock Exchanges (Corporatisation, Demutualization and Integrations) Act, 2012 (The Act), the ownership in a stock exchange has been segregated from the right to trade on the exchange. Accordingly, the company has received the equity shares of LSE Financial Services Limited (LFSL) and a Trading Right Entitlement Certificate (TREC) in lieu of its membership card of Lahore Stock Exchange (Guarantee) Limited.

**8.2** This certificate is subject to Hypothecation charge in favor of Pakistan Stock Exchange Limited.

**8.3** This represent cost of offices given by LSE Financial Services Limited with indefinite useful life. These are considered to be indefinite as there is no foreseeable limit on the period during which an entity expects to consume the future economic benefits.

	2021 Rupees	2020 Rupees
<b>8.4 Software</b>		
Opening net book value	2,245,834	2,520,834
Amortization charge	(275,000)	(275,000)
<b>Closing net book value</b>	<b>1,970,834</b>	<b>2,245,834</b>
Cost	2,750,000	2,750,000
Accumulated amortization	(779,166)	(504,166)
<b>Net book value</b>	<b>1,970,834</b>	<b>2,245,834</b>
<b>Amortization rate</b>	<b>10%</b>	<b>10%</b>

## 9 LONG TERM INVESTMENTS

### *Fair Value thorough - OCI In shares of Un-quoted company*

2021	2020	Note	Carrying Value	
			2021 Rupees	2020 Rupees
Number of shares	Name of securities			
843,975	843,975	LSE Financial Services Ltd. 9.1 & 9.2	12,684,944	2,720,000

### *In shares of quoted companies*

5,000	5,000	Sunshine Cotton Mills Limited	1,650	1,650
		Provision for impairment	(1,650)	(1,650)
			12,684,944	2,720,000

**9.1** This represents unquoted shares of LSE Financial Services Limited received by the Company in pursuance of Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012.

Out of total number of shares owned, 60% shares (i.e. 506,385 shares) of the said entity are held in separate CDC blocked account, to restrict the sale of these shares by the members. Where as 40% of total shares i.e. 337,590 for Rs.10 each have been credited to the Company's CDC house account and are pledged in favour of Pakistan Stock Exchange Limited against Base Minimum Capital (BMC).

**9.2** The Company carried out the valuation of the aforementioned investments. In this connection, the valuation technique used by the Company was Discounted Free Cash Flow to Equity model for business valuation. Assumptions and inputs used in the valuation technique mainly include risk-free rate, equity risk premium, long term growth rate and projected rates of increase in revenues, other income and expenses. Principal assumptions used in the valuation of above unquoted investments are as under:

Name of investee company	2021			Value per share (Rs.)	Valuation technique used
	Principal Valuation Assumptions				
	Long term growth rate	Cost of equity	Projection period		
LSE Financial services Limited	3.00%	8.52%	5 Years	15.03	Discounted Cash Flow Method

## 10 LONG TERM DEPOSITS

### *- Unsecured - Considered good*

	2021 Rupees	2020 Rupees
National Clearing Company of Pakistan Limited (NCCPL)	1,400,000	1,400,000
Central Depository Company of Pakistan Limited (CDC)	100,000	100,000
Pakistan Mercantile Exchange Limited	500,000	500,000
Rentals deposits	250,500	130,000
Lease deposits	1,229,700	-
	3,480,200	2,130,000

## 11 DEFERRED TAXATION

Deferred tax asset is net off of (taxable) / deductible temporary differences in respect of the followings:-

	Note	2021 Rupees	2020 Rupees
<b>Taxable temporary differences</b>			
Accelerated tax depreciation		(5,909,238)	(1,870,127)
Unrealized loss on investments		(442,725)	(256,685)
		<b>(6,351,963)</b>	<b>(2,126,812)</b>
<b>Deductible temporary differences</b>			
Provision for doubtful debts		2,644,731	3,338,162
Assessed tax losses		1,370,658	2,126,113
Lease liability		5,034,135	1,020,879
Minimum tax		2,195,250	2,195,250
Alternative Corporate Tax		4,641,752	2,664,752
Capital gain tax		-	52,797
		<b>15,886,526</b>	<b>11,397,953</b>
		<b>9,534,563</b>	<b>9,271,141</b>

## 12 SHORT TERM INVESTMENTS

### At fair value through profit or loss

In shares of quoted company		20,565,180	8,822,700
In shares of unquoted company	12.1 & 12.2	30,000	30,000
		<b>20,595,180</b>	<b>8,852,700</b>

### 12.1 Unquoted company

Carrying amount		60,000	60,000
Accumulated impairment		(30,000)	(30,000)
		<b>30,000</b>	<b>30,000</b>

**12.2** This represents investment in fully paid ordinary shares of Takaful Pakistan Limited. The break-up value is Rs.5.87 per share based on un audited financial statements for the period ended March 31, 2021.

	Note	2021 Rupees	2020 Rupees
<b>13 TRADE DEBTS</b>			
Considered good		74,892,752	53,477,285
Considered doubtful		9,119,762	11,510,903
	13.1 & 13.2	<b>84,012,514</b>	<b>64,988,188</b>
Provision for doubtful debts	13.2.1	(9,119,762)	(11,510,903)
		<b>74,892,752</b>	<b>53,477,285</b>



**13.1** The total value of securities pertaining to clients are Rs.845.810 million (2020 : Rs.426.647 million) held in sub-accounts of the company. Securities pledged by client to the financial institutions amounting to Rs.109.50 million (2020 : Rs. 6.38 million).

**13.2 Aging analysis**

	Note	2021 Rupees	2020 Rupees
The aging analysis of trade debts is as follows:			
Upto fourteen days		68,397,522	45,270,262
More than fourteen days	13.2.1	15,614,992	19,717,926
		<b>84,012,514</b>	<b>64,988,188</b>

**13.2.1** Adequate provision of Rs. 9.119 million (2020 : Rs.11.511 million) has been provided in respect of amount due from customers.

	Note	2021 Rupees	2020 Rupees
<b>13.3 Provision for doubtful debts</b>			
Balance as on July 01		11,510,903	60,468,781
Provision made during the year	26	651,051	1,215,871
		<b>12,161,954</b>	<b>61,684,652</b>
Reversal of excess provision against trade debt		(2,037,981)	(43,492,031)
Reversal of excess provision		(1,004,211)	(6,681,718)
		<b>9,119,762</b>	<b>11,510,903</b>

**14. INVESTMENT IN MARGIN FINANCING**

This amount is given as a Margin Financing (MF) to our clients through National Clearing Company of Pakistan Limited. This amount is secured against securities of clients held in house account. The company is financing on Financing Participation Ratio (FPR) of maximum 85% and charging markup ranging between the rate of 14% to 15% fixed rate.

	Note	2021 Rupees	2020 Rupees
<b>15. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES - Considered good</b>			
<b>Advances</b>			
Advance to staff		3,340,055	3,639,186
Advance for office maintenance		252,890	229,900
		<b>3,592,945</b>	3,869,086
<b>Deposits</b>			
Deposit against exposure margin	15.1	134,348,212	70,700,000
Deposits against margin trading system	15.2	132,806,264	31,170,982
		<b>267,154,476</b>	101,870,982
<b>Prepayments</b>			
Short term prepayments		588,000	80,000
<b>Other receivables</b>			
Other receivables		1,768,935	25,000
PMEX Clearing House		1,371,714	1,723,354
Markup receivable against leverage products		3,130,829	1,248,163
Markup receivable against Saving Account		6,420	-
Capital gain tax receivable		-	802,497
Retained profit future contract from NCCPL		1,414,865	874,272
		<b>7,692,763</b>	4,673,286
		<b>279,028,184</b>	110,493,354

**15.1** This represents deposits with National Clearing Company of Pakistan Limited against exposure margin in respect of future and ready counter.

**15.2** This represents deposits with National Clearing Company of Pakistan Limited against the exposure margin against trade and sustained losses to date on Margin Trading Services.

	Note	2021 Rupees	2020 Rupees
<b>16 TAX REFUNDS DUE FROM GOVERNMENT</b>			
Opening tax refund		-	6,911,780
Tax paid during the year		-	2,330,387
		-	9,242,167
Provision for the year	28	-	(4,433,053)
Prior year	28	-	(136,749)
		<b>-</b>	4,672,365

	Note	2021 Rupees	2020 Rupees
<b>17 CASH AND BANK BALANCES</b>			
Cash in hand		473,187	607,211
<b>Cash at banks</b>			
In current accounts		80,141,278	34,335,181
In saving account	17.1	18,681,860	2,306,136
	17.2	98,823,138	36,641,317
		<b>99,296,325</b>	<b>37,248,528</b>

**17.1** Saving account carries markup which ranges from 3.25% to 5.5% (2020 : 5% to 10.5%) per annum.

	2021 Rupees	2020 Rupees
<b>17.2 Balance pertaining to :</b>		
Clients	97,758,000	33,863,484
Brokerage house	1,065,138	2,777,833
	<b>98,823,138</b>	<b>36,641,317</b>

## 18 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2021 Number of shares	2020	Note	2021 Rupees	2020 Rupees
<b>30,000,000</b>	30,000,000	18.1	300,000,000	300,000,000
Ordinary shares of Rs.10 each fully paid in cash				

### 18.1 Pattern of shareholding

Serial number	Name of Shareholder	2021	
		Number of shares held	% of shares held
1	Muhammad Khurram Faraz	4,891,000	16.30%
2	Junaid Shehzad Ahmed	8,080,000	26.93%
3	Paramount Commodities (Private) Limited	2,196,645	7.32%
4	Mg Media (Pvt.) Limited	2,444,500	8.15%
5	Foresight Investment (Pakistan) (Pvt.) Limited	2,765,000	9.22%
6	Other institution not more than 5% holding	967,601	3.23%
7	Other individuals not more than 5% holding	8,655,254	28.85%
		<b>30,000,000</b>	<b>100%</b>

## 19 SHORT TERM BORROWINGS

2021  
Rupees

2020  
Rupees

### Secured - interest bearing - from banking companies

Running finance

37,110,437

-

The company has obtained a running finance facility of Rs. 240 million from a banking company to finance daily clearing obligation of Pakistan stock exchange and settlement of client trade. The facility carries markup of 1 month kibar + 2.5% per annum to be paid on quarterly basis. The facility is secured against pledge of shares as per approved lists and margins charge over shares duly registered with SECP. Lien over account in name of company, Director and Sponsors of company or 3rd party @ 10% maintained.

Credit facilities available and unavailed as at September 30, 2021 are as follows: -

Nature of facility	Sanctioned limit		Unavailed facility	
	2021	2020	2021	2020
Running finance	240,000,000	-	202,889,563	-

Note

2021  
Rupees

2020  
Rupees

## 20 PROVISION FOR TAXATION

Opening tax refundable

(4,672,365)

-

Tax refund during the year

376,190

Tax paid during the year

(2,989,597)

-

(7,285,772)

-

Provision for the year

28

18,823,102

-

11,537,330

-

## 21 TRADE AND OTHER PAYABLES

Trade creditors

153,066,515

63,433,802

Accrued liabilities

14,617,594

6,558,445

Accrued mark up

1,773,728

5,772

Withholding tax payable

5,863,943

4,174,965

Capital gain tax payable

28,797,875

811,345

Sindh sales tax payables

6,198,334

1,855,397

Employees compensated absences

1,636,473

1,636,473

Retain future profit of clients

1,337,560

1,360,950

DFC withheld exposure demand from clients

26,220,344

5,000,195

Other liabilities

4,845,390

4,390,085

244,357,756

89,227,429

## 22 COMMITMENT

Commitment against unrecorded transactions executed before the year end having settlement date subsequent to year end: -

	Note	2021 Rupees	2020 Rupees
For purchase of shares		748,945,199	196,691,934
For sale of shares		709,607,252	187,124,492

## 23 OPERATING REVENUE

Brokerage income from Pakistan Stock Exchange		291,204,427	92,567,021
Brokerage income from Pakistan Mercantile Exchange Limited		12,942,530	2,942,863
Dividend income		1,235,147	1,051,180
		305,382,104	96,561,064

## 24 OPERATING AND ADMINISTRATIVE EXPENSES

Salaries, benefits and allowances		47,941,774	33,322,078
Director's remuneration	33	3,260,840	2,021,874
Commission		161,356,880	43,527,381
Clearing house expenses		20,490,587	6,133,560
Communication expenses		1,761,390	1,524,348
Printing and stationary		1,381,631	1,323,692
Entertainment expenses		2,797,555	996,711
Travelling and lodging expenses		764,169	1,176,259
Repairs and maintenance		2,457,533	1,726,734
Advertisement and publicity		44,310	430,500
Electricity and utilities		2,086,643	1,638,008
Insurance expenses		297,419	73,935
Depreciation on owned assets	6	1,674,128	1,573,527
Amortization on right of use assets	7	5,510,736	3,612,342
Amortization	8	275,000	275,000
Internet and software maintenance charges		2,693,425	2,231,351
Charity and donation		86,800	332,000
Legal and professional charges		470,025	367,572
Fees and subscription		3,527,059	3,234,069
Rent, rates and taxes		549,209	213,207
Auditors remuneration	24.1	938,500	849,500
Miscellaneous expenses		2,234,607	1,133,812
		262,600,220	107,717,460

### 24.1 Auditors' remuneration

Statutory audit fee	456,500	415,000
Interim review fee	230,000	210,000
Other certification charges	235,000	212,500
Out of pocket expenses	17,000	12,000
	938,500	849,500



	Note	2021 Rupees	2020 Rupees
<b>25 FINANCE COST</b>			
Mark up on overdraft		3,696,237	101,754
Interest expense on lease liability		817,051	637,328
Bank charges		175,669	86,456
		<u>4,688,957</u>	<u>825,538</u>
<b>26 OTHER CHARGES</b>			
Provision for doubtful debts	13.3	<u>651,051</u>	<u>1,215,871</u>
<b>27 OTHER INCOME</b>			
<b>Income from financial assets</b>			
Interest on saving account		795,425	3,256,603
Interest income on exposure deposited		10,028,616	7,211,380
Interest income on margin financing		11,865,859	6,510,522
Reversal of provision for doubtful debts	13.3	<u>1,004,211</u>	<u>6,681,718</u>
		<u>23,694,111</u>	<u>23,660,223</u>
<b>Income from other than financial assets</b>			
Gain on sale of fixed assets		-	876
Transaction charges from clients		<u>27,319,719</u>	<u>8,125,313</u>
		<u>51,013,830</u>	<u>31,786,412</u>
<b>28 TAXATION</b>			
Current		18,823,102	4,433,053
Prior year tax		-	136,749
Deferred taxation		<u>(263,422)</u>	<u>(9,271,141)</u>
		<u>18,559,680</u>	<u>(4,701,339)</u>

**28.1** Income tax assessments of the Company are deemed to be finalized as per tax returns file up to tax year 2020. Tax returns are subject to further assessment under provisions of the Income Tax Ordinance, 2001 ("the Ordinance") unless selected for an audit by the taxation authorities. The Commissioner of Income Tax may, at any time during a period of five years from date of filing of return, select a deemed assessment order for audit.

**28.2** Due to the brought forward tax losses, provision for current income tax is based on section 113(C) of the Income Tax Ordinance, 2001. Accordingly tax expense reconciliation with the accounting profit is not reported.

		2021	2020
<b>29</b>	<b>EARNING PER SHARE</b>		
	<b>- Basic and Diluted</b>		
Profit for the year	<b>Rs.</b>	<b>88,027,609</b>	34,890,614
Weighted average number of ordinary shares		<b>30,000,000</b>	30,000,000
Earning per share - basic and diluted	<b>Re.</b>	<b>2.93</b>	1.16

	Note	2021 Rupees	2020 Rupees
<b>30</b>	<b>FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES</b>		
<b>Financial Assets and Liabilities</b>			
<b>Financial assets</b>			
Long term deposits	10	<b>3,480,200</b>	2,130,000
Investments	9 & 12	<b>33,280,124</b>	11,572,700
Trade debts	13	<b>74,892,752</b>	53,477,285
Deposits and other receivables	15	<b>274,847,239</b>	106,544,268
Investment in margin financing		<b>78,091,508</b>	46,397,969
Cash and bank balances	17	<b>99,296,325</b>	37,248,528
		<b>563,888,148</b>	257,370,750
<b>Financial Liabilities</b>			
Lease liabilities	7	<b>17,359,085</b>	3,520,273
Trade and other payables	21	<b>236,522,949</b>	85,735,559
Short term borrowing	19	<b>37,110,437</b>	-
		<b>290,992,471</b>	89,255,832

The Company's activities expose it to a variety of financial risks: capital risk, credit risk, liquidity risk and market risk (interest / mark-up rate risk and price risk). The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Overall, risks arising from the Company's financial assets and liabilities are limited. The Company consistently manages its exposure to financial risk without any material change from previous period in the manner described in notes below.

Risk managed and measured by the Company are explained below: -

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. All treasury related transactions are carried out within the parameters of these policies.

### 30.1 Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Company believes that it is not exposed to major concentration of credit risk. To manage exposure to credit risk, Company applies credit limits and deal with credit worthy parties. It makes full provision against those balances considered doubtful and by dealing with variety of major banks and financial institutions.

#### **Exposure to credit risk**

Credit risk of the Company arises principally from long term and short term investments, trade debts, loan and advances, accrued income, deposits, other receivables and bank balances. 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 carrying amounts of financial assets represent the maximum credit exposure, as specified below:-

	Note	2021 Rupees	2020 Rupees
Long term investments	9	12,684,944	2,720,000
Long term deposits	10	3,480,200	2,130,000
Short term investments	12	20,595,180	8,852,700
Trade debts	13	74,892,752	53,477,285
Deposits and other receivables	15	274,847,239	106,544,268
Investment in margin financing	14	78,091,508	46,397,969
Cash at banks	17	99,296,325	37,248,528
		<b>563,888,148</b>	<b>257,370,750</b>

#### **Trade debts**

To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other factors.

All the trade debtors at the reporting date represent domestic and international parties.

#### **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.

Bank	Rating agency	Ratings	
		Short term	Long term
Private sector commercial banks			
Meezan Bank Limited	JCRVIS	A1+	AAA
MCB Bank Limited	PACRA	A1+	AAA
JS Bank Limited	PACRA	A1+	AA-
Habib Bank Limited	JCRVIS	A1+	AAA
Habib Metropolitan Bank Limited	PACRA	A1+	AA+
BankIslami Pakistan Limited	PACRA	A1	A+
Bank Al-Habib Limited	PACRA	A1+	AAA
Islamic Bank			
Albaraka Bank (Pakistan) Limited	PACRA	A1	A

### 30.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of adequate funds through committed credit facilities and the ability to close out market positions due to dynamic nature of the business. Company finances its operations through equity, borrowings and working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular committed credit lines.

The following are contractual maturities of financial liabilities, including estimated interest payments:-

	2021			
	Carrying Amount	Contractual cash flows	Upto one year	More than one year
<b>Financial liabilities</b>	<b>Rupees</b>			
Lease liabilities	17,359,085	17,359,085	6,318,650	11,040,435
Trade and other payables	236,522,949	236,522,949	236,522,949	-
Short term borrowing	37,110,437	37,110,437	37,110,437	-
	<b>290,992,471</b>	<b>290,992,471</b>	<b>279,952,036</b>	<b>11,040,435</b>

	2020			
	Carrying Amount	Contractual cash flows	Upto one year	More than one year
<b>Financial liabilities</b>	<b>Rupees</b>			
Lease liabilities	3,520,273	3,520,273	3,520,273	-
Trade and other payables	85,735,559	85,735,559	85,735,559	-
	<b>89,255,832</b>	<b>89,255,832</b>	<b>89,255,832</b>	<b>-</b>

### 30.3 Market risk

Market risk means that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and equity prices. The objective is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises of three types of risk: foreign exchange or currency risk, interest / mark up rate risk and price risk. The market risks associated with the Company's business activities are discussed as under:-

#### 30.3.1 Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign Currency risk arises mainly where receivables and payables exist due to transactions entered into foreign currencies.

Currently the Company is not exposed to any currency risk because the company is not dealing in any foreign currency transactions.

#### 30.3.2 Interest / mark up rate risk

Financial assets Rs.18.68 million and liabilities include Rs.37.11 million (2020 : Rs.2.306 million) which are subject to interest rate risk. Applicable interest/mark-up rates for financial assets and liabilities have been indicated in respective notes.

Interest / mark-up rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest / mark-up rates. Sensitivity to interest / mark up rate risk arises from mismatches of financial assets and liabilities that mature or re-price in a given period. The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The Company is not exposed to any short term borrowing arrangements having variable rate pricing.

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

	Carrying amount	
	2021	2020
	Rupees	Rupees
<b>Financial assets</b>		
Cash and bank balances	18,681,860	2,306,136
<b>Financial liabilities</b>		
Short term borrowings	37,110,437	-

#### Sensitivity analysis

The Company does not account for any fixed rate financial asset and liabilities at fair value through profit or loss. Therefore, a change in interest rate will not effect fair value of any financial instrument and company does not have any variable rate instrument which effect profit and loss account and equity.



The following information summarizes the estimated effects of hypothetical increases and decreases in interest rates on cash flows from financial assets and liabilities that are subject to interest rate risk. It is assumed that the changes occur immediately and uniformly to each category of instrument containing interest rate risk. The hypothetical changes in market rates do not reflect what could be deemed best or worst case scenarios. Variations in market interest rates could produce significant changes at the time of early repayments. For these reasons, actual results might differ from those reflected in the details specified below. The analysis assumes that all other variables remain constant.

	Carrying amount	
	increase	decrease
<b>As at June 30, 2021</b>		
Cash flow sensitivity - Variable rate financial instruments	<b>184,286</b>	(184,286)
<b>As at June 30, 2020</b>		
Cash flow sensitivity - Variable rate financial instruments	<b>23,061</b>	23,061

### 30.3.3 Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest / mark up rate risk or currency risk), and whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. The Company is exposed to equity price risk since it has investments in quoted equity securities at the reporting date amounting to Rs. 20.566 million (2020: Rs. 8.823 million).

The Company's strategy is to hold its strategic equity investments for long period of time. Thus, Company's management is not concerned with short term price fluctuations with respect to its strategic investments provided that the underlying business, economic and management characteristics of the investee remain favorable which if not, impairment loss has been recognised and other opportunities may be considered. Company manages price risk by monitoring exposure in quoted equity securities and implementing the strict discipline in internal risk management and investment policies.

The carrying value of investments subject to equity price risk are, in almost all instances, based on quoted market prices as of the reporting date except for, unquoted associates which are carried at fair value determined through latest sales price. Market prices are subject to fluctuation and consequently the amount realized in the subsequent sale of an investment may significantly differ from the reported market value. Fluctuation in the market price of a security may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. Furthermore, amount realized in the sale of a particular security may be affected by the relative quantity of the security being sold.

#### **Sensitivity analysis**

The table below summarizes Company's equity price risk as of June 30, 2021 and 2020 and shows the effects of hypothetical 10% increase and a 10% decrease in market prices of the quoted securities as at the year end. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Indeed, results could be worst because of the nature of the equity market and aforementioned concentrations existing in company's equity investment portfolio.

	<i>Fair Value</i>	<i>Hypothetical price change</i>	<i>Estimated fair value after hypothetical change in prices</i>	<i>Hypothetical increase (decrease) in Shareholders' Equity</i>
	<i>Rupees</i>			
<b>June 30, 2021</b>	<b>20,565,180</b>	<b>10% increase</b>	<b>22,621,698</b>	<b>2,056,518</b>
		<b>10% decrease</b>	<b>18,508,662</b>	<b>(2,056,518)</b>
<b>June 30, 2020</b>	<b>8,822,700</b>	<b>10% increase</b>	<b>9,704,970</b>	<b>882,270</b>
		<b>10% decrease</b>	<b>7,940,430</b>	<b>(882,270)</b>

### 30.3.4 Fair Value of Financial Instruments

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in arm's length transaction.

### 30.3.5 Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows: -

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: 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: Inputs for the asset or liability that are not based on observable market data (unobservable).

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
	<i>Rupees</i>		
<b>June 30, 2021</b>	<b>-</b>	<b>-</b>	<b>12,684,944</b>
Investments at fair value through OCI	<b>20,565,180</b>	<b>-</b>	<b>60,000</b>
Investments at fair value through Profit or loss			
<b>June 30, 2020</b>			
Investments at fair value through OCI	<b>-</b>	<b>-</b>	<b>2,720,000</b>
Investments at fair value through Profit or loss	<b>8,822,700</b>	<b>-</b>	<b>60,000</b>

## 31 CAPITAL RISK MANAGEMENT

The primary objective of the Company's capital management is maintains healthy capital ratios 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. Furthermore, the Company finances its operations through equity, borrowing and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk.

	2021 Rupees	2020 Rupees
<b>31.1 Capital adequacy level</b>		
The capital adequacy level of the company is as follows:		
Total assets	613,488,077	297,878,618
Less: Total liabilities	(310,364,608)	(92,747,702)
Less: Revaluation reserves (created upon revaluation of fixed assets)	-	-
<b>Capital adequacy level</b>	<b>303,123,469</b>	<b>205,130,916</b>

**31.1.1** While determining the value of total assets of TREC holder, notional value of TRE certificate held by such participant as at year ended June 30, 2021 as determined by the Pakistan Stock Exchange Limited - PSX has been considered.

**31.1.2** The TREC certificate is carried at historical cost.

	Note	2021 Rupees
<b>31.2 Net capital balance</b>		
<b>Current Assets</b>		
Cash in hand	17	473,187
Cash at bank		
Balance pertaining to brokerage house	17.2	1,065,138
Balance pertaining to clients	17.2	97,758,000
		98,823,138
		99,296,325
Margin deposited with NCCPL	15	267,154,476
Receivable against margin financing	14	78,091,508
<b>Trade Receivables</b>		
Book value	13	84,012,514
Less: Overdue for more than 14 days	13.2	(15,614,992)
		68,397,522
Other receivables	31.2.1	7,667,763
<b>Investment in listed securities</b>		
Securities on the exposure list marked to market	12	20,565,180
Less: 15% discount	31.2.2	(3,084,777)
		17,480,403
Securities purchased for client where payment has not been received in 14 days		6,495,230
<b>Total Current Assets</b>		<b>544,583,227</b>
<b>Current Liabilities</b>		
<b>Trade Payables</b>		
Book value	21	153,066,515
Less: Overdue for more than 30 days		(19,856,379)
		133,210,136
Other liabilities	31.2.3	166,114,037
<b>Total Current Liabilities</b>		<b>299,324,173</b>
<b>NET CAPITAL BALANCE</b>		<b>245,259,054</b>

	2021 Rupees
<b>31.2.1</b> Receivable from PMEX	1,371,714
Markup receivable against leverage products	3,130,829
Markup receivable against Saving Account	6,420
Retained profit future contract from NCCPL	1,414,865
Other receivables	1,743,935
	<b>7,667,763</b>

**31.2.2** This represents 15% discount on investment as per net capital balance guidelines.

	2021 Rupees
<b>31.2.3</b> Retirement benefits	1,636,473
Accrued and other liabilities	53,219,222
Accrued mark up	1,773,728
Withholding tax payable	5,863,943
Capital gain tax payable	28,797,875
Current portion of lease obligation	6,318,650
Short term borrowings	37,110,437
Provision for taxation	11,537,330
Trade payables which are over due for more than 30 days	19,856,379
	<b>166,114,037</b>

### **31.3 Liquid capital**

S/No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
<b>1. Assets</b>				
1.1	Property & Equipment and Right of Use	29,870,987	29,870,987	-
1.2	Intangible Assets and Deferred Tax	15,547,997	15,547,997	-
1.3	Investment in Govt. Securities			
1.4	<b>Investment in Debt. Securities</b>			
	<b>If listed than:</b>			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.			
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.			
	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.			
	<b>If unlisted than:</b>			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-		-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-		-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	-		-



S/No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)  100% in respect of markup accrued on loans to directors, subsidiaries and other related parties.	3,137,249	-	3,137,249
1.13	Dividends receivables.			
1.14	Amounts receivable against Repo financing. Amount paid as purchaser under the REPO agreement. <b>(Securities purchased under repo arrangement shall not be included in the investments.)</b>			
1.15	i. Short Term Loan To Employees: Loans are Secured and Due for repayment within 12 months	3,340,055	-	3,340,055
	ii. Receivables other than trade receivables	25,000	25,000	-
1.16	<b>Receivables from clearing house or securities exchange(s)</b>			
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.			
	Claims on account of entitlements against trading of securities in all markets including MtM gains.	4,530,514	-	4,530,514
1.17	<b>Receivables from customers</b>			
	i. In case receivables are against margin financing, the aggregate if (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the finance (iii) market value of any securities deposited as collateral after applying VaR based haircut. <b>i. Lower of net balance sheet value or value determined through adjustments.</b>	78,091,508	80,063,786	78,091,508
	ii. Incase receivables are against margin trading, 5% of the net balance sheet value. <b>ii. Net amount after deducting haircut</b>			
	iii. Incase receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, <b>iii. Net amount after deducting haircut</b>			



<b>S/No.</b>	<b>Head of Account</b>	<b>Value in Pak Rupees</b>	<b>Hair Cut / Adjustments</b>	<b>Net Adjusted Value</b>
1.17	iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. <b>iv. Balance sheet value</b>	55,929,625	-	55,929,625
	v. Incase of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts. <b>v. Lower of net balance sheet value or value determined through adjustments</b>	21,112,609	11,768,350	11,768,350
	<b>vi. 100% haircut in the case of amount receivable form related parties.</b>	6,970,280	6,970,280	-
1.18	<b>Cash and Bank balances</b>			
	i. Bank Balance-proprietary accounts	1,065,138	-	1,065,138
	ii. Bank balance-customer accounts	97,758,000	-	97,758,000
	iii. Cash in hand	473,187	-	473,187
1.19	<b>Total Assets</b>	<b>622,607,839</b>	<b>166,399,329</b>	<b>538,696,388</b>

## 2. Liabilities

2.1	<b>Trade Payables</b>			
	i. Payable to exchanges and clearing house			
	ii. Payable against leveraged market			
	iii. Payable to customers	153,066,515	-	153,066,515
2.2	<b>Current Liabilities</b>			
	i. Statutory and regulatory dues	40,860,152	-	40,860,152
	ii. Accruals and other payables	50,431,089	-	50,431,089
	iii. Short-term borrowings	37,110,437	-	37,110,437
	iv. Current portion of subordinated loans			-
	v. Current portion of long term liabilities	6,318,650	-	6,318,650
	vi. Deferred Liabilities			-
	vii. Provision for bad debts	9,119,762	9,119,762	-
	viii. Provision for taxation	11,537,330	-	11,537,330
	ix. Other liabilities as per accounting principles and included in the financial statements	-	-	-

<i>S/No.</i>	<i>Head of Account</i>	<i>Value in Pak Rupees</i>	<i>Hair Cut / Adjustments</i>	<i>Net Adjusted Value</i>
2.3	<b>Non-Current Liabilities</b>			
	i. Long-Term financing			
	a. Long-Term financing obtained from financial institution: Long term portion of financing obtained from a financial institution including amount due against finance lease	11,040,435	4,423,059	6,617,376
	b. Other long-term financing			
	ii. Staff retirement benefits			
	iii. Advance against shares for Increase in Capital of Securities broker: 100% haircut may be allowed in respect of advance against shares if: a. The existing authorized share capital allows the proposed enhanced share capital b. Board of Directors of the company has approved the increase in capital c. Relevant Regulatory approvals have been obtained d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed. e. Auditor is satisfied that such advance is against the increase of capital.			
	iv. Other liabilities as per accounting principles and included in the financial statements	-	-	-
2.4	<b>Subordinated Loans</b>			
	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted: The Schedule III provides that 100% haircut will be allowed against subordinated Loans which fulfill the conditions specified by SECP. In this regard, following conditions are specified: a. Loan agreement must be executed on stamp paper and must clearly reflect the amount to be repaid after 12 months of reporting period.	-	-	-
	b. No haircut will be allowed against short term portion which is repayable within next 12 months.			
	c. In case of early repayment of loan, adjustment shall be made to the Liquid Capital and revised Liquid Capital statement must be submitted to exchange.			
	ii. Subordinated loans which do not fulfill the conditions specified by SECP			
2.5	<b>Total Liabilities</b>	<b>319,484,370</b>	<b>13,542,821</b>	<b>305,941,549</b>

<i>S/No.</i>	<i>Head of Account</i>	<i>Value in Pak Rupees</i>	<i>Hair Cut / Adjustments</i>	<i>Net Adjusted Value</i>
--------------	------------------------	--------------------------------	-----------------------------------	-------------------------------

### 3. Ranking Liabilities Relating to :

3.1	<b>Concentration in Margin Financing</b>			
	The amount calculated client-to- client basis by which any amount receivable from any of the finances exceed 10% of the aggregate of amounts receivable from total financees.	78,091,508	78,091,508	-
3.2	<b>Concentration in securities lending and borrowing</b>			
	The amount by which the aggregate of:			
3.3	<b>Net underwriting Commitments</b>			
	(a) in the case of right issues : if the market value of securities is less than or equal to the subscription price; the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issue where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting.			
	(b) in any other case : 12.5% of the net underwriting commitments			
3.4	<b>Negative equity of subsidiary</b>			
	The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary.			
3.5	<b>Foreign exchange agreements and foreign currency positions</b>			
	5% of the net position in foreign currency. Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency.			
3.6	Amount payable under REPO			

<i>S/No.</i>	<i>Head of Account</i>	<i>Value in Pak Rupees</i>	<i>Hair Cut / Adjustments</i>	<i>Net Adjusted Value</i>
3.7	<b>Repo adjustment</b>			
	In the case of financier / purchaser the total amount receivable under Repo less the 110% of the market value of underlying securities.			
	<b>In the case of financee/seller</b> the market value of underlying securities after applying haircut less the total amount received ,less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.			
3.8	<b>Concentrated proprietary positions</b>			
	If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security. If the market of a security exceeds 51% of the proprietary position, then 10% of the value of such security.	-	1,451,430	1,451,430
3.9	<b>Opening Positions in futures and options</b>			
	i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applying VaR haircuts.	-	19,111,882	19,111,882
	ii. In case of proprietary positions, the total margin requirements in respect of open positions to the extent not already met.			
3.10	<b>Short sell positions</b>			
	i. Incase of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts.			
	ii. Incase of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.			
3.11	<b>Total Ranking Liabilities</b>	-	-	-
		<b>78,091,508</b>	<b>98,654,820</b>	<b>20,563,312</b>

## Calculations Summary of Liquid Capital

(i) Adjusted value of Assets (serial number 1.19)	538,696,388
(ii) Less: Adjusted value of liabilities (serial number 2.5)	(305,941,549)
(iii) Less: Total ranking liabilities (series number 3.11)	(20,563,312)
	<b>212,191,527</b>

## 32 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, directors of the Company, key management employees and chief executive officer. The Company continues to have a policy whereby all transactions with related parties undertakings are entered into at commercial terms and conditions.

Details of transactions and balances with related parties, other than those which have been specifically disclosed elsewhere in this financial statement, are as under:

<i>Relationship with party</i>	<i>Transactions with</i>	<i>Nature of Transactions</i>	2021 Rupees	2020 Rupees
Chief Executive Officer	Abdul Basit	Trade payable	496,352	-
		Commission paid	303,006	246,551
		The maximum aggregate amount outstanding during the year was Rs. 4,667,637		-
		Brokerage commission earned	128,541	
Shareholder	Paramount Commodities (Private) Limited	Trade payable	-	3,651,932
		The maximum aggregate amount outstanding during the year was Rs. 112,913,917		
		Brokerage commission earned	6,764,834	1,739,232
Shareholder	MG Media (Private) Limited	Trade receivables	-	5,393,095
		The maximum aggregate amount outstanding during the year was Rs. 8,713,503		
		Trade payable	5,847	-
		Brokerage commission earned	718,431	218,288
Shareholder	Nash Advertising (Private) Limited	The maximum aggregate amount outstanding during the year was Rs.53,836,454		
		Brokerage commission earned	-	30,330
Shareholder	Mr. Sikandar Mehmood	Trade payable	-	2,272,315
		The maximum aggregate amount outstanding during the year was Rs. 62,790,098		
		Trade receivables	1,465,161	-
		Brokerage commission earned	1,015,264	87,324

<b>Relationship with party</b>	<b>Transactions with</b>	<b>Nature of Transactions</b>	<b>2021 Rupees</b>	<b>2020 Rupees</b>
Common shareholding	Arabian Sea Enterprises Limited	Trade receivables	-	13,493,486
		The maximum aggregate amount outstanding during the year was Rs. 226,031,974		
		Payable against trade of marketable securities	12,917,747	-
		Brokerage commission earned	27,692,357	7,997,032
Director	Mr. Junaid Shehzad Ahmed	Trade receivables	837,195	16,350
		The maximum aggregate amount outstanding during the year was Rs. 70,862,544		
		Brokerage commission earned	1,624,359	
Director	Mr. Khizer Hayat	Trade receivables	3,526,295	728,160
		The maximum aggregate amount outstanding during the year was Rs. 29,056,241		
		Brokerage commission earned	381,059	33,585
Director	Mr. Zulfiqar Ali Anjum	Trade payable	-	17,885
		Trade receivables	406,421	-
		The maximum aggregate amount outstanding during the year was Rs. 9,030,372		
		Brokerage commission earned	622,668	358,896
		Brokerage commission paid	6,677,815	1,696,765
Director	Mr. Muhammad Talha Razi	Trade payable	-	22,374
		The maximum aggregate amount outstanding during the year was Rs. 451,366		
		Brokerage commission earned	-	2,384
Director	Mr. Khurram Faraz	Trade payable	1,028,760	-
		The maximum aggregate amount outstanding during the year was Rs. 22,293,560		
		Brokerage commission earned	283,131	-
Director	Mr. Talat Mehmood	Trade receiveable	735,207	-
		The maximum aggregate amount outstanding during the year was Rs. 13,265,752		
		Brokerage commission earned	347,079	-
Close family member of Director	Mrs. Mehreen Khurram	Trade receivables	-	400,882
		The maximum aggregate amount outstanding during the year was Rs. 22,520,256		
		Trade payable	1,859,568	-
		Brokerage commission earned	643,114	69,798



### 33 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	<b>Chief Executives</b>		<b>Directors</b>		<b>Other Executives</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	Rupees					
Managerial remuneration	<b>1,399,840</b>	1,349,874	<b>1,706,000</b>	672,000	<b>22,115,000</b>	13,730,000
Commission paid to	<b>372,788</b>	246,551	<b>7,185,814</b>	1,696,765	<b>76,618,097</b>	11,977,391
Brokerage commission	-	73,022	-	358,896	-	3,150,235
Other	<b>35,000</b>	-	<b>25,000</b>	-	-	-
	<b>1,807,628</b>	1,669,447	<b>8,916,814</b>	2,727,661	<b>98,733,097</b>	28,857,626
Number of persons	<b>*2</b>	2	<b>1</b>	1	<b>12</b>	9

**33.1** The Chief Executive and Chief Financial Officers have been provided with the free use of company maintained vehicle in accordance with the company's policy.

\*During the year i.e. July 2020 - June 2021, there were changes in Chief Executive Officer of the Company. The new Chief Executive Officer was appointed w.e.f. February 17, 2021 and ceased the office w.e.f. June 22, 2021 and the former Chief Executive Officer was reappointed w.e.f. June 22, 2021.

**33.2** In addition to above, four non-executive directors of the Company were paid meeting fee aggregating Rs. 95,000/-.

### 34 OPERATING SEGMENT

These financial statements have been prepared on the basis of a single reportable segment which is consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

The internal reporting provided to the chief operating decision-maker relating to the Company's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of approved accounting standards as applicable in Pakistan. There were no change in the reportable segments during the year.

The Company is domiciled in Pakistan. The Company's revenue is generated from shares brokerage, portfolio management, investment advisory, consultancy and underwriting services.

All non-current assets of the Company at June 30, 2021 are located in Pakistan.

### 35 RECLASSIFICATION

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of better presentation. Significant reclassification are as follows:

<i>Description</i>	<i>Head of account of the financial statements for the year ended June 30, 2020</i>	<i>Head of account of the financial statements for the year ended June 30, 2021</i>	<i>Amount Rupees</i>
Director's remuneration	Salaries, benefits and allowances	Director's remuneration	2,021,874
Accrued mark up	Accrued liabilities	Accrued Mark up	5,772
Withholding tax payable	Accrued liabilities	Withholding tax payable	4,174,965
Capital gain tax payable	Accrued liabilities	Capital gain tax payable	811,345
Dealer Commission	Salaries, benefits and allowances	Commission	43,527,381
Transaction charges from clients	Others	Transaction charges from clients	27,319,719
		<b>2021</b>	<b>2020</b>

### 36 NUMBER OF EMPLOYEES

As at June 30	<b>89</b>	<b>52</b>
Average employees	<b>81</b>	<b>50</b>

### 37 DATE OF AUTHORIZATION OF ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company on September 17, 2021.

### 38 GENERAL

Figures have been rounded off to the nearest rupee.



Chief Executive



Chief Financial Officer



Director

# Trust Securities and Brokerage Limited

## Detailed Categories of Shareholders - As on June 30, 2021

S. No.	Name	Shares Held	Percentage
<b>Directors, Chief Executive Officer and their Spouse and Minor Children</b>			
1	Mrs. Zenobia Wasif	500	0.0017
2	Mr. Khizer Hayat Farooq	1,101,500	3.6717
3	Mr. Junaid Shehzad Ahmed	8,080,000	26.9333
4	Mr. Zulfiqar Ali Anjum	500	0.0017
5	Mr. Talat Mahmood	500	0.0017
6	Mr. Abdul Basit	500	0.0017
	Running Total:	9,183,500	30.6117
<b>Associated Companies, Undertakings and Related Parties</b>			
1	Sikander Mahmood	26,250	0.0875
2	Ahmad Kamal	25,000	0.0833
	Running Total:	51,250	0.1708
<b>Banks, Development Financial Institutions, Non Banking Financial Institutions</b>			
1	Foresight Investments (Pakistan) (Pvt.) Limited	2,765,000	9.2167
2	Fidelity Investment Bank Ltd.	4,400	0.0147
3	Mcb Bank Limited - Treasury	300,000	1.0000
4	Paramount Commodities (Private) Limited	221,000	0.7367
	Running Total:	3,290,400	10.9680
<b>Modarbas and Mutual Funds</b>			
1	Trust Modaraba	30,200	0.1007
	Running Total:	30,200	0.1007
<b>General Public (Local)</b>			
	Running Total:	12,391,504	41.3050
<b>Others</b>			
1	NCC - Pre Settlement Delivery Account	15,500	0.0517
2	Prudential Securities Limited	1,900	0.0063
3	Y.S. Securities & Services (Pvt) Ltd.	500	0.0017
4	Trust Securities & Brokerage Limited - MF	202,500	0.6750
5	Paramount Commodities (Private) Limited	1,975,645	6.5855
6	Sarfraz Mahmood (Private) Ltd	500	0.0017
7	Maple Leaf Capital Limited	1	0.0000
8	S.H. Bukhari Securities (Pvt) Limited	2,500	0.0083
9	S.H. Bukhari Securities (Pvt) Limited	300	0.0010
10	Highlink Capital (Pvt.) Limited	300	0.0010
11	Hamid Adamjee Trust	408,000	1.3600
12	MG Media (Pvt.) Limited	2,444,500	8.1483
13	MRA Securities Limited - MF	1,000	0.0033
	Running Total:	5,053,146	16.8438
	Grand Total:	30,000,000	100.0000
<b>Shareholders Having 5% or More Holding</b>			
14	Junaid Shehzad Ahmed	8,080,000	26.9333
15	Foresight Investments (Pakistan) (Pvt.) Limited	2,765,000	9.2167
16	Mg Media (Pvt.) Limited	2,444,500	8.1483
17	Paramount Commodities (Private) Limited	1,975,645	6.5855
18	Muhammad Khurram Faraz	4,891,000	16.3033
		20,156,145	67.1872

## Categories of Shareholders - As on June 30, 2021

S. No.	Categories	No. of Shareholders	Shares Held	Percentage
1	Directors, Chief Executive Officer, and their spouse and minor children	6	9,183,500	30.6117
2	Associated Companies, Undertakings and Related Parties	2	51,250	0.1708
3	Banks, Development Financial Institutions, Non Banking Financial Institutions	4	3,290,400	10.9680
4	Modarbas and Mutual Funds	1	30,200	0.1007
5	General Public (Local)	810	12,391,504	41.3050
6	Others	13	5,053,146	16.8438
	Total	836	30,000,000	100.0000

## Pattern of Shareholding - As on June 30, 2021

Number of Share Holders	Shareholdings		Total Number of Share Held	Percentage of Total Capital
	From	To		
112	1 -	100	8,176	0.03
560	101 -	500	252,670	0.84
55	501 -	1000	49,661	0.17
53	1001 -	5000	120,998	0.40
6	5001 -	10000	47,400	0.16
3	10001 -	15000	38,000	0.13
1	15001 -	20000	15,500	0.05
1	20001 -	25000	25,000	0.08
3	25001 -	30000	78,750	0.26
4	30001 -	35000	127,200	0.42
5	35001 -	40000	196,000	0.65
3	40001 -	45000	133,500	0.45
2	45001 -	50000	97,500	0.33
1	50001 -	55000	51,000	0.17
2	55001 -	60000	119,000	0.40
1	70001 -	75000	73,000	0.24
1	90001 -	95000	93,000	0.31
1	145001 -	150000	150,000	0.50
1	165001 -	170000	167,500	0.56
1	180001 -	185000	185,000	0.62
1	200001 -	205000	202,500	0.68
1	220001 -	225000	221,000	0.74
1	230001 -	235000	231,500	0.77
1	245001 -	250000	250,000	0.83
1	260001 -	265000	260,500	0.87
2	295001 -	300000	600,000	2.00
1	405001 -	410000	408,000	1.36
1	510001 -	515000	512,500	1.71
1	545001 -	550000	548,000	1.83
1	640001 -	645000	640,500	2.14
1	745001 -	750000	750,000	2.50
1	765001 -	770000	769,000	2.56
1	1100001 -	1105000	1,101,500	3.67
1	1315001 -	1320000	1,320,000	4.40
1	1975001 -	1980000	1,975,645	6.59
1	2440001 -	2445000	2,444,500	8.15
1	2760001 -	2765000	2,765,000	9.22
1	4890001 -	4895000	4,891,000	16.30
1	8075001 -	8080000	8,080,000	26.93
836			30,000,000	100.00

## Notice of Annual General Meeting

Notice is hereby given that the **28<sup>th</sup> Annual General Meeting** of the company will be held on **Thursday, October 28, 2021 at 3:45 p.m.** At Suite #401, 4<sup>th</sup> Floor, Business & Finance Centre, I.I. Chundrigar Road, Karachi to transact the following business.

### Ordinary Business

1. To confirm the minutes of the last Annual General Meeting held on October 27, 2020.
2. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2021 together with the Directors' and the Auditors' reports thereon.
3. To appoint Auditors of the Company for the year ending June 30, 2022 and to fix their remuneration.
4. To discuss any other matter with the permission of the Chair.

By Order of the Board.

**Company Secretary**

Date: October 6, 2021

Place: Karachi

### Notes

1. The Share Transfer Books of the Company will remain closed from October 22, 2021 to October 28, 2021 (both days inclusive).
2. A member of the Company entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote on his/her behalf. The proxy, in order to be effective, must be received at the registered office of the Company duly signed and stamped not less than 48 hours before the time of meeting.
3. Any individual beneficial owner of CDC, entitled to attend and vote at this meeting must bring his/her original CNIC or passport to prove his/her identity and in case of proxy, a copy of shareholders attested CNIC must be attached with the proxy form. In case of Corporate entity, the Board of Directors' resolution / power of attorney with specimen signatures of the nominee shall be produced at the time of the meeting. The nominee shall produce his original CNIC at the time of attending the meeting for identification purpose.
4. The Financial Statements of the Company for the year ended June 30, 2021 will be placed on Company's website <http://www.tsbl.com.pk> in due course of time.
5. Members who have not yet submitted photocopy of their CNIC, Email & address are requested to send the same to the Share Registrar of the Company.
6. Under Section # 72 of the Companies Act, 2017, the shareholders who hold shares in physical form are required to replace their physical shares with book-entry form within the period to be notified by the SECP. Hence, the shareholders who hold shares in physical form are advised to convert their physical shares in electronic form at their earliest.
7. In view of the threat of pandemic outbreak of COVID-19 (Corona Virus) and directives of the Securities and Exchange Commission of Pakistan (SECP) vide its Circulars requiring listed companies to modify their usual planning for general meetings to protect the wellbeing of shareholders, the Company requests its members to attend and participate in the general meeting through video link facility only to avoid large gathering at one place and prevent pandemic outbreak of COVID-19 (Corona Virus). Therefore, to attend and participate in the AGM through video link facility, members are requested to register the below information at [agm2021@tsbl.com.pk](mailto:agm2021@tsbl.com.pk) for their appointment and proxy's verification at least 48 hours before the time of the meeting.  
Video conference link details and login credentials will be shared with those Shareholders whose emails containing all the particulars are received at least 48 hours before the time of the meeting. Shareholders can also provide their comments and questions for the agenda items of the AGM on [agm2021@tsbl.com.pk](mailto:agm2021@tsbl.com.pk) at least 48 hours before the time of the meeting.
8. The Annual Report is being transmitted to shareholders through CD or DVD or USB instead of sending in Book form / hard copy in terms of SECP SRO # 470(I)/ 2016 dated May 31, 2016. The Company has obtained shareholders' approval in 26<sup>th</sup> Annual General Meeting held on October 25, 2019.



# ٹرسٹ سیکورٹیز اینڈ بروکریج لمیٹڈ

## نوٹس برائے غیر معمولی اجلاس عام

مطلع کیا جاتا ہے کہ کمپنی کا اٹانسیواں سالانہ اجلاس عام مورخہ 28 اکتوبر 2021ء بروز جمعرات بوقت 3:45 صبح پہر بجے کمپنی کے رجسٹرڈ آفس واقع سوٹ نمبر 401، فورٹھ فلور، بزنس اینڈ فائننس سینٹر، آئی آئی چندریگر روڈ، کراچی میں منعقد ہوگا۔ جس میں مندرجہ ذیل امور کا جائزہ لیا جائے گا۔

عمومی امور:

- 1- گزشتہ سالانہ اجلاس عام منعقدہ 27 اکتوبر 2021ء کے منٹس کی توثیق کرنا۔
- 2- 30 جون 2021ء کو ختم ہونے والے مالی سال کے لئے کمپنی کے آڈٹ شدہ مالی تفصیلات بمعہ ڈائریکٹرز اور آڈیٹرز کی رپورٹ کو وصول کرنا، زیر غور لانا اور اختیار کرنا۔
- 3- 30 جون 2022ء کو ختم ہونے والے مالی سال کے لئے آڈیٹرز کی تعیناتی اور معاوضہ مقرر کرنا۔
- 4- اجلاس کے سربراہ کی اجازت سے کسی دیگر کاروائی پر غور و خوض۔

## بحکم: کمپنی سیکریٹری

کراچی: 6 اکتوبر 2021ء

نوٹس:-

- 1- کمپنی کی شیئرز ٹرانسفر بکس مورخہ 22 اکتوبر 2021ء تا 28 اکتوبر 2021ء (بشمول دونوں دنوں کے) بند رہیں گی۔
- 2- کمپنی کا کوئی بھی ممبر جو کہ اس اجلاس میں شرکت کرنے اور ووٹ دینے کا حق رکھتا ہو، اپنی جگہ کسی دوسرے ممبر کو اجلاس میں شرکت کرنے اور ووٹ دینے کے لئے بطور پراکسی تعینات کر سکتا ہے۔ پراکسی کو کمپنی کے رجسٹرڈ آفس میں اجلاس شروع ہونے سے 48 گھنٹے پہلے جمع دستخط اور مہر پہنچ جانا چاہئے۔
- 3- اجلاس میں شرکت کرنے اور ووٹ دینے کے اہل سی ڈی سی اکاؤنٹ ہولڈرز اپنی شناخت کے لئے شناختی کارڈ یا پاسپورٹ ہمراہ لائیں۔ پراکسی کی صورت میں شیئرز ہولڈرز کے شناختی کارڈ کی تصدیق شدہ کاپی پراکسی فارم کے ساتھ لائیں۔ کارپوریٹ ممبر ہونے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ جمع امیدوار کے دستخط اجلاس کے موقع پر پیش کرنا ہوگا۔ شناخت کے لئے امیدوار کو اجلاس میں شرکت کے موقع پر اپنا اصل شناختی کارڈ دکھانا لازم ہوگا۔
- 4- 30 جون 2021ء کو ختم ہونے والے مالی سال کی سالانہ مالی تفصیل کمپنی کی ویب سائٹ [www.tsbl.com.pk](http://www.tsbl.com.pk) پر مخصوص عرصے کے لئے موجود رہیں گی۔
- 5- وہ ممبران جنہوں نے ابھی تک اپنے شناختی کارڈ کی فوٹو کاپی اور ای میل ایڈریس جمع نہیں کروائے، ان سے درخواست ہے کہ وہ اپنے شناختی کارڈ کی فوٹو کاپی اور ای میل ایڈریس کمپنی کے شیئرز رجسٹرڈ کو بھیج دیں۔
- 6- کمپنیز ایکٹ 2017ء کی سیکشن 72 کے تحت، فزیکل شکل میں شیئرز رکھنے والے شیئرز ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے فزیکل شکل کے شیئرز کو بک انٹری فارم میں ایس ای سی پی کی جانب سے اعلان کردہ دورانے میں تبدیل کر لیں۔ لہذا فزیکل شکل میں شیئرز رکھنے والے شیئرز ہولڈرز جلد از جلد اپنے فزیکل شیئرز کو الیکٹرانک شکل میں تبدیل کر لیں۔
- 7- کوویڈ 19 (کورونا وائرس) وبا پھیلنے کے خطرے اور سیکورٹی کی پیچیدگیوں کی وجہ سے پاکستان (ایس ای سی پی) کی ہدایات کے پیش نظر سرکلر کے مطابق لسٹڈ کمپنیوں کے لئے ضروری ہے کہ وہ عام اجلاسوں کے لئے شیئرز ہولڈرز کی بہتری کے لئے اپنی معمول کی منصوبہ بندی میں تبدیلی لائیں۔ کمپنی اپنے ممبران سے درخواست کرتی ہے کہ وہ ویڈیو لنک کی سہولت کے ذریعے اجلاس عام شرکت کریں تاکہ ایک جگہ پر بڑے اجتماع سے بچا جاسکے اور کوویڈ 19 (کورونا وائرس) کے وبائی امراض کو روکا جاسکے۔ لہذا سالانہ اجلاس عام میں ویڈیو لنک کی سہولت کے ذریعے شرکت کے لئے ممبران سے درخواست کی جاتی ہے کہ اجلاس شروع ہونے سے کم از کم 48 گھنٹے پہلے اپنی اور پراکسی کی تصدیق درج ذیل معلومات کے ساتھ ای میل ایڈریس [agm2021@tsbl.com.pk](mailto:agm2021@tsbl.com.pk) پر رجسٹرڈ ہوں۔

سیریل نمبر	شیئرز ہولڈر کا نام	شناختی کارڈ نمبر	فولیو نمبر	موبائل نمبر	ای میل ایڈریس

ویڈیو کانفرنس لنک کی تفصیلات اور لاگ ان کی تفصیلات ان شیئرز ہولڈرز کے ساتھ شیئرز کی جانیں کی جن کے ای میل ایڈریس میں تمام تفصیلات موجود ہیں اور اجلاس شروع ہونے سے کم از کم 48 گھنٹے پہلے موصول ہوئے ہیں۔ تمام شیئرز ہولڈرز سالانہ اجلاس عام کے ایجنڈا آئٹمز کے لئے اپنے سوالات اور کمٹنس اجلاس شروع ہونے سے کم از کم 48 گھنٹے پہلے ای میل ایڈریس [agm@tsbl.com.pk](mailto:agm@tsbl.com.pk) پر بھیج سکتے ہیں۔

- 8- ایس ای سی پی کے SRO#470(I)/2016 بتاریخ 31 مئی 2016ء کے تحت شیئرز ہولڈرز کو سالانہ رپورٹ کتابی شکل/ہارڈ کاپی کی صورت میں بھیجنے کی بجائے سی ڈی یا ڈی وی ڈی یا یو ایس بی کی شکل میں بھیجی جا رہی ہے، جس کی منظوری کمپنی نے شیئرز ہولڈرز سے 25 اکتوبر 2019ء کو منعقدہ چھبیسویں سالانہ اجلاس عام میں حاصل کر لی ہے۔



## ایچ آر اور یادداشت کمیٹی

کارپوریٹ گورننس کے ضابطہ اخلاق کے مطابق ، ایچ آر اور معاوضہ کمیٹی مکمل طور پر غیر ایگزیکٹو ڈائریکٹرز پر مشتمل ہے جس میں کمیٹی کا چیئرمین آزاد ڈائریکٹر ہوتا ہے۔ کمیٹی کی حاضری مندرجہ ذیل ہے۔

ممبر کا نام	میٹنگز میں شرکت کی
مسٹر خضر حیات فاروق	چیئرمین 1
مسٹر ذوالفقار علی انجم	ممبر 1
مسٹر جنید شہزاد احمد	ممبر 1

## آڈٹ کمیٹی

بورڈ کی آڈٹ کمیٹی بورڈ کے ذریعہ منظور شدہ اپنے حوالہ کی شرائط کے مطابق موثر انداز میں اپنے فرائض اور ذمہ داریاں نبھاتی رہی۔

## شیئر ہولڈنگ کا پیٹرن

30 جون 2021 کو کمپنی کے حصص یافتگان کی شیئر ہولڈنگ اور زمرے کا تفصیلی نمونہ۔ جیسا کہ فہرست سازی کے ضوابط کے تحت درکار ہے ، اس سالانہ رپورٹ میں شامل کیا گیا ہے۔

## پارٹی سے متعلق تبادلہ

کمپنی نے آڈٹ کمیٹی اور بورڈ کے سامنے ان کے جائزے اور منظوری کے لئے پارٹی سے متعلق تمام لین دین پیش کیے ہیں۔ ان لین دین کو آڈٹ کمیٹی اور بورڈ نے اپنی متعلقہ میٹنگوں میں منظور کیا ہے۔ متعلقہ پارٹی لین دین کی تفصیلات آڈٹ شدہ مالی بیانات سے منسلک کردی گئی ہیں۔

## مستقبل کے امکانات۔

آپ کی کمپنی کے مستقبل کے امکانات فروخت میں اضافے کی طرف مینجمنٹ اور ٹیم کی کوششوں کی وجہ سے وعدہ کر رہے ہیں جس کے نتیجے میں کمپنی کا وسیع مارکیٹ شیئر اور بہتر بروکریج کے نتائج برآمد ہوں گے۔ کمپنی کا PSX طبقہ ڈیجیٹل آن بورڈنگ کے ذریعے خوردہ ڈویژن سے بہتر نتائج حاصل کرنے کی طرف راغب ہے۔ کمپنی اپنے موجودہ مؤکل سے بہتر حجم حاصل کرنے کے ساتھ ساتھ ادارہ جاتی فروخت لانے پر آگے بڑھنے کی کوشش کر رہی ہے۔ سیلز ٹیم غیر ملکی گاہکوں سے بڑھتے ہوئے تعلقات اور کمپنی کے پریمیم سوٹ خدمات پیش کر کے فعال طور پر رجوع کر رہی ہے۔

برانچ نیٹ ورک کو وسعت دیتے ہوئے انتظامیہ اجناس ڈویژن کی وجہ سے بڑھتی ہوئی سرگرمی کی بھی پیش گوئی کرتی ہے۔ انتظامیہ کو یقین ہے کہ کمپنی کی ایکویٹی ممکنہ طور پر اچھے نتائج کا مظاہرہ کرے گی کیونکہ معیشت اور مارکیٹ کی بحالی جاری ہے۔

## تسلیم شدہ

ہم کمپنی کے حصص یافتگان کے مسلسل اعتماد اور سرپرستی کے شکر گزار ہیں۔ ہم تمام اسٹیک ہولڈرز ، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے لیے اپنی مخلصانہ تعریف کو ریکارڈ کرتے ہیں ، سنٹرل ڈپازٹری کمپنی ، نیشنل کلیئرنگ کمپنی آف پاکستان لمیٹڈ ، اور پاکستان اسٹاک ایکسچینج لمیٹڈ ان کی غیر متزلزل مدد اور رہنمائی کے لیے۔ ہم کمپنی کے ملازمین کی طرف سے دی گئی محنت کو مزید تسلیم اور تعریف کرتے ہیں۔ ہم انتظامیہ کی حمایت اور رہنمائی میں بورڈ کے ممبروں کی قیمتی شراکت اور فعال کردار کو بھی تسلیم کرتے ہیں۔



زینوبیا واصف  
چیئر پرسن



عبدالباسط  
چیف ایگزیکٹو آفیسر

17 ستمبر - 2021

## 2۔ بورڈ آف ڈائریکٹرز کی تشکیل مندرجہ ذیل ہے:

نام	زمرہ
جناب خضر حیات فاروق۔ ونگ کمانڈر (ریٹائرڈ) طلعت محمود	آزاد ڈائریکٹرز :
جناب جنید شہزاد احمد۔ جناب سردار عبدالمجید خان۔ مسز زینوبیا واصف۔	غیر ایگزیکٹو ڈائریکٹرز:
جناب عبدالباسط جناب ذوالفقار علی انجم۔	ایگزیکٹو ڈائریکٹرز:
مسز زینوبیا واصف۔	خاتون ڈائریکٹر :

چیئرمین اور چیف ایگزیکٹو آفیسر کا عہدہ بہترین گورننس کے طریقوں کے مطابق الگ رکھا گیا ہے اور چیئرمین آزاد ڈائریکٹرز میں سے منتخب کیا گیا ہے۔ بورڈ نے ایک علیحدہ آڈٹ کمیٹی اور ایچ آر اور معاوضہ کمیٹی قائم کی ہے تاکہ بورڈ کو اپنے کاموں کی کارکردگی میں مدد ملے۔ بورڈ اور آڈٹ کمیٹی کے چیئرمین آزاد ڈائریکٹر ہیں اور ایک ہی شخص نہیں ہیں ، بہترین طریقوں کے مطابق۔

## بورڈ میٹنگز

2021 کو ختم ہونے والے سال کے دوران بورڈ میٹنگز کی کل تعداد پانچ (5) تھی۔ کوڈ آف کارپوریٹ گورننس کے تقاضوں کے مطابق ، ہنگامی میٹنگ کے علاوہ تحریری نوٹس بورڈ کو سات دن (7) پیشگی بھیجے گئے۔

ڈائریکٹرز کے نام	میٹنگز میں شرکت کی
مسز زینوبیا واصف	5
جناب عبدالباسط	5
جناب خضر حیات فاروق	5
جناب جنید شہزاد احمد	5
جناب ذوالفقار علی انجم	5
جناب طلعت محمود	5
جناب محمد خرم فراز (استعفی 22-جون 2021)	4
جناب سردار عبدالمجید خان۔ (17 ستمبر - 2021 کو شامل ہوئے)	1

غیر حاضری کی رخصت ان ممبروں کو دی گئی جو بورڈ اور کمیٹی کے اجلاسوں میں شریک نہیں ہوئے۔

## حساب کتاب کا گروہ

کارپوریٹ گورننس کے ضابطے کے مطابق ، آڈٹ کمیٹی مکمل طور پر نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہوتی ہے جس کے چیئرمین ایک آزاد ڈائریکٹر ہوتے ہیں۔ آڈٹ کمیٹی کی حاضری حسب ذیل ہے:

ممبر کا نام	میٹنگز میں شرکت کی
ونگ کمانڈر (ریٹائرڈ) طلعت محمود	چیئرمین 4
جناب جنید شہزاد احمد	ممبر 2
مسز زینوبیا واصف	ممبر 4

مارکیٹ اور کریڈٹ ، آپریشنل ، قانونی ، ریگولیٹری اور ساکھ کے خطرات شامل ہیں۔ ہم سمجھتے ہیں کہ کمپنی کی کامیابی کے لئے موثر رسک مینجمنٹ انتہائی اہمیت کا حامل ہے۔ رسک مینجمنٹ ٹیم ہماری سرگرمیوں کو چلاتے ہوئے خطرات کی نگرانی ، تشخیص اور ان کا نظم و نسق کرنے والے مناسب عمل کی پیروی کرتی ہے۔

## کارپوریٹ سماجی ذمہ داری

کارپوریٹ سماجی ذمہ داری (CSR) ایک ایسا مضمون ہے جس نے حالیہ برسوں میں کافی توجہ حاصل کی ہے۔ ہماری کوشش ہے کہ ماحولیاتی ذمہ داری ، اخلاقی ذمہ داری ، انسان دوستی کی ذمہ داری اور معاشی ذمہ داری کی طرف اپنا کردار ادا کریں۔ ہم اپنے حصص یافتگان کے لئے محصولات اور ساتھی مخلوقات کے بارے میں اپنی ذمہ داری کے مابین توازن برقرار رکھنے کے لئے پوری کوشش کرتے ہیں۔

## کارپوریٹ حکومت کا کوڈ

کمپنی کا بورڈ اور انتظامیہ اس بات کا یقین کرنے کے لئے پرعزم ہے کہ کارپوریٹ گورننس کے ضابطہ اخلاق کی ضروریات پوری ہوں۔ کمپنی نے مالی اور غیر مالی معلومات کی درستگی ، جامعیت اور شفافیت کو بڑھانے کے مقصد کے ساتھ کارپوریٹ گورننس کے مضبوط طریقوں کو اپنایا ہے۔

ڈائریکٹرز اس کی اطلاع دیتے ہوئے خوش ہیں:-

- 1- کمپنی کے انتظامیہ کے ذریعہ تیار کردہ مالی بیانات اس کی حالت ، اس کے عمل کے نتائج ، نقد بہاؤ اور ایکویٹی میں تبدیلی کو منصفانہ طور پر پیش کرتے ہیں۔
- 2- کمپنی کے اکاؤنٹ کی مناسب کتابیں برقرار رکھی گئی ہیں۔
- 3- مالی بیانات کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیاں مستقل طور پر لاگو کی گئیں ہیں اور اکاؤنٹنگ کا تخمینہ معقول اور محتاط فیصلے پر مبنی ہے۔
- 4- مالی بیانات کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ معیارات ، جیسا کہ پاکستان میں قابل اطلاق ہیں ، پر عمل کیا گیا ہے۔
- 5- داخلی کنٹرول کا نظام ڈیزائن میں مستحکم ہے اور اس پر موثر انداز میں عمل درآمد اور نگرانی کی گئی ہے۔
- 6- کمپنی کی تشویش کی حیثیت سے جاری رکھنے کی صلاحیت پر کوئی خاص شکوک و شبہات نہیں ہیں۔
- 7- کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی رخصتی نہیں ہوئی ہے ، جیسا کہ فہرست سازی کے ضوابط میں تفصیل سے بتایا گیا ہے۔
- 8- ٹیکس ، ڈیوٹی ، محصول اور تبدیلیوں کی قانونی ادائیگی کی وجہ سے کمپنی کے پاس بیلنس شیٹ کی تاریخ کی طرح کوئی بقایا ذمہ داری نہیں ہے۔
- 9- سال کے دوران بروکر کے ذریعہ کوئی لین دین نہیں ہوا ہے جو دھوکہ دہی ، غیر قانونی یا کسی سیکورٹیز مارکیٹ قوانین کی خلاف ورزی ہے۔

## بورڈ میں تبدیلیاں

زیر جائزہ سال کے دوران ، بورڈ کے ڈھانچے میں ایک تبدیلی آئی جہاں مسٹر. محمد خرم فراز نے بورڈ ممبر کی حیثیت سے استعفیٰ دے دیا تھا اور اس تبدیلی کی وجہ سے یہ غیر معمولی خالی جگہ تھی ، اس سے پہلے اس کی وضاحت کی گئی مدت میں پُر کی گئی تھی۔

## بورڈ کی تشکیل ، آڈٹ کونسل ، ایچ آر اور یادداشت کا اجلاس اور حاضری

1- ڈائریکٹرز کی کل تعداد 7 ہے (بشمول سی ای او جو ڈائریکٹر سمجھا جاتا ہے) مندرجہ ذیل کے مطابق:

ا- مرد 6 اراکین

ب- خاتون 1 رکن

## مالی کارکردگی

کمپنی نے تیزی سے مشکل معاشی حالات اور مسابقتی دباؤ کے باوجود سال کے لئے آپریٹنگ آمدنی میں 260 فیصد اضافہ ریکارڈ کیا ہے جس کے ساتھ ساتھ COVID وبائی امور بھی شامل ہیں جو اب بھی غیر یقینی کاروباری حالات فراہم کرتے رہتے ہیں۔ ان دباؤ کے باوجود ، کمپنی روپے ٹیکس کے بعد آپریٹنگ منافع کمانے میں کامیاب رہی۔ پچھلے سال کے پی کے آر 34.8 ملین کے مقابلے میں پی کے آر 88 ملین۔ یہ گذشتہ سال پی کے آر 1.16 کے مقابلے میں پی کے آر 2.93 کے فی حصص آمدنی میں ترجمہ ہے۔

مالی نتائج کا خلاصہ اس طرح ہے:-

2021 روپے	2020 روپے	
305,382,104	96,561,064	آپریٹنگ ریونیو
12,984,644	12,179,255	مختصر مدت کے سرمایہ کاری کی فروخت پر حاصل کریں
5,146,939	(578,587)	سرمایہ کاری کی بحالی پر حاصل / نقصان - ایف وی ٹی پی ایل میں
(262,600,220)	(107,717,460)	آپریٹنگ اور ایڈمنسٹریٹو اخراجات
(4,688,957)	(825,538)	فنانس کوسٹ
(651,051)	(1,215,871)	دوسرے چارجز
51,013,830	31,786,412	دوسری انکم
106,587,289	30,189,275	ٹیکس لگانے سے پہلے منافع
(18,559,680)	4,701,339	ٹیکس
88,027,609	34,890,614	ٹیکس کے بعد منافع
2.93	1.16	فی حصص کمانا - بنیادی اور گھٹا ہوا

## بروکریج ریونیو پرفارمنس

کمپنی کے بروکریج آپریشنز نے مالی سال 21 میں 305 ملین روپے کا کل ریونیو پوسٹ کیا ہے ، جو مالی سال 20 کے مقابلے میں 260 فیصد اضافے میں ترجمہ ہوتا ہے۔ بروکریج میں یہ غیر معمولی کارکردگی نہ صرف تجارت شدہ حجم کی وجہ سے حاصل کی گئی ہے بلکہ ہیومن ریسورس پر سرمایہ کاری سے متعلق ہمارے انتظامیہ کے جارحانہ فیصلوں کی وجہ سے بھی حاصل ہوئی ہے۔ اس کا نتیجہ مثبت تھا کیونکہ ٹیم کی شراکت خوردہ شعبے میں گھس رہی تھی۔ کمپنی نے 30 جون 2021 تک اکاؤنٹ کھولنے میں نمایاں اضافہ دیکھا جس میں نئے منفرد شناختی نمبر (UINS) شامل کیے گئے۔ کاروبار میں آسانی پر این سی سی پی ایل کی توجہ کے ساتھ ٹکنالوجی نے ایک اہم کردار ادا کیا۔ مالی سال 21 میں ، ہم نے 713 نئے اکاؤنٹ کھولے اور ان میں سے 45٪ آن لائن ہوئے۔

## رسک مینجمنٹ

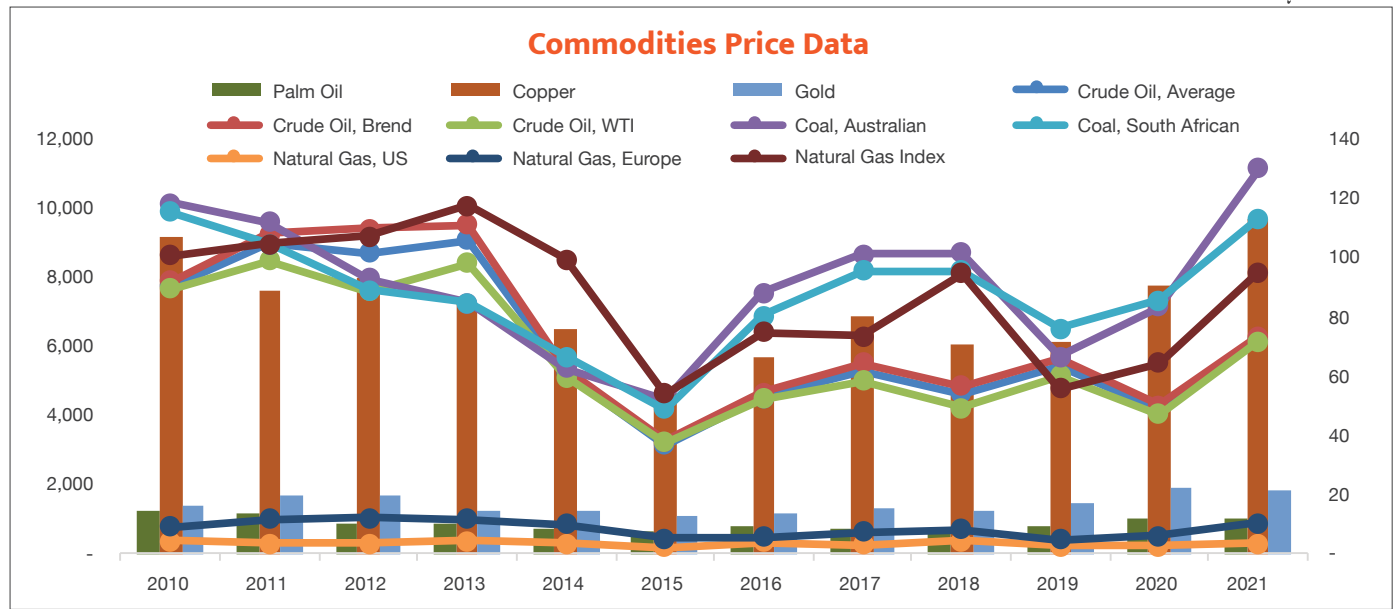
ٹی ایس بی ایل کی رسک مینجمنٹ گورننس کا آغاز ہمارے بورڈ سے ہوتا ہے ، جو رسک مینجمنٹ پالیسیوں کا جائزہ لینے اور ان کی منظوری میں لازمی کردار ادا کرتا ہے۔ ٹی ایس بی ایل میں کاروبار کی نوعیت کی وجہ سے ، خطرات ناگزیر ہیں اور اس میں لیکویڈیٹی ،

کوویڈ 19 وبائی مرض کے نتیجے میں ہونے والے اثرات کے باوجود ، پاکستان کی معیشت نسبتاً inc جامع اور خطے میں لچکدار ہوگئی ہے۔ صنعتی شعبے کی مسابقت کی پشت پر ، برآمدات اور ترسیلات زر میں ڈبل ہندسے کی نمو ، پاکستان معاشی نمو اور کوویڈ 19 انفیکشن تناسب کو متوازن کرنے میں کامیاب رہا ہے۔ یہ تناسب دنیا میں سب سے کم ہے۔ پاکستان کا جی ڈی پی سائز \$ 300 بلین فرنٹیئر مارکیٹس کے مجموعی معاشی سائز کا 10٪ سے زیادہ ہے 2.85 ٹریلین۔ مالی سال 2020-21 میں پاکستان کی غیر ملکی آمدنی 56 بلین ڈالر سے زیادہ تھی جس میں شامل ہیں (a) 27.2bn اور b برآمد کرتا ہے) ترسیلات \$ 29.3 بلین۔

مذکورہ بالا ٹھوس معاشی بنیادی اصولوں کے ساتھ ، پاکستان فرنٹیئر مارکیٹس میں سب سے سستا ہے اور غیر ملکی سرمایہ کاروں اور فنڈ مینیجرز کو پرکشش قیمت (E / P ضرب) اور پیداوار پیش کرتا ہے۔ غیر فعال فرنٹیئر مارکیٹ فنڈز پاکستان اور خطے میں نسبتاً سیاسی اور معاشی استحکام کے پیش نظر پاکستان میں سرمایہ کاری کرنے میں بھی دلچسپی لیں گے۔ لہذا ، غیر ملکی سرمایہ کاروں کو کامیابی کا زیادہ امکان ہے ، ٹھوس معاشی بنیادوں پر مبنی اپنے سرمایہ کاری والے سرمائے اور ڈبل ہندسے کی واپسی کی طویل مدتی پائیدار نمو حاصل کرنے کے لئے پاکستان کے فرنٹیئر مارکیٹس میں سرمایہ کاری کرنا۔ چونکہ معاشی نمو کے ڈرائیور مستحکم اور جامع نمو کی راہ کی طرف گامزن ہیں۔

## اجناس

دنیا بھر میں بڑھتے ہوئے نقصانات کے مشاہدہ کرنے کے بعد ، بیشتر معیشتیں کوویڈ 19 سے پہلے کی وبائی سطح پر پھر سے تبدیل ہو رہی ہیں۔ وبائی مرض کی استقامت کی وجہ سے ، یہ رولر کوئسٹر سواری ابھی ختم نہیں ہوئی ہے۔ اس کے نتیجے میں ، وبائی امراض کی مختلف شکلیں تیار کرنا اور دنیا بھر میں تخفیف کی کوششیں عالمی اجناس کی کھپت کے نمونوں کو متاثر کر رہی ہیں اور معاشی خطرات کو بے نقاب کر رہی ہیں۔

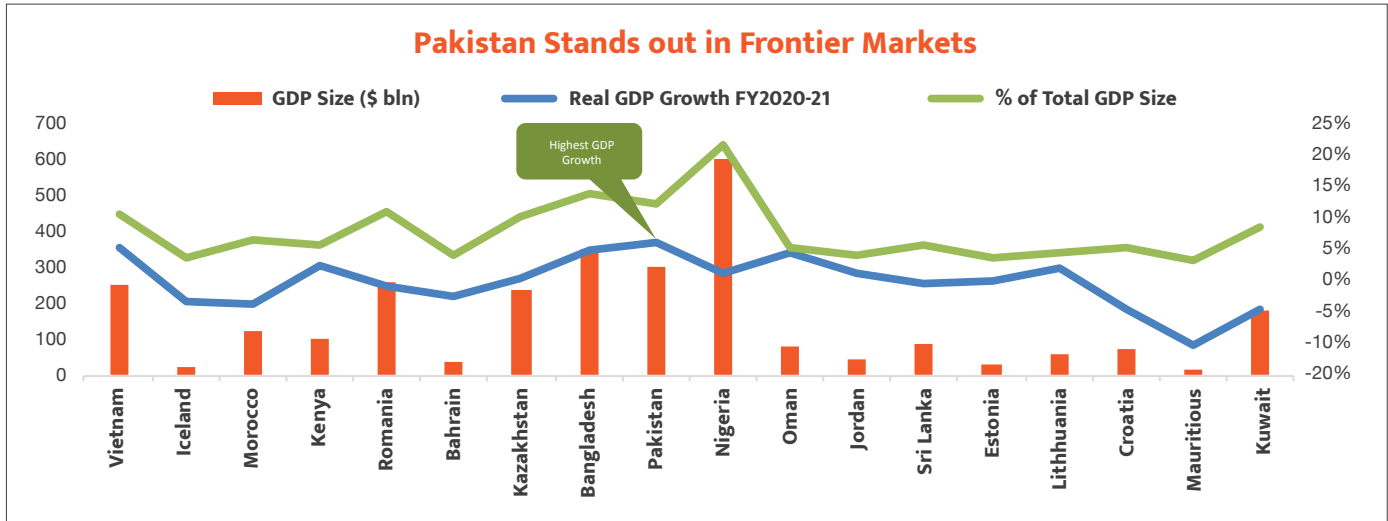


Source: (World Bank)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Jun-21
Crude oil, average	90	104	101	105	61	37	53	61	54	63	49	72
Crude oil, Brent	92	108	110	111	62	38	54	64	56	66	50	73
Crude oil, WTI	89	99	88	98	59	37	52	58	49	60	47	71
Coal, Australian	118	112	93	84	62	52	88	101	101	66	83	130
Coal, South African	115	104	89	85	66	49	80	95	95	76	85	113
Natural gas, US	4	3	3	4	3	2	4	3	4	2	3	3
Natural gas, Europe	9	12	12	12	10	5	5	7	8	5	6	10
Natural gas index	100	104	107	117	99	54	74	73	94	56	64	95
Palm oil	1,235	1,122	844	886	720	607	811	679	535	764	1,016	1004
Copper	9,147	7,565	7,966	7,215	6,446	4,639	5,660	6,834	6,075	6,077	7,772	9632
Gold	1,391	1,640	1,685	1,222	1,201	1,076	1,157	1,264	1,250	1,479	1,858	1835

Source: (World Bank)

## پاکستان کی ایکویٹی منڈیوں کا سرحدی منڈیوں کے ساتھ موازنہ اس کے بعد ہے۔



دلچسپ بات یہ ہے کہ ، ایم ایس سی آئی کے فرنٹیئر مارکیٹس انڈیکس میں ، صرف تین ممالک ہیں ، جن کی حقیقی جی ڈی پی کی نمو مالی سال 2020-21 میں بہتر کارکردگی کا مظاہرہ کرتی ہے۔ اس میں شامل ہیں: (a) ویتنام ، (b) بنگلہ دیش اور (c) پاکستان۔ بنگلہ دیش اور ویتنام کے مقابلے میں پاکستان کی حقیقی جی ڈی پی سب سے زیادہ ہے۔ پاکستان کی عارضی حقیقی جی ڈی پی کی شرح نمو 3.94 فیصد رہی جو مالی سال 2020-21 میں ترمیم کر کے 4.5 فیصد کے لگ بھگ ہوگی۔ مالی سال 2020-21 کی چوتھی سہ ماہی کے طور پر ، شامل نہیں کیا گیا تھا۔ توقع ہے کہ اگلے سال پاکستان کی حقیقی جی ڈی پی نمو 5 فیصد ہو جائے گی۔ جبکہ ، 2020-21 میں ویتنام کی حقیقی جی ڈی پی کی شرح 2.91 فیصد رہی۔ بنگلہ دیش کی حقیقی جی ڈی پی کی شرح نمو 2.38 فیصد رہی۔

Countries	Current Index Weight	*Stimulated Index Weight	Real GDP Growth FY2020-21	GDP Size (\$ bln)	% of Total GDP Size
Vietnam	31%	31%	2.91%	250	8.78%
Iceland	9%	8.6%	-6.65%	25	0.88%
Morocco	9%	8.6%	-7.12%	120	4.21%
Kenya	8.60%	7.70%	-0.31%	100	3.51%
Romania	8.10%	7.30%	-3.86%	260	9.13%
Bahrain	7.20%	6.40%	-5.81%	35	1.23%
Kazakhstan	6.90%	6.20%	-2.60%	240	8.42%
Bangladesh	6.50%	5.90%	2.38%	350	12.29%
Pakistan	0%	**1.9%	***3.94%	300	10.53%
Nigeria	6.40%	5.70%	-1.79%	600	21.06%
Oman	2.30%	2.10%	1.80%	80	2.81%
Jordan	1.50%	1.30%	-1.55%	45	1.58%
Sri Lanka	1.10%	1%	-3.57%	90	3.16%
Estonia	0.90%	0.80%	-2.93%	30	1.05%
Lithuania	0.90%	0.80%	-0.87%	55	1.93%
Croatia	0.30%	0.30%	-8.37%	75	2.63%
Mauritius	0.30%	0.30%	-14.87%	14	0.49%
Kuwait	0.00%	0%	-8.10%	180	6.32%
Total	100%	100%	-	2,849	100%

\* Simulated Index weight as per MSCI June 2021.

(Source: MSCI, World Bank)



## Pakistan's GDP Growth Trend

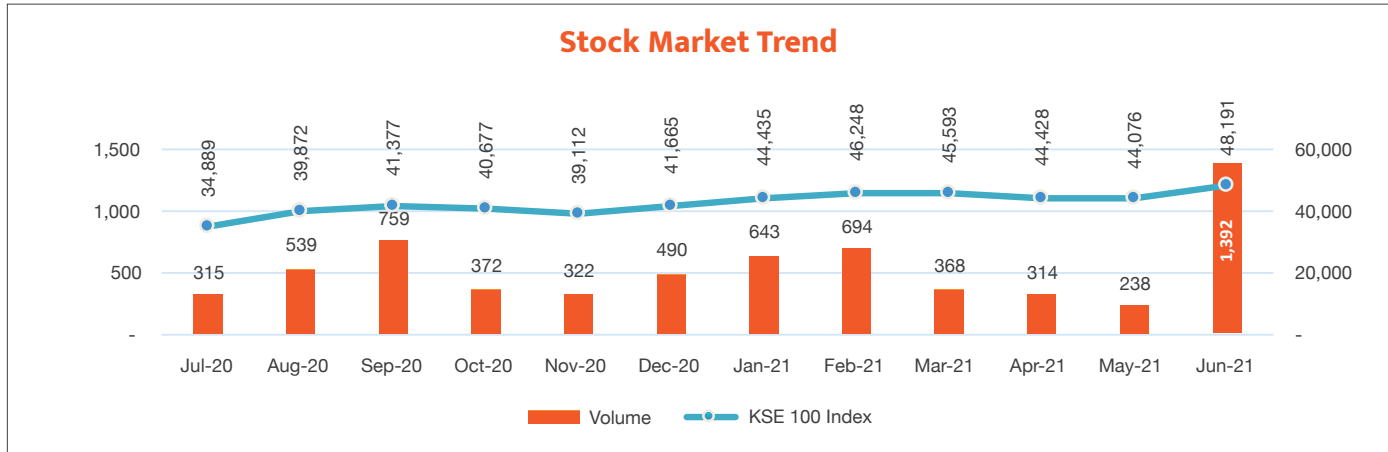


Source: (PBS)

## اسٹاک مارکیٹ کا جائزہ

پاکستان کی معاشی بنیادی باتوں اور نسبتاً بہتر ایکویٹی ویلیو ایشن کی بنیاد پر پاکستان کی اسٹاک مارکیٹ کا اوسط منافع 16 فیصد رہا۔ کے ایس ای 100 انڈیکس میں 2020-21 میں 38 فیصد اضافہ ہوا ہے۔ پاکستان کی ایکویٹی مارکیٹس 7.6 کے پی/ای ملٹی پلز، 6.04 کے فارورڈ پی/ای اور ڈیویڈنڈ کی پیداوار 5.19 فیصد پیش کرتی ہے جس سے یہ اپنے ساتھیوں میں پرکشش ہو جاتا ہے۔

## Stock Market Trend



Source: (PSX)

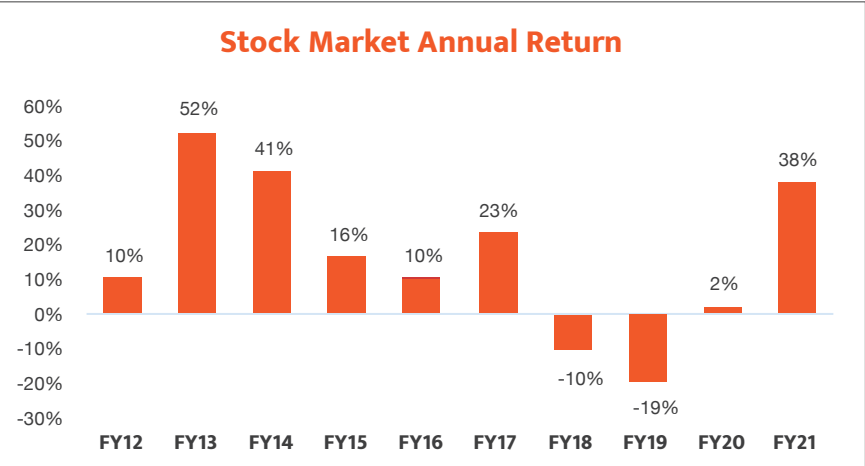
## 10 Year Average Returns

Period	Stock Market Annual Return
FY12	10%
FY13	52%
FY14	41%
FY15	16%
FY16	10%
FY17	23%
FY18	-10%
FY19	-19%
FY20	2%
FY21	38%

\*Average Return 16%

Source: (PSX)

## Stock Market Annual Return



ایم ایس سی آئی کے ابھرتے ہوئے مارکیٹ انڈیکس سے ایم ایس سی آئی کے فرنٹیئر مارکیٹس انڈیکس میں پاکستان کی بحالی کا آغاز جون 2021 میں ایم ایس سی آئی کے مشاورتی عمل کے دوران مارکیٹ کے شرکاء سے ہوا تھا۔ لہذا، اس تنظیم نو کو مارکیٹ کے شرکاء کے لئے حیرت کی بات نہیں ہے اور وہ کارڈز پر تھے (کیونکہ ہم ایم ایس سی آئی مارکیٹ کی درجہ بندی کے فریم ورک کے اندر ابھرتے ہوئے مارکیٹس سائز اور لیکویڈیٹی کے معیار کو پورا نہیں کر رہے تھے۔

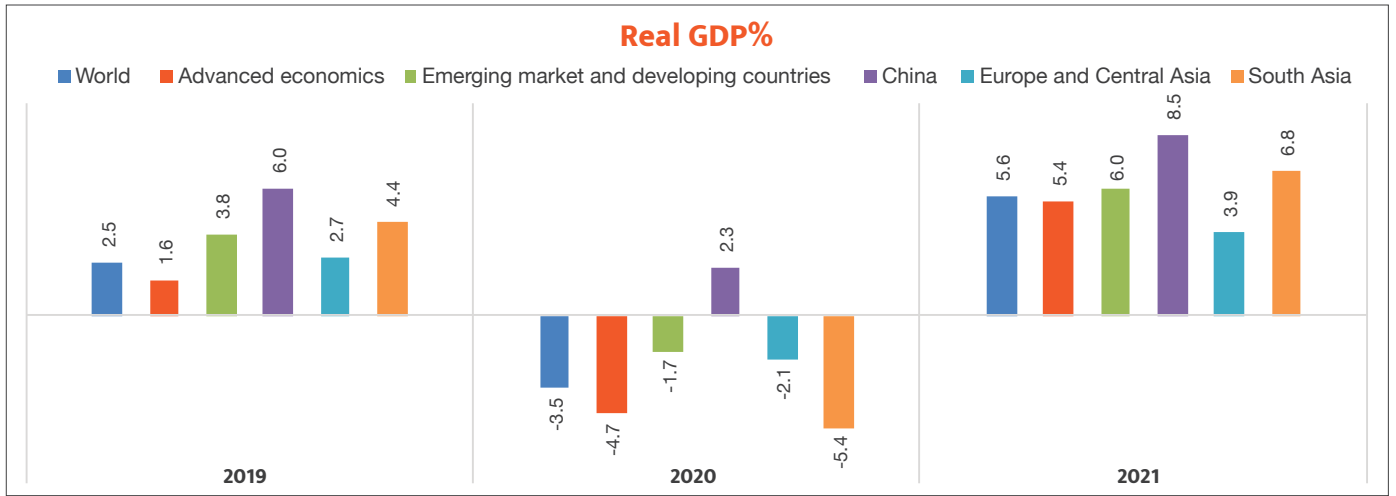
# ڈائریکٹر کی رپورٹ

ٹرسٹ سیکوریٹیز اینڈ بروکر یج لمیٹڈ (TSBL) کے معزز ساتھیوں،

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے، ہمیں 30 جون 2021 کو ختم ہونے والے سال پر کمپنی کی سالانہ رپورٹ پیش کرنے پر بہت خوشی محسوس ہو رہی ہے۔ اکاؤنٹنگ کے مطابق سال کے لیے آڈٹ شدہ مالی بیانات، ریگولیٹری اور قانونی معیار اور ضروریات کے ساتھ۔

## پاکستان کا اقتصادی جائزہ

عالمی معیشتوں نے 2020 میں کوویڈ 19 وبائی امراض کی وجہ سے بے مثال انسانی اور معاشی نقصانات کو جنم دیا ہے۔ اقتصادی تعاون اور ترقی کی تنظیم (OECD) کے مطابق، عالمی حقیقی جی ڈی پی نمو 2020 میں 3.5 فیصد تک خراب ہوئی ہے۔ تقریباً ایک، ڈیڑھ سال کے بعد، دنیا نے وائرس کے ساتھ رہنا سیکھا ہے۔ اس کے نتیجے میں، یہ اندازہ لگایا گیا ہے کہ عالمی معیشتیں V کے سائز کی بحالی کو پوسٹ کریں گی اور 2021 میں 5.80 فیصد جی ڈی پی کی حقیقی جی ڈی پی گروتھ پوسٹ کر سکتی ہیں۔ سپلائی چین میں رکاوٹوں کا سامنا کرنے کے بعد، سفری پابندیاں اور بے مثال نقصانات، عالمی معیشتیں اپنے وبائی مرض سے پہلے کی سطح پر بحال ہونا شروع ہو گئیں۔



Source: (World Bank)

آئی ایم ایف پروگرام کے تحت، پاکستان نے اعلیٰ توانائی کی قیمتوں اور روپے کی قدر میں کمی کے ساتھ سخت مالی اور مالیاتی پالیسیوں پر عمل کیا، اس سے بڑے پیمانے پر مینوفیکچرنگ کی سرگرمیاں، ہجوم سے باہر نجی شعبے میں کمی واقع ہوئی۔ اس کے علاوہ کوویڈ 19 وبائی امراض کے گہرے جڑوں والے اثرات نے مزید بنیادی 'غلطی' کو بے نقاب کیا، اس سے معیشت کی مجموعی ترقی کے امکانات پر منفی اثر پڑا ہے۔

مجموعی طور پر پالیسی رسپانس میں اسٹریٹجک تبدیلی نے پاکستان کی معیشت کو نئی شکل دی ہے۔ اس سے معاشی سرگرمیوں میں تیزی آئی ہے۔ پالیسی سازوں نے مانیٹری میں نرمی، صنعتی شعبے کے لیے سبسڈی والے انرجی ٹیرف کے ذریعے طلب کو بڑھایا، نجی سیکٹر کو سہولت فراہم کرنے کے لیے کافی لیکویڈیٹی فراہم کی۔ اس کے نتیجے میں، پاکستان کے زراعت، صنعتی اور خدمات کے شعبے میں بحالی نے 2020-21 میں پاکستان کی عارضی جی ڈی پی نمو کو 3.94 فیصد تک بڑھا دیا ہے۔ (جی ڈی پی کی یہ حقیقی نمو 2020-21 میں 4.5 فیصد تک بڑھنے کا تخمینہ ہے، ایک بار جب قومی اکاؤنٹس کمیٹی کی طرف سے حتمی اعداد و شمار جاری کیے جائیں گے)۔

Sr. No	Sector/Industry	2018-2019	2019-2020	2020-2021
1	Agricultural Sector	0.56	3.31	2.77
2	Industrial Sector	-1.56	-3.77	3.57
3	Services Sector	3.79	-0.55	4.43
4	GDP Growth Rate	2.08	-0.47	3.94

Source: (PBS)



## Form of Proxy Annual General Meeting

I/We \_\_\_\_\_ of \_\_\_\_\_ being member of **TRUST SECURITIES & BROKERAGE LIMITED**, holder of \_\_\_\_\_ Ordinary Shares as per Registered Folio/CDC Participant I.D. No. \_\_\_\_\_ holding Computerized National Identity Card (CNIC)/Passport No. \_\_\_\_\_ hereby appoint Mr./Mrs./Miss. \_\_\_\_\_ of \_\_\_\_\_ or failing him/her hereby appoint Mr./Mrs./Miss. \_\_\_\_\_ of \_\_\_\_\_ who is also a member of the **TRUST SECURITIES & BROKERAGE LIMITED** vide Registered Folio/CDC Participant I.D. No. \_\_\_\_\_ as my proxy to vote for me and on my behalf at the Annual General Meeting of the Shareholders of **TRUST SECURITIES & BROKERAGE LIMITED** to be held on **October 28, 2021 at 03.45 P.M.** at the Registered Office of the Company situated at 401, 4<sup>th</sup> Floor, Business & Finance Centre, I.I. Chundrigar Road, Karachi and any adjournment thereof or any ballot to be taken in consequence thereof.

CDC Account No.

Revenue Stamp of Rs.5/-

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2021

\_\_\_\_\_  
Signature  
(As registered with the Company)

### Witnesses

1. Signature _____	2. Signature _____
Name _____	Name _____
Address _____	Address _____
CNIC No. _____	CNIC No. _____

### Notes

1. This Proxy Form, duly completed and signed, must be received of the Registered Office of the Company, not less than 48 hours before the time of holding the meeting. A proxy must be a member of the Company.
2. The Proxy Form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
3. Attested copies of CNIC of the appointer and the proxy-holder shall be furnished with the Proxy Form.
4. The Proxy-holder shall produce his/her original CNIC at the time of the meeting.
5. In case of corporation 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**

**Trust Securities & Brokerage Limited**  
Business & Finance Center, 4<sup>th</sup> Floor  
Suit No. 401, I.I.Chundrigarh Road, Karachi  
UAN: 111-000-875 | Fax: +92-21-32467660  
info@tsbl.com.pk | www.tsbl.com.pk





**Head Office**

Business & Finance Center, 4<sup>th</sup> Floor  
Suit No. 401, I.I.Chundrigarh Road, Karachi  
UAN: 111-000-875 | Fax: +92-21-32467660  
info@tsbl.com.pk | www.tsbl.com.pk