



**CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2021
(UN-AUDITED)**



TABLE OF CONTENT

Vision - Mission	01
Company Information	02
Directors' Report (english & urdu)	04
Condensed Interim Statement of Financial Position	14
Condensed Interim Statement of Profit or Loss (Un-audited)	16
Condensed Interim Statement of Comprehensive Income (Un-audited)	17
Condensed Interim Statement of Changes in Equity (Un-audited)	18
Condensed Interim Statement of Cash Flow (Un-audited)	19
Notes to the Condensed Interim Financial Statements	20



VISION

To be the leader in the financial services sector

MISSION

To ensure growth of various financial services by creating new products and services in the financial sector

COMPANY INFORMATION

Board of Directors	Mr. Shahab Anwar Khawaja Mr. Muhammad Kamran Nasir Mr. Iftikhar Ahmed Rao Mr. Muhammad Yousuf Amanullah Ms. Shireen Raza Mr. Hasan Saeed Akbar Syed Ghaus Ahmad Mr. Salaal Hasan	Chairman & Independent Director Chief Executive Officer Independent Director Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
Audit Committee	Mr. Iftikhar Ahmed Rao Mr. Salaal Hasan Ms. Shireen Raza Mr. Hasan Saeed Akbar	Chairman Member Member Member
Risk Management Committee	Mr. Shahab Anwar Khawaja Mr. Muhammad Yousuf Amanullah Mr. Muhammad Kamran Nasir Syed Ghaus Ahmad	Chairman Member Member Member
Human Resource & Remuneration Committee	Mr. Iftikhar Ahmed Rao Mr. Muhammad Yousuf Amanullah Mr. Muhammad Kamran Nasir Syed Ghaus Ahmad Mr. Hasan Saeed Akbar	Chairman Member Member Member Member
Chief Financial Officer	Mr. Fahad Muslim	
Company Secretary	Syed Sufyan Ahmed	
External Auditor	KPMG Taseer Hadi & Co. Chartered Accountants Sheikh Sultan Trust Buildings, Ground. No 2 Beaumont Rd Civil Lines, Karachi, Karachi City, Sindh 75530	
Bankers	JS Bank Limited MCB Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited Bank Alfalah Limited United Bank Limited National Bank of Pakistan Askari Bank Limited Faysal Bank Limited Sindh Bank Limited Meezan Bank Limited Summit Bank Limited Dubai Islamic Bank Bank Islami Pakistan Limited	

Legal Advisors

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

Share Registrar

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

Registered Office

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DIRECTORS' REPORT

We are pleased to present the unaudited condensed interim financial information of JS Global Capital Limited ("the Company") for the Nine months period ended September 30, 2021.

The summarized results are set out below:-

	For the Nine months ended	
	September 30, 2021	September 30, 2020
	Rupees	
Profit before tax	502,711,034	225,244,841
Profit after tax	400,466,416	136,471,200
Earnings per share	13.72	4.47

THE ECONOMY

Pakistan's economy has started to grapple with multiple macroeconomic concerns as demand resurgence continues to mount significant pressures on the import bill and essentially the Current Account Deficit (CAD). The opening up of global economies, as the infection rate of COVID-19 pandemic dissipated, has resulted in a magnanimous bull-run in nearly all the commodities worldwide.

During 3QCY21, Pakistan's trade deficit, as per Pakistan Bureau of Statistics, has widened by 100.6% to US\$11.7bn, where imports grew at a faster rate of 65.1% to US\$18.6bn against exports' growth of 27.3% to US\$7.0bn as compared to the same period last year. The rise in imports was witnessed in all segments and the most prominent has been the increase in food, fuel and transport related imports. Despite stable remittance flows, Pakistan posted a CAD of US\$2.3bn (4.1% of GDP), depicting a slippage against the 2-3% of GDP target set by authorities.

Massive rise in energy and food imports in face of a falling Rs/US\$ parity continues to seep into headline inflation. The headline CPI has averaged at 8.58% for the quarter after the print of Sep-2021 was reported at 8.98%. The rising CAD and inflation levels have been the biggest bane for Pakistan's economy during 3QCY21 and they have resulted in the reversal of monetary easing cycle for Pakistan. Consequentially, SBP increased policy rate by 25bps to 7.25% in order to tame the growth in CAD and control Rs/US\$ parity which weakened by 9% during the quarter. The increase in interest rate was also undertaken because Rupee continued to lose value despite SBP's foreign exchange reserves hitting all-time high of US\$20.15bn from fresh allocations of US\$2.75bn by the IMF.

SBP also introduced several administrative policy measures against both the import growth and the US\$ demand to commensurate the policy rate hike. Key actions include regressive car financing schemes, controlling currency handling towards Afghanistan through several restrictions and imposing 100% cash margin requirements to discourage imports of non-essential items.

EQUITY CAPITAL MARKET

During 3QCY21, the KSE-100 index lost 5.2% (9.6% in US\$ terms) to close at 44,899 points, paring most of its gains of 11.4% during the year to stand at 2.6% during 9MCY21. Most of the rally that came with the pro-growth budgetary allocations during the year was lost during September 2021 after the SBP reversed the monetary easing cycle and it can be attributed to numerous other factors i.e. MSCI downgrade led foreign selling, etc.

The US exit from Afghanistan was followed by the MSCI's decision to downgrade Pakistan to Frontier Markets and more than expected widening of Current Account Deficit led to massive selling pressure at the local bourse. Both average daily volume and value dried up significantly to 412mn (-38% QoQ) and Rs13.9bn (-32% QoQ), respectively.

DIRECTORS' REPORT

Due to various macro concerns, foreign investors have been net sellers at the bourse and 3QCY21 witnessed outflows of US\$83mn, 43% of US\$192mn sold during 9MCY21. Cement stocks lost most of their momentum as coal prices reached new peaks near the Global Financial Crisis 2008 levels followed by Refinery stocks which continue to await concrete approvals on the up-gradation incentive plan. On the other hand, the Banking sector gained the most during 3QCY21 as anticipations of rate hike increased while Technology stocks continued their momentum to a considerable degree.

COMMODITIES MARKET

The Pakistan Mercantile Exchange (PMEX) witnessed substantial pressure during the nine months under review. Considering the recent trend of COVID-19 cases on a global level, coupled with uncertainty in the commodity markets, particularly in the demand and supply of precious metals and crude oil which directly affected commodity prices, the volumes at PMEX took a significant hit during the period under review and slipped downwards. Frequently traded commodities contract at PMEX faced extreme reductions during the year.

During the period under review, Company's trading activity also underwent a decline as volumes and value traded shrank by 45% and 19% respectively.

MONEY MARKET

The State Bank of Pakistan increased policy rate by 0.25% for period commencing from 20th Sept 2021 till 26th November 2021 in order to cope up the pressure of increased Current Account deficit and inflation and to stimulate economic growth, shift in interest rate resulted selling pressure in longer tenor instruments. Latest auction of Pakistan Investment Bonds (PIBs) suggests the declining interest due to interest rates hike rumors and it is expected to continue. On the other hand, floating-rate PIBs attracted less interest in semi-annual coupon bonds. A cumulative of Rs 590Bn was raised through T-Bill auctions with heavy participation in shorter tenor T-bills and with the last cut-off rate at 7.8499% and 8.1901% for 3months and 6months respectively; where accepted amount was matched with pre-auction target for the period.

FOREIGN EXCHANGE MARKET

During 3QCY21, Rs/US\$ opened at Rs157.8722 as compared to Rs166.89 in the corresponding period last year. The lowest US\$/Rs parity was recorded at 157.87 during 3QCY21 and the highest was recorded at 170.66 which was the closing rate at September 30, 2021.

The average swaps opened in July 2021 for 1-Month, 3-Month & 6-Months at 0.75, 2.34 & 4.59 rupees respectively. Moreover, 1-Month swap witnessed an upward trend in August 2021 (up by 0.04 rupees) while 3-month and 6-month swaps depreciated in August 2021 by 0.06 rupees and 0.04 rupees respectively. The central bank decided to change the policy rate at 7.25% throughout the third quarter of 2021 in order to achieve economic growth. The average swaps closed in the quarter July- Sep for 1-Month, 3-Month & 6-Months were at an average of 0.81 rupees to 4.75 rupees.

The country's total foreign exchange reserve that closed at US\$24.4bn as at the end of the preceding quarter, increased to US\$ 26.1bn as at 3QCY21.

DIRECTORS' REPORT

THE BOARD

The board has three subcommittees namely the Audit Committee, the Risk Management Committee and the Human Resource & Remuneration Committee, which assist the Board in the performance of its functions. The names of Board members and members of subcommittees are as follows;

BOARD OF DIRECTORS

S. No	Name of Director
1	Mr. Shahab Anwar Khawaja
2	Mr. Muhammad Kamran Nasir (CEO)
3	Mr. Iftikhar Ahmed Rao
4	Mr. Muhammad Yousuf Amanullah
5	Ms. Shireen Raza
6	Mr. Hasan Saeed Akbar
7	Syed Ghaus Ahmad
8	Mr. Salaal Hasan

AUDIT COMMITTEE

S. No	Name of Director
1	Mr. Iftikhar Ahmed Rao
2	Mr. Salaal Hasan
3	Ms.Shireen Raza
4	Mr. Hasan Saeed Akbar

HUMAN RESOURCE & REMUNERATION COMMITTEE

S. No	Name of Director
1	Mr. Iftikhar Ahmed Rao
2	Mr. Muhammad Kamran Nasir
3	Mr. Muhammad Yousuf Amanullah
4	Mr. Hasan Saeed Akbar
5	Syed Ghaus Ahmad

RISK MANAGEMENT COMMITTEE

S. No	Name of Director
1	Mr. Shahab Anwar Khawaja
2	Mr. Muhammad Yousuf Amanullah
3	Syed Ghaus Ahmad
4	Mr. Muhammad Kamran Nasir

DIRECTORS' REPORT

COMPANY PERFORMANCE REVIEW

The Company earned net income of PKR 400.466 million for the nine months ended September 30, 2021 vis-a-vis net income of PKR 136.471 million in the comparative period last year clocking an increase of 193.44% over the same period. Operating revenue of the Company increased by 111.68% over the same period last year. On the cost front, the Company incurred PKR 548.291 million (up by 38.96%) for the said period in respect of administrative and operating expenses. The Earnings per Share (EPS) of the Company for the period stood at PKR 13.72 against EPS of Rs.4.47 for the corresponding period last year, reflecting an increase of 206.9%. The increase in profitability is directly attributable to the significant higher volumes at the bourse during the period under consideration vis-à-vis comparative period last year.

Despite on-going market-related challenges and the country's economic condition primarily due to COVID-19 pandemic, the Company is focused on maintaining its growth momentum in the long run. Management is acutely monitoring its resources to reap the maximum benefits for its shareholders. This involves optimizing revenue generation from core brokerage and fee-based operations and treasury management.

ACKNOWLEDGEMENT

We express our sincerest appreciation to our employees for their dedication and hard work and to our clients, business partners and shareholders for their support and confidence.

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

Chief Executive Officer

Director

October 21, 2021

کمپنی کی کارکردگی کا جائزہ

کمپنی کو نو ماہی مدت مختتمہ 30 ستمبر 2021 میں 400.466 ملین روپے کی آمدنی ہوئی جبکہ گزشتہ سال اسی مدت میں 136.471 ملین روپے تھی جس سے گزشتہ سال اسی مدت کی بہ نسبت 193.44 فیصد اضافہ کی عکاسی ہوتی ہے۔ کمپنی کی کاروباری آمدن میں گزشتہ سال اسی مدت کی بہ نسبت 111.68 فیصد اضافہ ہوا۔ لاگت کے محاذ پر کمپنی نے انتظامی اور کاروباری اخراجات کی مدت میں 548.291 ملین روپے کے اخراجات برداشت کئے۔ کمپنی کی فی حصص آمدن (EPS) 13.72 روپے رہی جو کہ گزشتہ سال اسی مدت میں 4.47 روپے تھی، جس سے 206.9 فیصد اضافہ کی عکاسی ہوتی ہے۔ منافع میں اضافہ گزشتہ سال کے مقابلے میں زیر جائزہ مدت کے دوران بازار حصص کے حجم میں نمایاں اضافہ کی وجہ سے ہے۔

بازار سے ملحقہ جاری دشواریوں اور COVID-19 وبا کی وجہ سے ملکی معاشی صورتحال کی وجہ سے کمپنی طویل مدتی معیار حرکت کو توجہ مرکوز کئے ہوئے ہے۔ انتظامیہ کمپنی کے ساتھ اپنے وسائل کی نگرانی کر رہی ہے تاکہ حصص یافتگان کو زیادہ سے زیادہ فوائد پہنچائے جاسکیں۔ اس میں بنیادی بروکرینج اور فیس کی بنیاد پر آپریشنز اور ریٹری بیجمنٹ سے آمدنی کا حصول شامل ہے۔

اعتراف

ہم اپنے ملازمین کی انتھک محنت اور جدوجہد اور اپنے کلائنٹ، کاروباری شراکت داروں اور حصص یافتگان کے تعاون اعتماد پر انہیں مخلصانہ ستائش پیش کرتے ہیں۔

ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP)، سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (CDC)، نیشنل کلیئرنگ کمپنی آف پاکستان لمیٹڈ (NCCPL) اور پاکستان اسٹاک ایکسچینج (PSX) کی بازارز کو مستحکم کرنے کی کوششوں اور سرمایہ کاروں کے حقوق کے تحفظ کے اقدامات کا اعتراف کرتے ہیں۔

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 21 اکتوبر 2021

بورڈ کی تین ذیلی کمیٹیاں ہیں جن کا نام آڈٹ کمیٹی، رسک مینجمنٹ کمیٹی اور انسانی وسائل و معاوضہ کمیٹی تھے جنہوں نے بورڈ کے افعال میں مدد کی بورڈ اور اس کی ذیلی کمیٹیوں کے اراکین کے نام درج ذیل ہیں:

بورڈ آف ڈائریکٹرز:

نمبر شمار	
1	جناب شہاب انور خواجہ
2	جناب محمد کامران ناصر (کسی ای او)
3	جناب افتخار احمد راؤ
4	جناب محمد یوسف امان اللہ
5	محترمہ شیریں رضا
6	جناب حسن سعید اکبر
7	سید غوث احمد
8	جناب سلال حسن

آڈٹ کمیٹی:

نمبر شمار	ڈائریکٹر کے نام
1	جناب افتخار احمد راؤ
2	محترمہ شیریں رضا
3	جناب حسن سعید اکبر
4	جناب سلال حسن

انسانی وسائل و معاوضہ کمیٹی:

نمبر شمار	ڈائریکٹر کے نام
1	جناب افتخار احمد راؤ
2	جناب محمد کامران ناصر
3	جناب محمد یوسف امان اللہ
4	جناب حسن سعید اکبر
5	سید غوث احمد

رسک مینجمنٹ کمیٹی:

نمبر شمار	ڈائریکٹر کے نام
1	جناب شہاب انور خواجہ
2	جناب محمد یوسف امان اللہ
3	جناب محمد کامران ناصر
4	سید غوث احمد

افغانستان سے امریکی اخلاء کے بعد MCS نے پاکستان کو فریئر مارکیٹس میں زیریں کرنے کا فیصلہ کیا اور رواں کھاتے کے خسارے کی توقع سے زیادہ بڑھنے کی وجہ سے مقامی بازار حصص میں بڑے پیمانے پر فروخت کا دباؤ پیدا ہوا۔ اوسط یومیہ حجم اور قیمت دونوں بالترتیب 412 ملین (گزشتہ سہ ماہی کی بنسبت 38- فیصد) اور 13.9bn (گزشتہ سہ ماہی کی بنسبت 32- فیصد) تک کم ہو گئے۔

مختلف بڑے معاشی خدشات کی وجہ سے غیر ملکی سرمایہ کار بازار حصص میں بڑے فروخت کنندہ رہے ہیں اور 3QCY21 میں 83 ملین امریکی ڈالر کا اخراج دیکھا گیا، جہاں 9MCY21 کے دوران فروخت ہونے والے 192 ملین ڈالر کا 43 فیصد تھا۔ سینٹ کے حصص نے اپنی زیادہ تر معیار حرکت کھودی کیونکہ کوئلے کی قیمتیں عالمی مالیاتی بحران 2008 کی سطح کی طرح نئی بلندیوں تک پہنچ گئیں اور اس کے بعد ریفرنسری کے حصص جو پڑھوس اپ گریڈیشن ترتیبی منصوبوں کی منظوری کے منتظر ہیں۔ دوسری جانب 3QCY21 کے دوران بینکنگ کے شعبہ کے نرخ میں اضافے کی توقعات کی وجہ سے اضافہ ہوا جبکہ ٹیکنالوجی حصص نے اپنے معیار حرکت ایک قابل ذکر حد تک جاری رکھا۔

بازار اشیائے صرف

پاکستان مرکٹنگل آپکچر (PMEX) نے زیر جائزہ نو ماہ مدت کے دوران قابل ذکر دباؤ کا مشاہدہ کیا۔ عالمی سطح پر COVID-19 کے کیسوں کے حالیہ رجحان کے ساتھ ساتھ اشیائے صرف کی منڈیوں میں غیر یقینی صورتحال کو مدنظر رکھتے خاص طور پر قیمتی دھاتوں اور خام تیل کی طلب اور رسد نے اشیائے قیمتوں کو براہ راست متاثر کیا، زیر جائزہ مدت کے دوران PMEX کے حجم کو قابل ذکر تھک لگا اور اور زیریں سے مست چلا گیا۔ سال کے دوران PMEX کو اکثر خرید و فروخت کی جانے والی اشیاء کے سودوں میں انتہائی کمی کا سامنا کرنا پڑا۔

زیر جائزہ مدت کے دوران کینی کی تجارتی سرگرمیوں میں بھی کمی واقع ہوئی کیونکہ حجم اور مالیت کی تجارت میں بالترتیب 45 اور 19 فیصد کم ہوئی تھی۔

بازار زر

رواں کھاتے کے بڑھتے ہوئے خسارے اور افراط زر کے دباؤ سے نمٹنے اور معاشی نمو کو تیز کرنے کے لئے اسٹیٹ بینک آف پاکستان نے 20 ستمبر 2021 سے 26 نومبر 2021 تک شروع ہونے والی مدت کے لئے پالیسی نرخ میں 0.25 فیصد اضافہ کیا، شرح سود میں تبدیلی کے نتیجے میں فروخت کا دباؤ طویل مدتی مصنوعات زر پر بڑھ گیا۔ پاکستان انویسٹمنٹ بانڈز (PIBs) کی حالیہ بنیادی میں گرتی ہوئی دلچسپی کی نشاندہی شرح سود میں اضافے کی افواہوں کی وجہ سے ہے اور توقع ہے کہ یہ جاری رہے گی۔ جبکہ دوسری جانب متوازن نرخ کی حامل PIBs میں نصف سالہ کپن بانڈز میں بھی زیادہ دلچسپی نہیں دیکھی گئی۔ ٹی بل کی نیلامیوں کے ذریعے 590 ملین روپے کی مجموعی رقم موصول ہوئی جس میں قلیل مدتی ٹی بلز میں بھاری شرکت دیکھی گئی اور تین ماہی اور چھ ماہی کے لئے جتنی کٹ آف ریٹ بالترتیب 7.8499 فیصد اور 8.1901 فیصد رہا، جس میں اس مدت کے لئے موصول شدہ رقم کی مماثلت بنیادی سے قبل ہدف کے ساتھ تھی۔

زرمبادلہ کی مارکیٹ

3QCY21 کے دوران USD/PKR کا آغاز 157.8722 روپے سے ہوا جو کہ گزشتہ سال اسی مدت میں 166.89 روپے تھا۔ 3QCY21 کے دوران USD/PKR کی کم ترین مساواتی قدر 157.87 روپے رہی اور بلند ترین 170.66 روپے رہی۔

جولائی 2021 میں 1 ماہی، 3 ماہی اور 6 ماہی اوسطاً سوپی کا آغاز بالترتیب 2.34، 0.75 اور 4.59 روپے رہا۔ مدت کے دوران، 1 ماہی سوپی میں اگست 2021 میں فرازی رجحان دیکھا گیا (0.04 روپے زیادہ) جبکہ 3 ماہی اور 6 ماہی سوپی میں اگست 2021 میں بالترتیب 0.06 روپے اور 0.04 روپے کی فرسودگی ہوئی۔ معاشی نمو کے لئے مرکزی بینک نے پوری سہ ماہی کے دوران پالیسی نرخ کو تبدیل کر کے 7.25 فیصد پر برقرار رکھا۔ جولائی تا ستمبر میں 1 ماہی، 3 ماہی اور 6 ماہی اوسطاً سوپی 0.81 روپے تا 4.75 روپے رہی۔

گزشتہ سہ ماہی کے اختتام پر ملک کے زرمبادلہ کے کل ذخائر 24.4 بلین یو ایس ڈالر تھے اور 3QCY21 کے اختتام تک بڑھ کر 26.1 بلین یو ایس ڈالر تک پہنچ گئے۔

ڈائریکٹران کی رپورٹ:

ہم بے ایس گلوبل کیپٹل لمیٹڈ (کمپنی) کے 30 ستمبر 2021 کو قلم ہونے والے 9 ماہ کے عرصے کے غیر آڈٹ شدہ اختصاری عبوری مالیاتی گوشوارے پیش کرتے ہوئے اظہار مسرت کرتے ہیں:

مختصر نتائج درج ذیل ہیں:

برائے نو ماہی مدت ختمہ

30 ستمبر 2021	30 ستمبر 2020	
----- روپے -----		
502,711,034	225,244,841	منافع قبل از ٹیکس
400,466,416	136,471,200	منافع بعد از ٹیکس
13.72	4.47	فی حصص منافع

معیشت

پاکستان کی معیشت کو متعدد معاشی خطرات کا سامنا ہے کیونکہ درآمدی بل اور بنیادی طور پر رواں کھاتے کے خسارہ (CAD) پر قابل ذکر دباؤ بڑھتا جا رہا ہے۔ COVID-19 کی وبائی بیماری کی شرح میں تخفیف کے بعد عالمی معیشتوں میں بحالی آ رہی ہے، جس سے دنیا بھر میں تقریباً تمام اشیاء صرف کی طلب میں بڑے پیمانے پر اضافہ ہو رہا ہے۔

3QCY21 کے دوران پاکستان کے ادارہ شماریات کے مطابق پاکستان کا تجارتی خسارہ 100.6 فیصد بڑھ کر 11.7 بلین امریکی ڈالر ہو گیا ہے، جس میں درآمدات 65.1 فیصد کے تیزی ترین اضافہ کے ساتھ 18.6 بلین ڈالر ہو گئیں جبکہ برآمدات گزشتہ سال کی اسی مدت کی نسبت 27.3 فیصد اضافہ کے ساتھ 7.0 بلین ڈالر رہیں۔ درآمدات کے تمام شعبوں میں اضافہ دیکھا گیا اور سب سے نمایاں طور پر اضافہ خوراک، ایندھن اور ٹرانسپورٹ سے ملحقہ درآمدات میں ہوا۔ ترسیلات زر کے مستحکم بہاؤ کے باوجود پاکستان کا CAD 2.3 بلین امریکی ڈالر (جی ڈی پی کا 4.14 فیصد) رہا، جو کہ حکومت کے طے کردہ بلحاظ جی ڈی پی ہدف 3-2 فیصد سے زیادہ ہے۔

روپے اور امریکی ڈالر کی قدر میں کمی کے نتیجے میں توانائی اور غذائی درآمدات میں بڑے پیمانے پر اضافہ سے عمومی افراط میں مسلسل اضافہ ہو رہا ہے۔ ستمبر 2021 کے 8.98 فیصد پرنٹ رپورٹ ہونے کے بعد CPI سہ ماہی میں عمومی افراط زر اور سطح 8.58 فیصد رہا۔ 3QCY21 کے دوران CAD اور افراط زر کی بڑھتی ہوئی سطح پاکستان کی معیشت کے لئے بڑے پیمانے پر نقصان دہ ہے اور اس کے نتیجے میں پاکستان میں مالیاتی نرمی کا چکر معکوس ہو گیا ہے۔ جس کے نتیجے میں اسٹیٹ بینک نے پالیسی نرخ میں 25bps اضافہ کر کے 7.25 فیصد کر دیا تاکہ CAD کو کم کیا جاسکے اور روپے/امریکی ڈالر کی مساواتی قدر کو کنٹرول کیا جاسکے جس میں سہ ماہی کے دوران 9 فیصد کمی ہوئی ہے۔ شرح سود میں اضافہ اس لئے بھی کیا گیا کیونکہ آئی ایم ایف کی جانب سے 2.75 بلین امریکی ڈالر کی حالیہ موصول ہونے والی رقم سے اسٹیٹ بینک کے زرمبادلہ کے ذخائر 20.15 بلین امریکی ڈالر کی بلند ترین سطح پر پہنچنے کے باوجود روپے کی قدر میں مسلسل کمی ہوتی رہی۔

اسٹیٹ بینک نے درآمدات میں اضافے اور امریکی ڈالر کی بڑھتی ہوئی طلب دونوں کے خلاف کئی انتظامی پالیسی اقدامات بھی متعارف کرائے۔ کلیدی اقدامات میں کاروں کی مالی اعانت کی اسکیمیں، متعدد پابندیوں کے ذریعے افغانستان کی طرف کرنسی بیئرنگ کا کنٹرول اور غیر ضروری اشیاء کی درآمد کی حوصلہ شکنی کے لئے 100 فیصد کمیشن مارجن کے تقاضوں کو لاگو کرنا شامل تھا۔

بازار حصص

3QCY21 کے دوران، KSE-100 انڈیکس میں 5.2 فیصد (\$US کے لحاظ سے 9.6 فیصد) کم ہو کر 44,899 پوائنٹس پر بند ہوا، سال کے دوران اس کے 11.4 فیصد کے زیادہ تر فوائد 9MCY21 کے دوران 2.6 فیصد پر کھڑے ہوئے۔ سال کے دوران نمو کے لئے سازگار بجٹ اختصاص کے نتیجے میں ہونے والے زیادہ تر فوائد ستمبر 2021 کے دوران اس وقت ضائع ہو گئے جب اسٹیٹ بینک نے مالیاتی نرمی کے چکر کو معکوس کر دیا اور اس کو دیگر متعدد عوامل سے منسوب کیا جاسکتا ہے جیسے کہ MCSC کی زیریں غیر ملکی فروخت وغیرہ

FINANCIAL STATEMENTS





CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2021

		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	Note	(Rupees)	(Rupees)
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital: 150,000,000 (December 31, 2020: 150,000,000) ordinary shares of Rs.10 each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up share capital	5	274,772,970	305,570,000
Share premium		1,810,104,900	1,810,104,900
Unrealised gain on revaluation of investments at fair value through other comprehensive income		17,713,650	11,441,759
Unappropriated profit		229,436,199	319,321,963
		2,332,027,719	2,446,438,622
LIABILITIES			
Non-current liabilities			
Deferred liability	6	2,086,783	1,839,560
Long-term financing	7	12,497,192	37,270,009
Liability against assets subject to finance lease	8	10,725,461	16,644,533
		25,309,436	55,754,102
Current liabilities			
Creditors, accrued expenses and other liabilities	9	2,214,496,877	2,807,080,542
Unclaimed dividend		3,361,843	3,361,843
Current maturity of long-term financing		53,146,111	69,585,525
Current maturity of liability against assets subject to finance lease		8,920,773	8,510,261
		2,279,925,604	2,888,538,171
		4,637,262,759	5,390,730,895
Contingencies and Commitments	10		

The annexed notes 1 to 28 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2021

		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
Note		(Rupees)	
ASSETS			
Non-current assets			
Property and equipment	11	849,971,459	895,577,307
Investment property	12	124,117,604	126,504,547
Intangible assets	13	5,000,015	5,000,015
Long term investments	14	72,215,348	112,175,298
Long term loans and deposits		38,253,711	32,488,821
Deferred taxation - net	15	122,389,192	114,765,637
		1,211,947,329	1,286,511,625
Current assets			
Short term investments	16	5,666,366	237,120,103
Trade debts	17	851,734,270	1,097,296,646
Receivable against margin finance		277,271,312	419,521,592
Loans and advances - considered good		46,574,037	21,427,280
Short-term deposits and prepayments		146,831,529	569,432,251
Interest and mark-up accrued	18	7,016,494	6,373,618
Other receivables		16,153,443	14,585,585
Advance tax		59,940,289	116,918,109
Cash and bank balances	19	2,014,127,691	1,621,544,086
		3,425,315,431	4,104,219,270
		4,637,262,759	5,390,730,895

The annexed notes 1 to 28 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	Note	Nine months ended		Three months ended	
		September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
		(Un-audited) ----- (Rupees) -----	(Un-audited) ----- (Rupees) -----	(Un-audited) ----- (Rupees) -----	(Un-audited) ----- (Rupees) -----
Operating revenue	20	910,549,546	430,152,662	377,536,510	196,443,965
Capital gain on sale of investments - net		27,073,663	44,254,557	4,917,604	28,850,812
Unrealised loss on remeasurement of investments at fair value through profit or loss - net		(1,966,478)	(6,165,147)	(2,734,753)	(7,761,559)
Unrealised gain on remeasurement of derivatives at fair value through profit or loss - net		-	6,977,541	777,479	8,508,701
Dividend income		5,758,074	10,774,902	529,981	1,365,386
Margin finance income		43,531,498	33,698,337	15,158,030	12,628,992
		984,946,303	519,692,852	396,184,851	240,036,297
Administrative and operating expenses		(548,291,601)	(394,554,697)	(216,114,484)	(130,551,328)
		436,654,702	125,138,155	180,070,367	109,484,969
Other operating income - net		84,319,082	119,223,570	25,119,244	24,942,772
		520,973,784	244,361,725	205,189,611	134,427,741
Provision for Sindh Workers' Welfare Fund		(10,259,409)	(4,596,833)	(4,044,773)	(2,640,068)
Finance cost	21	(8,003,341)	(14,520,051)	(2,950,949)	(2,424,311)
Profit before taxation		502,711,034	225,244,841	198,193,889	129,363,362
Taxation - current		(110,366,211)	(87,339,133)	(21,410,173)	(56,150,853)
- prior		-	-	-	-
- deferred		8,121,593	(1,434,508)	(152,875)	1,877,489
	22	(102,244,618)	(88,773,641)	(21,563,048)	(54,273,364)
Profit after taxation		400,466,416	136,471,200	176,630,841	75,089,998
Earnings per share - basic and diluted	23	13.72	4.47	6.43	2.46

The annexed notes 1 to 28 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	Nine months ended		Three months ended	
	September 30, 2021 (Un-audited) ----- (Rupees)	September 30, 2020 (Un-audited) ----- (Rupees)	September 30, 2021 (Un-audited) ----- (Rupees)	September 30, 2020 (Un-audited) ----- (Rupees)
Profit for the period	400,466,416	136,471,200	176,630,841	75,089,998
Other comprehensive income / (loss)				
Items that will not be reclassified to statement of profit or loss subsequently	-	-	-	-
Unrealised loss on revaluation of investments at fair value through OCI during the period	7,578,158	8,855,871	(8,921,960)	4,405,906
Less: Related tax	(1,391,969)	350,734	359,740	62,131
	6,186,189	9,206,605	(8,562,220)	4,468,037
Items that may be reclassified to statement of profit or loss subsequently				
Unrealised gain on revaluation of investments at fair value through OCI during the period	95,225	1,333,254	33,180	807,100
Less: Related tax	(9,523)	(199,988)	(216)	(121,065)
	85,702	1,133,266	32,964	686,035
Total comprehensive income / (loss) for the period	406,738,307	146,811,071	168,101,585	80,244,070

The annexed notes 1 to 28 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

			Reserves			
	Issued, subscribed and paid-up share capital	Share premium	Unrealised gain / (loss) on revaluation of available-for-sale / fair value through other comprehensive income investments - net	Revenue reserve Unappropriated profit	Sub-total	Total
	(Rupees)					
Balance as at January 01, 2020	305,570,000	1,810,104,900	5,510,021	112,367,591	1,927,982,512	2,233,552,512
Total comprehensive income for the period						
Profit for the nine months ended September 30, 2020	-	-	-	136,471,200	136,471,200	136,471,200
Other comprehensive loss - net of tax	-	-	10,339,871	-	10,339,871	10,339,871
Total comprehensive income for the period	-	-	10,339,871	136,471,200	146,811,071	146,811,071
Balance as at September 30, 2020	305,570,000	1,810,104,900	15,849,892	248,838,791	2,074,793,583	2,380,363,583
Total comprehensive income for the period						
Profit for the three months ended December 31, 2020	-	-	-	70,483,172	70,483,172	70,483,172
Other comprehensive loss - net of tax	-	-	(4,408,133)	-	(4,408,133)	(4,408,133)
Total comprehensive income for the period	-	-	(4,408,133)	70,483,172	66,075,039	66,075,039
Balance as at December 31, 2020	305,570,000	1,810,104,900	11,441,759	319,321,963	2,140,866,622	2,446,438,622
Total comprehensive income for the period						
Profit for the nine months ended September 30, 2021	-	-	-	400,466,416	400,466,416	400,466,416
Other comprehensive loss - net of tax	-	-	6,271,891	-	6,271,891	6,271,891
Total comprehensive income for the period	-	-	6,271,891	400,466,416	406,738,307	406,738,307
Transactions with owners						
Buy back of 3,079,703 shares having face value of Rs.10 each at a price of Rs.80 each	(30,797,030)	-	-	-	-	(30,797,030)
Amount paid in excess of face value of 3,079,703 shares	-	-	-	(215,579,210)	(215,579,210)	(215,579,210)
Interim dividend for the financial year 2021 @ Rs. 10/- per share	-	-	-	(274,772,970)	(274,772,970)	(274,772,970)
Balance as at September 30, 2021	274,772,970	1,810,104,900	17,713,650	229,436,199	2,057,254,749	2,332,027,719

Director

Chief Executive Officer

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

Note	September 30, 2021 (Un-audited)	September 30, 2020 (Un-Audited)
	(Rupees)	(Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	502,711,034	225,244,841
Adjustments for:		
Depreciation of operating assets expense	45,631,715	34,606,203
Depreciation of right-of-use assets	6,114,123	25,647,611
Depreciation of investment property	2,386,943	2,288
Amortisation of intangible assets	-	-
Gain on sale of property and equipment	(2,263)	(3,526,667)
Gain on termination of lease	-	-
Unrealised loss on remeasurement of investments at fair value through profit or loss - net	1,966,478	6,165,147
Unrealised gain on remeasurement of derivatives at fair value through profit or loss - net	-	(6,977,541)
Provision for Sindh Workers' Welfare Fund	10,259,409	4,596,833
Finance cost	8,003,341	14,520,051
	74,359,746	75,033,925
Cash generated from operating activities before working capital changes	577,070,780	300,278,766
(Increase) / Decrease in current assets		
Trade debts	245,562,376	(145,688,269)
Receivable against margin finance	142,250,280	(46,845,535)
Loans and advances	(25,146,757)	(10,731,639)
Short-term deposits and prepayments	422,600,722	434,292,235
Interest and mark-up accrued	(642,876)	9,997,682
Other receivables	(1,567,858)	(323,535)
	783,055,887	240,700,939
Increase / (Decrease) in current liabilities		
Creditors, accrued expenses and other liabilities	(591,502,251)	544,921,386
Cash generated from operations	768,624,416	1,085,901,091
Finance cost paid	(5,921,532)	(3,793,825)
Taxes paid	(53,388,392)	(49,232,620)
	-	-
Net cash generated from operating activities	709,314,492	1,032,874,646
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(6,152,727)	(19,239,738)
Advance against purchase of property	-	(599,076,000)
Proceeds from disposal of property and equipment	15,000	3,537,716
Long term loans, advances and deposits	(5,764,890)	(8,676,947)
Long term investments - net	36,657,948	15,175,096
Short term investments - net	229,487,259	398,936,145
Net cash generated / (used in) from investing activities	254,242,590	(209,343,728)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	(21,235,903)	(46,746,758)
Payment of buy back of shares	(246,376,240)	-
Dividend paid	(274,772,970)	-
Deferred Liabilities	(247,223)	-
Repayment of long-term financing	(28,341,141)	-
Net cash used in financing activities	(570,973,477)	(46,746,758)
Increase in cash and cash equivalents during the period	392,583,605	776,784,160
Cash and cash equivalents at the beginning of the period	1,621,544,086	1,203,057,736
Cash and cash equivalents at the end of the period	19 2,014,127,691	1,979,841,896

The annexed notes 1 to 28 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

1. STATUS AND NATURE OF BUSINESS

- 1.1** JS Global Capital Limited (the Company) was incorporated as a private limited company on June 28, 2000. However, the Company commenced its operations in May 2003 and name of the Company was changed from JSCL Direct (Private) Limited to Jahangir Siddiqui Capital Markets (Private) Limited. Subsequently, the Company was converted into a public unquoted company and the holding company, Jahangir Siddiqui & Co. Ltd. (JSCL), offered its 25% shareholding to the general public for subscription in December 2004 and the Company obtained listing on Karachi Stock Exchange Limited and Islamabad Stock Exchange Limited on February 07, 2005. During 2006-07, the Company issued 10,009,700 shares to Global Investment House K.S.C.C Kuwait, ('Global'). The shares were issued to Global without offering right shares on the basis of a special resolution passed on July 11, 2006. The Securities and Exchange Commission of Pakistan vide its letter no. EMD/CI/49/2006-458 dated July 19, 2006 gave its in-principle approval to the scheme.
- 1.2** During the year 2012, JS Bank Limited (the Bank), a subsidiary of JSCL, acquired 25,525,169 shares of the Company from JSCL and other shareholders against issuance of 185,321,537 shares in lieu thereof. As a result, the principal ownership of the Company was transferred to the Bank. Presently, the Company is subsidiary of JS Bank Limited, which is a subsidiary of JSCL, the ultimate parent of the Company.
- 1.3** The Company is a Trading Right Entitlement Certificate (TREC) holder of Pakistan Stock Exchange Limited (PSX) and member of Pakistan Mercantile Exchange Limited (PMEX). The principal activities of the Company are share brokerage, money market brokerage, forex brokerage, commodity brokerage, advisory, underwriting, book running and consultancy services. Other activities include investment in a mix of listed and unlisted equity and debt securities and reverse repurchase transactions. The registered office of the Company is situated at 17th Floor, The Centre, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi, Pakistan. The Company has eight branches (2020: eight) in seven cities of Pakistan.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Companies Act, 2017;
- Directives issued by the Securities and Exchange Commission of Pakistan (SECP).

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2** These condensed interim financial information does not include all the information required for full annual financial statements and should be read in conjunction with the audited annual financial statements of the Company as at and for the year ended 31 December 2020.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

2.3 The comparative condensed interim statement of financial position presented in these condensed interim financial information have been extracted from the audited annual financial statements of the Company for the year ended 31 December 2020, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the period ended September 30, 2020.

2.4 These condensed interim financial statements are un-audited and are being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

2.5 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention, except for certain investments and derivative financial instruments which are stated at fair value.

2.6 Functional and presentation currency

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

2.7 Use of estimates and judgments

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the annual financial statements for the year ended December 31, 2020.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2020.

3.1 New / Revised Standards, Interpretations and Amendments

There are certain interpretations and amendments that are mandatory for the company's accounting periods beginning on or after January 01, 2021 but are considered not to be relevant or do not have any significant effect on the company's operations and therefore not detailed in these condensed interim financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

3.1.1 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS THAT ARE NOT YET EFFECTIVE

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 January 2021:

COVID-19-Related Rent Concessions (Amendment to IFRS 16) – the International Accounting Standards Board (the Board) has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after 1 June 2020, with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves re-measuring the lease liability using the revised lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements, the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were not lease modifications. Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- there is no substantive change to the other terms and conditions of the lease.

Interest Rate Benchmark Reform – Phase 2 which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 is applicable for annual financial periods beginning on or after 1 January 2021, with earlier application permitted. The amendments introduce a practical expedient to account for modifications of financial assets or financial liabilities if a change results directly from IBOR reform and occurs on an 'economically equivalent' basis. In these cases, changes will be accounted for by updating the effective interest rate. A similar practical expedient will apply under IFRS 16 for lessees when accounting for lease modifications required by IBOR reform. The amendments also allow a series of exemptions from the regular, strict rules around hedge accounting for hedging relationships directly affected by the interest rate benchmark reforms. The amendments apply retrospectively with earlier application permitted. Hedging relationships previously discontinued solely because of changes resulting from the reform will be reinstated if certain conditions are met.

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual period beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarify what comprise the cost of fulfilling a contract. Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

Annual Improvements to IFRS standards 2018-2020:

The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022:

- IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
- IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
- IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for annual periods beginning on or after 1 January 2022 clarifies that sales proceeds and costs of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.
- Reference to the Conceptual Framework (Amendments to IFRS 3) - Reference to the Conceptual Framework, issued in May 2020, amended paragraphs 11, 14, 21, 22 and 23 of and added paragraphs 21A, 21B, 21C and 23A to IFRS 3. An entity shall apply those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2022. Earlier application is permitted if at the same time or earlier an entity also applies all the amendments made by Amendments to References to the Conceptual Framework in IFRS Standards, issued in March 2018.
- Classification of liabilities as current or non-current (Amendments to IAS 1) amendments apply retrospectively for the annual periods beginning on or after 1 January 2023. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the Board has issued amendments on the application of materiality to disclosure of accounting policies and to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:
 - requiring companies to disclose their material accounting policies rather than their significant accounting policies;
 - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
 - clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.

- Definition of Accounting Estimates (Amendments to IAS 8) – The amendments introduce a new definition for accounting estimates clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty.

The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for periods beginning on or after 1 January 2023, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) – The amendments narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) – The amendment amends accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.

4. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended December 31, 2020.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

5. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

September 30, 2021 (Number of shares)	December 31, 2020		September 30, 2021 (Rupees)	December 31, 2020
20,009,700	20,009,700	Ordinary shares of Rs.10 each fully paid in cash	200,097,000	200,097,000
29,990,300	29,990,300	Ordinary shares of Rs.10 each issued as bonus shares	299,903,000	299,903,000
(11,993,000)	(11,993,000)	First buy back of 11,993,000 shares having face value of Rs.10 each	(119,930,000)	(119,930,000)
(7,450,000)	(7,450,000)	Second buy back of 7,450,000 shares having face value of Rs.10 each	(74,500,000)	(74,500,000)
(3,079,703)	-	Third buy back of 3,079,703 shares having face value of Rs.10 each	(30,797,030)	-
<u>27,477,297</u>	<u>30,557,000</u>		<u>274,772,970</u>	<u>305,570,000</u>

- 5.1** The Parent company held 25,525,169 (2020: 25,525,169) ordinary shares of Rs.10 each at period end.
- 5.2** Voting rights, board selection, right of first refusal and block voting are in proportion to the respective.
- 5.3** During the period, the company bought back 10.08% of its outstanding ordinary shares under tender offer from the members at a price of Rs 80 per share.

	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
6. DEFERRED LIABILITY	Note	(Rupees)
Government Grant		
Opening balance	6,509,030	-
Received during the year	-	6,509,030
Released to the statement of profit or loss	(1,840,409)	-
Closing balance	<u>4,668,621</u>	<u>6,509,030</u>
Current portion of Government Grant	2,581,838	4,669,470
Non-current portion of Government Grant	2,086,783	1,839,560
6.1	<u>4,668,621</u>	<u>6,509,030</u>

- 6.1** The government grant has been recorded against subsidized rate loan against State Bank of Pakistan's Refinance Scheme for Salaries and Wages to provide working capital loan at concessional interest rates for businesses to finance salary expense during the COVID-19 outbreak. The grant is conditional upon the fact that the Company would not terminate any employee, due / owing to cash flow limitations, for a period of three months from the date of receipt of the first tranche.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	Note	(Rupees)	

7. LONG-TERM FINANCING

Salaries and Wages	7.1	65,643,303	106,855,534
Short-term maturity		(53,146,111)	(69,585,525)
		<u>12,497,192</u>	<u>37,270,009</u>

- 7.1** During the year 2020, the Company utilized Rs.113.365 million against Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of Business Concerns issued by SBP under Covid-19 relief package through its circular IH&SMEFD Circular No. 07 dated April 10, 2020. This carries interest at the subsidised rate of 3% (September 2020 : 3%) and is repayable latest by September 2022. The differential interest has been recognised as government grant (as mentioned in note 6.1) which will be amortised to interest income over the period of facility. The facility is secured against 1st pari passu charge over Current Assets i.e, Account Receivable with 30% Margin.

		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	Note	(Rupees)	

8. LIABILITY AGAINST ASSETS SUBJECT TO FINANCE LEASE

Opening balance		25,154,794	227,454,320
Interest expense		2,081,809	11,196,788
Disposal		-	(196,234,720)
Payment of rentals		(7,590,369)	(17,261,594)
Closing balance		<u>19,646,234</u>	<u>25,154,794</u>
Less: Current maturity		<u>(8,920,773)</u>	<u>(8,510,261)</u>
		<u>10,725,461</u>	<u>16,644,533</u>

9. CREDITORS, ACCRUED EXPENSES AND OTHER LIABILITIES

Trade creditors	9.1	1,703,533,399	2,353,304,413
Accrued expenses		111,391,889	62,576,919
Staff Provident Fund		2,541,266	2,149,526
Current portion of Government Grant		2,581,838	4,669,470
Provision for staff bonus		76,763,376	36,117,950
Provision for Workers' Welfare Fund		45,347,638	35,088,229
Unrealised loss on revaluation of future equity transactions		-	-
Interest liability		-	-
Others		272,337,471	313,174,035
	9.2	<u>2,214,496,877</u>	<u>2,807,080,542</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

9.1 This includes payable to PSX and National Clearing Company of Pakistan Limited (NCCPL) amounting to Rs.0.156 (2020: Rs.0.131) million and Rs.260.755 (2020: Rs.327.858) million respectively in respect of trading in securities, settled subsequent to the period end.

9.2 Movement of provision for staff bonus is as follows:

	September 30, 2021 (Un-audited) ----- (Rupees) -----	December 31, 2020 (Audited) -----
Balance at the beginning of the year	36,117,950	17,000,000
Paid during the year	(18,665,534)	(13,882,050)
Charged during the year	59,310,960	33,000,000
Balance at the end of the year	<u>76,763,376</u>	<u>36,117,950</u>

9.2 Included herein is a sum of Rs. 1.882 (2020: Rs.5.604) million payable to related parties.

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

There are no outstanding contingencies as at September 30, 2021 (2020: Nil) other than tax contingencies disclosed in note 22 of these condensed interim financial statements.

10.2 Commitments

	September 30, 2021 (Un-audited) ----- (Rupees) -----	December 31, 2020 (Audited) -----
Net - future sale transactions of equity securities entered into by the Company in respect of which the settlement is outstanding	-	201,052,200
Bank Guarantee from a commercial bank in favor of National Clearing Company of Pakistan Limited expiring on May 25, 2022	400,000,000	400,000,000
Outstanding settlements against margin financing contracts - net	<u>41,300,730</u>	<u>57,411,186</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2021

		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	Notes	----- (Rupees) -----	
11. PROPERTY AND EQUIPMENT			
Operating assets	11.1	835,040,228	874,531,953
Right-of-use assets	11.2	14,931,231	21,045,354
		849,971,459	895,577,307
11.1 Movement in operating assets - owned			
Book value at beginning of the period / year		874,531,953	262,065,268
Cost of additions during the period / year	11.1.1	6,152,727	662,565,563
Book value of deletions during the period / year	11.1.2	(12,737)	(11,060)
Depreciation charge for the period / year		(45,631,715)	(50,087,818)
Book value at end of the period / year		835,040,228	874,531,953
11.1.1 Details of additions during the period / year			
Office equipment		5,764,027	3,068,165
Building on leasehold land		-	639,421,535
Leasehold improvements		-	19,503,277
Office furniture		388,700	572,586
		6,152,727	662,565,563
11.1.2 Book value of deletions during the period / year:			
Office equipment		(12,737)	(11,058)
Motor vehicle		-	(2)
		(12,737)	(11,060)
11.2 Right-of-use assets			
Branches		14,931,231	21,045,354
12. INVESTMENT PROPERTY			
Opening balance		126,504,547	-
Additions		-	127,303,650
Depreciation		(2,386,943)	(799,103)
Closing balance		124,117,604	126,504,547

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
13. INTANGIBLE ASSETS	Notes	(Rupees)	(Rupees)
Trading Right Entitlement Certificate (TREC) - Pakistan Stock Exchange Limited (PSX)	13.1	2,500,000	2,500,000
Membership card - Pakistan Mercantile Exchange Limited		2,500,000	2,500,000
		5,000,000	5,000,000
Softwares		15	15
		5,000,015	5,000,015

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

		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
14. LONG TERM INVESTMENTS	Notes	(Rupees)	(Rupees)
Classified as 'at fair value through Other Comprehensive Income'			
Shares of PSX - at cost (2020: 2,202,953 shares)	14.1	23,060,884	23,060,884
Term finance / sukuk certificates		31,171,667	106,871,667
		54,232,551	129,932,551
Surplus on revaluation - net		17,982,797	10,309,414
Current maturity of long term investments	16	-	(28,066,667)
		72,215,348	112,175,298

14.1 Term finance / sukuk certificates

Number of Certificates	Name of term finance / sukuks certificate	Carrying value	
September 30, 2021 (Un-audited)	December 31, 2020 (Audited)	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
		(Rupees)	(Rupees)
Listed debt securities - secured			
3,000	3,000	Jahangir Siddiqui & Co. Limited XI - related party	10,000,000
-	520	Dawood Hercules Corporation Limited - Sukuk - I	-
-	600	Dawood Hercules Corporation Limited - Sukuk - II	-
20	20	BYCO Petroleum Pakistan Limited - Sukuk - I	1,166,667
4,001	4,001	BIPL Ehad Sukuk	20,005,000
		14.1.1	31,171,667

14.1.1 The term finance / sukuk certificates held by the Company are secured against pledged listed securities and first ranking pari passu floating charge over all movable properties of the issuer.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2021

		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	Note	----- (Rupees) -----	
15. DEFERRED TAXATION - NET			
Taxable temporary difference			
Difference in accounting and tax base of			
- intangible assets		(4)	(5)
- operating assets and investment property		(1,457,986)	(8,475,926)
Government grant		(1,353,900)	(1,887,619)
		(2,811,890)	(10,363,550)
Deductible temporary differences			
Liability against assets			
subject to finance lease - net		1,367,350	1,191,737
Revaluation of investments		1,179,788	1,283,506
Allowance for expected credit losses		122,653,944	122,653,944
		125,201,082	125,129,187
		122,389,192	114,765,637
16. SHORT TERM INVESTMENTS			
At fair value through profit or loss			
Quoted equity securities - RBFS	16.1	-	198,970,125
Exchange Traded Fund	16.2	5,666,366	8,438,561
Advance against subscription of right shares		-	1,644,750
At fair value through other comprehensive income			
Privately placed term finance certificates - unsecured	16.3	-	-
Current maturity of long term investments - secured	14	-	28,066,667
		5,666,366	237,120,103

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

16.1 Quoted equity securities

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

		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
Number of shares	Name of company		
September 30, 2021 (Un-audited)	December 31, 2020 (Audited)	Average cost	Fair value
		(Rupees)	
-	145,500 Amreli Steels Limited	-	7,021,830
-	Cherat Cement	-	-
-	2,000 Company Limited	-	292,380
-	4,000 National Bank of Pakistan	-	171,840
-	31,500 Fauji Fertilizer Bin Qasim Limited	-	797,580
-	Oil & Gas Development	-	-
-	12,000 Company Limited	-	1,245,240
-	Pakistan State Oil	-	-
-	3,500 Company Limited	-	753,550
-	11,500 The Searle Company Limited	-	2,866,145
-	5,000 The Hub Power Company Limited	-	396,650
-	1,000 United Bank Limited	-	125,860
-	19,000 Attock Refinery Limited	-	3,458,950
-	321,500 K-Electric Limited *	-	1,257,065
-	75,500 NetSol Technologies Limited	-	14,973,160
-	8,500 Pakistan Petroleum Limited	-	767,805
-	119,500 International Steels Limited	-	11,140,985
-	Lotte Chemical	-	-
-	77,000 Pakistan Limited	-	1,159,620
-	1,000 Nishat Mills Limited	-	101,770
-	130,000 Pak Elektron Limited	-	5,216,900
-	1,000 Pioneer Cement Limited	-	103,300
-	1,000,000 Power Cement Limited	-	9,880,000
-	Sui Northern Gas	-	-
-	6,000 Pipelines Limited	-	266,520
-	358,000 Pakistan Refinery Limited	-	8,516,820
-	288,500 Avanceon Limited	-	26,787,225
-	800,000 Hascol Petroleum Limited	-	11,752,000
-	Pakistan International	-	-
-	1,020,000 Bulk Terminal Limited	-	13,117,200
-	2,395,500 Unity Foods Limited	-	76,799,730
		-	198,970,125
	Unrealised loss on remeasurement at fair value through profit or loss - net	-	-
		-	198,970,125

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

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

16.1.1 These shares has been pledged with NCCPL against ready and future exposure.

16.2 Exchange Traded Fund

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

Number of shares/fund		Name of company	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
September 30, 2021 (Un-audited)	December 31, 2020 (Audited)		Average cost	Fair value
			(Rupees)	
-	-	8 Bank Alfalah Limited	-	283
-	-	252 D.G. Khan Cement Company Limited	-	28,874
255	-	380 Engro Fertilizers Limited	24,495	24,027
138	-	318 Engro Corporation Limited	52,767	97,740
-	-	413 Fauji Fertilizer Company Limited	-	44,811
302	-	501 Habib Bank Limited	45,138	66,272
414	-	799 The Hub Power Company Limited	41,608	63,385
61	-	191 Lucky Cement Limited	60,273	132,953
221	-	220 MCB Bank Limited	45,519	40,762
51	-	- The Searle Company Limited	14,047	-
188	-	- TRG Pakistan Limited	41,543	30,394
215	-	413 United Bank Limited	34,841	51,980
	-	UBL Pakistan Enterprise	-	-
26,000	16,500	Exchange Traded Fund	458,789	225,390
457	-	- Attock Refinery Limited	94,578	-
1,404	1,539	D.G. Khan Cement Company Limited	143,706	176,339
3,207	3,889	Engro Fertilizers Limited	260,907	245,901
1,386	1,376	Engro Corporation Limited	448,838	422,927
-	6,837	Hascol Petroleum Limited	-	100,436
5,259	-	- The Hub Power Company Limited	447,635	-
1,219	-	- International Steels Limited	107,540	-
690	931	Lucky Cement Limited	577,408	648,060
3,056	3,429	Maple Leaf Cement Factory Limited	124,524	154,339
229	-	- National Refinery Limited	80,285	-
3,227	2,396	Oil & Gas Development Company Limited	313,039	248,633
471	589	Pakistan Oilfields Limited	204,651	232,896
-	2,371	Pakistan Petroleum Limited	-	214,172
-	1,566	Pakistan State Oil Company Limited	-	337,160
-	2,088	Sui Northern Gas Pipelines Limited	-	92,749
-	931	The Searle Company Limited	-	232,033
	-	Meezan Pakistan	-	-
231,000	251,000	Exchange Traded Fund	2,596,358	2,675,660
153	434	Bank Al Habib Limited	26,556	30,206
-	347	Dawood Hercules Corporation Limited	-	42,174
107	472	Engro Fertilizers Limited	18,875	29,845
74	470	Engro Corporation Limited	51,961	144,459
147	619	Fauji Fertilizer Company Limited	37,657	67,162
135	620	Habib Bank Limited	37,053	82,014
218	648	The Hub Power Company Limited	40,234	51,406
33	200	Lucky Cement Limited	59,878	139,218
119	284	Mcb Bank Limited	45,009	52,620
84	-	- Meezan Bank Limited	29,503	-
202	614	Oil & Gas Development Company Limited	42,488	63,715
60	377	Pakistan Oilfields Limited	56,527	149,070
-	475	Pakistan Petroleum Limited	-	42,907
-	350	Pakistan State Oil Company Limited	-	75,355
-	481	United Bank Limited	-	60,539
	-	NIT Pakistan Gateway	-	-

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

Number of shares/fund		Name of company	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)	
September 30, 2021 (Un-audited)	December 31, 2020 (Audited)		Average cost (Rupees)	Fair value (Rupees)	
28,500	17,000	Exchange Traded Fund	797,612	317,775	200,430
-	440	Bank Alfalah Limited	-	-	15,545
78	147	Bank Al Habib Limited	9,103	5,394	10,231
73	175	Engro Fertilizers Limited	8,659	5,130	11,065
44	260	Engro Corporation Limited	20,774	12,309	79,914
77	173	Fauji Fertilizer Company Limited	13,263	7,859	18,771
99	172	Habib Bank Limited	18,271	10,826	22,752
143	181	The Hub Power Company Limited	17,746	10,515	14,359
20	94	Lucky Cement Limited	24,401	14,458	65,432
51	97	MCB Bank Limited	12,970	7,685	17,972
67	104	Meezan Bank Limited	15,823	9,375	10,862
21	80	Pakistan Oilfields Limited	13,303	7,882	31,633
-	301	Pakistan Petroleum Limited	-	-	27,189
-	223	Pakistan State Oil Company Limited	-	-	48,012
-	201	United Bank Limited	-	-	25,298
118	252	Oil & Gas Development Company Limited	16,689	9,888	26,150
-	20,500	NBP Pakistan Growth Exchange Traded Fund	-	-	224,474
			7,632,844	5,666,366	8,438,561
Unrealised loss on remeasurement at fair value through profit or loss - net			(1,966,478)	-	-
			5,666,366	5,666,366	8,438,561

16.3 Privately Placed Term Finance Certificates - Unsecured

September 30, 2021 (Un-audited)					
Number of certificates	Mark-up rate (%)	Name of company	Note	Maturity date	Cost (Rupees)
12	11.00%	Azgard Nine Limited (Privately Placed Term Finance Certificates) Provision for impairment	16.3.1	October 19, 2020	326,456,184
					(326,456,184)
					-
					-
					-

December 31, 2020 (Audited)

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

	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
17. TRADE DEBTS	Note	(Rupees)

Purchase of shares on behalf of clients	755,695,339	982,592,995
Advisory services	587,921	5,671,699
Forex and fixed income commission	7,454,329	4,610,898
Commodity	87,996,681	104,421,054
	851,734,270	1,097,296,646
Considered doubtful	409,285,717	409,285,717
	1,261,019,987	1,506,582,363
Provision for doubtful debts	(409,285,717)	(409,285,717)
	17.1 851,734,270	1,097,296,646

17.1 Included herein is a sum of Rs.128.385 (2020: Rs.215.397) million receivable from related parties.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

		(Un-audited) September 30, 2021	(Audited) December 31, 2020
18. INTEREST AND MARK-UP ACCRUED	Note	(Rupees)	(Rupees)
Accrued mark-up on margin finance		4,956,729	5,146,280
Accrued mark-up on term finance / sukuk certificates		120,673	1,181,018
Interest receivable on bank deposits		1,939,092	46,320
		<u>7,016,494</u>	<u>6,373,618</u>
19. CASH AND BANK BALANCES			
Cash with banks:			
- Current accounts		140,910,704	2,843,231
- Profit or loss savings (PLS) / deposit accounts	19.1	1,872,992,287	1,618,475,655
		<u>2,013,902,991</u>	<u>1,621,318,886</u>
Cash in hand:		224,700	225,200
	19.2	<u>2,014,127,691</u>	<u>1,621,544,086</u>

19.1 These carry profit / mark-up rates ranging from 2.75% to 7.00% (2020: 2.75% to 12.75%) per annum.

19.2 These include balances with the Parent Company amounting to Rs.1,627.187 (2020: Rs.1,602.391) million.

19.3 Detail of customer assets held in designated bank accounts and Central Depository Company of Pakistan Limited (CDC) are as follows:

	(Un-audited) September 30, 2021	(Audited) December 31, 2020
	(Rupees)	(Rupees)
Customers' assets held in the designated bank accounts	1,207,532,414	1,494,532,456
Customers' assets held in the CDC	40,294,905,342	45,502,752,237
19.4 Securities pledged with financial institutions	<u>12,602,382,591</u>	<u>10,104,355,587</u>

	(Un-audited)			
	Nine months ended		Three months ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
20. OPERATING REVENUE	(Rupees)			
Brokerage and operating income	733,519,387	408,739,310	215,356,721	191,548,238
Advisory and consultancy fee	177,030,159	21,413,352	162,179,789	4,895,727
	<u>910,549,546</u>	<u>430,152,662</u>	<u>377,536,510</u>	<u>196,443,965</u>
21. FINANCE COST				
Commission expense on bank guarantee	3,374,175	3,366,105	1,118,405	1,162,637
Mark-up expense on SBP re-finance scheme against salaries	2,232,570	301,252	1,109,031	301,252
Bank and other charges	108,995	126,468	68,467	46,090
Interest expense on assets subject to finance lease	2,287,601	10,726,226	655,046	914,332
	<u>8,003,341</u>	<u>14,520,051</u>	<u>2,950,949</u>	<u>2,424,311</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

22. TAXATION

- 22.1** There are no material changes in tax contingencies as disclosed in annual financial statements for the year ended December 31, 2020.

	(Un-audited)			
	September 30, 2021	September 30, 2020	Three months ended	
			September 30, 2021	September 30, 2020
23. EARNINGS PER SHARE - BASIC AND DILUTED	(Rupees)			
Profit after taxation	400,466,416	136,471,200	176,630,841	75,089,998
	(Number)			
Weighted average number of shares	29,192,003	30,557,000	27,477,297	30,557,000
	(Rupees)			
Earnings per share - basic and diluted	13.72	4.47	6.43	2.46

24. RELATED PARTY TRANSACTIONS

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

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

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)	
	Key management personnel of entity and associated entities	Associated entities other than parent company	Key management personnel of entity and associated entities
	(Rupees)		
Trade debts			
Opening balance	79,952	27,348,212	711,750
Invoiced during the year	(1,876,510,523)	567,907,586	6,117,459
Received during the year	1,922,865,360	(552,387,541)	(6,749,257)
Closing balance	46,434,789	42,868,257	79,952
Trade payable			
Opening balance	6,314,449	777,619	4,819,790
Invoiced during the year	(4,328,435)	43,443,327	6,273,449,209
Paid during the year	(978,637)	(43,349,724)	(6,271,954,550)
Closing balance	1,007,377	871,223	6,314,449
Loans and advances			
Opening balance	9,613,515	-	9,951,648
Disbursements during the year	1,950,000	-	3,632,000
Repayments during the year	(2,866,764)	-	(3,970,133)
Closing balance	8,696,751	-	9,613,515

	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	(Rupees)	
Balances with Parent Company		
Trade debts	2,727,679	811,692
Bank balances with parent company	1,627,187,250	1,602,390,716
Other payable	6,960	6,960
Loan payable against SBP refinance scheme	71,003,081	113,364,534
Interest payable on SBP refinance scheme	1,109,031	730,892
Balances with ultimate Parent Company		
Trade debts	37,467,405	73,455,500
Other receivables	284,852	281,050
Mark-up receivable on term finance certificates	57,797	344,027
Principal outstanding on term finance certificates	10,000,000	12,500,000
Balances with associated entities of group companies		
Other receivables	61,628	1,334,459
Principal outstanding on term finance certificates	20,005,000	20,005,000

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	September 30, 2021 (Un-audited) ----- (Rupees) -----	September 30, 2020 (Un-Audited) -----
Transactions with associated entities of group companies		
Nature of transactions		
Brokerage income	35,803,113	25,213,933
Rent Received	11,264,022	-
Transactions with the Parent Company		
Nature of transactions		
Brokerage income	3,279,844	4,144,063
Bank charges	90,834	50,144
Mark-up on deposit accounts	34,028,257	66,706,175
Transactions with ultimate Parent Company		
Nature of transactions		
Brokerage income	10,359,595	5,682,349
Reimbursement of expenses by the ultimate parent company	60,000	-
Reimbursement of expenses to the ultimate parent company	5,931,014	1,548,000
Advisory and market maker fee received		375,000
Mark-up received on term finance certificates	1,083,935	1,522,411
Principal received on term finance certificates	2,500,000	2,500,000
Transactions with key management personnel of the Company and its Parent Company		
Nature of transactions		
Brokerage income	13,549,389	1,902,934
Directors' remuneration	956,516	2,050,000
Remuneration paid to Chief Executive Officer	23,393,747	25,049,802
Remuneration paid to key management personnel	108,711,190	99,427,821

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2021

September 30, 2021
(Un-audited)
----- (Rupees) -----

June 30, 2020
(Un-Audited)

Transactions with other related parties

Nature of transactions

Royalty expense	12,083,334	11,250,000
Insurance expense	13,656,484	8,421,299
Purchase of Pakistan investment bond	7,970,521	
Sale of sukuk certificates	904,343,821	1,311,063,703
Purchase of sukuk certificates	163,644	
Mark-up on sukuk certificates	1,088,569	-
Capital gain on sale of sukuk certificates	5,615,075	7,861,500
Sale of term finance certificates		39,435,913
Capital gain on sale of term finance certificates		259,800
Contributions to staff provident fund	10,944,597	9,973,663

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	September 30, 2021 (Un-audited)			Total
	Brokerage	“Investment and treasury”	“Other operations”	
	(Rupees)			
25. OPERATING SEGMENTS				
Segment revenues	733,519,387	119,487,791	198,469,344	1,051,476,522
Loss on remeasurement of investments	-	(1,966,478)	-	(1,966,478)
Administrative and operating expenses	(285,443,217)	(15,631,354)	(194,161,455)	(495,236,026)
Depreciation	(23,705,652)	(9,544,123)	(19,805,800)	(53,055,575)
Amortisation of intangible assets	-	-	-	-
Finance cost	(8,003,341)	-	-	(8,003,341)
	416,367,177	92,345,836	(15,497,911)	493,215,102
Gain on sale of property and equipment				-
Gain on termination of lease				19,755,341
Provision for Sindh Workers' Welfare Fund				(10,259,409)
Taxation				(102,244,618)
Profit after tax				400,466,416
Segment assets	2,546,679,823	1,413,974,327	676,608,609	4,637,262,759
Segment liabilities	1,790,844,514	-	514,390,526	2,305,235,040

There were no major customer of the Company which derived 10 percent or more of the Company's revenue. All non-current assets of the Company as at September 30, 2021 and December 31, 2020 are located and operating in Pakistan.

	September 30, 2020 (Un-audited)			Total
	Brokerage	Investment and treasury	Other operations	
	(Rupees)			
Segment revenues	408,739,310	175,969,341	40,547,909	625,256,560
Gain on remeasurement of investments	-	(6,165,147)	-	(6,165,147)
Administrative and operating expenses	(203,295,015)	(26,247,639)	(104,768,259)	(334,310,913)
Depreciation	(19,735,829)	(13,294,649)	(27,211,306)	(60,241,784)
Amortisation of intangible assets	-	-	(2,000)	(2,000)
Finance cost	(14,520,051)	-	-	(14,520,051)
	171,188,415	130,261,906	(91,433,656)	210,016,665
Gain on sale of property and equipment				69,668
Gain on termination of lease				19,755,341
Provision for Sindh Workers' Welfare Fund				(4,596,833)
Taxation				(88,773,641)
Profit after tax				136,471,200
Segment assets	2,596,269,547	1,418,189,184	527,685,369	4,542,144,100
Segment liabilities	1,731,398,462	-	430,382,055	2,161,780,517

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

26. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

Financial assets at fair value through profit or loss	September 30, 2021 (Un-audited)			Total
	Level 1	Level 2	Level 3	
	(Rupees)			
Quoted equity securities	-	-	-	-
Exchange Traded Fund	5,666,366	-	-	5,666,366
	<u>5,666,366</u>	<u>-</u>	<u>-</u>	<u>5,666,366</u>
Fair value through other comprehensive income				
Quoted securities	72,215,348	-	-	72,215,348
	<u>72,215,348</u>	<u>-</u>	<u>-</u>	<u>72,215,348</u>
Financial assets at fair value through profit or loss	December 31, 2020 (Audited)			Total
	Level 1	Level 2	Level 3	
Quoted equity securities	198,970,125	-	-	198,970,125
Exchange Traded Fund	8,438,561	-	-	8,438,561
	<u>207,408,686</u>	<u>-</u>	<u>-</u>	<u>207,408,686</u>
Fair value through other comprehensive income				
Quoted securities	140,241,965	-	-	140,241,965
	<u>140,241,965</u>	<u>-</u>	<u>-</u>	<u>140,241,965</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

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

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

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

During the period ended September 30, 2021, the personnel employed in the Research Department have drawn an aggregate salary and benefits amounting to Rs.11.503 million, which comprises basic salary, medical allowance, provident fund and other benefits as per company policy.

28 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue in the Board of Directors' meeting held on October 21, 2021.

Director

Chief Executive Officer

Chief Financial Officer



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