

Our Commitment to Growth

For the Quarter Ended
March 31st 2022







Our Commitment to Growth

For over 25 years, Trust Securities and Brokerage Limited have been providing cutting edge brokerage solution. 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 5 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

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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 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



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 Ahmad
 Mr. Sardar Abdul Majeed Khan

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

Muhammad Ahmed

Company Secretary

Syed Maqsood Ahmad

Audit Committee:

Mr. Talat Mahmood
 Mrs. Zenobia Wasif
 Mr. Junaid Shehzad Ahmad

Chairman
 Member
 Member

H.R & Remuneration Committee:

Mr. Khizer Hayat Farooq
 Mr. Junaid Shehzad Ahmad
 Mr. Zulfiqar Ali Anjum

Chairman
 Member
 Member

Management Committee (ML/TF)

Mr. Talat Mahmood
 Mr. Muhammad Khurram Faraz
 Mr. Abdul Basit

Chairman
 Member
 Member

Investment Committee

Mr. Abdul Basit
 Mr. Muhammad Khurram Faraz
 Mr. Zeeshan Haroon

Chairman
 Member
 Member

Risk Management Committee

Mr. Abdul Basit
 Mr. Muhammad Khurram Faraz
 Mr. Muhammad Umair Ansari
 Mr. Imran Sheikh

Chairman
 Member
 Member
 Member

I.T. Steering Committee

Mr. Khizer Hayat Farooq
 Mr. Muhammad Khurram Faraz
 Mr. Muhammad Zulfiqar

Chairman
 Member
 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, 4th 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 Lahore:

2nd Floor, Associated House
 Building No. 182, 7-Kashmir Road, Lahore
 Tel: (92-42) 36310241-44, Fax: (92-42) 36373040

Branch Office Karachi:

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

Branch Office LSE Plaza, Lahore:

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

PMEX Branch Office – BFC Building, Karachi

Room No. 510, 5th Floor, Business & Finance Center
 I.I. Chundrigar, Road, Karachi

PMEX Branch Office – DHA, Karachi

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

Website: www.tsbl.com.pk E-mail: info@tsbl.com.pk



Directors' Report

DEAR SHAREHOLDERS,

The directors are pleased to present the Un-Audited Financial Statements of the Company for the nine month ended 31st March 2022 together with Directors' Report thereon as per accounting, regulatory and legal requirements.

Following is the summary of the Company's financial performance during the quarter.

	March 31' 2022	March 31' 2021
Revenue	157,985,958	221,344,340
Operating (Loss)/Profit	(37,295,890)	35,728,943
(Loss)/Profit Before Taxation	(6,784,766)	71,985,176
(Loss)/Profit After Taxation	(13,784,583)	57,410,529

We are pleased to announce the Company's financial results for 9 months ended which has seen a decline in revenue hence achieving a net loss and negative EPS.

The Company made a loss of Rs. 13.7 Million for the nine months ended March 31, 2022 against a net profit of Rs. 57.4 Million in the previous corresponding period i.e. March 31' 2021.

The loss per share for the nine months ended March 31, 2022 is (0.46) compared to an EPS in the corresponding period of 1.91.

The primary factors resulting in decreased revenues were low volume activity in the number of daily trades. There were ups and downs in the market due to the ongoing pandemic Coronavirus (Covid -19) worldwide while the political instability at home was at uproar which made the bourse even duller.

ACKNOWLEDGMENT

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) and 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.

For and on behalf of the Board


Abdul Basit
Chief Executive Officer


Zenobia Wasif
Chairperson/Director

Karachi: April 26, 2022



Financials

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2022

	Note	(Un-Audited) March 31, 2022 Rupees	(Audited) June 30, 2021 Rupees
<u>ASSETS</u>			
Non-Current Assets			
Property and equipment	5	14,097,565	12,749,879
Right of use asset	6	17,572,618	17,121,108
Intangibles	7	5,807,184	6,013,434
Long term investments		12,684,944	12,684,944
Long term deposits	8	10,239,515	3,480,200
Deferred taxation	9	5,208,063	9,534,563
		65,609,889	61,584,128
Current Assets			
Short term investments	10	39,120,069	20,595,180
Trade debts	11	170,030,541	74,892,752
Receivable against margin finance	12	37,288,978	78,091,508
Advances, deposits, prepayments and other receivables	13	133,817,713	279,028,184
Cash and bank balances	14	40,819,520	99,296,325
		421,076,821	551,903,949
Total Assets		486,686,710	613,488,077
<u>EQUITY AND LIABILITIES</u>			
Share Capital and Reserves			
Authorized Capital			
75,000,000 (2021 : 75,000,000) Ordinary shares			
Ordinary shares of Rs. 10 each		750,000,000	750,000,000
Issued, subscribed and paid-up capital		300,000,000	300,000,000
Reserves			
Accumulated profit		(10,661,113)	3,123,469
Shareholders' Equity		289,338,887	303,123,469
Non-Current Liabilities			
Lease liabilities		10,277,327	11,040,435
Current Liabilities			
Current maturity of lease liabilities	15	8,010,960	6,318,650
Short term borrowings	16	25,825,555	37,110,437
Trade and other payables	17	151,459,693	242,584,028
Accrued markup		870,704	1,773,728
Provision for taxation	18	903,584	11,537,330
		187,070,496	299,324,173
Commitment	19		
Total Equity and Liabilities		486,686,710	613,488,077

The annexed notes 1 to 24 form an integral part of these financial statements



Chief Executive



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE NINE MONTHS ENDED MARCH 31, 2022 (UN-AUDITED)

	Note	Nine months ended		3rd quarter ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		----- Rupees -----			
Operating revenue	20	157,985,958	221,344,340	42,694,799	89,459,616
(Loss)/Gain on sale of short term investments		(12,977,804)	8,499,612	(10,839,881)	(478,188)
(Loss)/Gain on remeasurement of - at FVTPL		(8,593,263)	746,685	3,760,507	1,035,346
		136,414,890	230,590,637	35,615,425	90,016,773
Operating and administrative expenses		(169,321,428)	(192,226,107)	(51,976,483)	(77,739,854)
Finance cost		(4,389,353)	(2,635,587)	(1,410,288)	(1,342,549)
		(173,710,781)	(194,861,694)	(53,386,772)	(79,082,403)
Operating Loss / Profit		(37,295,890)	35,728,943	(17,771,347)	10,934,370
Other charges	21	(1,573,368)	-	(220,823)	-
Other income		32,084,492	36,256,233	9,368,538	13,862,470
(Loss)/Profit before taxation		(6,784,766)	71,985,176	(8,623,633)	24,796,840
Taxation		(6,999,817)	(14,574,647)	(2,998,259)	(4,450,915)
(Loss)/Profit after taxation		(13,784,583)	57,410,529	(11,621,892)	20,345,925
(Loss) / E arning per share - basic and diluted		(0.46)	1.91	(0.39)	0.68

The annexed notes 1 to 24 form an integral part of these financial statements


Chief Executive


Chief Financial Officer


Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED MARCH 31, 2022 (UN-AUDITED)

	<i>Nine months ended</i>		<i>3rd Quarter ended</i>	
	<i>March 31, 2022</i>	<i>March 31, 2021</i>	<i>March 31, 2022</i>	<i>March 31, 2021</i>
	<i>----- Rupees -----</i>			
(Loss) / Profit for the period	(13,784,583)	57,410,529	(11,621,892)	20,345,925
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss)/income for the period	(13,784,583)	57,410,529	(11,621,892)	20,345,925

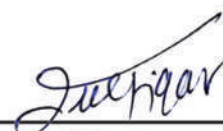
The annexed notes 1 to 24 form an integral part of these financial statements



Chief Executive



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED MARCH 31, 2022 (UN-AUDITED)

	<i>Share Capital</i>	<i>Revenue Reserves Accumulated (losses)/Profit</i>	<i>Shareholders Equity</i>
	<i>- Rupees -</i>		
Balance as at July 1, 2020	300,000,000	(94,869,082)	205,130,918
Profit for the period ended March 31, 2021	-	57,410,529	57,410,529
Balance as at March 31, 2021 (Un-Audited)	300,000,000	(37,458,553)	262,541,447
Balance as at July 1, 2021	300,000,000	3,123,470	303,123,470
Loss for the period ended March 31, 2022	-	(13,784,583)	(13,784,583)
Balance as at March 31, 2022 (Un-Audited)	300,000,000	(10,661,113)	289,338,887

The annexed notes 1 to 24 form an integral part of these financial statements,



Chief Executive



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED MARCH 31, 2022 (UN-AUDITED)

A. CASH FLOWS FROM OPERATING ACTIVITIES

	March 31, 2022 Rupees	March 31, 2021 Rupees
Profit before taxation	(6,784,766)	71,985,176
Adjustment for non-cash charges and other items		
Depreciation	1,215,157	1,213,661
Profit on saving account	(1,598,730)	-
Amortization on right of use assets	5,766,519	4,116,135
Amortization	206,250	206,251
Interest expense on lease liabilities	1,347,834	610,839
Provision for doubtful debts	1,573,368	-
Interest income on exposure deposited	(3,655,264)	(4,703,931)
Profit on margin financing	(7,431,102)	(8,903,928)
MTS markup	(3,223,340)	(2,820,603)
Finance cost	3,041,519	(2,024,748)
Dividend income	(1,167,212)	(590,783)
Reversal of provision for doubtful debts	(1,147,346)	(673,931)
Loss / (Gain) on sale of Investment	12,977,804	(8,499,612)
Unrealised loss on remeasurement of investment	8,593,263	(746,685)
	16,498,720	(22,817,335)
	9,713,954	49,167,841
Changes in Working Capital:		
Decrease / (Increase) in current assets		
Trade debts	(95,563,812)	(61,171,624)
Receivable against margin finance	40,802,530	(14,128,759)
Investment in margin trading system-net		(2,709,234)
Advances, deposits, prepayments and other receivables	145,116,994	(167,992,606)
	90,355,712	(246,002,223)
Decrease in current liabilities		
Trade and other payables	(91,124,335)	138,739,290
Cash used in operations	8,945,331	(58,095,092)
Taxes paid	(13,307,063)	(2,493,360)
Finance cost paid	(3,860,639)	2,024,748
Long term deposits - net	(6,759,315)	(1,350,200)
Net cash used in operating activities	(14,981,686)	(59,913,904)

B. CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of fixed assets	(2,312,843)	(1,254,660)
Interest income received	16,087,271	14,799,841
Dividend income received	1,167,212	590,783
Investments - net	(40,517,557)	(1,972,218)
Net cash (used)/generated from investing activities	(25,575,917)	12,163,746

C. CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from short term borrowings	(11,284,882)	56,342,007
Repayment of liabilities against use of asset	(6,634,320)	(4,766,201)
Net cash (used in) /generated from financing activities	(17,919,202)	51,575,806
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(58,476,805)	3,825,648
Cash and cash equivalents at beginning of year	99,296,325	37,248,528
Cash and cash equivalents at end of year	40,819,520	41,074,176

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The annexed notes 1 to 24 form an integral part of these financial statements


Chief Executive


Chief Financial Officer


Director

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED MARCH 31, 2022(UN-AUDITED)

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 geographical location and address of company offices are as under:

- Head Office : Suite No. 401, 4th Floor, Business and Finance Center, I.I Chundrigar Road, Karachi.
- Branch Offices : Suite No. 202, 2nd Floor New Stock Exchange Building, I.I. Chundrigar Road, Karachi.

2nd Floor, Associated House, Building # 1 & 2, 7-Kashmir Road, Lahore.

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

Office No. 725, 7th Floor, PSX New Building, Stock Exchange Road, Karachi.

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

Room No. 510, 5th Floor, Business and Finance Center, II Chundigarh Road, Karachi.

The Company is principally engaged in brokerage of shares, stocks, equity and debt securities, commodities, forex, 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.

These condensed interim financial statements do not include all the information required to be contained in the annual financial statements and therefore should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2021.

2 BASIS OF PREPARATION

2.1 Basis of Measurement

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

- Provisions of and directives issued under the Companies Act, 2017.

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.

This condensed interim financial statements are unaudited but subject to limited scope review by the statutory auditors as required by the Companies Act, 2017. The figures of the condensed interim statement of profit or loss account and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed by the statutory auditors of the Company as they have reviewed the cumulative figures for the six months ended December 31, 2021 and December 31, 2020.

2.2 Functional and presentation currency

The financial statements are presented in Pak Rupees, which is also the Company's functional currency. All financial information presented in Pak Rupees has been rounded to the nearest rupee.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial report are the same as those applied in the preparation of the financial statements for the year ended June 30, 2021.

2 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended June 30, 2021.

		<i>(Un-Audited)</i> <i>March 31,</i> <i>2022</i> <i>Rupees</i>	<i>(Audited)</i> <i>June 30,</i> <i>2021</i> <i>Rupees</i>
5	PROPERTY AND EQUIPMENT		
Operating fixed assets	5.1	<u>13,847,565</u>	<u>12,749,879</u>
Capital work in progress	5.2	<u>250,000</u>	<u>-</u>
		<u>14,097,565</u>	<u>12,749,879</u>
5.1 Operating fixed assets			
Opening written down value		12,749,879	12,989,347
Addition during the period		2,312,843	1,434,660
Depreciation charge for the period		<u>(1,215,157)</u>	<u>(1,674,128)</u>
		<u>13,847,565</u>	<u>12,749,879</u>
5.2 Capital work in progress			
Opening balance		-	-
Addition during the year		1,827,565	572,880
Transferred to fixed assets		<u>(1,577,565)</u>	<u>(572,880)</u>
Closing balance		<u>250,000</u>	<u>-</u>
5.3 Details of additions of operating fixed assets during period/year are as follows:			
Computers		59,700	340,572
Furniture and fittings		1,780,900	727,043
Vehicles		206,500	241,710
Office equipment		<u>265,743</u>	<u>125,335</u>
		<u>2,312,843</u>	<u>1,434,660</u>

	<i>(Un-Audited)</i> <i>March 31,</i> <i>2022</i> <i>Rupees</i>	<i>(Audited)</i> <i>June 30,</i> <i>2021</i> <i>Rupees</i>
6 RIGHT OF USE ASSETS		
Opening balances	17,121,108	3,337,495
Additions	6,218,036	19,294,350
Depreciation expense	<u>(5,766,526)</u>	<u>(5,510,737)</u>
Closing balance	<u>17,572,618</u>	<u>17,121,108</u>

7 INTANGIBLES

		(Un-Audited) March 31, 2022 Rupees	(Audited) June 30, 2021 Rupees
	Note		
Trading Rights Entitlement Certificate (TREC)			
Pakistan Stock Exchange Limited (PSX)	7.1&7.2	1,280,000	1,280,000
Offices			
LSE Financial Services Limited (LFSL)	7.3	262,600	262,600
Pakistan Mercantile Exchange Limited (PMEX) membership			
Pakistan Mercantile Exchange Limited		2,500,000	2,500,000
Software	7.4	1,764,584	1,970,834
		5,807,184	6,013,434

7.1 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.

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

7.3 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.

	(Un-Audited) March 31, 2022 Rupees	(Audited) June 30, 2021 Rupees
7.4 Software		
Opening net book value	1,970,834	2,245,834
Amortization charge	(206,250)	(275,000)
Closing net book value	1,764,584	1,970,834
Cost	2,750,000	2,750,000
Accumulated amortization	(985,416)	(779,166)
Net book value	1,764,584	1,970,834
Amortization rate	10%	10%

<i>(Un-Audited)</i>	<i>(Audited)</i>
<i>March 31,</i>	<i>June 30,</i>
<i>2022</i>	<i>2021</i>
<i>Rupees</i>	<i>Rupees</i>

8 LONG TERM DEPOSITS
- Unsecured - Considered good

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	550,500	250,500
Lease deposits	2,704,710	1,229,700
Base minimum capital	4,969,305	-
Other deposits	15,000	-
	10,239,515	3,480,200

9 DEFERRED TAXATION

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

<i>(Un-Audited)</i>	<i>(Audited)</i>
<i>March 31,</i>	<i>June 30,</i>
<i>2022</i>	<i>2021</i>
<i>Rupees</i>	<i>Rupees</i>

Taxable temporary differences

Accelerated tax depreciation	(6,030,233)	(5,909,238)
Unrealized gain on investments	-	(442,725)
	(6,030,233)	(6,351,963)

Deductible temporary differences

Provision for doubtful debts	2,768,278	2,644,731
Assessed tax losses	-	1,370,658
Lease liability	2,980,425	5,034,135
Minimum tax	49,564	2,195,250
Alternative Corporate Tax	4,641,752	4,641,752
Unrealized loss on investments	798,277	-
	11,238,296	15,886,526
	5,208,063	9,534,563

10 SHORT TERM INVESTMENTS

At fair value through profit or loss

In shares of quoted company	39,090,069	20,565,180
In shares of unquoted company	30,000	30,000
	39,120,069	20,595,180

		<i>(Un-Audited)</i> <i>March 31,</i> <i>2022</i> <i>Rupees</i>	<i>(Audited)</i> <i>June 30,</i> <i>2021</i> <i>Rupees</i>
11 TRADE DEBTS	Note		
Considered good		170,030,541	74,892,752
Considered doubtful		9,545,785	9,119,762
		<u>179,576,326</u>	<u>84,012,514</u>
Provision for doubtful debts	11.2.1	<u>(9,545,785)</u>	<u>(9,119,762)</u>
		<u>170,030,541</u>	<u>74,892,752</u>

11.1 The total value of securities pertaining to clients are **Rs. 1.59 billion** (June 2021 : Rs.845.810 million) held in sub-accounts of the company. Securities pledged by client to the financial institutions amounting to **Rs.30.174 million** (June 2021 : Rs.109.50 million).

		<i>(Un-Audited)</i> <i>March 31,</i> <i>2022</i> <i>Rupees</i>	<i>(Audited)</i> <i>June 30,</i> <i>2021</i> <i>Rupees</i>
11.2 Aging analysis	Note		

The aging analysis of trade debts is as follows:

Upto fourteen days		140,759,714	68,397,522
More than fourteen days	11.2.1	38,816,611	15,614,992
		<u>179,576,326</u>	<u>84,012,514</u>

11.2.1 Adequate provision of **Rs. 9.545 million** (2021 : Rs. 9.119 million) has been provided in respect of amount due from customers.

		<i>(Un-Audited)</i> <i>March 31,</i> <i>2022</i> <i>Rupees</i>	<i>(Audited)</i> <i>June 30,</i> <i>2021</i> <i>Rupees</i>
11.3 Provision for doubtful debts			
Balance as on July 01		9,119,762	11,510,903
Provision made during the period		1,573,368	651,051
		<u>10,693,130</u>	<u>12,161,954</u>
Reversal of excess provision against trade debt		(1,147,346)	(2,037,981)
Reversal of excess provision		-	(1,004,211)
		<u>9,545,785</u>	<u>9,119,762</u>

12 RECEIVABLE AGAINST MARGIN FINANCE

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 15% to 19% fixed rate.

			(Un-Audited) March 31, 2022 Rupees	(Audited) June 30, 2021 Rupees
	Note			
13 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES - Considered good				
Advances				
Advance to staff			5,023,813	3,340,055
Advance for office maintenance			963,475	252,890
			5,987,288	3,592,945
Deposits				
Deposit against exposure	13.1		70,441,877	134,348,212
Deposits against margin trading system	13.2		44,991,521	132,806,264
			115,433,398	267,154,476
Prepayments				
Short term prepayments			372,000	588,000
Other receivables				
Other receivables			1,220,154	1,768,935
PMEX Clearing House			1,636,498	1,371,714
Markup receivable against leverage products			2,940,208	3,130,829
Markup receivable against Saving Account			18,207	6,420
Capital gain tax receivable			85,357	-
Retained profit future contract from NCCPL			6,124,604	1,414,865
			12,025,027	7,692,763
			133,817,713	279,028,184

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

13.2 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.

			(Un-Audited) March 31, 2022 Rupees	(Audited) June 30, 2021 Rupees
	Note			
14 CASH AND BANK BALANCES				
Cash in hand			1,385,656	473,187
Cash at banks				
In current accounts			416,836	80,141,278
In saving account	14.1		39,017,028	18,681,860
	14.2		39,433,864	98,823,138
			40,819,520	99,296,325

14.1 Saving account carries markup which ranges from 3.25% to 5.5% (June-2021 : 3.25% to 5.5%) per annum.

<i>(Un-Audited)</i>	<i>(Audited)</i>
<i>March 31,</i>	<i>June 30,</i>
<i>2022</i>	<i>2021</i>
<i>Rupees</i>	<i>Rupees</i>

14.2 Balance pertaining to :

Clients	38,928,026	97,758,000
Brokerage house	505,838	1,065,138
	<u>39,433,864</u>	<u>98,823,138</u>

15 LEASE LIABILITIES

Opening balances	17,359,085	3,520,273
Additions	6,215,688	19,294,350
Interest expense	1,347,834	817,051
Payments	(6,634,320)	(6,272,589)
	<u>929,202</u>	<u>13,838,812</u>
Closing balances	<u>18,288,287</u>	<u>17,359,085</u>
Current	8,010,960	6,318,650
Non - current	<u>10,277,327</u>	<u>11,040,435</u>
	<u>18,288,287</u>	<u>17,359,085</u>

Rate of return on lease liabilities ranges from 9.92% - 10.3% (June 21 : 9.92% - 10.45%)

<i>(Un-Audited)</i>	<i>(Audited)</i>
<i>March 31,</i>	<i>June 30,</i>
<i>2022</i>	<i>2021</i>
<i>Rupees</i>	<i>Rupees</i>

16 SHORT TERM BORROWINGS

Secured - interest bearing - from banking companies

Running finance	<u>25,825,555</u>	<u>37,110,437</u>
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16.1 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.

17 TRADE AND OTHER PAYABLES

	<i>(Un-Audited)</i> <i>March 31,</i> <i>2022</i> <i>Rupees</i>	<i>(Audited)</i> <i>June 30,</i> <i>2021</i> <i>Rupees</i>
Trade creditors	92,002,515	153,066,515
Accrued liabilities	20,565,392	14,617,594
Withholding tax payable	4,670,795	5,863,943
Capital gain tax payable	8,119	28,797,875
Sindh sales tax payables	3,088,904	6,198,334
Employees compensated absences	1,636,473	1,636,473
Retain future profit of clients	8,101,005	1,337,560
DFC withheld exposure demand from clients	13,507,515	26,220,344
Other liabilities	7,878,976	4,845,390
	<u>151,459,693</u>	<u>242,584,028</u>

18 PROVISION FOR TAXATION

Opening tax payable / (refundable)	11,537,330	(4,672,365)
Tax refund during the period	-	376,190
Tax paid during the period	<u>(13,307,063)</u>	<u>(2,989,597)</u>
	<u>(1,769,733)</u>	<u>(7,285,772)</u>
Provision for the period	<u>2,673,317</u>	<u>18,823,102</u>
	<u>903,584</u>	<u>11,537,330</u>

19 COMMITMENT

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

	<i>(Un-Audited)</i> <i>March 31,</i> <i>2022</i> <i>Rupees</i>	<i>(Audited)</i> <i>June 30,</i> <i>2021</i> <i>Rupees</i>
For purchase of shares	<u>404,371,332</u>	<u>748,945,199</u>
For sale of shares	<u>369,899,713</u>	<u>709,607,252</u>

<i>(Un-Audited)</i>		<i>(Un-Audited)</i>	
<i>Nine Months ended</i>		<i>3rd Quarter ended</i>	
<i>March 31,</i>	<i>March 31,</i>	<i>March 31,</i>	<i>March 31,</i>
<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
<i>----- Rupees -----</i>			

20 OPERATING REVENUE

Brokerage income from PSX	143,502,089	211,557,813	36,427,769	85,475,641
Brokerage income from PMEX	13,316,656	9,195,744	5,634,049	3,983,975
Dividend income	1,167,212	590,783	632,981	-
	157,985,958	221,344,340	42,694,799	89,459,616

21 OTHER CHARGES

Provision for doubtful debts	(1,573,368)	-	(220,823)	-
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22 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.

23 DATE OF AUTHORIZATION OF ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company on 26 APRIL 2022.

24 GENERAL

Figures have been rounded off to the nearest rupee.



Chief Executive



Chief Financial Officer



Director