



TRUST SECURITIES
& BROKERAGE LTD



Annual Report 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.



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 6 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.



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Form of Proxy





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.





Code of Conduct

Trust Securities & Brokerage Limited (TSBL) strongly support corporate decorum and ensure and running its business progressively while adopting a Code of Ethics and Business Practice

Corporate Social Responsibility

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

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

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



Company Information

Board of Directors:

Ms. Zenobia Wasif
 Mr. Abdul Basit
 Mr. Zulfiqar Ali Anjum
 Mr. Khizer Hayat Farooq
 WG CDR. Talat Mahmood (Retd.)
 Mr. Junaid Shehzad Ahmad
 Sardar Abdul Majeed Khan

Chief Financial Officer

Muhammad Ahmed

Audit Committee:

Mr. Talat Mahmood	Chairman
Ms. Zenobia Wasif	Member
Mr. Junaid Shehzad Ahmad	Member

Auditors:

Reanda Haroon Zakaria & Company
 Chartered Accountants

Management & Credit Rating

Pakistan Credit Rating Agency (PACRA)

Legal Advisors:

Lashari & Co

Legal Consultant:

Haider Waheed Partners

Bankers:

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

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 Karachi:

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

PMEX Branch Office – BFC Building, Karachi

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

PMEX Branch Office – LSE Plaza, Lahore

Room No. 616, 6th Floor, Stock Exchange Building,
 19-Khayaban-e-Aiwan-e-Iqbal, Lahore

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)

Company Secretary

Syed Maqsood Ahmad

H.R & Remuneration Committee:

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

Internal Auditors:

Muhammad Adnan Siddiqui
 Chartered Accountant

Share Registrar:

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

MCB Bank Limited
 Bank AL Habib Limited
 Bank Islami Limited
 Bank Al Baraka

Branch Office Lahore:

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

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 – DHA, Karachi

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



I would like to praise the management for its continuous efforts and hope that the Company would continue its upward growth trajectory in future as well.

Chairperson's Message

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

We are committed towards fulfilling our mission of becoming the leading brokerage company in Pakistan. This commitment is reflected through the milestones in the recent years.

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

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

Zenobia Wasif
Chairperson



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

CEO's Message

After spending over 27 years with TSBL, I feel very privileged to be writing this message as the chief executive officer. The past 5 years since the new sponsors took control, we have continued to build our brand, which has now become synonymous with our commitment to provide quality service to our clients. Ofcourse this wouldn't be possible had it not been for the team, we have nearly quadrupled our workforce and have embraced diversity and gender balance.

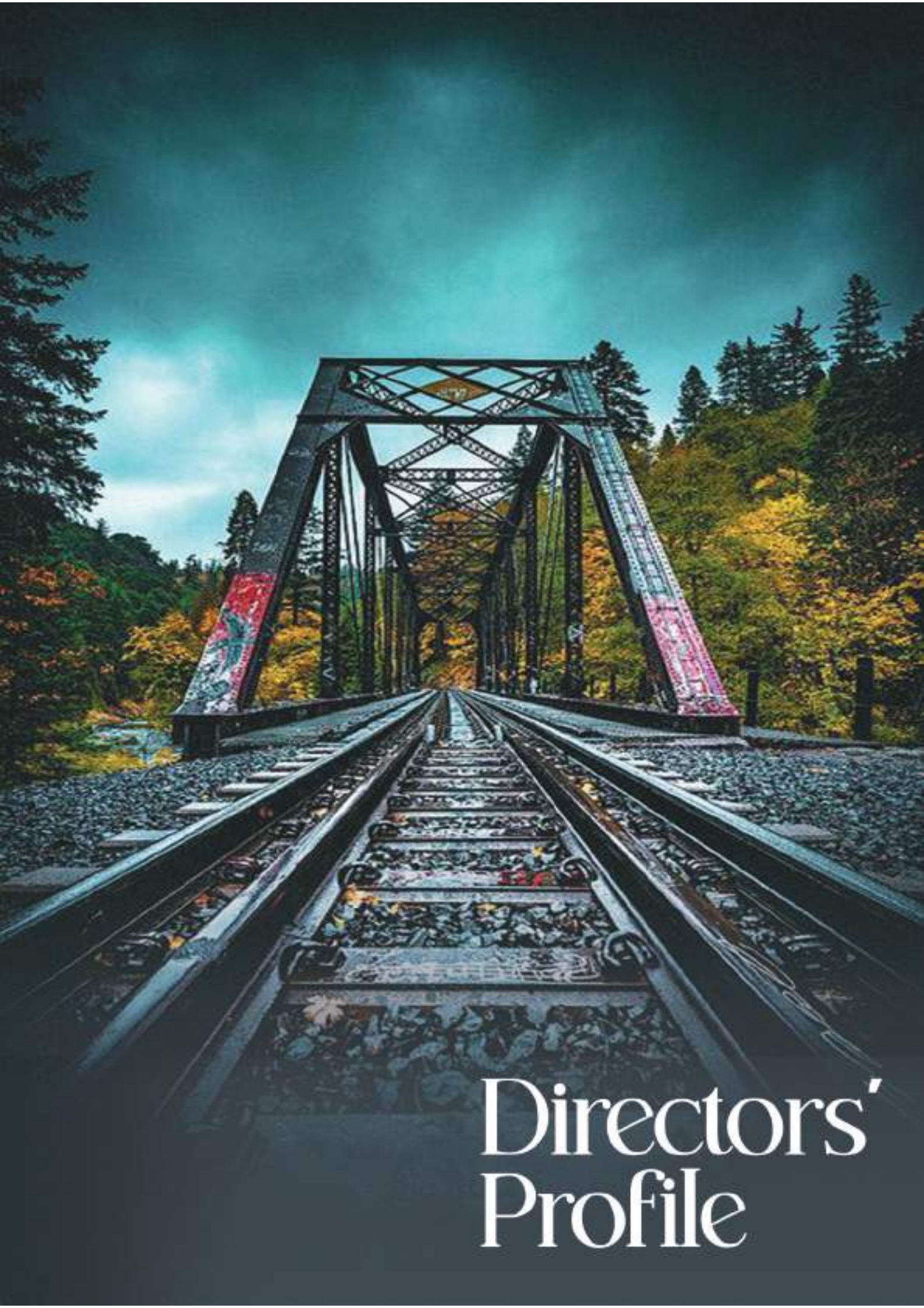
Our most important commitments are to provide exceptional client service and to live our core values: Excellence in Everything, Leadership by Example, Integrity and Transparency, Focus on the Client and Employee Centered.

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

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

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

Abdul Basit
CEO



Directors' Profile



Mrs. Zenobia Wasif

Chairperson/Director (Non-Executive)

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

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

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

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

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

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



Mr. Abdul Basit

Chief Executive Officer/Director (Executive)

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

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

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

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

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

During the year ended 30 June 2022, the board played an effective role in managing the affairs of the company in the following manner:

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

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



ZENOBIA WASIF
Chairperson
04-October-2022



Director's Report

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

On behalf of the Board of Directors of the company we are pleased to present the Annual Report of the company for the year ended June 30, 2022 along with the audited financial statements for the year in accordance with the accounting, regulatory and legal standards and requirements.

Pakistan's Economic Review

Despite revival of the IMF-EFF program, capitalizing \$1.16 billion IMF tranche, rollover of \$3 billion Saudi Development Fund for one year & adequate financing assurances, Political uncertainty, devastating flood effects, delays in opening up LCs, massive hike in energy tariffs, sharp devaluation of the rupee & deepening hyperinflation concerns leading to demand contraction & Pakistan's Economic Slowdown. However, during Jul-Aug FY 23 reflecting "mixed" Economic Performance as Pakistan's Current Account deficit dropped by 19%

(\$ million)	2020-21	2021-22	Projected 2022-23	Projected 2023-24
Real GDP Growth	5.7%	6.0%	3.5%	4.2%
Current account Deficit (%GDP)	-0.5%	-4.7%	-2.5%	-2.5%
CPI Inflation (Avg.)	8.90%	12.10%	19.90%	10%
Gross Reserves (\$ bln)	17.29	9.82	16.22	17.3
External Debt (\$ bln)	34.9	32.5	37	36.2
Fiscal Deficit	-6.0%	-7.0%	-4.60%	-4.0%
FBR Tax Revenues	4,764	6,100	7,255	8,654
Primary Balance	-1.1	-1.2	1.3	0.6

which is largely because of the contraction in imports & surge in the Exports. However, structural risks to Pakistan's Economic Fundamentals persists which include; a) Recurring Balance of Payment Crisis, b) inadequate Import Cover, c) Energy Sector Syndrome d) deepening hyperinflation concerns & implementation of the agreed IMF's ambitious reforms agenda in election year.

IMF says, Pakistan is at "challenging economic juncture", coupled with the procyclical domestic policies which has had fueled domestic demand led to overheating in the Economy & have reached to unsustainable levels. Consequently, it has ballooned Pakistan's large fiscal & external deficits in FY22, led to increasing inflation & eroded reserve buffers. IMF expects "Pakistan's real GDP growth to slow down from 6% in FY22 to 3.5% in FY23 & 4.2% in FY24. According to IMF, Notable risks, delayed adoptions of reforms, high public debt & gross financing needs & low reserves—could jeopardize program objectives & erode repayment capacity & debt Sustainability".

Pakistan has been facing a critical catch-22 situation; normalization of LCs would shoot up the Dollar value, while leading to an economic slowdown in the country if continued with the status quo. Pakistan's rupee is under pressure vs. USD largely on account of ongoing Political & economic uncertainty, the anticipation of the high food import bill due to flood effects, Dollar shortages, Speculation, and a Stronger US Dollar globally further worsening exchange rate & weakening reserve buffer.

Pakistan: Gross Financing Requirements and Sources, 2020-21–2024-25

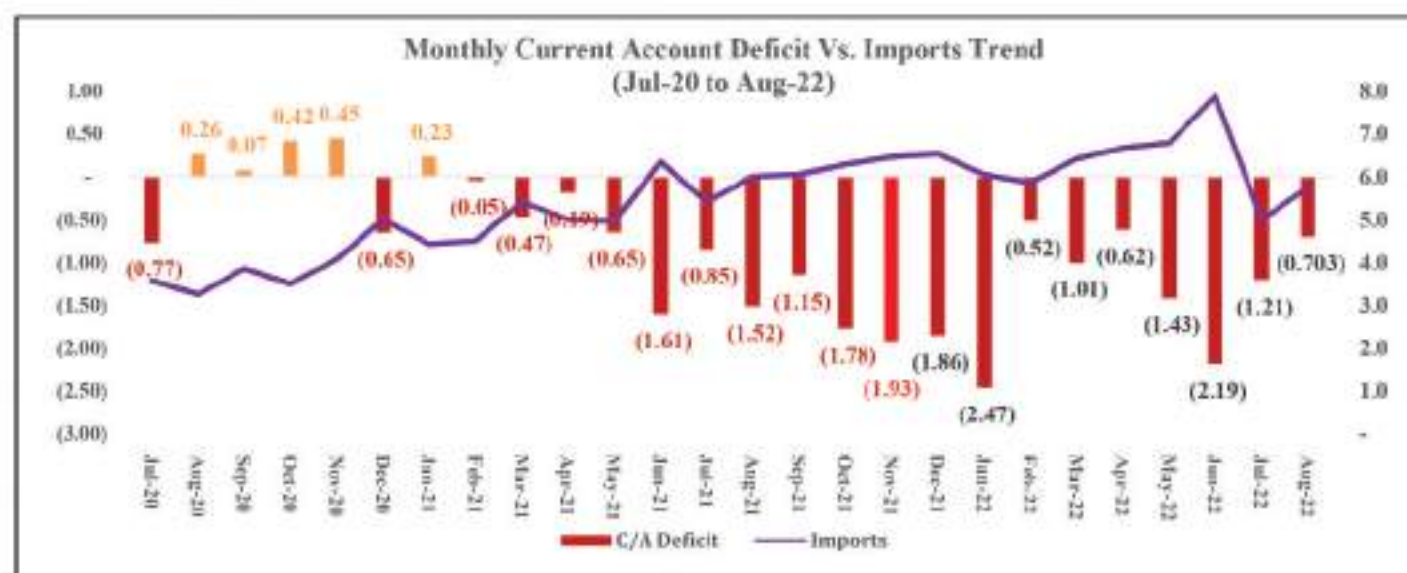
Pakistan Gross Financing Requirements & Sources (\$ in Million)	2020-21	2021-22	2022-23	2023-24	2024-25
			Projected		
Gross External Financing Requirements	21,551	34,331	30,757	36,631	35,717
1. Current account deficit	1,916	17,461	9,280	9,959	10,598
2. Amortization	18,555	15,853	20,490	24,983	23,557
3. IMF Repurchases	1,080	1,017	986	1,680	1,563
Available Financing	26,175	25,801	33,334	37,832	37,425
Remaining Financing Needs	(4,623)	8,530	-2,577	-1,211	-1,707
Borrowing from IMF	499	1,053	3,828	0	0
Gross official reserves (stock, \$ in billions)	17.3	9.8	16.2	17.4	19.1

Source: IMF

Therefore, a country needs to pursue massive structural reforms; improving governance & political stability to implement the reforms agenda agreed with the IMF for Pakistan's Economic Stabilization & Sustaining Economy. The revival of the IMF-EFF program somewhat restored Markets Confidence, but structural risks about Pakistan's Economic Fundamentals & political instability would restrict the economic potential and economic stabilization. The Risks to Pakistan's Economic outlook & Program implementation coupled with political instability and domestic & external shocks remains high in FY23.

Pakistan's External Sector Outlook

• Current Account Deficit Outlook



The details of the CAD in Aug-22 vs Jul-22 is hereafter:

Description (\$ in Million)	Aug FY23 ^K	July FY23 ^P	M/M change	Jul-Aug FY23	Jul-Aug FY22	Y/Y Change
Current Account Balance	(703)	(1,215)	-42%	(1,918)	(2,374)	-19%
Current Account Balance without off. Transfers	(726)	(1,246)	-42%	(1,972)	(2,446)	-19%
Exports of Goods FOB	2,813	2,280	23%	5,093	4,574	11%
Imports of Goods FOB	5,750	5,348	8%	11,098	11,338	-2%
Balance on Trade in Goods	(2,937)	(3,068)	-4%	(6,005)	(6,764)	-11%
Exports of Services	575	555	4%	1,130	1,044	8%
Imports of Services	936	803	17%	1,739	1,719	1%
Balance on Trade in Services	(361)	(248)	46%	(609)	(675)	-10%
Balance on Trade in Goods & Services	(3,298)	(3,316)	-1%	(6,614)	(7,439)	-11%
Primary Income Credit	76	57	33%	133	104	28%
Primary Income Debit	244	503	-51%	747	770	-3%
Balance on Primary Income	(168)	(446)	-62%	(614)	(666)	-8%
Balance on Goods, Services & Primary Income	(3,466)	(3,762)	-8%	(7,228)	(8,105)	-11%
Workers' Remittances	2,724	2,524	8%	5,248	5,419	-3%
Other Transfers	29	4	NM	33	276	-88%
Balance on Secondary Income	2,763	2,547	8%	5,310	5,731	-7%
Capital Account Balance	10	6	67%	17	29	-41%
Financial Account	(1,161)	663	-275%	(498)	(4,913)	-90%
Direct Investment	(72)	(30)	140%	(102)	(112)	-9%
Portfolio Investment	11	13	-15%	24	(951)	-103%
Other Investment	(1,101)	681	-262%	(420)	(3,750)	-89%
Net Incurrence of Liabilities	1,123	(1,080)	-204%	43	4,147	-99%
Net Errors and Omissions	(29)	95	NM	66	274	-76%
Overall Balance	(436)	1,776	-125%	1,337	(2,842)	-147%
SBP Gross Reserves	9,050	8,596	5%	9,050	20,308	-55%

^K Provisional CAD figure stood at \$0.70 billion for Aug-22.

^P Whereas revised figure hits to \$1.21 billion for Jul-22

^R SBP Gross Reserves (excluding CRR/SCRR)

- Pakistan's International Investment Position

Pakistan's Net International Investments Skyrocketed by 11% ballooned to negative \$129 billion!

International Investment Position of Pakistan Summary				(Stocks in \$ Mn)
Components (Assets - Liabilities = Net International Investments)		Mar-21	Mar-22	% change
A Assets		30,036	29,774	-1%
Direct investment abroad		1,885	1,862	-1%
Equity capital & reinvested earnings		1,883	1,861	-1%
Other capital		2	2	0%
Portfolio investment		335	450	34%
Equity securities		128	224	75%
Debt securities		207	227	9%
Financial derivatives & Employees Stock Options		22	13	-42%
Other investment		9,375	10,513	12%
Trade credits		5,197	5,486	6%
Currency & deposits		2,650	2,412	-9%
Other assets		1,528	2,615	71%
Reserve assets		18,420	16,936	-8%
Monetary gold		3,514	4,037	15%
Special drawing rights		417	2,948	607%
Foreign exchange, of which		12,721	9,941	-22%
Currency & deposits		7,332	5,322	-27%
of which: Cash in Foreign Currency		175	219	25%
Securities		5,389	4,619	-14%
Other claims		1,768	9	-99%
B Liabilities		146,699	159,268	9%
Direct investment in Pakistan		31,522	32,580	3%
Equity capital & reinvested earnings		27,545	28,425	3%
Other capital		3,977	4,155	4%
Portfolio investment		8,801	11,696	33%
Equity securities		2,772	2,170	-22%
Debt securities		6,030	9,526	58%
Financial derivatives		19	10	-49%
Other investment		106,357	114,983	8%
Trade credits		827	828	0%
Loans		93,513	97,688	4%
Currency & deposits		5,136	5,647	10%
Other liabilities		6,881	10,820	57%
C Net International Investment Position		(116,663)	(129,494)	11%

(Source: State bank of Pakistan)

• Pakistan's Trade Insight

PAKISTAN'S TRADE SUMMARY M/M

(Rs. In Billion) (\$ in Million)	(Revised) Aug-22		(Final) Jul-22		% Change	
	PKR	USD	PKR	USD	PKR	USD
Exports	548	2,482	494	2,254	10.84%	10.12%
Imports	1,341	6,071	1,095	4,993	22.39%	21.59%
Balance of Trade	(793)	(3,589)	(601)	(2,739)	31.89%	31.03%

PAKISTAN'S TRADE SUMMARY Y/Y

(Rs. In Billion) (\$ in Million)	(Revised) Aug-22		(Final) Aug-21		% Change	
	PKR	USD	PKR	USD	PKR	USD
Exports	548	2,482	369	2,247	48.67%	10.46%
Imports	1,341	6,071	1,079	6,577	24.25%	-7.69%
Balance of Trade	(793)	(3,589)	(710)	(4,330)	11.58%	-17.11%

PAKISTAN'S TRADE SUMMARY Y/Y

(Rs. In Billion) (\$ in Million)	(Revised) Jul-Aug 22		(Final) Jul-Aug 21		% Change	
	PKR	USD	PKR	USD	PKR	USD
Exports	1,043	4,737	742	4,587	40.53%	3.27%
Imports	2,436	11,064	1,969	12,152	23.75%	-8.97%
Balance of Trade	(1,393)	(6,327)	(1,226)	(7,565)	13.60%	-16.36%

PAKISTAN'S EXPORTS SUMMARY Y/Y

EXPORTS (\$ In Million) (Rs. In Billion)	UNIT	Jul-Aug 2022		Jul-Aug 2021		% Change	
		PKR	USD	PKR	USD	PKR	USD
Food Group	MT	159	725	107	660	49.39%	9.79%
Textile Group	MT	672	3,056	475	2,933	41.73%	4.18%
Petroleum Group & Coal	MT	13	60	5	31	164.0%	91.0%
Other Manufactures Group	MT	139	630	100	616	39.47%	2.40%
All others		59	266	56	346	4.51%	-23.18%
Total Exports	MT	1,043	4,737	742	4,587	40.53%	3.27%

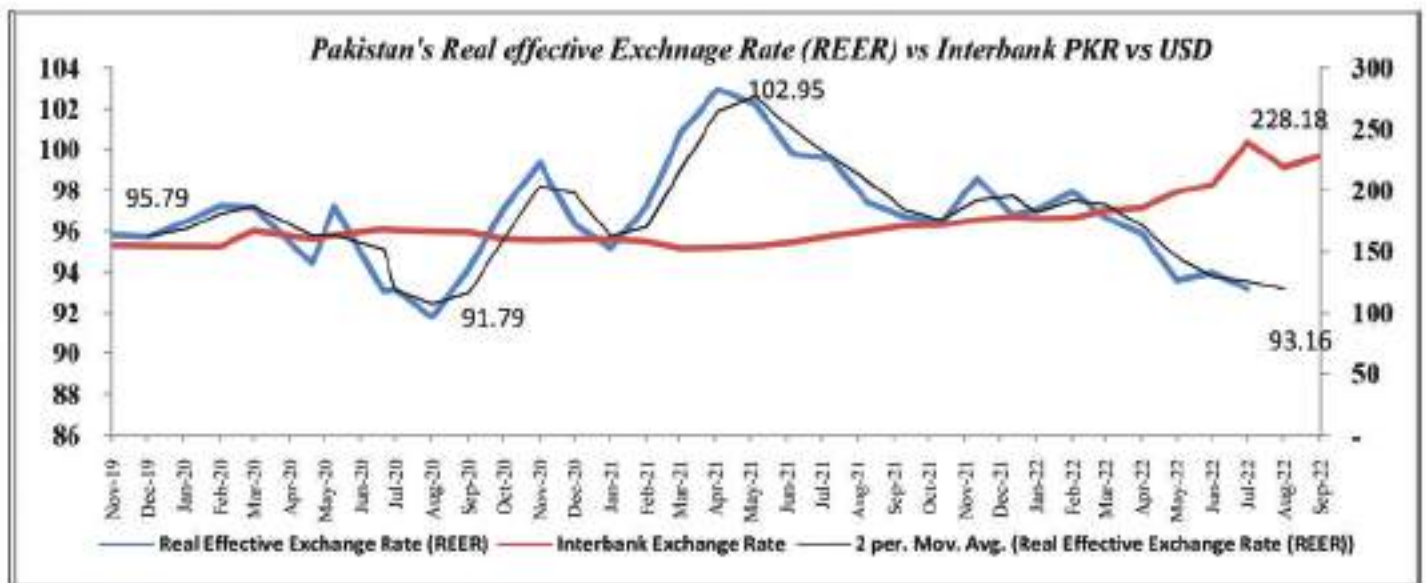
PAKISTAN'S IMPORTS SUMMARY Y/Y

IMPORTS (\$ In Million) (Rs. In Billion)	UNIT	Jul-Aug 2022		Jul-Aug 2021		% Change	
		PKR	USD	PKR	USD	PKR	USD
Food Group	MT	393	1,783	239	1,473	64.45%	8.00%
Machinery Group	MT	285	12,96	302	1,866	-5.61%	-30.57%
Transport Group	MT	93	421	108	667	-14.28%	-36.93%
Petroleum Group	MT	727	3,302	500	3087	45.29%	6.97%
Textile Group	MT	149	679	125	774	19.43%	-12.27%
Agricultural & Other Chemicals Group	MT	375	1702	359	2,213	4.51%	-23.07%
Metal Group	MT	185	839	163	1,018	13.08%	-16.86%
Misc. Group	MT	38	174	29	181	29.96%	-4.48%
All Other		191	868	142	880	34.25%	-1.32%
Total Imports	MT	2,436	11,064	1,969	12,152	23.75%	-8.97%

(Source: PBS)

Pakistan's Trade Deficit deteriorated by 31% in Aug 2022 largely due to drop in Imports. Overall, Imports of Machinery dropped by 30%, Transports by 37%, Textile by 23% & Agriculture Imports by 23%, leading to Economic Slowdown. The continued high imports & low exports, lower inflows coupled with skyrocketing commodity prices to likely to keep external account under pressure.

• Exchange rate Outlook



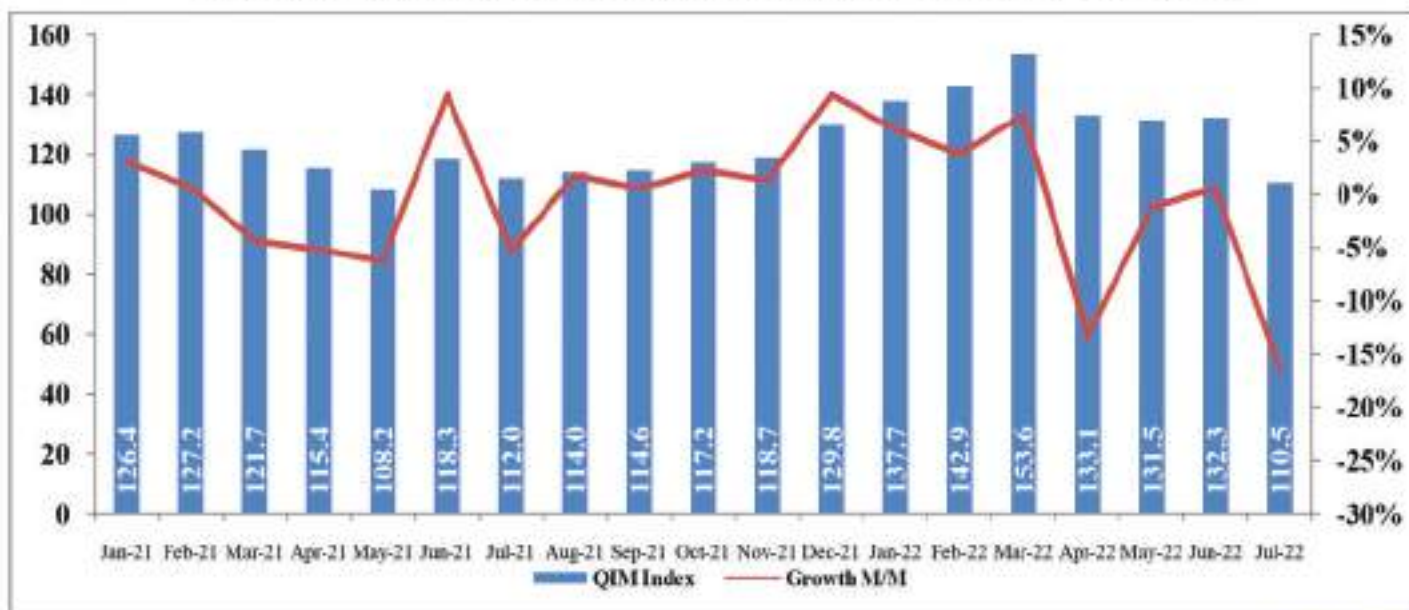
* The data for REER recorded as of July-22. The interbank rate recorded at Rs228.18 vs USD as of 9th Sept-22.

Despite realization of the subsequent release of \$1.1 billion IMF's tranche, & Saudi Rollover, Pak Rupee losing its worth vs. Dollar & gap between interbank & open markets is widening. This is driven by the ongoing Political & Economic uncertainty, devastating flood effects, US Dollar shortages in the domestic markets, smuggling factor & strengthening US dollar. Any possible setback to the official commitments (Qatar or Middle East) could further deteriorate the external accounts; evaporate Reserve buffer & nosedives Pak Rupee vs USD.

Therefore, until the ongoing political uncertainty settles, domestic & external Shocks continued to hit the domestic economy, coupled with the flood effects, leading to Stagflation. Hike in Petroleum and energy tariffs/prices to fuel hyperinflation & Policy rate. Unless the political instability ends, economic meltdown in equities & financial markets & deterioration in the investors' confidence to continue & this will increase widespread hardships for the Poor & Middle class.

Pakistan's Large-Scale Manufacturing production

Large-Scale Manufacturing Production dropped by a whopping 16.5% in Jul-22 vs. Jun-22!



(Source: PBS)

* The LSMI output decreased by 1.4% for July 2022 vs. July 2021

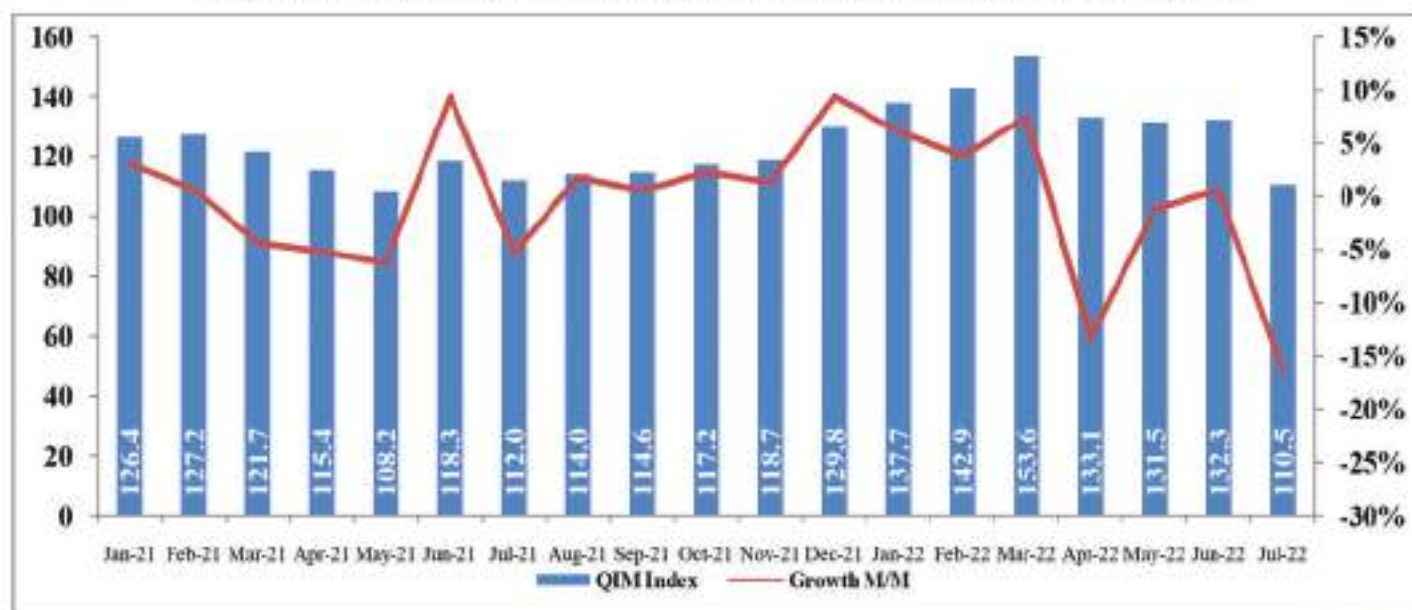
According to PBS, Pakistan's large industries' production has dropped by 16.5% in July 2022 which is the first month of FY23, as compared to June 2022. This reflects the effects of the skyrocketing commodity prices, Contractionary policies, & hyperinflation, deepened worries about economic slowdown.

On-year-on-year basis, Pakistan's Food Manufacturing sector's growth has dropped by 9.3% in July-22 as compared to the Jun-22, Tobacco sector 75.5%, Textile sector 2.2%, Coke & Petroleum sector 5.2%, petroleum products 5.2% Chemicals sector 1.3%, Fertilizer sector 13.6%, Pharmaceutical sector 35.2% & Automobile 25.9% respectively.

The surge in cost of production due to massive hike in electricity tariffs & petroleum prices, expensive credit, crowding out of private sector exacerbated economic woes of the private sector. Pakistan's Trade Deficit deteriorated by 31% in Aug-22 which is largely due to the drop in Imports. The above scenario is Pakistan's industrial growth outlook during Pakistan's Pre-flood period. The devastating floods significantly hurt Pakistan's social, infrastructure, and economic dynamics, over 33 million affected, causing several losses to the Agriculture sector & supply chain, tax revenue potential, etc. Consequently, this could inflate the overall losses to over \$40 billion to the economy. Post-flood effects on LSM numbers in the subsequent months in Jul-22 & Aug-22 are likely to reflect deepening concerns about Stagflation.

Pakistan's Large-Scale Manufacturing production

Large-Scale Manufacturing Production dropped by a whopping 16.5% in Jul-22 vs. Jun-22!



(Source: PBS)

* The LSMI output decreased by 1.4% for July 2022 vs. July 2021

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Overseas Workers' Remittance

According to State bank, Pakistan's overseas workers' remittances posted a growth of 7.97%, which stood at 2.72 billion in Aug-22 as compared to \$2.52 billion in Jul-22. However, a marginal growth of 1.54% is observed on a year-on-year basis. According to the SBP, "during Aug 22, workers' remittances rose to \$2.7 billion, up 7.9% as compared to the previous month and 1.5% as compared to Aug 21." On-month-on-month basis, remittance inflows appreciated by 15.77% from the USA, 19.15% from Saudi Arabia, 16.48% from UAE & 7.20% from other GCC countries in Aug-22 as compared to Jul-22.

(\$ in million)						(Source: SBP)			
Countries	Aug 22	Aug21	YoY Growth	Jul 22	MoM Growth	July-August			YoY Growth
						FY23	FY22	FY21	
USA	294.4	235.2	25.17%	254.3	15.77%	548.7	512.4	452.5	7.08%
U.K.	369.7	359.1	2.95%	411.7	-10.0%	781.3	757.0	696.2	3.21%
Saudi Arabia	691.8	716.0	-3.38%	580.6	19.15%	1,272.4	1,375.8	1,414.7	-7.52%
UAE	531.4	528.1	0.62%	456.2	16.48%	987.6	1,075.8	947.8	-8.20%
Other GCC Countries	300.8	296.8	1.35%	280.6	7.20%	581.4	597.2	523.1	-2.65%
EU Countries	274.8	294.7	-6.75%	294.4	-6.66%	569.2	595.8	395.8	-4.46%
Other Countries	261.0	257.6	1.32%	245.0	6.53%	507.7	504.7	431.2	0.59%
Total	2,724.0	2,682.6	1.54%	2,523.0	7.97%	5,247.7	5,418.7	4,861.2	-3.16%

(Source: SBP)

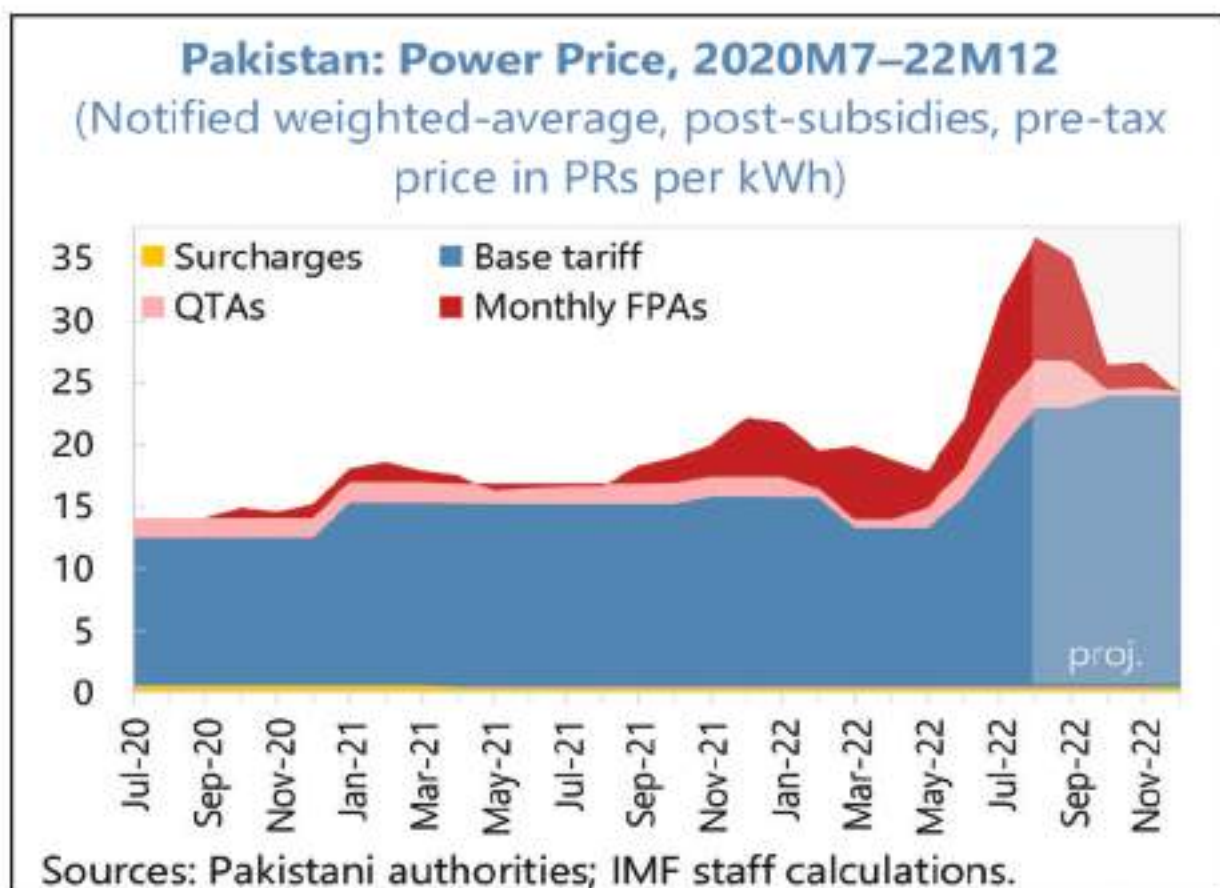
The weakening growth in remittances at a critical time, when the country is already facing deep-rooted economic, hyperinflation & flood-related challenges elevated worries for external account sustainability as remittances are the only lifeline for the country.

The Power Pricing Trend!

Pakistan has been facing the deep-rooted energy deficit syndrome for decades. This has exposed the vulnerabilities of the power sector, restricted large-scale manufacturing (LSM) growth potential, FDI in productive sectors, increased energy prices & elevated domestic debt. Consequently, Pakistan's Circular debt hits to Rs2.25 trillion or 3.35% of GDP by June 2022 according to the IMF. This is largely due to the slow reforms in the power sector, high oil prices, governance & inconsistencies in the power policies.

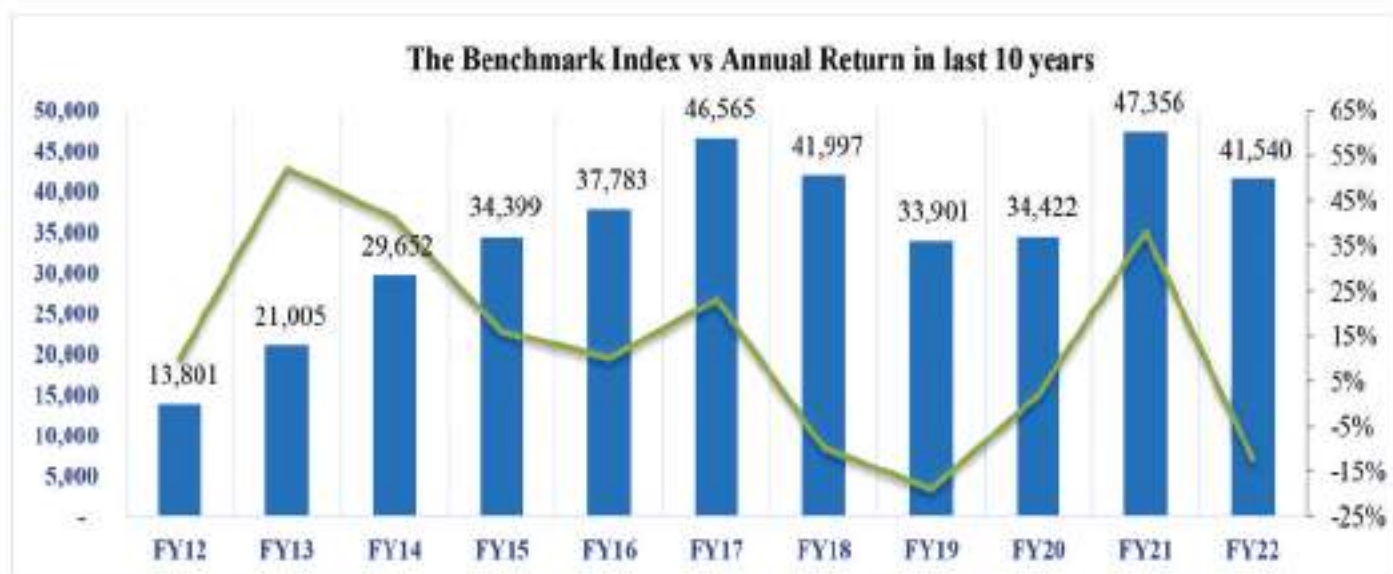
According to the IMF document, Pakistan's power sector's viability eroded further during FY22. This was mainly due to; a) delayed regular tariff adjustments and b) higher-than-expected generation & financial costs driven by higher international energy prices, rupee devaluation & elevated interest rates. The delayed tariff adjustments were driven by inconsistent political decision making, high inflation & governance issues that led to increased cost of doing businesses & power outages. In addition to this, substantial Circular debt stocks piled-up to about Rs.720 billion or 1.1% of GDP in gas sector by end Mar-22. Pakistan's Energy Deficit Syndrome, poses serious Risk to Economy. Power sector Circular debt stock reduced by Rs564 billion n till June 2022

The implementation of the above "prior actions" in a short time would be challenging given the devastating flood effects, political instability, high inflation & the political structure of the weak ruling Federal coalition govt, leads to weak decision making. As implementation of the IMF's energy plan requires serious political will to address long standing critical issues pending for decades as it would further accelerate the petrol, diesel prices, & power tariffs, which would deepen hyperinflation concerns & led to further economic slowdown. The government faces a 'Catch-22' situation & either way it would be difficult for the political government to implement this at this stage. Without the implementation of the reforms agenda in the power sector agreed with IMF, the country can't pursue the IMF-EFF program for Economic Stabilization. On the other hand, implementation of the same would shoot up inflation & negatively hit economic growth as well. Hence, worse is yet to come



Pakistan's Stock Market Overview

Pakistan has locked IMF-EFF bailout package till June-FY23 & realized the subsequent release of \$1.1 inflows from IMF, Saudi Rollover & other official commitments from the bilateral & multilateral agencies that paved the way for stability to markets. Pakistan is seeking additional emergency funding from the IMF/World Bank to fight the flood's devastating effects. If materializes, will be much-needed relief. The exit from the FATF "grey list" is likely to be another booster & triggering factor for the markets as Pakistan largely implemented tough Policy actions & compliant with 38 out of the 40 technical recommendations. The Political uncertainty heading towards clarity & is likely to be settled shortly.



Pakistan's Equity Market felt the heat driven by the Rupee devaluation vs. USD, high inflation, default concerns, and dollar shortages, which impacted the market's confidence & the participation in the market, remained lackluster. The "phasing-out" of the skyrocketing international commodity prices, started easing hits to \$79 per barrel on global recessionary concerns, which bodes well for Pakistan's economy & will ease off the pressure on the external account. Overall, markets have the potential to bounce back as stocks' valuations are attractive and fundamentals are strong. After the IMF's revival,

Pakistan has adequate capacity to repay the IMF loan, subject to the speedy program implementation. IMF Program is fully financed, covers public gross external financing needs in FY23 & projects Economic growth to hit 3.5% in FY23. So far the benchmark KSE 100 index dropped by around 9% in CY22TD which is still better than the regional markets dropped heavily as MSCI EM dropped by 25%, MSCI FM markets by 22%, Vietnam by 20%, Hong Kong by 23%, Sri Lanka 19%, and Philippines 12% respectively.

Pakistan is the cheapest among the Frontier Markets in Dollar terms & offers attractive valuations (0.66 P/BV, 3.90 P/E multiples & 7.23% yields) to foreign investors, could earn long-term double-digit returns, subject to the Political stability & sustainable and inclusive economic growth.

FINANCIAL PERFORMANCE

The company recorded operating revenue of Rs. 195 Million in FY 22, which is 36% lower when compared with FY 21 due to significant decline of volumes on the bourse. The company was made an operating loss after tax of Rs. 13 Million as compared to a profit of Rs. 88 Million in the previous year. This translate to loss per share of PKR (0.46) as compared to a profit of PKR 2.93 last year. The team made continuous efforts to increase our market share through higher penetration in the retail market. Moreover, the company added Equity Dealers as well as mobilizing the Corporate Desk in order to increase the market share.

	<i>2022 Rupees</i>	<i>2021 Rupees</i>
Operating revenue	195,027,542	305,382,104
(Loss) / gain on sale of short term investments	(6,627,432)	12,984,644
(Loss) / gain on remeasurement of investments - at FVTPL	(12,254,083)	5,146,939
Operating and administrative expenses	(215,223,079)	(262,600,220)
Finance cost	(6,087,573)	(4,688,957)
Other charges	(7,103,542)	(651,051)
Other income	38,494,129	51,013,830
(Loss) / profit before taxation	(13,774,038)	106,587,289
Taxation	122,677	(18,559,680)
(Loss) / profit after taxation	(13,651,361)	88,027,609
(Loss) / earning per share - basic and diluted	(0.46)	2.93

The company witnessed a noticeable growth in account opening adding new Unique Identification Numbers (UINs) as of June 30, 2022. Technology played an important role with the NCCPL's focus on ease of doing business. In FY22, we opened 556 new accounts and nearly 60% of these were done online.

The sales team as well as the Account Opening department performed exceptionally well in keeping up with the momentum of new accounts. Furthermore, the compliance team is to be credited for the efforts they have made working diligently on KYC/AML with the increasing number of accounts.

CREDIT RATING

The company has been assigned entity ratings of A-/A-2 (A minus/ A-Two) by The Pakistan Credit Rating Agency (PACRA). The outlook on the assigned ratings is 'Stable'. This rating has further underscored the management's vision for continuous growth and is expected to provide further confidence to the company's clientele.

MANAGEMENT RATING

The company has been assigned a management rating of BMR 2+ by The Pakistan Credit Rating Agency (PACRA). The outlook on the assigned ratings is 'Stable'. The rating incorporates the Company's strong governance framework, seasoned management team, and adequate ownership structure.

RISK MANAGEMENT

TSBL's risk management governance starts with our Board, which plays an integral role in reviewing and approving risk management policies. Due to the nature of business at TSBL, risks are unavoidable and include liquidity, market, and credit, operational, legal, regulatory and reputational risks. We believe that effective risk management is of utmost importance to the success of the company. The risk management team follows due processes in which it monitors, evaluate and manage the risks while conducting our activities.

CORPORATE SOCIAL RESPONSIBILITY

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

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

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

CODE OF CORPORATE GOVERNANCE

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

The Directors are pleased to report that:

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

CHANGES IN THE BOARD

During the year under review, there was 1 change in the structure of the Board. Sardar Abdul Majeed Khan join the board replacing Mr. Muhammad Khurram Faraz.

COMPOSITION OF BOARD, AUDIT COMMITTEE, H.R. & REMUNERATION MEETINGS AND ATTENDANCE

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

Category	Names
Independent Directors:	Mr. Khizer Hayat Farooq Wg. Cmdr (Retd) Talat Mahmood
Non-Executive Directors:	Mr. Junaid Shehzad Ahmed Mr. Sardar Abdul Majeed Khan Mrs. Zenobia Wasif
Executive Directors:	Mr. Abdul Basit Mr. Zulfiqar Ali Anjum
Female Director:	Mrs. Zenobia Wasif

The position of the Chairman and the Chief Executive Officer are kept separate in line with the best governance practices. The Board has established a separate Audit Committee and H.R. & Remuneration Committee to assist the board in the performance of its functions. The Chairman of the HR& Remuneration Committee and Audit Committee are Independent Director's same person, in line with best practices.

BOARD MEETINGS

The total number of Board Meetings were four (4) during the year ended 2022. As per the requirements of the Code of Corporate Governance, written notices were circulated to the board seven days (7) in advance except for the emergent meeting.

Name of Director	Meetings Attended
Mrs. Zenobia Wasif	3
Mr. Abdul Basit	4
Mr. Khizer Hayat Farooq	4
Mr. Junaid Shehzad Ahmed	4
Mr. Zulfiqar Ali Anjum	4
Mr. Talat Mahmood	4
Mr. Sardar Abdul Majeed Khan	4

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

AUDIT COMMITTEE

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

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

HR & REMUNERATION COMMITTEE

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

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

AUDIT COMMITTEE

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

PATTERN OF SHAREHOLDING

The detailed pattern of the shareholding and categories of shareholders of the company as at June 30, 2022, as required under the listing regulations, have been appended to this Annual Report.

RELATED PARTY TRANSACTION

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

FUTURE PROSPECTS

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

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

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

ACKNOWLEDGEMENT

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

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



ABDUL BASIT
Chief Executive Officer

Karachi, October 04, 2022



Zenobia Wasif
Chairperson

Governance

Statement Of Compliance With Listed Companies (Code Of Corporate Governance) Regulations, 2019 For the year ended June 30, 2022

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

1. The total number of directors are 7 as per the following:
 - a. Male: 6 Members
 - b. Female: 1 Member
2. The composition of the Board of Directors is as follows:

Category	Names
Independent Directors:	Mr. Khizer Hayat Farooq Wg. Cmdr (Retd) Talat Mehmood
Non-Executive Directors:	Mr. Junaid Shehzad Ahmed Mr. Sardar Abdul Majeed
Non-Executive Female Director:	Mrs. Zenobia Wasif
Executive Directors:	Mr. Abdul Basit Mr. Zulfiqar Ali Anjum

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

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The board has ensured that a complete record of particulars of significant policies along with the dates of approval or updating is maintained by the company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/shareholders as empowered by the relevant provisions of the companies Act, 2017 and the Regulations.
7. The meetings of the board were presided over by the Chairman and, in her absence, by a director elected by the board for this purpose. The board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meetings of the board.
8. The Board have a formal policy and transparent procedure for remuneration of directors in accordance with the Act and the Regulations

9. Out of 7 directors, four (4) have completed Director's Training Program (DTP) and one (1) director meets exemption requirement of DTP.
10. The board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the board.
12. The board has formed committees comprising of members given below:

a). Audit Committee

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

b). HR and Remuneration Committee

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

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committee were as per following:
 - a). Audit Committee** – Four quarterly meetings were held during the financial year ended June 30, 2022.
 - b). HR and Remuneration Committee** – One meeting was held during the financial year ended June 30, 2022.
15. The board has outsourced the internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountant of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 is mentioned below:

S. No	Non-Mandatory Requirements	Reg. No.	Explanation
1	Director's Training: It is encouraged that by June 30, 2022 all the directors on their board have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the commission and approved by it.	19	Four (4) out of seven (7) directors are in compliance with director training program, and for the remaining directors, board is of the view that they are qualified and well conversant with the applicable laws and regulations, except for one director who meets the exemption requirement of DTP. The company has planned to arrange DTP for the remaining directors.



Zenobia Wasif
Chairperson

Place: Karachi
Date: October 04, 2022

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Trust Securities and Brokerage Limited

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

We have reviewed the enclosed Statement of Compliance with the Listed companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Trust Securities and Brokerage Limited** ("the Company") for the year ended June 30, 2022 in accordance with the requirement of regulation 36 of the Regulation.

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

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

The Regulation require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the Related party transaction by the board of directors upon recommendations of the Audit committee.

Based on our review, nothing has come to our attention which causes us to believe that the 'Statement of Compliance' does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2022.

Reanda Haroon Zakaria & Co.

Reanda Haroon Zakaria & Company
Chartered Accountants

Place: Karachi
Date: October 04, 2022
UDIN: CR2022101270COqhdwv7

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRUST SECURITIES AND BROKERAGE LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of **Trust Securities and Brokerage Limited**, which comprise the statement of financial position as at June 30, 2022, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2022 and of the loss, other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matter

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

S/ No.	Key Audit Matter	How the Matter was Addressed in our Audit
01.	Trade Debts	Our procedures included the following:
	Refer note 12 of the financial statements relating to trade debts.	<ul style="list-style-type: none"> Obtained an understanding of the company's processes and related

S/ No.	Key Audit Matter	How the Matter was Addressed in our Audit
	<p>During the year, the company has significant increase in balance of trade debts and provision for Expected Credit Loss (ECL).</p> <p>This is identified as a key audit matter as it involves significant management estimates, assumptions, and judgement in determining the recoverable amount of trade debts and provision of ECL.</p>	<p>internal controls to determine the provision requirement at the year end.</p> <ul style="list-style-type: none"> • Evaluated the reasonableness of methods and assumptions used by the company for the recognition of provision for ECL; and • Tested on a sample basis, the accuracy of the data used to calculate the provision requirements. • Considered the adequacy of the related disclosures in accordance with the applicable financial reporting standards and the Companies Act, 2017.

Information Other than Financial Statements and Auditor's Report Thereon

Management is responsible for other information. Other information comprises the information included in the annual report for the year ended June 30, 2022, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and therefore the key audit matters.

We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat is deductible at source under the Zakat and Ushr Ordinance, 1980.
- e) the Company was in compliance with the requirement of section 78 of the Securities Act, 2015, section 62 of the Futures Market Act, 2016 and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016 as at the date on which the financial statements were prepared.

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

Reanda Haroon Zakaria & Co.

Reanda Haroon Zakaria & Company
Chartered Accountants

Place: Karachi

Dated: October 04, 2022

UDIN: AR202210127OKulgtvQV

Credit and Management Rating

Management Rating
BMR2+
With Stable Outlook

Entity Rating
A- & A2
Long Term & Short Term

Fiduciary Rating
BFR 2
With Stable Outlook

Statement of Financial Position

AS AT JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
<u>ASSETS</u>			
Non-Current Assets			
Property and equipment	5	13,582,427	12,749,879
Right of use asset	6	15,424,874	17,121,108
Intangibles	7	5,738,434	6,013,434
Long term investments	8	-	12,684,944
Long term deposits	9	10,239,515	3,480,200
Deferred taxation	10	12,755,206	9,534,563
		57,740,456	61,584,128
Current Assets			
Short term investments	11	45,494,101	20,595,180
Trade debts	12	177,276,250	74,892,752
Receivable against margin finance	13	42,864,992	78,091,508
Advances, deposits, prepayments and other receivables	14	127,927,316	279,028,184
Cash and bank balances	15	68,425,609	99,296,325
		461,988,268	551,903,949
Total Assets		519,728,724	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	16	300,000,000	300,000,000
Reserves			
Accumulated (losses) / profit		(10,527,892)	3,123,469
Shareholders' Equity		289,472,108	303,123,469
Non-Current Liabilities			
Lease liabilities	17	8,596,852	11,040,435
Current Liabilities			
Trade and other payables	18	163,278,641	244,357,756
Short term borrowings	19	50,219,839	37,110,437
Current portion of lease liabilities	17	7,699,929	6,318,650
Provision for taxation	20	461,355	11,537,330
		221,659,764	299,324,173
Commitment	21		
Total Equity and Liabilities		519,728,724	613,488,077

The annexed notes from 1 to 40 form an integral part of these financial statements.


Chief Executive Officer


Chief Financial Officer


Director

For the Year Ended June 30, 2022

The annexed notes from 1 to 40 form an integral part of these financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Statement of Comprehensive Income

For the Year Ended June 30, 2022

	<i>2022 Rupees</i>	<i>2021 Rupees</i>
(Loss) / profit for the year	(13,651,361)	88,027,609
Other comprehensive income		
Items that will not be reclassified to statement of profit or loss subsequently		
Remeasurement gain of investments fair value through OCI	-	9,964,944
Total comprehensive (loss) / income for the year	(13,651,361)	97,992,553

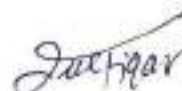
The annexed notes from 1 to 40 form an integral part of these financial statements.



Chief Executive Officer



Chief Financial Officer



Director

Statement of Profit or Loss

For the Year Ended June 30, 2022

	<i>Note</i>	<i>2022 Rupees</i>	<i>2021 Rupees</i>
Operating revenue	22	195,027,542	305,382,104
(Loss) / gain on sale of short term investments	23	(6,627,432)	12,984,644
(Loss) / gain on remeasurement of investments - at FVTPL	24	(12,254,083)	5,146,939
Operating and administrative expenses	25	(215,223,079)	(262,600,220)
Finance cost	26	(6,087,573)	(4,688,957)
Other charges	27	(7,103,542)	(651,051)
Other income	28	38,494,129	51,013,830
(Loss) / profit before taxation		(13,774,038)	106,587,289
Taxation	29	122,677	(18,559,680)
(Loss) / profit after taxation		(13,651,361)	88,027,609
(Loss) / earning per share - basic and diluted	30	(0.46)	2.93

The annexed notes from 1 to 40 form an integral part of these financial statements.


Chief Executive Officer


Chief Financial Officer


Director

Statement of Cash Flows

For the Year Ended June 30,2022

A. CASH FLOWS FROM OPERATING ACTIVITIES

	2022 Rupees	2021 Rupees
(Loss) / profit before taxation	(13,774,038)	106,587,289
Adjustment for non-cash charges and other items		
Depreciation	1,702,558	1,674,128
Amortization on right of use assets	7,916,353	5,510,736
Amortization	275,000	275,000
Provision for expected credit losses	7,103,542	651,051
Interest income	(20,910,173)	(22,689,900)
Finance cost	4,159,153	3,871,906
Dividend income	(1,167,212)	(1,235,147)
Interest on lease liabilities	1,928,420	817,051
Reversal of provision for ECL	(558,503)	(1,004,211)
Gain on sale of fixed assets	(957,169)	-
Unrealised loss / (gain) on remeasurement of investment	12,254,083	(15,111,883)
	11,746,052	(27,241,269)
	(2,027,986)	79,346,020
Changes in Working Capital:		
(Increase) / decrease in current assets		
Trade debts	(108,928,537)	(21,062,307)
Receivable against margin finance	35,226,516	(31,693,539)
Advances, deposits, prepayments and other receivables	152,020,622	(166,645,743)
	78,318,601	(219,401,589)
(Decrease) / Increase in current liabilities		
Trade and other payables	(80,416,547)	153,362,371
Cash (used in) / generated from operations	(4,125,932)	13,306,802
Taxes paid	(14,173,941)	(2,613,407)
Finance cost paid	(4,821,722)	(2,103,950)
Long term deposits - net	(6,759,315)	(1,350,200)
Net cash (used in) / generated from operating activities	(29,880,910)	7,239,245

B. CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property and equipment	(2,312,843)	(861,780)
Addition in capital work in progress	(250,000)	(572,880)
Proceeds from sale of property and equipment	984,906	-
Interest income received	19,990,419	20,800,814
Dividend income received	1,167,212	1,235,147
Investments - net	(24,468,060)	3,369,403
Net cash (used in) / generated from investing activities	(4,888,366)	23,970,704

	Note	2022 Rupees	2021 Rupees
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short term borrowings		13,109,402	37,110,437
Repayment of liabilities against right use of asset		(9,210,842)	(6,272,589)
Net cash generated from financing activities		3,898,560	30,837,848
Net (decrease) / increase in cash and cash equivalents (A+B+C)		(30,870,716)	62,047,797
Cash and cash equivalents at beginning of year		99,296,325	37,248,528
Cash and cash equivalents at end of year	15	68,425,609	99,296,325

The annexed notes from 1 to 40 form an integral part of these financial statements.


 Chief Executive Officer


 Chief Financial Officer


 Director

Notes to the Financial Statements

For the Year Ended June 30, 2022

1 THE COMPANY AND ITS OPERATION

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

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

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

2 GEOGRAPHICAL LOCATION AND ADDRESS OF OFFICES ARE AS UNDER:

- **Head Office :** Suite No. 401, 4th floor, Business and Finance Center, I.I Chundrigar Road, Karachi.
- **Branch Offices :** 2nd Floor, Associated House Building No. 1&2, 7-Kashmir Road, Lahore.

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

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

Room No. 616, 6th Floor, LSE Plaza 19-Khayaban-e-Iqbal, Lahore.

PMEX Branch Office- DHA, Karachi Mezzanine No.2, Plot No. 55-C 11th Commercial Street, DHA, Phase-II Ext, Karachi.

Room No. 510, 5th floor, Business and Finance Center, I.I Chundrigar Road, Karachi.

3 BASIS OF PREPARATION

3.1 Statement of Compliance

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

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

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

3.2 Basis of Measurement

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

3.3 Functional and presentation currency

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

3.4 Use of estimates and judgments

The preparation of financial statements in conformity with approved accounting standards as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

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

Property and equipment

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

Intangible assets

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

Trade debts

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

Income taxes

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

3.5 Standards, interpretations and amendments to approved accounting standards

3.5.1 Amendments to published accounting and reporting standards which are effective for the year ended June 30, 2022

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

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

		<i>Effective date (annual reporting periods beginning on or after)</i>
IAS 1	Presentation of financial statements (Amendments)	January 1, 2023
IAS 8	Accounting policies, changes in accounting estimates and errors (Amendments)	January 1, 2023
IAS 12	Income Taxes (Amendments)	January 1, 2023
IAS 16	Property, Plant and Equipment (Amendments)	January 1, 2022
IAS 37	Provisions, Contingent Liabilities and Contingent Assets (Amendments)	January 1, 2022
IFRS 3	Business Combinations (Amendments)	January 1, 2022
IFRS 09	Financial Instruments (Amendments)	January 1, 2022
IFRS 16	Leases (Amendments)	January 1, 2022

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

4.1 Property and Equipment

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

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

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

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

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

4.2 Capital work in progress

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

4.3 Leases

a) Right of Use Assets

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

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

b) Lease Liability

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

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

4.4 Intangible Assets

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

Intangible assets having finite useful lives are stated at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged from the date the asset is available for use while in the case of assets disposed of, it is charged till the date of disposal. The useful lives and amortization method are reviewed and adjusted, if appropriate, at each reporting date.

Intangible assets having an indefinite useful life are stated at cost less accumulated impairment losses, if any. An intangible asset is regarded as having an indefinite useful life, when, based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which asset is expected to generate net cash inflows for the Company.

An intangible asset with an indefinite useful life is not amortized. However, the carrying amount is reviewed at each reporting date or whenever there is an indication that the asset may be impaired, to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds the estimated recoverable amount, it is written down to its estimated recoverable amount.

Gain or loss arising on derecognition of an intangible asset is measured as the difference between the net disposal proceed and the carrying amount of the asset and is recognized in statement of profit or loss when the asset is derecognized.

4.5 Financial instruments

4.5.1 Initial Recognition

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

4.5.2 Classification of financial assets

The Company classifies its financial instruments in the following categories:

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

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

Financial assets at amortized cost

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

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

Financial assets at fair value through OCI

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

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

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

Financial assets at fair value through profit or loss

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

4.5.3 Financial liabilities

The Company classifies its financial liabilities in the following categories:

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

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

4.5.4 Subsequent measurement

Financial assets at FVTOCI

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

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

Financial assets and liabilities at amortized cost

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

Financial assets and liabilities at FVTPL

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

4.5.5 Impairment of financial assets at amortized cost

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

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

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

4.5.6 Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity.

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

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

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

Financial liabilities

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

4.5.7 Offsetting of financial assets and financial liabilities

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

4.6 Trade debts

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

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

4.7 Advances, deposits, prepayments and other receivables

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

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

4.8 Cash and cash equivalents

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

4.9 Trade and other payables

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received up to the year end, whether or not billed to the Company. The company follows settlement date accounting.

4.10 Taxation

Current

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

Deferred

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

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

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

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

4.11 Provisions

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

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

	<i>Note</i>	<i>2022 Rupees</i>	<i>2021 Rupees</i>
15.2 Balance pertaining to :			
Clients		65,917,676	97,758,000
Brokerage house		1,839,169	1,065,138
		67,756,845	98,823,138

16 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

<i>2022</i>	<i>2021</i>		
<i>Number of Shares</i>			
30,000,000	30,000,000	Ordinary shares of Rs.10 each fully paid in cash	16.1
			300,000,000
			300,000,000

16.1 Pattern of shareholding

<i>Serial number</i>	<i>Name of shareholder</i>	<i>2022</i>		<i>2021</i>	
		<i>Number of shares held</i>	<i>% of shares held</i>	<i>Number of shares held</i>	<i>% of shares held</i>
1	Muhammad Khurram Faraz	4,891,000	16.30%	4,891,000	16.30%
2	Junaid Shehzad Ahmed	8,080,000	26.93%	8,080,000	26.93%
3	Paramount Commodities (Private) Limited	1,080,145	3.60%	2,196,645	7.32%
4	Mg Media (Pvt.) Limited	2,606,500	8.69%	2,444,500	8.15%
5	Foresight Investment (Pakistan) (Pvt.) Limited	2,765,000	9.22%	2,765,000	9.22%
6	Other institution not more than 5% holding	552,101	1.84%	967,601	3.23%
7	Other individuals not more than 5% holding	10,025,254	33.42%	8,655,254	28.85%
		30,000,000	100%	30,000,000	100%

17 LEASE LIABILITIES

Rental contracts are made for a fixed period subject to renewal upon mutual consent of Company and lessor. Wherever practicable the Company seeks to include extension option to provide operational flexibility. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. The future lease payments have been discounted using incremental borrowing cost on properties lease from 9.92%-10.01% and vehicles leases borrowings cost is 18.6%.

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

	<i>2022 Rupees</i>	<i>2021 Rupees</i>
Opening balances	17,359,085	3,520,273
Additions	6,220,120	19,294,350
Interest expense	1,928,418	817,051
Payments	(9,210,842)	(6,272,589)
	(1,062,304)	13,838,812
Closing balances	16,296,781	17,359,085
Current	7,699,929	6,318,650
Non - current	8,596,852	11,040,435
	16,296,781	17,359,085

2022	2021
Rupees	Rupees

17.1 Lease liabilities are payable as follows:

Minimum lease payment		
Upto one year	9,535,197	7,768,555
More than one year but less than five years	9,788,723	12,121,483
	<u>19,323,920</u>	<u>19,890,038</u>
Financial charges		
Upto one year	1,814,232	1,449,905
More than one year but less than five years	1,191,871	1,081,048
	<u>3,006,103</u>	<u>2,530,953</u>
Present value of minimum lease payments		
Upto one year	7,699,929	6,318,650
More than one year but less than five years	8,596,852	11,040,435
	<u>16,296,781</u>	<u>17,359,085</u>
Current maturity shown under current liabilities	<u>(7,699,929)</u>	<u>(6,318,650)</u>
	<u>8,596,852</u>	<u>11,040,435</u>

18 TRADE AND OTHER PAYABLES

Trade creditors	72,428,448	153,066,515
Accrued liabilities	14,009,170	14,617,594
Accrued mark up	1,111,160	1,773,728
Withholding tax payable	4,267,591	5,863,943
Capital gain tax payable	-	28,797,875
Sindh sales tax payables	2,813,567	6,198,334
Employees compensated absences	651,567	1,636,473
Retain future profit of clients	1,657,815	1,337,560
DFC withheld exposure demand from clients	10,714,052	26,220,344
Withheld Regular & MTS exposure and margin	47,273,923	-
Other liabilities	8,351,348	4,845,390
	<u>163,278,641</u>	<u>244,357,756</u>

19 SHORT TERM BORROWINGS

Secured - interest bearing - from banking companies

Running finance	<u>50,219,839</u>	<u>37,110,437</u>
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19.1 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 3 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.

19.2 Fair value of pledged securities with financial institutions indicating separately securities belonging to customers is as under:

	<i>June 30, 2022</i>		<i>June 30, 2021</i>	
	<i>Number of Securities</i>	<i>Amount</i>	<i>Number of Securities</i>	<i>Amount</i>
Client	1,549,855	53,340,117	2,583,050	66,813,646
House	335,600	7,197,176	28,000	3,035,880
Total	1,885,455	60,537,293	2,611,050	69,849,526

19.3 Credit facilities available and unavailed as at June 30, 2022 are as follows: -

<i>Nature of facility</i>	<i>Sanctioned limit</i>		<i>Unavailed facility</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>----- Rupees -----</i>			
Running finance	240,000,000	240,000,000	189,780,161	202,889,563
		<i>Note</i>	<i>2022 Rupees</i>	<i>2021 Rupees</i>

20 PROVISION FOR TAXATION

Opening tax refundable		11,537,330	(4,672,365)
Tax refund during the year		-	376,190
Tax paid during the year		(14,173,941)	(2,989,597)
		(2,636,611)	(7,285,772)
Provision for the year	29	3,097,966	18,823,102
Closing tax payable		461,355	11,537,330

21 COMMITMENT

Commitment against outstanding settlements as at reporting date: -

For purchase of shares	133,753,324	748,945,199
For sale of shares	139,061,397	709,607,252

22 OPERATING REVENUE

Brokerage income from Pakistan Stock Exchange	172,249,289	291,204,427
Brokerage income from Pakistan Mercantile Exchange Limited	21,611,041	12,942,530
Dividend income	1,167,212	1,235,147
	195,027,542	305,382,104

	<i>Note</i>	<i>2022 Rupees</i>	<i>2021 Rupees</i>
23 GAIN / (LOSS) ON SALE OF SHORT TERM INVESTMENTS			
Capital (loss) / gain on sale of securities - PSX		(16,725,753)	12,984,644
Gain on investment of commodities futures - PMEX		10,098,321	-
		<u>(6,627,432)</u>	<u>12,984,644</u>
24 GAIN / (LOSS) ON REMEASUREMENT OF INVESTMENTS - AT FVTPL			
(Loss) / gain on remeasurement of investments - at FVTPL - PSX		<u>(12,254,083)</u>	<u>5,146,939</u>
25 OPERATING AND ADMINISTRATIVE EXPENSES			
Salaries, benefits and allowances		65,805,445	47,941,774
Directors' remuneration		3,543,440	3,260,840
Commission to employees		99,041,674	161,356,880
Clearing house expenses		11,016,925	20,490,587
Communication expenses		1,926,569	1,761,390
Printing and stationary		1,541,516	1,381,631
Entertainment expenses		2,875,604	2,797,555
Travelling and lodging expenses		1,588,483	764,169
Repairs and maintenance		3,257,043	2,457,533
Advertisement and publicity		52,710	44,310
Electricity and utilities		2,674,675	2,086,643
Insurance expenses		342,387	297,419
Depreciation on owned assets	5	1,702,558	1,674,128
Amortization on right of use assets	6	7,916,353	5,510,736
Amortization	7	275,000	275,000
Internet and software maintenance charges		3,568,803	2,693,425
Charity and donation		159,500	86,800
Legal and professional charges		107,000	470,025
Fees and subscription		4,046,882	3,527,059
Rent, rates and taxes		624,361	549,209
Auditors remuneration	25.1	975,000	938,500
Miscellaneous expenses		2,181,151	2,234,607
		<u>215,223,079</u>	<u>262,600,220</u>
25.1 Auditors' remuneration			
Statutory audit fee		480,000	456,500
Interim review fee		240,000	230,000
Other certification charges		222,500	235,000
Out of pocket expenses		32,500	17,000
		<u>975,000</u>	<u>938,500</u>

	<i>Note</i>	<i>2022 Rupees</i>	<i>2021 Rupees</i>
26 FINANCE COST			
Mark up on overdraft		4,068,778	3,696,237
Interest expense on lease liability		1,928,420	817,051
Bank charges		90,375	175,669
		<u>6,087,573</u>	<u>4,688,957</u>
27 OTHER CHARGES			
Provision for ECL	12.4	<u>7,103,542</u>	<u>651,051</u>
28 OTHER INCOME			
Income from financial assets			
Interest on saving account		2,593,659	795,425
Interest on BMC deposit		374,131	-
Interest income on exposure deposited		8,933,473	10,028,616
Interest income on margin financing		9,008,910	11,865,859
Reversal of provision for ECL	12.4	558,503	1,004,211
		<u>21,468,676</u>	<u>23,694,111</u>
Income from other than financial assets			
Gain on sale of fixed assets		957,169	-
Transaction charges from clients		16,068,284	27,319,719
		<u>38,494,129</u>	<u>51,013,830</u>
29 TAXATION			
Current		3,097,966	18,823,102
Deferred taxation		(3,220,643)	(263,422)
		<u>(122,677)</u>	<u>18,559,680</u>

29.1 Income tax assessments of the Company are deemed to be finalized as per tax returns file up to tax year 2021. Tax returns are subject to further assessment under provisions of the Income Tax Ordinance, 2001 ("the Ordinance") unless selected for an audit by the taxation authorities. The Commissioner of Income Tax may, at any time during a period of five years from date of filing of return, select a deemed assessment order for audit.

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

		2022	2021
30 (LOSS) / EARNING PER SHARE			
- Basic and Diluted			
(Loss) / profit for the year	Rs.	(13,651,361)	88,027,609
Weighted average number of ordinary shares		30,000,000	30,000,000
(Loss) / earning per share - basic and diluted	Rs.	(0.46)	2.93
		2022	2021
	Note	Rupees	Rupees

31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial Assets and Liabilities

Financial assets

Long term deposits	9	10,239,515	3,480,200
Investments	8 & 11	45,494,101	33,280,124
Trade debts	12	177,276,250	74,892,752
Deposits and other receivables	14	121,476,103	274,847,239
Receivable against margin finance	13	42,864,992	78,091,508
Cash and bank balances	15	68,425,609	99,296,325
		465,776,570	563,888,148

Financial Liabilities

Lease liabilities	17	16,296,781	17,359,085
Trade and other payables	18	159,813,507	236,522,949
Short term borrowings	19	50,219,839	37,110,437
		226,330,127	290,992,471

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

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

- Credit risk
- Liquidity risk
- Market risk

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

31.1 Credit risk

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

Exposure to credit risk

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

The carrying amounts of financial assets represent the maximum credit exposure, as specified below:-

	<i>Note</i>	<i>2022 Rupees</i>	<i>2021 Rupees</i>
Long term investments	8	-	12,684,944
Long term deposits	9	10,239,515	3,480,200
Short term investments	11	45,494,101	20,595,180
Trade debts	12	177,276,250	74,892,752
Deposits and other receivables	14	121,476,103	274,847,239
Receivable against margin finance	13	42,864,992	78,091,508
Cash at banks	15	67,756,845	98,823,138
		465,107,806	563,414,961

Trade debts

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

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

Concentration of credit risk

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

		2022		2021	
		Ratings		Ratings	
Bank	Rating agency	Short term	Long term	Short term	Long term
Private sector commercial banks					
Meezan Bank Limited	JCRVIS	A1+	AAA	A1+	AAA
MCB Bank Limited	PACRA	A1+	AAA	A1+	AAA
JS Bank Limited	PACRA	A1+	AA-	A1+	AA-
Habib Bank Limited	JCRVIS	A1+	AAA	A1+	AAA

<i>Bank</i>	<i>Rating agency</i>	<i>2022 Ratings</i>		<i>2021 Ratings</i>	
		<i>Short term</i>	<i>Long term</i>	<i>Short term</i>	<i>Long term</i>
Habib Metropolitan Bank Limited	PACRA	A1+	AA+	A1+	AA+
BankIslami Pakistan Limited	PACRA	A1	A+	A1	A+
Bank Al-Habib Limited	PACRA	A1+	AAA	A1+	AAA
<i>Islamic Bank</i>					
AL Baraka Bank (Pakistan) Limited	JCR-VIS/PACRA	A1	A+	A1	A

31.2 Liquidity risk

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

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

	<i>2022</i>			
	<i>Carrying Amount</i>	<i>Contractual cash flows</i>	<i>Upto one year</i>	<i>More than one year</i>
	<i>----- Rupees -----</i>			
<i>Financial liabilities</i>				
Lease liabilities	16,296,781	16,296,781	7,699,929	8,596,852
Trade and other payables	159,813,507	159,813,507	159,813,507	-
Short term borrowing	50,219,839	50,219,839	50,219,839	-
	226,330,127	226,330,127	217,733,275	8,596,852
	<i>2021</i>			
	<i>Carrying Amount</i>	<i>Contractual cash flows</i>	<i>Upto one year</i>	<i>More than one year</i>
	<i>----- Rupees -----</i>			
<i>Financial liabilities</i>				
Lease liabilities	17,359,085	17,359,085	6,318,650	11,040,435
Trade and other payables	236,522,949	236,522,949	236,522,949	-
Short term borrowing	37,110,437	37,110,437	37,110,437	-
	290,992,471	290,992,471	279,952,036	11,040,435

31.3 Market risk

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

31.3.1 Currency Risk

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

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

31.3.2 Interest / mark up rate risk

Financial assets Rs. 66.27 million (2021: Rs. 18.682 million) and liabilities Rs. 50.22 million (2021 : Rs. 37.110 million) which are subject to interest rate risk. Applicable interest/mark-up rates for financial assets and liabilities have been indicated in respective notes.

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

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

	<i>Carrying amount</i>	
	<i>2022</i>	<i>2021</i>
	<i>Rupees</i>	<i>Rupees</i>
Financial assets		
Bank balances	66,270,060	18,681,860
Financial liabilities		
Short term borrowings	50,219,839	37,110,437

Sensitivity analysis

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

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

	<i>Profit and loss 100 bp</i>	
	<i>increase</i>	<i>decrease</i>
As at June 30, 2022		
Cash flow sensitivity - Variable rate financial instruments	160,502	(160,502)
As at June 30, 2021		
Cash flow sensitivity - Variable rate financial instruments	(184,286)	184,286

31.3.3 Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest / mark up rate risk or currency risk), and whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. The Company is exposed to equity price risk since it has investments in quoted equity securities at the reporting date amounting to Rs. 32,779 (2021: Rs. 20,565).

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

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

Sensitivity analysis

The table below summarizes Company's equity price risk as of June 30, 2022 and 2021 and shows the effects of hypothetical 10% increase and a 10% decrease in market prices of the quoted securities as at the year end. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Indeed, results could be worst because of the nature of the equity market and aforementioned concentrations existing in company's equity investment portfolio.

	<i>Fair Value</i>	<i>Hypothetical price change</i>	<i>Estimated fair value after hypothetical change in prices</i>	<i>Hypothetical increase (decrease) in Shareholders' Equity</i>
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
<i>June 30, 2022</i>	<i>32,779,157</i>	<i>10% increase</i>	<i>36,057,073</i>	<i>3,277,916</i>
		<i>10% decrease</i>	<i>29,501,241</i>	<i>(3,277,916)</i>
<i>June 30, 2021</i>	<i>20,565,180</i>	<i>10% increase</i>	<i>22,621,698</i>	<i>2,056,518</i>
		<i>10% decrease</i>	<i>18,508,662</i>	<i>(2,056,518)</i>

31.3.4 Fair Value of Financial Instruments

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

31.3.5 Fair value hierarchy

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

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable).

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
	<i>Rupees</i>		
<i>June 30, 2022</i>			
Investments at fair value through OCI	-	-	12,684,944
Investments at fair value through profit or loss	32,779,157	-	60,000
<i>June 30, 2021</i>			
Investments at fair value through OCI	-	-	12,684,944
Investments at fair value through profit or loss	20,565,180	-	60,000

32 CAPITAL RISK MANAGEMENT

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

The company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. Furthermore, the Company finances its operations through equity, borrowing and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk.

	<i>2022</i>	<i>2021</i>
	<i>Rupees</i>	<i>Rupees</i>
<i>32.1 Capital adequacy level</i>		
The capital adequacy level of the company is as follows:		
Total assets	519,728,724	613,488,077
Less: Total liabilities	(230,256,616)	(310,364,608)
Less: Revaluation reserves (created upon revaluation of fixed assets)	-	-
Capital adequacy level	289,472,108	303,123,469

32.1.1 While determining the value of total assets of TREC holder, notional value of TRE certificate held by such participant as at year ended June 30, 2022 as determined by the Pakistan Stock Exchange Limited - PSX has been considered.

32.1.2 The TREC certificate is carried at historical cost.

32.2 Gearing Ratio

Consistent with others in the industry, the company manages its capital risk by monitoring its debt levels and liquid assets and keeping in view future investment requirements and expectation of the shareholders. Debt is calculated as total borrowings ('lease liability' and 'short term borrowings' as shown in the statement of financial position). Total capital comprises shareholders' equity.

	2022 Rupees	2021 Rupees
Total borrowings	66,516,620	54,469,522
Total equity	289,472,108	303,123,469
Total capital	355,988,728	357,592,991
Gearing ratio	19%	15%

33 LIQUID CAPITAL BALANCE

S/No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
I. Assets				
1.1	Property & Equipment and Right of Use Asset	29,007,301	29,007,301	-
1.2	Intangible Assets and Deferred Tax	18,493,640	18,493,640	-
1.3	Investment in Govt. Securities	-	-	-
1.4	Investment in Debt Securities			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.	-	-	-
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-	-	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
1.5	Investment in Equity Securities			
	i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher.	32,779,157	6,121,021	26,658,136
	ii. If unlisted, 100% of carrying value.	12,714,944	12,714,944	-
	iii. Subscription money against Investment in IPO / offer for Sale: Amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker.			

<i>S/No.</i>	<i>Head of Account</i>	<i>Value in Pak Rupees</i>	<i>Hair Cut / Adjustments</i>	<i>Net Adjusted Value</i>
1.5	iv. 100% Haircut shall be applied to Value of Investment in any asset including shares of listed securities that are in Block, Freeze or Pledge status as on reporting date. (July 19, 2017) Provided that 100% haircut shall not be applied in case of investment in those securities which are Pledged in favor of Stock Exchange / Clearing House against Margin Financing requirements or pledged in favor of Banks against Short Term financing arrangements. In such cases, the haircut as provided in schedule III of the Regulations in respect of investment in securities shall be applicable (August 25, 2017)	-	-	-
1.6	Investment in subsidiaries	-	-	-
1.7	Investment in associated			
	i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.	-	-	-
	ii. If unlisted, 100% of net value.	-		-
1.8	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity.	2,000,000	2,000,000	-
1.9	Margin deposits with exchange and clearing house.	118,024,239	-	118,024,239
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	5,179,350	5,179,350	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil) 100% in respect of markup accrued on loans to directors, subsidiaries and other related parties.	4,057,003	-	4,057,003
1.13	Dividends receivables.	-	-	-
1.14	Amounts receivable against Repo financing. Amount paid as purchaser under the REPO agreement. <i>(Securities purchased under repo arrangement shall not be included in the investments.)</i>	-	-	-
1.15	i. Short Term Loan To Employees: Loans are Secured and Due for repayment within 12 months	4,542,073	-	4,542,073
	ii. Receivables other than trade receivables	-	-	-

<i>S/No.</i>	<i>Head of Account</i>	<i>Value in Pak Rupees</i>	<i>Hair Cut / Adjustments</i>	<i>Net Adjusted Value</i>
1.16	Receivables from clearing house or securities exchange(s)			
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	-	-	-
	Claims on account of entitlements against trading of securities in all markets including MtM gains.	4,364,166	-	4,364,166
1.17	Receivables from customers			
	i. In case receivables are against margin financing, the aggregate if (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the finance (iii) market value of any securities deposited as collateral after applying VaR based haircut. <i>i. Lower of net balance sheet value or value determined through adjustments.</i>	42,864,992	35,390,485	35,390,485
	ii. In case receivables are against margin trading, 5% of the net balance sheet value. <i>ii. Net amount after deducting haircut</i>	-	-	-
	iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract. <i>iii. Net amount after deducting haircut</i>	-	-	-
	iv. In case of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. <i>iv. Balance sheet value</i>	103,896,407	-	103,896,407
	v. In case of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts. <i>v. Lower of net balance sheet value or value determined through adjustments</i>	47,939,806	34,685,260	34,685,260
	<i>vi. 100% haircut in the case of amount receivable from related parties.</i>	41,104,838	41,104,838	-
1.18	Cash and Bank balances			
	i. Bank Balance-proprietary accounts	1,839,169	-	1,839,169
	ii. Bank balance-customer accounts	65,917,676	-	65,917,676
	iii. Cash in hand	668,764	-	668,764
1.19	Total Assets	535,393,525	184,696,839	400,043,378

<i>S/No.</i>	<i>Head of Account</i>	<i>Value in Pak Rupees</i>	<i>Hair Cut / Adjustments</i>	<i>Net Adjusted Value</i>
2. Liabilities				
2.1	Trade Payables			
	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market	-	-	-
	iii. Payable to customers	72,428,448	-	72,428,448
2.2	Current Liabilities			
	i. Statutory and regulatory dues	7,081,158	-	7,081,158
	ii. Accruals and other payables	83,769,035	-	83,769,035
	iii. Short-term borrowings	50,219,839	-	50,219,839
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	7,699,929	-	7,699,929
	vi. Deferred Liabilities	-	-	-
	vii. Provision for bad debts	15,664,801	15,664,801	-
	viii. Provision for taxation	461,355	-	461,355
	ix. Other liabilities as per accounting principles and included in the financial statements	-	-	-
2.3	Non-Current Liabilities			
	i. Long-Term financing	-	-	-
	a. Long-Term financing obtained from financial institution: Long term portion of financing obtained from a financial institution including amount due against finance lease	8,596,852	-	8,596,852
	b. Other long-term financing	-	-	-
	ii. Staff retirement benefits	-	-	-
	iii. Advance against shares for Increase in Capital of Securities broker: 100% haircut may be allowed in respect of advance against shares if:			
	a. The existing authorized share capital allows the proposed enhanced share capital			
	b. Board of Directors of the company has approved the increase in capital			
	c. Relevant Regulatory approvals have been obtained			
	d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed.			
	e. Auditor is satisfied that such advance is against the increase of capital.			
	iv. Other liabilities as per accounting principles and included in the financial statements	-	-	-

<i>S/No.</i>	<i>Head of Account</i>	<i>Value in Pak Rupees</i>	<i>Hair Cut / Adjustments</i>	<i>Net Adjusted Value</i>
2.4	Subordinated Loans			
	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted: The Schedule III provides that 100% haircut will be allowed against subordinated Loans which fulfill the conditions specified by SECP. In this regard, following conditions are specified: a. Loan agreement must be executed on stamp paper and must clearly reflect the amount to be repaid after 12 months of reporting period.	-	-	-
	b. No haircut will be allowed against short term portion which is repayable within next 12 months.	-	-	-
	c. In case of early repayment of loan, adjustment shall be made to the Liquid Capital and revised Liquid Capital statement must be submitted to exchange.	-	-	-
	ii. Subordinated loans which do not fulfill the conditions specified by SECP	-	-	-
2.5	Total Liabilities	245,921,417	15,664,801	230,256,616

3. Ranking Liabilities Relating to :

3.1	Concentration in Margin Financing			
	The amount calculated client-to- client basis by which any amount receivable from any of the finances exceed 10% of the aggregate of amounts receivable from total financees.	-	7,139,098	7,139,098
3.2	Concentration in securities lending and borrowing			
	The amount by which the aggregate of:			
3.3	(a) in the case of right issues : if the market value of securities is less than or equal to the subscription price; the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issue where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting.	-	-	-
	(b) in any other case : 12.5% of the net underwriting commitments	-	-	-

<i>S/No.</i>	<i>Head of Account</i>	<i>Value in Pak Rupees</i>	<i>Hair Cut / Adjustments</i>	<i>Net Adjusted Value</i>
3.4	Negative equity of subsidiary The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary.	-	-	-
3.5	Foreign exchange agreements and foreign currency positions 5% of the net position in foreign currency. Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency.	-	-	-
3.6	Amount payable under REPO	-	-	-
3.7	Repo adjustment In the case of financier / purchaser the total amount receivable under Repo less the 110% of the market value of underlying securities. In the case of financee/seller the market value of underlying securities after applying haircut less the total amount received, less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	- -	- -	- -
3.8	Concentrated proprietary positions If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security. If the market of a security exceeds 51% of the proprietary position, then 10% of the value of such security.	-	767,250	767,250
3.9	Opening Positions in futures and options i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applying VaR haircuts. ii. In case of proprietary positions, the total margin requirements in respect of open positions to the extent not already met.	- -	263,264 -	263,264 -
3.10	Short sell positions i. In case of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts.	-	-	-

<i>S/No.</i>	<i>Head of Account</i>	<i>Value in Pak Rupees</i>	<i>Hair Cut / Adjustments</i>	<i>Net Adjusted Value</i>
	ii. Incase of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.	-	-	-
3.11	Total Ranking Liabilities	-	-	-
		-	8,169,612	8,169,612

Calculations Summary of Liquid Capital

(i) Adjusted value of Assets (serial number 1.19)	400,043,378
(ii) Less: Adjusted value of liabilities (serial number 2.5)	(230,256,616)
(iii) Less: Total ranking liabilities (series number 3.11)	(8,169,612)
	161,617,150

34 TRANSACTIONS WITH RELATED PARTIES

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

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

<i>Relationship with party</i>	<i>Transactions with</i>	<i>Nature of Transactions</i>	<i>2022 Rupees</i>	<i>2021 Rupees</i>
Shareholder	Paramount Commodities (Private) Limited	Trade receivable	7,454,797	-
		The maximum aggregate amount outstanding during the year was Rs. 22,116,935		
		Brokerage commission earned	854,030	6,764,834
Shareholder	MG Medin (Private) Limited	Trade receivable	1,853,205	-
		The maximum aggregate amount outstanding during the year was Rs. 9,439,157		
		Trade payable	-	5,847
Shareholder	Forsight Investment Pakistan (Private) Limited	Brokerage commission earned	117,465	718,431
		Trade receivable	3,037	-
		The maximum aggregate amount outstanding during the year was Rs. 1,115,887		
Shareholder	Mr. Sikandar Mehmood	Trade receivable	6,737,033	1,465,161
		The maximum aggregate amount outstanding during the year was Rs. 83,763,406		
		Brokerage commission earned	281,122	1,015,264
Shareholder	Mr. Khuram Faraz	Trade payable	-	1,028,760
		Trade receivable	341,221	-
		The maximum aggregate amount outstanding during the year was Rs. 4,663,416		
		Brokerage commission earned	148,224	283,131

<i>Relationship with party</i>	<i>Transactions with</i>	<i>Nature of Transactions</i>	<i>2022 Rupees</i>	<i>2021 Rupees</i>
Director	Abdul Basit	Trade payable	32,735	496,352
		The maximum aggregate amount outstanding during the year was Rs. 1,177,400		
		Commission paid	158,378	303,006
		Leave encashment paid	984,906	-
		Brokerage commission earned	55,929	128,541
Director	Mr. Jinnat Shehzad Ahmed	Trade receivable	40,150	837,195
		The maximum aggregate amount outstanding during the year was Rs. 1,478,485		
		Trade payable	1,580	-
		Brokerage commission earned	-	1,624,359
Director	Mr. Khizer Hayat	Trade receivable	2,720,940	3,526,295
		The maximum aggregate amount outstanding during the year was Rs. 11,203,441		
		Brokerage commission earned	24,414	381,059
Director	Mr. Zulfiqar Ali Anjum	Trade receivable	306,248	406,421
		The maximum aggregate amount outstanding during the year was Rs. 6,791,575		
		Trade payable	24,402	-
		Brokerage commission earned	815,411	622,668
		Brokerage commission paid	3,637,092	6,677,815
Director	Mr. Talat Mahmood	Trade receivable	14,472,451	735,207
		The maximum aggregate amount outstanding during the year was Rs. 23,455,492		
		Brokerage commission earned	917,344	347,079
Director	Mr. Sardar A Majeed	Trade receivable	7,175,682	-
		The maximum aggregate amount outstanding during the year was Rs. 19,685,346		
		Brokerage commission earned	795,422	-
Common shareholding	Arabian Sea Enterprises Limited	Payable against trade of marketable securities	-	12,917,747
		Brokerage commission earned	-	27,692,357
Close family member of Director	Mrs. Mehteen Khuram	Trade payable	-	1,859,568
		Brokerage commission earned	-	643,114

35 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	<i>Chief Executives</i>		<i>Directors</i>		<i>Other Executives</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>----- Rupees -----</i>					
Managerial remuneration	1,560,000	1,399,840	1,800,000	1,706,000	32,770,000	22,115,000
Commission paid to	158,190	372,788	3,637,092	7,185,814	30,302,785	76,618,097
Brokerage commission	55,929	-	2,552,591	-	17,208,936	-
Other	25,000	35,000	30,000	25,000	-	-
	1,799,119	1,807,628	8,019,683	8,916,814	80,281,721	98,733,097
Number of persons	1	2	1	1	12	9

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

35.2 In addition to above, four non-executive directors of the Company were paid meeting fee aggregating Rs. 185,000/-.

36 OPERATING SEGMENT

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

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

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

All non-current assets of the Company at June 30, 2022 are located in Pakistan.

37 EVENTS AFTER THE REPORTING PERIOD

The unquoted shares of LSE Financial Services Limited of Rs. 12.685 millions are sold after the reporting period.

38 NUMBER OF EMPLOYEES

	2022	2021
As at June 30	<u>93</u>	<u>89</u>
Average employees	<u>90</u>	<u>81</u>

39 DATE OF AUTHORIZATION OF ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company on _____.

40 GENERAL

Figures have been rounded off to the nearest rupee.



Chief Executive Officer



Chief Financial Officer



Director

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 29TH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON FRIDAY, OCTOBER 28, 2022 AT 03:15 P.M. AT SUITE # 401, 4TH FLOOR, BUSINESS & FINANCE CENTRE, LI. CHUNDRIGAR ROAD, KARACHI TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS:

1. To confirm the minutes of the last Annual General Meeting held on October 28, 2021.
2. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2022 together with the Directors' and the Auditors' reports thereon.
3. To appoint Auditors of the Company for the year ending June 30, 2023 and to fix their remuneration.
4. To discuss any other matter with the permission of the Chair.

Karachi: October 07, 2022.

By Order of the Board
COMPANY SECRETARY

NOTES:

1. The Share Transfer Books of the Company will remain closed from October 22, 2022 to October 28, 2022 (both days inclusive).
2. A member of the Company entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote on his/her behalf. The proxy, in order to be effective, must be received at the registered office of the Company duly signed and stamped not less than 48 hours before the time of meeting.
3. Any individual beneficial owner of CDC, entitled to attend and vote at this meeting must bring his/her original CNIC or passport to prove his/her identity and in case of proxy, a copy of shareholders attested CNIC must be attached with the proxy form. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signatures of the nominee shall be produced at the time of the meeting. The nominee shall produce his original CNIC at the time of attending the meeting for identification purpose.
4. The Financial Statements of the Company for the year ended June 30, 2022 will be placed on Company's website <http://www.tsbl.com.pk> in due course of time.
5. Members who have not yet submitted photocopy of their CNIC, Email & address are requested to send the same to the Share Registrar of the Company.
6. Under Section # 72 of the Companies Act, 2017, the shareholders who hold shares in physical form are required to replace their physical shares with book-entry form within the period to be notified by the SECP. Hence, the shareholders who hold shares in physical form are advised to convert their physical shares in electronic form at their earliest.
7. The Shareholders who are willing to participate in the AGM via video link facility through Zoom, are requested to register the below information at agm2022@tsbl.com.pk for their appointment and proxy's verification at least 48 hours before the time of the meeting.
The information required i.e. Name, CNIC Number, Folio/CDC Account No, Mobile Phone Number and e-mail address of Shareholder.
This is in compliance to the instructions issued by Securities Market Division of Securities & Exchange Commission of Pakistan (SECP) dated December 15, 2021 (Ref: SMD/SE/2(20)/2021/117).
Video conference link details and login credentials will be shared with those Shareholders whose emails containing all the particulars are received at least 48 hours before the time of the meeting. Shareholders can also provide their comments and questions for the agenda items of the AGM on agm2022@tsbl.com.pk at least 48 hours before the time of the meeting.
8. The Annual Report is being transmitted to shareholders through CD or DVD or USB instead of sending in Book form / hard copy in terms of SECP SRO # 470(I)/ 2016 dated May 31, 2016. The Company has obtained shareholders' approval in 26th Annual General Meeting held on October 25, 2019.



ٹرسٹ سیکورٹیز اینڈ بروکریج لمیٹڈ

نوٹس برائے غیر معمولی اجلاس عام

مطلع کیا جاتا ہے کہ کمپنی کی سالانہ اجلاس عام مورخہ 29 اکتوبر 2022ء بروز جمعہ بوقت 03:15 صبح پر کمپنی کے رجسٹرڈ آفس واقع سوٹ نمبر 401، فورٹ فلور، بزنس اینڈ فائننس سینٹر، آئی آئی چنبرہ ٹیگروڈ، کراچی میں منعقد ہوگا۔ جس میں مندرجہ ذیل امور کا جائزہ لیا جائے گا۔

عمومی امور:

- 1- گزشتہ سالانہ اجلاس عام منعقدہ 28 اکتوبر 2021ء کے منٹس کی توثیق کرنا۔
- 2- 30 جون 2022ء کو ختم ہونے والے مالی سال کے لئے کمپنی کے آڈٹ شدہ مالی تفصیلات بمعہ انٹریکٹرز اور آڈیٹرز کی رپورٹ کو وصول کرنا، زیر غور لانا اور اختیار کرنا۔
- 3- 30 جون 2023ء کو ختم ہونے والے مالی سال کے لئے آڈیٹرز کی تعیناتی اور معاوضہ مقرر کرنا۔
- 4- اجلاس کے سربراہ کی اجازت سے کسی دیگر کارروائی پر غور و خوض۔

بحکم: کمپنی سیکریٹری کراچی: 7 اکتوبر 2022ء

نوٹس:-

- 1- کمپنی کی شیئرز انٹرپرائسز مورخہ 22 اکتوبر 2022ء تا 28 اکتوبر 2022ء (بشمول دونوں دنوں کے) بند رہیں گی۔
- 2- کمپنی کا کوئی بھی ممبر جو کہ اس اجلاس میں شرکت کرنے اور ووٹ دینے کا حق رکھتا ہو، اپنی جگہ کسی دوسرے ممبر کو اجلاس میں شرکت کرنے اور ووٹ دینے کے لئے بطور پراکسی تعینات کر سکتا ہے۔ پراکسی کو کمپنی کے رجسٹرڈ آفس میں اجلاس شروع ہونے سے 48 گھنٹے پہلے جمع دستخط اور ممبر کی شناخت کرنا چاہئے۔
- 3- اجلاس میں شرکت کرنے اور ووٹ دینے کے اہل سی ڈی سی کاؤنٹ ہولڈرز اپنی شناخت کے لئے شناختی کارڈ یا پاسپورٹ ہمراہ لائیں۔ پراکسی کی صورت میں شیئرز ہولڈر کے شناختی کارڈ کی تصدیق شدہ کاپی پر کسی فارم کے ساتھ لائیں۔ کارپوریٹ ممبر ہونے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/اختیار نامہ جمع امیدوار کے دستخط اجلاس کے موقع پر پیش کرنا ہوگا۔ شناخت کے لئے امیدوار کو اجلاس میں شرکت کے موقع پر اپنا اصل شناختی کارڈ دکھانا لازم ہوگا۔
- 4- 30 جون 2022ء کو ختم ہونے والے مالی سال کی سالانہ مالی تفصیل کمپنی کی ویب سائٹ www.tsbl.com.pk پر مخصوص عرصے کے لئے موجود رہیں گی۔
- 5- وہ ممبران جنہوں نے ابھی تک اپنے شناختی کارڈ کی فوٹو کاپی اور ای میل ایڈریس جمع نہیں کروائے، ان سے درخواست ہے کہ وہ اپنے شناختی کارڈ کی فوٹو کاپی اور ای میل ایڈریس کمپنی کے شیئرز رجسٹرڈ کو بھیج دیں۔
- 6- کمپنیز ایکٹ 2017ء کی سیکشن 72 کے تحت، فزیکل شکل میں شیئرز رکھنے والے شیئرز ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے فزیکل شکل کے شیئرز کو بک انٹری فارم میں ایس ای سی پی کی جانب سے اعلان کردہ دورانے میں تبدیل کر لیں۔ لہذا فزیکل شکل میں شیئرز رکھنے والے شیئرز ہولڈرز جلد از جلد اپنے فزیکل شیئرز کو الیکٹرانک شکل میں تبدیل کر لیں۔

7- شیئرز ہولڈرز جو زوم کے ذریعے وی ڈی و لڈ کی سمولت کے ذریعے AGM شرکت کے خواہشمند ہیں، ان سے درخواست کی جاتی ہے کہ وہ میٹنگ کے وقت سے کم از کم 48 گھنٹے قبل agm2022@tsbl.com.pk پر درخواست اور پراکسی کی تصدیق کے ایسے درج ذیل معلومات کو رجسٹر کریں۔

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

ویڈیو کانفرنس لنک کی تفصیلات اور لاگ ان کی تفصیلات ان شیئرز ہولڈرز کے ساتھ شیئرز کی جائیں گی جن کے ای میل ایڈریس میں تمام تفصیلات موجود ہیں اور اجلاس شروع ہونے سے کم از کم 48 گھنٹے پہلے موصول ہونے ہیں۔ تمام شیئرز ہولڈرز سالانہ اجلاس عام کے ایجنڈا آئٹمز کے لئے اپنے سوالات اور کمپنٹس اجلاس شروع ہونے سے کم از کم 48 گھنٹے پہلے ای میل ایڈریس agm@tsbl.com.pk پر بھیج سکتے ہیں۔

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

Trust Securities and Brokerage Limited

Detailed Categories of Shareholders - As on June 30, 2022

Sr.#	Name	Shares Held	Percentage
Directors, Chief Executive Officer, and their spouse and minor children			
1	ZULFIQAR ALI ANJUM	500	0.0017
2	MRS. ZENOBIA WASIF	500	0.0017
3	MR ABDUL BASIT	500	0.0017
4	JUNAID SHEHZAD AHMED	8,080,000	26.9333
5	SARDAR ABDUL MAJEED KHAN	500	0.0017
6	MR. TALAT MAHMOOD	500	0.0017
7	KHIZER HAYAT FAROOQ	1,101,500	3.6717
	Running Total:	9,184,000	30.6133
Associated Companies, Undertakings and Related Parties			
1	AHMAD KAMAL	25,000	0.0833
2	SIKANDER MAHMOOD	26,250	0.0875
	Running Total:	51,250	0.1708
Banks, Development Financial Institutions, Non Banking Financial Institutions			
1	FIDELITY INVESTMENT BANK LTD.	4,400	0.0147
2	MCB BANK LIMITED - TREASURY	300,000	1.0000
	Running Total:	304,400	1.0147
Modarbas and Mutual Funds			
1	TRUST MODARABA	30,200	0.1007
	Running Total:	30,200	0.1007
General Public (Local)			
	Running Total:	13,353,004	44.5100
Others			
1	TRUST SECURITIES & BROKERAGE LIMITED - MF	202,500	0.6750
2	MAPLE LEAF CAPITAL LIMITED	1	0.0000
3	HIGHLINK CAPITAL (PVT.) LIMITED	300	0.0010
4	MRA SECURITIES LIMITED - MF	9,000	0.0300
5	S.H. BUKHARI SECURITIES (PVT) LIMITED	2,500	0.0083
6	S.H. BUKHARI SECURITIES (PVT) LIMITED	300	0.0010
7	SARFRAZ MAHMOOD (PRIVATE) LTD	500	0.0017
8	PRUDENTIAL SECURITIES LIMITED	1,900	0.0063
9	Y.S. SECURITIES & SERVICES (PVT) LTD.	500	0.0017
10	FORESIGHT INVESTMENTS (PAKISTAN) (PVT.) LIMITED	2,765,000	9.2167
11	PARAMOUNT COMMODITIES (PRIVATE) LIMITED	1,080,145	3.6005
12	MG MEDIA (PVT.) LIMITED	2,606,500	8.6883
13	HAMID ADAMJEE TRUST	408,000	1.3600
	Running Total:	7,077,146	23.5905
	Grand Total:	30,000,000	100.0000
Shareholders Holding 5% or more Shares:			
1	FORESIGHT INVESTMENTS (PAKISTAN) (PVT.) LIMITED	2,765,000	9.2167
2	MG MEDIA (PVT.) LIMITED	2,606,500	8.6883
3	JUNAID SHEHZAD AHMED	8,080,000	26.9333
4	MUHAMMAD KHURRAM FARAZ	4,891,000	16.3033
		18,342,500	61.1417

Categories of Shareholders - As on June 30, 2022

Sr. #	Categories	No. of Shareholders	Shares Held	Percentage
1	Directors, Chief Executive Officer, and their spouse and minor children	7	9,184,000	30.6133
2	Associated Companies, Undertakings and Related Parties	2	51,250	0.1708
3	Banks, Development Financial Institutions, Non Banking Financial Institutions	2	304,400	1.0147
4	Modarbas and Mutual Funds	1	30,200	0.1007
5	General Public (Local)	791	13,353,004	44.5100
6	Others	13	7,077,146	23.5905
	TOTAL:	816	30,000,000	100.0000

Pattern of Shareholders - As on June 30, 2022

Number of ShareHolders	From	Shareholdings To	Total Number of Share Held	Percentage of Total Capital
111	1 -	100	8,134	0.03
554	101 -	500	249,521	0.83
49	501 -	1000	43,852	0.15
49	1001 -	5000	108,498	0.36
8	5001 -	10000	64,900	0.22
2	10001 -	15000	26,500	0.09
1	15001 -	20000	20,000	0.07
2	20001 -	25000	50,000	0.17
3	25001 -	30000	78,750	0.26
3	30001 -	35000	95,700	0.32
6	35001 -	40000	236,000	0.79
1	45001 -	50000	49,500	0.17
2	55001 -	60000	119,000	0.40
1	65001 -	70000	70,000	0.23
1	75001 -	80000	77,000	0.26
1	90001 -	95000	93,000	0.31
1	105001 -	110000	110,000	0.37
2	130001 -	135000	268,500	0.90
1	195001 -	200000	197,000	0.66
1	200001 -	205000	202,500	0.68
2	295001 -	300000	600,000	2.00
1	340001 -	345000	343,500	1.15
1	405001 -	410000	408,000	1.36
1	545001 -	550000	548,000	1.83
1	640001 -	645000	640,500	2.14
1	745001 -	750000	750,000	2.50
1	755001 -	760000	760,000	2.53
1	935001 -	940000	937,500	3.13
1	995001 -	1000000	1,000,000	3.33
1	1080001 -	1085000	1,080,145	3.60
1	1100001 -	1105000	1,101,500	3.67
1	1315001 -	1320000	1,320,000	4.40
1	2605001 -	2610000	2,606,500	8.69
1	2760001 -	2765000	2,765,000	9.22
1	4890001 -	4895000	4,891,000	16.30
1	8075001 -	8080000	8,080,000	26.93
816			30,000,000	100.00

ڈائریکٹر کی رپورٹ

ٹرسٹ سیکیورٹیز اینڈ بروکریج لمیٹڈ (TSBL) کے عزیز شیئر ہولڈرز،
کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے ہمیں 30 جون 2022 کو ختم ہونے والے سال کے لیے کمپنی کی سالانہ رپورٹ کے ساتھ اکاؤنٹنگ، ریگولیٹری اور قانونی معیارات اور تقاضوں کے مطابق سال کے آئٹ شدہ مالیاتی گوشواروں کے ساتھ پیش کرنے ہوئے خوشی ہو رہی ہے۔

مالیاتی کارکردگی

کمپنی نے مالی سال 22 میں 195 ملین روپے کی آپریٹنگ آمدنی ریکارڈ کی۔ جو کہ مالی سال 21 کے مقابلے میں 36 فیصد کم ہے جس کی وجہ بازار میں حجم کی نمایاں کمی ہے۔ کمپنی کو ٹیکس کے بعد 13 ملین آپریٹنگ خسارے کا سامنا کرنا پڑا۔ پچھلے سال کے 88 ملین روپے کے منافع کے مقابلے میں یہ گزشتہ سال 2.93 کے منافع کے مقابلے میں (0.46) کے فی شیئر نقصان میں ترجمہ کرتا ہے، ٹیم نے خوردہ مارکیٹ میں زیادہ رسائی کے ذریعے ہمارے مارکیٹ شرکن کو بڑھانے کی مسلسل کوششیں کیں۔ مزید برآں، کمپنی نے مارکیٹ شیئر بڑھانے کے لیے ایکویٹی ڈیلرز کو شامل کرنے کے ساتھ ساتھ کارپوریٹ ٹیسٹ کو متحرک کیا۔

کمپنی نے 30 جون 2022 تک نئے منفرد شناختی نمبرز (UINs) کا اضافہ کرتے ہوئے اکاؤنٹ کھولنے میں نمایاں اضافہ دیکھا۔ کاروبار کرنے میں آسانی پر NCCPL کی توجہ کے ساتھ ٹیکنالوجی نے ایک اہم کردار ادا کیا۔ FY22 میں، ہم نے 556 نئے اکاؤنٹس کھولے اور ان میں سے تقریباً 60% آن لائن کیے گئے۔

سبلز ٹیم کے ساتھ ساتھ اکاؤنٹ اوپننگ ڈیپارٹمنٹ نے نئے اکاؤنٹس کی رفتار کو برقرار رکھنے میں غیر معمولی کارکردگی کا مظاہرہ کیا۔ مزید برآں، کمپلائنس ٹیم کو ان کوششوں کا سپرا دیا جائے گا جو انہوں نے کھاتوں کی بڑھتی ہوئی تعداد کے ساتھ KYC/AML پر تنہی سے کام کی ہیں۔

کریڈٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) کی طرف سے کمپنی کو A-2/A-2 ملٹنس / A-Two کی درجہ بندی تفویض کی گئی ہے۔ تفویض کردہ ریٹنگز پر آؤٹ لک 'مستحکم' ہے۔ اس درجہ بندی نے مسلسل ترقی کے لیے انتظامیہ کے وژن کو مزید واضح کیا ہے اور امید کی جاتی ہے کہ کمپنی کے گاہکوں کو مزید اعتماد ملے گا۔

انتظامی درجہ بندی

کمپنی کو پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) کی جانب سے BMR 2+ کی مینجمنٹ ریٹنگ تفویض کی گئی ہے۔ تفویض کردہ ریٹنگز پر آؤٹ لک 'مستحکم' ہے۔ درجہ بندی میں کمپنی کا مضبوط گورننس فریم ورک، تجربہ کار انتظامی ٹیم، اور ملکیت کا مناسب ڈھانچہ شامل ہے۔

رسک مینجمنٹ

TSBL کی رسک مینجمنٹ گورننس ہمارے بورڈ سے شروع ہوتی ہے، جو رسک مینجمنٹ کی پالیسیوں کا جائزہ لینے اور منظوری دینے میں ایک لازمی کردار ادا کرتا ہے۔ TSBL میں کاروبار کی نوعیت کی وجہ سے، خطرات ناگزیر ہیں اور ان میں لیکویڈیٹی، مارکیٹ، اور کریڈٹ، آپریشنل، قانونی، ریگولیٹری اور شہریت کے خطرات شامل ہیں۔ ہم سمجھتے ہیں کہ مؤثر رسک مینجمنٹ کمپنی کی کامیابی کے لیے انتہائی اہمیت کا حامل ہے۔ رسک مینجمنٹ ٹیم مناسب طریقہ کار کی پیروی کرتی ہے جس میں وہ ہماری سرگرمیوں کے دوران خطرات کی نگرانی، جائزہ اور ان کا انتظام کرتی ہے۔

کارپوریٹ سماجی ذمہ داری

کارپوریٹ سماجی ذمہ داری (CSR) ایک ایسا موضوع ہے جس نے حالیہ برسوں میں کافی توجہ حاصل کی ہے۔ ہماری کوشش ہے کہ ماحولیاتی ذمہ داری، اخلاقی ذمہ داری، انسان دوستی کی ذمہ داری اور اقتصادی ذمہ داری میں اپنا حصہ ڈالیں۔ ہم اپنے حصص یافتگان کی آمدنی اور ساتھیوں کے تئیں اپنی ذمہ داری کے درمیان توازن برقرار رکھنے کی بھرپور کوشش کرتے ہیں۔

کوڈ آف کارپوریٹ گورننس

کمپنی کا بورڈ اور انتظامیہ اس بات کو یقینی بنانے کے لیے پر عزم ہے کہ کوڈ آف کارپوریٹ گورننس کی ضروریات پوری طرح مستحکم ہوں۔ کمپنی نے مالی اور غیر مالیاتی معلومات کی درستگی، جامعیت اور شفافیت کو بڑھانے کے مقصد کے ساتھ مضبوط کارپوریٹ گورننس کے طریقوں کو اپنایا ہے

ڈائریکٹرز کو یہ بتاتے ہوئے خوشی ہو رہی ہے کہ:

1. کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی بیانات اس کی حالت، اس کے کاموں کے نتائج، کیش فلو اور ایکویٹی میں ہونے والی تبدیلیوں کو پیش کرتے ہیں۔
2. کمپنی کے حساب کتاب کی مناسب دیکھ بھال کی گئی ہے۔
3. مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور پر لاگو کیا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں
4. بین الاقوامی مالیاتی رپورٹنگ کے معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالی بیانات کی تیاری میں پیروی کی گئی ہے
5. اندرونی کنٹرول کا نظام ڈیزائن میں درست ہے اور اسے مؤثر طریقے سے لاگو کیا گیا ہے اور اس کی نگرانی کی گئی ہے۔
6. ایک جاری تشویش کے طور پر جاری رکھنے کی کمپنی کی صلاحیت پر کوئی خاص شک نہیں ہے۔
7. کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی رخصتی نہیں ہوئی، جیسا کہ فہرست سازی کے ضوابط میں تفصیل دی گئی ہے۔
8. کمپنی کے پاس ٹیکس، ڈیویڈنڈ، لیویز اور تبدیلیوں کی قانونی ادائیگی کی وجہ سے بیلنس شیٹ کی تاریخ کے مطابق کوئی بقیہ ذمہ داری نہیں ہے۔
9. سال کے دوران بروکر کی طرف سے کوئی ایسا لین دین نہیں کیا گیا ہے جو دھوکہ دہی، غیر قانونی یا کسی سیکورٹیز مارکیٹ کے قوانین کی خلاف ورزی میں ہو۔

بورڈ میں تبدیلیاں

زیر نظر سال کے دوران بورڈ کے ڈھانچے میں 1 تبدیلی آئی۔ سردار عبدالمجید خان جناب خرم فراز کی جگہ بورڈ میں شامل ہوئے۔

- بورڈ کی تشکیل، آڈٹ کمیٹی، H.R. اور معاوضے کی میٹنگز اور حاضری
1. مندرجہ ذیل کے مطابق ڈائریکٹرز کی کل تعداد 7 ہے (بشمول سی ای او جو کہ ڈائریکٹر سمجھا جاتا ہے)
a مرد: 6 اراکین
b خاتون: 1 ممبر
 2. بورڈ آف ڈائریکٹرز کی تشکیل حسب ذیل ہے:

زمرے کے نام

آزاد ڈائریکٹرز: جناب خضر حیات فاروق
ونگ کمانڈر (ریٹائرڈ) طلعت محمود

نان ایگزیکٹو ڈائریکٹرز:

جنید شہزاد احمد

جناب سردار عبدالمجید خان

مسز زینوبہ واصف

ایگزیکٹو ڈائریکٹرز:

جناب عبدالباسط

جناب ذوالفقار علی انجم

خاتون ڈائریکٹر: مسز زینوبہ واصف

چینرمن اور چیف ایگزیکٹو آفیسر کی پوزیشن بہترین گورننس کے طریقوں کے مطابق الگ الگ رکھی گئی ہے۔ بورڈ نے ایک الگ آڈٹ کمیٹی اور ایچ آر اینڈ ریمونریشن کمیٹی قائم کی ہے تاکہ اس کے کاموں کی کارکردگی میں بورڈ کی مدد کی جا سکے۔ ایچ آر اینڈ ریمونریشن کمیٹی اور آڈٹ کمیٹی کے چینرمن آزاد ڈائریکٹر ہیں اور بہترین طریقوں کے مطابق ایک ہی شخص نہیں ہیں۔

بورڈ میٹنگز

2022 کو ختم ہونے والے سال کے دوران بورڈ میٹنگز کی کل تعداد چار (4) تھی۔ کوڈ آف کارپوریٹ گورننس کے تقاضوں کے مطابق، ہنگامی اجلاس کے علاوہ بورڈ کو سات دن (7) پہلے تحریری نوٹس بھیجے گئے تھے۔

ڈائریکٹر کے نام	میٹنگز میں شرکت
مسز زینوبہ واصف	3
جناب عبدالباسط	4
جناب خضر حیات فاروق	4
جنید شہزاد احمد	4
جناب ذوالفقار علی نجم	4
ونگ کمانٹر (ریٹائرڈ) طلعت محمود	4
جناب سردار عبدالمجید خان	4

بورڈ اور کمیٹی کے اجلاسوں میں شرکت نہ کرنے والے اراکین کو غیر حاضری کی چھٹی دی گئی۔

حساب کتاب کا گروہ

کوڈ آف کارپوریٹ گورننس کے مطابق، آڈٹ کمیٹی مکمل طور پر غیر ایگزیکٹو ڈائریکٹرز پر مشتمل ہونی چاہئے جس کے چیئرمین ایک آزاد ڈائریکٹر ہوتے ہیں۔ آڈٹ کمیٹی کی حاضری حسب ذیل ہے۔

اعضیہ	میٹنگز میں شرکت	اعضیہ کا نام
چیئرمین	4	ونگ کمانٹر (ریٹائرڈ) طلعت محمود
رکن	4	جنید شہزاد احمد
رکن	4	مسز زینوبہ واصف

ایچ آر اور معاوضہ کمیٹی

کارپوریٹ گورننس کے ضابطہ کے مطابق، ایچ آر اینڈ ریمونریشن کمیٹی اکثریتی غیر ایگزیکٹو ڈائریکٹرز پر مشتمل ہونی چاہئے اور کمیٹی کا چیئرمین ایک آزاد ڈائریکٹر ہونا چاہئے۔ کمیٹی کی حاضری حسب ذیل ہے۔

ممبر کا نام	عہدہ	میٹنگز میں شرکت
جناب خضر حیات فاروق	چیئرمین	1
جناب ذوالفقار علی انجم	رکن	1
جنید شہزاد احمد	رکن	1

حساب کتاب کا گروہ

بورڈ کی آڈٹ کمیٹی نے بورڈ کی طرف سے منظور شدہ شرائط کے مطابق اپنے فرائض اور ذمہ داریوں کو موثر انداز میں ادا کرنا جاری رکھا۔

شیئر ہولڈنگ کا پیٹرن

30 جون 2022 تک کمپنی کے شیئر ہولڈنگ اور حصص یافتگان کے زمرے کا تفصیلی نمونہ، جیسا کہ فہرست سازی کے ضوابط کے تحت درکار ہے، اس سالانہ رپورٹ میں شامل کر دیا گیا ہے۔

متعلقہ پارٹی ٹرانزیکشن

کمپنی نے تمام متعلقہ پارٹی ٹرانزیکشنز کو ان کے جائزے اور منظوری کے لیے آڈٹ کمیٹی اور بورڈ کے سامنے پیش کیا ہے۔ ان لین دین کی منظوری آڈٹ کمیٹی اور بورڈ نے اپنے اپنے اجلاسوں میں دی ہے۔ تمام متعلقہ فریق کے لین دین کی تفصیلات آڈٹ شدہ مالیاتی گورناروں کے ساتھ منسلک کر دی گئی ہیں۔

مستقبل کے امکانات

آپ کی کمپنی کے مستقبل کے امکانات سیلز کو بڑھانے کے لیے انتظامیہ اور ٹیم کی کوششوں کی وجہ سے امید افزا ہیں جس کے نتیجے میں کمپنی کے وسیع مارکیٹ شیئر اور بروکریج کے بہتر نتائج برآمد ہوں گے۔ کمپنی کا PSX طبقہ ڈیجیٹل ان بورڈنگ کے ذریعے ریٹیل ڈویژن سے بہتر نتائج حاصل کرنے کی طرف دیکھ رہا ہے۔ کمپنی اپنے موجودہ گاہکوں سے بہتر حجم حاصل کرنے کے ساتھ ساتھ ادارہ جاتی سیلز کو آگے بڑھانے کے لیے کوشاں ہے۔ سیلز ٹیم بڑھنے ہونے تعلقات کے ذریعے اور کمپنی کے پریمیم سوٹ کی خدمات کی پیشکش کرتے ہوئے فعال طور پر غیر ملکی گاہکوں سے رابطہ کر رہی ہے۔

انتظامیہ ہر انچ نیٹ ورک کو وسعت دیتے ہوئے کمولٹی ڈویژن کی وجہ سے بڑھتی ہوئی سرگرمی کی پیش گوئی بھی کرتی ہے۔

انتظامیہ کو یقین ہے کہ کمپنی کی ایکویٹی ممکنہ طور پر اچھے نتائج کا مظاہرہ کرے گی کیونکہ معیشت اور مارکیٹ کی بحالی جاری ہے۔

اعتراف

ہم کمپنی کے شیئر ہولڈرز کے مسلسل اعتماد اور سرپرستی کے لیے ان کے شکر گزار ہیں۔ ہم تمام اسٹیک ہولڈرز، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، سینٹرل ڈیپازٹری کمپنی، نیشنل کلیئرنگ کمپنی آف پاکستان لمیٹڈ، اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی غیر متزلزل حمایت اور رہنمائی کے لیے اپنی مخلصانہ تعریف ریکارڈ کرتے ہیں۔ ہم کمپنی کے ملازمین کی محنت کو مزید تسلیم کرتے ہیں اور ان کی تعریف کرتے ہیں۔ ہم انتظامیہ کی مدد اور رہنمائی میں بورڈ کے ممبران کے قابل قدر تعاون اور فعال کردار کو بھی تسلیم کرتے ہیں۔

پاکستان کا اقتصادی جائزہ

IMF-EFF پروگرام کی بحالی کے باوجود، IMF کی 1.16 بلین ڈالر کی قسط، ایک سال کے لیے 3 بلین ڈالر کے سعودی ترقیاتی فنڈ کا رول اوور اور مناسب مالیاتی یقین دہانیوں، سیاسی غیر یقینی صورتحال، سیلاب کے تباہ کن اثرات، ایل سیز کھولنے میں تاخیر، توانائی کے نرخوں میں بڑے پیمانے پر اضافہ، شارپ روپے کی قدر میں کمی اور بڑھتی ہوئی افراط زر کے خدشات جس کی وجہ سے طلب میں کمی اور پاکستان کی معاشی مست روی ہے۔ تاہم، جولائی تا اگست مالی سال 23 کے دوران "مخلوط" اقتصادی کارکردگی کی عکاسی کرتا ہے کیونکہ پاکستان کے کرنٹ اکاؤنٹ خسارے میں 19 فیصد کمی واقع ہوئی ہے جس کی بڑی وجہ درآمدات میں سکڑاؤ اور برآمدات میں اضافہ ہے۔ تاہم، پاکستان کے اقتصادی بنیادی اصولوں کے لیے ساختی خطرات برقرار ہیں جن میں شامل ہیں: (a) ادائیگی کے بحران کا بار بار پینس، (b) ناکافی درآمدی کور، (c) توانائی کے شعبے کا سنٹرل ڈیٹ (d) افراط زر کے خدشات کو گہرا کرنا اور انتخابی سال میں IMF کے مہموانکنشی اصلاحات کے ایجنڈے پر عمل درآمد۔

(\$ million)	2020-21	2021-22	Projected 2022-23	Projected 2023-24
Real GDP Growth	5.7%	6.0%	3.5%	4.2%
Current account Deficit (%GDP)	-0.5%	-4.7%	-2.5%	-2.5%
CPI Inflation (Avg.)	8.90%	12.10%	19.90%	10%
Gross Reserves (\$ bln)	17.29	9.82	16.22	17.3
External Debt (\$ bln)	34.9	32.5	37	36.2
Fiscal Deficit	-6.0%	-7.0%	-4.60%	-4.0%
FBR Tax Revenues	4,764	6,100	7,255	8,654
Primary Balance	-1.1	-1.1	1.3	0.6

آئی ایم ایف کا کہنا ہے کہ، پاکستان "چیلنج کن اقتصادی موڑ" پر ہے، جس کے ساتھ ساتھ گھریلو پالیسیوں کے ساتھ جو گھریلو مانگ کو ہوا دے رہی ہے، معیشت میں حد سے زیادہ گرمی کا باعث بنی ہے اور غیر پائیدار سطح تک پہنچ گئی ہے۔ نتیجتاً، اس نے مالی سال 22 میں پاکستان کے بڑے مالیاتی اور بیرونی خسارے کو بڑھاوا دیا، جس کی وجہ سے افراط زر میں اضافہ ہوا اور ریزرو بفرز ختم ہوئے۔ آئی ایم ایف کو توقع ہے کہ "پاکستان کی حقیقی جی ڈی پی نمو مالی سال 22 میں 6 فیصد سے کم ہو کر مالی سال 23 میں 3.5 فیصد اور مالی سال 24 میں 4.2 فیصد رہ جائے گی۔ آئی ایم ایف کے مطابق، قابل ذکر خطرات، اصلاحات کو اپناتے میں تاخیر، زیادہ عوامی قرض اور مجموعی مالیاتی ضروریات اور کم ذخائر — پروگرام کے مقاصد کو خطرے میں ڈال سکتے ہیں اور ادائیگی کی صلاحیت اور قرض کو ختم کر سکتے ہیں۔

پائیداری۔"

پاکستان کو کیچ 22 کی نازک صورتحال کا سامنا ہے۔ LCs کو معمول پر لانے سے ڈالر کی قدر میں اضافہ ہو جائے گا، جب کہ جمود کے ساتھ جاری رہنے کی صورت میں ملک میں معاشی سست روی کا باعث بنے گا۔ جاری سیاسی اور معاشی غیر یقینی صورتحال، سیلاب کے اثرات، ڈالر کی قلت، قیاس آرائیوں، اور مضبوط امریکی ڈالر کی عالمی سطح پر شرح مبادلہ کو مزید خراب کرنے اور ریزرو بفر کے کمزور ہونے کی وجہ سے پاکستان کا روپیہ امریکی ڈالر کے مقابلے دباؤ میں ہے۔

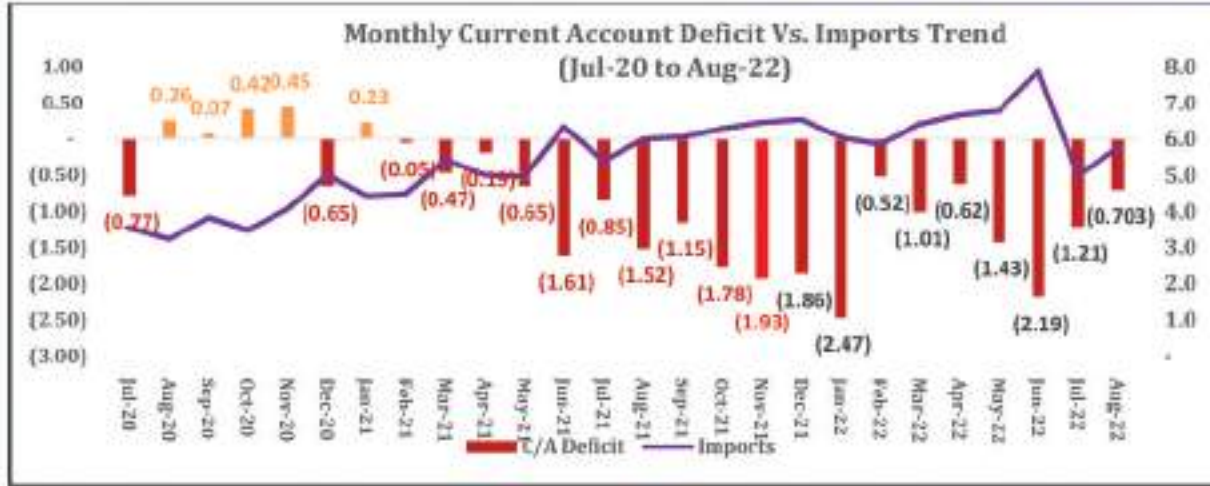
Pakistan Gross Financing Requirements & Sources (\$ in Million)	2020-21	2021-22	2022-23	2023-24	2024-25
			Projected		
Gross External Financing Requirements	21,551	34,331	30,757	36,631	35,717
1. Current account deficit	1,916	17,461	9,280	9,959	10,598
2. Amortization	18,555	15,853	20,490	24,983	23,557
3. IMF Repurchases	1,080	1,017	986	1,680	1,563
Available Financing	26,175	25,801	33,334	37,832	37,425
Remaining Financing Needs	(4,623)	8,530	-2,577	-1,211	-1,707
Borrowing from IMF	499	1,053	3,828	0	0
Gross official reserves (stock, \$ in billions)	17.3	9.8	16.2	17.4	19.1

بذا، ایک ملک کو بڑے پیمانے پر ساختی اصلاحات کی ضرورت ہے؛ پاکستان کے اقتصادی استحکام اور پائیدار معیشت کے لیے آئی ایم ایف کے ساتھ طے شدہ اصلاحاتی ایجنڈے پر عمل درآمد کے لیے گورننس اور سیاسی استحکام کو بہتر بنانا۔ IMF-EFF پروگرام کی بحالی سے مارکیٹوں کا اعتماد کچھ حد تک بحال ہوا، لیکن پاکستان کے اقتصادی بنیادی اصولوں اور سیاسی عدم استحکام کے بارے میں ساختی خطرات اقتصادی صلاحیت اور اقتصادی استحکام کو محدود کر دیں گے۔ مالی سال 23 میں سیاسی عدم استحکام اور ملکی اور بیرونی جھٹکوں کے ساتھ پاکستان کے اقتصادی نقطہ نظر اور پروگرام کے نفاذ کے لیے خطرات زیادہ ہیں۔

سرمایہ کاروں کو روپے کی قدر میں کمی پر واقعی تشویش ہے، کیونکہ FED کی سختی کی وجہ سے عالمی سطح پر غیر یقینی صورتحال اور سیلاب کے اثرات، ڈالر کی قلت، قیاس آرائیوں اور امریکی ڈالر کی مضبوطی کی وجہ سے خوراک کے اعلیٰ درآمدی بل کی توقع ہے۔ لہذا، نومبر 2022 میں اگلا جائزہ حکومت کے لیے بہت اہم ہو گا کیونکہ آئی ایم ایف کے ساتھ بیان کردہ متفقہ پالیسیوں سے کوئی انحراف اس سے IMF کی قسط میں تاخیر ہو سکتی ہے، جس سے شرح مبادلہ اور ایندھن کی درآمدی افراتفر پر منفی اثر پڑے گا، کمزوریوں کو بے نقاب کیا جائے گا اور معاشی استحکام متاثر ہو گا۔

پاکستان کا بیرونی سیکٹر اوٹ لی

. کرنٹ اکاؤنٹ خسارہ اوٹ لی



Description (\$ in Million)	Aug FY23 ¹	July FY23 ²	M/M change	Jul-Aug FY23	Jul-Aug FY22	Y/Y Change
Current Account Balance	(703)	(1,215)	-42%	(1,918)	(2,374)	-19%
Current Account Balance without off. Transfers	(726)	(1,246)	-42%	(1,972)	(2,446)	-19%
Exports of Goods FOB	2,813	2,280	23%	5,093	4,574	11%
Imports of Goods FOB	5,750	5,348	8%	11,098	11,338	-2%
Balance on Trade in Goods	(2,937)	(3,068)	-4%	(6,005)	(6,764)	-11%
Exports of Services	575	555	4%	1,130	1,044	8%
Imports of Services	936	803	17%	1,739	1,719	1%
Balance on Trade in Services	(361)	(248)	46%	(609)	(675)	-10%
Balance on Trade in Goods & Services	(3,298)	(3,316)	-1%	(6,614)	(7,439)	-11%
Primary Income Credit	76	57	33%	133	104	28%
Primary Income Debit	244	503	-51%	747	770	-3%
Balance on Primary Income	(168)	(446)	-62%	(614)	(666)	-8%
Balance on Goods, Services & Primary Income	(3,466)	(3,762)	-8%	(7,228)	(8,105)	-11%
Workers' Remittances	2,724	2,524	8%	5,248	5,419	-3%
Other Transfers	29	4	NM	33	276	-88%
Balance on Secondary Income	2,763	2,547	8%	5,310	5,731	-7%
Capital Account Balance	10	6	67%	17	29	-41%
Financial Account	(1,161)	663	-275%	(498)	(4,913)	-90%
Direct Investment	(72)	(30)	140%	(102)	(112)	-9%
Portfolio Investment	11	13	-15%	24	(951)	-103%
Other Investment	(1,101)	681	-262%	(420)	(3,750)	-89%
Net Incurrence of Liabilities	1,123	(1,080)	-204%	43	4,147	-99%
Net Errors and Omissions	(29)	95	NM	66	274	-76%
Overall Balance	(436)	1,776	-125%	1,337	(2,842)	-147%
SBP Gross Reserves	9,050	8,596	5%	9,050	20,308	-55%

- پاکستان کا کرنٹ اکاؤنٹ خسارہ جولائی-اگست FY23 میں 19% کم ہو کر 1.91\$ بلین ہو گیا ہے جس کی بڑی وجہ گزشتہ سال کے مقابلے میں درآمدات میں کمی اور برآمدات میں اضافہ ہے!
- اسٹیٹ بینک کے مطابق، "کرنٹ اکاؤنٹ خسارہ اگست میں 0.7 بلین ڈالر تک گر گیا جو جولائی میں 1.2 بلین ڈالر تھا۔ مجموعی طور پر، جولائی-اگست FY23 CAD پچھلے سال کی اسی مدت کے مقابلے میں 0.5 بلین ڈالر کم ہو کر 1.9 بلین ڈالر رہ گیا ہے، جس کی بنیادی وجہ اس میں اضافہ ہے۔ برآمدات میں 0.5\$ بلین اور درآمدات میں 0.2\$ بلین کی کمی۔"
- جبکہ ماہ بہ ماہ کی بنیاد پر، CAD اگست-2022 میں 1.2\$ بلین کے نظر ثانی شدہ اعداد و شمار کے مقابلے میں اگست-2022 میں 42% کم ہو کر 703 ملین ڈالر رہ گیا۔

• پاکستان کی بین الاقوامی سرمایہ کاری کی پوزیشن
پاکستان کی خالص بین الاقوامی سرمایہ کاری 11 فیصد اضافے کے ساتھ منفی 129 بلین ڈالر تک پہنچ گئی

International Investment Position of Pakistan Summary				(Stocks in \$ Mn)
Components (Assets - Liabilities = Net International Investments)		Mar-21	Mar-22	% change
A Assets		30,036	29,774	-1%
Direct investment abroad		1,885	1,862	-1%
Equity capital & reinvested earnings		1,883	1,861	-1%
Other capital		2	2	0%
Portfolio investment		335	450	34%
Equity securities		128	224	75%
Debt securities		207	227	9%
Financial derivatives & Employees Stock Options		22	13	-42%
Other investment		9,375	10,513	12%
Trade credits		5,197	5,486	6%
Currency & deposits		2,650	2,412	-9%
Other assets		1,528	2,615	71%
Reserve assets		18,420	16,936	-8%
Monetary gold		3,514	4,037	15%
Special drawing rights		417	2,948	607%
Foreign exchange, of which		12,721	9,941	-22%
Currency & deposits		7,332	5,322	-27%
of which: Cash in Foreign Currency		175	219	25%
Securities		5,389	4,619	-14%
Other claims		1,768	9	-99%
B Liabilities		146,699	159,268	9%
Direct investment in Pakistan		31,522	32,580	3%
Equity capital & reinvested earnings		27,545	28,425	3%
Other capital		3,977	4,155	4%
Portfolio investment		8,801	11,696	33%
Equity securities		2,772	2,170	-22%
Debt securities		6,030	9,526	58%
Financial derivatives		19	10	-49%
Other investment		106,357	114,983	8%
Trade credits		827	828	0%
Loans		93,513	97,688	4%
Currency & deposits		5,136	5,647	10%
Other liabilities		6,881	10,820	57%
C Net International Investment Position		(116,663)	(129,494)	11%

• پاکستان کی تجارتی بصیرت

(Rs. In Billion) (\$ in Million)	(Revised) Aug-22		(Final) Jul-22		% Change	
	PKR	USD	PKR	USD	PKR	USD
Exports	548	2,482	494	2,254	10.84%	10.12%
Imports	1,341	6,071	1,095	4,993	22.39%	21.59%
Balance of Trade	(793)	(3,589)	(601)	(2,739)	31.89%	31.03%

(Rs. In Billion) (\$ in Million)	(Revised) Aug-22		(Final) Aug-21		% Change	
	PKR	USD	PKR	USD	PKR	USD
Exports	548	2,482	369	2,247	48.67%	10.46%
Imports	1,341	6,071	1,079	6,577	24.25%	-7.69%
Balance of Trade	(793)	(3,589)	(710)	(4,330)	11.58%	-17.11%

(Rs. In Billion) (\$ in Million)	(Revised) Jul-Aug 22		(Final) Jul-Aug 21		% Change	
	PKR	USD	PKR	USD	PKR	USD
Exports	1,043	4,737	742	4,587	40.53%	3.27%
Imports	2,436	11,064	1,969	12,152	23.75%	-8.97%
Balance of Trade	(1,393)	(6,327)	(1,226)	(7,565)	13.60%	-16.36%

**FORM OF PROXY
Annual General Meeting**

I/We _____ of _____ being member of **TRUST SECURITIES & BROKERAGE LIMITED**, holder of _____ Ordinary Shares as per Registered Folio/CDC Participant I.D. No. _____ holding Computerized National Identity Card (CNIC)/Passport No. _____ hereby appoint Mr./Mrs./Miss. _____ of _____ or failing him/her hereby appoint Mr./Mrs./Miss. _____ of _____ who is also a member of the **TRUST SECURITIES & BROKERAGE LIMITED** vide Registered Folio/CDC Participant I.D. No. _____ as my proxy to vote for me and on my behalf at the Annual General Meeting of the Shareholders of **TRUST SECURITIES & BROKERAGE LIMITED** to be held on **October 28, 2022 at 03.15 P.M.** at the Registered Office of the Company situated at 401, 4th Floor, Business & Finance Centre, I.I. Chundrigar Road, Karachi and any adjournment thereof or any ballot to be taken in consequence thereof.

CDC Account No.**Revenue Stamp of Rs.5/-**

Signed this _____ day of _____ 2022

SIGNATURE

(As registered with the Company)

WITNESSES

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

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

Notes:

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