KRESTON
HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS

STANDARD CAPITAL SECURITIES (PRIVATE) LIMITED

FINANCIAL STATEMENT

FOR THE YEAR ENDED

JUNE 30, 2024

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Independent Auditor's Report
To the members of Standard Capital Securities (Private) Limited
Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the annexed financial statements of **Standard Capital Securities (Private) Limited**, ("the Company") which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss and other 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 material policy information 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 except for the matter described in basis for qualified opinion paragraph and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other 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, 2024 and of the profit, comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Qualified Opinion

As stated in note 18, the Company has recorded liability for defined benefit obligation (gratuity) amounting to Rs. 8,454,565 based on the management estimate instead of determining the defined benefit obligation in accordance with requirements of IAS -19 "Employees Benefits" (IAs-19) which requires that the Company shall use the projected unit credit method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. Accordingly, the Company has not complied with the requirements of IAs -19 and in the absence of actuarial valuation of defined benefit obligations in accordance with guidelines of IAS-19, we were unable to determine as to whether adjustments might be needed in the financial statements.

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 qualified opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in for Director's Report, 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 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 is 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.

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- 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.

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 and other 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 was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

e) the Company was in compliance with the requirement of section 78 of the Securities Act 2015 and section 62 of the Future 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 Shaikh Mohammad Tanvir.

Kreston Hyder Bhimji

Chartered Accountants
Karachi:
Dated: October 07, 2024
UDIN: AR20241022592y5dkK6Np

Standard Capital Securities (Private) Limited
Statement of Financial Position
As at Jun 30, 2024

	Note	2024	2023
		----Rupees----	
ASSETS			
Non-Current assets			
Property and Equipment	4	73,799,800	56,468,312
Advance for PMEX Office Premises	5	2,500,000	2,500,000
Intangible Assets	6	2,750,000	2,750,000
Long Term Investments	7	5,133,454	2,965,461
Long Term loans to employees	8	935,750	808,860
Long Term Deposits	9	14,980,000	21,144,200
		100,099,004	86,636,833
Current Assets			
Trade Receivables	10	149,377,143	95,038,582
Loans and Advances	11	9,986,055	14,915,796
Trade Deposits, Prepayments & Other Receivable	12	619,851,500	239,786,467
Sales tax on service		429,776	289,828
Short Term Investments	13	939,288,169	176,191,758
Cash and Bank Balances	14	96,401,594	40,653,558
		1,815,334,237	566,875,989
TOTAL ASSETS		1,915,433,241	653,512,822
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized Capital			
20,000,000 (2023: 20,000,000) ordinary shares of Rs. 10 each		200,000,000	200,000,000
Issued, Subscribed and Paid-up Capital	15	197,800,000	197,800,000
Unappropriated Profit		299,701,059	68,215,191
Fair value gain on investment at fair value through comprehensive income		20,533,827	11,861,851
		518,034,886	277,877,042
Loan from sponsoring director - Equity Contribution	16	70,000,000	70,000,000
		588,034,886	347,877,042
NON - CURRENT LIABILITIES			
Lease liability against right of use assets	17	2,977,697	2,122,447
Deferred liabilities	18	8,454,565	-
		11,432,262	2,122,447
CURRENT LIABILITIES			
Trade and Other Payables	19	1,167,385,894	251,265,603
Accrued Markup	20	-	44
Current portion of lease liability against right of use assets	17	3,519,878	836,695
Short Term Borrowings -secured	21	117,217,688	49,426,566
Provision for Taxation - net of payments		27,842,633	1,984,425
		1,315,966,093	303,513,333
Contingencies and commitments	22	-	-
		1,915,433,241	653,512,822

The annexed notes 1 to 41 form an integral part of these financial statements

Director

Director

Standard Capital Securities (Private) Limited
Statement of Profit or Loss
And Other Comprehensive Income
For The Year Ended Jun 30, 2024

	Note	2024	Restated 2023
		---Rupees---	
Operating Revenues - net	23	202,932,325	110,926,450
Unrealized Gain / (Loss) on re-measurement of short term investment at fair value through profit or loss	13.1	7,800,902	(1,346,819)
Capital Gain / (Loss) on sale of short term investments		169,445,540	(51,123,553)
		380,178,767	58,456,078
Administrative and Operating Expenses	24	99,683,683	57,271,083
Other Expenses	25	7,352,815	16,864,306
Finance cost	26	9,314,576	3,005,149
		116,351,074	77,140,538
		263,827,693	(18,684,460)
Other Income	27	15,926,029	271
Profit / (Loss) before levies and taxation		279,753,722	(18,684,189)
Levies	28	(10,869,873)	(12,159,920)
Profit / (Loss) before taxation		268,883,850	(30,844,109)
Provision for taxation	29	(37,397,982)	-
Profit / (Loss) after taxation		231,485,868	(30,844,109)
Other Comprehensive Income:			
Items never re-classifiable to statement of profit or loss			
Gain / (Loss) on remeasurement of investments at fair value through other comprehensive income		8,671,976	(4,536,358)
		8,671,976	(4,536,358)
Total Comprehensive (Loss)		240,157,844	(35,380,467)
Earning / Loss Per Share - Basic and diluted		12.14	(1.79)

The annexed notes 1 to 41 form an integral part of these financial statements

Director

Director

Standard Capital Securities (Private) Limited
Statement of Changes in Equity
For The Year Ended Jun 30, 2024

	Issued, Subscribed and Paid up Capital	Unappropriated Profit	Fair value gain on investment at fair value through comprehensive income	Total	Loan from director & sponsor - Equity Contribution	Total
	----------Rupees----------					
Balance as at July 01, 2022	117,800,000	99,059,300	16,398,209	115,457,509	70,000,000	303,257,509
Right shares issued during the year	80,000,000	-	-	80,000,000	-	80,000,000
Total Comprehensive Income for the year	-	(30,844,109)	(4,536,358)	(35,380,467)	-	(35,380,467)
	-	(30,844,109)	(4,536,358)	(35,380,467)	-	(35,380,467)
Balance as at June 30, 2023	197,800,000	68,215,191	11,861,851	160,077,042	70,000,000	347,877,042
Total Comprehensive Income for the year	-	231,485,868	8,671,976	240,157,844	-	240,157,844
		231,485,868	8,671,976	240,157,844	-	240,157,844
Balance as at June 30, 2024	**197,800,000**	**299,701,059**	**20,533,827**	**400,234,886**	**70,000,000**	**588,034,886**

The annexed notes 1 to 41 form an integral part of these financial statements

Director

Director

Standard Capital Securities (Private) Limited
Statement of Cash Flows
For The Year Ended Jun 30, 2024

	Note	2024	2023
		------------------Rupees------------------	
Cash flows From Operating activities			
Cash flow from operations	30	757,339,365	(116,126,604)
Finance cost paid		(9,314,620)	(3,005,105)
Income tax paid		(22,409,646)	(12,033,542)
Net (Increase) in long term loan to employees		9,325,842	(8,600,992)
(Increase) in Long term deposits		6,164,200	-
Net Cash (used in) /generated from operating activities		741,105,141	(139,766,243)
Cash flows From Investing Activities			
Additions to Property and Equipment		(23,855,448)	(15,813,203)
Sale proceed from disposal of property and equipment		25,529,320	-
Net (increase) / decrease in Short term investments		(748,791,526)	124,697,488
Net Cash (used in)/generated from investing activities		(747,117,654)	108,884,285
Cash flows From Financing Activities			
Right shares issued during the year		-	80,000,000
Payment of liabilities against assets subject to finance lease	17	(6,030,573)	(753,890)
Net Cash generated from Financing Activities		(6,030,573)	79,246,110
Net (decrease) / increase in cash and cash equivalents		(12,043,086)	48,364,152
Cash and cash equivalent at beginning		(8,773,008)	(57,137,160)
Cash and cash equivalent at end	31	(20,816,094)	(8,773,008)

The annexed notes 1 to 41 form an integral part of these financial statements

Director

Director

Standard Capital Securities (Private) Limited
Notes to the Financial Statements
For The Year Ended Jun 30, 2024

1 The Company and its operation

The Company was incorporated under the Companies Act 2017 (repealed Companies Ordinance, 1984) on 17th October, 1998 as a Private Limited Company. The company is principally engaged in the business of securities brokerage. The company has also acquired membership of the National Commodity Exchange Limited. However business activity has been carried out in this respect of this. The registered office of the company is situated at office number M-34, Mezzanine Floor, Park Tower, Clifton, Karachi. The detail of properties rented /owned are as follows:

1 **Head office#** Room # M-34, Mezzanine Floor, Park Towers, Plot # 1, C.F.1-5, Shahra-e-Firdousi, Clifton, Karachi.
2 **Branch#** Room No. 441, 4th Floor, Stock Exchange Building, Stock Exchange Road, Karachi.
3 **Branch#** Room # M-15 & M-16, Mezzanine Floor, Park Towers, Plot No.1, CF.1-5, Shahrah-e-Firdausi, Clifton, Karachi
4 **Branch#** Room# 4, 2nd Floor, Capital Tower, Mujahid Road, Sialkot
5 **Office#** Room No. 403-404, 4th Floor, Stock Exchange Building, Stock Exchange Road, Karachi.
6 Company has made full amount as advance against purchase of Office # 19,20,21 and 50 Icon Tower Clifton Karachi.

2 BASIS OF PREPARATION

2.1 Basis of measurement

These financial statements have been prepared under the historical cost convention except otherwise specifically stated.

2.2 Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and
- Provisions of and directives issued under the Companies Act, 2017.

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

2.3 Functional and presentation currency

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

2.4 Critical Accounting estimates and judgments:

The preparation of financial statements requires management to make judgments, estimates and assumption that have an effect on the application of policies and reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on the historical experience and various factors that are believe to be reasonable under the circumstances. The result of which the basis of making judgment about the carrying amount of assets and liabilities that are not readily apparent from other sources. The actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which 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 that have significant effect on the financial statements and estimates with significant probability of material adjustment in future are disclosed hereunder:

(a) Determining the residual values and useful lives of property and equipment (note 3.1);
(b) Intangible assets (note 3.4).
(c) Classification of Investments (note 3.5)
(d) Impairment loss (note 3.9)
(e) Recognition of taxation and deferred taxation (note 3.14);
(f) Right of use assets (note 3.2 and 3.3);

2.5 New accounting standards and IFRS interpretations that are not yet effective

2.5.1 STANDARDS, AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

a) New amendments to approved accounting standards and interpretations which became effective during the year ended June 30, 2024

There were certain new amendments to the approved accounting standards and a new interpretation issued by the International Financial Reporting Interpretations Committee (IFRIC) which became effective during the year but are considered not to be relevant or have any significant effect on the Company's operations, therefore, not disclosed in these financial statements.

IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes

During the year, the Institute of Chartered Accountants of Pakistan ('ICAP') has withdrawn Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes" vide its circular No. 07/2024 dated May 15, 2024 ('the Guidance'). According to the Guidance, the minimum taxes and the final taxes that are not calculated on the 'taxable profit' as defined in IAS 12 but calculated on turnover or other basis in excess of normal tax liability, and the tax deducted at source other than from dividends from subsidiaries, joint ventures and associates under final tax regime, are out of scope of IAS 12 "Income Taxes" and fall in the ambit of IFRIC 21 "Levies" and IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

Accordingly, the Company has changed its accounting policy to recognize such taxes as 'Levies' which were previously being recognized as 'Income Tax'. This change has been accounted for retrospectively in line with the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". However, there has been no effect of restatement on the statement of financial position, the statement of comprehensive income, the statement of changes in equity and earnings / loss per share as a result of this change.

Effect on statement of profit or loss	Before change in accounting policy	Impact of adjustment	After Change in accounting policy
For the year ended June 30, 2024			
Levies	-	(10,869,873)	(10,869,873)
Profit before income tax	279,753,722	(10,869,873)	268,883,850
Income tax	(48,267,854)	10,869,873	(37,397,982)
For the year ended June 30, 2023			
Levies	-	(12,159,920)	(12,159,920)
Loss before income tax	(18,684,189)	(12,159,920)	(30,844,109)
Income tax	(12,159,920)	12,159,920	-

b) New accounting standards and IFRS interpretations that are not yet effective

The following Standards, interpretations and amendments to published approved accounting standards that are effective for accounting periods, beginning on or after the date mentioned against each of them.

		Effective for the period beginning on or after
IAS-1	Presentation of Financial Statements (Amendments)	January 1, 2024
IAS-7	Statement of Cash Flows (Amendments)	January 1, 2024
IFRS-16	Leases (Amendments)	January 1, 2024
IAS-21	The Effects of changes in Foreign Exchange Rates (Amendments)	January 1, 2025
IFRS-7	Financial Instruments: Disclosures (Amendments)	January 1, 2026
IFRS-17	Insurance Contracts	January 1, 2026
IFRS-9	Financial Instruments – Classification and Measurement of Financial Instruments (Amendments)	January 1, 2026

The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's -financial statements.

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Property, plant and equipment

Initial recognition

These are stated at cost less accumulated depreciation and capital work-in-progress which are stated at cost.

Depreciation

Depreciation is charged on reducing balance method at rates specified in the respective note. Depreciation on addition is charged from the month of the asset is available for use upto the month prior to disposal.

Subsequent cost

Subsequent costs (including those on account of major repairs) are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future additional economic benefits associated with such additional cost will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance incurred are taken to statement of profit or loss.

Impairment

The carrying amounts of the Company's assets are reviewed at each financial period end whether there is any indication of impairment. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their respective estimated recoverable amounts. Where estimated carrying amounts exceed the respective recoverable amounts, the estimated carrying amounts are appropriately adjusted with impairment loss recognized in statement of profit or loss for the year. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Fair value means the amount for which an asset could be exchanged between knowledgeable and willing parties in an arm's length transaction. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount of the relevant assets. These are included in profit or loss.

3.2 Right of use assets:

Right of use assets are initially measured at cost being the present value of lease payments, initial direct costs, any lease payments made at of before the commencement of the lease as reduced by any incentives received. These are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is charged on straight line basis over the shorter of the lease term or the useful life of the asset. Where the ownership of the asset transfer to the Company at the end of the lease term or if the cost of the asset reflects that the Company will exercise the purchase option, depreciation is charged over the useful life of assets.

3.3 Lease liabilities against right of use assets

Lease liabilities are initially measured at the present value of the lease payments discounted using the interest rate implicit in the lease. If the implicit rate cannot be readily determined, the Company's incremental borrowing rate issued. Subsequently these are increased by interest, reduced by lease payments and remeasured for lease modifications, if any.

Liabilities in respect of certain short term and low value leases are not recognized and payments against such leases are recognized as expense in profit or loss.

3.4 **Intangible assets**

a) **Trading Right Entitlement Certificate (TREC)**

TREC is stated at cost of acquisition less impairment, if any. The carrying amount is reviewed at each reporting date to asses whether it is in excess of recoverable amount and where the carrying value exceed estimated recoverable amount, it is written down to its estimated recoverable amount.

b) **Computer Software**

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

Costs directly associated with identifiable software that will have probable economic benefits exceeding, beyond one year, are recognized as an intangible asset.

These are stated at cost less accumulated amortization and impairment, if any. Intangible assets are amortized on straight line basis over its estimated useful life (s). Amortization on additions during the financial year is charged from month in which the asset is intended to use, whereas no amortization is charged from the month the asset is disposed off.

3.5 **Financial instruments**

The Company classifies its financial assets into following three categories:

- Fair value through other comprehensive income (FVOCI);
- Fair value through profit or loss (FVTPL); and
- At amortized cost.

Initial measurement of financial asset

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

Debt Investments at FVOCI: These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss. Other net gains and losses are recognized in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit or loss.

Equity Investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to the statement of profit or loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognized in profit or loss.

Financial assets measured at amortized cost: These assets are subsequently measured at amortized cost using the effective interest rate method. The amortized cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss.

Non-derivative financial assets

All non-derivative financial assets are initially recognized on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes trade debts, advances, other receivables and cash and cash equivalent. The Company derecognizes the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

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3.6 Financial liabilities

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortized costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortized cost using the effective yield method.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the profit or loss.

3.7 Employees' post employment benefits

Defined benefit plan

The Company operates an unfunded defined gratuity scheme under the law, for its employees who attain the minimum qualification period. The obligation is determined through liability method. The Company could not get the actuarial valuation due pauety to time as the Company has been classified Public Interest Entity from June 24, 2024 the actuarial valuation will be carried out from next year. Due to time constraints as management has used reasonable estimates based on available data to approximate the obligation, as allowed by IAS 19 when a detailed valuation is impractical under the circumstances.

3.8 Investments

Investments at fair value through profit or loss

Investments which are acquired principally for the purpose of selling in the near term are classified as investments at fair value through profit or loss. These are recognized initially at cost being the fair value of the consideration given. Subsequently, these are re-measured at fair values representing prevailing market prices. Resulting gain or loss is recognized in the statement of profit or loss. Regular way purchase of investments are recognized using settlement date accounting i.e. on the date on which settlement of the purchase transaction takes place.

Investment at fair Value through Other Comprehensive Income

Other investments not covered in the above categories are initially recognized at fair value plus attributable transactions costs. Subsequent to initial recognition these are measured at fair value, with any resultant gain or loss being recognized in other comprehensive income. Gains or losses on fair value through other comprehensive income are recognized in other comprehensive income and are never reclassified to the statement of profit or loss.

3.9 Impairment of assets

Financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortized cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and

- Other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Loss allowances for financial assets measured at amortized cost are deducted from the Gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expect no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets and inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are Companied together into the smallest Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Companies of assets. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the statement of profit or loss.

3.10 Trade debts and receivables against margin financing

These are carried at their transaction price less any allowance for lifetime expected credit losses. A receivable is recognized on the settlement date as this is the point in time that the payment of the consideration by the customer becomes due.

3.11 Trade and other payables

Liabilities for trade and other amount payables are carried at cost which is the fair value of the consideration to be paid in future for good and services.

3.12 Revenue Recognition

Commission revenue arising from sale / purchase of securities on client's behalf is recognized on the date of settlement of transaction by the clearing house.

Consultancy fees and other income are recognized as and when services are provided and invoiced. Dividend income is recognized when the right to receive is established

Gain/(Loss) arising on sale of investment through profit or loss is included in the statement of profit and loss in the period in which it arises.

Income from cash exposure margin , web access fees, IPOs/SPOs and profit on debt is accrued.

3.13 Provisions

A provision is recognized in the financial statements when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

3.14 Income tax

Current

The charge for current taxation is based on taxable income at the current rates of taxation after taking into account applicable tax credits, rebates and exemptions available, if any, or minimum tax and alternate corporate tax under section 113 & 113 (C) of the Income Tax Ordinance, 2001, respectively, whichever is higher. The charge for current tax also includes adjustments, where considered necessary, to provision for taxation made in previous periods arising from assessments framed during the period for such years.

Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income taxes are not accounted for if they arise from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is measured using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

A deferred tax asset is recognised only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that the sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilized by the entity. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Levies

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 12/IAS 37.

3.15 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. Cash and cash equivalents consist of cash in hand and balances with banks.

3.16 Offsetting of financial assets and liabilities

All financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if the Company has a legal enforceable right to set off the recognized amounts and intends either to settle on net basis or to realize the assets and settle the liabilities simultaneously.

3.17 Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions. The management has determined that the Company has a single reportable segment as the Board of Directors view the Company's operations as one reportable segment.

3.18 Contingent liabilities

Contingent liability is disclosed when

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company; or
- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

3.19 Dividend and appropriation to reserve

Liability for dividend and appropriation to reserve are recognized in the financial statements in the period in which these are approved.

	Note	2024	2023
		------Rupees------	
4 PROPERTY AND EQUIPMENT			
Operating Fixed assets	4.1	25,984,012	16,005,177
Reight of use assets	4.1	6,566,008	2,813,355
		32,550,020	18,818,532
Advance for purchase of office	4.2	41,249,780	37,649,780
		73,799,800	56,468,312

4.1 OPERATING FIXED ASSETS

	2024							
	Owned					Right of use assets		
	Office premises	Furniture and fittings	Computers	Office Equipment	Vehicles - Owned	Vehicles - Leased	Rental premises	Total
	---- Rupees ----							
Net Carrying value basis as at June 30, 2024								
Opening net book value	11,872,033	33,555	72,206	179,194	3,848,189	2,813,355	-	18,818,532
Initial recognition	-	-	-	-	-	-	9,569,006	9,569,006
Addition (at Cost)	-	-	-	-	20,255,448	-	-	20,255,448
Transferred during the year	-	-	-	-	2,250,684	(2,250,684)	-	-
Disposal at NBV	(9,658,496)	-	-	-	-	-	-	(9,658,496)
Depreciation charge	(151,089)	(3,356)	(21,662)	(17,919)	(2,674,775)	(562,671)	(3,002,998)	(6,434,470)
Closing net book value	**2,062,448**	**30,199**	**50,544**	**161,275**	**23,679,546**	**-**	**6,566,008**	**32,550,020**
Gross Carrying value basis as at June 30, 2024								
Cost	3,521,250	118,810	12,279,022	776,350	33,739,429	-	9,569,006	60,003,866
Accumulated depreciation	(1,458,802)	(88,611)	(12,228,478)	(615,075)	(10,059,883)	-	(3,002,998)	(27,453,846)
Net book value	**2,062,448**	**30,199**	**50,544**	**161,275**	**23,679,546**	**-**	**6,566,008**	**32,550,020**
Depreciation rate % per annum	**5%**	**10%**	**30%**	**10%**	**20%**	**20%**	Lease Term	

	2023							
	Owned					Right of use assets		
	Office premises	Furniture and fittings	Computers	Office Equipment	Vehicles - Owned	Vehicles - Leased	Rental premises	Total
	---------- Rupees ----------							
Net Carrying value basis as at June 30, 2023								
Opening net book value	12,496,877	37,283	103,152	199,105	4,810,236	3,516,694	-	21,163,347
Depreciation charge	(624,844)	(3,728)	(30,946)	(19,911)	(962,047)	(703,339)	-	(2,344,815)
Closing net book value	**11,872,033**	**33,555**	**72,206**	**179,194**	**3,848,189**	**2,813,355**	**-**	**18,818,532**
Gross Carrying value basis as at June 30, 2023								
Cost	18,910,250	118,810	12,279,022	776,350	9,039,781	4,444,200	-	45,568,412
Accumulated depreciation	(7,038,217)	(85,255)	(12,206,816)	(597,156)	(5,191,592)	(1,630,845)	-	(26,749,880)
Net book value	**11,872,033**	**33,555**	**72,206**	**179,194**	**3,848,189**	**2,813,355**	**-**	**18,818,532**
Depreciation rate % per annum	**5%**	**10%**	**30%**	**10%**	**20%**	**20%**		

4.1.1 Particular of disposal for the year are as follows:

	Cost	Accumulated Depreciation	Written down value	Sale Proceed	Gain	Mode of Disposal	Particulars
Office premises - Office # 909 Business & Finance Centre	15,389,000	(5,730,504)	9,658,496	25,529,320	15,870,824	Negotiation	Mr. Muhammad Junaid Mr. Zahid Mr.Muhammad Yousuf
2024	**15,389,000**	**(5,730,504)**	**9,658,496**	**25,529,320**	**15,870,824**		
2023	-	-	-	-	-		

[illegible]

		Note	2024	2023
			----------Rupees----------	
4.2	**Advance For Purchase Of Office**			
	Advance for purchase of office	4.2.1	**41,249,780**	37,649,780

4.2.1 This represents full advance / booking money for purchase of under construction office premises bearing office nos. 21, 20, 50 and 19A situated at Clifton Icon Tower, Clifton Karachi. (Refer note 21.2).

		Note	2024	2023
5	**ADVANCE FOR PMEX OFFICE PREMISES**			
	Advance for purchase of office premises		**2,500,000**	2,500,000
			2,500,000	2,500,000
6	**INTANGIBLE ASSETS**			
	Membership Entitlements			
	Pakistan Stock Exchange Limited TREC	6.1	**14,000,000**	14,000,000
	Less: Impairment loss		**(11,500,000)**	(11,500,000)
			2,500,000	2,500,000
	Pakistan Mercantile Exchange Limited (PMEX)	6.2	**250,000**	250,000
			2,750,000	2,750,000

6.1 The Company has recorded the value of membership in the PSX at Rs.14 Million as Intangibles. Fair value of the TREC has been re-evaluated and impairment loss has been provided for.

6.2 This represents the Cost / value of membership in the PMEX.

		Note	2024	2023
7	**LONG TERM INVESTMENTS**			
	Fair value through comprehensive income - Listed shares			
	400,738 (2023: 400,738) Ordinary shares			
	Pakistan Stock Exchange Limited		**2,965,461**	4,099,550
	Remeasurement gain / (loss) for the year		**2,167,993**	(1,134,089)
			5,133,454	2,965,461
8	**LONG TERM LOANS TO EMPLOYEES - Interest free, unsecured**			
	To employees other then CEO, Directors and Exectives		**1,887,550**	11,213,392
	Amount due in twelve months shown under current assets	11	**951,800**	10,404,532
			935,750	808,860

8.1 The above loans are given under the terms of employment.

8.2 Interest free long term loans have been carried out at cost as the effect of carrying these balances at amortised cost is insignificant.

		2024	2023
9	**LONG TERM DEPOSITS**		
	Deposit with Pakistan Stock Exchange Ltd	**10,000**	10,000
	Deposit with CDC Pakistan Ltd	**100,000**	100,000
	Deposit with National Commodity Exchange Ltd	**750,000**	750,000
	Deposit with National Clearing Company of Pak Ltd	**1,400,000**	1,400,000
	Base Minimum Capital - PSX	**11,000,000**	17,500,000
	PMEX Clearing deposit	**500,000**	500,000
	Lease Deposits Money	-	884,200
	Rental Deposits	**1,220,000**	-
		14,980,000	21,144,200

	Note	2024	2023
		---------------Rupees---------------	

10 TRADE RECEIVABLES

	Note	2024	2023
Considered Good , Unsecured			
Brokerage	10.1, 10.2 & 10.3	123,843,050	67,335,462
Margin Trading		22,183,567	26,224,906
PMEX clearing receivable		3,350,526	
Margin Finance		-	1,478,214
		149,377,143	95,038,582
Considered Doubtful		25,076,704	23,656,235
Allowance for expected credit loss	10.4	(25,076,704)	(23,656,235)
		-	-
	10.5	149,377,143	95,038,582

10.1 This includes amount of Rs. Nil and Rs. 278,860 (2023: Rs.Nil and Rs. 213,850) receivable from Chief Executive and Director respectively against trading exposures.

10.2 The maximum aggregate month end balance due from Chief Executives, directors, sponosrs and related parties during the year was Rs. 41,459,511 (2023: Rs. 21,141,274).

10.3 Aging analysis of the amounts due from chief executive, director, sponsors and employees are as follows:

2024				
Party Name	0 to 30 Days	31 to 180 days	More than 181 days	Total as at June 2024
Waqar Ahsan - Director	-	-	-	-
Haroon Chamadia - Sponsor	20,498,810	-	-	20,498,810
Bismah Naushad Chamdia - Family member of CEO	7,723,328	-	-	7,723,328
Mohammad Rafiq - Director	-	278,860	-	278,860
Arsa Naushad - Family member of CEO	-	7,313,993	-	7,313,993

2023				
Party Name	0 to 30 Days	31 to 180 days	More than 181 days	Total as at June 2023
Waqar Ahsan - Director	-	3,560	210,289	213,850
Haroon Chamadia - Sponsor	10,058,797	-	-	10,058,797
Bismah Naushad Chamdia - Family member of CEO	7,084,942	-	-	7,084,942
Mohammad Rafiq - Chief Operating Officer	1,850,294	1,737,639	-	3,587,933
Arsa Naushad - Family member of CEO	-	-	181,469	181,469
Navid Chamdia - Sponosr	13,285	-	-	13,285
Feroza Haroon - Sponsor	-	600	399	999

		Note	2024	2023
			Rupees	
10.4	**Expected Credit loss**			
	Opening		23,656,235	7,820,649
	Recorded during the year	25	1,420,469	15,835,586
	Closing		25,076,704	23,656,235
10.5	Aging analysis of amount due from clients			
	Not exceeding 5 days from trade date		52,954,874	6,291,834
	Exceeding 5 days but not exceeding 14 days		40,284,455	22,285,299
			93,239,329	28,577,133
	Exceeding 14 days against which listed securities held		46,980,887	58,397,325
	Value after Hair cut applied on the basis of VAR		41,554,576	54,118,402

11 LOANS AND ADVANCES-Considered good

	Note	2024	2023
Loan to Director	11.1	9,034,255	4,511,264
Current portion of long term loan to employees due in next twelve months	8	951,800	10,404,532
		9,986,055	14,915,796

11.1 This represents interest free, unsecured loan to director. The maximum balance at month end was Rs. 14.689 million (2023: Rs. 12.690 million).

11.2 The above loans are given under the terms of employment.

12 TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLE

	2024	2023
Deposits with NCCPL		
Ready Exposure	360,964,614	160,616,404
Future Exposure	124,684,218	53,835,209
GEM Exposure	100,000	100,000
MTS Cash Exposure - Financer & Financee	92,500,000	20,000,000
MTS loss concentration margin	37,330,663	1,091,326
Future (Balance retained against future contract)	3,670,983	3,603,482
GEM Loss	1,050	500
Other deposits	-	378,000
Prepaid Rent	396,001	-
Prepaid Insurance Premium	203,971	161,546
	619,851,500	239,786,467

	Note	2024	2023
		----------Rupees----------	
13 SHORT TERM INVESTMENTS			
Fair value through profit or loss			
In Listed Shares	13.1	923,887,795	167,295,367
In Mutual funds	13.2	-	-
		923,887,795	167,295,367
Fair value through other comprehensive income			
1,202,215 (2023: 1,202,215) Ordinary Shares of Pakistan Stock Exchange Limited		8,896,391	12,298,660
Remeasurement gain / (loss) for the year		6,503,983	(3,402,269)
		15,400,374	8,896,391
		939,288,169	176,191,758

13.1 In Listed Shares

	2024	2023
Carrying value of Investments including MTS - at start	916,086,893	168,642,186
Remeasurement gain /(loss) for the year	7,800,902	(1,346,819)
Net Carrying Values being market values - at end	923,887,795	167,295,367

13.2 In Mutual Funds

	2024	2023
Cost of Investments in Dawood Family Takaful	3,000,000	3,000,000
Less: Impairment loss	(3,000,000)	(3,000,000)
	-	-

	2024	2023
Value of shares held in CDC /Custody - House	174,941,045	103,217,883
Value of shares held in CDC / Custody -Clients	5,684,667,257	3,894,866,980
Value of shares under pledge - House	142,048,813	83,577,819
Value of shares under pledge - Clients	285,860,887	108,505,042

14 CASH AND BANK BALANCES

	2024	2023
Cash in hand	-	10,672
Cash at bank - Balances Commodities Trading	4,950	35,000
Cash at bank in current accounts	12,375,055	7,025,526
Cash at bank - Client accounts balances	84,021,589	33,582,360
	96,401,594	40,642,886
	96,401,594	40,653,558

15 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2024	2023		2024	2023
19,780,000	19,780,000	Ordinary Shares of Rs. 10 each alloted for consideration paid in cash	197,800,000	197,800,000

15.1 Pattern of shareholding	% of Holding 2024	2023	No of shares 2024	2023
Name of share holders				
Mr. Haroon Chamdia	**12.00%**	7.14%	**2,373,600**	1,413,078
Mrs. Feroza Haroon	**14.00%**	8.34%	**2,769,200**	1,649,200
Mr. Naushad Chamdia	**48.79%**	69.51%	**9,651,118**	13,749,016
Mrs. Shazia Mustafa	**12.00%**	7.15%	**2,373,600**	1,413,600
Mr. Navid Chamdia	**12.00%**	7.15%	**2,373,600**	1,413,600
Others shareholding Less than 5%	**1.21%**	0.72%	**238,882**	141,506
	100%	100%	**19,780,000**	19,780,000

15.2 The Changes in shareholding are as follows:

Name of share holders	Share at 2023	Gifts among family members / Transferred other	Share at 2024
Mr. Haroon Chamdia	1,413,078	960,522	**2,373,600**
Mrs. Feroza Haroon	1,649,200	1,120,000	**2,769,200**
Mr. Naushad Chamdia	13,749,016	(4,097,898)	**9,651,118**
Mrs. Shazia Mustafa	1,413,600	960,000	**2,373,600**
Mr. Navid Chamdia	1,413,600	960,000	**2,373,600**
Others shareholding Less than 5%	141,506	97,376	**238,882**
	19,780,000	-	**19,780,000**

All ordinary shares rank equally with regards to the Company's residual assets. Holders of these shares are entitled to equal rights with respect to voting and distributions declared from time to time.

16 LOAN FROM SPONSORING DIRECTOR - EQUITY CONTRIBUTION

Loan From Director - Unsecured, interest free	16.1	**70,000,000**	70,000,000

16.1 This represents loan from Director and is repayable at the discretion of the company, hence in accordance with TR-32 issued by Institute of Chartered Accountants of Pakistan (ICAP), the loan has been classified as equity contribution.

17 LEASE LIABILITY AGAINST RIGHT OF USE ASSETS

Balance at the beginning of the year	**2,959,142**	3,713,032
Initial recognition	**9,569,006**	-
accreation of markup	**1,699,362**	499,991
Repayments during the year - Markup	**(1,699,362)**	(499,991)
Repayments during the year - Principal	**(6,030,573)**	(753,890)
	6,497,575	2,959,142
Less: Current portion shown under current liabilities	**(3,519,878)**	(836,695)
	2,977,697	2,122,447

17.1 The amounts of future payments for the lease and the period of their maturity is as follows:

	Minimum Lease Payments (MLP)	Financial Charges	Present value of MLP
Rentals due within one year	4,571,483	1,051,605	3,519,878
Rentals due after one year but within two years	3,239,948	262,251	2,977,697
Balance as at June 30, 2024	7,811,431	1,313,856	6,497,575

	Minimum Lease Payments (MLP)	Financial Charges	Present value of MLP
Rentals due within one year	1,281,358	444,663	836,695
Rentals due after one year but within three years	2,321,431	198,984	2,122,447
Balance as at June 30, 2023	3,602,789	643,648	2,959,142

The Company has entered into lease agreements of various vehicles with JS Bank Limited. The Company has repaid full amount of lease rentals during the year.

		Note	2024	2023
			------------------Rupees------------------	
18	**DEFERRED LIABILITIES**			
	Deferred taxation	18.1	-	-
	Defined benefit plan	18.2	8,454,565	-
			8,454,565	-
18.1	**Deferred taxation**			
	Taxable temporary difference arising due to:			
	tax depreciation allowances		992,622	1,359,080
	right of use asset		1,040,610	(42,278)
	Deductible temporary difference arising due to:			
	Impairment allowance for ECL		(7,272,244)	(6,860,308)
	Remeasurment loss on investments		(11,728,176)	(27,163,933)
			(16,967,188)	(32,707,439)
	Deferred tax assets not recognised		16,967,188	32,707,439
			-	-
18.2	**Defined benefit plan**			
	Charge for the year		8,454,565	-
	Closing balance		8,454,565	-

		Note	2024	2023
			------------------Rupees------------------	
19	**TRADE AND OTHER PAYABLES**			
	Creditors for sale of shares on behalf of clients	19.1	**481,234,312**	176,151,128
	Accrued Expenses	19.2	**40,302,178**	7,723,643
	Margin Trade System (MTS) unreleased payable		**638,255,883**	60,903,496
	Workers welfare fund		**6,738,018**	1,028,720
	Advance against sale of office premises		-	5,000,000
	Other liabilities		**855,503**	458,616
			1,167,385,894	251,265,603

19.1 This includes Rs. 11,563,609 and Rs. 4,909,401 (2023: Rs. 371,551 and Rs. 672,645) payable to Chief Executive and Director respectively.

19.2 This includes Rs. 11,563,609 and Rs. 4,909,401 (2023: Rs. 371,551 and Rs. 672,645) payable to Chief Executive and Director respectively.

		Note	2024	2023
20	**ACCRUED MARKUP**			
	Accrued mark-up on running finance from bank- secured		-	44
21	**SHORT TERM BORROWINGS -Secured**			
	Running finance from bank	21.1	**117,217,688**	49,426,566

21.1 The facilities for running finance available from commercial banks aggregated to Rs. 300 (2023: Rs. 300) million and carry mark-up at the rate 3 month Kibor + 2% spread depending upon timely markup payment (2023: 3 month Kibor + 2% per annum calculated on daily product basis payable quarterly. These arrangements are secured against pledge/hypothecation of marketable securities, movable assets and personal guarantee of all the director and collaterally secured by charge on immoveable property of a Company. The unutilized facility at year end was Rs. 182.783 million (2023: Rs. 250.574 million).

	2024	2023
Value of shares on reporting date under pledge with lending banks - House account	**79,039,157**	40,479,063
Value of shares on reporting date under pledge with lending banks - CEO & sponsor	**285,860,887**	108,505,042
Value of shares on reporting date under pledge with lending banks - Clients	-	-

22 CONTINGENCIES AND COMMITMENTS

22.1 Guarantee

The Company has furnished as exposure to National Clearing Company of Pakistan Limited bank guarantee issued by JS Bank Limited for Rs. 15 million (2023: Rs.15 million) which is secured by pledge of shares of the Company and personal gurantee of Chief executive/ director.

22.2 Contract for Capital Expenditure/Other Commitments

The capital commitment in respect of Office premises at Clifton Icon of Rs.Nil million (2023: Rs.3.600 million) is outstanding at the reporting date. (Note 4.2).

		Note	2024	2023
			-----Rupees-----	
23	**OPERATING REVENUES - Net**			
	Gross Brokerage Revenue - Securites Trading	23.1	157,814,060	72,729,433
	Return on cash exposure / RMS / MTS / BMC / MF / SLB margin		89,279,516	34,046,267
	Commission from PMEX		3,350,526	-
	Return on Margin Financing / MTF		2,740,847	3,785,486
			253,184,949	110,561,186
	Less: Tradee's shares in brokerage		(82,816,534)	(16,925,486)
			170,368,415	93,635,700
	Dividend income		32,563,910	17,290,750
			202,932,325	110,926,450
23.1	**Brokerage revenue:**			
	From Proprietary trades		6,260,790	2,076,276
	From Retail customers		139,342,062	65,958,712
	From Institutional customers		12,211,208	4,694,445
			157,814,060	72,729,433
24	**ADMINISTRATIVE AND OPERATING EXPENSES**			
	Salaries and benefits		49,874,487	28,447,952
	Fees and subscription		14,720,699	6,751,999
	Communication		3,812,207	3,012,836
	Utilities		3,513,396	2,647,256
	Office and Computers repairs and maintenance		2,106,513	984,685
	Vehicle running expenses		298,630	220,410
	Printing and stationery		962,841	429,612
	Office equipment and software maintenance		12,633,535	5,074,225
	Rent, rates and taxes		1,047,059	2,329,173
	Insurance		219,672	245,780
	Legal and professional charges		1,086,249	1,482,733
	Traveling and conveyance		676,747	1,500,000
	Entertainment		766,636	589,510
	Depreciation	4	3,431,472	2,344,815
	Depreciation on right of use assets		3,002,998	-
	Postage & Courier		125,745	81,984
	Auditors' Remuneration-Audit Fee and sales tax thereon		486,000	400,000
	Miscelleneous Expenses		918,797	728,113
			99,683,683	57,271,083
25	**OTHER EXPENSES**			
	Expected credit losses	10.4	1,420,469	15,835,586
	Workers Welfare Fund		5,709,298	1,028,720
	Bad Debt Written off		223,048	-
			7,352,815	16,864,306
26	**FINANCE COST**			
	Mark-up on short term running finance from bank		7,240,723	2,143,868
	Mark up on lease liabilities against right of use assets		1,699,362	499,991
	Bank charges and commission		374,491	361,290
			9,314,576	3,005,149

		Note	2024	2023
			------------------Rupees------------------	
				Restated
27	**OTHER INCOME**			
	Gain on disposal of property & equipment		**15,870,824**	-
	Income from subscription of new companies (IPO)		**24,506**	271
	Other Income		**30,699**	-
			15,926,029	271
28	**LEVIES**			
	Final tax and minimum tax		**10,869,873**	12,159,920

28.1 This represent final tax and minimum tax under Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21/IAS 37.

		Note	2024	2023
29	**TAXATION**			
	Current - for the year	29.1	**37,397,982**	-
		29.2	**37,397,982**	-

29.1 Relationship between levies and taxation and profit before income tax :

	2024	2023
Levies	**10,869,873**	12,159,920
Taxation	**37,397,982**	-
Total	**48,267,854**	12,159,920
Profit / (loss) before Levies and income tax	**279,753,722**	(18,684,189)
Income tax rate	**29%**	29%
Income tax on profit before income tax	**81,128,580**	(5,418,415)
Tax effect of:		
income assessed under final tax regime	**(53,698,154)**	(2,420,705)
Super tax	**9,566,344**	-
others	**11,271,084**	19,999,040
Levies and income tax	**48,267,854**	12,159,920

29.2 In view of deductible temporary differences, net deferred tax asset has not been recognized in view of remote possibility of realization. Also see note 18.1.

	Note	2024	2023
		------------------Rupees------------------	

30 CASH FLOWS FROM OPERATION ACTIVITIES

	Note	2024	2023
Profit / (Loss) before taxation		279,753,722	(18,684,189)
Adjustments for non - cash charges and other items			
Depreciation	4.1	3,431,472	2,344,815
Depreciation on right of use assets		3,002,998	-
Unrealized remeasurement loss / (Gain) on investments	13.1	(7,800,902)	1,346,819
Provision for defined benefit plan	18.2	8,454,565	-
Expected credit loss expense	25	1,420,469	15,835,586
(Gain) on disposal of property & equipment	27	(15,870,824)	-
Finance cost	26	9,314,576	3,005,149
		1,952,354	22,532,369
Operating loss before working capital changes		281,706,076	3,848,180
Changes in working capital			
Trade receivable		(55,759,030)	(35,603,570)
Loans and advances		(4,522,991)	(33,261)
Trade deposits, prepayments & other receivables		(380,065,033)	123,936,544
Sales tax on service		(139,948)	(166,647)
		(440,487,002)	88,133,066
Increase /(Decrease) in Current liabilities			
Trade and other payables		916,120,291	(208,107,850)
		757,339,365	(116,126,604)

31 CASH AND CASH EQUIVALENTS

	2024	2023
Cash and bank balances	96,401,594	40,653,558
Short term borrowings	(117,217,688)	(49,426,566)
	(20,816,094)	(8,773,008)

32 CAPITAL ADEQUACY LEVEL

	2024	2023
Total Assets	1,915,433,241	653,512,822
Less: Total Liabilities	(1,397,398,355)	(375,635,780)
Less: Revaluation Reserves - Fixed assets	-	-
Capital Adequacy Level	518,034,886	277,877,042

While determining the value of the total assets of the TREC Holder, Notional value of the TREC certificate held by the Standard Capital Securities (Pvt.) Ltd as at June 30, 2024 as determined by Pakistan Stock Exchange has been considered.

33 FINANCIAL INSTRUMENTS BY CATEGORY

Financial Assets and Liabilities of the company, interest and non interest bearing, along with their maturities are as follows

	2024						
	Markup / Interest Bearing			Non Markup / Interest Bearing			Total
	Maturity Upto One Year	Maturity after One Year	Sub Total	Maturity Upto One Year	Maturity after One Year	Sub Total	
FINANCIAL ASSETS							
Investments	-	-	-	939,288,169	5,133,454	944,421,623	944,421,623
Trade Receivable	-	-	-	149,377,143	-	149,377,143	149,377,143
Loan to employees	-	-	-	9,986,055	935,750	10,921,805	10,921,805
Trade deposits & other receivable Note 33.1	578,148,832	-	578,148,832	41,498,697	14,980,000	56,478,697	634,627,529
Bank Balances	-	-	-	96,401,594	-	96,401,594	96,401,594
	578,148,832	-	578,148,832	1,236,551,658	21,049,204	1,257,600,862	1,835,749,694
FINANCIAL LIABILITIES							
Trade and other payables	-	-	-	1,167,385,894	-	1,167,385,894	1,167,385,894
Lease liability against right of use assets	3,519,878	2,977,697	6,497,575	-	-	-	6,497,575
Short-term borrowing	117,217,688	-	117,217,688	-	-	-	117,217,688
Accrued Markup	-	-	-	-	-	-	-
	120,737,566	2,977,697	123,715,263	1,167,385,894	-	1,167,385,894	1,291,101,157
Bank Guarantee	15,000,000		15,000,000	-	-	-	15,000,000

	2023						
	Markup / Interest Bearing			Non Markup / Interest Bearing			Total
	Maturity Upto One Year	Maturity after One Year	Sub Total	Maturity Upto One Year	Maturity after One Year	Sub Total	
FINANCIAL ASSETS							
Investments	-	-	-	176,191,758	2,965,461	179,157,219	179,157,219
Trade deposits & other receivable Note 33.1	234,451,613	-	234,451,613	5,173,308	21,144,200	26,317,508	260,769,121
Loans to employees	-	-	-	14,915,796	808,860	15,724,656	15,724,656
Trade Receivables	-	-	-	95,038,582	-	95,038,582	95,038,582
Bank Balances	-	-	-	40,642,886	-	40,642,886	40,642,886
	234,451,613	-	234,451,613	331,962,330	24,918,521	356,880,851	591,332,464
FINANCIAL LIABILITIES							
Trade and other payables	-	-	-	246,265,603	-	246,265,603	246,265,603
Lease liability against right of use assets	836,695	2,122,447	2,959,142	-	-	-	2,959,142
Short-term borrowing	49,426,566	-	49,426,566	-	-	-	49,426,566
Accrued Markup	-	-	-	44	-	44	44
	50,263,261	2,122,447	52,385,708	246,265,647	-	246,265,647	298,651,355
Bank Guarantee	15,000,000	-	15,000,000	-	-	-	15,000,000

33.1 It carries markup ranging from 13% to 17% and whereas for others the effective interest/markup rates for the financial assets and liabilities are mentioned in respective notes to the financial statements.

34 FINANCIAL INSTRUMENTS

34.1 FINANCIAL RISK MANAGEMENT OBJECTIVES

The Company's activities expose it to a certain financial risks:

- Credit risk
- Liquidity risk
- Market risk (including currency risk, interest rate risk and other price risk)

The Company's overall risk management programs focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors (the Board) under policies approved by the board. The Board provides formal principles for overall risk management, as well as significant policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity. All treasury related transactions are carried out within the parameters of these policies.

The information about the company's exposure to each of the above risk, the company's objectives, policies and procedures for measuring and managing risk, and the company's management of capital, is as follows;

a) **Credit risk and concentration of credit risk**

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company manages credit risk interalia by limiting advances and credit to individual customers based on their credit worthiness, obtaining advance against exposure, obtaining collaterals where considered necessary and making appropriate provision for doubtful receivables.

Exposure to credit Risk

Company's credit risk is mainly attributable to loans and advances, balances with banks and financial institutions, and credit exposure to customers, including trade receivables and committed transactions. The maximum exposure of the company to credit risk is as follows:

	2024	2023
	------Rupees------	
Investments	**944,421,623**	179,157,219
Deposits	**634,627,529**	260,769,121
Loan to employees	**10,921,805**	15,724,656
Trade receivables	**149,377,143**	95,038,582
Bank Balances	**96,401,594**	40,642,886
	1,835,749,694	591,332,464

Investments

Investments mainly represents shareholding in listed securities which are actively traded in the market and realizable amounts are worked out, while for the differential re-measurement differences are instantly recorded.

Loans and advances

These loans and advances are essentially due from employees and are usually adjustable against their salaries. The Company regularly pursues for the recovery of the these and the Company does not expect these employees will fail to meet their obligations. Hence the company believes that no impairment allowance is necessary in respect of loans.

Trade Receivables

Trade receivables are against client shareholding in listed securities which are actively traded in the market and realizable amounts are worked out, while for the differential margin are made and recovered. Allowance for expected credit loss has been recorded for doubtful trade receivables.

Deposits
These are given to PSX/NCCPL/PMEX which are prime regulator and enjoys sound creditability.

Bank balances
The company maintains balances with banks that have good and stable credit rating. Given these credit ratings, management does not expect that any counter party will fail to meet their obligations.

b) **Liquidity risk**
Liquidity risk represent the risk where the Company will encounter difficulty in meeting obligations associated with financial liabilities when they fall due. Contractual maturities of financial liabilities, including interest payments excluding the impact of netting arrangements, are shown in the Note 33.

The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The management forecasts liquidity risks on the basis of expected cash flow considering the level of liquid assets necessary to meet such risk. This involves monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The Company's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient cash on demand to meet expected working capital requirements.

c) **Market Risk**
Market risk is the risk that the fair value or future cash flows of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities, and liquidity in the market. Market risk comprises of three types of risks: Foreign Exchange / Currency risk, interest rate risk and other price risk.

Foreign exchange / Currency risk
Foreign exchange risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk arise mainly from future economic transactions or receivables and payables that exist due to transaction in foreign exchange. The Company is not exposed to the risk.

Markup rate risk
Markup rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to change in the mark-up rates. The exposure to markup rate risk is mainly arises in respect of variable markup bearing borrowings from banks. The Company's net exposure to markup rate risk is as follows;

	2024	2023
	----------Rupees----------	
Short term borrowings	117,217,688	49,426,566
	117,217,688	49,426,566

Cash flow sensitivity analysis for variable rate instruments
A change of 100 basis points in interest rates at the reporting date would have (increased) / decreased profit before tax for the year by Rs. 1,172,177 (2023: Rs. 494,266). This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

d) **Other price risk**

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest or currency rate risk), whether those changes are caused by factors specified to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is exposed to equity price risk. The Company is also exposed to commodity price risk which is managed and mitigated by keeping sufficient exposure from the client's of the brokerage house.

At reporting date if the share price of investment at fair value through profit or loss had strengthened/weakened by 10% with all other variables held constant, pre tax profit for the year would have been higher/lower by the amount shown below.

	2024	2023
	Rupees	
Effect on profit and investment	92,388,780	16,729,537
Effect on Comprehensive income and investment	2,053,383	1,186,185

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and assets/liabilities of the Company.

34.2 Fair value of Financial Assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company's certain accounting policies and disclosure requires use of fair value measurement and the Company while assessing fair value maximize the use of relevant of observable inputs and minimize the use of unobservable inputs establishing a fair value hierarchy, i.e., input used in fair value measurement is categorized into following three levels:

Level 1: Level 1 inputs are the quoted prices in active markets for identical assets or liabilities that can be assessed at measurement.

Level 2: Level 2 inputs are inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Level 3 inputs are unobservable inputs for the asset or liability.

As at statement of financial position the fair value of all the financial assets and liabilities approximates to their carrying values. The Company investment in listed shares amounting to Rs. 944.422 million in level 1 and does not expect that unobservable inputs may have significant effect on fair values.

35 CAPITAL RISK MANAGEMENT

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefit for other shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company finance its operations through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. In order to maintain or adjust capital structure, the company may adjust the amount of dividend paid to shareholders, return capital to shareholders or issue new shares or sell assets to reduce debt. Consistent with others in industry , the company manages its capital risk by monitoring its debt levels and liquid assets and keeping in view future investment requirements and expectations of shareholders.

During year the Company's strategy was to maintain gearing. The gearing ratio as at balance sheet date is as follows:

	2024	2023
	----Rupees----	
Total markup bearing borrowings	**117,217,688**	49,426,566
Cash and bank balances	**(96,401,594)**	(40,653,558)
Net debt	**20,816,094**	8,773,008
Total equity	**588,034,886**	347,877,042
Total capital	**608,850,980**	356,650,050
Gearing ratio	**3.42%**	2.46%

36 LIQUID CAPITAL STATEMENT

The Liquid Capital Statement as required under sub rule 6(4) of the Securities Brokers (Licensing & Operation) Regulations, 2016 and schedule III whereof is calculated as follows:

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	73,799,800	73,799,800	-
1.2	Intangible Assets	2,750,000	2,750,000	-
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. (Provided that if any of these securities are pledged with the securities exchange for base minimum capital requirement, 100% haircut on the value of eligible securities to the extent of minimum required value of Base minimum capital.	944,421,623	167,282,873	777,138,750
	ii. If unlisted, 100% of carrying value.			
1.6	Investment in subsidiaries			
1.7	**Investment in associated companies/undertaking**	-		
	i. If listed 20% or VaR of each securities as computed by the Securites 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.** (i) 100% of net value, however any excess amount of cash deposited with securities exchange to comply with requirements of base minimum capital may be taken in the calculation of LC	14,980,000	13,301,923	1,678,077
1.9	Margin deposits with exchange and clearing house.	615,579,495	-	615,579,495
1.10	Deposit with authorized intermediary against borrowed securities under SLB.			
1.11	Other deposits and prepayments	3,529,748	3,529,748	-
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			
1.13	Dividends receivables.			
1.14	Amounts receivable against Repo financing. Amount paid as purchaser under the REPO agreement. (*Securities purchased under repo arrangement shall not be included in the investments.)*			
1.15	Advances and receivables other than trade Receivables;			
	(i) No haircut may be applied on the short term loan to employees provided these loans are secured and due for repayments within 12 months. (ii) No haircut may be applied to the advance tax to the extent it is netted with provision of taxation . (iii) In all other cases 100% of net value	10,921,805	10,921,805	-
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.	3,672,033	3,672,033	-
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 financee (iii) market value of any securities deposited as collateral after applying VaR based haircut. *i. Lower of net balance sheet value or value determined through adjustments.*			

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
	ii. Incase receivables are against margin trading, 5% of the net balance sheet value. *ii. Net amount after deducting haircut*	22,183,567	1,109,178	21,074,389
	iii. Incase receivalbes are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, *iii. Net amount after deducting haricut*			
	iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. *iv. Balance sheet value*	24,281,963	-	24,281,963
	v. Incase of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts. *v. Lower of net balance sheet value or value determined through adjustments*	64,418,508	7,793,541	56,624,967
	vi. In the case of amount of receivables from related parties, values determined after applying applicable haircuts on underlying securities readily available in respective CDS account of the related party in the following manner; (a) Up to 30 days, values determined after applying var based haircuts. (b) Above 30 days but upto 90 days, values determined after applying 50% or var based haircuts whichever is higher. (c) above 90 days 100% haircut shall be applicable. *vi. Lower of net balance sheet value or value determined through adjustments*	38,493,105	10,882,734	27,610,371
1.18	**Cash and Bank balances**			
	I. Bank Balance-proprietory accounts	12,380,005	4,950	12,375,055
	ii. Bank balance-customer accounts	84,021,589	-	84,021,589
	iii. Cash in hand	-	-	-
1.19	**Subscription money against investment in IPO/ offer for sale (asset)**			
	(i)No haircut may be applied in respect of amount paid as subscription money provided that shares have not been alloted or are not included in the investments of securities broker. (ii) In case of Investment in IPO where shares have been alloted but not yet credited in CDS Account, 25% haircuts will be applicable on the value of such securities. (iii) In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VAR based haircut whichever is higher, will be applied on Right Shares.	-	-	-
1.20	**Total Assets**	**1,915,433,241**	**295,048,585**	**1,620,384,656**
2. Liabilities				
2.1	**Trade Payables**			
	i. Payable to exchanges and clearing house			
	ii. Payable against leveraged market products	638,255,883	-	638,255,883
	iii. Payable to customers	481,234,312	-	481,234,312
2.2	**Current Liabilities**			
	i. Statutory and regulatory dues			
	ii. Accruals and other payables	47,895,699	-	47,895,699
	iii. Short-term borrowings	117,217,688	-	117,217,688
	iv. Current portion of subordinated loans			
	v. Current portion of long term liabilities	-	-	-
	vi. Deferred Liabilities	-		-
	vii. Provision for taxation	27,842,633	-	27,842,633
	viii. Other liabilities as per accounting principles and included in the financial statements			
2.3	**Non-Current Liabilities**			
	i. Long-Term financing	3,519,878	-	3,519,878
	ii. Other liabilities as per accounting principles and included in the financial statements			
	iii. Staff retirement benefits	8,454,565		8,454,565

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
	Note: (a) 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance leases. (b) Nill in all other cases	2,977,697		2,977,697
2.4	**Subordinated Loans**			
	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted:	70,000,000	70,000,000	-
2.5	**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. Boad 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.			
2.6	**Total Liabilites**	1,397,398,355		1,327,398,355
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 financees exceed 10% of the aggregate of amounts receivable from total finances. (Provided that above prescribed adjustments shall not be applicable where the aggregate amount of receivable against margin financing does not exceed Rs 5 million) Note: Only amount exceeding by 10% of each financee from aggregate amount shall be include in the ranking liabilities	-	-	-
3.2	**Concentration in securites lending and borrowing**			
	The amount by which the aggregate of: (i) Amount deposited by the borrower with NCCPL (Ii) Cash margins paid and (iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed (Note only amount exceeding by 110% of each borrower from market value of shares borrowed shall be included in the ranking liabilities)			
3.3	**Net underwriting Commitments**			
	(a) in the case of right issuse : if the market value of securites 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 issuse where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting commitment			
	(b) in any other case : 12.5% of the net underwriting commitments			
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 cuurency 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 securites. **In the case of financee/seller** the market value of underlying securities after applying haircut less the total amount received ,less value of any securites deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.			

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S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
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	-	-	-
3.9	**Opening Positions in futures and options**			
	i. In case of customer positions, the total margin requiremnets in respect of open postions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applyiong VaR haircuts	6,598,915	6,586,591	6,586,591
	ii. In case of proprietary positions , the total margin requirements in respect of open positions to the extent not already met			
3.10	**Short selll positions**			
	i. Incase of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts	-	-	-
	ii. Incase of proprietory 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 Liabilites**	6,598,915	6,586,591	6,586,591

Calculations Summary of Liquid Capital

(i) Adjusted value of Assets (serial number 1.20)	1,620,384,656
(ii) Less: Adjusted value of liabilities (serial number 2.6)	(1,327,398,355)
(iii) Less: Total ranking liabilities (series number 3.11)	(6,586,591)
	286,399,710

Liquid Capital Allocaton

Total Liquid Capital	286,399,710
Pakistan Mercantile Exchange Limited	(2,500,000)
Liquid Capital Allocated to NCCPL / PSX	283,899,710

37 **RELATED PARTY TRANSACTION**

The related parties comprised associate undertakings and sponsors. The Company continues to have a policy whereby all transactions with related parties undertakings are entered into at commercial terms and conditions. Details of transaction are as follows:

Relationship	Purpose	2024 Amount	2023 Amount
Chief Executive	Shares issued	-	80,000,000
Chief Executive, Director, sponsors and COO	Tradee's shares in brokerage	54,800,239	8,402,139
Chief Executive, Director & employees	Commission income	5,446,239	1,966,904

Remuneration to Chief Executive and Directors has been disclosed in note 38.

Outstanding balances, as at reporting date, are disclosed in their respective notes.

38 **REMUNERATION TO CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES**

	Chief Executive		Director		Executives	
	2024	2023	2024	2023	2024	2023
Remuneration allowances	1,900,000	1,900,000	1,326,500	1,201,500	19,734,582	11,540,872
Tradee's shares in brokerage	21,665,271	-	11,471,140	1,702,227	29,436,317	8,321,303
	23,565,271	1,900,000	12,797,640	2,903,727	49,170,899	19,862,175
Number of persons	1	1	2	1	11	8

39 **NO OF EMPLOYEES**

	2024	2023
As on reporting date	54	38
Average during the year	44	35

The Company is in the process of making employees retirement benefit policy which is implemented. Also refer note 3.7.

40 **DATE OF AUTHORIZATION FOR ISSUE**

The financial statements were authorized for issue by the Board of Directors on 0 7 OCT 2024

41 **GENERAL**

Figures have been rounded off to the nearest rupee.

Director

Director

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Securities (Pvt) Ltd

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DIRECTORS REPORT

Your directors are pleased to welcome you at the Annual General Meeting and present Annual audited financial statements for the year ended 30-June-2024. During the year company's business remained positive as is evident from the profit because of capital gain which is attributable to the stringent efforts of our team members.

Financial Results	**(Rupees)**
Profit after taxation	**231,485,868**
Fair Value gain on recognition of Investment at fair value through comprehensive Income	**8,671,976**
Brought forward Profit	**68,215,191**
Carried forward Profit	**299,701,059**
Earning per share	**12.14**

Future Prospectus

Your directors projects for growth in brokerage business of the company as during the last year appetite for securities and investment activities of the county will likely to persist as well in the year to come and that will enable your company to penetrate and grab its due market share with the innovations and ideas of IT technology.

Recommendation

In view of the business growth requiring financing no recommendations as to dividend has been proposed by the directors.

The auditors M/s. KRESTON HYDER BHIMJI & CO., Chartered Accountants retire and being eligible offers them for reappointment.

We acknowledge the dedication, loyalty support of the shareholders at all times.

Karachi the: 07-Oct-2024

For and on behalf of Board of Directors

Muhammad Rafiq
Director

Waqar Ahsan Kapdia
Director

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CORPORATE GOVERNANCE

BOARD OF DIRECTORS

An effective board established comprising of 3 directors, responsible for ensuring long-term success and for monitoring and evaluating the management's performance. The composition of board is as follows:

Mr. Muhammad Rafiq	Director
Mr. Waqar Ahsan Kapdia	Director

BOARD RESPONSIBILITIES, POWERS AND FUNCTION

Each member of the Board is fully aware of the responsibilities as an individual member as well as the responsibilities of all members together as a board. The Board actively participates in all major decisions of the Company including but not limited to approval of capital expenditure budgets, investments, related party transactions and appointment of key personnel. The Board also monitors the Company's operations by approval of financial statements, review of internal and external audit observations, if any and recommendation of dividend. The Board has devised formal policies for conducting business and ensures their monitoring through an independent outsourced Internal Auditors which continuously monitors adherence to Company Policies.

The following policies has approved by the board.

- Internal Code of Conduct
- Whistleblower Policy
- Customer Complaint, Grievances & Conflict Resolution Policy
- Risk and Compliance Policy
- Segregation of Customer Assets from Securities Broker Assets.

BOARD MEETINGS

The meeting of the directors were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of board.

COMMITIEES OF BOARD

The board has formed following committees and developed their Term of References.

- Audit Committee

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RELATED PARTY TRANSACTION

The Company has provided detailed information on related party transactions in its financial statements annexed to this Annual Report. This disclosure complies with the requirements of Companies Act, 2017 and the relevant International Financial Reporting Standards.

RATING

In compliance of SECP notification no. SMD/SE/2(20)/2010/22 dated March 24, 2023 read with Regulation 7 (4) (a) Securities broker under Securities Brokers (Licensing and Operations) Regulations 2016, the house have been assigned VIS Credit Rating Company Limited rating as follows:

- **Broker Management Rating (BMR): BMR2**
- **Broker Fiduciary Rating (BFR): BFR3**

AUDITORS

The company is registered as Trading and Self Clearing category of Securities broker under Securities Brokers (Licensing and Operations) Regulations 2016 and appointed M/s. Kreston Hyder Bhimji & Co., Chartered Accountants as their external auditor which are enlisted within "A" category of Panel of Auditors issued by State Bank of Pakistan.

COMPLIANCE STATEMENT

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

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

We confirm that the company is in compliance with the Code of Corporate Governance required under Securities Broker Licensing and Operations 2016.

Dated: 07 October, 2024

Mr. Muhammad Rafiq
Director

Mr. Waqar Ahsan Kapdia
Director

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