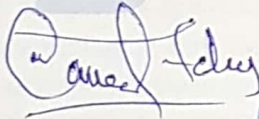


TRADE SMART SECURITIES (PRIVATE) LTD.

TREC Holder/Broker Pakistan Stock Exchange Ltd.
TREC Holder/Broker Pakistan Mercantile Exchange Ltd.

STATEMENT BY CHIEF EXECUTIVE OFFICER

I, Naveed, Chief Executive Officer of Trade Smart Securities (Private) Limited hereby declare that there is no transaction entered into by Trade Smart Securities (Private) Limited during the year, which are fraudulent, illegal or violation of any securities market laws.



Naveed
Chief Executive Officer



Karachi; October 04, 2024

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info@tradesmart.pk tradesmartsecurities@gmail.com

Room No. 901-903, 9th Floor, New Stock Exchange Building,
Stock Exchange Road, Karachi-74000, Pakistan



TRADE SMART SECURITIES (PRIVATE) LTD.

TREC Holder/Broker Pakistan Stock Exchange Ltd.
TREC Holder/Broker Pakistan Mercantile Exchange Ltd.

CORPORATE GOVERNANCE

BOARD OF DIRECTORS

An effective board established comprising of Three (03) directors, responsible for ensuring long-term success and for monitoring and evaluating the management's performance. The composition of board is as follows:

Naveed	Chief Executive Officer / Director
Imran	Director
Zarar Haider	Director

BOARD RESPONSIBILITIES, POWER 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 budget, investments, related party transaction and appointment of key personnel. The board also monitors the company's operation by approval of financial statements, review of internal and external audit observation, if any and recommendation of dividend, the board has devised formal policies for conducting business and ensure their monitoring through an independent outsourced Internal Auditors which continuously monitors adherence to Company policies,

BOARD MEETINGS

The meeting of the directors was 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 regulation with respect to frequency, recording and circulation minutes of board.

COMMITTEES OF BOARD

The board has formed following committees and their terms of reference.

AUDIT COMMITTEE

RELATED PARTY TRANSACTION



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TRADE SMART SECURITIES (PRIVATE) LTD.

TREC Holder/Broker Pakistan Stock Exchange Ltd.
TREC Holder/Broker Pakistan Mercantile Exchange Ltd.

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

AUDITORS

The company is registered as trading and self-clearing category of securities broker under securities brokers (Licensing and Operations) Regulations 2016 and appointed Reanda Haroon Zakaria Aamir Salman Rizwan & Company, Chartered Accountants as their external auditors which were enlisted within "B" category of Panel of Auditors issued by State Bank of Pakistan.

COMPLIANCE STATEMENT

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

COMPLAINE WITH THE CODE OF CORPORATION GOVERNANCE

We confirm that the company is in compliance with the Code of Corporation Governance required Under Securities Broker licensing and Operations 2016.

Naveed
Chief Executive



Imran
Director

Karachi; Dated: October 04, 2024

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TRADE SMART SECURITIES (PRIVATE) LTD.

TREC Holder/Broker Pakistan Stock Exchange Ltd.
TREC Holder/Broker Pakistan Mercantile Exchange Ltd.

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE CODE FOR SECURITIES BROKER (GIVE UNDER ANNEXURE-D OF SECURITIES BROKERS LICENSING & OPERATIONS REGULATION (2016)

Trade Smart Securities (Private) Limited is in compliance with the corporate Governance Code for Securities Broker as mentioned in Annexure D of Regulation 16(1) (f) of securities Broker (Licensing & Operations) Regulations, 2016.

Naveed
Chief Executive Officer



Imran
Director

Karachi; October 04, 2024

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TRADE SMART SECURITIES (PRIVATE) LTD.

TREC Holder/Broker Pakistan Stock Exchange Ltd.
TREC Holder/Broker Pakistan Mercantile Exchange Ltd.

TRADE SMART SECURITIES (PRIVATE) LIMITED

DIRECTORS' REPORT

The Directors are pleased to present this report on the Company for the financial year ended 30th June 2024.

1. Financial Highlights/Operating Results

Summarize financial results are as follows:

Description	Amount (In Rupees)
Operating Revenue	13,489,842
Gross loss	(17,610,968)
Profit before tax	18,990,101
Profit after tax	11,457,896

2. Review of Operations

A review of the company's operations during the financial year, and the results of those operations, is as follows:

The company's operations during the year performed as expected in the opinion of the director(s).

3. Significant changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

4. Future Outlook

We aim to overcome the challenges through better customer understanding, continuous investment in innovations and delivering world class customer experience. We are confident that our dedicated and focused efforts will allow us to provide better value to meet consumers' everyday demands and deliver sustainable growth. The company is confident about the success of its strategic policies and its implementation which are expected to yield positive result in the coming years.

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TRADE SMART SECURITIES (PRIVATE) LTD.

TREC Holder/Broker Pakistan Stock Exchange Ltd.
TREC Holder/Broker Pakistan Mercantile Exchange Ltd.

5. Dividend

The Board of Directors have proposed a dividend of nil per share.

6. Going Concern

The Directors are fully committed for continued financial support to keep the company as going concern.

7. Auditors

The present auditors, Reanda Haroon Zakaria Aamir Salman Rizwan & Company Chartered Accountants are due to retire and being eligible, offer themselves for reappointment for the year ended 30th June 2024

8. Acknowledgement

The Board is thankful to all the customers/clients, members, bankers, and consultants for their continued trust and support.

The Board would also like to thank all the employees for their dedication and hard work throughout the financial year.

Thanking you all.
On behalf of the Board

Chief Executive Officer



Director

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info@tradesmart.pk tradesmartsecurities@gmail.com

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**TRADE SMART SECURITIES
(PRIVATE) LIMITED**

**Financial Statement
For the year ended June 30, 2024**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
TRADE SMART SECURITIES (PRIVATE) LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

Opinion

We have audited the annexed financial statements of **Trade Smart Securities (Private) Limited** which comprise the statement of financial position as at June 30, 2024, the statement of profit or loss, the statement of 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 material accounting 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 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, the statement of 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, other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

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 the Company's Annual Report 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.

Reanda Haroon Zakaria Aamir Salman Rizwan & Company

Chartered Accountants

Suite Nos. M1-M4 & 709-710, Progressive Plaza, Beaumont Road, Karachi - 75530, Pakistan
Tel: +92 (21) 3567 4741-44 | Fax: +92 (21) 3567 4745 | Email: info@hzasrkhil.pk | www.hzasr.pk

Other offices at:
Lahore and Islamabad



Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



REANDA

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of 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 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, section 62 of the Futures Market Act, 2016, and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016, as at the date on which the financial statements were prepared.
- f) the Company was in compliance with the relevant requirements of Futures Brokers (Licensing and Operations Regulations), 2018 as at the date on which the statement of financial position was prepared.

The engagement partner on the audit resulting in this independent auditor's report is **Farhan Ahmed Memon**.

Dr. Reanda Haroon Zakaria Aamir Salman
Reanda Haroon Zakaria Aamir Salman
Chartered Accountants



Place: Karachi

Dated: October 04, 2024

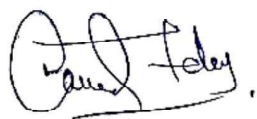
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TRADE SMART SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS ON JUNE 30, 2024

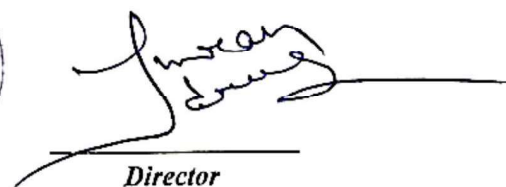
	Note	2024 Rupees	2023 Rupees
<u>ASSETS</u>			
Non-Current Assets			
Property and equipment	6	73,741,397	84,793,962
Investment property	7	1,566,000	2,088,000
Investment at fair value through OCI	8	101,834,587	86,115,142
Intangible assets	9	5,006,845	5,013,489
Long term security deposits	10	4,579,780	4,561,480
Deferred tax asset	11	1,762,836	8,047,266
		<u>188,491,445</u>	<u>190,619,339</u>
Current Assets			
Trade debts- consider good	12	26,677,654	652,961
Loan, advances and other receivables	13	5,342,000	-
Short term deposits and other receivables	14	4,800,000	3,428,076
Short term investments	15	267,899,070	265,745,517
Tax refunds due from government		9,815,088	9,239,891
Cash and bank balances	16	7,174,637	1,955,770
		<u>321,708,449</u>	<u>281,022,215</u>
Total Assets		<u><u>510,199,894</u></u>	<u><u>471,641,554</u></u>
<u>EQUITY AND LIABILITIES</u>			
Share Capital and Reserves			
Authorized Capital			
47,000,000 (2023: 47,000,000)			
Ordinary shares of Rs. 10 each		<u>470,000,000</u>	<u>470,000,000</u>
Issued, subscribed and paid up capital	17	446,665,180	446,665,180
Reserve		46,845,233	16,264,733
Shareholders' Equity		<u>493,510,413</u>	<u>462,929,913</u>
Non-Current Liability			
Long term security deposits		-	75,000
Current Liability			
Trade and other payables	18	16,689,481	8,636,641
Contingencies and Commitments			
Total Equity and Liabilities	19	<u><u>510,199,894</u></u>	<u><u>471,641,554</u></u>

The annexed notes from 1 to 37 form an integral part of these financial statements.

Pr.



Chief Executive Officer

Director

TRADE SMART SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2024

	<i>Note</i>	<i>2024 Rupees</i>	<i>2023 Rupees</i>
Operating revenue	20	13,489,842	4,805,717
Gain/ (loss) on re-measurement of investment carried at fair value through profit and loss - Net		9,414,448	(12,144,923)
Gain on disposal of investment carried at fair value through profit and loss - Net		<u>9,136,034</u>	<u>15,760,044</u>
		32,040,324	8,420,838
Operating expenses	21	<u>(49,651,292)</u>	<u>(39,965,759)</u>
Operating loss		(17,610,968)	(31,544,921)
Other income	22	37,116,446	39,423,088
Financial cost	23	<u>(515,377)</u>	<u>(1,663,467)</u>
Profit before final and minimum tax differential		18,990,101	6,214,700
Final taxes		<u>(690,711)</u>	<u>(537,990)</u>
Minimum tax differential		<u>(168,623)</u>	<u>(65,957)</u>
	24	<u>(859,334)</u>	<u>(603,947)</u>
Profit before taxation		18,130,767	5,610,753
Taxation	25	(6,672,871)	(3,553,246)
Profit after taxation		<u>11,457,896</u>	<u>2,057,507</u>


The annexed notes from 1 to 37 form an integral part of these financial statements.

per:



Chief Executive Officer




Director

TRADE SMART SECURITIES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

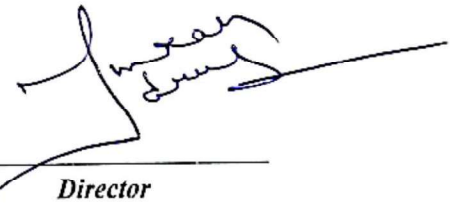
	<i>2024</i> <i>Rupees</i>	<i>2023</i> <i>Rupees</i>
Profit after taxation	11,457,896	2,057,507
Profit on remeasurement at fair value through OCI-Net	16,366,022	2,913,968
Total comprehensive income for the year	<u>27,823,918</u>	<u>4,971,475</u>

The annexed notes from 1 to 37 form an integral part of these financial statements.

pr.


Chief Executive Officer





Director

TRADE SMART SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2024

		Reserve			Shareholders equity
	Issued, subscribed and paid up capital	Capital	Revenue	Sub Total	
		----- Rupees -----			
Balance as at June 30, 2022 (Restated)	141,439,260	113,175,291	203,343,887	316,519,178	457,958,438
Profit for the year	-	-	2,057,507	2,057,507	2,057,507
Bonus shared issued @ Rs. 10 per share	305,225,920	-	(305,225,920)	(305,225,920)	-
Gain on remeasurment of investment at FV-OCI	-	2,913,968	-	2,913,968	2,913,968
Total comprehensive income/ (loss) for the year	305,225,920	2,913,968	(303,168,413)	(300,254,446)	4,971,474
Balance as at June 30, 2023	446,665,180	116,089,259	(99,824,526)	16,264,733	462,929,913
Profit for the year	-	-	11,457,896	11,457,896	11,457,896
Gain on disposal of investment at FV-OCI	-	2,756,583	-	2,756,583	2,756,583
Gain on disposal transfer to retained earning	-	(2,756,583)	2,756,583	-	-
Gain on remeasurment of investment at FV-OCI	-	16,366,022	-	16,366,022	16,366,022
Total comprehensive income for the year	-	16,366,022	14,214,479	30,580,501	30,580,501
Balance as at June 30, 2024	446,665,180	132,455,281	(85,610,047)	46,845,233	493,510,413

The annexed notes from 1 to 37 form an integral part of these financial statements.

ph.



Chief Executive Officer



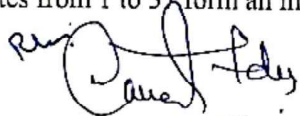


Director

TRADE SMART SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	2024 Rupees	2023 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before final and minimum tax differential	18,990,101	6,214,700
Adjustment for non-cash charges and other items		
Depreciation	11,574,565	11,384,833
Realized (profit)/ loss	(9,136,034)	(15,760,044)
Unrealized (gain)/ loss	(9,414,448)	12,144,923
Gain on disposal of fixed asset	-	(2,625,917)
Amortization	6,644	6,644
Finance cost	515,377	1,663,467
	(6,453,896)	6,813,906
Cash Generated before working capital changes	12,536,205	13,028,606
Working Capital Changes		
(Increase)/ decrease in current assets		
Trade debts- consider good	(26,024,693)	(203,817)
Trade deposits and short term prepayments	(1,371,924)	1,705,485
	(27,396,617)	1,501,668
Increase / (decrease) in current liabilities		
Trade and other payables	5,878,281	2,391,288
Cash generated from operations after working capital changes	(8,982,131)	16,921,562
Taxes paid	(1,822,973)	(1,620,323)
Finance cost paid	(515,377)	(1,663,467)
Net cash (used in) / generated from operating activities	(11,320,481)	13,637,772
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of fixed assets	-	(26,456,381)
Proceeds from disposal of fixed assets	-	5,350,000
Payment of long term security deposits	(18,300)	(41,480)
Short term loan-net	(5,342,000)	-
Acquisition/disposal of investment-net	19,800,089	11,778,211
Net cash generated from / (used in) investing activities	14,439,789	(9,369,650)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term security deposits	(75,000)	-
Addition / (repayment) of short term running finance	2,174,559	(5,087,177)
Net cash generated from / (used in) financing activities	2,099,559	(5,087,177)
Net increase / (decrease) in cash and cash equivalent (A+B+C)	5,218,867	(819,055)
Cash and cash equivalents at beginning of year	1,955,770	2,774,825
Cash and cash equivalents at end of year	7,174,637	1,955,770

The annexed notes from 1 to 37 form an integral part of these financial statements.


Chief Executive Officer




Director

TRADE SMART SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1 CORPORATE INFORMATION, OPERATIONS AND LEGAL STATUS

H. M. Idrees H. Adam is a (Private) Limited (the Company) was incorporated in Pakistan on March 08, 2013 as a single member private limited company under the Companies Act, 2017. On June 7, 2017 the status of the company changed from Single Member Company to Private Limited Company. The Company has changed its name from H.M Idrees H. Adam (Private) Limited to Trade Smart Securities (Private) Limited and has been duly incorporated as a company limited by shares as a PRIVATE COMPANY under the provisions of the Companies Act, 2017 on September 25, 2023. The Company is a corporate member of the Pakistan Stock Exchange & Pakistan Mercantile Exchange Limited. The principal objects of the Company include share brokerage, money market transactions, consultancy services, underwriting etc. The registered office of the company is Office No. 901, 902, and 903 9th Floor, New Karachi Stock Exchange Building, Off I.I. Chundrigar Road, Karachi-74000, Pakistan.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the international Accounting Standard Boards (IASB) as notified under the Companies Act , 2017.
- Provision 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.

Preparation of financial statements also include disclosure required by Securities Brokers (Licensing and Operations) Regulations, 2016.

During the year the Institute of Chartered Accountants of Pakistan (ICAP) have withdrawn the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued guidance – "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires taxes paid under final tax regime and minimum tax regime to be shown separately as a levy instead of showing it in current tax.

Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) – 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the Statement of Financial Position and Statement of Changes in Equity as a result of this change.

<i>Effect on profit and loss and other comprehensive income</i>	<i>Had there been no change in policy</i>	<i>Impact of change in policy</i>	<i>After incorporating effects of policy</i>
For the year ended June 30, 2024			
Minimum tax differential	-	859,334	859,334
Profit before tax	18,990,101	(859,334)	18,130,767
Taxation -income tax	7,532,205	(859,334)	6,672,871
For the year ended June 30, 2023			
Minimum tax differential	-	603,947	603,947
Profit before tax	6,214,700	(603,947)	5,610,753
Taxation -income tax	4,157,193	(603,947)	3,553,246

2.2 Basis of Measurement

These financial statements have been prepared under the historical cost convention, except for certain investments which are measured at fair value.

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

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with approved financial reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

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

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

Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on amounts recognized in the financial statements are described as follows: -

a) Property and equipment

The Company's management determines the estimated useful lives and related depreciation charge for its property and equipment. This also includes estimating the residual values and depreciable lives. Further, the Company reviews the value of the assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property and equipment with a corresponding affect on the depreciation charge and impairment.

b) Income Tax

In making the estimates for income taxes currently payable by the Company, the management looks at the current income tax law and the decisions of appellate authorities on certain issues in the past.

c) Intangible Assets

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

d) Investments stated at Fair Value

The Company has determined fair value of certain investments by using quotations from active market. The value exist at specific point in time and may affect carrying values in future.

e) Trade and Other Receivables

The Company reviews its debtors portfolio regularly to assess amount of any provision required against such trade debtors and provisions are made to the extent the amount is considered doubtful.

2.5 Standards, amendments and interpretations which became effective during the year

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as describe below :

2.6 New standards, interpretations and amendments

The company has adopted the following accounting standards, interpretations and the amendments of IFRSs which became effective for the current year:

- IAS 7 – Statement of Cash flow - Disclosure Initiative - (Amendments).
- IAS 12 – Income Taxes - Recognition of Deferred Tax Assets for Unrealized losses (Amendments).

The adoption of the above amendments to accounting standards did not have any effect on the financial statements.

3 NEW / REVISED ACCOUNTING STANDARDS, AMENDMENTS TO PUBLISHED ACCOUNTING STANDARDS, AND INTERPRETATIONS THAT ARE NOT YET EFFECTIVE

There are new and amended standards and interpretations that are mandatory for accounting periods beginning 01 July, 2023 other than those disclosed in note are considered not to be relevant or do not have any significant effect on the company's financial statements and are therefore not stated in these financial statements.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 IFRS 9 'Financial Instruments'

IFRS 9 replaced the provisions of IAS 39 'Financial Instruments: Recognition and Measurement' that relates to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. Changes in accounting policies if any, resulting from adoption of IFRS 9 have been applied retrospectively. The details of new significant accounting policies adopted and the nature and effect of the changes to previous accounting policies are set out below:

(i) Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables, held for trading and available for sale. IFRS 9, classifies financial assets in the following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- measured at amortized cost

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application:

- The determination of business model within which a financial asset is held; and
- The designation and revocation of previous designation of certain financial assets as measured at FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL

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

For assets measured at fair value, gains and losses will either be recorded in the statement of profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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.

The adoption of IFRS 9 did not have a significant effect on the Company's accounting policies related to financial liabilities.

(ii) Classification and measurement of financial assets and financial liabilities

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. IFRS 9 introduces a forward looking expected credit losses model, rather than the current incurred loss model, when assessing the impairment of financial assets in the scope of IFRS 9. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. Impairment losses related to trade and other receivables, are presented separately in the statement of profit or loss. Trade and other receivables are written off when there is no reasonable expectation of recovery. Management used actual credit loss experience over past years to base the calculation of ECL on adoption of IFRS 9. Given the Company's experience of collection history and no historical loss rates / bad debts and normal receivable aging, the move from an incurred loss model to an expected loss model has not had an impact on the financial position and / or financial performance of the Company.

Loss allowance on debt securities are measured at 12 months expected credit losses as those are determined to have low credit risk at the reporting date. Since there is no loss given default, therefore no credit loss is expected on these securities. Loss allowance on other securities and bank balances is also measured at 12 months expected credit losses. Since these assets are short term in nature, therefore no credit loss is expected on these balances.

4.2 Property and equipment

4.2.1 Owned

These are stated at cost less accumulated depreciation and impairment, if any. Subsequent to initial recognition these are stated at revalued amount less accumulated depreciation and accumulated impairment except for freehold land which is stated at revalued amount. Such costs include the cost of replacing parts of fixed assets when that cost is incurred. Maintenance and normal repairs are charged to profit and loss account as and when incurred. Depreciation is charged to profit and loss account over the useful life of the asset on a systematic basis applying the reducing balance method at the rates specified in the relevant note to the financial statements.

Depreciation on additions is charged from the month in which the assets are put to use while no depreciation is charged in the month in which the assets are disposed off.

The carrying amounts are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts, and where carrying values exceed estimated recoverable amount, assets are written down to their estimated recoverable amount.

An item of fixed asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The residual values and useful lives of assets are reviewed at each financial year end and adjusted, if appropriate.

Gains and losses on disposals, if any, are included in the profit and loss account.

4.3 Impairment of non-financial asset

The carrying amounts of the Company's assets, for which policy is given separately, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists the assets' recoverable amount, being higher of value in use and fair value less cost to sell, is estimated. An impairment loss is recognised wherever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are charged to profit and loss account.

4.4 Financial assets and liabilities

4.4.1 Initial Recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received plus or minus transaction costs (except financial asset at FVTPL where transaction costs are charged to profit or loss). These are subsequently measured at fair value or amortized cost as the case may be.

4.4.2 Classification of financial assets

The Company classifies its financial instruments in the following categories:

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

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

Financial assets at amortized cost

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

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

Financial assets at fair value through OCI

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

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

However, Company may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income provided that the investment is neither held for trading nor its a contingent consideration in a business combination.

Financial assets at fair value through profit or loss

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

4.4.3 Classification of Financial liabilities

The Company classifies its financial liabilities in the following categories:

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

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

4.4.4 Subsequent measurement

Financial assets at FVTOCI

These are measured at fair value, with gains or losses arising from changes in fair value recognized in OCI.

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

Financial assets and liabilities at FVTPL

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

4.4.5 Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses (ECLs) on financial assets that are measured at amortized cost.

The company measures loss allowance at an amount equal to life time ECLs, except for the following, which are measured at 12 months ECL:

- Debt security that are determined to have low credit risk at the reporting date.
- Other debt security and bank balances 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.

Loss allowances for trade receivable are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of 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 amortised 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.

4.4.6 Derecognition

Financial assets

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

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

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

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

Financial liabilities

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

4.5 Settlement date accounting

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention such as 'T+2' purchases and sales are recognized at the settlement date. Trade date is the date on which the Company commits to purchase or sale an asset.

4.6 Financial instruments

4.6.1 Financial assets and liabilities

Financial assets include investments, deposits, loans, advances, other receivables, receivable from funds and cash and bank balances.

Financial liabilities include accrued expenses and other liabilities and liabilities against assets subject to finance lease. Financial liabilities are classified according to the substance of the contractual agreement entered into.

At the time of initial recognition, all the financial assets and liabilities are measured at cost, which is the fair value of the consideration given or received for it. Transaction costs are included in the initial measurement of all financial assets and liabilities except for transaction costs that may be incurred on disposal. The particular recognition method adopted for recognition of financial assets and liabilities subsequent to initial recognition is disclosed in the policy statement associated with each item.

4.6.2 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and the Company intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously. Corresponding income on the asset and charge on the liability is also off-set.

4.6.3 Related party transactions and transfer pricing

Transactions and contracts with the related parties are based on the policy that all transactions between the Company and related parties are carried out at arm's length prices which are determined in accordance with the methods prescribed in the Companies Act, 2017.

4.7 Employee retirement benefits-defined contribution plan

Currently company does not provide any retirement benefits to its employees.

4.8 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalent consist of bank balances and running finances under mark-up arrangements.

4.9 Trade debts and other receivables

Trade debts and other receivables are recognized and carried at original invoiced amount. When a trade debt is uncollectible, it is written off and charge to profit and loss account. Subsequent recoveries of amounts previously written off are credited to the profit and loss account.

4.10 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

4.11 Proposed dividend and transfer between reserves

Dividends declared and transfer between reserves, except appropriations which are required by the law, made subsequent to the balance sheet date are considered as non adjusting events and are recognized in the financial statements in the year in which such dividends are declared or transfers between reserves are made.

4.12 Revenue recognition

Commission income is recognised on accrual basis.

Gains and losses on sale of marketable securities are recognised on the date of sale.

Dividend income is recorded when the right to receive the dividend is established. Return on securities other than shares is recognised on accrual basis.

Return on bank deposits are recognised on accrual basis. Other income is recognised as and when earned.

4.13 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, if it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

4.14 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Company's other components. The Company has only one reportable segment.

4.15 Taxation

Current

The charge for current taxation is based on taxable income at current rates of taxation after taking into consideration available tax credits, rebates and tax losses, if any. However, for income covered under final tax regime, taxation is based on applicable tax rules under such regime. The charge for current tax also includes adjustments where necessary, relating to prior years which arise from assessments framed / finalised during the year.

Taxes paid under final tax regime and minimum tax regime to be shown separately as a levy instead of showing it in current tax. Company has opted for approach 2 in which company shows tax computed on taxable profit in current taxation and shows any excess amount in minimum tax differential.

Deferred

Deferred tax is accounted for using the statement of financial position liability method in respect of all temporary timing differences arising from difference between the carrying amount of the assets and liabilities in the financial statements and corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

- a)* Recognition of taxation and deferred taxation;
- b)* Determining the useful lives of operating fixed assets;
- c)* Classification of investments; and
- d)* Impairment of financial assets.

Particulars	OWNER									Total
	Offices	Office equipment	Computers and related accessories	Vehicles	Furniture and fixture	Motorcycle	Solar System	Generator	House	
	----- Rupees -----									
Net book value as at June 30, 2023	12,501,848	303,499	11,210	21,612,611	259,543	61,754	3,043,697	424,800	46,575,000	84,793,962
Additions	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
- Cost	-	-	-	-	-	-	-	-	-	-
- Depreciation	-	-	-	-	-	-	-	-	-	-
Depreciation charge	(1,250,185)	(60,700)	(3,699)	(4,322,522)	(51,909)	(12,351)	(608,739)	(84,960)	(4,657,500)	(11,052,565)
Net book value as at June 30, 2024	11,251,663	242,799	7,511	17,290,089	207,635	49,403	2,434,958	339,840	41,917,500	73,741,397
As at June 30, 2024										
Cost	15,474,400	1,357,171	755,025	25,944,014	1,361,000	78,500	4,053,452	540,000	57,500,000	107,063,562
Accumulated depreciation	(4,222,737)	(1,114,372)	(747,514)	(8,653,925)	(1,153,365)	(29,097)	(1,618,494)	(200,160)	(15,582,500)	(33,322,165)
Net book value 2024	11,251,663	242,799	7,511	17,290,089	207,635	49,403	2,434,958	339,840	41,917,500	73,741,397
As at June 30, 2023										
Cost	15,474,400	1,357,171	755,025	25,944,014	1,361,000	78,500	4,053,452	540,000	57,500,000	107,063,562
Accumulated Depreciation	(2,972,552)	(1,053,672)	(743,815)	(4,331,403)	(1,101,457)	(16,746)	(1,009,755)	(115,200)	(10,925,000)	(22,269,600)
Net book value 2023	12,501,848	303,499	11,210	21,612,611	259,543	61,754	3,043,697	424,800	46,575,000	84,793,962
Depreciation rate	10%	20%	33%	20%	20%	20%	20%	20%	10%	

	Note	2024 Rupees	2023 Rupees
7 INVESTMENT PROPERTY			
<i>Cost</i>			
Opening		5,220,000	5,220,000
Additions (at Cost)		-	-
Disposals (at NBV)		-	-
Closing		5,220,000	5,220,000
<i>Accumulated depreciation</i>			
Opening at July 01		(3,132,000)	(2,610,000)
Charge for the year		(522,000)	(522,000)
Closing		(3,654,000)	(3,132,000)
NBV at June 30		1,566,000	2,088,000
<i>Rate of depreciation</i>		10%	10%

7.1 These represents three offices in new stock exchange building.

8 INVESTMENTS - AT FAIR VALUE THROUGH OCI

2024	2023		
		<i>Number of Shares</i>	
2,955,906	3,205,906	The shares of Pakistan Stock Exchange	37,865,156 23,723,704
3,034,603	3,034,603	The shares of Islamabad REIT Management	63,969,431 62,391,438
5,990,509	6,240,509		8.2 101,834,587 86,115,142

8.1 This represents shares of Pakistan Stock Exchange Limited (PSX) formerly Karachi Stock Exchange Limited (KSEL) acquired in pursuance of corporatization and demutualization of PSX as a public company limited by shares. As per the arrangements the authorized and paid-up capital of PSX is Rs.10,000,000,000 and Rs.8,014,766,000 respectively with a par value of Rs. 10 each. The paid-up capital of PSX is equally distributed among 200 members of PSX by issuance of 4,007,383 shares to each member.

8.2 The shares 1,740,509 (2023: 3,034,603) amounting to Rs. 33.74 (2023: 62.39) million have been kept with PSX to meet BMC requirement.

	2024 Rupees	2023 Rupees
9 INTANGIBLE ASSETS		
Membership Card of Pakistan Mercantile Exchange Ltd.	2,500,000	2,500,000
Pakistan Stock Exchange Trading Rights Entitlement Certificate	2,500,000	2,500,000
Software for trading	6,845	13,489
	5,006,845	5,013,489
9.1 Pakistan Stock Exchange Trading Rights Entitlement Certificate		
Trading Rights Entitlement Certificate (TREC)	2,500,000	2,500,000
Decline in Value of (TREC)	(2,500,000)	(2,500,000)
	-	-

	<i>Note</i>	<i>2024 Rupees</i>	<i>2023 Rupees</i>
9.2 Software for trading			
Opening net book value		20,133	20,133
Amortization charge		(6,644)	(6,644)
Impairment charge		-	-
Closing net book value		<u>(6,644)</u>	<u>13,489</u>
Cost		1,104,500	1,104,500
Accumulated amortization		<u>(1,097,655)</u>	<u>(1,091,011)</u>
		<u>6,845</u>	<u>13,489</u>
9.3 Rate of amortization		<u>33%</u>	<u>33%</u>

10 LONG TERM DEPOSITS

Pakistan Stock Exchange Limited		200,000	200,000
NCEL Building Management Limited	10.1	2,500,000	2,500,000
PMEX Clearing House Deposit		500,000	500,000
National Clearing Company of Pakistan Limited		200,000	200,000
Central Depository Company		100,000	100,000
Future Contracts		1,000,000	1,000,000
Others	10.2	79,780	61,480
		<u>4,579,780</u>	<u>4,561,480</u>

10.1 This represents an advance or deposit for acquiring office space at the NCEL Building project.

10.2 This represents Railway land deposit with Pakistan Stock Exchange Limited amounting to Rs. 20,000/- and Rs. 59,780/- (2023: Rs. 41,480/-) to K- Electric.

	<i>2024 Rupees</i>	<i>2023 Rupees</i>
11 DEFERRED TAX (ASSET)/DEFERRED TAX LIABILITY		
<i>Relating to taxable / (deductable) temporary difference</i>		
Accelerated tax depreciation	1,491,696	(388,119)
Gain on remeasurement of investments	3,222,559	(1,153,869)
Decelerated. tax amortization	(8,516)	(6,590)
Minimum Tax	(168,623)	-
Brought forward losses	<u>(6,299,952)</u>	<u>(6,808,177)</u>
	<u>(1,762,836)</u>	<u>(8,047,266)</u>

12 TRADE RECEIVABLES

- Related party (director)		
- Zarar Haider - considered good	-	3,460
- Margin Financing	21,654,783	-
- Others		
- Clients - considered good	5,022,871	649,501
	<u>26,677,654</u>	<u>652,961</u>

12.1 Total value of securities pertaining to clients' and are in their respective sub - accounts amounts to Rs. 173.42 (2023: Rs. 102.14) Million.

13 LOAN, ADVANCES AND OTHER RECEIVABLES	Note	2024 Rupees	2023 Rupees
<i>(Interest free)</i>			
<i>Loan to</i>			
- <i>Related party</i>			
- Humaira Naveed - considered good		2,500,000	-
- Sumaira Inran - considered good		2,500,000	-
	13.1	<u>5,000,000</u>	<u>-</u>
- <i>staff</i>			
- others - considered good		342,000	-
		<u>5,342,000</u>	<u>-</u>

13.1 The maximum aggregate amount outstanding at any time during the year calculated by reference to month-end balances is Rs.5 (2023: nil) million.

14 SHORT TERM DEPOSITS	2024 Rupees	2023 Rupees
Future exposure and other receivables	<u>4,800,000</u>	<u>3,428,076</u>

15 SHORT TERM INVESTMENTS

Investment in T-Bills		202,731,375	193,796,548
Investment at fair value through profit & loss	15.1	<u>65,167,695</u>	<u>71,948,969</u>
		<u>267,899,070</u>	<u>265,745,517</u>

15.1 - At fair value through profit and loss

2024 2023

Number of Shares

-	35,000	Allied Bank Limited	-	2,345,000
-	4,800	Adamjee Insurance Company Limited	-	108,624
-	44,620	Askari Bank Limited	-	578,275
14,000	14,000	Azgard Nine Limited	105,700	84,000
500	500	Aisha Steel Mills Limited	3,680	2,700
-	1,042	Attock Refinery Limited	-	178,838
2,507	2,300	Avanceon Limited	135,428	101,292
-	18,480	Bank Alfalah Limited	-	562,531
-	2,500	Bolan Castings Limited	-	82,500
-	500	Balochistan Glass Limited	-	5,150
95,000	-	Bank Makramah Limited	174,800	-
17,281	16,537	The Bank Of Khyber	204,953	223,084
618	618	The Bank Of Punjab	3,010	2,144
105,000	-	Clover Pakistan Limited	5,000,100	-
7,505	7,505	Cnergyico Pk Limited	28,894	21,314
24,500	24,500	Crescent Steel & Allied Products Ltd	1,323,245	526,750
50,000	50,000	Crescent Star Insurance Limited	140,500	72,500
100,000	-	Dadabhoy Cement Industries Limited	504,000	-
-	442,000	Dewan Cement Limited	-	1,834,300
50,000	50,000	Dewan Farooque Spinning Mills Ltd	172,000	105,000
113,520	113,520	Descon Oxychem Limited	2,542,848	2,749,454
-	1,000	Engro Powergen Qadirpur Limited	-	22,800
2,000	-	EFG Hermes Pakistan Limited	52,960	-
<u>582,431</u>	<u>829,422</u>		<u>10,392,118</u>	<u>9,606,258</u>

C/f

2024	2023		2024	2023
Number of Shares			Rupees	Rupees
582,431	829,422	B/f	10,392,118	9,606,258
437	35,437	Fauji Cement Company Limited	10,012	416,739
-	1,000	Fauji Foods Limited	-	5,740
18,500	18,500	Flying Cement Company Limited	153,920	102,490
-	300	Ghandhara Automobiles Limited	-	10,914
4,000	4,000	Ghani Global Glass Limited	24,080	23,360
550	550	Ghani Global Holdings Limited	5,236	5,429
-	1,000	Ghandhara Industries Limited	-	80,540
-	26,500	The Hub Power Company Limited	-	1,843,870
-	400	International Industries Limited	-	29,296
1,208,500	1,208,500	Japan Power Generation Limited -Freeze	-	-
-	3,000	Js Bank Limited	-	14,670
10,000	10,000	Jahangir Siddiqui & Companylimited	188,800	95,000
500	500	Kot Addu Power Company Limited	16,555	10,400
10,000	-	Kohinoor Spinning Mills Limited	40,700	-
-	452,500	K-Electric Limited	-	778,300
500	500	Lotte Chemical Pakistan Limited	8,840	13,760
-	11,871	Mcb Bank Limited	-	1,358,873
-	100,000	Media Times Limited	-	160,000
414	414	Maple Leaf Cement Factory Limited	15,732	11,729
-	76,500	National Bank Of Pakistan	-	1,490,220
-	14,483	Netsol Technologies Limited	-	1,083,763
1,000	1,000	Nishat Mills Limited	70,850	56,770
1,500	-	Otsuka Pakistan Limited	175,605	-
-	2,500	National Refinery Limited	-	375,000
1,000	11,000	Pak Elektron Limited	24,710	99,550
-	525,500	Pakistan International Airlines corp. Ltd-(A)	-	1,765,680
9,711	84,711	Pakistan International Bulkterminal Ltd	59,917	348,162
-	3,628	Pakistan Petroleum Limited	-	214,560
-	7,718	Pakistan Refinery Limited	-	104,656
467	3,967	Pakistan State Oil Company Limited	77,620	440,377
-	500	Pakistan Telecommunication company Ltd.	-	3,005
20,000	-	Roshan Packages Limited	282,000	-
61,000	-	Sazgar Engineering Works Limited NC	50,780,060	-
-	750	The Searle Company Limited	-	28,740
-	80,000	Summit Bank Limited	-	140,000
-	1,000	Sui Northern Gas Pipelines Limited	-	39,370
2,500	2,500	Silver Star Insurance Companylimited - Freeze	-	-
310,837	352,837	Telecard Limited	2,244,243	2,328,724
3,212	3,212	Tpl Properties Limited	28,073	40,022
6,500	6,500	Treet Corporation Limited	101,140	102,895
2,000	499,000	Trg Pakistan Limited - Class 'A'	124,100	45,972,870
-	11,800	United Bank Limited	-	1,386,972
6,297	5,297	Unity Foods Limited	189,855	82,792
4,000	4,000	Waves Singer Pakistan Limited	28,080	24,600
800	800	Waves Home Appliances Limited	12,344	3,544
88,500	1,145,000	Worldcall Telecom Limited	111,510	1,248,050
500	500	Yousaf Weaving Mills Limited	1,595	1,280
2,355,656	5,549,097		65,167,695	71,948,969

15.3 The market value of each security is as follows :

Securities are valued using market rate as June 28, 2024.

	2024	2023
Allied Bank Limited	110.20	67.00
Adamjee Insurance Company Limited	35.91	22.63
Askari Bank Limited	22.53	12.96
Azgard Nine Limited	7.55	6.00
Aisha Steel Mills Limited	7.36	5.40
Attock Refinery Limited	351.59	171.63
Avanceon Limited	54.02	44.04
Bank Alfalah Limited	68.02	30.44
Bolan Castings Limited	131.19	33.00
Balochistan Glass Limited	12.94	10.30
Bankislami Pakistan Limited	22.26	-
Bank Makramah Limited	1.84	-
The Bank Of Khyber	11.86	13.49
The Bank Of Punjab	4.87	3.47
Clover Pakistan Limited	47.62	-
Cnergyico Pk Limited	3.85	2.84
Crescent Steel & Allied Products Limited	54.01	21.50
Crescent Star Insurance Limited	2.81	1.45
Dadabhoy Cement Industries Limited	4.80	-
Dewan Cement Limited	5.91	4.15
Dewan Farooque Motors Limited	40.49	-
Dewan Farooque Spinning Mills Limited	2.66	2.10
Descon Oxychem Limited	24.37	24.22
D.G. Khan Cement Company Limited	69.58	-
D.S.Industies Limited	3.45	-
EFG Hermes Pakistan Limited	26.48	-
Engro Powergen Qadirpur Limited	28.10	22.80
Fauji Cement Company Limited	22.91	11.76
Fauji Foods Limited	8.87	5.74
Ferozsons Laboratories Limited	249.41	-
Flying Cement Company Limited	8.32	5.54
Ghandhara Automobiles Limited	174.72	36.38
Gul Ahmed Textile Mills Limited	21.10	-
Ghani Global Glass Limited	6.02	5.84
Ghani Global Holdings Limited	9.52	9.87
Ghandhara Industries Limited	273.39	80.54
Ghandhara Automobiles Limited	174.72	-
Haleon Pakistan Limited	297.37	-
Habib Bank Limited	124.03	-
The Hub Power Company Limited	163.08	69.58
International Industries Limited	195.71	73.24
Japan Power Generation Limited -Freeze	-	-
Js Bank Limited	9.77	4.89
Jahangir Siddiqui & Companylimited	18.88	9.50
Kot Addu Power Company Limited	33.11	20.80
Kohinoor Spinning Mills Limited	4.07	-
K-Electric Limited	4.63	1.72
Lotte Chemical Pakistan Limited	17.68	27.52
Mcb Bank Limited	227.02	114.47

	2024	2023
Media Times Limited	1.62	1.60
Maple Leaf Cement Factory Limited	38.00	28.33
Mughal Iron & Steel Industries Limited	93.00	-
National Bank Of Pakistan	37.15	19.48
Nishat (Chunian) Limited	26.21	-
Netsol Technologies Limited	135.76	74.83
Nishat Mills Limited	70.85	56.77
Oil & Gas Development Companylimited	135.37	-
Otsuka Pakistan Limited	117.07	-
National Refinery Limited	265.48	150.00
Pak Elektron Limited	24.71	9.05
Pakistan International Airlinescorporation Limited - (A)	-	3.36
Pakistan International Bulkterminal Limited	6.17	4.11
PIA Holding Company Limited- Class A	13.08	-
Pioneer Cement Limited	168.65	-
Pakistan Petroleum Limited	117.11	59.14
Pakistan Refinery Limited	23.20	13.56
Pakistan State Oil Company Limited	166.21	111.01
Pakistan Stock Exchange Limited	12.81	7.40
Pakistan Telecommunicationcompany Ltd.	12.01	6.01
Roshan Packages Limited	14.10	-
Sazgar Engineering Works Limited NC	832.46	-
The Searle Company Limited	57.12	38.32
Silkbank Limited	0.91	-
Summit Bank Limited	-	1.75
Sui Northern Gas Pipelines Limited	63.47	39.37
Silver Star Insurance Companylimited - Freeze	-	-
Telecard Limited	7.22	6.60
Tpl Properties Limited	8.74	12.46
Treet Corporation Limited	15.56	15.83
Trg Pakistan Limited - Class 'A'	62.05	92.13
United Bank Limited	256.24	117.54
Unity Foods Limited	30.15	15.63
Waves Singer Pakistan Limited	7.02	6.15
Waves Home Appliances Limited	15.43	4.43
Worldcall Telecom Limited	1.26	1.09
Yousaf Weaving Mills Limited	3.19	2.56

		2024	2023
	Note	Rupees	Rupees
15.4 Detail of pledged securities is as follows:			
Securities pledged with financial institutions	15.5	18,609,197	10,973,458
Securities pledged on account of clients	15.6	99,437,096	58,330,552
Securities pledged with NCCPL/PSX	15.6	5,809,084	68,299,953

15.5 There are no securities pledged with financial institutions belonging to the customers.

15.6 This represents securities that are pledged with NCCPL/ PSX for meeting ready and future margin requirements.

16 CASH AND BANK BALANCES

Note	2024 Rupees	2023 Rupees
	8,822	18,187
Cash in hand	7,153,962	1,919,191
Cash at bank - current accounts	11,853	18,392
- saving accounts	7,165,815	1,937,583
16.1	7,174,637	1,955,770

16.1 Bank balance pertains to:

- Clients	6,941,669	1,809,023
- Brokerage house	224,146	128,560
	7,165,815	1,937,583

17 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2024	2023			
Number of Shares	Ordinary shares of Rs.10 each			
100	100	Fully paid in cash	1,000	1,000
8,943,826	8,943,826	Fully paid other than cash	89,438,260	89,438,260
5,200,000	5,200,000	Ordinary shares issued other than cash	52,000,000	52,000,000
30,522,592	30,522,592	Bonus shares	305,225,920	305,225,920
44,666,518	44,666,518		446,665,180	446,665,180

17.1 Pattern of Shareholding

The pattern of shareholding and changes therein are as follows:

Name of shareholders'	Shareholding Percentage	Variation in Shareholding	Existing shareholding	Previous shareholding
	%	%	Qty	Qty
Naveed	51%	0%	22,779,927	22,779,927
Imran	49%	0%	21,885,562	21,885,562
Abdullah	0.002%	0%	1,026	1,026
Zarar Haider	0.00001%	0%	3	3
	100%	0%	44,666,518	44,666,518

	<i>Note</i>	<i>2024 Rupees</i>	<i>2023 Rupees</i>
18 TRADE AND OTHER PAYABLES			
Trade creditors		6,927,631	1,803,024
Accrued expenses		600,747	144,022
Other payable		5,155,557	4,858,608
Bank Overdraft	18.1 & 18.2	4,005,546	1,830,987
		<u>16,689,481</u>	<u>8,636,641</u>

18.1 Short term running finance facility from Bank Al- Habib amounting to Rs. 100 millions with markup of 3 months kibar plus 2% (2023: 2%) per annum against pledge of shares and T-bills.

18.2 Short term running finance facility from JS Bank amounting to Rs. 80 (2023: Rs. 80) millions with markup of 3 months kibar plus 2% (2023: 2%) per annum against pledge of shares and T-bills. Moreover, a letter of guarantee amounting to Rs. 10 million is availed against 3 psx offices @ 1% per annum.

19 CONTINGENCIES AND COMMITMENTS

19.1 Contingencies

As of the reporting date, the Company has three unsettled complaints filed with the Pakistan Stock Exchange Limited, which are currently under arbitration. The Company strongly believes that it has valid and substantial grounds in its defense.

The outcome of these cases remains uncertain at this stage, and no provision has been recognized in the financial statements.

Other than above, there are no any other contingencies at the year end (2023: nil).

	<i>2024 Rupees</i>	<i>2023 Rupees</i>
20 OPERATING REVENUE		
Gross commission	15,177,667	5,930,558
Sales tax	(1,687,825)	(653,997)
	<u>13,489,842</u>	<u>5,276,561</u>
Commission to agents and dealers	-	(470,844)
	<u>13,489,842</u>	<u>4,805,717</u>

	<i>Note</i>	<i>2024 Rupees</i>	<i>2023 Rupees</i>
21 OPERATING EXPENSES			
Salaries, allowances and other benefits	31	22,574,500	18,626,250
Clearing houses and related charges		1,609,547	2,841,566
Printing and stationery		94,633	121,534
Utilities		1,089,993	770,259
Rent rate and taxes		774,800	544,875
Auditors' remuneration	21.1	640,180	539,420
Fees and subscription		783,768	750,259
Legal & professional charges		382,500	285,000
Traveling and conveyance		5,110,934	1,803,897
Repairs and maintenance		1,897,603	956,774
Depreciation	6	11,574,565	11,384,833
Amortization	9	6,644	6,644
Miscellaneous and general expenses		3,111,625	1,334,448
		<u>49,651,292</u>	<u>39,965,759</u>

21.1 Auditors' remuneration

Reanda Haroon Zakaria Aamir Salman Rizwan & Company

- Statutory audit	305,000	209,000
- Certifications & sales tax	335,180	234,420
	<u>640,180</u>	<u>443,420</u>

Nasir Javaid Maqsood Imran Chartered Accountants

- PSX System audit	-	53,000
- NCCPL audit	-	43,000
	<u>640,180</u>	<u>539,420</u>

22 OTHER INCOME

Clearing houses and related charges	45,913	26,270
Custody fee	13,868	20,279
Rent income	577,542	1,065,750
Dividend income	4,969,582	4,215,511
T-bills profit	28,379,189	29,752,620
Interest income	2,092,325	1,171,212
Gain on disposal of vehicle	-	2,625,917
Future Cash Margin Profit	1,038,027	545,529
	<u>37,116,446</u>	<u>39,423,088</u>

23 FINANCIAL COST

Mark up on short term borrowings	-	-
Bank charges	515,377	1,663,467
	<u>515,377</u>	<u>1,663,467</u>

24 MINIMUM TAX DIFFERENTIAL

This represents final & minimum tax paid under section – of Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37. Company has selected approach 2 of ICAP circular of (IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes) for the accounting treatment of final & minimum tax differential.

25 TAXATION

	2024 Rupees	2023 Rupees
Current	-	-
Prior year tax adjustment	388,441	(1,058,389)
Deferred tax	6,284,430	4,611,635
	<u>6,672,871</u>	<u>3,553,246</u>

25.1 Reconciliation between current tax expense as per tax authorities and tax expense recognized.

Current tax liability for the year as per applicable tax laws	7,532,205	4,157,193
Portion of current tax liability as per tax laws, representing income tax under IAS 12	(6,672,871)	(3,553,246)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	(859,334)	(603,947)
Difference	<u>-</u>	<u>-</u>

26 PROVISION FOR IMPAIRMENT LOSSES & TREATMENT OF RECEIVABLES

The aging of trade debts as at the statement of financial position date is summarized below: -

	2024		2023	
	Gross	Impairment	Gross	Impairment
	----- Rupees -----		----- Rupees -----	
Balance outstanding				
Past due 1 - 14 days	4,436,366	-	208,984	-
Past due 15 - 30 days	21,687,126	-	3,405	-
Past due 31 - 60 days	129,764	-	127	-
Past due 61 - 90 days	645	-	891	-
Past due 91 - 365 days	7,329	-	5,759	-
365 days or more	416,424	-	433,795	-
	<u>26,677,654</u>	<u>-</u>	<u>652,961</u>	<u>-</u>

26.1 Treatment of receivables

Receivables are recorded on settlement basis of accounting and provision is made based on market practices and past performance. No provision or ECL is recorded because trade debtors are considered good and secured.

27 FINANCIAL INSTRUMENTS BY CATEGORY

Financial Assets

Investment at fair value through profit or loss

Short term investments	267,899,070	265,745,517
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Loans and receivables

Long term deposits	4,579,780	4,561,480
Trade debts	26,677,654	652,961
Cash and bank balances	7,174,637	1,955,770
	38,432,071	7,170,211
	306,331,141	272,915,728

Financial Liabilities

Financial liabilities - at amortized cost

Trade and other payables	16,689,481	8,636,641
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28 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management focuses on the unpredictability of financial markets and seeks potential adverse effects on the Company's financial performance.

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

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Credit risk arises from the inability of the issuers of the instruments, the relevant financial institutions or counter parties in case of placements or other arrangements to fulfill their obligations. There is a possibility of default by participants and of failure of the financial markets, the depositories, the settlements or clearing system etc.

Exposure to credit risk

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

The carrying amount of following financial assets represents the maximum credit exposure: -

	2024 Rupees	2023 Rupees
Long term security deposits	4,579,780	4,561,480
Investments - short term	267,899,070	265,745,517
Trade debts- consider good	26,677,654	652,961
Bank Balances	7,165,815	1,937,583
	<u>306,322,319</u>	<u>272,897,541</u>

Concentration of credit risk

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

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding to an adequate amount of committed credit facilities and the ability to close out market positions due to the dynamic nature of the business. The Company's treasury aims at maintaining flexibility in funding by keeping committed credit lines available. The following are the contractual maturities of financial liabilities, including estimated interest payments: -

	2024			
	Carrying Amount	On Demand	Contractual Cash flows	Less than one year
	----- Rupees -----			
Financial Liabilities				
Trade and other payables	16,689,481	(16,689,481)	16,689,481	16,689,481
	2023			
	Carrying Amount	On Demand	Contractual Cash flows	Less than one year
	----- Rupees -----			
Financial Liabilities				
Trade and other payables	8,636,641	(8,636,641)	8,636,641	8,636,641

c) Market Risk

Market risk is the risk that the value 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. The Company manages market risk by monitoring exposure on marketable securities by following the internal risk management and investment policies and guidelines. Market risk comprises of three types of risk: currency risk, interest rate risk and price risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. At year end, the Company is not exposed to any currency risk.

Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At year end, the company is not to exposes to interest rate risk.

At the balance sheet date the interest rate profile of the Company's interest-bearing financial instruments was as follows: -

	2024	2023
	(Percentage)	
Variable Rate Instruments		
Financial Liabilities		
- Short term loan		
Average rate	Nil	Nil

Price risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

29 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 benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The company finances its operations through equity, short term borrowings and by managing working capital.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital which is the sum of equity and net debt. Equity comprises of share capital, capital and revenue reserves. Net debt is arrived at by deducting cash and bank balances from borrowings. During the year, the Company's strategy was to maintain leveraged gearing. The gearing ratios worked out as follows:-

	2024	2023
	Rupees	Rupees
Total borrowings	4,005,546	1,830,987
Cash and bank balances	(7,174,637)	(1,955,770)
Net debt	(3,169,091)	(124,783)
Total equity	493,510,413	462,929,913
Total Capital	490,341,322	462,805,130
Gearing ratio	-0.65%	-0.03%

30 RELATED PARTY TRANSACTIONS

Related parties comprises associated companies, directors, key management personnel of member companies and various other related parties that has an interest in the Company that gives it significant influence over the Company. Transactions with related party are disclosed below other than the remuneration of chief executive & directors which is separately disclosed in the relevant note.

	2024 Rupees	2023 Rupees
Loan to Humaira Naveed:		
Amount paid by the company	2,500,000	-
Balance at year end	2,500,000	-
Loan to Sumaira Imran:		
Amount paid by the company	2,500,000	-
Balance at year end	2,500,000	-
Trade debtor	-	3,460
Trade creditor	307,343	2,569

31 REMUNERATION OF CHIEF EXECUTIVE OFFICER AND DIRECTORS

The aggregate amount charged in the financial statements for remuneration, including certain benefits, to the Chief Executive Officer and the directors of the Company is as follows:-

	Chief Executive		Directors	
	2024	2023	2024	2023
	----- Rupees -----			
Managerial remuneration	2,235,000	2,235,000	4,710,000	4,610,000
Number of persons	1	1	3	3

31.1 In addition to above, chief executive and director are also allowed trading of shares without commission charges, Company maintained vehicle and reimbursement of various house hold expenses.

31.2 Family members of directors are paid training cost fees amounting to Rs. 10.23 (Rs. 7.96) million for learning day-to-day business activities of the company.

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1	ASSETS			
1.1	Property & Equipment	75,307,397	75,307,397	-
1.2	Intangible Assets	5,006,845	5,006,845	-
1.3	Investment in Govt. Securities	202,731,375	-	202,731,375
1.4	Investment in Debt. Securities			
	If listed than:	-	-	-
	i. 5% of the balance sheet value in the case of tenure upto 1	-	-	-
	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	-	-	-
	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 security on the cutoff date as computed by the clearing house for respective security 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	103,032,851	27,984,653	75,048,198
	ii. If unlisted, 100% of carrying value.	63,969,431	63,969,431	-
1.6	Investment in subsidiaries			
	100% of net value.	-	-	-
1.7	Investment in associated companies/undertaking			
	i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is	-	-	-
	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.			
	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	4,579,780	4,579,780	-
1.9	Margin deposits with exchange and clearing house.	4,800,000	-	4,800,000
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	-	-	-
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.)	-	-	-

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
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.	5,342,000	-	5,342,000
	(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	9,815,088	9,815,088	-
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	-	-	-
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.	21,654,783	16,114,804	16,114,804
	ii.) In case receivables are against margin trading, 5% of the net balance sheet value. ii. Net amount after deducting haircut	-	-	-
	iii.) In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, iii. Net amount after deducting haircut	-	-	-
	iv. In case of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value.	4,398,960	-	4,398,960
	v. In case of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts. v. Lower of net balance sheet value or value determined through adjustments	623,911	434,616	434,616
	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	-	-	-
1.18	Cash and Bank balances			
	i. Bank Balance-proprietary accounts	224,146	-	224,146
	ii. Bank balance-customer accounts	6,941,669	-	6,941,669
	iii. Cash in hand	8,822	-	8,822
1.19	Subscription money against investment in IPO / offer for sale (asset)			

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
	(i) No haircut may be applied in respect of amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker.	-	-	-
	(ii) In case of Investment in IPO where shares have been allotted 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	-	-	-
1.20	Total Assets	508,437,058	203,212,613	316,044,590

2 LIABILITIES

2.1	Trade Payables	-	-	-
	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	6,927,631	-	6,927,631
2.2	Current Liabilities	-	-	-
	i. Statutory and regulatory dues	-	-	-
	ii. Accruals and other payables	5,756,304	-	5,756,304
	iii. Short-term borrowings	4,005,546	-	4,005,546
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	-	-	-
	vi. Deferred Liabilities	-	-	-
	vii. Provision for bad debts	-	-	-
	viii. Provision for taxation	-	-	-
	ix. Other liabilities as per accounting principles and included in the financial statements	-	-	-
2.3	Non-Current Liabilities	-	-	-
	i. Long-Term financing	-	-	-
	ii. Other liabilities as per accounting principles and included in the financial statements	-	-	-
	iii. Staff retirement benefits	-	-	-
	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) Nil in all other cases	-	-	-
2.4	Subordinated Loans	-	-	-
	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted:	-	-	-
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. Board of Directors of the company has approved the increase in capital			
	c. Relevant Regulatory approvals have been obtained			
	d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed.			
	e. Auditor is satisfied that such advance is against the increase of capital.	-	-	-
2.6	Total Liabilities	16,689,481	-	16,689,481

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
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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 financees.	-	13,060,811	13,060,811
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.	-	-	-
3.3	Net underwriting Commitments			
	(a) in the case of right issue: 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 issue where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting.	-	-	-
	(b) in any other case : 12.5% of the net underwriting commitments	-	-	-
3.4	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.	-	-	-
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.	-	4,432,261	4,432,261

<i>S. No.</i>	<i>Head of Account</i>	<i>Value in Pak Rupees</i>	<i>Hair Cut / Adjustments</i>	<i>Net Adjusted Value</i>
3.9	Opening Positions in futures and options			
	i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/pledged with securities exchange after applying VaR	-	-	-
	ii. In case of proprietary positions, the total margin requirements in respect of open positions to the extent not already met	-	-	-
3.10	Short sell positions			
	i. In case of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts	-	-	-
	ii. In case of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.	-	-	-
3.11	Total Ranking Liabilities	-	17,493,072	17,493,072
		491,747,577	185,719,542	281,862,038

Calculations Summary of Liquid Capital

(i) Adjusted value of Assets (serial number 1.20)	316,044,590
(ii) Less: Adjusted value of liabilities (serial number 2.6)	(16,689,481)
(iii) Less: Total ranking liabilities (series number 3.11)	(17,493,072)
	<u>281,862,038</u>

33 CAPITAL ADEQUACY LEVEL

The Capital adequacy level as required by CDC is calculated as follows:

	Note	2024 Rupees	2023 Rupees
Total Assets		510,199,894	471,641,554
Less: Total liabilities	33.1	(16,689,481)	(8,711,641)
Less: Revaluation Reserves (created upon revaluation of Fixed Assets)		-	-
Capital Adequacy Level		493,510,413	462,929,913

33.1 While determining the value of the total assets of the TREC Holder, Notional value of TREC held by such participant as at June 30, 2024 as determined by Pakistan Stock Exchange Limited has been considered.

34 ENTITY WIDE INFORMATION

The Company constitutes as a single reportable segment, operating in Pakistan.

35 NUMBER OF EMPLOYEES

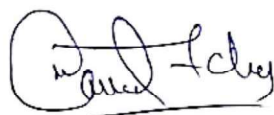
	2024	2023
Number of employees at the year end	9	9
Average number of employees for the year	11	11

36 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue by the Board of Directors of the Company on October 4, 2024.


37 GENERAL

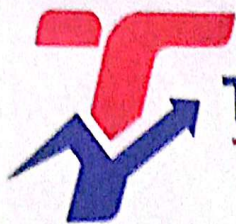
The figures have been round off to the nearest rupee.

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Chief Executive Officer




Director



TRADE SMART SECURITIES (PRIVATE) LTD.

TREC Holder/Broker Pakistan Stock Exchange Ltd.
TREC Holder/Broker Pakistan Mercantile Exchange Ltd.

Subject: Breakup Other Payable Financial Statement June 2024

<u>Title of Accounts</u>	<u>Amount in Rupees</u>
Accrued Liabilities	355,557
Client -Fut Cash Margin Exposer	4,800,000
Total other payables	5,155,557

We will make sure to provide the breakup of other payables in the upcoming financial statements to ensure transparency and compliance with regulatory requirements

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