REANDA

ADAM USMAN SECURITIES (PRIVATE) LIMITED

Financial Statements
For the year ended June 30, 2024

Reanda Haroon Zakaria Aamir Salman Rizwan & Company
Chartered Accountants
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Other offices at:
Lahore and Islamabad

Adam Usman Securities (Private) Limited

DIRECTORS' REPORT

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

1. *Financial Highlights/Operating Results*

Summarize financial results for the year are as follows:

Description	*Amount (Rs.)*
Revenue	21,602,765
Operating (loss)	(42,878,140)
Profit / (loss) before tax	128,222,365
Profit / (loss) after tax	129,022,785

2. *Review of Operations*

The Company's operations during the year performed as expected in the opinion of the Directors.

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 more positive result in the coming years.

5. *Dividend*

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

6. *Going Concern*

The Directors are fully committed for continued financial support to keep the Company as a 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 ending June 30, 2025. The Board recommends their reappointment.

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.

Thank you all.

On behalf of the Board

Dated: October 04, 2024

Umair

Chief Executive Officer

ADAM USMAN SECURITIES (PVT.) LTD
ADAM PSX 525
TREC PSX LTD

Director

ADAM USMAN SECURITIES (PVT.) LIMITED

ADAM

TREC Holder Pakistan Stock Exchange Limited
Corporate Member of Pakistan Mercantile Exchange Limited

TREC Registration Number 525
PMEX Registration Number MEM308

Statement of Compliance with Corporate Governance Code

We, Adam Usman Securities (Private) Limited have complied with the Corporate Governance Code mention in Annexure D of Securities Brokers (Licensing and Operations) Regulations, 2016.

Umair

ADAM USMAN SECURITIES (PVT.) LTD
ADAM
PSX 525
TREC PSX LTD

Muhammad Umair
Chief Executive Officer

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website: www.ausecurities.com.pk email: info@ausecurities.com.pk

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADAM USMAN SECURITIES (PRIVATE) LIMITED ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of **Adam Usman Securities (Private) Limited** which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and 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, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes 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 and 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 Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements and our auditors' report thereon.

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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.

Report on Other Legal and Regulatory Requirements

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

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no zakat is deductible at source under the Zakat and Ushr Ordinance, 1980.

e) the Company was in compliance with the requirements of Section 78 of the Securities Act, 2015 and Section 62 of the Futures Market Act, 2016 and the relevant requirements of the Securities Brokers (Licensing and Operations) Regulations, 2016, 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 **Mohammad Iqbal**.

RHZASRC Reanda Haroon Zakaria Aamir Salman Rizwan & Co

Reanda Haroon Zakaria Aamir Salman Rizwan & Company
Chartered Accountants

Place: Karachi
Dated: October 04, 2024
UDIN: AR202410086rzP5IsXDB

ADAM USMAN SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

ASSETS	*Note*	*2024 Rupees*	*2023 Rupees*
Non-Current Assets			
Property and equipment	4	**1,590,774**	1,684,754
Intangible assets	5	**5,227,840**	5,284,800
Long-term advance and deposits	6	**46,700,000**	46,700,000
Deferred tax asset	7	**-**	-
		53,518,614	53,669,554
Current Assets			
Trade debts	8	**6,048,502**	2,630,880
Advances, deposits and other receivables	9	**154,290,488**	85,540,440
Short-term investments	10	**362,538,041**	161,969,386
Cash and bank balances	11	**7,010,240**	2,460,827
		529,887,271	252,601,533
Total Assets		**583,405,885**	306,271,087
CAPITAL & LIABILITIES			
Share Capital and Reserves			
Authorized Capital			
10 Million ordinary shares of Rs. 10 each		**100,000,000**	100,000,000
Issued, subscribed and paid-up capital	12	**100,000,000**	100,000,000
Revenue reserve		**253,778,833**	98,477,065
Shareholders' equity		**353,778,833**	198,477,065
Non-Current Liabilities			
Long-term financing	13	**22,359,350**	15,463,401
Current Liabilities			
Trade and other payables	14	**54,288,217**	17,751,987
Markup accrued		**1,613,969**	977,902
Short-term borrowings	15	**149,818,837**	73,382,780
Income tax payable	16	**1,546,679**	217,952
		207,267,702	92,330,621
Contingencies & Commitments	17		
Total Equity and Liabilities		**583,405,885**	306,271,087

The annexed notes from 1 to 30 form an integral part of these financial statements.

Chief Executive

ADAM USMAN SECURITIES (PVT.) LTD
ADAM
PSX 525
TREC PSX LTD

Director

ADAM USMAN SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees Restated
Operating revenue	18	**21,602,765**	3,954,647
Operating and administrative expenses	19	**(53,695,280)**	(25,404,002)
Finance cost	20	**(10,785,625)**	(5,761,407)
Operating loss		**(42,878,140)**	(27,210,762)
Other income	21	**179,737,415**	85,083,318
Other charges	22	**(3,131,734)**	(11,720,059)
Profit before levy and tax		**133,727,541**	46,152,497
Levy	23	**(5,505,176)**	(454,876)
Profit before taxation		**128,222,365**	45,697,621
Taxation - net	24	**800,420**	(844,756)
Profit after taxation		**129,022,785**	44,852,865
Other comprehensive income		**-**	-
Total comprehensive income for the year		**129,022,785**	44,852,865

The annexed notes from 1 to 30 form an integral part of these financial statements.

RHZA&Co

Chief Executive

ADAM USMAN SECURITIES (PVT.) LTD
ADAM
PSX 525
TREC PSX LTD

Director

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

	Issued, Subscribed and Paid-up Capital	*Unappropriated Profits / (Accumulated Losses)*	*Total Shareholders' Equity*
	-------------	*(Rupees)*	-------------
Balance as at June 30, 2022	100,000,000	(2,702,937)	97,297,063
Total comprehensive income for the year	-	44,852,865	44,852,865
Transaction with owner			
Amortization gain on long-term loans (note no. 13.2)	-	56,327,137	56,327,137
Balance as at June 30, 2023	**100,000,000**	**98,477,065**	**198,477,065**
Total comprehensive income for the year	-	**129,022,785**	**129,022,785**
Transaction with owner			
Amortization gain on long-term loans (note no. 13.2)	-	**26,278,983**	**26,278,983**
Balance as at June 30, 2024	**100,000,000**	**253,778,833**	**353,778,833**

Unappropriated profits can be utilized for meeting contingencies and for distribution of profits by way of dividends.

The annexed notes from 1 to 30 form an integral part of these financial statements.

RHZASRCO

Chief Executive

ADAM USMAN SECURITIES (PVT.) LTD
ADAM
PSX 525
TREC PSX LTD

Director

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

	Note	2024 Rupees	2023 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before levy and tax		**133,727,541**	46,152,497
Adjustment for:			
Depreciation	19	**600,754**	345,002
Amortization	19	**56,960**	71,200
Finance cost	20	**10,785,625**	5,761,407
Gain on future contracts	21	**(12,400,065)**	(26,449,023)
Capital gain on redemption of mutual funds	21	**(4,162,000)**	(519,785)
Capital gain on disposal of shares	21	**(103,475,543)**	(52,881,711)
Remeasurement (gain) / loss on investments	21 & 22	**(37,785,392)**	11,472,259
		(146,379,661)	(62,200,651)
Cash outflows before working capital changes		**(12,652,120)**	(16,048,154)
Working capital changes			
Increase in current assets			
Trade debts		**(3,417,622)**	(1,343,361)
Advances, deposits and other receivables		**(68,750,048)**	(72,169,172)
Increase / (decrease) in current liabilities			
Trade and other payables		**36,536,230**	(18,419,723)
		(35,631,440)	(91,932,256)
Cash used in operations		**(48,283,560)**	(107,980,410)
Finance cost paid		**(6,974,626)**	(3,244,297)
Income taxes and levies paid - net	16	**(3,376,029)**	(887,601)
Net cash used in operating activities		**(58,634,215)**	(112,112,308)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred	4.1	**(506,774)**	(1,324,423)
Short-term investments made - net		**(42,745,655)**	(28,344,506)
Net cash used in investing activities		**(43,252,429)**	(29,668,929)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term loans obtained	13.2	**30,000,000**	70,000,000
Short-term loans obtained - net		**76,436,057**	73,382,780
Net cash generated from financing activities		**106,436,057**	143,382,780
Net increase in cash and cash equivalents (A+B+C)		**4,549,413**	1,601,543
Cash and cash equivalents at the beginning of the year		**2,460,827**	859,284
Cash and cash equivalents at the end of the year	11	**7,010,240**	2,460,827

The annexed notes from 1 to 30 form an integral part of these financial statements.

RHLASRCO

Chief Executive ***Director***

ADAM USMAN SECURITIES (PVT.) LTD
ADAM
PSX 525
TREC PSX LTD

1 THE COMPANY AND GENERAL INFORMATION

The Company was incorporated in Pakistan on April 14, 2008, as a private limited company, under the Companies Ordinance, 1984 (now Companies Act, 2017), with the name of Adam Commodities (Pvt.) Limited, which was subsequently changed to Adam Usman Securities (Pvt.) Limited, on September 29, 2021. The registered office of the Company is situated at 814A, 8th Floor, Stock Exchange Building, Pakistan Stock Exchange Road, Karachi, Pakistan. The Company is engaged in the business of financial consultancy, shares brokerage, underwriting and investment counselling. It is a corporate member of the Pakistan Mercantile Exchange Limited (PMEX) and Trading Right Entitlement Certificate (TREC) Holder of the Pakistan Stock Exchange Limited (PSX).

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. Accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act) and provisions of and directives issued under the Act. Where provisions of or directives issued under the Act differ from the IFRS Standards, the provisions of or directives issued under the Act have been followed.

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

Further, computation of liquid capital (note no. 28) is disclosed to meet the specific requirements of the Securities and Exchange Commission of Pakistan (SECP), in accordance with the guidelines given under the Schedule III to the Securities Brokers (Licensing and Operations) Regulations, 2016 (the Regulations), read with clarifications and guidelines issued by the SECP from time to time.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except stated otherwise. Further, accrual basis of accounting is followed except for cash flow information.

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pak Rupees, which is also the functional currency of the Company.

2.4 Critical accounting estimates and judgments

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

The areas where assumptions and estimates are significant to the Company's financial statements or where judgment is exercised in application of accounting policies are as follows:

- Review of useful life and residual value of property and equipment (note 3.1 and 4);
- Intangible assets (note 3.2 and 5);
- Assumption and estimates used in the provision for ECL on trade and othe receivables (note 3.4, 8 and 9
- Assumption and estimates used in the provision for doubtful advances (note 3.6 and 9);
- Provision for levy and taxation including deferred taxation (note 3.10, 7 and 24).

2.5 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan which are effective in current period

The following standards, amendments to standards and interpretations are effective for the year ended June 30, 2024. However, except as disclosed otherwise, these standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

	Effective for period beginning on or after
Amendments to IAS 1 'Presentation of Financial Statements': Amendments regarding the disclosure of accounting policies.	January 1, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors': Amendments regarding the definition of accounting estimates.	January 1, 2023
Amendments to IAS 12 'Income Taxes': Amendments regarding deferred tax on leases and decommissioning obligations and amendments to provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes.	January 1, 2023

Certain annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

2.6 Amendments to standards and IFRS interpretations that are not yet effective

The following standards, amendments to standards and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

	Effective from accounting period beginning on or after
Amendments to IFRS 7 'Financial Instruments: Disclosures' and IAS 7 'Statement of Cash Flows': Amendments regarding supplier finance arrangements.	January 1, 2024
Amendments to IFRS 7 'Financial Instruments - Disclosures' and IFRS 9 'Financial Instruments': Amendments regarding the classification and measurement of financial instruments.	January 1, 2026
Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures': Sale or contribution of assets between an investor and its associate or joint venture.	Effective from accounting period beginning on or after a date to be determined. Earlier application is permitted.
Amendments to IFRS 16 'Leases': Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions.	January 1, 2024
IFRS 17 - Insurance Contracts	January 1, 2026
Amendments to IAS 1 'Presentation of Financial Statements': Amendments regarding the classification of liabilities and debts with covenants	January 1, 2024

Certain amendments updating a reference to the Conceptual Framework and annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS 1 - First Time Adoption of International Financial Reporting Standards
IFRS 18 Presentation and Disclosures in Financial Statements
IFRS 19 Subsidiaries without Public Accountability: Disclosures
IFRS S1 - General Requirements for Disclosure of Sustainability Related Financial Information
IFRS S2 Climate-related Disclosures

3 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to all periods presented in these financial statements:

3.1 *Property and equipment*

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

Depreciation on fixed assets is charged to income by applying the reducing balance method at the rates specified in the relevant note. Depreciation is charged from the date when an asset is available for the intended use till the date preceding the date of derecognition.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to profit or loss during the financial year in which they are incurred.

Assets are derecognized when disposed off or when no future economic benefits are expected from its use or disposal and significant risks and rewards incidental to ownership have been transferred. Gains or losses on disposal of assets, if any, are recognized in the profit or loss, as and when incurred.

The carrying values of tangible fixed assets are reviewed for impairment when event or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

3.2 *Intangible assets*

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

PSX TREC and PMEX Membership Card

TREC was initially measured at the apportioned value of the carrying value of the surrendered card, at the time of demutualization of the PSX in 2012, between the TREC and the shares of PSX issued to the Company. It is not amortized due to the fact that it has an indefinite useful life which can not be ascertained as it is unknown that how long the Company will hold the TREC. Subsequent to its initial recognition, it is measured at cost less impairment loss, if any. Impairment test is done to assess whether the carrying value is in excess of its recoverable amount, and where the carrying amount exceeds the estimated recoverable amount, the carrying amount is written down to its estimated recoverable amount.

PMEX membership card is stated at cost less impairment, if any. It is not amortized due to the fact that these have an indefinite useful life. Useful life can not be ascertained as it is unknown that how long the Company will hold the card. The carrying amount is reviewed at each reporting date to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds estimated recoverable amount, it is written down to its estimated recoverable amount.

Computer software

These are stated at cost less accumulated amortization and impairment loss, if any. Amortization is charged over the useful life of the asset on a systematic basis to income, applying the reducing balance method, at the rate specified in the relevant note. Amortization is charged from the date when the software is available for the intended use till the day preceding the date of derecognition.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to profit or loss during the financial year in which they are incurred.

Intangible assets are assessed for impairment whenever there is an indication that the same are impaired. Costs associated with maintaining assets are recognized as an expense in the period in which these are incurred. Gains or losses on disposal, if any, of assets are included in income currently.

3.3 Financial assets and liabilities

3.3.1 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.

3.3.2 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, the 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 P&L

A financial asset is measured at fair value through P&L unless it is measured at amortized or at fair value through OCI.

3.3.3 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.

3.3.4 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.

3.3.5 Impairment of financial assets at amortized cost

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

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

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

3.3.6 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.

3.3.7 Offsetting of financial assets and financial liabilities

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

3.4 Trade and other receivables

These are recognized initially at fair value and subsequently measured at amortized cost after deducting allowance for uncollectable amounts, if any. The Company applies the IFRS 9 simplified approach to measure the expected credit losses (ECL) which uses a lifetime expected loss allowance for trade and other receivables. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors, including recoveries in the subsequent period. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

3.5 Fiduciary assets

Assets held in trust or in a fiduciary capacity by the Company are not treated as assets of the Company and accordingly are not included in these financial statements.

3.6 Advances

Advances are carried at nominal amount which is the value to be adjusted subsequently. Provision is made against balances considered doubtful balances. Balances considered irrecoverable / unadjustable are written off.

3.7 Deposits and prepayments

Deposits are carried at nominal amounts which is considered to be their amortized cost, as the effect of amortization is immaterial in the overall context of these financial statements.

Prepayments are recorded at amounts originally disbursed which is value to be adjusted in future.

3.8 Cash and cash equivalents

It comprises of cash in hand and cash at bank which are carried at nominal amounts which is considered their amortized cost. For the purpose of cash flow statements, cash and cash equivalents include cash in hand and held with banks.

3.9 Trade and other payables

Liabilities for creditors and other amounts payable are initially recognized at fair value which is the consideration to be paid in the future for the goods and / or services received, whether or not billed to the Company. These are subsequently measure at amortized cost. Trade payables in respect of securities sold by the clients are recorded at the settlement date of transactions. Liabilities no longer payable are written back and recognized as income in the profit or loss.

3.10 Levies and taxation

Taxation comprises of current and deferred tax. It is recognized in the profit or loss, except to the extent that it relates to the items recognized directly in other comprehensive income or in equity, in which case it is recognized there.

Current tax and levies

Income tax expense for the year, determined in accordance with the Income Tax Ordinance, 2001, is recognized as current to the extent it is based on taxable income at the current rate of taxation after taking into account tax credit available, if any. Any excess, representing tax determined on the basis other than taxable income, e.g. taxes under FTR / MTR regime, ACT, etc., are recognized as an expense and termed as levies in the profit or loss.

However, if the tax expense is determined on the basis of minimum tax on turnover or ACT, while the management expects that the available credit may not be realizable / adjustable in future tax years, then the tax expense determined on the basis minimum tax or ACT, will be recognized as the levy in the profit or loss.

Deferred

Deferred income tax is provided using the liability method for all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. The amount of deferred tax provided is based on the expected manner of realization or the settlement of the carrying amounts of assets and liabilities, using the tax rates enacted or substantively enacted at the reporting date.

Deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profit for the foreseeable future will be available against which such temporary differences and tax losses can be utilized.

3.10.1 Change in accounting policy

During the year, the Institute of Chartered Accountant of Pakistan (ICAP) has 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" in the light of IFRS. The said guidance explains the recognition of income taxes paid on the basis other than on taxable income to be shown separately as a levy under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and IFRIC 21 "Levies", which were previously being recognized as 'Income tax'.

The Company has accounted for the effects of these changes in accounting policy retrospectively under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and the corresponding figures have been restated in these financial statements. There has been no effect on the statement of financial position, the statement of changes in equity and the statement of cash flows as a result of this change. The effects of restatements are as follows:

	Had there been no change in accounting policy	***Effect of change in accounting policy***	***After incorporating effects of change in accounting policy***
		-----Rupees-----	
For the Year Ended June 30, 2024			
Levy	**-**	**(5,505,176)**	**(5,505,176)**
Profit before tax	**133,727,541**	**(5,505,176)**	**128,222,365**
Taxation	**(4,704,756)**	**5,505,176**	**800,420**

	Had there been no change in accounting policy	Effect of change in accounting policy	After incorporating effects of change in accounting policy
	--------------------Rupees----------------		
For the Year Ended June 30, 2023			
Levy	-	(454,876)	(454,876)
Profit before tax	46,152,497	(454,876)	45,697,621
Taxation	(1,299,632)	454,876	(844,756)

3.11 *Provisions*

Provisions are recognized when the company has present legal or constructive obligation as result of past events and it is probable that an outflow of resources will be required to settle the obligation, and reliable estimates of the amount can be made of the amount of obligation. Provisions are reviewed at the each reporting date and adjusted to reflect current best estimate.

3.12 *Revenue recognition*

Revenue from brokerage services

Commission income is measured based on the consideration specified in a contract with the clients and is recognized when providing services to the client at a point in time when the performance obligations are met. The transaction price of Company's contracts with its clients for transferring the services does not include any variable consideration, any significant financing component, any non cash consideration or any consideration payable to its clients.

Other income

- Gain / (loss) on sale of property and equipment is recorded when the possession is transferred in favour of the buyer.

- Dividend income is recognized when the right to receive the same is established.

- Unrealized gain / (loss) arising on revaluation of securities on the reporting date, classified as 'financial assets carried at fair value through profit or loss, are included in profit or loss in the period in which they arise.

- Mark-up income is recorded on accrual basis on the time proportionate basis.

- Gain / (loss) arising on disposal of investments is included in the profit or loss on the settlement date.

- Other income is recognized on occurrence of transactions when the performance obligations are met.

4 PROPERTY AND EQUIPMENT

4.1 Operating fixed assets

Particulars	Computer and Accessories	Office Equipment	Total
	---------- Rupees ----------		
For The Year Ended June 30, 2024			
Opening net book value	**1,635,263**	**49,491**	**1,684,754**
Additions during the year	**506,774**	**-**	**506,774**
Depreciation charge for the year	**(593,330)**	**(7,424)**	**(600,754)**
Closing net book value as on June 30, 2024	**1,548,707**	**42,067**	**1,590,774**
As at June 30, 2024			
Cost	**2,824,296**	**68,500**	**2,892,796**
Accumulated depreciation	**(1,275,589)**	**(26,433)**	**(1,302,022)**
Closing net book value as on June 30, 2024	**1,548,707**	**42,067**	**1,590,774**
For The Year Ended June 30, 2023			
Opening net book value	647,108	58,225	705,333
Additions during the year	1,324,423	-	1,324,423
Depreciation charge for the year	(336,268)	(8,734)	(345,002)
Closing net book value as on June 30, 2023	1,635,263	49,491	1,684,754
As at June 30, 2023			
Cost	2,317,522	68,500	2,386,022
Accumulated depreciation	(682,259)	(19,009)	(701,268)
Closing net book value as on June 30, 2023	1,635,263	49,491	1,684,754

5 INTANGIBLE ASSETS

	Note	2024 Rupees	2023 Rupees
PMEX Membership Card		**2,500,000**	2,500,000
PSX Trading Right Entitlement Certificate (TREC)	5.1	**2,500,000**	2,500,000
Computer software	5.2	**227,840**	284,800
		5,227,840	5,284,800

5.1 The management of the Company has valued TREC at Rs. 2.5 million as on reporting date, based on the invitation for the purchase of TREC issued by the PSX via notice PSX / N-397 dated May 03, 2024, indicating the fee for TREC to be Rs. 2.5 million.

Previously, TREC was valued based on the invitation for the purchase of TREC issued by the PSX via notice PSX / N-303 dated March 24, 2023, indicating the fee for TREC to be Rs. 2.5 million.

5.2 Computer software

	2024 Rupees	2023 Rupees
Movement during the year		
Opening net book value	**284,800**	356,000
Amortization charge for the year	**(56,960)**	(71,200)
Closing net book value	**227,840**	284,800
As at June 30,		
Cost	**445,000**	445,000
Accumulated amortization	**(217,160)**	(160,200)
	227,840	284,800
Rate of amortization	**20%**	20%

6 LONG-TERM ADVANCE AND DEPOSITS

- Considered good

	2024 Rupees	2023 Rupees
Advance		
To NCEL against office premises	**44,700,000**	44,700,000
Deposits - with		
National Clearing Company Pakistan Limited	**1,400,000**	1,400,000
Central Depository Company Pakistan Limited	**100,000**	100,000
Pakistan Mercantile Exchange Limited	**500,000**	500,000
	2,000,000	2,000,000
	46,700,000	46,700,000

	Note	2024 Rupees	2023 Rupees
7 DEFERRED TAX ASSET			
This comprises of the following:			
Deductible temporary differences			
Minimum tax credit		**93,773**	93,773
Alternative Corporate Tax credit		**900,726**	813,039
Unused tax losses		**44,011,674**	10,752,145
		45,006,173	11,658,957
Taxable temporary differences			
Accelerated amortization and depreciation		**(13,148)**	(4,588)
Loans at amortized cost		**(3,232,693)**	(1,392,429)
Investments at fair value through profit or loss		**(15,836)**	(29,206)
		(3,261,677)	(1,426,223)
Net Deferred tax asset		**41,744,496**	10,232,734
Deferred tax asset not recognized	7.1	**(41,744,496)**	(10,232,734)
		-	-

7.1 Deferred tax asset as on the reporting date has not been recognized on the net deductible differences as it is not probable that sufficient taxable profits in the foreseeable future will be available against which such benefits can be utilized.

7.2 Particulars of unused tax losses and tax credits is as follows:

Description	***Expiry Dates***	***Rupees***
Minimum Tax Credit		
Tax Year 2021	June 30, 2024	**27,460**
Tax Year 2022	June 30, 2025	**16,880**
Tax Year 2023	June 30, 2027	**49,433**
Alternative Corporate Tax Credit		
Tax Year 2023	June 30, 2033	**813,039**
Tax Year 2024	June 30, 2034	**87,687**
Capital losses		
Tax Year 2022	June 30, 2025	**10,017,860**
Tax Year 2023	June 30, 2026	**71,100,641**
Tax Year 2024	June 30, 2027	**270,974,891**

	Note	2024 Rupees	2023 Rupees
8 TRADE DEBTS			
Trade receivables	8.1	**3,707,597**	2,630,880
Receivable against margin finance	8.2	**2,340,905**	-
		6,048,502	2,630,880

8.1 This includes Rs. nil (2023: Rs. 0.351) million, receivable from Mr. Umair - the Director, Rs. 1.356 (2023: Rs. nil) million, receivable from Venus Entertainment Company (Pvt.) Limited - an associated company, and Rs. 1.356 (2023: Rs. 1.356) million, receivable from Mr. Adnan - a closed family member of a Director (the related parties).

Maximum aggregate balance outstanding from the related parties at any month end are as follows:

Name of Related Party	*2024 Rupees*	*2023 Rupees*
Mr. Umair	**449,073**	1,727,792
Venus Entertainment Company (Pvt.) Limited	**1,356,000**	-
Mr. Adnan	**1,356,000**	1,356,000

8.2 This represents receivable from clients against margin financing, representing 99% financing by the Company at the agreed rate of return. Underlying securities have fair value as on the reporting amounting to Rs. Rs. 2.440 million, respectively.

9 ADVANCES, DEPOSITS AND OTHER RECEIVABLES	*Note*	*2024 Rupees*	*2023 Rupees*
- Considered good			
Advances			
To staff		**384,500**	134,358
Sales tax - unclaimed input tax		**-**	66,940
		384,500	201,298
Deposits			
Exposure and loss deposits to NCCPL	9.1	**122,634,809**	65,707,407
Other receivables			
Future profit receivable from NCCPL		**30,448,498**	19,631,735
Excess tax deducted against capital gain	9.2	**822,681**	-
		31,271,179	19,631,735
		154,290,488	85,540,440

9.1 This represents future losses and margins deposited with the NCCPL in respect of trade in future and ready markets.

9.2 This represents income tax deducted on capital gain on the redemption of mutual fund units, on which tax was not leviable to the Company due to prior year tax losses available for set-off against the capital gain. The management expects to receive the refund from the fund management company within the next financial year.

10 SHORT-TERM INVESTMENTS	*Note*	*2024 Rupees*	*2023 Rupees*
- At fair value through profit or loss			
In ordinary shares of listed companies			
Carrying value as on June 30,		**324,752,649**	159,036,418
Unrealized gain / (loss) on remeasurement of investments as on June 30 - net	21 & 22	**37,785,392**	(12,223,512)
Fair value as on June 30,	10.1	**362,538,041**	146,812,906
Investment in listed units of mutual fund			
Carrying value as on June 30,		-	14,405,227
Unrealized gain on remeasurement of investments as on June 30,	22	-	751,253
Fair value as on June 30,	10.2	-	15,156,480
		362,538,041	161,969,386

10.1 This includes securities having market value as on the reporting date amounting to Rs. 192.620 (2023: Rs. 52.913) million pledged with the NCCPL against margin exposure, Rs. 19,215 (2023: Rs. 46,330) pledged with a banking company against financing facility, and Rs. 23.734 (2023: nil) million pledged with the PSX against base minimum capital requirement.

10.2 Investment in mutual fund units have been redeemed during the year.

	Note	2024 Rupees	2023 Rupees
11 CASH AND BANK BALANCES			
Cash in hand		**5,886**	4,027
Cash at banks			
Own accounts			
- in savings accounts	11.1	**334,442**	66,575
- in current accounts		**64,105**	64,173
		398,547	130,748
Client accounts			
- in current accounts		**6,605,807**	2,326,052
		7,010,240	2,460,827

11.1 These carry markup at the rates range from 19.50% to 20.50% (2023: 12% to 17%) per annum.

12 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2024	2023		2024	2023
Number of shares				
10,000,000	10,000,000		**100,000,000**	100,000,000

12.1 ***Pattern of shareholding:***

S. No.	*Names*	*No. of shares*	*Percentage*
1	Muhammad Faisal	**9,799,900**	**97.999%**
2	Muhammad Umair	**50**	**0.001%**
3	Yusra Adnan	**200,050**	**2.001%**
		10,000,000	**100%**

12.2 During the year, 200,000 shares were transferred from Muhammad Faisal to Yusra Adnan.

12.3 The ordinary share holders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. All shares carry one vote per share in general meetings, without any restriction. Voting rights, board selection, right of first refusal and block voting are in proportion to the shareholding.

	Note	2024 Rupees	2023 Rupees
13 LONG-TERM FINANCING			
From a Director - related party	13.1	**22,359,350**	15,463,401

13.1 *As at June 30,*	*Note*	*2024 Rupees*	*2023 Rupees*
Nominal value of loan received		**100,000,000**	70,000,000
Less: Present value adjustment		**(77,640,650)**	(54,536,599)
		22,359,350	15,463,401

13.2 Movement during the year

Balance as on July 01,		**15,463,401**	-
Loan received during the year	13.3	**30,000,000**	70,000,000
Less: Amortization gain		**(26,278,983)**	(56,327,137)
Add: Markup charge for the year	20	**3,174,932**	1,790,538
Balance as on June 30,		**22,359,350**	15,463,401

13.3 This represents unsecured and interest free loans received from a Director, from time to time, which are subordinated to other liabilities and repayable after 10 years from the disbursement date. Loans were obtained to enhance the equity and liquid capital of the Company. These are carried at amortized cost in accordance with the requirements of IFRS, and accordingly, amortization gain is recognized in the equity in accordance with the guidance given under Technical Release - 32, issued by the ICAP.

14 TRADE AND OTHER PAYABLES	*Note*	*2024 Rupees*	*2023 Rupees*
Trade creditors	14.1	**19,949,042**	11,591,600
Future profit retained from clients	14.2	**28,889,465**	4,664,345
Accrued liabilities		**1,872,711**	1,266,285
WWF payable	22	**2,729,134**	-
Sindh Sales tax payable		**310,595**	223,085
Withholding income tax payable		**537,270**	6,672
		54,288,217	17,751,987

14.1 This includes Rs. 3.100 (2023: Rs. nil) payable to Directors (related parties) of the Company.

14.2 This represents future profit retained from clients which is released after the contracts are matured and the profit is released by the NCCPL.

15 SHORT-TERM BORROWINGS	*Note*	*2024 Rupees*	*2023 Rupees*
From banking company			
Running finance	15.1	**149,818,837**	12,582,780
From a Director - related party	15.2	**-**	60,800,000
		149,818,837	73,382,780

15.1 Facility has been obtained for working capital requirements from banking companies and carries markup at the rate of 3 month Kibor + 2%, payable quarterly and is secured against the pledge of shares invested by the Company and personal guarantees of all the Directors of the Company. The available and unavailed facilities as on the reporting date amounting to Rs. 280 (2023: Rs. 100) million and Rs. 130.181 (2023: Rs. 87.417) million, respectively.

15.2 This represented unsecured and interest free loan obtained from a Director for working capital and investing activities of the Company, which has repaid during the year.

16 INCOME TAX PAYABLE / (REFUNDABLE)

	Note	2024 Rupees	2023 Rupees
Payable / (refundable) as on July 01,		**217,952**	(194,079)
Prior year adjustment	24	**(800,420)**	(17,716)
		(582,468)	(211,795)
Refunds received during the year		**-**	180,237
Taxes and levy paid / deducted at source during the year		**(3,376,029)**	(1,067,838)
Provision for current tax and levy	24.2	**5,505,176**	1,317,348
Payable / (refundable) as on June 30,		**1,546,679**	217,952

17 CONTINGENCIES & COMMITMENTS

17.1 Contingencies

There are no contingencies as on the reporting date requiring disclosure in these financial statements.

17.2 Commitments

Commitments against unrecorded transactions executed before the year end having settlement date subsequent to year end are as follows:

	Note	2024 Rupees	2023 Rupees
For purchase of shares		**192,273,133**	707,133,559
For sale of shares		**431,280,857**	662,926,765
Open future contracts		**270,400,299**	453,238,812
Exposure against margin financing		**1,724,486**	-

18 OPERATING REVENUE

		2024	2023
Commission income - gross		**25,594,942**	4,468,751
Less: Sindh sales tax on services		**(3,992,177)**	(514,104)
		21,602,765	3,954,647

19 OPERATING AND ADMINISTRATIVE EXPENSES

	Note	2024	2023
Salaries and other benefits		**24,478,801**	13,120,462
Directors' remuneration	26.1	**5,843,385**	1,998,000
Service and regulatory charges		**17,784,751**	6,417,257
Utilities and communication charges		**1,274,305**	816,411
Printing and stationary		**340,820**	35,300
Fees and subscription		**493,897**	461,784
Travelling and conveyance		**1,950**	22,420
Computer and I.T expense		**1,058,987**	773,672
Rent , rates and taxes		**1,608,190**	1,328,700
Repair and maintenance		**152,480**	10,900
Commission expense		**-**	2,544
Depreciation	4.1	**600,754**	345,002
Amortization	5.2	**56,960**	71,200
Miscellaneous		**-**	350
		53,695,280	25,404,002

	Note	2024 Rupees	2023 Rupees
20 FINANCE COST			
Bank charges		**165,315**	41,310
Markup on short-term running finance		**7,445,378**	3,929,559
Markup on long-term financing	13.2	**3,174,932**	1,790,538
		10,785,625	5,761,407
21 OTHER INCOME			
- From financial assets			
Capital gain on disposal of shares		**103,475,543**	52,881,711
Gain on future contracts		**12,400,065**	26,449,023
Remeasurement gain on investments carried at fair value through profit or loss - net	10	**37,785,392**	-
Capital gain on redemption of mutual funds		**4,162,000**	519,785
Dividend income from shares		**14,489,279**	1,189,352
Dividend income from mutual funds		**120,586**	159,067
Interest income on margin financing transactions	8.2	**1,013**	-
Mark-up income on deposits with banks and PSX		**7,303,537**	3,884,380
		179,737,415	85,083,318
22 OTHER CHARGES			
Remeasurement loss on investments carried at fair value through profit or loss - net	10	-	11,472,259
Auditor's remuneration	22.1	**402,600**	247,800
Provision for Workers' Welfare Fund	22.2	**2,729,134**	-
		3,131,734	11,720,059
22.1 Auditor's remuneration			
- Statutory audit		**275,000**	150,000
- Other services		**70,000**	60,000
- Out of pocket		**30,000**	21,000
- Sindh sales tax		**27,600**	16,800
		402,600	247,800

22.2 Provision for Workers Welfare Fund (WWF) has been recognized in pursuant of the amendments made to Sindh WWF Act, 2014, during the corresponding period. However, the Company intends to challenge the said amendments in the Court of Law for which the consultation with the legal experts is in progress.

	Note	2024 Rupees	2023 Rupees Restated
23 LEVY	23.1	**5,505,176**	454,876

23.1 This represents income tax charge for the year determined on the basis other than on taxable income, therefore, recognized as a levy in accordance with the requirements of IFRS.

	Note	2024 Rupees	2023 Rupees Restated
24 TAXATION - NET			
Current		-	862,472
Prior		**(800,420)**	(17,716)
		(800,420)	844,756

24.1 Effect of restatement in the corresponding period has been discussed in Note no. 3.10.1 to these financial statements.

24.2 Reconciliation of income tax charge for the year as per tax laws with the current tax recognized in the profit or loss is as follows:	***Note***	***2024 Rupees***	***2023 Rupees Restated***
Income tax liability for the year as per applicable tax laws		**5,505,176**	1,317,348
Liability recognized as the levy		**(5,505,176)**	(454,876)
Liability recognized as the current tax		**-**	(862,472)
		-	-

24.3 Relationship between current tax expense and accounting profit for the year is as follows:		***Restated***
Profit before levy and tax	**133,727,541**	46,152,497
Tax at the enacted tax rate	**38,780,987**	13,384,224
Effect of inadmissible expenses	**1,111,467**	639,955
Effect of allowable deductions	**(187,958)**	(211,140)
Income taxable under FTR	**(31,762,743)**	(11,849,134)
Effect of prior year loss adjusted	**(2,524,264)**	(1,509,029)
Effect of ACT	**87,687**	862,472
Tax recognized as levy	**(5,505,176)**	(454,876)
Prior year	**(800,420)**	(17,716)
	(800,420)	844,756

24.4 Returns for the tax year up to 2023 have been filed, which are deemed to be assessment order under provisions of the Income Tax Ordinance, 2001, however the CIT has power to re-assess any of the five preceding tax years.

25 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES	***Note***	***2024 Rupees***	***2023 Rupees***
25.1 Financial instruments by category			
Financial Assets			
- Fair value through profit or loss			
Short-term investments	10	**362,538,041**	161,969,386
- At amortized cost			
Long-term deposits	6	**2,000,000**	2,000,000
Trade debts	8	**6,048,502**	2,630,880
Deposits and other receivables	9	**153,905,988**	85,339,142
Cash and bank balances	11	**7,010,240**	2,460,827
		168,964,730	92,430,849
		531,502,771	254,400,235
Financial Liabilities			
- At amortized cost			
Long-term financing	13	**22,359,350**	15,463,401
Trade and other payables	14	**50,711,218**	17,522,230
Short-term borrowings	15	**149,818,837**	73,382,780
Markup accrued		**1,613,969**	977,902
		224,503,374	107,346,313

25.2 *Financial risk management*

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

The Company has exposures to the following risks from its use of financial instruments:

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

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

25.3 *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 fulfil 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 out of receivables from customers, advances and deposits. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk, the Company has developed its own risk management policies and guidelines whereby clients are provided trading limits according to their worth and proper margin are collected and maintained from the clients. The management continuously monitors the credit exposure towards the clients and makes provision against those balances considered doubtful of recovery.

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

	Note	*2024 Rupees*	*2023 Rupees*
Long-term deposits	6	**2,000,000**	2,000,000
Trade debts	8	**6,048,502**	2,630,880
Deposits and other receivables	9	**153,905,988**	85,339,142
Cash and bank balances	11	**7,004,354**	2,456,800
		168,958,844	92,426,822
Ageing of debtors and impairment losses			
The aging of trade debtors at financial position date was:			
Not past due		**2,340,905**	-
Past due 1-5 days		**876,485**	2,532,590
Past due more than 5 days		**2,831,112**	98,290
		6,048,502	2,630,880
Securities available for overdue receivables of more than 5 days after applying VAR based haircut		**322,251,182**	6,758,467

Based on the consideration of financial position of the clients with subsequent recovery / adjustment through trades, custody of client shares with the Company, the Company considers the amount to be fully recoverable and therefore, no provision for ECL is made in these financial statements.

Deposits

These are mainly given to regulators having insignificant risk of default.

Credit rating of Company's banks

The credit quality of the Company's bank balances can be assessed with reference to external credit rating as follows:

Name of banks	*Rating Agency*	*Credit rating*	
		Short-term	*Long-term*
JS Bank Limited	PACRA	A1+	AA-
Bank Al-Habib Limited	PACRA	A1+	AAA
Bank Alfalah Limited	PACRA	A1+	AA+
MCB Bank Limited	PACRA	A1+	AAA
Askari Bank Limited	PACRA	A1+	AA+
Allied Bank Limited	PACRA	A1+	AAA

Other financial assets do not require any provision as these comprise of balances recoverable from the regulators and employees and are considered good as there is no history of defaults in the past.

25.4 *Liquidity risk*

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

The following are the contractual maturities of financial liabilities:

	Carrying Amount	*Contractual cash outflows*	*Up to Six Month*	*Up to One Year*	*More Than One Year*
			Rupees		
Financial liabilities					
Long-term financing	**22,359,350**	**(100,000,000)**	**-**	**-**	**(100,000,000)**
Trade and other payables	**50,711,218**	**(50,711,218)**	**(45,640,096)**	**(5,071,122)**	**-**
Short-term borrowings	**149,818,837**	**(149,818,837)**	**(149,818,837)**	**-**	**-**
Markup accrued	**1,613,969**	**(1,613,969)**	**(1,613,969)**	**-**	**-**
As At June 30, 2024	**224,503,374**	**(302,144,024)**	**(197,072,902)**	**(5,071,122)**	**(100,000,000)**

	Carrying Amount	*Contractual cash outflows*	*Payable on Demand*	*Up to Six Month*	*Up to One Year*	*More Than One Year*
				Rupees		
Financial liabilities						
Long-term financing	15,463,401	(70,000,000)		-		(70,000,000)
Trade and other payables	17,522,230	(17,522,230)	-	(15,770,007)	(1,752,223)	-
Short-term borrowings	73,382,780	(73,382,780)	(60,800,000)	(12,582,780)		-
Markup accrued	977,902	(977,902)	-	(977,902)	-	-
As At June 30, 2023	107,346,313	(161,882,912)	(60,800,000)	(29,330,689)	(1,752,223)	(70,000,000)

25.5 *Market risk*

Market risk means that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and equity prices. The objective is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises of three types of risk: foreign exchange or currency risk, interest rate risk and price risk. As on the reporting date, the Company is only exposed to price risk:

Price risk

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.

	Note	2024 Rupees	2023 Rupees
Short-term investments	10	**362,538,041**	161,969,386

Sensitivity analysis

At reporting date, if the market prices of each security held by the Company as short-term investments had increased / decreased by 10% with all other variables remain constant, total comprehensive income and equity would have been higher / (lower) by the amount shown below. The analysis is performed on same basis for the corresponding period:

	10% Market Value	
Effect on profit or loss	***Increase***	***Decrease***
For the Year ended June 30, 2024	**36,253,804**	**(36,253,804)**
For the Year ended June 30, 2023	16,196,939	(16,196,939)

Interest rate risk

Interest / mark-up rate risk is the risk that the fair value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest rates.

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

	2024	*2023*	*2024*	*2023*
	Interest rate (%)		*Carrying Amounts (Rs.)*	
Financial asset				
Bank balance in saving accounts	**19.5% to 20.5%**	12% to 17%	**334,442**	66,575
Receivable against margin financing	**0.26%**	N/a	**2,340,905**	-
			2,675,347	66,575
Financial liabilities				
Short-term borrowings	**25.08% to 22.24%**	17.34% to 24.91%	**(149,818,837)**	(12,582,780)
Net exposure			**(147,143,491)**	(12,516,205)

Sensitivity analysis

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit and equity for the year by the amounts shown below. The analysis assumes that all other variables remain constant. The analysis is performed on the same basis for the corresponding period:

	Interest rate 100 bp	
	Increase	***Decrease***
	----- Rupees -----	
For the Year ended June 30, 2024	**(1,471,435)**	**1,471,435**
For the Year ended June 30, 2023	(125,162)	125,162

25.6 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with processes technology and infrastructure supporting the Company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behaviour. Operational risk is a risk arising from the Company's activities.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the Board of Directors. The responsibility encompasses the controls in the following areas:

i Requirements for appropriate segregation of duties between various functions, roles and responsibility;
ii Requirements for the reconciliation and monitoring of transactions;
iii Compliance with regulatory and other legal requirements;
iv Documentation of control and procedures;
v Requirements for the periodic assessment of operational risk faced, and the adequacy of controls and procedures to address the risk identified;
vi Ethical and business standards;
vii Risk mitigation, including insurance where this is effective.

25.7 Risk management policies

Risk management is carried out by the management under policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas like market price risk, interest rate risk and investing excessive liquidity.

25.8 Capital risk management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business activities and to sustain future development of the business and maximize shareholders value. The Company closely monitors the return on capital along with the level of distributions to ordinary shareholders. No changes were made in the objectives, policies or processes during the current financial year.

The Company monitors capital using a gearing ratio, which is net debt divided by total shareholders equity plus net debt. Net debt is calculated as total loans and borrowings from financial institutions including any finance cost accrued thereon, less cash and bank balances. The Company's strategy is to maintain leveraged gearing. The gearing ratio as on the reporting date is as follows:

	Note	2024 Rupees	2023 Rupees
Accrued markup		**1,613,969**	977,902
Short-term borrowings	15	**149,818,837**	12,582,780
Total debt		**151,432,806**	13,560,682
Less: cash and bank balances	11	**(7,010,240)**	(2,460,827)
Net debt	**A**	**144,422,566**	11,099,855
Total shareholders' equity	**B**	**353,778,833**	198,477,065
Debt and equity	**C = A+B**	**498,201,399**	209,576,920
Gearing ratio	**(D=A/C)**	**28.99%**	5.30%

25.9 *Fair value of financial instruments*

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

Fair value hierarchy

In accordance with the requirements of IFRS 13 Fair Value Measurement, the Company classifies its property and investments in terms of following fair value hierarchy:

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

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

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

Details of the Company's investments in terms of fair value hierarchy, explained above, as on the reporting date, is as follows:

	Level 1	*Level 2*	*Level 3*
		Rupees	
June 30, 2024			
Trading Right Entitlement Certificate (TREC)	-	**2,500,000**	-
Short-term investments - FVTPL	**362,538,041**	-	-
	362,538,041	**2,500,000**	-
June 30, 2023			
Trading Right Entitlement Certificate (TREC)	-	2,500,000	-
Short term investments - FVTPL	161,969,386	-	-
	161,969,386	2,500,000	-

26 RELATED PARTY TRANSACTION

Related parties comprise of Directors, key management personnel and their close family members. Year end balances are disclosed in respective notes to these financial statements. Details of transactions during the year with related parties are as follows:

Description	Relationship & Shareholding	2024 Rupees	2023 Rupees
Mr. Muhammad Umair	***C.E.O. (0.001% shareholding)***		
Commission income earned		-	597
Mr. Muhammad Faisal	***Director (99.999% shareholding)***		
Long-term loan received		**30,000,000**	70,000,000
Short-term loan received		**108,500,000**	181,600,000
Short-term loan repaid		**169,300,000**	120,800,000
Mr. Adnan	***Close family member of a Director***		
Commission income earned		**1,200,000**	1,200,000
Venus Entertainment Company (Pvt.) Limited	***Common director***		
Commission income earned		**1,200,000**	-

26.1 *Remuneration paid to Chief Executive and Director*

	2024 Rupees	2023 Rupees
Chief Executive Officer		
Managerial remuneration	**720,000**	720,000
House allowance	**408,000**	408,000
Bonus	**124,899**	120,000
	1,252,899	1,248,000
Director (Two)		
Managerial remuneration	**3,600,000**	600,000
Bonus	**990,486**	150,000
	4,590,486	750,000
	5,843,385	1,998,000

27 CAPITAL ADEQUACY LEVEL

	Note	2024 Rupees	2023 Rupees
Total Assets	27.1	**583,405,885**	306,271,087
Less: Total Liabilities		**(229,627,052)**	(107,794,022)
Less: Revaluation Reserve (created upon revaluation of fixed assets)		-	-
Capital Adequacy Level	27.1.1	**353,778,833**	198,477,065

27.1 While determining the value of total assets of the TREC Holder, notional value of the TRE certificate held by the Company, as at the year ended, June 30, 2024, as determined by the PSX, has been considered.

27.1.1 Disclosure has been provided in pursuant of the requirements of 'Limit on Assets Under Custody Regime' read with Regulation 6.8 of CDC regulations.

 COMPUTATION OF LIQUID CAPITAL AS AT JUNE 30, 2024

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1	**ASSETS**	------- Amount in Rupees -------		
1.1	Property and Equipment	1,590,774	100%	-
1.2	Intangible Assets	5,227,840	100%	-
1.3	Investment in Government Securities	-	-	-
1.4	**Investment in Debt. Securities**			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure up to 1 year.	-	-	-
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure up to 1 year.	-	-	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
1.5	**Investment in Equity Securities**			
	i. If listed 15% or VaR of each 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 minimum capital)	362,538,041	81,861,607	280,676,434
	ii. If unlisted, 100% of carrying value.	-	-	-
1.6	Investment in subsidiaries	-	-	-
1.7	**Investment in associated companies/undertaking**			
	i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.	-	-	-
	ii. If unlisted, 100% of net value.	-	-	-
1.8	**Statutory or regulatory deposits / basic deposits with the exchanges, clearing house or central depository or any other entity.** 100% of net value, however any excess amount of cash deposited with securities exchange to comply with requirements of base minimum capital may be taken in the calculation of LC	2,000,000	100%	-
1.9	Margin deposits with exchange and clearing house.	122,634,809	-	122,634,809
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	-	-	-

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.13	Dividends receivables.	-	-	-
1.14	Amounts receivable against Repo financing. Amount paid as purchaser under the REPO agreement. ***(Securities purchased under repo arrangement shall not be included in the investments.)***	-	-	-
1.15	**Advances and receivables other than trade receivables**			
	(i) No haircut may be applied on the short-term loan to employees provided these loans are secured and due for repayments within 12 months.	384,500	100%	-
	(ii) No haircut may be applied to the advance tax to the extent it is netted with provision of taxation.	-	100%	-
	(iii) In all other cases 100% of net value	45,522,681	100%	-
1.16	**Receivables from clearing house or securities exchange(s)**			
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MTM gains.	30,448,498	-	30,448,498
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.***	2,340,905	352,582	1,988,323
	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. ***iv. Balance sheet value***	876,485	-	876,485
	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***	119,112	30,243	88,869

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
	vi. In case of amount of receivable 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 up to 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 values or values determined through adjustments.***	2,712,000	100%	-
1.18	**Cash and Bank balances**			
	i. Bank balance - proprietary accounts	398,547	-	398,547
	ii. Bank balance - customer accounts	6,605,807	-	6,605,807
	iii. Cash in hand	5,886	-	5,886
1.19	**Subscription money against Investment in IPO/offer for Sale (asset)**	-	-	-
1.20	**Total Assets**	**583,405,885**	-	**443,723,657**
2	**LIABILITIES**	*- - - - - - - - Amount in Rupees - - - - - - - -*		
2.1	**Trade Payables**			
	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	48,838,507	-	48,838,507
2.2	**Current Liabilities**			
	i. Statutory and regulatory dues	3,576,999	-	3,576,999
	ii. Accruals and other payables	1,872,711	-	1,872,711
	iii. Short-term borrowings	149,818,837	-	149,818,837
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	-	-	-
	vi. Deferred Liabilities	-	-	-
	vii. Provision for taxation	1,546,679	-	1,546,679
	viii. Other liabilities as per accounting principles and included in the financial statements	1,613,969	-	1,613,969
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 fulfil the conditions specified by SECP are allowed to be deducted.	22,359,350	100%	-
2.5	**Advance against shares for increase in capital of securities broker**	-	-	-
	100% haircut may be allowed in respect of advance against shares if:	-	-	-

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
	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***	**229,627,052**	**-**	**207,267,702**

3	**RANKING LIABILITIES RELATING TO:**	***- - - - - - - - Amount in Rupees - - - - - - - -***		
3.1	**Concentration in Margin Financing**			
	The amount calculated on 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. (Provided that the above prescribed adjustments shall not be applicable where the aggregate amount of receivable against margin financing does not exceed Rs 5 million. Note: Only amount exceeding by 10% of each financee from aggregate amount shall be included in the ranking liabilities.	-	-	-
3.2	**Concentration in securities lending and borrowing**			
	The amount by which the aggregate of: (i) Amount deposited by the borrower with NCCPL (ii) Cash margins paid and (iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed. Note: Only amount exceeding by 110% of each borrower from market value of shares borrowed shall be included in the ranking liabilities.	-	-	-
3.3	**Net underwriting Commitments**			
	(a) in the case of right issue: if the market value of securities is less than or equal to the subscription price; the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issue where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting commitment.	-	-	-
	(b) in any other case : 12.5% of the net underwriting commitments	-	-	-
3.4	**Negative equity of subsidiary**			
	The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary	-	-	-

S. No.	*Head of Account*	*Value in Pak Rupees*	*Hair Cut / Adjustments*	*Net Adjusted Value*
3.5	**Foreign exchange agreements and foreign currency positions**			
	5% of the net position in foreign currency.Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency	-	-	-
3.6	Amount Payable under REPO	-	-	-
3.7	**Repo adjustment**			
	In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securities. **In the case of financee/seller** the market value of underlying securities after applying haircut less the total amount received ,less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	-	-	-
3.8	**Concentrated proprietary positions**			
	If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security. If the market of a security exceeds 51% of the proprietary position, then 10% of the value of such security.	-	-	-
3.9	**Opening Positions in futures and options**			
	i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral / pledged with securities exchange after applying VaR haircuts	-	-	31,429,390
	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**	-	-	31,429,390

Calculation Summary of Liquid Capital:

1	**Adjusted value of Assets (serial number 1.20)**	**443,723,657**
2	**Less: Adjusted value of liabilities (serial number 2.6)**	**(207,267,702)**
3	**Less: Total ranking liabilities (series number 3.11)**	**(31,429,390)**
		205,026,565

29 *GENERAL*

29.1 Total number of employees as on the reporting date and average number of employees during the year were 25 and 25 (2023: 12 and 12), respectively.

29.2 As on the reporting date, securities held by the CDC, in the name of sub-account holders (clients) of the Company, amounting to Rs. 173.053 (2023: Rs. 145.690) million, out of which shares amounting to Rs. 41.723 (2023: 22.277) million, are pledged with the NCCPL against margin exposure, while shares amounting to Rs. 12,430 (2023: 91,750) million, are pledged with the a banking company against financing facility.

29.3 Figures have been rounded off to the nearest Rupee.

30 *DATE OF AUTHORIZATION FOR ISSUE*

These financial statements were approved and authorized for issue by the Board of Directors of the Company on October 04, 2024.

RHLASRCo

ADAM USMAN SECURITIES (PVT) LTD
ADAM PSX 525
TREC PSX LTD

Chief Executive		***Director***