DIRECTORS' REPORT TO THE MEMBERS

Dear Shareholders

On behalf of the Board of Directors, the undersigned takes pleasure to present before you the Financial Statements for the financial year ended June 30, 2024 (FY24) along with Auditor's Report, CEO Statement and Statement of Compliance. The Board has considered and approved the Company's audited financial results for the year ended June 30,2024. The principal activities of the Company are to carry on the business of Stock brokerage, underwriting, commodity brokerage, consultancy, book building and advisory services.

During the year under review, operating revenue stood at Rs. 548,243,290/-as compared to Rs. 350,504,194/- in FY23, up by 56.4%. The Company has earned a net profit of Rs.218,110,450/- with earning per share (EPS) of Rs.2.91/- as compared to profit of Rs.150,366,616/- in FY23 with EPS of Rs.2.00. There is no change occurred during the financial year relating to the nature of the business of company.

The Company has developed internal policies, procedures and controls, and appropriate compliance management arrangement so as to prevent from any fraud or offence of money laundering, including predicated offence as provided in the Anti-Money Laundering Act,2010 (VII of 2010).

The principal risks and uncertainties which the company facing is activity at PSX, macroeconomics conditions, political situation of the country.

Director's Remuneration

The Board of Directors has transparent procedures for remuneration of directors in accordance with the companies Act, 2017.Director's remuneration is duly been disclosed in note number 30 of these financial statements including their salary ,benefits, bonuses, retirement benefit and other incentives.

Change of Directorship

During the year there is no change in director ship of the Company.

Future Outlook:

Company is actively focusing on investment banking, advisory services, foreign portfolio investment and retail equity segment to increase revenue of the Company.

Dividend:

During the current year an interim dividend @ 0.67 per share has been paid by the company to the shareholders.

Auditors:

The retiring auditors M/s. Naveed Zafar Ashfaq Jaffery & Co. Chartered Accountants, retire and being eligible have offered themselves for reappointment for the financial year ending June 30, 2025, subject to approval by the members in the forthcoming annual general meeting.

Pattern of Share Holdings:

Pattern of shareholding is attached to the report.

Acknowledgement

We are grateful to the Company's Clients for their continuing confidence and patronage. We acknowledge and appreciate the hard work put in by the employees of the Company.

For and on behalf of the Board

Muhammad Sohail
Chief Executive
Dated: October 04, 2024

Khalid Mehmood
Director

Topline SECURITIES

Pattern of Shareholding as on October 04, 2024

CATEGORIES OF SHAREHOLDERS			SHAREHOLDERS	SHARES HELD	PERCENTAGE
Name	CNIC No.	Categories			
Mohammed Sohail	42301-1049927-3	Chief Executive Officer	Sponsor	53,181,687	70.909%
Haroon Fattani	42301-1508510-1	Director	Substantial Shareholder	16,727,418	22.303%
Muhammad Aamir Fattani	42301-4241480-3	Director	Director	5,090,874	6.788%
Sabahat Sohail	42000-0501695-6	Director	Director	6	0.000%
Irfan Anwar	42201-6345488-5	Director	Director	5	0.000%
Muhammad Imran	42201-0274640-7	Director	Director	5	0.000%
Khalid Mehmood	31202-1497854-9	Director	Director	5	0.000%
Associated companies, undertakings and related parties			Not Applicable		
Executives					
Public Sector Companies and Corporations			Not Applicable		
Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds			Not Applicable		
Others		Not Applicable	Not Applicable		
Total					

Shareholders holding 5% or more (Substantial Shareholders)

Name	Shares held	Percentage
Mohammed Sohail	53,181,687	70.909%
Haroon Fattani	16,727,418	22.303%
Muhammad Aamir Fattani	5,090,874	6.788%

Company Secretary / CFO

TOPLINE SECURITIES LIMITED

Rubber Stamp

Chief Executive Officer

Friday, October 04, 2024

Compliance Report with the Licensing Conditions

This is to certify that M/s **Topline Securities Limited (the Company)** has obtained necessary [permission/ license/approval] from Securities and Exchange Commission of Pakistan to undertake the business activities as authorized in its memorandum of association, and that the company is compliant with the conditions contained in [permission/license/approval] to carry on the business activities imposed by Securities and Exchange Commission of Pakistan for the year ended June 30, 2024.

It is further certified that in order to meet the requirements of Section 453 of the Companies Act, Company has developed internal policies, procedures and controls, and appropriate compliance management arrangements so as to prevent the commission of any fraud or offences of money laundering, including predicated offences as provided in the Anti-Money Laundering Act, 2010 (VII of 2010).

In addition to the requirement provided under the Act and the Future Act and other rules or regulations made thereunder, the Company has abided by the code of corporate governance as per annexture D of the Securities Brokers (Licensing and Operations) Regulations, 2016 applicable on unlisted brokers.

Mohammed Sohail
Chief Executive
Date: October 04, 2024

8th Floor, Horizon Tower, Plot 2/6, Block 3, Clifton, Karachi-Pakistan.
TEL: +92-21-35303330-32 | www.topline.com.pk

Topline SECURITIES

Statement by Chief Executive Officer

I, Mohammed Sohail, Chief Executive of M/s Topline Securities Limited hereby declare that there are no transactions entered into by the Company during the year ended June 30,2024 which are fraudulent, illegal or in violation of any securities market laws.

Mohammed Sohail
Chief Executive Officer
Date October 04,2024

TOPLINE SECURITIES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2024

TOPLINE SECURITIES LIMITED

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants

A Member firm of
PrimeGlobal | An Association of Independent Accounting Firms

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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF TOPLINE SECURITIES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Topline Securities Limited** (the Company), which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies, 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 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 Auditor's 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 auditor's report thereon.

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

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 scepticism throughout the audit. We also:

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

e) the Company was in compliance with the requirement of section 78 of the Securities Act 2015, and section 62 of the Futures Act, 2016, and the relevant requirements of Securities Brokers (Licencing and Operations) Regulations, 2016 as at the date on which the financial position was 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 **Azeem H. Siddiqui - FCA**

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants

Karachi
Dated : October 04, 2024
UDIN : AR202410232SwVMniRo5

TOPLINE SECURITIES LIMITED
STATEMENT OF FINANCIAL POSTION
AS AT JUNE 30, 2024

	Note	2024	2023
		Rupees	
ASSETS			
Non-current assets			
Property and equipment	5	150,188,550	150,077,748
Intangible assets	6	5,200,000	5,200,000
Long term deposits	8	2,767,817	2,633,121
Long term investment	9	-	207,660,133
		158,156,367	365,571,002
Current assets			
Trade debts - considered good-net	10	377,378,527	140,866,753
Loans and advances	11	933,846	874,201
Deferred taxation	7	1,223,922	-
Taxation-net of provision		-	5,941,280
Trade deposits and prepayments	12	309,363,475	42,397,601
Other receivables	13	10,103,591	7,781,257
Short term investments	14	641,731,108	466,637,923
Cash and bank balances	15	327,894,767	438,705,101
		1,668,629,237	1,103,204,116
Total Assets		1,826,785,604	1,468,775,118
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
150,000,000 (2023: 150,000,000 at Rs. 2 each) ordinary shares of Rs. 2 each		300,000,000	300,000,000
Issued, subscribed and paid up capital	16	150,000,000	150,000,000
Unappropriated profit		1,238,766,682	1,070,906,231
Total equity		1,388,766,682	1,220,906,231
LIABILITIES			
Non Current Liabilities			
Deferred taxation	7	-	1,503,360
Current liabilities			
Trade and other payables	17	432,495,337	245,339,300
Taxation - net		2,155,129	-
Short term borrowings	18	-	-
Mark-up accrued		3,368,456	1,026,228
		438,018,922	246,365,528
Total Equities and Liabilities		1,826,785,604	1,468,775,118
CONTINGENCIES AND COMMITMENTS	19		

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

CHIEF EXECUTIVE **DIRECTOR**

TOPLINE SECURITIES LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		----------Rupees----------	
Operating revenue	20	548,243,290	350,504,194
Capital gain/(loss) on sale of investments - net	21	(10,240,800)	34,178,742
Gain on remeasurement of investments-at fair value through profit or loss		3,625,938	2,934,817
		541,628,428	387,617,754
Administrative expenses	22	(312,161,117)	(225,152,959)
Operating profit		229,467,311	162,464,795
Finance cost	23	(11,633,446)	(7,992,679)
		217,833,864	154,472,117
Other income	24	80,511,197	41,220,525
Profit / (loss) before income tax, final tax and minimum differential		298,345,061	195,692,641
Final tax	25.1	(11,418,114)	(10,414,785)
Minimum tax	25.2	(8,941,403)	(5,728,970)
Profit / (loss) before taxation		277,985,544	179,548,886
Income tax	25.3	(59,875,094)	(29,182,269)
Profit for the year		218,110,450	150,366,617
Earnings per share - basic and diluted	26	2.91	2.00

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

CHIEF EXECUTIVE **DIRECTOR**

TOPLINE SECURITIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	--------- (Rupees) ---------	
Profit for the year	218,110,450	150,366,617
Other Comprehensive income for the year		
Items that will not be be subsequently reclassified to statement of profit or loss		
Total comprehensive income for the year	218,110,450	150,366,617

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

Chief Executive **Director**

TOPLINE SECURITIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2024

	Issued, Subscribed and paid up capital	Revenue reserve Unappropriated Profit	Total
	---Rupees---		
Balance as at July 1, 2022	150,000,000	970,789,614	1,120,789,614
Total comprehensive income for the year			
Profit for the year	-	150,366,617	150,366,617
Other Comprehensive income	-	-	-
Total comprehensive income for the year ended june 30, 2023	-	150,366,617	150,366,617
Transaction with owners			
Dividend paid	-	(50,250,000)	(50,250,000)
Balance as at June 30, 2023	150,000,000	1,070,906,231	1,220,906,231
Transaction with owners			
Dividend paid during the year	-	(50,250,000)	(50,250,000)
Total comprehensive income for the year			
Profit for the year	-	218,110,450	218,110,450
Other Comprehensive income	-	-	-
Total comprehensive income for the year ended June 30, 2024	-	218,110,450	218,110,450
Balance as at June 30, 2024	150,000,000	1,238,766,682	1,388,766,681

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

CHIEF EXECUTIVE

DIRECTOR

TOPLINE SECURITIES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		---Rupees---	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before income tax, final tax and minimum differential		298,345,061	195,692,641
Adjustments for:			
Depreciation		12,546,673	12,679,660
Gain on disposal of fixed assets		(1,602,330)	(1,775,178)
Unrealized gain on remeasurement of investments		(3,625,938)	(2,934,817)
Finance cost		11,633,446	7,992,679
		18,951,851	15,962,344
Operating profit before working capital changes		317,296,912	211,654,985
Working capital changes			
(Increase) / decrease in current assets			
Trade debtors - considered good		(134,972,414)	(15,501,718)
Receivables against margin Financing		(101,539,360)	110,723,154
Receivables against margin trading system		-	93,536,914
Receivables against murabahah share financing		-	4,118,070
Loans and advances		(59,645)	(215,059)
Trade deposits and short term prepayments		(266,965,873)	(22,648,409)
Other receivables		(2,322,334)	2,665,892
		(505,859,627)	172,678,845
(Decrease)/increase in current liabilities			
Trade and other payables		187,156,037	37,051,508
		(1,406,678)	421,385,336
Financial charges paid		(9,291,218)	(8,839,385)
Income tax and levies paid		(74,865,485)	(51,771,023)
Net cash (used in) / generated from operating activities		(85,563,381)	360,774,928
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		(14,705,145)	(6,995,746)
Proceeds from sale of property and equipment		3,650,000	3,530,000
Capital work-in-progress		-	-
Long term deposits		(134,696)	(12,005)
Sale / (Purchase) of long term investment		207,660,133	(117,560,626)
(Purchase) / Sale of Short term investments - net		(171,467,248)	790,695
Net cash generated / (used in) from investing activities		25,003,045	(120,247,682)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid on ordinary shares		(50,250,000)	(50,250,000)
Net cash (used in) financing activities		(50,250,000)	(50,250,000)
(decrease) / increase in cash and cash equivalents		(110,810,336)	190,277,245
Cash and cash equivalents at the beginning of the year		438,705,101	248,427,855
Cash and cash equivalents at the end of the year	27	327,894,767	438,705,101

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

CHIEF EXECUTIVE

DIRECTOR

TOPLINE SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1 STATUS AND NATURE OF BUSINESS

Topline Securities Limited (the Company) was incorporated in Karachi as a Private Limited company on June 27, 2001 under the Repealed Companies Ordinance, 1984 ('the Ordinance') which has now been replaced with Companies Act, 2017 ('the Act'). The company's private limited status was converted into a Public Limited Company on April 07, 2016 by the Securities and Exchange Commission of Pakistan. The registered office of the Company is situated at 8th Floor, Horizon Tower, Plot 2/, Block - 3, Clifton Karachi. The company is holder of Trading Right Entitlement Certificate ("TREC") of Pakistan Stock Exchange Limited and a member of Pakistan Mercantile Exchange Limited (PMEX). The principal activities of the Company is to carry on the business of stock brokerage, underwriting, commodity brokerage, consultancy, book building and advisory services.

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 for financial reporting. The accounting and reporting standards as applicable in Pakistan comprise of such International Financial Reporting Standards (IFRS Standards), issued by International Accounting Standard Board (IASB) as notified under Companies Act, 2017 (the "Act"); and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act,2017 differ from the IFRS standard, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared on the basis of historical cost convention except for short term investments in quoted equity securities and mutual fund units which are stated at fair value, Pakistan investment bonds and government treasury bills are carried at amortized cost.

2.2.1 These financail statements have been prepared on settlement date basis.

2.3 Functional and presentation currency

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

2.4 Significant accounting estimates and judgements

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

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised. Significant areas requiring the use of management estimates in these financial statements relate to the following:

- Property and equipment and depreciation (refer note 4.1)
- Intangible assets and amortization (refer note 4.2)
- Trade debts (refer note 4.5)
- Taxation (refer note 4.8)
- Provisions (refer note 4.13)

5 PROPERTY AND EQUIPMENT

	Note	2024	2023
		Rupees	
Operating assets	5.1	**150,188,550**	150,077,748
		150,188,550	150,077,748

5.1 Operating assets

	Office Premises	Furniture and fixtures	Office equipment	Motor vehicle	Computer and accessories	Total
	2024					
	Rupees					
COST						
As on July 1, 2023	146,884,020	202,459	5,029,444	20,497,573	8,767,483	181,380,979
Additions	-	-	515,000	12,072,125	2,118,020	14,705,145
Disposals	-	-	-	(3,650,000)	-	(3,650,000)
As at June 30, 2024	**146,884,020**	**202,459**	**5,544,444**	**28,919,698**	**10,885,503**	**192,436,124**
ACCUMULATED DEPRECIATION						
As at July 1, 2023	11,589,753	123,079	2,430,441	10,453,722	6,706,236	31,303,231
For the year	7,364,322	20,301	615,246	3,230,091	1,316,713	12,546,673
On disposals	-	-	-	(1,602,330)	-	(1,602,330)
As at June 30, 2024	**18,954,075**	**143,380**	**3,045,687**	**12,081,483**	**8,022,949**	**42,247,574**
Written down value 2024	**127,929,945**	**59,079**	**2,498,757**	**16,838,215**	**2,862,554**	**150,188,550**
	2023					
	Rupees					
COST						
As on July 1, 2022	146,884,020	202,459	5,029,444	18,933,573	6,865,737	177,915,233
Additions	-	-	-	5,094,000	1,901,746	6,995,746
Disposals	-	-	-	(3,530,000)	-	(3,530,000)
As at June 30, 2023	**146,884,020**	**202,459**	**5,029,444**	**20,497,573**	**8,767,483**	**181,380,979**
ACCUMULATED DEPRECIATION						
As at July 1, 2022	4,265,673	102,889	1,965,096	8,678,507	5,386,584	20,398,749
For the year	7,324,080	20,190	465,345	3,550,393	1,319,652	12,679,660
On disposals	-	-	-	(1,775,178)	-	(1,775,178)
As at June 30, 2023	**11,589,753**	**123,079**	**2,430,441**	**10,453,722**	**6,706,236**	**31,303,231**
Written down value 2023	**135,294,267**	**79,380**	**2,599,003**	**10,043,851**	**2,061,247**	**150,077,748**
Depreciation rates per annum (%)	5	10	10	20	33	

5.1.1 Disposal of Property and Equipment

Fixed Asset having book value of more then Rs. 500,000.

	Name of Buyer	Cost	Accumlated Depreciation	Written down Value	Sale Proceeds	Gain on Disposal	Relationship
Motor Vehicle	Mr.Omar Salah	**2,400,000**	**1,280,877**	**1,119,123**	**2,400,000**	**1,280,877**	Ex-Employee
Motor Vehicle	Mr.Nabeel Haroon	**980,000**	**206,203**	**773,797**	**980,000**	**206,203**	Employee

3 CHANGES IN ACCOUNTING STANDARDS, INTERPRETATIONS AND PRONOUNCEMENTS

3.1 Standards, amendments and interpretations to existing standards that are not yet

Following Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

	Standard or Interpretation	Effective date (annual reporting periods beginning on or after)
IAS 1	Presentation of Financial Statements [Amendments]	January 1, 2024
IAS 7	Statement of Cash Flows (Amendments	January 01, 2024
IFRS 16	Leases (Amendments)	January 01, 2024
IAS 21	The Effects of changes in Foreign Exchange Rates	January 01, 2025
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 01, 2026
IFRS 17	Insurance Contracts	January 01, 2026
IFRS 9	Financial Instruments – Classification and Measurement of Financial Instruments (Amendments)	January 01, 2026

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

Other than the aforesaid standards, interpretations and amendments, IASB has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the SECP as at June 30, 2024:

IFRS 1 First Time Adoption of International Financial Reporting Standards
IFRIC 12 Service concession arrangements

4 MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies and methods of computation have been consistently applied to all the periods presented, unless otherwise stated.

4.1 Property and equipment

These are stated at cost less accumulated depreciation and accumulated impairment, if any.

Depreciation is charged to profit and loss account applying the straight line depreciation method at the rates specified in the relevant note. Depreciation on additions is charged from the month in which the asset is put to use and no depreciation is charged in the month of disposal.

Proportionate depreciation is charged in respect of additions and disposals made during the year. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Maintenance and normal repairs are charged to profit and loss account. Major renewals and improvements are capitalized.

Gains and losses on disposal of assets, if any, are determined by comparing the sale proceeds with the carrying values and are charged to profit and loss account.

4.2 Intangible assets

These represent computer software, Membership card of Pakistan Mercantile Exchange and Trading Right Entitlement Certificate of Pakistan Stock Exchange.

Computer software are recognized in the financial statements, if and only if, it is probable that the future economic benefits that are attributable to the assets will flow to the Company; and the cost of the assets can be measured reliably. These are carried at cost less accumulated amortization and impairment, if any.

TRE Certificate is considered to have indefinite useful life and stated at revalued amount. The carrying amounts are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts, and when carrying value exceeds estimated recoverable amount, these are written to their estimated recoverable amount.

4.3 Right-of-use asset

The right-of-use asset is initially measured based on the initial measurement of lease liability, plus any initial direct costs incurred and an estimate of costs to be incurred to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently measured at cost model. The right of use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company has elected to apply the practical expedient not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term.

4.4 Long term deposits

These are stated at cost which represents the fair value of consideration given.

4.5 Trade debts

Debts originated by the Company are recognized and carried at original invoice amount (which generally equals to the fair value) less any amount written off or provision made for debts considered doubtful on the date of settlement.

4.6 Fiduciary assets

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

4.7 Investments

Investments in securities are initially recognized at cost, being the fair value of the consideration given, including the transaction cost associated with the investment, except in case of investments at fair value through profit or loss, in which case these transaction cost are charged to the profit or loss account. All regular way of purchases and sale of investments are recognized/derecognized on the settlement date. These are classified and measured as follows:

a) **Investment at fair value through profit or loss**

Investment which are acquired principally for the purposes of generating profit from short term fluctuation in price or are part of the portfolio in which there is recent actual pattern of short term profit taking are classified under this category. After initial recognition, these are remeasured at fair value. Gains or losses on remeasurement of these investments are recognized in the profit and loss account.

b) **Investments held to maturity**

These are securities with fixed or determinable payments and fixed maturity which the Company has the positive intent and ability to hold to maturity. After initial recognition, these are measured at amortized cost less any provision for impairment.

4.8 Taxation

4.8.1 Final and minimum tax

Computation of minimum tax chargeable under various sections of ITO 2001, provisions of such sections require its comparison with amount of tax attributable to income streams taxable at general rate of taxation, such minimum taxes are not fully outside the scope of IAS-12 and a certain portion of them falls in scope of IAS - 12. Based on this, the minimum taxes under ITO 2001 are hybrid taxes which comprise of a component within the scope of IAS - 12 and a component within the scope of IFRIC - 21/IAS-37.

As regards final taxes, its computation is based on revenue or other bases other than taxable income, therefore, final taxes fall under levy within the scope of IFRIC-21/IAS-37, hence treated and classified accordingly, as per the requirements of / and guidelines issued by ICAP.

In identifying and classifying each component of minimum tax being hybrid in nature, company designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS - 12 "Income taxes" and recognize it as current income tax expense. Any excess over the amount designed as income tax, is recognized as a levy falling under the scope of IFRIC-21/IAS-37.

4.8.2 Taxation

Current

Provision for current taxations based on taxable income at the enacted or substantiely enacted rates of taxation after taking into account available tax credits and rebates, if any. The charge of current tax includes adjustments to charge for prior years which arises from assessments / developments made during the year, if any.

Deferred

Deferred tax is recognized using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the tax base. This is recognized on the basis of expected manner of the realization and the settlement of the carrying amount of assets and liabilities using the tax rates enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized to the extent that future taxable profits will be available against which the deductible temporary differences can be utilized. Deferred tax assets are reduced to the extent that is no longer probable that the related tax benefit will be realized.

4.9 Cash and cash equivalents

Cash in hand and at banks is carried at cost. For the purposes of cash flow statement, cash and cash equivalents consist of cash in hand and bank balances, highly liquid short-term investments that are convertible to known amounts of cash and are subject to insignificant risk of change in value.

4.10 Securities under repurchase / reverse repurchase agreements

Transactions of repurchase / reverse repurchase of securities are entered into at contracted rates for specified periods of time. These are considered to be financing transaction instead of real sale and purchase of securities and are accounted for as follows:

a) Repurchase agreements

Securities sold with a simultaneous commitment to repurchase at a specified future date (repos) continue to be recognized in the balance sheet and are measured in accordance with accounting policies for investments. The counterparty liability for amounts received under these agreements is included in funds under repurchase agreements. The difference between sale and repurchase price is treated as mark-up on repo transactions of quoted investments and accrued over the life of the repo agreement.

b) Reverse repurchase agreements

Securities purchased with a corresponding commitment to resell at a specified future date (reverse repos) are not recognized in the balance sheet as investments. Amounts paid under these agreements are recorded as fund placements. The difference between purchase and resale price is treated as return from fund placements or mark-up on reverse repurchase transactions of quoted investments, as the case may be, and accrued over the life of the reverse repo agreement.

4.11 Trade and other payables

These are recognized initially at fair value plus directly attributable cost, if any, and are subsequently measured at amortized cost using effective interest method. Trade payables in respect of securities

4.12 Revenue recognition

Brokerage revenue is recorded when transaction are settled.

Underwriting commission is recognized when service relating to the underwriting is rendered.

Gain or loss on disposal of securities is taken to income in the period in which it arises.

Dividend income is recorded when the Company's right to receive dividend has been established.

Mark-up/interest from fund placement, reverse repurchase transactions of quoted securities and term deposit receipts is recognized on a time proportionate basis.

Income from advisory services is recorded on receipts basis.

Interest income on MTS and MFS is recognized on Unrelease position on accrual basis

Other revenues are recognized on accrual basis.

4.13 Provision

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

4.14 Impairment

The carrying amount of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the assets' recoverable amount is estimated accordingly and impairment loss is recognized in the profit and loss account for the carrying amount of asset that exceeds its recoverable amount.

4.15 Staff retirement benefits - Provident fund

The Company operates an approved funded provident fund scheme covering all its permanent employees. Equal monthly contributions @ 10% of the basic salary are made by the Company and employees to the fund in accordance with the fund rules.

4.16 Borrowings and borrowing costs

Borrowing costs are interest or other costs incurred by the Company in connection with the borrowing of funds. Borrowing cost that is directly attributable to a qualifying asset is capitalized as part of cost of that asset. All other borrowing costs are charged to income in the period in which they

4.17 Offsetting

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 recognized amounts and the Company intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

4.18 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the period in which these are approved.

4.19 Financial Instruments

(a) Classification and initial measurement

The company classifies its financial assets in to following three categories;

- Fair value through other comprehensive income (FVOCI)
- Fair value through profit or loss (FVTPL); and
- Measured at amoritzed 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.

Financial assets at FVOCI

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

- 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.

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 or 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.

Financial assets at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at fair value though 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.

For assets measured at fair value, gain or loss will either be recorded in the Financial 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.

(b) Subsequent measurement

Financial assets at FVOCI

These assets are measured at fair value, with gain or loss arising from changes in fair value recognized in other comprehensive income.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gain and loss, including any interest/ mark-up or dividend income, are recognized in the financial statement of profit or loss.

Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest/ mark-up income, foreign exchange gain and loss and impairment are recognized in the company statement of profit or loss.

(c) Financial liabilities

Financial liabilities are classified as "measured at amortized cost" or "measured at fair value through profit or loss". A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gain and loss, including any interest expense, are recognized in the statement of profit or loss.

Financial liabilities are derecognized when the contractual obligations are discharged or cancelled or have expired or when the financial liability's cash flows have been subsequently modified.

4.20 Impairment

(a) Financial assets

The recognizes loss allowances for expected credit loss (ECL) in respect of financial assets measured at amortized cost.

The company applies the simplified approach to recognize lifetime expected credit loss for trade debts. The company assesses on a forward looking basis the expected credit loss associated with its financial assets.

The company assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit loss. To make the assessment, the company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

Allowances for ECL financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

An entity shall directly reduce the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event of the company.

(b) Non-financial assets

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

De-recognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Modaraba has transferred substantially all risks and rewards of ownership.

4.21 Expenses

All expenses are recognized in the profit and loss account on an accrual basis.

4.22 Earning per share

Earning per share is calculated by dividing the profit / (loss) after taxation for the year by the weighted average number of shares outstanding during the year.

4.23 Changes in accounting policy

During the year, the Company changed its accounting policy of recognizing the portion of income tax paid or payable for the year under the Ordinance, not based on the taxable profits of the Company, as a Levy Inder IFRIC-21/IAS-37 instead of the current income tax for the year under IAS-12. There is, however, no material impact on the financial statements of the prior year

6 INTANGIBLE ASSETS

	Note	2024 Rupees	2023 Rupees
Trading Right Entitlement Certificate	6.1	2,500,000	2,500,000
Pakistan Mercantile Exchange Limited - Membership Card	6.2	2,500,000	2,500,000
Booth at PSX	6.3	200,000	200,000
		5,200,000	5,200,000

6.1 PSX vide notice no. PSX/N-7178 , has indicated the notional value of TREC at Rs. 2.5 million.

6.2 This amount represents admission fees for universal commodity membership rights of the Pakistan Mercantile Exchange Limited.

6.3 The booth is stating at cost of Rs.200,000/-situated at the Pakistan Stock Exchange building.

7 DEFERRED LIABILITY/(ASSET)

	Note	2024 Rupees	2023 Rupees
Opening deferred liability		1,503,360	358,253
Charge during the year	25	1,653,379	1,145,107
Recognise during the year	25	(4,380,662)	
Closing deferred tax liability/(Asset)		(1,223,922)	1,503,360

Deferred tax liability arising in respect of

		2024 Rupees	2023 Rupees
Accelerated tax depreciation allowance		5,701,308	5,184,001
Capital Loss in disposal of securities		29,204,413	-
		34,905,721	5,184,001

8 LONG TERM DEPOSITS

		2024 Rupees	2023 Rupees
National Clearing Company of Pakistan Limited (NCCPL)		300,000	300,000
Pakistan Stock Exchange Limited		282,236	282,236
Pakistan Mercantile Exchange Limited - Security Deposit		958,281	823,586
Basic Deposit for NCCPL DFC Market		1,000,000	1,000,000
Central Depositary Company (CDC) - Security Deposit		125,000	125,000
Mobilink Mobile Deposit		20,000	20,000
Others		82,300	82,300
		2,767,817	2,633,121

9 LONG TERM INVESTMENT-Amortized value

	Note	2024 Rupees	2023 Rupees
Opening Investment in Pakistan Investment Bonds	9.1	207,660,133	90,099,507
Investment made during the year		-	113,659,875
Amortized during the year		(207,660,133)	3,900,751
Closing Investment in Pakistan Investment Bonds		-	207,660,133

9.1 The Company has disposed off these investments during the year of 2024.

10 TRADE DEBTS - CONSIDERED GOOD

	Note	2024 Rupees	2023 Rupees
Trade Debtors	10.1 & 10.2 & 10.3	195,751,428	60,779,014
Receivable Against Marginal Financing System	10.4	181,627,099	80,087,739
		377,378,527	140,866,753

10.1		2024 Rupees	2023 Rupees
Trade Debtors		197,133,231	62,160,817
Expected Credit Loss		(1,381,803)	(1,381,803)
Trade Debtors - Considered Good		195,751,428	60,779,014

10.1.1 This include Rs.41,620,450 (2023: Rs. 7,180,910) due from related party. The average outstanding amount during the year from such parties (with reference to month end balances) amounted to Rs. 18.515 million (2023: Rs. 145.540 million).

10.1.2 Aging analysis of related parties balance

	2024 Rupees	2023 Rupees
Upto 3 months	41,620,449	7,180,910

	Note	2024 Rupees	2023 Rupees

10.2 AGEING ANALYSIS

	Note	2024 Rupees	2023 Rupees
within 5 days		175,410,397	49,311,595
above 5 days		21,758,390	12,849,222
		197,168,787	62,160,817

10.4 This amount is given as a MF to our clients through NCCPL. The company is financing to its customers from 75% to 99% of the trade value and charging markup ranging from 0.01% to 24%.

	Note	2024 Rupees	2023 Rupees
Receivable against margin Financing	10.4.1	181,627,099	80,087,739

10.4.1 This include MF of Rs. Nil (2023:Rs.29,581,152) receivable from related parties.

11 LOANS AND ADVANCES

	Note	2024 Rupees	2023 Rupees
Loan to employees-unsecured	11.1	933,846	874,201
		933,846	874,201

11.1 This includes interest free loans to permanent employees and to those contractual staff who have at least one year association with the Company against one month gross salary. The amount of loan is recovered in 12 maximum monthly installments.

12 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS

	Note	2024 Rupees	2023 Rupees
Deposits for SLB and CDC		100,000	100,000
Exposure and DFC loss deposit with NCCPL	12.1 & 12.2	289,878,264	34,868,783
Exposure and GEM Market loss		523	523
Exposure deposit for MTS with NCCPL	12.1 & 12.2	14,811,118	4,898,205
Prepayments		4,573,569	2,530,090
		309,363,475	42,397,601

12.1 These represents amounts of deposits held at the year and against exposure arising out of trading in securities in accordance with risk management and MTS regulation of NCCPL. These deposit carry profit at rates ranging from 18.99% to 19.06% (2023:14% to 17%.)

12.2 The amount is net of MTS and DFC loss deposit recovered from clients.

13 OTHER RECEIVABLE

	2024 Rupees	2023 Rupees
MF profit receivable	7,516,114	2,554,929
RMS profit receivable	1,305,217	1,709,296
Other Receivable	1,282,260	-
Coupon Receivables on PIB	-	3,517,032
	10,103,591	7,781,257

14 SHORT TERM INVESTMENTS

	Note	2024 Rupees	2023 Rupees
Investment in Open Ended Funds - at fair value through profit and loss	14.1	641,731,108	466,637,923

14.1 This consists of open ended mutual funds carried at net asset value as at balance sheet date out of which Rs. 437.585 million (2023:Rs.261.296 million) are pledged with NCCPL against ready market exposure, Rs.37.528 million (2023: Rs.34.454 million) value of funds are pledged with Pakistan Stock Exchange Limited against house base minimum capital requirement ,Rs.52.525 million (2023: Rs.1.034 million) are pledged with JS Bank Limited against running finance facility of the Company and Rs.61.780 million (2023: Rs.Nil) are pledged with Bank Al-Habib Limited against running finance facility of the Company.

15 CASH AND BANK BALANCES

	Note	2024 Rupees	2023 Rupees
Cash in hand		8,589	47,569
Cash at bank			
- in current account		2,073,410	1,542,434
- in savings account	15.1	325,812,768	437,115,098
	15.2	327,886,178	438,657,532
		327,894,767	438,705,101

15.1 The interest rate on saving accounts range from 10 % to 20.50 % per annum (2023: 11% to 19.50 %)

15.2 This include Rs.221.156 million (2023 Rs..97.339 million) kept in designated bank accounts maintained on behalf of clients.

16 SHARE CAPITAL AND RESERVES

16.1 Authorised Share Capital

2024	2023		2024	2023
Number of shares			Rupees	Rupees
150,000,000	150,000,000	Ordinary shares of Rs.2 each (2023: Rs.2)	300,000,000	300,000,000

16.2 Issued, subscribed and paid-up capital

			Note	2024 Rupees	2023 Rupees
15,962,715	15,962,715	Ordinary shares of Rupees 2 (2023: Rupees 2) each fully paid (issued for cash)		31,925,430	31,925,430
10,952,000	10,952,000	Ordinary shares of Rupees 2 (2023: Rupees 2) each fully paid (issued for consideration other than cash)		21,904,000	21,904,000
48,085,285	48,085,285	Ordinary shares of Rupees 2 (2023: Rupees 2) each (issued as bonus shares)		96,170,570	96,170,570
75,000,000	75,000,000			150,000,000	150,000,000

16.3 Pattern of shareholding

Shareholder	No,of shares	Percentage
Mr.Mohammad Sohail	53,181,687	71%
Mr.Haroon Fattani	16,727,418	22%
Mr.Mohammad Aamir Fattani	5,090,874	7%
Other Individual	21	0%
	75,000,000	100%

16.4 There is only one class of shares and all shares rank equally and there are no arrangements among shareholders in respect of voting right, board resolution, right of first refusal and block voting.

16.5 The Board of Directors of Company in its meeting held on January 31, 2024 has approved the first interim cash dividend of Rs. 0.67 per share (2023: Rs. 0.67 per share) that were duly paid to the shareholders.

17 TRADE AND OTHER PAYABLES

	Note	2024 Rupees	2023 Rupees
Trade payables PSX Clients	17.1	211,757,822	95,338,015
Accrued expenses	17.2	39,652,738	43,651,982
Other payables		177,612,068	103,702,413
Sale tax Payable		3,472,709	2,646,890
		432,495,337	245,339,300

17.1 This includes trade payables of Rs.5,742,303 (2023: Rs.11,432,557) payable to related parties.
17.2 This include amount of Rs.13.448 million (2023 :Rs.20.416 million) payable in Pak rupees to foreign brokerage house.

18 SHORT TERM BORROWINGS - SECURED

	Note	2024 Rupees	2023 Rupees
Bank Al-Habib Limited	18.1	-	-
JS Bank Limited	18.2	-	-
Habib Metropolitan Bank Limited	18.3	-	-
Total		-	-

18.1 The Company has a running finance facility amounting rupees 200 million (2023: 200 million) from the Bank Al-Habib Limited for one year. This arrangement carries mark-up @ 3 months KIBOR plus 2% per annum. This arrangement is secured by pledge of shares and mutual funds as per bank's approved list with a minimum margin of 50% on shares, lien on PIBs with margin of 10%, pledge of mutual Fund units with a margin of 25% and personal guarantees of all directors of the Company.

18.2 The Company has a running finance facility amounting rupees 300 million (2023: 300 million) from the JS Bank Limited for one year. This arrangement carries mark-up @ 3 months KIBOR plus 2.5% per annum. This arrangement is secured by pledge of shares and mutual funds as per bank's approved list with a minimum margin of 30% on shares, lien on PIBs with margin of 10%, pledge of JS Cash Fund units with a margin of 5 % and personal guarantees of two directors of the Company.

18.3 During the Company has a obtained a new running finance facility amounting rupees 200 million from Habib Metropolitan Bank Limited for one year. This arrangement carries mark-up @ 3 months KIBOR plus 2% per annum. This arrangement is secured by pledge of shares as per bank's approved list with a minimum margin of 30% on shares personal guarantees of three directors of the Company.

19 CONTINGENCIES AND COMMITMENTS

19.1 Contingencies

On March 15, 2018 RAH Securities (Pvt) filed a suit for recovery of damages against Topline securities limited and others, case is pending in Karachi with Honorable Sindh High Court however, the management is confident that the decision will be in favor of the company.

20 OPERATING REVENUE

	Note	2024 Rupees	2023 Rupees
Brokerage and operating revenue	20.1 & 20.2	417,547,911	235,748,669
Income from advisory operations		39,217,814	39,991,403
		456,765,725	275,740,072
less: Sales tax on services		(52,548,269)	(31,722,309)
		404,217,456	244,017,763
Income from Margin Financing and MTS		41,681,689	35,977,814
Income from Government Securities		13,360,583	21,518,565
Dividend from mutual funds		75,201,990	46,006,507
Services rendered outside Pakistan		13,781,572	2,983,546
		548,243,290	350,504,194

20.1 Brokerage and operative revenue

	2024 Rupees	2023 Rupees
Equity brokerage		
-Institutional clients	290,348,989	156,581,927
-Individuals clients	127,198,922	79,166,742
	417,547,911	235,748,669

20.2 This includes brokerage earned from related parties amounting to Rs.536,637 (2023: Rs.244,530).

21 CAPITAL GAIN/(LOSS) ON SALE OF INVESTMENTS

	2024 Rupees	2023 Rupees
Capital gain/(loss) on sale of listed & government securities - net	(10,240,800)	34,178,742

22 ADMINISTRATIVE EXPENSES

	Note	2024 Rupees	2023 Rupees
Salaries and other allowances expenses		234,139,157	156,885,706
Electricity		4,362,635	2,773,431
Rent, rates and taxes		188,781	680,774
National clearing charges		13,318,430	6,514,606
PSX charges		9,191,519	5,467,763
SECP charges		1,777,452	1,154,559
CDC charges		2,044,242	1,116,132
Travelling and conveyance		4,108,080	6,691,355
Internet charges		1,679,382	1,493,330
Staff welfare		1,027,690	756,553
Repair and maintenance		7,750,196	6,159,774
Fee for Technical Services		8,086,905	7,277,492
Fee and subscription		510,653	484,200
Insurance		1,973,318	2,197,335
PMEX Fees and charges		101,074	5,162
Consultancy Fee		1,961,470	4,553,584
Legal and professional expenses		382,939	1,753,794
Auditors' remuneration	22.1	776,000	565,000
Donations to approved institution	22.2	750,000	750,000
Telephone and mobile		1,404,770	882,097
Printing and stationery		1,008,529	603,091
General expenses		3,071,222	3,707,562
Depreciation	5.1	12,546,673	12,679,660
		312,161,117	225,152,959

22.1 Auditors' remuneration

	2024 Rupees	2023 Rupees
Audit fee - statutory audit	350,000	350,000
Certifications	426,000	215,000
	776,000	565,000

22.2 No director has any interest in the said institution.

		Note	2024 Rupees	2023 Rupees
23	**FINANCE COST**			
	Mark-up on short term borrowing - secured		11,112,321	7,600,624
	Bank charges		521,125	392,055
			11,633,446	7,992,679
24	**OTHER INCOME**			
	Bank profit		60,679,717	30,938,943
	Gain on sale of fixed assets		1,602,330	1,775,178
	Other income	24.1	18,229,150	8,506,404
			80,511,197	41,220,525

24.1 This includes profit received from NCCPL against the exposure money deposit .

25 TAXATION

25.1 This represents final taxes paid under section 150 & 37A of Income Tax Ordinance (ITO, 2001) representing levy in terms of requirement of IFRIC -21 / IAS-37.

25.2 This represents portion of minimum tax paid under section 113, 233 & 153(1)(b) of Income Tax Ordinance (ITO, 2001), representing levy in the terms of requirements of IFRIC - 21 / IAS - 37.

		Note	2024 Rupees	2023 Rupees
25.3	Current		54,577,814	26,367,651
	Deferred	7	(2,727,283)	1,145,107
	Super Tax as per 4C		8,024,563	1,669,512
			59,875,094	29,182,269
25.4	**Disclosure of taxation subject to final, minimum and normal taxation**			
	Final tax			
	Tax @15% on capital gain subject to FTR		-	3,483,973
	Tax @15% on dividend income subject to FTR		11,280,299	6,900,976
	Taxation@1% of gross revenue services rendered outside Pakistan		137,816	29,835
			11,418,114	10,414,785
	Minimum tax			
	Minimum tax on services income		3,186,489	1,365,704
	Brokerage / Commission u/s 233 @12%		5,754,914	4,363,266
			8,941,403	5,728,970
	Income tax			
	Tax @ 29% on normal taxable income		54,577,814	26,367,651
			74,937,331	42,511,405
25.5	**Relationship between tax expense and accounting profit is as follows:**			
	Profit before taxation		298,345,061	195,692,641
	Tax charge at enacted tax rate of 29% (2023: 29%)		86,520,068	56,750,866
	Tax effect of accounting and tax difference income		(1,653,379)	(1,613,499)
	Tax effect of accounting and tax purpose capital gain u/s 37A		2,969,832	(3,824,316)
	Tax effect of income subject to lower tax		(3,307,577)	(716,051)
	Tax effect of income under Final Tax Regime (FTR)		(10,528,279)	(6,440,911)
	Tax effect of tax credits		(217,500)	(217,500)
	Tax Effect of others		1,154,166	(1,427,184)
			74,937,331	42,511,405
26	**EARNINGS PER SHARE**			
	Profit after taxation	*Rupees*	218,110,450	150,366,616
	Weighted average number of shares	*Number of shares*	75,000,000	75,000,000
	Earning per share - basic and diluted	*Rupees*	2.91	2.00
27	**CASH AND CASH EQUIVALENTS**			
	Cash and bank balances	15	327,894,767	438,705,101
	Short term borrowings	18	-	-
			327,894,767	438,705,101

28 PROVIDENT FUND

Salaries, allowances and commission expenses include Rs.0.921 million (2023: Rs. 0.758 million) in respect of provident fund.

	2024 Rupees	2023 Rupees
Size of the funds - Total assets	17,018,424	13,646,539
Cost of investment made	15,136,922	13,639,169
Percentage of investment made	88.94%	99.06%
Fair value of investments	16,706,566	13,947,277

28.1 Break-up of investments in terms of amount and percentage of the size of the provident fund are as follows :

	Unaudited June 30, 2024		Audited December 31, 2023	
	Investments Rupees	Investments as a % of total investments	Investments Rupees	Investments as a % of total investments
Investments in Government securities	16,706,566	99.80%	15,065,872	99.95%
Cash in PLS accounts	33,114	0.20%	7,370	0.05%

28.2 Investments out of provident fund have been made in accordance with the provisions of the Companies Act, 2017 and the rules formulated for this purpose.

29 TRANSACTIONS WITH RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and includes major shareholders, associated companies with or without common directors, retirement benefit funds and directors and key management personnel and their close family members. Amounts due from/to related parties, and remuneration of directors and executives are disclosed in the relevant notes.

	2024 Rupees	2023 Rupees
Transactions with related parties		
Brokerage commission charges to related parties	536,637	244,530
Traveling Expenses payment to M/s AEG Travel Services Pvt Ltd.	2,070,207	1,238,497
Relationship with related parties		

This includes brokerage charged to directors and a related party.

	2024	2023
Closing Balances with related parties		
Trade debts - considered good		
Mrs.Farzana Haroon	9,537,315	4,172,194
Mr.Haroon Fattani	8,672,315	-
Mr.Muhammad Aamir Fattani	11,939,938	1,295,030
Mr.Muhammad Umair Fattani	11,470,882	1,713,686
Total	41,620,450	7,180,910
Trade payables to related parties		
M/s Topline Associates (Pvt) Limited	938,344	4,043,424
Mr.Mohammed Sohail	4,796,190	114,289
Mr.Haroon Fattani	-	9,622
Mrs.Sabahat Sohail	2,801	7,265,222
	11,432,557	11,432,557
Recivables against Margin Financing	-	-
Loans and advances	275,000	125,000
Salary payables	11,554,168	13,680,000

30 REMUNERATION OF THE CHIEF EXECUTIVE OFFICER AND DIRECTORS

	Chief Executive Officer		Directors	
	2024	2023	2024	2023
	Rupees			
Salary	5,100,000	3,960,000	4,320,000	3,600,000
Contribution to Provident fund	339,996	264,000	216,000	-
Bonus	33,000,000	24,300,000	360,000	-
Other allowances	-	-	1,915,861	2,156,620
Director Meeting Fee	-	-	375,000	300,000
Leave encashment	-	-	-	286,136
Total	38,439,996	28,524,000	7,186,861	6,342,756
Number of persons	1	1	1	2

31 FINANCIAL RISK MANAGEMENT

The Board of Directors of the Company has overall responsibility for the establishment and oversight of Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

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

31.1 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 prices of securities 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 policies and regulations laid down by the Karachi Stock Exchange.

Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

31.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company, at present is not exposed to currency risk as all the transactions of the Company are denominated in Pak Rupees.

31.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk arises from its placements in TDRs, bank deposits and short term borrowings at variable rates.

Following table provides information about exposure of the company to interest / mark-up rate risk at the statement of financial position date based on contractual repricing or maturity dates whichever is earlier:

		June 30, 2024				June 30, 2023			
		Exposed to Interest Rate Risk		Not Exposed to Yeld / Interest Rate Risk	Total	Exposed to Interest Rate Risk		Not Exposed to Yeld / Interest Rate Risk	Total
	Note	Upto One Year	More Than One Year			Upto One Year	More Than One Year		
		Rupees							
Financial Assets									
Non Current Assets									
Long term advance		-	-	-	-	-	-	-	-
Long Term Investment		-	207,660,133	-	207,660,133		90,099,507	-	90,099,507
Long term deposits		-	-	2,767,817	2,767,817	-	-	2,633,121	3,633,121
		-	207,660,133	2,767,817	210,427,950	-	90,099,507	2,633,121	93,730,629
Current Assets									
Trade debts		181,627,099	-	(40,760,346)	140,866,753	80,087,739	-	60,779,014	140,866,753
Loans and advances		-	-	593,846	593,846	-	-	874,201	874,201
Trade deposits		309,363,475	-	-	309,363,475	42,397,601	-	-	42,397,601
Other receivables		-	-	10,103,591	10,103,591	-	-	7,781,257	7,781,257
Investment		641,731,108	-	-	641,731,108	466,637,923	-	-	466,637,923
Cash and bank balances		325,812,768	-	2,081,999	327,894,767	437,115,098	-	1,590,003	438,705,101
		1,458,534,450	-	(27,640,910)	1,490,893,540	1,026,238,360	-	71,004,475	1,097,262,836
Sub Total		1,458,534,450	207,660,133	(24,873,093)	1,483,661,357	1,026,238,360	90,099,507	73,657,597	1,189,995,464
Financial liabilities									
Trade and other payables	17	-	-	432,495,337	432,495,337	-	-	245,339,300	245,339,300
Short term borrowing - secured	18	-	-	-	-	-	-	-	-
Mark-up accrued		-	-	3,368,456	3,368,456	-	-	1,026,228	1,026,228
Sub Total		-	-	435,863,793	435,863,793	-	-	246,365,528	246,365,528
On-Balance Sheet Gap		1,458,534,450	207,660,133	(460,736,886)	997,797,564	1,026,238,360	90,099,507	(172,707,932)	943,629,936
Off-Balance Sheet Financial Instruments		-	-	-	-	-	-	-	-
Off-Balance Sheet Gap		-	-	-	-	-	-	-	-
Total Interest Rate Sensitivity Gap		1,458,534,450	207,660,133	(460,736,886)	997,797,564	1,026,238,360	90,099,507	(172,707,932)	943,629,936

31.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate 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. The Company was exposed to listed and quoted securities price risk because of investments held by the Company and classified on the balance sheet as at fair value through profit or loss. To manage its price risk arising from investments the Company mainly invests in mutual funds and listed shares and maintains diversified portfolio.

31.2 Credit risk

The Company is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due. Credit risk arises from trade debts, investments and deposits with banks. The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit rating. To manage exposure to credit risk on its investments, the Company manages a portfolio of investments which consists of securities issued by the Government and reputable entities. To secure against the risk of default from debtors, the Company obtains collateral from its customers. The maximum exposure to credit risk is equal to the carrying amounts of financial assets less the amount of collaterals held.

Exposure to credit risk

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

The Company's policy is to enter into financial contracts in accordance with the internal risk management policies and investment and operational guidelines approved by the Board of Directors. In addition, credit risk is also minimized due to the fact that the Company invests only in high quality financial assets, majority of which have been rated by a reputable rating agency. All transactions are settled / paid for upon delivery.

The maximum exposure to credit risk at the reporting date is as follows:

	Note	2024	2023
		----------Rupees----------	
Long term deposits	8	2,767,817	2,633,121
Trade debts	10	377,378,527	140,866,753
Loans and advances	11	933,846	874,201
Trade deposits	12	304,789,905	39,867,511
Other receivables	13	10,103,591	7,781,257
Investment in Pakistan Investment Bonds	9	-	207,660,133
short term investments	14	641,731,108	466,637,923
Bank balances	15	327,886,178	438,657,532
		1,665,590,973	1,304,978,431

All balances are denominated in local currency.

Bank Balances

The analysis below summarizes the credit quality of the Company's bank balances (including profit receivables) as at June 30, 2024 and June 30, 2023:

	2024	2023
Bank balances	327,877,589	438,657,532

The credit quality of the Company's cash and cash equivalents, held with various commercial banks and financial institutions is assessed with reference to external credit ratings thereof, ranging from AAA to BBB assigned by reputable credit rating agencies.

31.3 Liquidity risk

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. The Company's liquidity management involves projecting cash flows and maintaining level of liquid assets necessary to meet these risks.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Note	June 30, 2024				June 30, 2023			
		Total	Upto Three Months	More Than Three months and upto One Year	More Than One Year	Total	Upto Three Months	More Than Three months and upto One Year	More Than One Year
		Rupees							
Trade and other payables	17	432,495,337	432,495,337	-	-	245,339,300	245,339,300	-	-
Short term borrowings - secured	18	-	-	-	-	-	-	-	-
Accrued Mark up		3,368,456	3,368,456	-	-	1,026,228	1,026,228	-	-
Total		435,863,793	435,863,793	-	-	246,365,528	246,365,528	-	-

31.4 Capital Risk Management

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

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

The Company finances its operations through equity, borrowing and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk.

31.5 Operational risk

Operational risk is the risk of direct and indirect loss arising from a wide variety of causes associated with the 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 risk such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risk arise from all of the Company's activities.

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

- requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- requirement for the reconciliation and monitoring of transaction;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirement for the periodic assessment of operational risk faced, and the adequacy of controls and procedures to address the risks identified;
- ethical and business standards;
- risk mitigation, including insurance where this is effective.

32 FINANCIAL INSTRUMENTS WITH OFF BALANCE SHEET RISKS

The Company purchases and sells securities as either principal or agents on behalf of its customers. If either the customer or a counterparty fails to perform, the Company may be required to discharge the obligation on behalf of the non-performing party. In such circumstances, the Company may sustain a loss if the market value of the security is different from the contracted value of the transaction less any margin deposits that the Company has on hand. Where the customer operates through institutional delivery system, the Company is not exposed to this risk.

The majority of the Company's transactions, and consequently, the concentration of its credit exposure are with the customers and other financial institutions in case of money market brokerage. The Company seeks to control its credit risk through a variety of reporting and controls procedures, including establishing credit limits based upon a review of the counterparties' financial condition. The Company monitors collateral levels on a regular basis and requests changes in collateral level as appropriate or if considered necessary.

33 MEASURMENT OF FAIR VALUES

A number of the company's accounting policies and disclosure require the measurement of fair values, for both financial, if any and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (Unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quote prices included in Level 1 that are observables for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy a, then the fair value measurements is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the management recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

At the year end, following financial instrument is carried at fair value which requires classification in the above mentioned levels

	2024			
	Level 1	Level 2	Level 3	Total
	---Rupees---			
Financial Asset				
Investment in open end mutual fund	641,731,108	-	-	641,731,108

	2023			
	Level 1	Level 2	Level 3	Total
	---Rupees---			
Financial Asset				
Investment in open end mutual fund & treasury bills	466,637,923	-	-	466,637,923

34 BASE MINIMUM CAPITAL

In compliance with regulation 19.2 the rule book of PSX every TREC holder registered as a broker under brokers and agent registration rule 2001, is required to maintain base minimum capital In the and form as prescribed in the rule on the basis of assets under custody (AUC). As per said regulation as at 30 June 2024, the company is required to maintain BMC of Rs.34.706 million (2023 :Rs. 32.389 million).

The notional value of TREC and the breakup value of shares for the purpose BMC is determined by the PSX as under.

	2024	2023
	----------Rupees---------	
Open ended mutual fund	**36,487,724**	32,689,367
	36,487,724	32,689,367

35 CAPITAL ADEQUECY LEVEL

The capital adequacy level of the company is as follows:

	2024	2023
	----------Rupees----------	
Total assets	**1,826,785,604**	1,468,775,118
Less: Total liabilities	**(438,018,922)**	(247,868,888)
Less: Revaluation reserves (created upon revaluation of fixed assets	-	-
Capital adequacy level	**1,388,766,682**	1,220,906,230

35.1 Liquid Capital as on June 30, 2024

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	150,188,550	150,188,550	
1.2	Intangible Assets	5,200,000	5,200,000	-
1.3	Investment in Govt. Securities	-	-	-
1.4	**Investment in Debt. Securities**			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.			
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.			
	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.			
	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.			
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.			
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.			
1.5	**Investment in Equity Securities**			
	i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher. (Provided that if any of these securities are pledged with the securities exchange for base minimum capital requirenment, 100% haircut on the value of eligible securities to the extent of minimum required value of Base minimum capital	604,202,879	(90,630,432)	513,572,447
	ii. If unlisted, 100% of carrying value.			
1.6	Investment in subsidiaries			
1.7	**Investment in associated companies/undertaking**			
	i. If listed 20% or VaR of each securities as computed by the Securites Exchange for respective securities whichever is higher.			
	ii. If unlisted, 100% of net value.			
1.8	**Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity.** (i) 100% of net value, however any excess amount of cash deposited with securities exchange to comply with requirenments of base minimum capital may be taken in the calculation of LC	2,767,817	2,767,817	-
1.9	Margin deposits with exchange and clearing house.	326,878,737	-	326,878,737
1.10	Deposit with authorized intermediary against borrowed securities under SLB.			
1.11	Other deposits and prepayments	5,955,829	-	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)	1,305,217	-	1,305,217
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties			
1.13	Dividends receivables.	-		-
1.14	Amounts receivable against Repo financing. Amount paid as purchaser under the REPO agreement. (*Securities purchased under repo arrangement shall not be included in the investments.*)			
1.15	Advances and receivables other than trade Receiveables; (i) No haircut may be applied on the short term loan to employees provided these loans are secured and due for repayments within 12 months. (ii) No haircut may be applied to the advance tax to the extent it is netted with provision of taxation . (iii) In all other cases 100% of net value	933,846	933,846	-
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.			
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 finances (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.***	181,627,099	-	181,627,099
	ii. Incase receivables are against margin trading, 5% of the net balance sheet value. ***ii. Net amount after deducting haircut***	-	-	-
	iii. Incase receivalbes are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, ***iii. Net amount after deducting haricut***			
	iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. ***iv. Balance sheet value***	133,789,948	-	133,789,948
	v. Incase of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts. ***v. Lower of net balance sheet value or value determined through adjustments***	21,722,193	13,526,303	8,195,890

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
	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*	41,621,150	700	41,620,450
1.18	**Cash and Bank balances**			
	i. Bank Balance-proprietory accounts	106,659,262	-	106,659,262
	ii. Bank balance-customer accounts	221,155,605	-	221,155,605
	iii. Cash in hand			
1.19	**Subscription money against investment in IPO/ offer for sale (asset)**			
	(i)No haircut may be applied in respect of amount paid as subscription money provided that shares have not been alloted or are not included in the investments of securities broker.			
	(ii) In case of Investment in IPO where shares have been alloted but not yet credited in CDS Account, 25% haircuts will be applicable on the value of such securities. (iii) In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VAR based haircut whichever is higher, will be applied on Right Shares.			
1.20	**Total Assets**	**1,604,008,071**	**81,986,784**	**1,534,804,595**
2. Liabilities				
2.1	**Trade Payables**			
	i. Payable to exchanges and clearing house			
	ii. Payable against leveraged market products			
	iii. Payable to customers	211,757,822	-	211,757,822
2.2	**Current Liabilities**	-		
	i. Statutory and regulatory dues	3,472,709	-	3,472,709
	ii. Accruals and other payables	220,633,262	-	220,633,262
	iii. Short-term borrowings	-		-
	iv. Current portion of subordinated loans	-		
	v. Current portion of long term liabilities			
	vi. Deferred Liabilities	-	-	-
	vii. Provision for taxation	2,155,129	-	2,155,129
	viii. 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. Boad of Directors of the company has approved the increase in capital c. Relevant Regulatory approvals have been obtained d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed. e. Auditor is satisfied that such advance is against the increase of capital.			
2.6	**Total Liabilites**	**438,018,922**		**438,018,922**
3. Ranking Liabilities Relating to :				
3.1	**Concentration in Margin Financing**			
	The amount calculated client-to- client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total finances. (Provided that above prescribed adjustments shall not be applicable where the aggregate amount of receivable against margin financing does not exceed Rs 5 million) Note: Only amount exceeding by 10% of each financee from aggregate amount shall be include in the ranking liabilities			43,944,730
	Concentration in securites lending and borrowing			

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
3.2	The amount by which the aggregate of: (i) Amount deposited by the borrower with NCCPL (ii) Cash margins paid and (iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed (Note only amount exceeding by 110% of each borrower from market value of shares borrowed shall be included in the ranking liabilities)			
3.3	**Net underwriting Commitments**			
	(a) In the case of right issuse : if the market value of securites is less than or equal to the subscription price; the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issuse where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting commitment			-
	(b) in any other case : 12.5% of the net underwriting commitments			135,000
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			-
3.9	**Opening Positions in futures and options**			
	i. In case of customer positions, the total margin requiremnets in respect of open postions less the amount of cash deposited by the customer and the value of securites held as collateral/ pledged with securities exchange after applyiong VaR haircuts			133,189,730
	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. Incase of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts			
	ii. Incase of proprietory positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.			
3.11	**Total Ranking Liabilites**	-		177,259,460

Calculations Summary of Liquid Capital

(i) Adjusted value of Assets (serial number 1.20)	1,534,804,595
(ii) Less: Adjusted value of liabilities (serial number 2.6)	(438,018,922)
(iii) Less: Total ranking liabilities (series number 3.11)	(177,259,460)
	919,526,212

Note: Commission may issue guidelines and clarifications in respect of the treatment of any component of Liquid Capital including any modification, deletion and inclusion in the calculation of Adjusted value of assets and liabilities to address any practical difficulty.

36 **DISCLOURE UNDER REGULATIONS 5(4) OF RESEARCH ANALYST REGULATIONS, 2015**

At present, the Company employs 7 members in its research department. All members report to Head of Research who in turn reports to CEO. Compensation structure of research analysts is subject to qualification, experience and skillset of the person.

37 **NUMBER OF EMPLOYEES**

The total number of employees and average number of employees at the year end and during the year respectively are as follows:

	2024	2023
	Number	
Total employees of the company at year end	42	42
Average number of employees during the year	42	42

38 **TOTAL SECURITIES PLEDGED**

Total value of client securities held in central depository system	13,295,599,983	7,999,727,048
Market value of client securities pledged with the financial institution	-	-
No.of client securities pledged with the financial institution	-	-
Market Value of client securities pledged with the NCCPL	50,838,620	59,948,750
No.of client Securities pledged with the NCCPL	2,865,500	1,475,500
Market Value of Brokerage house securities pledged with the NCCPL/PSX	568,016,114	295,749,663
No.of brokerage house securities pledged with the NCCPL/PSX	25,278,388	6,805,709

39 **DATE OF AUTHORIZATION**

These financial statements were authorized for issue on 04-10-2024 by the Board of Directors of the Company.

40 **GENERAL**

The figures have been rounded of to the nearest rupee.

CHIEF EXECUTIVE

DIRECTOR