

FORTUNE SECURITIES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2023

FORTUNE SECURITIES LIMITED



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF FORTUNE SECURITIES LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Fortune Securities Limited** (the Company), which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, 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, 2023 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

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) in our opinion, 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 the relevant requirements of Securities Brokers (Licencing and Operations) Regulations, 2016 as at the date on which the unconsolidated financial statements were prepared

The engagement partner on the audit resulting in this independent auditor's report is **Azeem H Siddiqui**

 FCA


Chartered Accountants

Karachi

Dated : October 06, 2023

UDIN : AR202310232zFn54egRA

FORTUNE SECURITIES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

	Note	2023 ----- (Rupees) -----	2022 -----
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital		200,000,000	200,000,000
20,000,000 (2022: 20,000,000) ordinary shares of Rs. 10/- each			
Issued, subscribed and paid-up capital	5	124,982,450	124,982,450
Capital reserve			
Revaluation surplus on property and equipment	6	10,112,508	13,183,342
Revenue Reserve			
Unappropriated profit		32,419,377	81,910,108
		<u>167,514,335</u>	<u>220,075,900</u>
Non-current liability			
Lease liability	7	992,862	8,791,366
Current liabilities			
Short term borrowings	8	74,262,546	96,822,547
Current portion of lease liabilities		5,628,368	6,383,018
Trade creditors, accrued and other liabilities	9	162,749,584	158,132,309
		<u>242,640,499</u>	<u>261,337,874</u>
		<u>411,147,694</u>	<u>490,205,139</u>
TOTAL EQUITY AND LIABILITIES			
Contingencies and commitments	10	-	-
ASSETS			
Non-current assets			
Property and equipment	11	44,585,263	60,996,718
Intangible assets	12	11,453,888	11,453,888
Deferred tax asset	13	16,862,402	16,172,054
Long term deposits	14	2,632,305	2,632,305
		<u>75,533,859</u>	<u>91,254,964</u>
Current assets			
Trade debts - considered good	15	270,236,707	282,717,353
Short term investments	16	9,327,740	6,481,045
Advances - considered good	17	3,987,871	5,897,649
Deposits and prepayments	18	34,355,201	66,162,924
Other receivables	19	3,585,045	17,114,509
Taxation - net of provision		4,128,161	4,450,981
Cash and bank balances	20	9,993,110	16,125,713
		<u>335,613,836</u>	<u>398,950,174</u>
		<u>411,147,694</u>	<u>490,205,139</u>
TOTAL ASSETS			

The annexed notes from 1 to 39 form an integral part of these financial statements.



Chief Executive



Director

FORTUNE SECURITIES LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 ----- (Rupees) -----	2022 -----
Operating revenue	21	71,638,817	111,133,948
Capital loss on sale of short term investment		(3,009,842)	(4,690,058)
Net change in unrealized loss on remeasurement of short term investment		(1,501,874)	(4,829,856)
Administrative and operating expenses	22	(110,434,857)	(140,887,146)
Operating loss		(43,307,756)	(39,273,112)
Other income	23	3,525,941	6,563,397
Other charges	24	-	(36,717)
		(39,781,816)	(32,746,431)
Finance cost	25	(9,957,425)	(5,597,228)
Loss before taxation		(49,739,241)	(38,343,659)
Taxation	26	(2,822,324)	(4,943,015)
Loss after taxation		(52,561,565)	(43,286,674)
Loss per share - basic and diluted	27	(4.21)	(3.46)

The annexed notes from 1 to 39 form an integral part of these financial statements.

Signature

Signature
Chief Executive

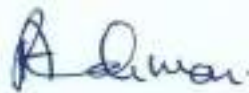
Signature
Director

FORTUNE SECURITIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023

	2023 ----- (Rupees) -----	2022 -----
Loss after taxation	(52,561,565)	(43,286,675)
Other Comprehensive income	-	-
Total comprehensive loss for the year	<u>(52,561,565)</u>	<u>(43,286,675)</u>

The annexed notes from 1 to 39 form an integral part of these financial statements.

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Chief Executive



Director

FORTUNE SECURITIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2023

	Capital reserve		Revenue reserve	Total
	Issued, subscribed and paid-up capital	Revaluation Surplus	Unappropriated profit	
(Rupees)				
Balance as at July 01, 2021	124,982,450	16,254,178	143,997,876	285,234,504
Interim Dividend for the period ended August 2021	-	-	(12,498,245)	(12,498,245)
Interim Dividend for the period ended January 2022	-	-	(9,373,684)	(9,373,684)
Other comprehensive income				
Loss for the year June 30, 2022	-	-	(43,286,675)	(43,286,675)
Other comprehensive income	-	-	-	-
Total Comprehensive loss for the year ended June 30, 2022	-	-	(43,286,675)	(43,286,675)
Transferred from surplus on revaluation of fixed assets - net of tax		(3,070,836)	3,070,836	-
Balance as at June 30, 2022	124,982,450	13,183,342	81,910,108	220,075,900
Other comprehensive income				
Loss for the year June 30, 2023	-	-	(52,561,565)	(52,561,565)
Other comprehensive income	-	-	-	-
Total Comprehensive income for the year ended June 30, 2023	-	-	(52,561,565)	(52,561,565)
Transferred from surplus on revaluation of fixed assets - net of tax	-	(3,070,834)	3,070,834	-
Balance as at June 30, 2023	124,982,450	10,112,508	32,419,377	167,514,335

The annexed notes from 1 to 39 form an integral part of these financial statements.

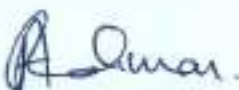

Chief Executive


Director

FORTUNE SECURITIES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	2023	2022
	(Rupees)	(Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(49,739,241)	(38,343,660)
Adjustments for :		
- Depreciation	17,475,154	17,093,468
- Capital loss on disposal of short term investments	3,009,842	4,690,058
- Loss on short term investments	1,501,874	4,829,856
- Loss on disposal of asset	-	36,717
- Dividend income	(8,749)	45,137
- Interest income	(3,438,015)	(5,641,865)
- Finance cost	9,957,425	5,597,228
Cash generated from operating activities before working capital changes	28,497,532	26,650,599
(Increase)/decrease in current assets:	(21,241,710)	(11,693,061)
Trade debts - considered good	12,490,646	54,207,216
Advances - considered good	1,909,778	(3,299,775)
Deposits and prepayments	31,807,723	115,666,634
Other receivables	13,529,464	(7,190,234)
Increase/(decrease) in current liabilities:		
Trade creditors, accrued and other liabilities	4,617,275	(148,083,914)
Finance cost paid	(9,957,425)	(5,597,228)
Taxes paid	(3,189,852)	(5,087,049)
Net cash generated from/(used in) from operating activities	29,955,900	(11,077,410)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(1,063,700)	(11,568,719)
Short term investments - net	(7,358,411)	12,629,007
Proceeds from disposal of property and equipments	-	93,150
Interest income	3,438,015	5,035,109
Dividend income	8,749	45,137
Long term deposits-net	-	7,687
Net cash generated from from investing activities	(4,975,348)	6,241,371
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(8,553,154)	(1,493,549)
Dividend paid	-	(21,871,929)
Net cash (used in) from financing activities	(8,553,154)	(23,365,478)
Net (decrease) in cash and cash equivalents during the year	16,427,398	(28,201,517)
Cash and cash equivalents at the beginning of the year	(80,696,834)	(52,495,316)
Cash and cash equivalents at the end of the year	(64,269,436)	(80,696,834)

The annexed notes from 1 to 39 form an integral part of these financial statements.


Chief Executive


Director

FORTUNE SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1 LEGAL STATUS AND NATURE OF BUSINESS

Fortune Securities Limited ("the Company") was incorporated in Pakistan as a public unquoted Company on December 04, 1994 under the repealed Companies Ordinance, 1984 ('the Ordinance') which has now been replaced with Companies Act, 2017 ('the Act'). The Company is a corporate member of Pakistan Stock Exchange Limited (PSX).

The Company is a TREC (Trading Right Entitlement Certificate) holder of Pakistan Stock Exchange Limited (Formerly: Karachi Stock Exchange Limited) and a member of Pakistan Mercantile Exchange Limited (PMEX). The Company is principally engaged in brokerage of shares, stocks, securities, commodities and other financial instruments, securities research, financial consultancy and underwriting.

Registered address

- 3rd Floor, Razi Tower, BC-13, Block No. 9, KDA Scheme No. 5, Clifton, Karachi.

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 under historical cost convention except, for office building in property and equipment, which have been carried at revalued amount and short term investment in quoted equity securities which have been carried at their fair values.

2.3 Functional and presentation currency

These financial statements have been presented in Pakistan Rupees, which is the functional currency of the Company and rounded off to the nearest rupee.

2.4 Use Of Estimates And Judgements

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

The estimates underlying the assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Information about the judgments made by the management in the application of the accounting policies, that have the most significant effect on the amount recognized in these financial statements, assumptions and estimation uncertainties with significant risk of material adjustment to the carrying amount of asset and liabilities in the next year are described in the following notes:

- Property and equipment and depreciation (refer note 4.1)
- Intangible assets and amortization (refer note 4.2)
- Trade debts (refer note 4.8)
- Deferred tax assets (refer note 4.9)
- Provisions (refer note 4.12)

4 SUMMARY SIGNIFICANT ACCOUNTING POLICIES

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

Owned

Property and equipment (except for office premises) are stated at cost less accumulated depreciation and impairment losses, if any. Office premises are stated at revalued amount less accumulated depreciation and impairment loss, if any.

Depreciation is charged to statement of profit or loss account by applying the straight line method systematically on yearly basis at the rates specified in note 12. Depreciation on additions to property and equipment is charged from the month in which an item is acquired while no depreciation is charged in the month the item is disposed off. Surplus on revaluation of property and equipment is credited to surplus on revaluation of fixed assets account. To the extent of incremental depreciation charged on revalued assets, the related surplus on revaluation of fixed assets - net of deferred tax is transferred directly to equity.

The residual value, depreciation method and the useful lives of each part of property and equipment that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposal of assets, if any are included in statement of profit or loss for the current year.

Normal repairs and maintenance costs are charged to profit and loss account in the period of its occurrence, while major renovations and improvements are capitalized only when it is probable that the future economic benefits associated with the item will flow to the entity and its cost can be measured reliably. Disposal of assets is recognized when significant risk and rewards incidental to the ownership have been transferred to the buyers.

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. If ownership of the leased asset transfer to the company at the end of the year or the cost reflect the exercise of purchase option.

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. If the ownership of leased assets transfer to company at the end of year or the cost reflects the exercise of purchase option, depreciation is calculated using the estimated useful life of asset.

Lease liability

At the commencement date of lease company recognizes lease liabilities measured at the present value of lease payment to be made over the lease term. The lease payments include lease payments (substance fixed payments) less any lease incentive receivables, variable lease payment that depend on an index or rate and amount expected to be paid under residual value guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the company and payment of penalties for terminating the lease, if the lease term reflect the company exercising the option to terminate variable lease payments that do not depend on an index and rate are recognized as expense (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs).

In calculating the present value of lease payments, the company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date the amount of lease liability increased to reflect the accretion of interest and reduce for the lease payment made. In addition the carrying amount of lease liability remeasured if there is modification, a change in the lease term, lease payment, or change in the assessment of an option to purchase the underlying asset.

4.2 Intangible assets

These represent TREC of, Pakistan Stock Exchange Limited and membership cards of Pakistan Mercantile Exchange Limited and Dubai Gold and Commodity Exchange. These intangible assets have indefinite useful life and are stated at cost less accumulated amortization and accumulated impairment (if any).

The carrying amount of intangible assets are reviewed at each balance sheet date to assess whether they are in excess of their recoverable. Provisions are made for decline in values, other than temporary, of these assets where the carrying values exceed estimated recoverable amounts.

Amortization is charged from the month of addition to the month preceding the month of retirement / disposal.

4.3 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, i.e., an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, is capitalized as part of cost of that asset. All other borrowing costs are charged to income in the period in which they are incurred.

4.4 Financial assets

4.4.1 Classification and initial measurement

The Company classifies its financial assets in the following three categories:

- (a) financial assets measured at amortized cost.
- (b) fair value through other comprehensive income (FVOCI);
- (c) fair value through profit or loss (FVTPL); and

(a) *Financial assets measured at amortized cost*

A financial asset is measured at amortized cost if 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.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

(b) *Financial assets at FVOCI*

A financial asset is classified as at fair value through other comprehensive income when either:

- (a) 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; or
- (b) it is an investment in equity instrument which is designated as at fair value through other comprehensive income in accordance with the irrevocable election available to the Company to at initial recognition.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

(c) *Financial assets at FVTPL*

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income, as aforesaid.

Such financial assets are initially measured at fair value.

4.4.2 Subsequent measurement

(a) *Financial assets measured at amortized cost*

These assets are subsequently measured at amortized cost (determined using the effective interest method) less accumulated impairment losses.

Interest / markup income, foreign exchange gains and losses and impairment losses arising from such financial assets are recognized in the profit and loss account.

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(b) Financial assets at FVOCI

These are subsequently measured at fair value less accumulated impairment losses.

A gain or loss on a financial asset measured at fair value through other comprehensive income in accordance is recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment (except for investments in equity instruments which are designated as at fair value through other comprehensive income in whose case the cumulative gain or loss previously recognized in other comprehensive income is not so reclassified). Interest is calculated using the effective interest method and is recognised in profit or loss.

(c) Financial assets at FVTPL

These assets are subsequently measured at fair value.

Net gains or losses arising from remeasurement of such financial assets as well as any interest income accruing thereon are recognized in profit and loss account.

4.4.3 Impairment

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

The Company applies the IFRS 9 'General Approach' to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The Company measures expected credit losses on trade receivables in a way that reflects an unbiased and probability-weighted amount, time value of money and reasonable and supportable information at the reporting date about the past events, current conditions and forecast of future economic conditions. The Company recognises in profit and loss account, as an impairment loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

4.4.4 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.

4.5 Financial liabilities

Financial liabilities are classified as measured at amortized cost or 'at fair value through profit or loss' (FVTPL). 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 gains and losses, including any interest expense, are recognized in the statement of profit and loss account. Other financial liabilities are carried at amortized cost using effective interest method.

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 substantially modified.

4.6 Non-financial assets

The Company assesses at each balance sheet date whether there is any indication that assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in the profit and loss account. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount of the asset. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had been recognized.

4.7 Long term deposits

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

4.8 Trade debts

Trade and other receivables are recognized at fair value and subsequently measured at amortised cost less impairment losses, if any. A receivable is recognized on the settlement date so this is the point of time that the payment of the consideration by a customer become due. Actual credit loss experience over past years is used to base the calculation of expected credit loss. Trade and other receivables considered irrecoverable are written off.

4.9 Taxation

Current

Provision for current taxation is based on taxability of certain income streams of the Company under presumptive / final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime after taking into account tax credits and tax rebates available, if any.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all taxable temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is not recognized for the following temporary differences; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences arising on the initial recognition of goodwill. be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted.

The Company takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Company's views differ from the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

4.10 Revenue recognition

- Brokerage and commission income is recognized as and when such services are provided.
- Dividend income is recognized at the time when the right to receive dividend is established.
- Interest income is recognized on a time proportion basis that takes into account the effective yield.
- Income on continuous funding system is recognized on an accrual basis.
- Underwriting commission is recognized when the agreement is executed.
- Gains / (loss) arising on sale of investments are included in the profit and loss account in the period in which they arise.
- Unrealized capital gains / (losses) arising from mark to market of investments classified as 'financial assets at fair value through profit or loss - held for trading' are included in profit and loss account in the period in which they arise.
- Gains / (losses) arising on revaluation of derivatives to fair value are taken to profit and loss account into other income / other expense.
- All other incomes are recognized on an accrual basis.

4.11 Expenses

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

4.12 Provisions

A provision is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

4.13 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable cost, if any, and subsequently measured at amortised cost.

4.14 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when the company has legally enforceable right to offset and the company intends to either settle on net basis, or to realise the asset and to settle the liability simultaneously. Income and expense items of such assets and liabilities are also offset and the net amount is reported in the financial statements only when permitted by accounting and reporting standards as applicable in Pakistan.

4.15 Dividend

Dividend distributions and appropriations are recorded in the period in which the distributions and appropriations are approved.

4.16 Cash and cash equivalents

Cash and cash equivalents for cash flow purposes include cash and bank balance and short term running finance, current and deposit accounts held with banks. Running finance facilities availed by the Company, which are payable on demand and form an integral part of the Company's cash management are included as part of cash and cash equivalents for the purpose of cash flow statement.

4.17 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.

3 CHANGES IN ACCOUNTING STANDARDS, INTERPRETATIONS AND PRONOUNCEMENTS

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

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

		Effective date (annual reporting periods beginning on or after)
IAS 1	Presentation of Financial Statements [Amendments]	January 1, 2024
IAS 8	Accounting policies, changes in accounting estimates and errors (Amendments)	January 1, 2023
IAS 12	Income Taxes (Amendments)	January 1, 2023
IAS 7	Statement of Cash Flows (Amendments)	January 1, 2023
IFRS 7	Financial Instruments	January 1, 2024
IFRS 16	Leases [Amendments]	January 1, 2024

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, 2022:

IFRS 1	First Time Adoption of International Financial Reporting Standards
IFRS 17	Insurance Contracts
IFRIC 12	Service concession arrangements

			2023	2022
		Note	(Rupees)	
5	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL			
			2023	2022
			(No. of shares)	
			12,498,245	12,498,245
		Ordinary shares of Rs. 10/- each fully paid in cash	124,982,450	124,982,450
5.1	Pattern of shareholding		2023	2022
			Numbers of shares held	Numbers of shares held
			Percentage of share held	Percentage of share held
	Individuals			
	Mr Aris ur Rehman		5,999,121	5,999,121
			48.00%	48.00%
	Mrs Shamama Arif Rehman		4,998,524	4,998,524
			39.99%	39.99%
	Mr Nabeel Tajammal		999,600	999,600
			8.00%	8.00%
	Mr. Aftab Alam		500	-
			0.00%	0.00%
	Syed Arif ur Rehman		-	500
			0.00%	0.00%
	Mr Shahid Ali		500	500
			0.00%	0.00%
	Financial institution			
	National Bank of Pakistan		500,000	500,000
			4.00%	4.00%
			12,498,245	12,498,245
			100.00%	100.00%

5.2 This is only class of ordinary shares.

5.3 There are no arrangements among shareholders in respect of voting right, board resolution, right of first refusal and block voting.

6 SURPLUS ON REVALUATION OF PROPERTY AND EQUIPMENT - NET OF TAX

Surplus as at July 1,	6.1	13,183,342	16,254,178
Transferred to Unappropriated profit on account of:			
- Incremental depreciation - net of tax		(3,070,834)	(3,070,834)
Surplus as at June 30,		10,112,508	13,183,342

6.1 This represents surplus on revaluation of office building including in property and equipment adjusted by incremental depreciation on revaluation surplus and related deferred tax assets which is presented at revalued amount. Last valuation was performed by independent valuation done by M/s Sadruddin Associates & Co. on June 30, 2016. The company has a policy to carry valuation of office building after every 8 years.

7	LEASE LIABILITY	Note	2023	2022
			(Rupees)	(Rupees)
	Balance at beginning of the year		15,174,384	16,667,933
	Additions		-	-
	Payments		(8,553,154)	(1,493,549)
	Balance at end of the year	7.1	6,621,230	15,174,384
7.1	Present value of minimum lease payment		6,621,230	15,174,384
	Current portion of lease liabilities		(5,628,368)	(6,383,018)
	Non-current portion of lease liability		992,862	8,791,366

7.1.1 Under the lease agreements rentals are payable in 36 equal monthly instalments. Taxes, repairs, replacement and insurance costs, if any, are borne by the company. The finances carry interest/mark-up rate of 14.21% - 19.25 % per annum which has been used as a discounting factor. The company can exercise the purchase option upon the expiry of the respective lease term.

The amount of future payments for the lease and the period in which lease payment will become due are as follows:

	2023			2022		
	Minimum Lease Payment	Financial charges allocated to future periods	Present value of minimum lease payments	Minimum Lease Payment	Financial charges allocated to future periods	Present value of minimum lease payments
			Rupees			Rupees
Not later than one year	6,235,038	606,678	5,628,368	7,476,814	1,080,586	6,383,018
More than one year	1,045,425	51,563	993,862	9,326,125	735,159	8,791,366
	7,280,463	658,241	6,621,230	17,002,939	1,826,745	15,174,384

	Note	2023 — (Rupees) —	2022
8 SHORT TERM BORROWINGS - Secured			
Running finance - secured			
Habib Metropolitan Bank Limited		73,458	-
Askari Bank Limited		25,056,807	32,068,305
Bank of Khyber (BOK)		49,132,281	64,754,242
	8.1	<u>74,262,546</u>	<u>96,822,547</u>
<p>8.1 Short term running finance facilities are available to company from Habib Metro Bank, Askari Bank limited, JS Bank Limited and Bank of Khyber(BOK) carrying limit of 10M, 200M, 25M and 100M under mark-up arrangements respectively. HMB and AKBL facility has maturity dates up to December 2023, JS Bank upto October 31, 2023 and BOK has maturity date up to February 2024 and it is secured against pledge of quoted various shares. These running finance facilities carry mark-up 3 month Kibor + 2% to 2.75% (2022: 3 month Kibor + 2% to 2.75%) that is payable quarterly.</p> <p>The Running finance facility from Askari Bank are used for both clients and company itself and markup there on is also allocated on percentage basis.</p> <p>The Running finance facility from Bank of khyber are fully use for clients and markup there on is recovered from clients.</p>			
9 TRADE CREDITORS, ACCRUED AND OTHER LIABILITIES			
	Note	2023 — (Rupees) —	2022
Trade creditors	9.1	34,283,881	75,476,990
Payable to NCCPL		120,907,778	73,094,956
Sindh sales tax on brokerage services		248,222	663,798
Commission payable to traders		1,923,644	1,923,644
Accrued liabilities		1,844,859	4,243,993
Accrued markup		3,488,646	2,711,434
Other liabilities		52,553	17,553
		<u>162,749,584</u>	<u>158,132,309</u>
9.1 This includes balance payable to related party Rs. Nil (2022: Rs. 12,468)			
10 CONTINGENCIES AND COMMITMENTS			
Contingencies			
There are no contingencies as at June 30, 2023 (2022: Nil).			
Commitments			
Bank guarantee from JS Bank Limited in favor of			
National Clearing Company of Pakistan		37,000,000	
Pakistan Stock Exchange Limited		28,000,000	50,000,000
		<u>65,000,000</u>	
11 PROPERTY AND EQUIPMENT			
	11.1	<u>44,585,283</u>	<u>60,995,718</u>
12 INTANGIBLE ASSETS			
Trading Right Entitlement Certificate (TREC)	12.1	2,500,000	2,500,000
Pakistan Mercantile Exchange Limited - Membership card		4,250,000	4,250,000
Dubai Gold and Commodity Exchange - Membership		4,703,888	4,703,888
		<u>11,453,888</u>	<u>11,453,888</u>
<p>12.1 This represents TREC received by the company in accordance with Stock Exchange (Corporation, Demutualization and Inegration) Act 2012 as ammended by Stock Exchange (Corporation, Demutualization and Integration) (Amendment) Act 2015. These have been carried at cost less accumulated impairment losses. PSX wide notice no. PSX/N-225 dated February 16, 2021. have been notified the notional fees of Trading Right Entitlement Certificate which amount to Rs 2.5 Million.</p>			

	Note	2023 — (Rupee) —	2022 — (Rupee) —
13 DEFERRED TAX ASSET			
<i>Taxable temporary differences arising in respect of:</i>			
Accelerated depreciation		(1,150,966)	(3,462,627)
Leased vehicle		(6,250,161)	(8,697,842)
<i>Deductible temporary differences arising in respect of:</i>			
Provision for doubtful debts		23,931,954	23,931,954
Lease liability		1,920,157	4,400,571
Closing balance of deferred tax asset		16,862,402	16,172,054
14 LONG TERM DEPOSITS			
<i>Trading deposit</i>			
Pakistan Stock Exchange Limited	14.1	110,000	110,000
National Clearing Company of Pakistan Limited		1,400,000	1,400,000
<i>Security deposit</i>			
Pakistan Mercantile Exchange Limited	14.2	750,000	763,687
Others		372,305	358,618
		2,632,305	2,632,305
14.1 This represents deposit placed with Pakistan Stock Exchange Limited for taking exposure in regular and future market.			
14.2 This represents deposit placed with Pakistan Mercantile Exchange Limited for taking exposure in commodity market.			
	Note	2023 — (Rupee) —	2022 — (Rupee) —
15 TRADE DEBTS - CONSIDERED GOOD			
<i>Considered good</i>			
Brokerage		270,236,707	282,717,353
<i>Considered doubtful</i>			
Brokerage		82,523,979	82,523,979
		352,760,686	365,241,332
Less: Provision for impairment on trade debts	15.1	(82,523,979)	(82,523,979)
		270,236,707	282,717,353
15.1 Provision for impairment on trade debts			
Opening balance		82,523,979	82,523,979
Additional impairment on initial application of IFRS 9		-	-
		82,523,979	82,523,979
Impairment during the year- net		-	-
Closing balance		82,523,979	82,523,979
15.2 This include Rs. 116,318,996 (2022: Rs. 28,196,434) due from related party. The maximum outstanding balances in respect of each month Rs. 116,318,996 (2022: Rs. 28,196,434). The breakup of trade receivable from related parties are as follows:			
Anis Ur Rehman		23,765,287	21,788,274
Syed Arif Ur Rehman		-	6,408,160
Najla Anis Raman		92,549,708	-
		116,318,996	28,196,434
15.3 Aging analysis of related parties balance			
Not yet due		94,475,120	-
Upto 3 months		-	6,408,160
Between 3 to 6 months		-	-
Between 6 to 9 months		-	-
Between 9 to 12 months		-	-
More than 1 year		21,843,875	21,788,274
		116,318,996	28,196,434

	Note	2023 (Rupees)	2022 (Rupees)
15.4 Aging analysis of trade debts			
Within 5 days		196,610,046	144,915,039
Above 5 days		156,150,640	220,326,293
		<u>352,760,686</u>	<u>365,241,333</u>

The gross amount include Rs. 116.318 million (2022: Rs. 28.196) due from related party. As per Brokers (licensing and operations) Regulations, 2017 trade debts for more than five days to the extent by which the amount receivable exceeds the collateral held from such customer after applying haircuts on VAR are Rs. 0.

15.6 This shows trade receivables in respect of two days trading T+2 settlement.

16 SHORT TERM INVESTMENTS

At fair value through profit and loss

Listed equity securities	16.1 & 16.2	6,827,740	3,981,045
Term deposit receipt	16.3	2,500,000	2,500,000
		<u>9,327,740</u>	<u>6,481,045</u>

16.1 The number and fair value of securities pledged with PSX and NCCPL are as follows

	June 30, 2023		June 30, 2022	
	Number of securities	Fair Value (Rupees)	Number of securities	Fair Value (Rupees)
Clients	3,507,014	67,212,256	5,374,238	147,374,982
Brokerage House	45,000	876,600	45,000	3,540,150
	<u>3,552,014</u>	<u>68,088,856</u>	<u>5,419,238</u>	<u>150,915,132</u>

16.2 The number and fair value of securities pledged with financial institutions are as follows

	June 30, 2023		June 30, 2022	
	Number of securities	Fair Value (Rupees)	Number of securities	Fair Value (Rupees)
Clients	898,946	102,622,501	1,375,200	140,747,041
Brokerage House	305,500	5,951,140	-	-
	<u>1,204,446</u>	<u>108,573,641</u>	<u>1,375,200</u>	<u>140,747,041</u>

16.3 This represents one year term deposit in JS bank having interest rate 5.4% per annum.

	Note	2023 (Rupees)	2022 (Rupees)
17 ADVANCES - CONSIDERED GOOD			
Advance to staff-secured		3,713,620	4,304,150
Advance against salary		274,251	1,593,499
		<u>3,987,871</u>	<u>5,897,649</u>

18 DEPOSITS AND PREPAYMENTS

Trade deposits	18.1		
- Pakistan Stock Exchange Limited		33,000,000	64,533,454
- National Clearing Company of Pakistan Limited		-	-
Prepayments		1,355,202	1,629,470
		<u>34,355,201</u>	<u>66,162,924</u>

18.1 This represents deposits with Pakistan Stock Exchange Limited and National Clearing Company Pakistan Limited against ready and future exposures.

19 OTHER RECEIVABLES

Pakistan Mercantile Exchange Limited		-	24,444
Receivable from PSX		2,766,000	14,953,805
Insurance claims		59,315	59,315
Interest receivable from banks		318,470	737,212
Others		441,261	1,339,734
		<u>3,585,045</u>	<u>17,114,509</u>

20 CASH AND BANK BALANCES	Note	2023	2022
		(Rupees)	
Cash at banks:			
Current account			
- pertaining to client		54,321	7,291,571
- pertaining to brokerage house		2,352,251	1,105,645
Saving account	20.1		
- pertaining to client		7,484,895	6,944,309
- pertaining to brokerage house		37,443	674,968
Cash in hand		64,200	109,200
		<u>9,993,110</u>	<u>16,125,713</u>
20.1 The interest rates on saving accounts range from 10% to 15% per annum (2022: from 10% to 15%).			
21 OPERATING REVENUE	Note	2023	2022
		(Rupees)	
Brokerage - PSX	21.1	71,629,241	110,980,414
IPO commission		827	108,397
Dividend income		8,749	45,137
		<u>71,638,817</u>	<u>111,133,948</u>
21.1 Brokerage income			
- Institutional customers		22,790,566	45,429,460
- Retail clients		48,838,675	65,550,954
		<u>71,629,241</u>	<u>110,980,414</u>
21.2 This include brokerage earned from related parties amounting to Rs. 2.139 (2022: 9.319 million)			
22 ADMINISTRATIVE AND OPERATING EXPENSE			
Salaries, benefits and other allowances	22.1	63,039,434	88,256,548
Commission to traders		214,230	185
Transaction and settlement cost		5,832,309	12,814,276
Depreciation		17,475,154	17,093,468
Vehicle running		6,282,860	4,832,998
Communication		2,022,589	2,280,195
Utilities		2,223,341	2,453,704
Repairs and maintenance		1,364,660	3,048,362
Software		2,475,260	1,121,303
Fee and subscriptions		1,579,478	2,431,859
Printing and stationery		265,130	173,063
Legal and professional charges		216,560	866,267
Insurance		1,655,265	1,448,256
Generator		1,016,244	626,137
Rent, rates and taxes		670,158	1,023,109
Auditor's remuneration	22.2	1,045,252	746,676
Entertainment		334,442	206,605
Newspapers and periodicals		66,656	100,829
Miscellaneous		2,655,836	1,361,307
		<u>110,434,857</u>	<u>140,887,146</u>

22.1 These include payment of Rs.125,000 (2022: Rs. 50,000) in respect of meeting fee paid to non-executive director.

22.2

	Note	2023 (Rupees)	2022 (Rupees)
22.2 Auditors' remuneration			
Audit fee		893,400	550,000
Out-of-pocket expenses		50,000	43,400
Others		101,852	153,276
		<u>1,045,252</u>	<u>746,676</u>
23 OTHER INCOME			
Income from financial assets:			
Profit on PLS bank accounts		561,473	1,112,184
Interest Income from special deposit		2,876,341	3,921,502
Other Income		87,926	1,529,711
		<u>3,525,741</u>	<u>6,563,396</u>
24 OTHER CHARGES			
Loss on disposal of fixed assets-net		-	36,717
		<u>-</u>	<u>36,717</u>
25 FINANCE COST			
Mark-up on short term borrowing		6,373,248	1,907,034
Bank charges		1,532,094	1,770,280
Interest on lease liabilities		2,052,083	1,919,914
		<u>9,957,425</u>	<u>5,597,227</u>
26 TAXATION			
Current		3,449,292	6,309,363
Prior		63,380	-
		<u>3,512,672</u>	<u>6,309,363</u>
Deferred tax		(690,348)	(1,366,347)
		<u>2,822,324</u>	<u>4,943,015</u>
26.1	Income tax assessments of the Company are deemed to be finalized as per tax returns file up to tax year 2023. Tax returns are subject to further assessment under provisions of the Income Tax Ordinance, 2001 ("the Ordinance") unless selected for an audit by the taxation authorities. The Commissioner of Income Tax may, at any time during a period of five years from date of filing of return, select a deemed assessment order for audit.		
27 LOSS PER SHARE - BASIC AND DILUTED			
Loss after taxation for the year (Rupees)		<u>(52,561,565)</u>	<u>(43,286,675)</u>
Weighted average number of ordinary shares		<u>12,498,245</u>	<u>12,498,245</u>
Loss per share - basic and diluted (Rupees)		<u>(4.21)</u>	<u>(3.46)</u>
27.1	There is no dilutive effect on the basic earnings per share of the Company, since there were no potential ordinary shares in issue as at June 30, 2023 and June 30, 2022.		
28 CASH AND CASH EQUIVALENTS			
Cash and bank balances		9,993,110	16,125,713
Short term borrowings		(74,262,546)	(96,822,547)
		<u>(64,269,436)</u>	<u>(80,696,834)</u>

29 REMUNERATION OF THE CHIEF EXECUTIVE AND DIRECTORS

The aggregate amounts charged in these financial statements in respect of remuneration including benefits applicable to the chief executive and directors of the Company are given below:

	2023		2022	
	Chief Executive	Director	Chief Executive	Director
	Rupees			
Managerial remuneration	6,510,000	1,200,000	12,000,000	11,700,000
Bonus	-	-	-	-
Meeting fee	-	125,000	-	50,000
Total	<u>6,510,000</u>	<u>1,325,000</u>	<u>12,000,000</u>	<u>11,750,000</u>
No of person(s)	<u>1</u>	<u>2</u>	<u>1</u>	<u>2</u>

29.1 The Chief Executive Officer is provided with the Company 2 maintained car and other executive director is also provided with company maintained car in accordance with the Company's policy.

11

30 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

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

30.1 Credit risk

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

Exposure to credit risk

Credit risk of the Company arises principally from 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	Carrying amount	
		2023	2022
		(Rupees)	
Long term deposits	14	2,632,305	2,632,305
Trade debts - considered good	15	270,236,707	282,717,353
Short term investments	16	9,327,740	6,481,045
Advances - considered good	17	3,987,871	5,897,649
Deposits	18	33,000,000	64,533,454
Other receivables	19	3,585,045	17,114,509
Bank balances	20	9,928,910	16,016,513
		<u>332,698,578</u>	<u>395,392,828</u>

All balances are denominated in local currency.

Cash and Bank Balances

The analysis below summarizes the credit quality of the Company's bank balances (including profit receivables) as at June 30, 2023 and June 30, 2022:

	2023	2022
	(Rupees)	
Bank balances	<u>9,928,910</u>	<u>16,016,513</u>

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.

30.2 Liquidity risk

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

The following are the contractual maturities of financial liabilities:

	2023			
	Carrying amount	Contractual cash flows	Up to One year	Over one year to five year
	Rupees			
Financial Liabilities				
Lease liability	6,621,230	6,621,230	5,628,380	992,850
Short term running finance	74,262,546	74,262,546	74,262,546	-
Trade creditors, accrued and other liabilities	162,749,584	162,749,584	162,749,584	-
	<u>143,633,360</u>	<u>243,633,360</u>	<u>243,640,510</u>	<u>992,850</u>
	2022			
	Carrying amount	Contractual cash flows	Up to One year	Over one year to five year
	Rupees			
Financial Liabilities				
Lease liability	15,174,384	15,174,384	6,381,018	8,793,366
Short term running finance	96,822,547	96,822,547	96,822,547	-
Trade creditors, accrued and other liabilities	158,132,309	158,132,309	158,132,309	-
	<u>270,129,240</u>	<u>270,129,240</u>	<u>261,335,874</u>	<u>8,793,366</u>

30.3 Market risk

Market risk is the risk that the value of a financial instruments may fluctuate as a result of changes in market interest rates or the market prices due to a change in credit rating of the issuer of the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company manage market risk by monitoring exposure on marketable securities by following the internal risk management and investment policies and guidelines. The Company is exposed to interest rate risk and other price risk only.

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

Financial Liabilities - Variable rate instrument	2023	2022	2023	2022
	Effective interest		Rupees	
Short term running finance	Kibor + 1.25 % - 2.75%	Kibor + 1.25 % - 2.75%	<u>74,262,546</u>	<u>96,822,547</u>
Financial Asset - Variable rate instrument				
Bank balances in PLS accounts	10% to 15%	5% to 10%	<u>7,522,339</u>	<u>7,619,297</u>

The Company does not have any fixed rate financial instrument at fair value through profit or loss.

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30.3.2 Currency risk

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

30.3.3 Price risk

Price risk include equity price risk which is the risk of changes in the fair value of equity securities as a result of change in the PSX index and the value of individual shares.

The table below summarises the company equity price risk as at June 30, 2022 and shows the effect of hypothetical 10% increase and 10% decrease in market prices at the year end

2023					
	Fair Value	Hypothetical price change	Estimated fair value after hypothetical price change	Hypothetical increase/ (decrease) in profit/(loss) after tax	Hypothetical increase/ (decrease) in shareholder's equity
Rupees					
2023	9,327,740	10 % increase	10,260,514	932,774	932,774
		10 % decrease	8,394,966	(932,774)	(932,774)
2022	6,481,045	10 % increase	7,129,150	648,105	648,105
		10 % decrease	5,832,941	(648,105)	(648,105)

30.4 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.

30.5 Financial instruments by categories

2023			
As at June 30, 2023	Asset at amortized cost	Asset at fair value through profit and loss	Total
Financial assets			
	Rupees		
Long term deposits	2,632,305	-	2,632,305
Trade debts - considered good	270,236,707	-	270,236,707
Short term investment		9,327,740	9,327,740
Deposits and prepayments	34,355,201	-	34,355,201
Other receivables	3,585,045	-	3,585,045
Bank balances	9,928,910	-	9,928,910
	<u>320,738,169</u>	<u>9,327,740</u>	<u>330,065,909</u>

As at June 30, 2023

Financial liabilities

Financial liabilities at amortized cost

Lease liability	6,621,230
Short term borrowings	74,262,546
Trade creditors, accrued and other liabilities	162,749,584
	<u>6,621,230</u>

2022

As at June 30, 2022

Financial assets

	Asset at amortized cost	Asset at fair value through profit and loss	Total
		Rupees	
Long term deposits	2,632,305	-	2,632,305
Trade debts - considered good	282,717,353	-	282,717,353
Short term investment	-	6,481,045	6,481,045
Deposits and prepayments	66,162,924	-	66,162,924
Advances - considered good	3,987,871	-	3,987,871
Other receivables	17,114,509	-	17,114,509
Bank balances	16,016,513	-	16,016,513
	<u>388,631,474</u>	<u>6,481,045</u>	<u>395,112,519</u>

As at June 30, 2022

Financial liabilities

Financial liabilities at amortized cost

Lease liabilities	15,174,384
Short term borrowings	96,822,547
Trade creditors, accrued and other liabilities	158,132,309
	<u>270,129,240</u>

31. MEASUREMENT 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

Financial Asset as at Balance Sheet date

Financial Assets measured at fair value

	2023			Total
	Level 1	Level 2	Level 3	
		Rupees		
Office building	-	18,084,012	-	-
Short term investment	9,327,740	-	-	-
	<u>9,327,740</u>	<u>18,084,012</u>	<u>-</u>	<u>-</u>

Financial Asset as at Balance Sheet date	2022			
	Level 1	Level 2	Level 3	Total
	Rupees			
<i>Financial Assets measured at fair value</i>				
Office building	-	24,112,016	-	-
Short term investment	6,481,045	-	-	-
	6,481,045	24,112,016	-	-

The company values its Office premises and intangible assets at revalued amounts, consequently, they are stated at revalued amount, being the fair value at the date of revaluation, less any subsequent depreciation and subsequent impairment losses, if any. The fair value measurement of the aforementioned assets as at June 30, 2016 were done by M/s Sadruddin Associates (Private) Limited, an independent valuer not related to the company.

There were no transfers between levels of hierarchy during the year.

32 CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain creditor and market confidence, sustain future development of the business, safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board of Directors monitor the return on capital, which the Company defines as net profit after taxation divided by total shareholders' equity. The Board of Directors also monitor the level of dividend to ordinary shareholders.

There were no changes in Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirements except for Base minimum capital requirement of PSX to which the company is complied through the pledge of shares of PSX.

Following is the quantitative analysis of what the Company manages as capital:

	2023	2022
	(Rupees)	
Borrowings:		
Short term borrowings - secured	74,262,546	96,822,547
Shareholder's equity:		
Issued, subscribed and paid up capital	124,982,450	124,982,450
Unappropriated profit	32,419,377	81,910,108
	157,401,827	206,892,558
	231,664,373	303,715,105

32.1 BASE MINIMUM CAPITAL

In compliance with the Regulation 19.2 of the Rule Book of Pakistan Stock Exchange Limited, every Trading Right Entitlement Certificate (TREC) holder registered as a broker under Broker and Agent Registration Rule, 2001, is required to maintain a Base Minimum Capital (BMC) in the amount and form as prescribed in the Rule on the basis of Assets Under Custody (AUC). As per the said regulation, as at 30 June, 2023, the company is required to maintain BMC of Rs. 28,376,801.

	2023	2022
	(Rupees)	
Bank Guarantee	28,000,000	25,000,000
Value of Margin Eligible Securities	463,035	3,569,503
	28,463,035	28,569,503

33 CAPITAL ADEQUACY LEVEL

The Capital adequacy level of the company is as follows

Total assets	411,147,694	490,205,139
Less Total liabilities	(243,633,361)	(270,129,240)
Less Revaluation reserve (created upon revaluation of fixed assets)	(10,112,508)	(13,183,342)
	157,401,826	206,892,557

While determining the value of the total assets of the TREC holder, notional value of the TRE certificate as at year ended as determined by Pakistan Stock Limited has been considered.

33.1 LIQUID CAPITAL BALANCE

The below statement has been prepared in accordance with the regulation 6(3) and schedule 3 of the securities broker (Licensing and Operations) Regulation, 2016

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	June 2023
I. Assets				
1.1	Property & Equipment	44,585,263	100.00%	-
1.2	Intangible Assets	11,453,888	100.00%	-
1.3	Investment in Govt. Securities	-	-	-
	Investment in Debt Securities			
	If listed then:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.	-	5.00%	-
	ii. 7.5% of the balance sheet value in the case of tenure from 1-3 years.	-	7.50%	-
	iii. 10% of the balance sheet value in the case of tenure of more than 3 years.	-	10.00%	-
1.4	If unlisted then:			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	3,500,000	10.00%	3,250,000
	ii. 12.5% of the balance sheet value in the case of tenure from 1-3 years.	-	12.50%	-
	iii. 15% of the balance sheet value in the case of tenure of more than 3 years.	-	15.00%	-
	Investment in Equity Securities			
	i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher. (Provided that if any of these securities are pledged with the securities exchange for base minimum capital requirement, 100% haircut on the value of eligible securities to the extent of minimum required value of base minimum capital.	6,817,740	1,511,335	5,306,405
	ii. If unlisted, 100% of carrying value.	-	-	-
1.5	Subscription money against investment in IPO/offer for sale: Amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker.	-	-	-
	iii. 100% haircut shall be applied to value of investment in any asset including shares of listed securities that are in Block, Freeze or Pledge status as on reporting date. (July 23, 2017) Provided that 100% haircut shall not be applied in case of investment in those securities which are Pledged in favor of Stock Exchange / Clearing House against Margin Financing requirements or pledged in favor of Banks against Short Term Financing arrangements. In such cases, the haircut as provided in schedule III of the Regulations in respect of investment in securities shall be applicable (August 25, 2017).	-	-	-
1.6	Investment in subsidiaries	-	100.00%	-
	Investment in associated companies/undertaking	-	-	-
1.7	i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.	-	-	-
	ii. If unlisted, 100% of net value.	-	-	-
1.8	Statutory or regulatory deposits/bank deposits with the exchanges, clearing house or central depository or any other entity.	2,683,305	100.00%	-
	(i) 100% of net value, however, any excess amount of cash deposited with securities exchange to comply with requirements of base minimum capital, may be taken in the calculation of LC	-	-	-
1.9	Margin deposits with exchange and clearing house.	33,000,000	-	33,000,000
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	1,628,452	100.00%	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc (Net)	-	-	-
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	-	100.00%	-
1.13	Dividends receivables.	-	-	-
1.14	Amounts receivable against Repo financing.	-	-	-
	Amount paid as purchaser under the REPO agreement. (Securities purchased under repo arrangement shall not be included in the investments.)	-	-	-
1.15	Advances and receivables other than trade receivables:	3,713,620	3,713,620	-
	(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 settled with provision of taxation.	4,128,161	-	4,128,161
	(iii) In all other cases 100% of net value	3,585,045	100.00%	-
1.16	Receivables from clearing house or securities exchange(s)			
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MTM gains.	-	-	-
	claims on account of entitlements against trading of securities in all markets including MTM gains.	-	-	-
	Receivables from customers			
	i. In case receivables are against margin financing, the aggregate if (i) value of securities held in the blocked account after applying VaR based haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut.	-	-	-
	Lower of net balance sheet value or value determined through adjustments.	-	-	-
	ii. In case receivables are against margin trading, 5% of the net balance sheet value.	-	-	-
	iii. Net amount after deducting haircut	-	-	-
	iv. In case receivables are against securities borrowings under SLB, the amount paid to MCCPL as collateral upon entering into contract.	-	-	-
	Net amount after deducting haircut	-	-	-

iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value.				
	102,134,926	-	-	102,134,926
1.17	v. Balance sheet value			
	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.			
	vi. Lower of net balance sheet value or value determined through adjustments			
	vi. In the case of amount of receivables from related parties, value 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, value determined after applying var based haircut.			
	(b) Above 30 days but upto 90 days, value determined after applying 50% or var based haircut whichever is higher.			
	(c) Above 90 days 50% haircut shall be applicable.			
	vi. Lower of net balance sheet value or value determined through adjustments			
	116,518,896	21,798,474	-	94,530,522
Cash and Bank Balances				
I. Bank balance-proprietary accounts				
	2,380,694	-	-	2,380,694
II. Bank balance-customer accounts				
	7,539,236	-	-	7,539,236
III. Cash in hand				
	64,200	-	-	64,200
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 allotted or are not included in the investments of securities broker.			
	(ii) In case of investment in IPO where shares have been allotted but not yet credited in CDS Account, 25% haircut 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 in right shares. Balance sheet value or net value after deducting haircuts			
	894,995,292	-	-	279,817,884
1.20	Total Assets			
	894,995,292	-	-	279,817,884
A. Liabilities				
Trade Payables				
I. Payable to exchanges and clearing house				
	120,907,778	-	-	120,907,778
II. Payable against leveraged market products				
	34,380,881	-	-	34,380,881
III. Payable to customers				
	-	-	-	-
Current Liabilities				
	248,322	-	-	248,322
I. Statutory and regulatory dues				
	7,809,763	-	-	7,809,763
II. Accounts and other payables				
	74,282,546	-	-	74,282,546
III. Short-term borrowings				
	-	-	-	-
IV. Current portion of subordinated loans				
	5,628,958	-	-	5,628,958
V. Current portion of long term liabilities				
	-	-	-	-
VI. Deferred Liabilities				
	-	-	-	-
VII. Provision for taxation				
	-	-	-	-
VIII. Other liabilities as per accounting principles and included in the financial statements				
	-	-	-	-
Non-Current Liabilities				
I. Long-Term Financing				
	-	-	-	-
II. Staff retirement benefits				
	-	-	-	-
III. Other liabilities as per accounting principles and included in the financial statements				
	-	-	-	-
Note:				
	992,862	992,861.89	-	-
I. 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance lease.				
II. Nil in all other cases				
Subordinated Loans				
	-	-	-	-
2.4	I. 100% of Subordinated loans which fulfil the conditions specified by SECP are allowed to be deducted/old Capital statement must be submitted to exchange.			
	-	-	-	-
Advance against share for increase in Capital of Securities Broker:				
200% haircut may be allowed in respect of advance against shares if:				
	a. The existing authorized share capital shows the proposed enhanced share capital			
	b. Board of Directors of the company has approved the increase in capital			
	c. Relevant Regulatory approvals have been obtained			
	d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed.			
	e. Auditor is satisfied that such advance is against the increase of capital.			
	248,653,963	292,862	-	242,640,495
2.5	Total Liabilities			
	248,653,963	292,862	-	242,640,495
B. Banking Liabilities Relating to:				
Concentration in Margin Financing				
	The amount calculated client-to-client basis by which any amount receivable from any of the finances exceed 10% of the aggregate of amounts receivable from total finances.			
3.1	-	-	-	-
Concentration in securities lending and borrowing				
	The amount by which the aggregate of:			
	(i) Amount deposited by the borrower with NCCPL			
	(ii) Cash margins paid and			
	(iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed			
3.2	-	-	-	-

3.3	<p>Net underwriting Commitments</p> <p>(a) In the case of rights issues, if the market value of securities is less than or equal to the subscription price; the aggregate of:</p> <p>(i) the 50% of haircut multiplied by the underwriting commitments; and</p> <p>(ii) the value by which the underwriting commitments exceeds the market price of the securities.</p> <p>In the case of rights issues where the market price of securities is greater than the subscription price, 50% of the haircut multiplied by the net underwriting.</p> <p>(b) In any other case, 10.5% of the net underwriting commitments.</p>	-	-	-
3.4	<p>Negative equity of subsidiary</p> <p>The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary.</p>	-	-	-
3.5	<p>Foreign exchange agreements and foreign currency positions</p> <p>5% of the net position in foreign currency. Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency.</p>	-	-	-
3.6	<p>Amount Payable under R&D</p>	-	-	-
3.7	<p>Repo adjustment</p> <p>In the case of financier/purchaser the total amount receivable under Repo less the 100% of the market value of underlying securities.</p> <p>In the case of financee/seller the market value of underlying securities after applying haircut less the total amount received less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.</p>	-	-	-
3.8	<p>Concentrated proprietary positions</p> <p>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.</p>	682,774	-	682,774
3.9	<p>Opening Positions in futures and options</p> <p>I. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/pledged with securities exchange after applying VaR haircuts.</p> <p>II. In case of proprietary positions, the total margin requirements in respect of open positions to the extent not already met.</p>	-	-	-
3.10	<p>Short sell positions</p> <p>I. In case of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircut less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VaR based haircuts.</p> <p>II. In case of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VaR based haircut less the value of securities pledged as collateral after applying haircuts.</p>	-	-	-
3.11	Total Banking Liabilities	682,774	-	682,774
		148,968,158		80,484,611
		2023	2022	
		(Rupees)		

34 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related Parties comprise of associated companies, directors, key management personnel and close family members of the directors. Transactions with related parties may be carried out at negotiated rates. Remuneration and benefits to executives of the company are in accordance with the terms of their employment.

Details of transactions and balances with related parties, other than those which have been specifically disclosed elsewhere in the financial statements are as follows:

Transactions with related parties

Key Management Personnel and others

During the year company has earned brokerage commission from its Related Party

2,139,357 9,319,058

During the year company owes commission to related party

- 1,539,453.00

Loan to director

- -

Repayment of loan from director

- -

Balances at year end
Receivable against trade

Anis ur Rehman	23,769,088	21,788,274
Najia Anis Rahman	92,549,708	-

Payable against Trade

Anis ur Rehman	-	956
Syed anif ur Rehman	-	11,512

Dividend paid to related party

Anis ur Rehman	-	10,498,462
Syed anif ur Rehman	-	875
Muhammad Danish	-	875

35 OPERATING SEGMENT

These financial statements have been prepared on the basis of a single reportable segment as the Company's asset allocation decisions are based on a single and integrated business strategy.

All non current assets of the Company as at June 30, 2023 are located in Pakistan.

36 DISCLOSURE UNDER REGULATION 5(4) OF RESEARCH ANALYST REGULATION, 2015

At present, the Company currently employing 2 members in its research department (including head of research and database manager). Data analyst prepares reports and report to Head of research who in turn reports to the chief Executive officer.

Compensation structure of research analysts is flat and is subject to qualification, experience and skill set of the person. However, the compensation of anyone employed in the research department does not in any way depend on the contents / outcome of research report.

During the year, The personnel employed in the research department have drawn an aggregate salary and benefits amounting to Rs. 5.8 million which comprise basic salary, medical allowance and other benefits as per the company's policy.

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 :

	2023	2022
	Number	
Total employees of the company at year end	39	45
Average number of employees during the year	42	45

38 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue by the Board of Directors of the Company on 06-10-2023

39 GENERAL

Figures have been rounded off to the nearest thousand rupees.

39.1 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison.


Chief Executive


Director