



Annual Report | 2015

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Vision

To be the leader in the
Financial Service Sector.



Mission

To ensure growth of various financial services by creating new products and services in the Financial Sector.

Company Information

Board of Directors	Chairman	Mr. Basir Shamsie
	Vice Chairman	Mr. Fouad Fahmi Darwish
	Director	Mr. Khurshid Hadi
	Director	Mr. Farid Arshad Masood
	Director	Mr. Ammar Talib Hajeyah
	Director	Mr. Abdul Hamid Mihrez
	Director	Mr. Muhammad Yousuf Amanullah
	Chief Executive Officer	Mr. Muhammad Kamran Nasir
Audit Committee	Chairman	Mr. Khurshid Hadi
	Member	Mr. Muhammad Yousuf Amanullah
	Member	Mr. Ammar Talib Hajeyah
	Member	Mr. Basir Shamsie
	Secretary	Mr. Aijaz Ali
Executive Committee	Chairman	Mr. Muhammad Kamran Nasir
	Member	Mr. Fouad Fahmi Darwish
	Member	Mr. Abdul Hamid Mihrez
	Member	Mr. Basir Shamsie
	Member	Mr. Muhammad Yousuf Amanullah
Human Resource & Remuneration Committee	Chairman	Mr. Muhammad Yousuf Amanullah
	Member	Mr. Muhammad Kamran Nasir
	Member	Mr. Abdul Hamid Mihrez
CFO & Company Secretary		Mr. Muhammad Umair Arif
External Auditors	Deloitte Yousuf Adil	
	Chartered Accountants (A member of Deloitte Touche Tohmatsu) Cavish Court, A-35, Block 7 & 8, K.C.H.S.U, Shahrah-e-Faisal, Karachi.	

Internal Auditor

Ernst & Young Fords Rhodes Sidat Hyder & Co.

Chartered Accountants

Progressive Plaza, Beaumont Road, Karachi.

Bankers

JS Bank Limited

MCB Bank Limited

Habib Bank Limited

Habib Metropolitan Bank Limited

NIB Bank Limited

Bank Alfalah Limited

United Bank Limited

National Bank of Pakistan

Faysal Bank Limited

Legal Advisors

Bawaney & Partners,

3rd & 4th Floors, 68-C, Lane-13, Bokhari Commercial Area,
Phase - VI, D.H.A, Karachi.

Ms. Lubna Saleem Pervez

409, 4th Floor, Land Mark Plaza, Muhammad Bin Qasim Road,
Off I.I. Chundrigar Road, Karachi.

Share Registrar

Technology Trade (Pvt) Limited,

241-C, Block-2, P.E.C.H.S., Karachi.

Registered Office

6th Floor, Faysal House Main Shahra – e – Faisal , Karachi.

Telephone: 92-21-111574111, Fax: 92-21- 32800167

www.jsgcl.com

www.jsglobalonline.com

Profile of Board of Directors

Basir Shamsie | Chairman

Mr. Basir Shamsie joined JS in 1994 and presently oversees the Treasury, Wholesale and International Banking Group of JS Bank. Mr. Shamsie is a debt markets specialist and has closed over 60 debt capital market transactions, many of which have been landmark for Pakistan, such as the first commercial paper, first floating rate instrument, first perpetual bond, first bank subordinated debt, first 10-year corporate bond, and the first local sukuk bond. Before joining JS, he worked in the Finance function at Upjohn Pakistan.

Mr. Shamsie received his Bachelors in Business Administration with a major in Accounting from the University of Texas at Austin. He is also graduate of Program of Leadership Development from Harvard Business School.

At JS Bank in addition to his Group Head function he is responsible to head various committees and new business initiatives. He has served on the founding Board of Directors of JS Bank for 5 years till 2012, post which he serves as Chairman of the Board of JS Global Capital Limited.

Fouad Fahmi Darwish | Vice Chairman

Mr. Fouad Fahmi Darwish joined Global Investment House, Kuwait (Global) in 2010 to head its brokerage business, oversee its regional network and introduce and implement Global's multi-market and multi-currency trading platform. Fouad is also heading Research department of Global since June 2014.

Fouad leads and works with a management team across the primary MENA market; he is also in close coordination with Global's brokerage partners in India, Pakistan, Tunisia and Palestine. Fouad has been very effective in transforming Global's brokerage network from a retail oriented broker to a more customer focused and institutional service provider. Fouad is involved in accessing Global's competitive position and monitoring the group's

market share and rank in addition to streamlining the day to day operations and effecting pre set strategic objectives.

Fouad has developed strategies to better utilize Global's geographical distributions and DMA network in addition to amalgamating the trading platforms offering clients the convenience of multi-market, multi-currency trading capabilities. Fouad has been focused on establishing a true "ONE-STOP-SHOP" service highlighting the importance of account maintenance, pre and post trade follow up, developing and instituting marketing strategies, incorporating Global's cross selling culture across the diverse brokerage operations, establishing problem/error avoidance controls and procedures adhering to best practice in compliance and risk management in addition to bringing all policies and procedures up to date and in-sync with regulations.

Fouad is a member of Global's information technology committee in addition to sitting on several boards including Global Securities Egypt, Global Jordan, First Securities Brokerage Company - Kuwait, MAPE Advisory Group India and Lotus Investment Financial Company Palestine, Shurooq Securities Company Oman and FinaCorp Tunisia.

Fouad has a total experience of 16 years in the financial industry between Canada, UAE and Kuwait. He previously worked for Equion Securities (Toronto), CM Oliver Financials Services (Toronto) and ING Bank of Canada, Central Bank of the UAE and National Bank of Abu Dhabi, brokerage arm of Abu Dhabi Financial Services Company. He has been very successful in incorporating his financial services know how, experience and knowledge gained during his time at the central bank of the UAE to improve policies procedures, compliance, code of conduct and proper streamlining in his later employments. Fouad is a regular panellist/speaker in regional leading conferences/seminars on key topics related to capital markets including regulations and introduction of new products.

Khurshid Hadi | Director

Mr. Khurshid Hadi's schooling was in UK and later he graduated from the Institute of Chartered Accountants in England and Wales. Subsequently, he was admitted as a Fellow of that Institute as well as the Institute of Chartered Accountants of Pakistan.

Mr. Hadi is the Founder Partner of the accounting practice of Taseer Hadi Khalid & Co. (THK), which today is one of the largest accounting and consultancy institution in Pakistan. THK is the member firm of KPMG, one of the largest accounting firm in the world. Until 1977, Mr. Hadi was the Senior Operating Partner in Pakistan then he moved to Dubai to assume the responsibility of managing the joint practice of Peat Marwick Taseer Hadi & Co. These firms have provided training, professional education and job and career opportunities to thousands of Pakistani and other South Asian professionals.

After ten years in the Middle East and the US, Mr. Hadi returned to Pakistan to launch a series of investments over the next 10 years in the fields of financial, industrial and commercial inter alia: First Leasing Corporation, Saitex Pharmaceuticals, Newsline Publications and the Pizza Hut and Nando's franchise concepts in the food area.

Mr. Hadi is currently the Chairman of the THK Technology group which comprises customized software development, CRM and Compliance services and HR management and systems, focusing on the financial and banking industries. Mr. Hadi serves on several boards in the public and private sectors.

Mr. Hadi periodically contributes to several national and international publications including Dawn and Newsline. His work has also been published in the International Herald Tribune, New York Times and the Boston Globe. Mr. Hadi was also the correspondent for the Far Eastern Economic Review for several years.

Muhammad Yousuf Amanullah | Director

Mr. Muhammad Yousuf Amanullah was appointed as a Director in JS Global Capital Limited in 2012. He joined JS Group in 2003 and is presently the Chief Financial Officer at JS Bank as the Senior Executive Vice President. He was previously the Chief Executive Officer of Jahangir Siddiqui Investment Bank Limited ("JSIBL"). Prior to this, he was Chief Financial Officer of JSIBL. He was the elected Director on the Boards of Jahangir Siddiqui Investment Bank Limited and JS Value Fund Limited.

Mr. Amanullah was previously associated at a senior level with A. F. Ferguson & Co. Chartered Accountants, a member firm of PricewaterhouseCoopers after having qualified with them. Prior to A. F. Ferguson & Co. Chartered Accountants, he worked with Ernst & Young Ford Rhodes Sidat Hyder.

He is a fellow member of the Institute of Chartered Accountants of Pakistan and the Institute of Cost and Management Accountants of Pakistan.

Farid Arshad Masood | Director

Mr. Farid Arshad Masood is the Head of Advisory Services and Asset Management for the Islamic Corporation for the Development of the Private Sector (ICD, Islamic Development Bank's private sector arm) with operations spanning over Africa, Middle East and Asia. He is also a member of the management committee and investment committee of ICD and represents ICD on the board of several investee companies and investment funds. He is actively involved in the creation, management and oversight of several new investment fund initiatives including a USD 400 million private equity platform, a USD 250 million SME platform and a USD 300 million income fund platform.

Before joining ICD, he was CEO of KASB Securities (affiliation with Merrill Lynch) in Pakistan, where he was responsible for the brokerage, investment banking, private equity and propriety trading business of the firm. He was also actively involved in advising governments and corporations on financial restructuring, privatization, project finance and mergers and acquisitions and completed transactions over USD 5 billion. Prior to his return to the Middle East region, he worked as a principal consultant / investment banker for Pricewaterhouse Coopers in the US, advising energy and telecommunication companies on new venture development and cross-border M&A.

Mr. Masood holds a Bachelors and Masters in Systems and Information Engineering from the University of Virginia (USA) and a Masters from the University of Cambridge (UK).

Abdul Hamid M. Mihrez | Director

Mr. Abdul Hamid Mihrez has over 13 years of experience in asset management, investment banking, and capital markets. He is currently a Senior Vice President in Global Investment house (Kuwait), where he is responsible for the value enhancement and wind down of a USD 600 million

Muhammad Kamran Nasir | CEO

MENA portfolio of legacy and difficult assets. The portfolio's underlying positions represent different asset classes such as common shares, Limited Partnerships, Mutual Funds, Hedge Funds, etc. The wind down process follows a comprehensive realization program prepared by the team and approved by the client. Global's mandate is to ensure an orderly disposition of assets, realize value and accumulate cash proceeds for eventual distribution to the Client.

During his career, he has led or co-led a number of investment banking transactions worth USD 700 million covering valuations, financial advisory, mergers and acquisitions, capital raising, bond insurance, financial restructuring and listing assignments.

He is a CFA Charter holder and holds an MBA degree. He started his career in the asset management field where he was a member of the management team of two mutual funds. Besides JS Global, he is a board member of First Jordan Investment Company (Jordan), Jordan Trade Facilities (Jordan), Al Manara Insurance Company (Jordan), National Company for Consumer Industries (Kuwait), Mazaya Holding Company (Kuwait), Gulf Franchising Holding Company (Kuwait), and Arzan Investment and Finance Group (Kuwait).

Ammar Talib Hajeyah | Director

Mr. Ammar Talib Hajeyah has over 14 years of experience in Asset Management and Banking. He is currently Senior Vice President of MENA Asset management in Global Investment House, Kuwait (Global) co-managing MENA Asset Management business. He joined Global in February 2005 as an Investment Analyst. Prior to Global, he worked in Gulf Bank, Kuwait as a senior customer service representative from 2002 to 2005. He holds an MBA degree from Kuwait Maastricht Business School (2008) and a BSc degree in Business Administration (Finance) from Kuwait University (2004).

Besides JS Global, Mr. Hajeyah is a member of the Board of Director of Arzan Financial Group for Financing & investment (K.P.S.C) – Kuwait, Global 10 Large cap Index Fund - Kuwait, Al Durra Islamic Fund – Kuwait, Global Al Mamoun Fund – Kuwait and Global KD Money Market Fund – Kuwait. In addition, he is also the Chairman of First Securities Brokerage Company –Kuwait.

Mr. Muhammad Kamran Nasir joined JS Group in 2010 and since 2011, he is leading JS Global Capital Limited as its Chief Executive Officer.

Mr. Nasir is a Chartered Accountant who brings with him rich experience of Investment Banking and handling complex financial matters. He has worked with a leading Investment Bank as its Investment Banking Head. His Investment Banking experience range from advising companies on mergers, acquisitions, divestitures, debt raising and re-profiling as well as taking companies public.

Besides this, he has also held various senior level positions within the Financial Sector and Multinational companies including Chief Financial Officer. He has played an instrumental role in setting up and managing one of the largest Brokerage Divisions in his previous company that performed exceptionally well.

He has also been associated with KPMG where he was primarily involved in audits of Financial Sector Institutions particularly Commercial Banks.

Details of Different Committees of the Board of Directors

1. Audit Committee
2. Executive Committee
3. Human Resource & Remuneration Committee

1. Audit Committee

The Audit Committee comprises of four members including the Chairman. All the members of Committee are Non-Executive Directors.

The members of Committee are as follows:

Mr. Khurshid Hadi	Chairman
Mr. Muhammad Yousuf Amanullah	Member
Mr. Basir Shamsie	Member
Mr. Ammar Talib Hajeyah	Member
Mr. Aijaz Ali	Secretary

Terms of Reference of Audit Committee

- Recommendation to Board of Directors regarding the appointment of external auditors subject to shareholders' ratification.
- Considerations of any question of resignation/removal of external auditors, audit fee and provision of any service to the Company in addition to the audit of its financial statements as are allowed under the Code of Corporate Governance.
- Determination of appropriate measures to safeguard the Company's assets
- Review of preliminary announcements of results prior to publication
- Review of quarterly, half-yearly and annual financial statements, prior to their approval by the Board of Directors
- Facilitating the external auditors and discussion

with them of major observations arising from interim and final audit.

- Review of management letter issued by the external auditors and management's response thereto.
- Ensuring coordination between the internal and external auditors.
- Review of the scope and extent of the internal audit and ensuring that internal audit function has adequate resources.
- Consideration of major findings of internal investigations and management response thereto.
- Ascertaining that the internal control system including financial and operational controls, accounting system and reporting structure are adequate and effective.
- Review of the management statement on internal control system prior to endorsement by the Board of Directors.
- Determination of compliance with relevant statutory requirements.
- Monitoring compliance with the best practices of Corporate Governance and identification of significant violations thereof.
- Consideration of any other issue or matter as may be assigned by the Board of Directors.

2. Executive Committee

The Executive Committee ("the Committee") comprises of five members including the Chairman of the Executive Committee.

The members of Committee are as follows:

Mr. Muhammad Kamran Nasir	Chairman
Mr. Abdul Hamid Mihrez	Member
Mr. Basir Shamsie	Member
Mr. Muhammad Yousuf Amanullah	Member
Mr. Fouad Fahmi Darwish	Member

Terms of Reference of Executive Committee

- The Committee is appointed by the Board of Directors. There must be at least three members, of whom one must be the Chief Executive Officer (CEO). In the event of any casual vacancy, appointment is made immediately in the following Board meeting.
- Quorum of the meeting is at least two members present in person, of whom one must be the CEO. The meeting is compulsorily convened once each quarter to evaluate and recommend to management and Board for approval of new lines of business, underwriting, major additions / deletions in assets and changes in investment mix.
- Review the Company's adherence to the mission and vision statement and, if needed, make recommendation to the Board for change as a result of new developments.
- Regularly review the Company's operations based on operating reports and present to the Board any shortfalls or significant changes in financial conditions, operations, prospects or business plan of the Company.
- Implement or as appropriate, delegate to the CEO to implement, the Company's capital expenditure budget approved by the Board.

3. Human Resource & Remuneration Committee

The Committee comprises of three members including the Chairman of the Committee.

Mr. Muhammad Yousuf Amanullah	Chairman
Mr. Muhammad Kamran Nasir	Member
Mr. Abdul Hamid Mihrez	Member

Terms of Reference of Human Resource & Remuneration Committee

- The Committee is appointed by the Board of Directors. There must be at least three members, of whom one must be the CEO. In the event of any casual vacancy, appointment is made immediately in the following Board meeting.
- Quorum of the meeting is at least two members present in person, of whom one must be the CEO. The meeting is compulsorily convened once a year.
- The Committee reviews and approves the Company's compensation and benefits policies generally including reviewing and approving any incentive-compensation plans of the Company. Reviewing compensation policies and guidelines relating to all employees, including annual salary and incentive policies and programs, material new benefit programs and material changes to existing benefit programs. In reviewing such compensation and benefits policies, the Committee may consider the recruitment, development, promotion, retention and compensation of senior executives and other employees of the Company and any other factors that it deems appropriate.
- Monitor and evaluate matters relating to the compensation and benefits structure of the Company as the Committee deems appropriate, including providing guidance to management on significant issues affecting compensation philosophy or policy and review and approve compensation policies regarding CFO, Company Secretary, Internal Auditors and other Senior Executive Officer compensation.
- The Committee, in consultation with the CEO, reviews the CEO's assessment of Senior Executives (including CFO, Company Secretary & Internal Auditor), oversee an evaluation of the performance of the Company's Senior Executive Officers and approve the annual compensation, including salary, bonus, incentive and equity compensation, for the Executive Officers. Review the structure and competitiveness of the

Company's Executive Officers compensation programs considering the following factors:

- (i) the attraction and retention of Executive Officers;
 - (ii) the motivation of Executive Officers to achieve the Company's business objectives; and
 - (iii) the alignment of the interests of Executive Officers with the long-term interests of the Company's shareholders.
- The Committee periodically reviews the Company's management organization structure and the CEO's proposals for changes to that structure and report any significant organizational changes, along with the Committee's recommendations, to the Board.
 - The Committee annually reviews the Company's succession plans. The Committee monitors the progress and development of executives in accordance with the succession plans and annually reviews the adequacy of the succession candidates to foster timely and effective executive continuity.

these risks are critical to the success and stability of the Company. As a result, comprehensive Risk Management policies and procedures have been established to identify, control and monitor each of these risks.

Risk Management begins with the Board of Directors, which reviews the governance of these activities. Formulation of policy and day to day Risk Management is the responsibility of Executive Committee. The Board of Directors has adopted a Statement of Investment & Operational Policies (SIOPs or the statement) which provides overall Risk Management guidelines for the Company. The Statement also provides authority limits for the Board, the Executive Committee and the CEO.

Risk Management Policy

Risk Management is the process of identifying, controlling, eliminating or minimizing uncertain events that may affect the system resources. It includes risk analysis, cost-benefit analysis, controls selection, implementation and tests, security evaluation of safeguards and overall security review.

Risk Management is a continuous, measured, rational and vigilant process. It is designed to identify and manage the risks inherent in the brokerage business. The goal of an effective Risk Management process is not only to avoid financial losses, but also to ensure that the Company achieves its targeted financial results with high degree of reliability.

The Company's principal business activities by their nature engender significant market and credit risks. In addition, the Company is also subject to other risks including operating risk, legal risk and funding risk. Effective identification, assessment and management of

Corporate Social Responsibility

Corporate Social Responsibility, often abbreviated as "CSR," signifies a corporation's endeavours to contribute to the well being of the society — environmentally, socially and financially. It refers to the voluntary activities undertaken by a company to support economic, social and environmentally sustainable activities for the welfare of the society.

JSGCL is deeply committed to Corporate Social Responsibility and it contributes both financial and human resources supporting the JS Group's charitable arm – Mahvash & Jahangir Siddiqui Foundation (MJSF).

JSGCL is a substantial contributor to several community programs. Through these activities we also build the bond and a sense of solidarity with the society, the environment and its problems. Our aim is to support and organize sustainable community initiatives, as part of our vision to give something back to the society, from which we earn our living.

Mr. Jahangir Siddiqui and his wife Mrs. Mahvash Siddiqui established MJSF in 2003. The Foundation is a non-profit, non-partisan charity that focuses on healthcare, education, humanitarian relief and sustainable development through social enterprise. In achieving its mission, the Foundation has also partnered with leading international NGOs and various international and local universities and foundations in the areas of education, disability management and healthcare.

CSR philosophy at JSGCL revolves around some key initiatives such as education, sustainable development, healthcare, sports and disaster relief activities, amongst others.

Initiatives:

Education

Over the years JSGCL has made substantial

contributions to the education sector, mainly through the medium of Mahvash & Jahangir Siddiqui Foundation.

In October of 2015, the first batch of Bachelor of Arts students graduated from the JS Academy for the Deaf, which was a land-mark achievement of the project initiated by MJSF in the year 2004.

The same year MJSF sponsored young professionals, selected from all over Pakistan, for the European Academy of Diplomacy's Summer Programs held in Warsaw, Poland. This collaboration with the European Academy of Diplomacy learning programs flows from the Foundation's belief in investing in the development of individuals for the betterment of Pakistan.

MJSF has also been sponsoring students to the summer programs taking place at the National University of Singapore and Weill Cornell Medical College, Qatar.

MJSF manages schools which currently have a combined enrolment of more than 3,500 students. These schools are near factories or villages, where the JS Group has a business interest, and have been set up for the benefit of the children of its employees who work in remote areas as well as other school-age children residing in those localities.

In addition, MJSF provides funding for a broad range of education institutions such as the Institution of Business Administration (BA) Sukkur and the Progressive Education Network (PEN) in Lahore.

Many students have benefited from the Qarz-e-Hasana scheme of the Foundation to pursue higher education in national and international universities. MJSF also provides support to less privileged individuals to enable their access to education at the secondary and higher secondary levels.

Social Enterprises and Sustainable Development (SESD)

The SESD program funds projects that are economically productive and sustainable, thereby removing or reducing the need for ongoing grants. This is a fast-growing area of activity for the Foundation. At MJSF we believe that grants create dependency, and to alleviate poverty the ultimate solution must be projects that are economically productive and self-sustainable.

MJSF has a long established partnership with Acumen (formerly known as Acumen Fund) – an international initiative aimed at grooming future leaders for the country and investing in self-sustaining social enterprises which contribute to the growth and well being of the society and the community. Through this partnership, the Foundation, has contributed the equivalent of US\$1,000,000 to Acumen – which in turn has actively invested in Pakistan in building sustainable social enterprises and also running the Acumen Pakistan Fellows Program – a one-year leadership program designed for people leading social change initiatives dedicated to addressing Pakistan's most critical socio-economic problems.

The Foundation has ventured into extending micro-finance facilities for farmers in Chitral for producing high quality onion seeds for export.

Healthcare

MJSF has a deep commitment to public health and supports existing hospitals and medical facilities by:

- Upgrading and adding specialist wards
- Developing healthcare facilities in rural areas
- Providing mobile health care in difficult to access areas
- Running eye camps in rural areas
- Running other medical camps in rural areas
- Distribution of specialized wheelchairs in partnership with Walkabout Foundation

MJSF is linked to various other projects and organizations in the healthcare sector. In The National

Institute of Cardiovascular Diseases, the Foundation has donated PKR 11 million to add a 30-bed emergency ward which previously had only a 19-bed facility.

The Foundation has established a specialized ward named the "Obstetric Fistula Center" at the Karachi National Hospital to treat all affected patients free of charge and with access to very high quality urologists and gynaecologists as part of this program.

The Foundation runs multiple annual Medical Camp programs to provide healthcare services to the poor in rural areas where there is a severe lack of healthcare facilities. The Mahvash & Jahangir Siddiqui Foundation (MJSF) has been holding free eye camps across Pakistan since the year 2009, particularly in remote rural areas of Sindh, Punjab and Balochistan provinces. In 2015, 9 eye camps were held, whereby 9519 eye patients were treated in the eye camps and 2761 cataract surgeries were performed.

MJSF Medical Camp program is a response to critical healthcare needs of rural populations who are deprived of basic health services due to non-availability and access issues. The program is being implemented by a dedicated health team comprising Ophthalmologists paramedics and MJSF volunteers.

In 2015, Mahvash and Jahangir Siddiqui Foundation collaborated with Adaptive Eye-wear and provided adjustable glasses to various concerned NGOs in Pakistan. Free camps were organized nationwide in different locations of the country including slum areas, and adjustable glasses were distributed among the underprivileged people.

Emergency and Disaster Relief

MJSF has a strong focus on humanitarian relief. Its activities focus on immediate relief in disasters as well as long-term rehabilitation. The Foundation provides relief and support to the victims of natural disasters in a way which enables the victims to survive the calamity and start earning a living on a long-term sustainable basis.

MJSF was a leading and extensive contributor to the relief and rehabilitation efforts in the case of the following calamities:

- 2005 - Earthquake in Azad Jammu & Kashmir (AJK) and Khyber Pakhtunkhwa Province
- 2008 - Swat Conflict and related Internally Displaced Persons crisis
- 2010 - Super Flood
- 2014 - Thar Drought crisis
- 2015 - Earthquake in Khyber Pakhtunkhwa and Gilgit-Baltistan

educated, healthy and prosperous society with dignity and honour for all people.

In the above situations Mahvash and Jahangir Siddiqui Foundation provided:

1. Temporary housing
2. Food aid for thousands of families
3. Healthcare by providing a continuous supply of medicines to hospitals
4. Transportation and logistics by providing several vehicles and ambulances for hospitals
5. Rebuilding homes

On October 26th 2015, a devastating earthquake of 7.5 magnitude struck Pakistan, mostly effecting Khyber Pakhtunkhwa and Gilgit-Baltistan, and the Foundation contributed 200 family size tents and 1,000 winterized blankets to the Pakistan Air Force to be air-lifted to the affected people. MJSF also provided urgent relief goods for 250 families, through the Pakistan Army.

Sports and Event Sponsorships

Just like in other areas, JSGCL strongly emphasizes on the importance of physical fitness and athletics, and this was exhibited once again through its active contributions to sports tournaments in 2015.

In September 2015, the JS Academy for the Deaf hosted a cultural program themed "Unity and Friendship" to spread the message of unity in Pakistan. Nearly 400 special children attended the prestigious event.

JSGCL's efforts are directed towards nation building and have contributed positively towards the society we live in. We continue to focus on sustaining and expanding our work in the forthcoming years, and through all these initiatives we aim to achieve our vision of building an

Notice of Annual General Meeting

Notice is hereby given that the fifteenth Annual General Meeting (“AGM”) of the members of JS Global Capital Limited (the “Company”) will be held on Tuesday, March 22, 2016 at 09:00 a.m. at Defence Authority Creek Club, Zulfiqar Street No. 1, Phase VIII, DHA, Karachi to transact the following business:

Ordinary Business:

- I. To receive and consider the audited financial statements of the Company for the year ended December 31, 2015 together with the Directors’ Report and Auditors’ Report thereon.
- II. To appoint auditors of the Company and fix their remuneration.

Special Business

- III. To consider and if thought fit, to pass the following resolutions as Special Resolution with or without modifications.
 - a. **To alter the Memorandum of Association of Company and pass the following resolutions with or without modification(s)**

“RESOLVED THAT subject to prior clearance of the Pakistan Stock Exchange Limited under Clause 5.9.2 of its Rule Book and subject to the approval of the shareholders of the Company by Special Resolution and confirmation by the SECP, the object clause III 4 (iv) of Memorandum of Association of the Company be altered so as to include the other business activities i.e., securities adviser, securities manager and book runner permissible under the Securities Act, 2015 and replaced as follows:

Existing Clause III 4 (iv)	Proposed Clause III 4 (iv) (changes highlighted as bold and underline)
To underwrite, manage and distribute the issue of Shares and Securities either directly or through or jointly with one or more of its constituent institutions or other investment or financial institutions	To underwrite, manage, <u>act as a book runner, securities adviser, securities manager</u> and distribute the issue of Shares and Securities either directly or through or jointly with one or more of its constituent institutions or other investment or financial institutions

“FURTHER RESOLVED THAT a petition be filed with the SECP under Sections 21 to 24 of the Companies Ordinance, 1984, read with Rules 3 and 30 of the Companies (General Provisions and Rules) 1985, along with all requisite documents, affidavits, statements, etc. for confirmation of alteration of Memorandum of Association for which purpose, the Chief Executive Officer (or any person authorized by him in this behalf) and the Company Secretary be and are hereby jointly and severally authorized to fulfil all legal, corporate and procedural formalities for accomplishing alteration of the Company’s Memorandum of Association.

“FURTHER RESOLVED THAT the new Memorandum of Association of the Company be printed and replaced for the existing ones after getting the confirmation of alteration by the Securities and Exchange Commission of Pakistan

b. Buy-Back of Shares of the Company

To consider and, if thought fit to pass with or without modification, addition(s) or deletion(s), the following resolution as special resolution under Section 95A of the Companies Ordinance, 1984 read with the Companies (Buy-Back of Shares) Rules, 1999, for the purchase and buy-back by the Company of up to a maximum of 12 million issued ordinary shares of the Company of the nominal / face value of Rs. 10/- (Rupees Ten) each at a purchase price of Rs. 46 per share as recommended and approved by the Board of Directors of the Company.

“RESOLVED THAT:

1. Subject to permission required, if any, up to a maximum of 12 million fully paid-up ordinary shares of the nominal / face value of Rs. 10/- (Rupees Ten) each be purchased by the Company as a buy-back under Section 95A of the Companies Ordinance, 1984, read with Companies (Buy Back of Shares) Rules, 1999, at a purchase price of Rs. 46 per share from cash and out of the available distributable profits of the Company within a period of sixty (60) days from the date of passing of this special resolution.
2. The ordinary shares purchased pursuant to the buy-back shall stand cancelled and issued share capital shall accordingly be reduced by the aggregate nominal / face value of the cancelled shares.
3. The buy-back of the shares by the Company shall be made through a tender offer through publication of Tender Notice atleast in one daily English and one daily Urdu newspaper and by sending Tender Notices to all the members of the Company individually whose names appear on the members register on the book closure date for this purpose, at their registered addresses under postal certificate or courier service or registered post.
4. The Chief Executive Officer (or any person authorized by him in this behalf) and the Company Secretary (“Authorized Persons”) be and are hereby jointly and severally authorized and empowered to take all such necessary, ancillary and incidental steps and do all such acts, deeds and things that may be required for the purpose of giving effect to this resolution and for the purpose of implementing, procuring and completing the buy-back by the Company of its issued ordinary shares.
5. The Authorized Persons, be and are hereby further authorized and empowered, to take or cause to be taken all actions including but not limited to obtaining any requisite regulatory permissions, preparing the tender notice and other documents, engaging legal counsel and consultants for the purposes of the above, filing of all the requisite statutory forms, returns and all other documents as may be required to be filed with the Securities and Exchange Commission of Pakistan (the “Commission”), executing all such documents or instrument including any amendments or substitutions to any of the foregoing as may be required or necessary in respect of implementing, procuring and completing the buy-back by the Company of its issued ordinary shares and all other matters incidental or ancillary thereto.

All acts, deeds, and actions taken by the Authorized Persons pursuant to the above resolution for and on behalf of and in the name of the Company shall be binding acts, deeds and things done by the Company.

6. JS Bank Limited be and is hereby appointed as authorized bank for the purpose of buy-back of shares of the Company under Section 95A of the Companies Ordinance, 1984 read with the Companies (Buy-Back of Shares) Rules, 1999, the Authorized Persons be and are hereby jointly authorized and empowered to negotiate the terms and conditions of its appointment and to sign and execute all the documents/agreements in this regard and to do all necessary acts and deeds and things necessary to implement this resolution.

c. Investment in Associated Company

To consider and if thought fit, to pass the following resolution as Special Resolution (with or without modifications) by majority of not less than three-fourth (3/4th) of such members who are entitled to vote and are present in person or by proxy(ies) at the meeting for approval of investment in the TFC IX of Jahangir Siddiqui & Co. Limited.

"RESOLVED THAT consent and approval be and are hereby accorded under Section 208 of the Companies Ordinance, 1984, to allow the Company to invest an amount of up to a maximum of Rs.60 million in the rated, privately placed and secured term finance certificates (TFC IX) being issued by Jahangir Siddiqui & Company Limited as redeemable capital under Section 120 of the Companies Ordinance, 1984, carrying a coupon of 6 month KIBOR plus 1.65% per annum for a maximum tenor of 5 years (inclusive of a one-year grace period).

"RESOLVED FURTHER THAT the Chief Executive Officer (or any person authorized by him in this behalf) and the Company Secretary be and are hereby jointly and severally authorized and empowered to take all such necessary, ancillary and incidental steps and do all such acts, deeds and things that may be required for the purpose of giving effect to this resolution, including signing all documents, deeds and agreement related thereto.

Other Business

IV. Any other business with the permission of the Chair.

By Order of the Board

Muhammad Umair Arif
Company Secretary

Karachi: March 1, 2016

Notes:

- (i) The Share Transfer Books of JS Global Capital Limited shall remain closed from March 16, 2016 to March 22, 2016 (both days inclusive) for determining the entitlement of the shareholders for attending the Annual General Meeting.
- (ii) Physical transfers and deposit requests under the Central Depository System received by the JS Global Capital Limited's Independent Share Registrar M/s Technology Trade (Private) Limited, Dagia House, 241-C, Block 2, P.E.C.H.S. Karachi by the close of business on March 15, 2016 will be treated in time.
- (iii) A member of the company entitled to attend and vote at the meeting may appoint another member as his / her proxy to attend and vote for him / her.
- (iv) Proxies must be received at the Registered Office of the Company not less than 48 hours before the time of the meeting.
- (v) Beneficial owners of physical shares and the shares registered in the name of Central Depository Company of Pakistan Limited (CDC) and/or their proxies are required to produce their original Computerized National Identity Cards (CNICs) or Passports for identification purpose at the time of attending the meeting. The Proxy Form(s) must be submitted with the Company within the time stipulated in para (iv) above, duly signed and witnessed by two persons whose names, addresses and CNIC numbers must be mentioned on the Proxy Form(s), along with attested copy(ies) of the CNICs or the Passport(s) of the beneficial owners and the proxy(ies). In case of corporate entity, the Board of Directors' Resolution/Power of Attorney with specimen signature shall be submitted (unless it has been provided earlier) along with the Proxy(ies) Form(s) to the Company.

- (vi) Shareholders are requested to notify any changes in their registered address immediately to the Company's Share Registrar, Technology Trade (Pvt) Limited.
- (vii) The explanatory statement as required under Section 160(1)(b) of the Companies Ordinance, 1984 is being sent to the shareholders along with a copy of this notice.
- (viii) The Memorandum and Articles of Association of the Company with existing and proposed provision, the Declaration of Solvency by the directors and latest published annual and quarterly reports of the Company and other related documents have been kept at the Registered Office of the JS Global Capital Limited and may be inspected during the business hours on any working day from the date of publication of this notice till the conclusion of the Annual General Meeting.
- (ix) Notice to Shareholders who have not provided CNIC:

In terms of the directives of the Securities and Exchange Commission of Pakistan the Computerized National Identity Card Numbers (CNIC) of the registered shareholders or the authorized person except in the case of minor(s) and corporate shareholders are required to be mentioned on the dividend warrants and in the annual return required to be filed by the Company with the SECP. Therefore, the shareholders who have not yet provided copies of their CNICs are advised to provide at earliest the attested copies of their CNICs (if not already provided) directly to our Independent Share Registrar at the address given herein above.

- (x) Mandate for e-Dividend:

In order to make process of payment of cash dividend more efficient, e-dividend mechanism has been envisaged wherein shareholders can get amount of the dividend credited into their respective bank accounts electronically without any delay. In this way, dividends may be instantly credited to respective bank accounts and there are no chances of dividend warrants getting lost in the post, undelivered or delivered to the wrong address, etc. The Securities and Exchange Commission of Pakistan (SECP) through Notice No. 8(4) SM/CDC 2008 dated April 05, 2013 has advised all listed Companies to adopt e-dividend mechanism due to the benefits it entails for shareholders. You are encouraged to provide a dividend mandate in favor of e-dividend by providing duly filled in and signed dividend mandate form available at <http://www.jsgcl.com>.

- (xi) Electronic Transmission of Financial Statements and Notices.

Pursuant to Notification vide SRO 787 (1)/2014 dated September 08, 2014; the Securities and Exchange Commission of Pakistan (SECP) has directed all companies to facilitate their members receiving Annual Financial Statements and Notice of Annual General Meeting (Notice) through electronic mail system (e-mail). The Company is pleased to offer this facility to our valued members who desire to receive Annual Financial Statements and Notices through email in future. In this regard, those members who wish to avail this facility are hereby requested to convey their consent via email on a standard request form which is available at the Company website i.e. at <http://www.jsgcl.com>. Please ensure that your email account has sufficient rights and space available to receive such email which may be greater than 1 MB in size. Further, it is the responsibility of the member(s) to timely update the Share Registrar of any change in his (her/its/their) registered email address at the address of Company's Share Registrar mentioned above.

- (xii) Placement of Financial Statements

The Company has placed the Audited Financial Statements for the year ended December 31, 2015 along with Auditors and Directors Reports thereon on its website: www.jsgcl.com

Statement Under Section 160(1)(b) of the Companies Ordinance 1984 relating to Special Business

This explanatory statement sets out the material facts pertaining to the special business, as given in agenda Items No.III.a, III.b and III.c to be transacted at the Annual General Meeting of JS Global Capital Limited (the “Company”) to be held on March 22, 2016.

Statement of Material Facts as to Alteration of Memorandum of Association

The National Assembly promulgated the Securities Act, 2015 wherein the following businesses are categorized as “regulated securities activities”:

- (a) **Securities brokers;**
- (b) **Securities advisers;**
- (c) **Securities managers;**
- (d) **Share registrars;**
- (e) **Credit rating companies;**
- (f) **Balloters;**
- (g) **Underwriters;**
- (h) **Debt securities trustees;**

In order to authorize the Company to act as securities advisor and securities manager, it is hereby proposed to alter the Memorandum of Association for inclusion of provision to act as securities advisor and securities manager, as well as Book Runner. *(SECP has granted the registration to the Company to act as Book Runner subject to the condition that Company must amend its Memorandum to include the object clause for Book Runner).*

Although the SECP has not issued any regulations for registration of “securities manager” and securities adviser”, it is expedient for JS Global to alter its Memorandum to include these business activities now, since the Memorandum is being altered for inclusion of provision to act as Book Runner. If and when SECP issues regulations regarding these business activities, the Company shall apply for registration with the SECP for the said activities.

The proposed change will not affect any rights and obligations of the Company and the interest of any shareholder or investor in any manner. The authorization to the Company to carry out such additional activities will add value to the Company.

The Directors and Chief Executive of the Company have no personal direct or indirect interest in the above special business, except to the extent of their directorships and shareholdings in the Company.

Statement of Material Facts as to Buy Back of Shares

The Board of Directors of the Company in its meeting held on February 25, 2016 has approved the buy back by the Company (without delisting) of upto a maximum of 12 million issued ordinary shares of the nominal/face value of Rs. 10/- (Rupees Ten) each at a purchase price of Rs. 46 per share under Section 95A of the Companies Ordinance, 1984 read with the Companies (Buy-Back of Shares) Rules, 1999 (the “Buy-Back Rules”) subject to the approval of members of the Company through a special resolution.

The shares will be purchased within a period of sixty (60) days from the date of passing of the special resolution as required under SRO 192(I)/2010 dated March 17, 2010.

In case the existing Companies (Buy Back of Shares) Rules, 1999, are substituted prior to the commencement of the intended buy-back, then the matter will be reconsidered in the light of any such changes.

The Board of Directors of the Company has recommended that the special resolution as set out in the notice be passed at the Annual General Meeting, with or without any modification(s), addition(s) or deletion(s).

Rationale of Purchase Price:

The Board of Directors has proposed a purchase price of Rs. 46 for the buy-back of 12 million issued ordinary shares by the Company. The current market price of the share of the company based on closing rate at Pakistan Stock Exchange Limited (“PSX”) as of February 24, 2016 was Rs. 39.8. The average price of the Company’s share based on closing rates at PSX during last six months is Rs. 42.14 The breakup value of the Company’s share as at December 31, 2015 on the basis of annual audited accounts of the Company is Rs. 57.7 per share.

In view of the above, the Board of Directors consider that the proposed purchase price i.e., Rs. 46 for the buy-back of 12 million issued ordinary shares of the company is quite reasonable.

Debt-Equity and Current Ratios

As required by Buy-Back Rules, the Debt-Equity and Current Ratios of the Company as of December 31, 2015 based on yearly audited accounts of the Company were as follows:

Debt-Equity Ratio:	Nil
Current Ratio:	5.11

Justification for the purchase/Buy-Back of Shares:

The Board of Directors has considered the fact that the Company has excess capitalization which distorts the earnings per share and other ratios of the Company including return on equity. The capitalization after the proposed buy-back (and consequent cancellation of the shares purchased via this buy-back) will be rationalized and would be sufficient for the Company’s requirement. The proposed buy back is expected to improve the earning per share of the Company and will also result in improved dividends.

In accordance with the audited accounts of December 31, 2015, the Company has the total paid up share capital of Rs. 500 million and total equity of Rs. 2.89 billion. This capital is in excess of the Company’s requirements, and it is assessed that the balance / reduced paid up share capital (after the proposed buy-back) would be quite sufficient for the future business needs of the Company. Moreover, the said buy-back will provide an opportunity to those members who wish to liquidate their investment in the Company at an attractive price.

Source of Funding:

The shares will be purchased from available cash using the distributable profits of the Company as required under Section 95A(8) of the Companies Ordinance, 1984. The Company has sufficient cash resources available with it for the proposed buy-back of its shares

Effects on Financial Position of the Company:

The proposed buy-back (and consequent cancellation) of shares of the Company will not have any adverse impact on the financial position of the Company as the reduced capital would consolidate its equity resulting in increase in earnings per share and improved dividend in future. Moreover, as per the audited accounts of the Company for the year ended December 31, 2015, the distributable (unappropriated) profits of the Company stand at Rs. 559,612,692. These reserves are adequate to undertake the proposed buy-back with ease.

Additionally, after the proposed buy-back is concluded, the Company shall continue to be well compliant with the minimum capital requirements prescribed by PSX for a TREC Holder, thereby having no negative impact on the Company’s ability to carry on its operations without any hindrance.

Further, as required under Rules, the directors including the Chief Executive Officer of the Company have made a Declaration Of Solvency on Oath to the effect that they have made inquiry into the affairs of the Company and that after having done so they have formed an opinion that the Company shall continue to operate as a going concern and it is capable of meeting its liabilities in time during the period up to the end of the immediately succeeding financial year. This declaration of solvency on the form prescribed by the Rules will be duly filed by the Company with the Securities and Exchange Commission of Pakistan and the Registrar within prescribed time.

If the Company buys-back 12 million issued ordinary shares of the nominal / face value of Rs.10/- each (if authorized by the special resolution), the issued and paid up share capital after the proposed buy-back of shares would be as under:

	No. of Shares	Amount PKR
Issued and paid up Share Capital – Current	50,000,000	500,000,000
Buy-back of shares	12,000,000	120,000,000
Issued and paid up Share Capital after buy-back of shares	38,000,000	380,000,000

Directors Interest:

The Directors and the Chief Executive have no personal interest, directly or indirectly, in the proposed business for the buy-back of issued ordinary share of the Company except to the extent of their respective directorships and shareholdings held by them in the Company, and like other member, they would also be entitled to participate in proposed buy-back of Company's issued shares. Mr. Basir Shamsie and Mr. Muhammad Yousuf Amanullah are nominee directors of JS Bank Limited and they are interested in the appointment of JS Bank Limited as authorized bank for proposed buy back of company's shares.

Procedure for buy-back of shares

As required under Section 95A (9) of the Companies Ordinance, 1984 read with the Rules, the following procedure shall be followed for buy-back of shares of the Company:

1. The buy-back of shares will be made through a tender offer mechanism whereby the existing members will make Offer(s) through the designated branches of the authorized bank.
2. Tender Notice will be sent by the Company in accordance with the provisions of Section 95A of the Companies Ordinance, 1984 and the Rules to the all members whose names will appear on the Members Register on the book closure date i.e., March 15, 2016.
3. Tender Notice along with Offer Form(s) will be sent to the member at their addresses registered with the Company under postal certificate or through courier service or registered post. Necessary instructions and information regarding submission of offers for sale of shares by the members shall also be communicated to the members in the Tender Notice.
4. Tender Notice and the Offer Form(s) will also be available at the Registered Office of the Company, 6th Floor Faysal House, Main Shahrah-e-Faisal, Karachi and Independent Share Registrar of the Company, M/s Technology Trade (Pvt) Limited, 241-C, Block 2, P.E.C.H.S, Karachi and will also be placed on the website of the Company www.jsqcl.com Tender Notice and Offer Form(s) will also be available at designated branches of authorizes bank at which such Offer Form(s) shall be submitted, within the period to be specified in the tender notice.
5. The Tender Notice shall also be published at least in one daily English and one daily Urdu newspapers circulating in the Province of Sindh.

6. The members who wish to sell their shares will make offers on the Offer Form(s) within the period specified in the Tender Notice. The Offer Form shall be accompanied by the following documents:
 - i) A legible and valid certified copy of CNIC/ POC/Passport;
 - ii) In the case of institutions / corporate entities, a certified copy of Board of Directors' Resolution/Power of Attorney, specimen signatures and certified copies of CNIC of authorized signatory, certified copies of Memorandum and Articles of Association / Constitutive Documents, certificate of incorporation and certificate of commencement of business (if applicable)
 - iii) folio number and distinctive number of share certificates (if in physical form)
 - iv) sub-account/investor account number if shares are in book-entry form.
7. The Company shall take a decision on the acceptance or otherwise of the offers received from the members within ten days of the closing date of the receipt of offer.
8. If the Offers received exceed the maximum number of shares to be purchased by the Company, the Offers will be accepted on pro rata basis in lots of 500 shares.
9. The Company will communicate to the members about its decision regarding acceptance of the offers received within seven days of the decision ("acceptance letter").
10. The members concerned will be required to submit the following documents within seven days of the receipt of acceptance letter from the Company. If the acceptance is on prorata basis, then the acceptance will specify the number of shares which the Company has agreed to purchase from the members.
 - i) Offer Form acknowledgement by authorized bank;
 - ii) Original acceptance letter by the Company;
 - iii) In case of physical share, relevant share certificates together with transfer deeds duly signed, verified and witnessed and authorization to the Company to split the shares, if required;
 - iv) In case the shares are held in the Central Depository System (CDS), an Inter-Participant Free Delivery Report" duly authenticated by the relevant participant /CDC confirming transfer of shares to Investor/Sub Account in the CDS Account No.to be opened by the Company for the purpose of purchase of its shares.
11. If the above documents are not submitted by the members concerned within the specified period, the acceptance of the offer shall in accordance with the provisions of Rule 5(10) of the Companies (Buy-Back of shares) Rules, 1999, be deemed to have been revoked and the Company will not purchase the ordinary shares offered by the concerned member.
12. Subject to the receipt of shares in the Company's CDS Account /physical shares certificates along with relevant transfer deeds and submission of the documents mentioned above, the Company will pay the price for the shares purchased by the Company through a bank draft/pay order in favor of the said members within seven (7) days of the receipt of above mentioned documents.

Statement of Material Facts as to Investment in Associated Company

Jahangir Siddiqui & Co. Ltd. (JSCL) has been among significant issuer of Term Finance Certificates (TFCs) and so far it has issued eight TFCs (both listed and unlisted) out of which six have been fully redeemed in a timely manner while the outstanding TFC VII and TFC VIII will mature in October 2016 and April 2019 respectively.

Currently, JSCL is in process of issuing TFC IX, a rated, privately placed and secured instrument issued as redeemable capital under Section 120 of the Companies Ordinance, 1984, the purpose of which is to fund its expansion of business and other ongoing operations as permitted by its Memorandum and Articles of Association. The said TFCs will have an issue size of Rs. 1,000 million (inclusive of a green shoe option of PKR 300 million) with a tenor of 5 years (inclusive of 1 year grace period), and would carry semi-annual coupon of minimum 6 months KIBOR + 1.65% p.a. with the first coupon payable after six months from the issue date. Further, the said TFCs shall be redeemed in eight equal semi-annual installments, with the first redemption installment falling due on the 18th month after the issue date.

The Pakistan Credit Rating Agency (PACRA) has maintained the long term and short term entity ratings of JSCL at 'AA' (Double A) and 'A1+' (A One Plus) respectively. Moreover, ratings of the two outstanding TFCs of JSCL (i.e. TFC VII and TFC VIII) have been maintained at 'AA+' (Double A Plus) by PACRA. Such rating denotes a very low expectation of credit risk emanating from a very strong capacity for timely payment of financial commitments [Source: PACRA Press Release dated June 26, 2015].

The proposed issue of TFC IX is expected to be assigned a minimum credit rating of "AA" (Double A) by PACRA.

JSCL will also have an option to call the TFCs at any time in full on a coupon payment date, subject to a 30 days' notice and a premium of 0.25% of the outstanding value of the TFCs.

Moreover, TFC IX issue will be secured by pledge of listed securities, including but not limited to, TRG Pakistan Limited, Pakistan International Bulk Terminal Limited, IGI Insurance Limited, United Bank Limited, in a designated account with the Central Depository Company of Pakistan Limited along with requisite margin of 35%. The security shall be held and maintained by the Trustee to the issue.

Considering the fact that the Company actively invests in fixed income and debt securities, and the fact that the proposed TFC IX issue by JSCL provides attractive return, it is recommended that the said investment be made. The Company has sufficient funds to make the intended investment. Additionally, the Company has in the past made investments in TFCs issued by JSCL, and all such instruments were redeemed in a timely fashion.

Other information

- JSCL is an associated company of JSGCL and would require Special Resolution in terms of Section 208 of the Companies Ordinance, 1984 (Ordinance) and related Regulations to make the proposed investment in the ninth TFC issue by JSCL. To give effect to the above, the management has proposed to consider and if thought fit, to pass the attached resolution to be passed as Special Resolution (with or without modification) by majority of not less than three-fourth (3/4th) of such members who are entitled to vote and are present in person or by proxy(ies) at the meeting for approval of an investment of up to a maximum of PKR 60 million by JSGCL in the TFC XI issue by JSCL.
- All legal, corporate and regulatory formalities will be fulfilled in consultation with the Legal Advisors.

The information and particulars required under Regulation 3(a) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012 are as under:-

Sr. No.	No. of Shares	The information and particulars required
1	Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established.	<p>a) Jahangir Siddiqui & Co. Ltd. (JSCL)</p> <p>b) JSCL holds 70.42% voting shares of JS Bank Limited which in turn holds 51.05% shares of the Company. Due to these shareholdings, JSCL is the holding company of JS Bank Limited, while JSGL is the subsidiary of JS Bank Limited.</p>
2	Purpose, benefits and period of investment.	<p>a) Purpose</p> <p>To invest till maturity (or earlier redemption/call) an amount up to a maximum of Rs.60 million in JSCL's rated, privately placed and secured ninth term finance certificates (TFC IX Issue) to be issued as redeemable capital under Section 120 of the Companies Ordinance, 1984.</p> <p>b) Benefits</p> <p>The Company actively invests in fixed income and debt market securities like PIBs, TFCs, Ready Buy Future Sell (RBFS) spread transactions, Margin Financing System (MFS) etc. Additionally, the Company has sufficient liquidity to make the proposed investment, which can result in positive yield for the Company. The said TFCs shall carry a minimum return of 6 months KIBOR + 1.65% p.a.</p> <p>c) Period of Investment</p> <p>The Company intends to invest in the said TFCs of JSCL till maturity of the instrument. The tenor of the said TFC would be five years (inclusive of one year grace period). The first redemption payment would be made 18 months after the issue date.</p>

Sr. No.	No. of Shares	The information and particulars required								
3	Maximum amount of investment.	The Company is expected to set aside a maximum of Rs. 60 million for investment in the TFC IX of JSCL.								
4	Maximum price at which securities will be acquired.	The TFCs will have a face value of Rs. 5,000 each or any other amount and will be acquired at the par value								
5	Maximum number of securities to be acquired.	At par value, the company can acquire up to a maximum of 12,000 units of TFCs								
6	Number of securities and percentage thereof held before and after the proposed investment.	Before Investment : NIL After Investment: 12,000 units of the face value of Rs.5,000/-								
7	In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired.	Not Applicable.								
8	In case of investment in unlisted securities, fair market value of such securities determined in terms of Regulation 6(1).	Not Applicable.								
9	Break-up value of securities intended to be acquired on the basis of the latest audited financial statements.	Not Applicable.								
10	Earning / (loss) per share of the associated company or associated undertaking for the last three years.	<p>JSCL</p> <table border="1"> <thead> <tr> <th></th> <th>Sep'15 (9M)</th> <th>Dec'14</th> <th>Dec'13</th> </tr> </thead> <tbody> <tr> <td>EPS:</td> <td>3.62</td> <td>0.25</td> <td>0.24</td> </tr> </tbody> </table>		Sep'15 (9M)	Dec'14	Dec'13	EPS:	3.62	0.25	0.24
	Sep'15 (9M)	Dec'14	Dec'13							
EPS:	3.62	0.25	0.24							
11	Sources of fund from which securities will be acquired.	The Company will use funds from its own sources as it has sufficient liquidity for this investment								

Sr. No.	No. of Shares	The information and particulars required
12	<p>Where the securities are intended to be acquired using borrowed funds,-</p> <p>(I) justification for investment through borrowings; and</p> <p>(II) detail of guarantees and assets pledged for obtaining such funds.</p>	Not Applicable.
13	Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment.	<p>The Company shall invest in the TFCs vide a TFC Investor Agreement. The TFC Investor Agreement shall be the same for all the investors of the TFC issue.</p> <p>The security for the TFC issue shall be vested in the Security Trustee through a Trust Deed to be executed between Issuer and Trustee to the issue.</p> <p>The security shall be created prior to the disbursement of the funds to JSCL as the issuer.</p> <p>The issuer shall have an option to call the outstanding TFCs, which option shall be exercisable in full at any time on a coupon payment date, subject to a 30 days' notice at a premium of 0.25% on the outstanding face value.</p> <p>The TFC shall be secured by way of pledge of the securities in a designated CDC account, which includes but not limited to the following shares along with the margin of 35%:</p> <ul style="list-style-type: none"> - TRG Pakistan Limited - Pakistan International Bulk Terminal Limited - IGI Insurance Limited - United Bank Limited <p>In the event of any sale and repurchase of securities, the Trustee will have a lien over subsequent cash, which is to be deposited in a specified bank account.</p>

Sr. No.	No. of Shares	The information and particulars required
14	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration.	JSCL holds 70.42% voting shares of JS Bank Limited which in turn holds 51.05% shares of the Company. However, all three companies i.e. JSGCL, JS Bank Limited and JSCL are listed on the Pakistan Stock Exchange and they have made all necessary disclosures on interests, if any, of the directors, sponsors, majority shareholders and their relatives, in these companies. There is no undisclosed, direct or indirect interest of any directors, sponsors, majority shareholders and their relatives, in the associated company except in their respective capacities mentioned above.
15	Any other important details necessary for the members to understand the transaction.	None
16	<p>In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely;-</p> <ul style="list-style-type: none"> (I) description of the project and its history since conceptualization; (II) starting and expected date of completion of work; (III) time by which such project shall become commercially operational; and (IV) expected time by which the project shall start paying return on investment. 	Not Applicable.

The Directors of the Company shall submit an undertaking to the shareholders at the AGM to be held on March 22, 2016 that they have carried out due diligence for the proposed investment and the due diligence report with signed recommendations of the Directors shall be available for inspection by the members at the AGM.

Information required under Regulation 4 of the Companies (Investment in Associated Companies or Associated Undertakings), Regulations, 2012, is as follow:-

Mr. Mahboob Ahmed, the Chairman of JSCL, the investee company holds 8,693 shares in the Company (JSGCL). Mr. Khurshid Hadi, Director of the Company holds 8,500 shares in JSCL, the investee company.

No other Director or sponsor of JSCL holds any shares of the Company and no other Director or sponsor of the Company holds any shares of JSCL.

JSCL holds 70.42% voting shares of JS Bank Limited and JS Bank Limited in turn holds 51.05% shares of the Company.

The interest of the Directors of the Company in the proposed investment is limited only to the extent of their being Directors of the Company.

Annual Financial Statements of JSCL shall be made available for inspection of the members at the AGM.

STATEMENT UNDER REGULATION 4(2) OF THE COMPANIES (INVESTMENT IN ASSOCIATED COMPANIES OR ASSOCIATED UNDERTAKINGS) REGULATIONS, 2012

The Company in its Extraordinary General Meeting held on December 05, 2014 has approved the investment of upto Rs 30 million in its capacity as a facilitator to the Market Maker, and also approved investment of upto Rs 7.5 million in the rated listed and secured term finance certificates (TFC VIII) issued by Jahangir Siddiqui & Co. Limited under section 120 of the Companies Ordinance, 1984, carrying a coupon of 6 month KIBOR plus 1.75% per annum for a maximum tenor of 5 years

S. No.	Name of Company	Amount of Investments approved	Amount of Investment made to date	Reason for not making investment
1	Jahangir Siddiqui & Co. Limited	37.5 million	30 million	The Company had other attractive investment avenues to invest in. As a result company did not invest in these TFC's.

Material change in financial statements since date of resolution passed on the basis of unaudited accounts	September 30, 2014	September 30, 2015
	a) Breakup value per share	PKR 24.6
b) Earnings per share	PKR 0.18	PKR 3.62
c) Net assets	PKR 18,809.3 million	PKR 23,908.6 million

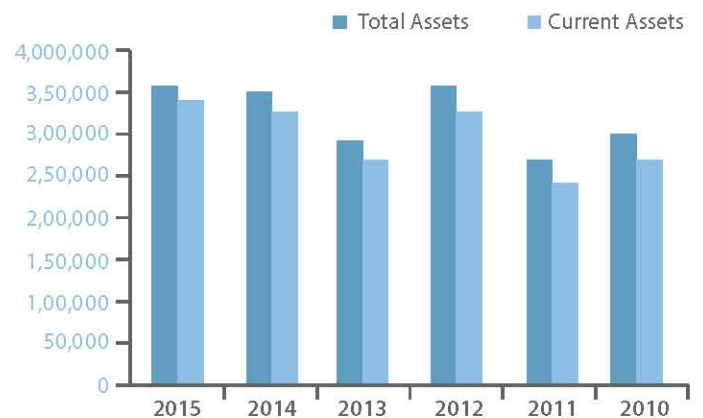
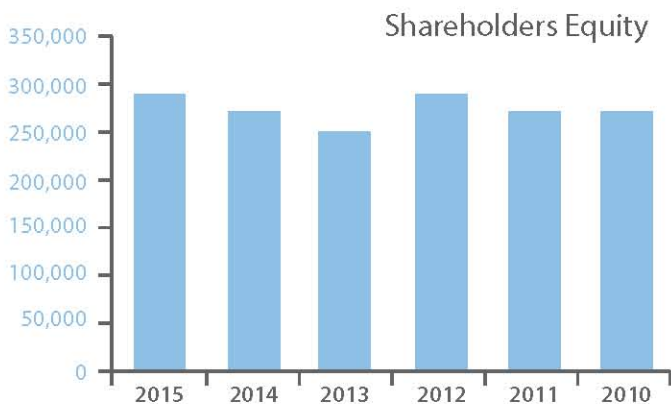
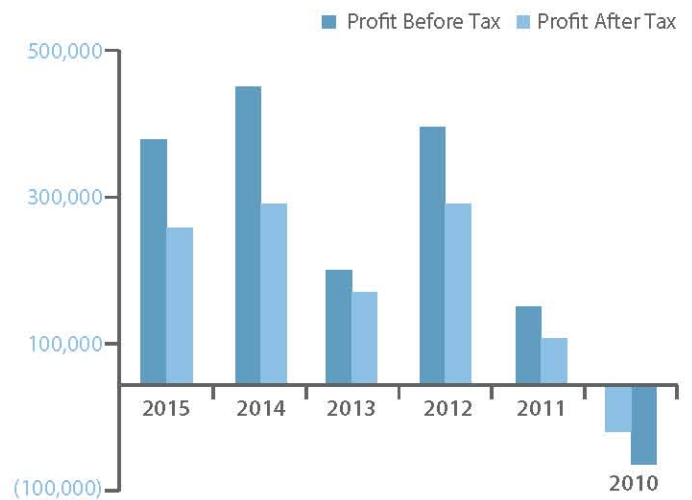
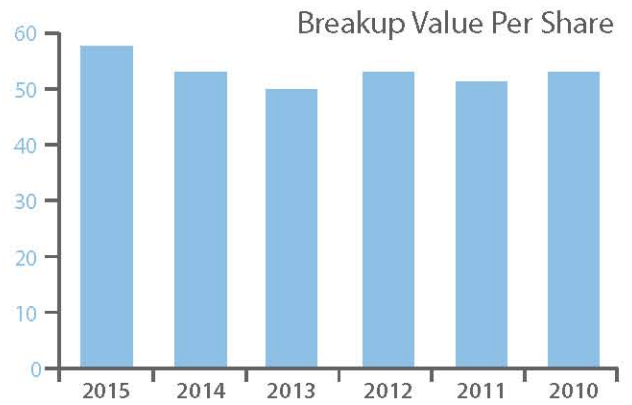
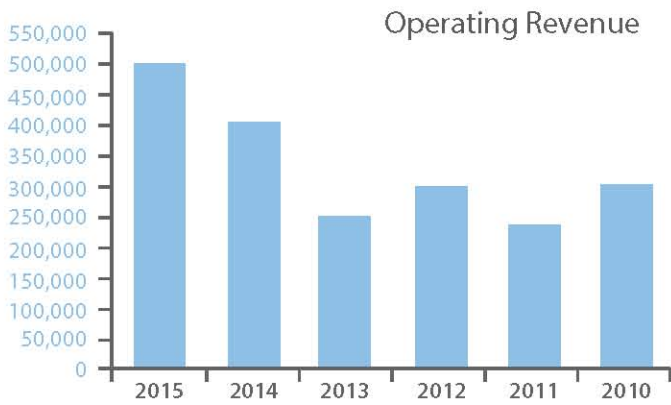
FINANCIAL HIGHLIGHTS

	2015Year ended.....December 31.....	2014Year ended.....December 31.....	2013Year ended.....December 31.....	2012Year ended.....December 31.....	2011Year ended June 30.....December 31.....	2010Year ended June 30.....December 31.....
Operating Performance (Rupees in 000)						
Operating Revenue	494,794	407,319	256,853	309,693	216,301	328,640
Operating expenses	472,708	367,639	296,404	446,003	329,061	354,439
Financial expenses	7,168	708	14,478	23,805	4,387	4,208
Other income	289,845	263,004	255,354	342,327	219,176	357,675
Profit / (loss) before tax	376,362	409,750	210,276	378,961	126,231	(59,017)
Profit / (loss) after tax	251,296	282,567	150,196	290,325	89,121	(77,357)
Per Ordinary Share (Rupees)						
Earnings / (loss) per share	5.03	5.65	3.00	5.81	1.78	(1.55)
Breakup value per share	57.7	52.5	50.72	54.21	51.91	55.20
Dividends (Percentage)						
Cash	-	10 (I)	35 (I)	20 (I)	-	-
	-	30 (I)	-	15 (I)	-	-
	-	-	-	30 (F)	-	50 (F)
Bonus shares	-	-	-	-	-	-
Assets & Liabilities (Rupees in 000)						
Total assets	3,532,593	3,427,368	2,859,282	3,572,377	2,856,118	3,078,232
Current assets	3,309,412	3,211,588	2,658,707	3,373,003	2,657,867	2,891,588
Current liabilities	647,256	801,107	323,428	861,718	260,855	317,919
Financial Position (Rupees in 000)						
Shareholders equity	2,885,337	2,626,261	2,535,854	2,710,658	2,595,263	2,760,312
Share capital	500,000	500,000	500,000	500,000	500,000	500,000
Reserves	2,385,337	2,126,261	2,035,854	2,210,658	2,095,263	2,260,312
Shares outstanding- (Numbers in 000)	50,000	50,000	50,000	50,000	50,000	50,000
Return on capital employed - (%)	8.71	10.76	5.92	10.71	3.43	(2.80)
Return on total assets - (%)	7.11	8.24	5.25	8.13	3.12	(2.51)
Current ratio-times	5.11	4.01	8.22	3.91	10.19	9.10

(I) Interim

(F) Final

Financial Highlights



Directors' Report

On behalf of the Board of Directors of JS Global Capital Limited, I am pleased to present the annual report and the audited financial information of the Company for the year ended December 31, 2015 together with the Auditors' report thereon.

The summarized results are set out below:

	Year ended December 31, 2015	Year ended December 31, 2014
	----- Rupees -----	
Profit before tax	376,361,637	409,749,562
Profit after tax	251,296,414	282,566,684
Earnings per share	5.03	5.65

Economic Review

During CY15, Pakistan's economy continued to show signs of improvement. Public sector and Chinese investors are leading the energy initiatives in the country. USD 46 billion worth China Pakistan Economic Corridor (CPEC) can prove to be a game changer for Pakistan's economic growth. Recent country's macroeconomic indicators are also very encouraging such as (1) CPI inflation clocked-in at a multi-decade low of 2.1% YoY in 1HFY16 compared to 6.1% YoY in 1HFY15, (2) Current Account deficit has shrunk to 0.9% of GDP in 1HFY16 vs. 1.8% in 1HFY15, (3) Foreign exchange reserves have jumped to all-time high levels of USD 21bn representing 5.5 months of import cover and (4) Fiscal deficit clocked-in at a much respectable figure of 5.3% in FY15

These factors had a positive effect on exchange rate parity and as a result, the State Bank of Pakistan (SBP) had cut the policy rate by 350 bps to 6%.

Equity Market Review

After three consecutive stellar years, the Pakistan Stock Exchange Limited (PSX) (formerly Karachi Stock Exchange Limited) took a breather in 2015 as the benchmark KSE-100 index notched up a modest 2.13% return for the year (Pak Rupee based), however outperforming regional average (home currency based) negative return of ~5%. Trading volumes also headed up in 2015 as KSE Average Daily Turnover (ADTO) stood at 247mn shares/day, +18.2% YoY and 53% higher than 5-year average of 161mn shares. The relatively unimpressive returns this year were largely driven by (1) meltdown in global equities and currencies, (2) heavy-weight oil stocks as they continued to be rattled by plunging international oil prices and (3) continuous selling by foreign investors.

However; the fundamentals of the stock market remain intact and it is trading at a significant discount as compared to the regional peers. Pakistan's probable reclassification into MSCI Emerging Market Index, progress on China-Pakistan economic corridor and macroeconomic growth can lead to strong returns at the bourse going forward, where any further correction in the market should be viewed by long-term investors as an opportunity to hunt value.

Foreign Exchange Market Review

During CY15, USD/PKR parity opened at 100.70 as compared to last year's opening of 105.58, reflecting an appreciation of 5% in PKR value. Highest USD/PKR parity as witnessed at 106.00 whereas lowest parity was witnessed at 100.55. USD/PKR closed CY15 at 104.74 compared to last year's closing of 100.46, a depreciation of 4% in PKR value.

Moreover, the average SWAPS in January for 1 Month, 3 Month & 6 Month were at 0.42, 1.03 & 1.97 paisas respectively. During CY15, there was an increase in SWAPS mainly in the month of March by 5 to 11 paisas in shorter tenures (1 month to 3 months) and by 12 to 22 paisas in longer tenures (4 months to 6 months). SWAPS premiums declined slightly during the month of April & May, however they recovered in July. At year end, SWAPS premium for 1 month, 3 months and 6 months closed at 0.40, 1.11 and 2.13 respectively.

Money Market Review

During CY15, SBP followed an accommodative monetary policy by cutting Discount Rate by 300 bps to 6.5% from 9.5% and policy rate by 350 bps to 6.0%. Consequently, the yield on T-bills declined by around 300 bps whereas, yield on PIBs witnessed a decline of 130-270 bps. Key factors that led to this monetary policy action was declining inflation and improvement in FX reserves coupled with largely contained fiscal position. Inflation as measured by CPI clocked in at 3.2% YoY for December 2015 compared to 3.96% YoY for the corresponding period last year.

During December 2015, government announced new taxation measures worth PKR 40 billion to augment its revenue collection. SBP Open Market Operations injections closed the month at Rs 1.3 trillion after hitting Rs 1.4 trillion during the month. During December 2015, SBP also conducted an auction of GOP Ijarah Sukuk and accepted PKR 118 billion against the target of PKR 100 billion at a profit rate of 6-Month T-bill minus 50 bps.

Commodities Market Review

During CY15, overall PMEX volumes witnessed a decline, where Gold and Crude oil remained the most actively traded commodities in CY15 at PMEX. Gold prices continued to decline in CY15 as well (CY15: ~20%; CY14: ~19%) owing to lower demand from China and India.

Furthermore, Future Contracts of Crude 10 Barrels & 100 Barrels were suspended due to liquidity issues, which resulted in loss of investor confidence and substantial decrease in volumes. However, Crude 100 Barrels contracts resumed after some time whereas Crude 10 Barrel Futures Contracts resumed in the month of December 2015. The Securities and Exchange Commission of Pakistan (SECP) also approved the listing of Red Chilli Weekly Futures Contract at Pakistan Mercantile Exchange (PMEX), thus making it the first 'spice' to be traded at the Exchange.

Overview of Financial Performance

The Directors are pleased to inform the shareholders that the Company has achieved PKR 251.29 million in net income for the year under consideration vis-à-vis PKR 282.56 million net income for the corresponding period last year.

Monetary impact of significant P&L items on the Company's bottom line is highlighted as under:

The Company earned operating revenue amounting to PKR 494.79 mn (vis-à-vis PKR 407.32 million in CY14) with PKR 452.92 mn and Rs. 41.87 mn contributed by brokerage (growth of 35% YoY) and Advisory income (decline of 42% YoY) respectively. Capital gain on sale of investments decreased by 37%. The slight decrease in overall net profit

is largely attributed to the net decrease in interest rate by 3%, whereby the yield on company's proprietary portfolio has decreased.

On cost front, the Company incurred PKR 472.7 mn (growth of 28% YoY) for the said year in respect of administrative and operating expenses while it provided PKR 125 mn in terms of taxes, about same as last year. There has been increase in the company's administrative expenses due to opening of four nationwide branches during the year due to company's focus to increase retail client base. The Earnings per Share (EPS) of the Company for the year stood at Rs. 5.03 against EPS of Rs. 5.65 for the corresponding period last year, reflecting a decline of 12%.

The Company is focused on maintaining its growth momentum in the long run. Management is acutely monitoring its resources to reap the maximum benefits for its shareholders. This involves optimizing revenue generation from treasury management, core brokerage and fee based operations whilst at the same time rationalizing our cost base.

Appropriation of Profits

Profit for the year ended, along with distributable profit at year-end, has been appropriated as follows:

	Year ended December 31, 2015	Year ended December 31, 2014
	----- Rupees -----	
Profit after tax	251,296,414	282,566,684
Un-appropriated profit brought forward	316,156,551	225,749,594
Profit available for appropriation	559,612,692	508,316,278
Appropriations		
Interim Dividend- First quarter for the FY 14 @Rs 1 per ordinary share	-	(50,000,000)
Interim dividend- Third quarter for FY14 @ Rs 3 per ordinary share	-	(150,000,000)
Other Comprehensive Income	7,779,334	7,840,273
Un-appropriated profit carried forward	<u>572,232,299</u>	<u>316,156,551</u>

The board of directors of the company has not considered any distribution to shareholders for the year ended December 31, 2015 on account of future liquidity requirements.

Corporate Governance

The Directors confirm compliance with the Corporate & Financial Reporting Framework of the Securities and Exchange Commission of Pakistan's ("SECP") Code of Corporate Governance for the following:

- The financial statements, prepared by the management of the Company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan have been followed in preparation of financial statements and any departures there from has been adequately disclosed and explained.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- Reasons for significant deviation from the last year's operating results have been explained in the relevant section of the Directors Report.
- There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations.
- Key operating and financial data of last six years has been given in this report.
- Information about outstanding taxes, duties, levies and charges is given in notes to the accounts.
- The Company operates an approved Contributory Provident Fund for its eligible employees. Value of investments as per un-audited financial statements for the year ended June 30, 2015 amounts to approximately Rs. 40.46 million (2014: Rs. 28.26 million Audited).
- No material changes and commitments affecting the financial position of your Company have occurred between the balance sheet date and the date of the Directors' Report.

The Board

The Board comprises of seven non-executive directors and the CEO. The Board includes a mix of directors with the right expertise and necessary experience required to fulfill their essential oversight roles. The Board values diversity of business skills and experience as the directors with diverse skill set, capabilities and experience gained from different geographic and cultural background is critical in today's competitive business environment.

The status of each directors whether executive, non-executive or independent has been disclosed in this report in accordance with the Code of Corporate Governance, 2012 ('the Code').

The positions of the Chairman and CEO are separate in line with the Code and best governance practices.

The Board has Audit, Executive and Human Resource and Remuneration Committees, which assist the Board in the performance of its functions.

Board Meetings and Attendance

During FY15, the Board of directors held 5 meetings. The attendance record of the directors is as follows:

S. No.	Name of Director	Eligibility	Meetings attended
1	Mr. Basir Shamsie	5	5
2	Mr. Muhammad Kamran Nasir (CEO)	5	5
3	Mr. Muhammad Yousuf Amanullah	5	5
4	Mr. Khurshid Hadi	5	5
5	Mr. Abdul Hamid Mihrez	5	5
6	Mr. Fouad Fahmi Darwish	5	3
7	Mr. Ammar Talib Hajeyah	5	3
8	Mr. Farid Arshad Masood	5	4

The Board Audit Committee

During FY15, the Board of Audit Committee held 4 meetings. The attendance record of the directors is as follows:

S. No.	Name of Director	Eligibility	Meetings attended
1	Mr. Basir Shamsie	4	4
2	Mr. Muhammad Yousuf Amanullah	4	4
3	Mr. Ammar Talib Hajeyah	4	2
4	Mr. Khurshid Hadi*	-	-

*Mr. Khurshid Hadi was appointed on December 23, 2015.

The Board Human Resource & Remuneration Committee

During FY15, the Board of Human Resource & Remuneration Committee held 5 meetings. The attendance record of the directors is as follows:

S. No.	Name of Director	Eligibility	Meetings attended
1	Mr. Muhammad Kamran Nasir	5	5
2	Mr. Muhammad Yousuf Amanullah	5	5
3	Mr. Abdul Hamid Mihrez	5	5
4	Mr. Basir Shamsie (by invitation)	5	5

Management Discussion of Financial Responsibility

The Company's management is responsible for preparing the financial statements and related notes contained in the Annual Report. The Audit Committee monitors and supervises the functions of the outsourced Internal Audit Department and assists the Board in monitoring and managing risks and internal controls. The internal audit adopts a risk based approach for planning and conducting business process audits, which is very much consistent with the established Framework. The Committee also reviews the performance of the Company's external auditors and recommends their appointment and the terms of their appointment.

The Audit Committee operates in accordance with the Code of Corporate Governance issued by the SECP. Terms of reference as approved by the Board sets out the scope of the Committee. The Committee comprises of four members, three being Non-Executive Directors while the Chairman is an independent director. Internal Audit function is outsourced to M/s Ernst & Young Ford Rhodes Sidat Hyder, which reports directly to the Chairman Audit Committee, and the Chief Financial Officer is invited to attend the meetings. The Committee held four meetings during the year. The external auditors were also in attendance to discuss specific issues. The financial statements of the company were reviewed by the Audit Committee before approval by the Board.

Auditors

The auditors M/s Deloitte Yousuf Adil (member firm of Deloitte) retire and are not considered for reappointment for the financial year 2016. The Audit Committee of the Board has recommended the appointment of the M/s Ernst & Young Ford Rhodes Sidat Hyder as statutory auditors of the company.

Pattern of Shareholding

Major shareholders of JS Global Capital Limited are JS Bank Limited (51.05%) and Global Investment House, Kuwait (43.47%). Other shareholders include local institutions and the general public.

A statement of the general pattern of shareholding along with pattern of shareholding of certain classes of shareholders whose disclosure is required under the regulatory framework and the statement of purchase and sale of shares by Directors, Executives and their spouses including minor children during 2015 is presented later in this report.

Credit Rating

The Pakistan Credit Rating Agency (PACRA) has maintained Company's long term and short term ratings at AA (Double A) and A1+ (A one plus), respectively, for FY14. These ratings reflect the Company's sound financial position resulting from robust capital structure, improved profitability and denotes a low expectation of credit risk and strong capacity for timely payments of financial commitments.

Future Outlook

With the strength that our balance sheet and reserves have to offer and our constant desire to achieve steady and tangible growth, we will continue to strengthen and improve our services as well as create new financial products and services. In spite of the numerous challenges being faced by the country and the economy, we are confident that the Company will maintain its growth momentum in the long run and continue to build shareholder value, as it always has in the past.

Irrespective of the challenges being faced, your Company plans on maintaining its focus on institution building by continuously strengthening its core business units, increasing market share in all departments and constantly remaining in search of innovative financial products and services.

Acknowledgement

We express our sincerest appreciation to our employees for their dedication and hard work and to our clients, business partners and shareholders for their support and confidence.

The Board also takes this opportunity to express its gratitude to all the employees of JS Global Capital Limited for their untiring efforts that enabled the management to achieve a growth of 21% in fee based income.

We would like to acknowledge the Securities and Exchange Commission of Pakistan, Central Depository Company of Pakistan Limited, National Clearing Company of Pakistan Limited and the management of Pakistan Stock Exchange Limited for their efforts to strengthen the Capital Markets and measures to protect investor rights.

For and on behalf of the
Board of Directors

Karachi: February 11, 2016

Basir Shamsie
Chairman

ہم اپنے ملازمین کی انتھک محنت اور کوششوں کو خلوص دل سے سراہتے ہیں۔ اس سلسلے میں حمایت اور اعتماد کے لئے ہم اپنے کلائنٹس، کاروباری شریک کار اور حصص یافتگان کے بھی مشکور ہیں۔

بورڈ JS گلوبل کیپٹل لمیٹڈ کے تمام ملازمین کی انتھک کوششوں کا بھی شکر گزار ہے جنہوں نے فیس کی بنیاد پر آمدنی میں (21 فیصد) تک اضافے میں مدد دی۔

ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP)، سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ، پبلسٹیٹل کلیرنگ کمپنی آف پاکستان لمیٹڈ اور پاکستان اسٹاک ایکسچینج کی انتظامیہ کو بھی کیپٹل مارکیٹ مستحکم کرنے اور سرمایہ کاروں کے حقوق کے تحفظ کے لئے اقدامات کرنے پر سراہتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

پابرسہی

چیرمین

کراچی: 11 فروری، 2016

مالی زمرے داری کے حوالے سے انتظامی گتنگو

کمپنی کی انتظامیہ مالیاتی اسٹیمٹس بشمول نوٹس اور سالانہ رپورٹ کی تیاری کی ذمہ دار ہے۔ آڈٹ کمیٹی بیرونی طور پر انٹرنل آڈٹ ڈپارٹمنٹ کے امور کی نگرانی اور دیکھ بھال کرتی ہے، اس کے علاوہ رسک مینجمنٹ اور اندرونی کنٹرول کی نگرانی میں بورڈ کی مدد بھی کرتی ہے۔ انٹرنل آڈٹ برنس پروس آڈٹس کی انجام دہی اور منصوبہ بندی کے لئے ریسک بیسڈ اپروچ (RISK BASED APPROACH) کا طریقہ کار استعمال کرتا ہے، جو مقرر شدہ طریقہ نظام کے عین مطابق ہے۔ کمیٹی کمپنی کے بیرونی آڈیٹرز کی کارکردگی کا جائزہ بھی لیتی ہے اور ان کی تقرری اور تقرری کی شرائط بھی تجویز کرتی ہے۔

آڈٹ کمیٹی سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے جاری کردہ کوڈ آف کارپوریٹ گورننس کے مطابق امور کی انجام دہی کرتی ہے۔ بورڈ کے ذریعے منظور کردہ ضوابط کمیٹی کے مقصد حاصل کرنے میں مددگار ہوتی ہیں۔ کمیٹی چار ممبرز پر مشتمل ہے، جن میں تین نان۔ ایگزیکٹو ڈائریکٹرز اور ایک آڈیٹرز (چیرمین) شامل ہوتا ہے۔ اندرونی آڈٹ کے امور بیرونی طور پر ایم/ایس آر سنٹ اینڈ بیگ فور ڈیوڈ زسڈ ات حیدر کو دیئے گئے، جو چیرمین آڈٹ کمیٹی کو براہ راست رپورٹ کرتے ہیں، اور چیف فنانسل آفیسر کو اجلاس میں شرکت کے لئے مدعو کیا جاتا ہے۔ کمیٹی نے دوران سال چار اجلاس کا انعقاد کیا۔ خصوصی امور پر گتنگو کے لئے بیرونی آڈیٹرز بھی اجلاس میں شریک تھے۔ بورڈ کی منظوری سے قبل آڈٹ کمیٹی نے کمپنی کی مالی اسٹیمٹس کا جائزہ لیا۔

آڈیٹرز

آڈیٹرز ایم/ایس ڈی اینٹ یوسف عادل (ڈیپلٹ کی ممبر فرم) ریٹائر ہو چکے ہیں اور مالی سال 2016 کے لئے انہیں مقرر نہیں کیا گیا۔ بورڈ کی آڈٹ کمیٹی نے ایم/ایس آر سنٹ اینڈ بیگ فور ڈیوڈ زسڈ ات حیدر کو کمپنی کے قانونی آڈیٹرز کے طور پر تاحد کیا ہے۔

شیر ہولڈنگ کے طرز

JS گلوبل کنپیل لمیٹڈ کے بڑے حصص یافتگان میں JS بینک لمیٹڈ (51.05 فیصد) اور گلوبل انوسٹمنٹ ہاؤس، کویت (43.47 فیصد) شامل ہیں۔ دیگر حصص یافتگان میں مقامی ادارے اور عام عوام شامل ہیں۔

سال 2015 میں جنرل پینن شیر ہولڈنگ کی اسٹیمٹ اور اس کے ساتھ مخصوص طبقے کے شیر ہولڈرز کے پینن، جس کا ڈسکلورڈ قانونی قواعد و ضوابط کے تحت لازمی ہے اور ڈائریکٹرز، ایگزیکٹو اور ان کے شریک حیات بشمول ان کے کم عمر بچوں کے لئے حصص کی خرید و فروخت کی اسٹیمٹس اس رپورٹ کے اختتام میں پیش کی گئی ہیں۔

کریڈٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی (پاکرا) نے کمپنی کو طویل مدت اور قلیل مدت کے لئے مالی سال 2014 کے لئے بالترتیب AA (ڈبل اے) اور A1 (اے ون پلس) ریٹنگ دی۔ یہ ریٹنگوں نہ صرف کمپنی کی مستحکم مالی صورت حال کو ظاہر کرتی ہیں جو مضبوط سرمائے اور بہتر نفع کے باعث ممکن ہو بلکہ قرضوں سے ہونے والے خطرات میں کمی اور مالی طور پر کئے گئے وعدوں کے سلسلے میں بروقت ادائیگی کو بھی ظاہر کرتی ہیں۔

مستقبل کے امکانات

اپنی پلینس شیٹ اور زخانہ کے استحکام، مستقل اور ترقی کی خواہش کے ساتھ ساتھ ہم نئی مالی پروڈکٹس اور خدمات کی تخلیق کے لئے کوشاں رہیں گے اور اس میں مزید بہتری اور استحکام لاتے رہیں گے۔ ملکی اور معاشی سطح پر متعدد چیلنجز کا سامنا کرنے کے باوجود ہم پراعتماد ہیں کہ کمپنی حصص کی قدر میں اضافے کے لئے ترقی اور فروغ کا سفر جاری رکھے گی، جیسا کہ ماضی میں ہمیشہ سے کمپنی کا شعار رہا ہے۔

کمپنی کے لئے درپیش چیلنجز کو بالائے طاق رکھتے ہوئے، آپ کی کمپنی کی توجہ اپنے بنیادی کاروباری پیش کو مسلسل مضبوط کرنے کے ساتھ ساتھ اداروں کی تعمیر پر مرکوز ہے اور تمام ڈپارٹمنٹس کے لئے مارکیٹ شیر میں اضافے کے علاوہ جدید اور نئی مالی پروڈکٹس اور خدمات کی مسلسل تلاش کے لئے بھی کوشاں ہے۔

مالی سال 2015 کے دوران بورڈ آف ڈائریکٹرز نے پانچ اجلاس کا انعقاد کیا۔ ڈائریکٹرز کی حاضری کاریکارڈ درج ذیل ہے:

سیریل نمبر	ڈائریکٹر کا نام	میٹنگ میں شرکت کی اہلیت	میٹنگ میں شرکت
1-	جناب باہر شمشی	5	5
2-	جناب محمد کامران ناصر (چیف ایگزیکٹو آفیسر)	5	5
3-	جناب محمد یوسف امان اللہ	5	5
4-	جناب خورشید ہادی	5	5
5-	جناب عبدالجلمد مہریز	5	5
6-	جناب فوؤدی ورویش	5	3
7-	جناب عمار طالب حاجیہ	5	3
8-	جناب فرید ارشد مسعود	5	4

بورڈ آڈٹ کمیٹی

مالی سال 2015 کے دوران بورڈ آف آڈٹ کمیٹی نے 14 اجلاس منعقد کئے۔ ڈائریکٹرز کی حاضری کاریکارڈ درج ذیل ہے۔

سیریل نمبر	ڈائریکٹر کا نام	میٹنگ میں شرکت کی اہلیت	میٹنگ میں شرکت
1-	جناب باہر شمشی	4	4
2-	جناب محمد یوسف امان اللہ	4	4
3-	جناب عمار طالب حاجیہ	4	2
4-	جناب خورشید ہادی*	-	-

* جناب خورشید ہادی کا تقرر 23 دسمبر 2015 کو کیا گیا۔

بورڈ ہیومن ریسورس اینڈ ریویژن کمیٹی

مالی سال 2015 کے دوران بورڈ آف ہیومن ریسورس اینڈ ریویژن کمیٹی نے پانچ اجلاس کا انعقاد کیا۔ ڈائریکٹرز کی حاضری کاریکارڈ درج ذیل ہے۔

سیریل نمبر	ڈائریکٹر کا نام	میٹنگ میں شرکت کی اہلیت	میٹنگ میں شرکت
1-	جناب محمد کامران ناصر	5	5
2-	جناب محمد یوسف امان اللہ	5	5
3-	جناب عبدالجلمد مہریز	5	5
4-	جناب باہر شمشی (بذریعہ دعوت شرکت)	5	5

کارپوریٹ گورننس

ڈائریکٹرز درج ذیل کیلئے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے کوڈ آف کارپوریٹ گورننس کے کارپوریٹ اینڈ فنانشل رپورٹنگ فریم ورک کی تعمیل کی تصدیق کرتے ہیں۔

- کمپنی کی انتظامیہ کی تیار کردہ مالیاتی اسٹیٹمنٹس کاروباری عملدرآمد کے نتائج، کیش کی روانی، سرمائے میں تبدیلی اور کاروباری معاملات کو شفافیت سے ظاہر کرتی ہیں۔
- کمپنی کے اکاؤنٹ کی کتابیں مناسب طریقے سے معین کی گئی ہیں۔
- مالیاتی اسٹیٹمنٹس کی تیاری میں مناسب اکاؤنٹنگ حکمت عملی پر مسلسل عملدرآمد کیا گیا ہے اور اکاؤنٹنگ کیلئے تخمینے معقول حد تک محتاط تجربے کی بنیاد پر ہیں۔
- مالیاتی اسٹیٹمنٹس کی تیاری کیلئے پاکستان میں قابل اطلاق انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز اختیار کئے گئے اور کسی بھی قسم کے انحراف کو مناسب طریقے سے ظاہر اور بیان کیا گیا ہے۔
- اندرونی کنٹرول کا نظام مستحکم ہے، اس پر مؤثر طریقے سے عملدرآمد اور نگرانی کی گئی ہے۔
- فعال بزنس کو جاری رکھنے کیلئے کمپنی کی صلاحیت سے متعلق کوئی شبہ نہیں ہے۔
- گزشتہ سال کی آپریٹنگ آمدنی کے نتائج سے تبدیلی کی وجوہات ڈائریکٹرز رپورٹ کے متعلقہ سیکشن میں بیان کر دی گئی ہیں۔
- کارپوریٹ گورننس کے بہترین ضابطہ عمل سے کچھ بھی انحراف نہیں کیا گیا ہے، جس کی تفصیلات لسٹنگ ریگولیشنز میں موجود ہیں۔
- گزشتہ چھ سالوں کی اہم آپریٹنگ اور فنانشل معلومات اس رپورٹ میں بیان کر دی گئی ہیں۔
- واجب الادا ڈیبٹس، ڈیویڈنڈ، عائد کردہ محصول اور چارجز سے متعلق معلومات اکاؤنٹس کے نوٹس میں دی گئی ہیں۔
- کمپنی اپنے اہل ملازمین کو منظور کردہ سرمایہ کفالت بھی فراہم کرتی ہے۔ 30 جون، 2015 کو ختم ہونے والے سال کیلئے بغیر آڈٹ فنانشل اسٹیٹمنٹس کے مطابق سرمایہ کاری کی قدر تقریباً 40.46 بلین روپے ہے (جو 2014 میں آڈٹ شدہ 28.26 بلین روپے تھی)۔
- بیلس شیٹ کی تاریخ اور ڈائریکٹرز رپورٹ کے دوران کوئی واضح تبدیلی اور ذمہ داریاں کمپنی کے مالی استحکام پر اثر انداز نہیں ہوئی ہیں۔

بورڈ

بورڈ سات نان-ایگزیکٹو ڈائریکٹرز اور ایک چیف ایگزیکٹو آفیسر پر مشتمل ہے۔ اپنے اہم امور کی انجام دہی کیلئے ضروری درکار تجربے اور مہارت کی بنیاد پر بورڈ میں مختلف ڈائریکٹرز شامل ہیں۔ بزنس میں مختلف مہارت اور تجربے کو بورڈ خاص اہمیت دیتا ہے کیونکہ آج کے اس مسابقتی کاروباری ماحول میں ڈائریکٹرز کیلئے ضروری ہے کہ وہ متنوع مہارت، اہلیت اور تجربے کے حامل ہوں، جو مختلف جغرافیائی اور ثقافتی پس منظر سے حاصل کیا گیا ہو۔ ہر ڈائریکٹر کا منصب خواہ وہ ایگزیکٹو، نان-ایگزیکٹو یا آزاد ہوں، کوڈ آف کارپوریٹ گورننس، 2012 ('دی کوڈ') کے مطابق اس رپورٹ میں بیان کر دیا گیا ہے۔

چیئرمین اور چیف ایگزیکٹو آفیسر کی پوزیشن کوڈ اور بیسٹ گورننس پریکٹسز کے مطابق علیحدہ ہیں۔

بورڈ میں آڈٹ، ایگزیکٹو اور ہونری ریسورس اینڈ ریفرنس کمیٹیوں موجود ہیں جو بورڈ کی تمام امور کی انجام دہی میں مدد کرتی ہیں۔

کمپنی کے اہم نفع و نقصان کے مالیاتی اثرات پر ڈیل میں روشنی ڈالی گئی ہے۔

کمپنی نے 494.79 ملین پاکستانی روپے کی آپریٹنگ آمدنی حاصل کی۔ (جو سال 2014 میں 407.32 ملین پاکستانی روپے تھی) جس میں بالترتیب 452.92 ملین پاکستانی روپے اور 41.87 ملین پاکستانی روپے کی شراکت بروکرینج (35% سال بسال کا اضافہ) اور ایڈوائزی آمدنی (42% سال بسال کی کمی) شامل ہے۔

سرمایہ کاری کی خرید و فروخت پر حاصل سرمائے میں 37% تک کمی ہوئی۔

رواں سال کی خالص آمدنی میں معمولی کمی کی اہم وجہ انٹرسٹ ریٹ میں 3% سے کمی اور کمپنی کے پروپرائیٹری پورٹ فولیو پر پیبلڈ میں کمی رہی۔

سامنے آنے والی لاگتوں میں کمپنی کو مذکورہ سال کیلئے انتظامی اور آپریٹنگ اخراجات کے حوالے سے 472.7 ملین (28% سال بسال کا اضافہ) برداشت کرنے پڑے، جبکہ اس نے 125 ملین پاکستانی روپے ٹیکسز کے حوالے سے فراہم کئے جو تقریباً گزشتہ سال کے برابر ہے، کمپنی کے انتظامی اخراجات میں اضافہ دوران سال چارجز برائے کھلنے کی وجہ سے ہوا ہے کیونکہ کمپنی کی توجہ اپنی ریٹیل کلائنٹس کو بڑھانے پر مرکوز ہے

کمپنی کی ارننگ پریشر (EPS) برائے موجودہ سال 5.03 روپے ہے، EPS گزشتہ سال اسی مدت کیلئے 5.65 روپے تھی، جو 12% کمی ظاہر کرتی ہے۔

کمپنی کی توجہ طویل عرصے تک ترقی کی رفتار برقرار رکھنے پر مرکوز ہے۔ انتظامیہ اپنے وسائل کی سختی سے جانچ کر رہی ہے تاکہ اس کے شیئر ہولڈرز کو زیادہ سے زیادہ فائدہ حاصل ہو۔ اس میں امور خزانہ کی طرف سے محصول آمدن کا صحیح استعمال، بروکرینج اور فی بیڈڈ آپریٹرز اور بیک وقت اخراجات کی بنیاد کو درست رکھنا بھی شامل ہے۔

منافع کی تخصیص

سال بختمہ کا منافع جمع سال کے اختتام پر قابل تقسیم منافع کی مدد بندی درج ذیل ہے۔

31 دسمبر 2014 کو ختم ہونے والا سال	31 دسمبر 2015 کو ختم ہونے والا سال	
282,566,684	251,296,414	منافع بعد از ٹیکس
225,749,594	316,156,551	ابتدائی غیر تخصیص شدہ منافع
508,316,278	559,612,692	تخصیص کرنے کیلئے دستیاب منافع
		تخصیص
(50,000,000)	-	عبوری ڈیویڈنڈ۔ مالیاتی سال 2014 کی پہلی سہ ماہی کے لئے 1 روپیہ فی عام حصص پر
(150,000,000)	-	عبوری ڈیویڈنڈ۔ مالیاتی سال 2014 کی تیسری سہ ماہی کیلئے 3 روپیہ فی عام حصص پر
7,840,273	7,779,334	دیگر وسیع آمدنی
<u>316,156,551</u>	<u>572,232,299</u>	اختتامی غیر تخصیص منافع

مستقبل میں ممکنہ کوئی بھی کی ضروریات کو مد نظر رکھتے ہوئے کمپنی کے بورڈ آف ڈائریکٹرز نے 31 دسمبر 2015 کو ختم ہونے والے مالیاتی سال کیلئے شیئر ہولڈرز کو منافع کی کوئی تقسیم نہیں کی۔

قارن آپھنچ مارکیٹ کا جائزہ

سال 2015 کے دوران، امریکی ڈالر پاکستانی روپے کے درمیان آپھنچ ریٹ کا آغاز 100.70 کے ساتھ ہوا، جو گذشتہ سال اس مدت میں 105.58 تھا۔ جو پاکستانی روپے میں 5% کا اضافہ ظاہر کرتا ہے۔ امریکی ڈالر پاکستانی روپے کے درمیان زیادہ سے زیادہ آپھنچ ریٹ 106.00 روپے دیکھنے میں آیا جبکہ کم سے کم آپھنچ ریٹ 100.55 روپے نظر آیا اور 31 دسمبر 2015 کو 104.74 روپے پر بند ہوا جبکہ گذشتہ سال اسی مدت میں 100.46 روپے پر بند ہوا تھا جو روپے کی قدر میں تقریباً 4% کی ظاہر کرتا ہے۔

مزید برآں، جنوری میں اوسط SWAPS ایک ماہ، تین ماہ اور چھ ماہ کیلئے بالترتیب 1.03، 0.42 اور 1.97 پیسہ تھے۔ سال 2015 میں SWAPS میں اضافہ ہوا بالخصوص مارچ کے مہینے میں مختصر ترین مدت (ایک ماہ سے تین ماہ) میں تقریباً 5 سے 11 پیسہ اور طویل مدت (4 ماہ سے 6 ماہ) میں 12 سے 22 پیسہ اضافہ ہوا۔ اگرچہ SWAPS پر بحکم میں اپریل اور مئی کے مہینوں میں کمی دیکھنے میں آئی لیکن جولائی میں دوبارہ بڑھ گئی۔ سال کے آخر میں، SWAPS پر بحکم 3.1 اور 6 ماہ کیلئے بالترتیب 0.40، 1.11 اور 2.13 پیسہ پر بند ہوئے۔

مٹی مارکیٹ کا جائزہ

سال 2015 کے دوران، اسٹیٹ بینک آف پاکستان نے ڈسکاؤنٹ ریٹ میں 300 بی پی ایس کی یعنی 9.5% سے 6.5% اور پالیسی ریٹ کو 350 بی پی ایس سے کم کر کے 6% تک کرتے ہوئے اکاموڈیٹو مانیٹری پالیسی پر عمل کیا۔ نتیجتاً، T-bills پر سیلڈ میں 300 بی پی ایس کی ہوئی جبکہ PIBs پر سیلڈ میں 130 سے 270 بی پی ایس کی کمی دیکھنے میں آئی۔ اس مانیٹری پالیسی پر عمل درآمد کرانے والے بنیادی حصار میں افراط زر میں کمی، زرمبادلہ کے ذخائر میں بہتری سے مالی حالت میں ہونے والی بہتری شامل ہیں۔ دسمبر میں 3.2% افراط زر ریکارڈ کی گئی جو اسی مدت کیلئے گذشتہ سال 3.96% تھی۔

دسمبر 2015 کے دوران، حکومت نے آمدنی کے اہداف میں اضافے کیلئے 40 بلین پاکستانی روپے کی مالیت کے نئے ٹیکس اقدامات کا اعلان کیا۔ اسٹیٹ بینک آف پاکستان کے اوپن مارکیٹ آپریشنز مہینے کے دوران 1.4 ٹریلین روپے تک پہنچنے کے بعد مہینے کے اختتام پر 1.3 ٹریلین روپے پر بند ہوئے۔ دسمبر 2015 کے دوران، اسٹیٹ بینک آف پاکستان نے GOP اجارہ سلوک کی نیلامی بھی کی اور 6 ماہ کے T-bill آئٹس 50 بی پی ایس کے منافع کی شرح پر 100 بلین پاکستانی روپے کے ہدف کے مقابلے میں 118 بلین پاکستانی روپے قبول کئے۔

کمبوڈی مارکیٹ کا جائزہ

سال 2015 کے دوران، مجموعی PMEX حجم میں کمی دیکھنے میں آئی جہاں سونے اور خام تیل میں نمایاں تجارت نظر آئی سونے کی قیمتوں میں بھی سال 2015 میں کمی کا رجحان جاری رہا (سال 2015: 20%؛ سال 2014: 19%) جس کی بنیادی وجہ چین اور ٹائی کی قیمتی دھاتوں کی طلب میں کمی ہے۔

مزید برآں؛ نیکیوڈی کے مسائل کی وجہ سے، 10 پیرلز اور 100 پیرلز کے خام تیل کے معاہدے ملتوی ہو گئے جس کی وجہ سے سرمایہ کاروں کے اعتماد کو نقصان پہنچا اور حجم میں حقیقی کمی ہوئی تاہم؛ 100 پیرلز خام تیل کے معاہدے کچھ عرصے بعد پھر شروع کر دیئے گئے تھے 10 پیرلز خام تیل کے معاہدے دسمبر 2015 میں دوبارہ شروع ہوئے۔ سیکورٹیز اینڈ آپھنچ کمیشن آف پاکستان (SECP) نے پاکستان مرکنگ ایکسچینج (PMEX) کی فہرست پر ریڈ ہلی دیکھی نیوچر زکائٹریکٹ کی بھی منظوری دی، اس طرح اسے آپھنچ پر تجارت کیلئے جانچوالا پہلا "اسپاس" بھی بنا دیا ہے۔

مالیاتی کارکردگی کا جائزہ

ڈائریکٹران شیئرز ہولڈرز کو بخوشی مطلع کرتے ہیں کہ کمپنی نے ذریعہ سال کیلئے 251.29 بلین پاکستانی روپے کی خالص آمدنی حاصل کی گذشتہ سال اسی مدت کیلئے خالص آمدنی 282.56 بلین پاکستانی روپے تھی۔

ڈائریکٹرز رپورٹ

JS گلوبل کیپٹل لیمنڈ کے بورڈ آف ڈائریکٹرز کی جانب سے میں، بخوشی 31 دسمبر 2015 کو ختم ہونے والے سال کیلئے کمپنی کی سالانہ رپورٹ اور آڈٹ شدہ مالیاتی تفصیلات، بیج آڈیٹران کی رپورٹ پیش کرتا ہوں۔

نتیجہ کا خلاصہ ذیل میں پیش کیا جاتا ہے۔

31 دسمبر 2015 کو ختم ہونے والا سال	31 دسمبر 2014 کو ختم ہونے والا سال	
376,361,637	409,749,562	منافع قبل از ٹیکس
251,296,414	282,566,684	منافع بعد از ٹیکس
5.03	5.65	نی حصص منافع

معاشی جائزہ

سال 2015 کے دوران، پاکستان کی معیشت میں مسلسل بہتری دیکھنے میں آئی۔ پبلک سیکٹور اور چھٹی سرمایہ کار ملک میں توانائی کے اقدامات میں نمایاں کردار ادا کر رہے ہیں۔ 46 بلین امریکی ڈالر کی لاگت پر مشتمل چائنا پاکستان اکنامک کوریڈور (CPEC) پاکستانی معیشت کی ترقی میں حیران کن تہدیلی کا موجب ہو سکتا ہے۔ ملک کی حالیہ معاشیاتی علامات بہت حوصلہ افزا ہیں جیسے کہ (1) CPI افراط زر میں سال 2015 کی پہلی ششماہی کی 6.1% سال بسال کے مقابلے میں 2016 کی پہلی ششماہی میں کثیر دہائیوں کی کم ترین سطح 2.1% سال بسال ریکارڈ کی گئی (2) کرنٹ اکاؤنٹ خسارہ سال 2015 کی پہلی ششماہی کے 1.8% سال بسال کے مقابلے میں 2016 کی پہلی ششماہی میں GDP کے 0.9% تک سکڑ گیا ہے۔ (3) زرمبادلہ کے ذخائر 21 بلین امریکی ڈالر کی بلند ترین سطح پر پہنچ گئے ہیں جو 5.5 ماہ کے امپورٹ کے متبادل ہیں۔ (4) مالیاتی خسارہ برائے مالیاتی سال 2015 کافی بہتر ہندسوں 5.3% ریکارڈ کیا گیا۔

ان علامات نے ایک پیچھے ریٹ پر مثبت اثر ڈالا جس کے نتیجے میں اسٹیٹ بینک آف پاکستان (SBP) نے پالیسی ریٹ 350 بی پی ایس سے کم کر کے 6% تک کر دیا۔

ایکویٹی مارکیٹ کا جائزہ

تین مسلسل شاندار سالوں کے بعد، پاکستان اسٹاک ایکسچینج لیمنڈ (PSX) (سابقہ کراچی اسٹاک ایکسچینج لیمنڈ) نے 2015 میں کچھ کمی آئی جس سے KSE-100 ایکس سال کیلئے (پاکستانی روپے کی بنیاد پر) 2.13% کے معتدل ریٹرن کی سطح پر پہنچا، بہر کیف یہ علاقائی اوسط (ہوم کرنسی کی بنیاد پر) 5% کے منفی ریٹرن سے نسبتاً بہتر تھا۔ تجارت کا حجم بھی 2015 میں بڑھا جس سے KSE ڈیلی ایوریج ٹرن اور (ADTO) 247 ملین شیئرز کی دن +18.2% سال بسال اور 5 سال کے اوسط 161 ملین شیئرز سے 53% زیادہ رہا۔ KSE پر نسبتاً غیر متاثر کن ریٹرنز کے بڑے اسباب یہ ہیں: (1) عالمی ایکویٹیز اور کرنسیوں کی قدر میں کمی (2) بین الاقوامی مارکیٹ میں تیل کی قیمتوں کے گرنے کی وجہ سے یہودی ویٹ آئل کے اسٹاکس میں انتشار (3) غیر ملکی سرمایہ کاروں کی جانب سے مسلسل فروخت۔

تاہم، اسٹاک مارکیٹ کی بنیادیں قائم ہیں اور یہ علاقائی حربوں کے مقابلے میں خاطر خواہ رعایتوں پر تجارت کر رہی ہے۔ MSCI کی ایمرجنگ مارکیٹ انڈیکس کے طور پر پاکستان کی درجہ بندی، چائنا۔ پاکستان اکنامک کوریڈور اور معاشیاتی ترقی بحالی کی جانب لے جا سکتی ہے اور آسٹریلیا، بہتری نظر آئے گی کیونکہ طویل المدتی سرمایہ کار کے لئے یہ قدر کی تلاش کا موقع اور زیادہ فائدہ دینے والی اسٹاک ثابت ہوگی۔

Statement of Compliance with the Code of Corporate Governance [See clause (5.19.23)]

Name of Company JS Global Capital Limited (or 'Company')
Year Ended December 31, 2015

This statement is being presented to comply with the Code of Corporate Governance ('CCG') contained in Regulation No. 5.19.23 of Listing Regulations of Pakistan Stock Exchange Limited for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of Corporate Governance.

The Company has applied the principles contained in the CCG in the following manner:

1. The Company encourages representation of independent non-executive Directors and Directors representing minority interests on its Board of Directors. At present, the Board includes:

Category	Names
Independent Directors	a) Mr. Farid Arshad Masood b) Mr. Khurshid Hadi
Executive Director	c) Mr. Muhammad Kamran Nasir
Non-Executive Directors	d) Mr. Basir Shamsie e) Mr. Muhammad Yousuf Amanullah f) Mr. Fouad Fahmi Darwish g) Mr. Ammar Talib Hajeyah h) Mr. Abdul Hamid Mihrez

All the independent Directors meets the criteria of independence under clause i (b) of the CCG.

2. The Directors have confirmed that none of them is serving as a director on more than seven listed companies including JS Global Capital Limited. Further, the Directors have confirmed that they are not director of any other listed company as required u/s 187 clause (j) of the Companies Ordinance, 1984.
3. All the resident Directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a Stock Exchange, has been declared as a defaulter by that Stock Exchange.

4. No casual vacancy occurred during the year ended December 31, 2015.
5. The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
6. The Board has developed a vision and mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive Directors have been taken by the Board / shareholders.
8. The meetings of the Board were presided over by the Chairman and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings except in the case of an emergent meeting in accordance with the articles of association. The minutes of the meetings were appropriately recorded and circulated.
9. The Board had arranged Orientation Courses for its Directors from a recognized firm of Chartered Accountants (who are also statutory auditors of the Company). The Board has also arranged Directors' Training Program for two of its Directors from the recognized institution of Pakistan that meet the criteria specified by the SECP. All the Directors on the Board are fully conversant with their duties and responsibilities as Directors of the Company.
10. The Board has, during the year, approved the appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms of conditions of employment.
11. The Directors' Report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
13. The Directors, CEO and executives do not hold any interest in the shares of the Company other than those disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the CCG.
15. The Board has formed an Audit Committee. It comprises of four Non-Executive Directors including the Chairman. Chairman of the Audit Committee is an independent, non-executive director.
16. The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the CCG. The terms of reference of the Committee have been formed and advised to the Committee for compliance.
17. The Board has formed the Human Resource and Remuneration Committee. It comprises of three members with majority of Non-Executive Directors including the Chairman of the Committee.
18. The Company has outsourced the internal audit function to M/s Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants, who are considered suitably qualified and experienced for the purpose and are

conversant with the policies and procedures of the Company. The Company has designated a full time employee other than CFO, as Head of Internal Audit, to act as coordinator between M/s Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants and the Board.

19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by Institute of Chartered Accountants of Pakistan.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Listing Regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The "Closed Period" prior to the announcement of interim/ final results, and business decisions, which may materially affect the market price of Company's securities, was determined and intimated to Directors, employees and stock exchanges.
22. Material / price sensitive information has been disseminated among all market participants at once through Stock Exchanges.
23. We confirm that all other material principles enshrined in the CCG have been complied with.

For and on behalf of the
Board of Directors

Basir Shamsie
Chairman

Karachi: February 11, 2016

Review Report to the Members on the Statement of Compliance with the code of Corporate Governance

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of JS Global Capital Limited (the Company) for the year ended December 31, 2015 to comply with the respective requirements of the Pakistan Stock Exchange Limited, where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval of its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of approval of related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code, as applicable to the Company for the year ended December 31, 2015.

Date: February 17, 2016
Place: Karachi

Chartered Accountants

Engagement Partner
Naresh Kumar

Auditors' Report to the Members

We have audited the annexed balance sheet of JS Global Capital Limited (the Company) as at December 31, 2015 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended 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 our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- b) in our opinion:
 - i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2015 and of the profit, comprehensive income, its cash flows and changes in equity for the year then ended; and
- d) in our opinion, no zakat was deductible at source under the Zakat and Ushr Ordinance,(XVIII of 1980).

Chartered Accountants

Engagement Partner
Naresh Kumar

Date: February 11, 2016
Place: Karachi



Financial Statements

BALANCE SHEET

as at December 31, 2015

	Note	2015 ----- (Rupees) -----	2014 ----- (Rupees) -----		Note	2015 ----- (Rupees) -----	2014 ----- (Rupees) -----
EQUITY AND LIABILITIES				ASSETS			
Share capital and reserves				Non-current assets			
Authorised: 150,000,000 (2014: 150,000,000) ordinary shares of Rs. 10 each		1,500,000,000	1,500,000,000	Property and equipment	7	59,901,526	41,868,786
Issued, subscribed and paid-up share capital	4	500,000,000	500,000,000	Intangible assets	8	14,630,692	16,247,023
Reserves		2,385,337,199	2,126,261,451	Long term investment	9	15,272,670	15,272,670
		2,885,337,199	2,626,261,451	Long term loans, advances and deposits	10	16,446,847	11,915,024
				Deferred taxation - net	11	116,928,817	130,476,432
						223,180,552	215,779,935
				Current assets			
				Short term investments	12	766,247,823	1,093,226,034
				Trade debts	13	814,707,115	645,415,824
				Loans and advances - considered good	14	12,999,942	15,140,321
				Deposits and short-term prepayments	15	190,221,145	118,346,188
				Interest and markup accrued	16	25,626,294	19,910,718
				Other receivables	17	19,484,090	19,421,730
				Cash and bank balances	18	1,480,125,758	1,300,127,346
						3,309,412,167	3,211,588,161
						3,532,592,719	3,427,368,096
LIABILITIES							
Current liabilities							
Creditors, accrued expenses and other liabilities	5	626,381,343	766,706,461				
Provision for taxation		20,874,177	34,400,184				
		647,255,520	801,106,645				
		3,532,592,719	3,427,368,096				
Contingencies and commitments	6						

The annexed notes 1 to 32 form an integral part of these financial statements.

Basir Shamsie
Chairman

Muhammad Kamran Nasir
Chief Executive

PROFIT AND LOSS ACCOUNT

for the year ended December 31, 2015

	Note	2015 ----- (Rupees) -----	2014 -----
Operating revenue	19	494,793,986	407,318,564
Gain on sale of investments	20	81,778,664	127,529,352
(Loss) / gain on remeasurement of investments at fair value through profit or loss - net		(2,135,183)	4,998,201
		574,437,467	539,846,117
Administrative and operating expenses	21	(472,708,366)	(367,639,279)
Provision for doubtful debts	13.2	(363,498)	-
Provision for sales tax on forex and advisory	24.3	-	(16,390,149)
		101,365,603	155,816,689
Other income	22	289,844,897	263,003,507
		391,210,500	418,820,196
Provision for Workers' Welfare Fund		(7,681,302)	(8,362,236)
Finance cost	23	(7,167,561)	(708,398)
Profit before taxation		376,361,637	409,749,562
Taxation - current		(119,070,797)	(122,743,445)
- prior		9,018,474	1,253,226
- deferred		(15,012,900)	(5,692,659)
	24	(125,065,223)	(127,182,878)
Profit for the year		251,296,414	282,566,684
Earnings per share - basic and diluted	25	5.03	5.65

The annexed notes 1 to 32 form an integral part of these financial statements.

Basir Shamsie
Chairman

Muhammad Kamran Nasir
Chief Executive

STATEMENT OF COMPREHENSIVE INCOME

for the year ended December 31, 2015

	2015 (Rupees)	2014
Profit for the year	251,296,414	282,566,684
Other comprehensive income:		
Items that will not be reclassified subsequently to profit and loss account	-	-
Items that may be reclassified subsequently to profit and loss account		
Gain on revaluation of available for sale investments during the year	18,376,008	12,061,959
Less: Related tax	(2,756,401)	(4,221,686)
	15,619,607	7,840,273
Reclassification adjustments relating to available for sale investments disposed of during the year	(12,061,959)	-
Less: Related tax	4,221,686	-
	(7,840,273)	-
Total comprehensive income for the year	259,075,748	290,406,957

The annexed notes 1 to 32 form an integral part of these financial statements.

Basir Shamsie
Chairman

Muhammad Kamran Nasir
Chief Executive

CASH FLOW STATEMENT

for the year ended December 31, 2015

	Note	2015 ----- (Rupees) -----	2014 -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		376,361,637	409,749,562
Adjustments for:			
Depreciation	7.1	17,890,270	9,729,851
Amortization of software	8.2	3,880,270	2,146,500
Gain on sale of property and equipment	7.2	(2,032,559)	(3,439,150)
(Loss) / gain on remeasurement of investments carried at fair value through profit or loss - net		2,135,183	(4,998,201)
Gain on remeasurement of future equity derivatives	22	(4,102,230)	(13,878,734)
Provision for doubtful debts	13.2	363,498	-
Provision for Workers' Welfare Fund		7,681,302	8,362,236
Finance cost		7,167,561	708,398
		32,983,295	(1,369,100)
Cash generated from operating activities before working capital changes		409,344,932	408,380,462
(Increase) / decrease in current assets			
Trade debts		(165,552,559)	(333,300,518)
Loans and advances		2,140,379	(4,026,679)
Deposits and short term prepayments		(71,874,957)	(75,851,786)
Interest and markup accrued		(5,715,576)	(13,627,383)
Other receivables		(62,360)	(11,918,488)
		(241,065,073)	(438,724,854)
(Decrease) / increase in current liabilities			
Creditors, accrued expenses and other liabilities		(147,824,561)	434,561,185
Cash generated from operations		20,455,298	404,216,793
Finance cost paid		(7,167,561)	(708,398)
Taxes paid		(127,800,016)	(86,612,945)
Net cash (used in) / generated from operating activities		(114,512,279)	316,895,450
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of property and equipment		(36,965,351)	(24,183,851)
Payment for purchase of software		(2,263,939)	(10,057,866)
Proceeds from disposal of property and equipment		3,074,900	3,466,800
Long term loans, advances and deposits		(4,531,823)	(2,781,473)
Short term investments - net		335,378,763	377,221,095
Net cash generated from investing activities		294,692,550	343,664,705
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(181,859)	(199,644,496)
Net cash used in financing activities		(181,859)	(199,644,496)
Increase in cash and cash equivalents during the year		179,998,412	460,915,659
Cash and cash equivalents at the beginning of the year		1,300,127,346	839,211,687
Cash and cash equivalents at the end of the year		1,480,125,758	1,300,127,346

The annexed notes 1 to 32 form an integral part of these financial statements.

Basir Shamsie
Chairman

Muhammad Kamran Nasir
Chief Executive

STATEMENT OF CHANGES IN EQUITY

for the year ended December 31, 2015

	Issued, subscribed and paid up share capital	Share premium	Reserves		Sub-total	Total
			Unrealised gain on revaluation of available for sale investments - net	Revenue reserves Unappropriated profit		
----- (Rupees) -----						
Balance as at January 01, 2014	500,000,000	1,810,104,900	-	225,749,594	2,035,854,494	2,535,854,494
Total comprehensive income for the year						
Profit for the year ended December 31, 2014	-	-	-	282,566,684	282,566,684	282,566,684
Other comprehensive income - net of tax	-	-	7,840,273	-	7,840,273	7,840,273
Total comprehensive income for the year	-	-	7,840,273	282,566,684	290,406,957	290,406,957
Transactions with owners recognised directly in equity						
- Interim cash dividend for the year ended December 31, 2014 @ Re. 1/- per share	-	-	-	(50,000,000)	(50,000,000)	(50,000,000)
- Interim cash dividend for the year ended December 31, 2014 @ Rs. 3/- per share	-	-	-	(150,000,000)	(150,000,000)	(150,000,000)
Balance as at December 31, 2014	500,000,000	1,810,104,900	7,840,273	308,316,278	2,126,261,451	2,626,261,451
Balance as at January 01, 2015	500,000,000	1,810,104,900	7,840,273	308,316,278	2,126,261,451	2,626,261,451
Total comprehensive income for the year						
Profit for the year ended December 31, 2015	-	-	-	251,296,414	251,296,414	251,296,414
Other comprehensive income - net of tax	-	-	7,779,334	-	7,779,334	7,779,334
Total comprehensive income for the year	-	-	7,779,334	251,296,414	259,075,748	259,075,748
Balance as at December 31, 2015	500,000,000	1,810,104,900	15,619,607	559,612,692	2,385,337,199	2,885,337,199

The annexed notes 1 to 32 form an integral part of these financial statements.

Basir Shamsie
Chairman

Muhammad Kamran Nasir
Chief Executive

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

1. STATUS AND NATURE OF BUSINESS

JS Global Capital Limited ('the Company') was incorporated as a private limited company on June 28, 2000. However, the Company commenced its operations in May 2003 and name of the Company was changed from JSCL Direct (Private) Limited to Jahangir Siddiqui Capital Markets (Private) Limited. Subsequently, the Company was converted into a public unquoted company and the holding company Jahangir Siddiqui and Company Limited (JSCL) offered its 25% shareholding to the general public for subscription in December 2004 and the Company obtained listing on Karachi Stock Exchange Limited and Islamabad Stock Exchange Limited on February 7, 2005. During 2006-07, the Company issued 10,009,700 shares to Global Investment House K.S.C.C Kuwait, ('Global'). The shares were issued to Global without offering right shares on the basis of a special resolution passed on July 11, 2006. The Securities and Exchange Commission of Pakistan vide its letter no. EMD/CI/49/2006-458 dated July 19, 2006 gave its in-principle approval to the scheme. The Company has nine branches in eight cities of Pakistan.

During the year 2012, JS Bank Limited (the Bank), a subsidiary of JSCL, acquired 25,525,169 shares of the Company from JSCL and other shareholders against issuance of 185,321,537 shares in lieu thereof. As a result, the principal ownership of the Company was transferred to the Bank. Presently, the Company is subsidiary of JS Bank Limited, which is a subsidiary of JSCL, the ultimate parent of the Company.

During the year, Karachi Stock Exchange, Lahore Stock Exchange and Islamabad Stock Exchange merged into Pakistan Stock Exchange (PSX) [formerly Karachi Stock Exchange Limited]. The Company is a Trading Right Entitlement Certificate (TREC) holder of PSX and member of Pakistan Mercantile Exchange Limited. The principal activities of the Company are share brokerage, money market brokerage, forex brokerage, commodity brokerage, advisory, underwriting, book running and consultancy services. Other activities include investment in a mix of listed and unlisted equity and debt securities and reverse repurchase transactions. The registered office of the Company is situated at 6th floor, Faysal House, Shahra-e-Faisal, Karachi, Pakistan.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved Accounting Standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 shall prevail.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgments

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

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

The estimates and judgments that have a significant effect on the financial statements are in respect of the following:

- Investments (notes 3.4 and 12);
- Residual values and useful lives of property and equipment (notes 3.2 and 7);
- Useful lives of intangible assets (notes 3.3 and 8); and
- Recognition of current and deferred taxation (notes 3.9 and 11)
- Provision against trade debts and other receivables (note 3.7 and 13).

2.5 New accounting standards / amendments and IFRS interpretations that are effective for the year ended December 31, 2015

2.5.1 The following standards, amendments and interpretations are effective for the year ended December 31, 2015. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective from accounting period beginning on or after
IFRS 10 – Consolidated Financial Statements	January 01, 2015
IFRS 11 – Joint Arrangements	January 01, 2015
IFRS 12 – Disclosure of Interests in Other Entities	January 01, 2015
IFRS 13 – Fair Value Measurement	January 01, 2015
Amendments to IAS 19 Employee Benefits: Employee contributions	July 01, 2014
IAS 27 (Revised 2011) – Separate Financial Statements	January 01, 2015
IAS 28 (Revised 2011) – Investments in Associates and Joint Ventures	January 01, 2015

Certain annual improvements have also been made to a number of IFRSs which did not have material effect on the financial statements of the Company.

2.6 New accounting standards / amendments and IFRS interpretations that are not yet effective

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

	Effective from accounting period beginning on or after
Amendments to IFRS 11 - Accounting for acquisitions of interests in joint operations	January 01, 2016
Amendments to IAS 1 - Disclosure initiative	January 01, 2016
Amendments to IAS 16 and IAS 38 Clarification of acceptable methods of depreciation and amortization	January 01, 2016
Amendments to IAS 16 and IAS 41 Agriculture: Bearer plants	January 01, 2016
Amendments to IAS 27 - Equity method in separate financial statements	January 01, 2016
Amendments to IFRS 10 and IAS 28 Sale or contribution of assets between an investor and its associate or joint venture	January 01, 2016
Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the consolidation exception	January 01, 2016

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

Certain annual improvements have also been made to a number of IFRSs which are not expected to have a material effect on the Company's financial statements.

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

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 9 – Financial Instruments
- IFRS 14 – Regulatory Deferral Accounts
- IFRS 15 – Revenue from Contracts with Customers
- IFRS 16 – Leases

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these financial statements are set out below. These accounting policies have been applied consistently to all periods presented in these financial statements.

3.1 Employee benefits

Defined contribution plan

The Company operates a defined contribution plan, i.e. recognized provident fund scheme for all its eligible employees in accordance with the trust deed and rules made thereunder. Equal monthly contributions at the rate of 10% of basic salary are made to the fund by the Company and the employees.

3.2 Property and equipment

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Depreciation is calculated on straight line basis over the estimated useful lives of the assets. Depreciation on additions is charged from the month in which they are available for use and on deletions up to the month of deletion. The estimated useful lives for the current and comparative periods are as follows:

- | | |
|--------------------|----------|
| - Office equipment | 4 years |
| - Office furniture | 10 years |
| - Motor vehicles | 5 years |

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and its cost can be reliably measured. Cost incurred to replace an item of property and equipment is capitalized and the asset so replaced is retired from use and its carrying amount is derecognized. Normal repairs and maintenance are charged to the profit and loss account during the period in which they are incurred.

The residual values and useful lives of assets are reviewed and adjusted, if appropriate at each reporting date. Capital work-in-progress is stated at cost less impairment loss, if any.

Gains and losses on disposal of assets, if any, are taken to profit and loss account.

3.3 Intangible assets

Intangible assets having finite useful lives are stated at cost less accumulated amortization and accumulated impairment losses, if any. Such intangible assets are amortized using the straight-line method taking into account residual value, if any, at the rates specified in note 8 to these financial statements. Amortization is charged from the date the asset is available for use while in the case of assets disposed of, it is charged till the date of disposal. The useful lives and amortization method are reviewed and adjusted, if appropriate, at each reporting date.

Intangible assets having an indefinite useful life are stated at cost less accumulated impairment losses, if any. An intangible asset is regarded as having an indefinite useful life, when, based on an analysis of all the relevant factors, there is no foreseeable limit to the

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

period over which asset is expected to generate net cash inflows for the Company. An intangible asset with an indefinite useful life is not amortized. However, the carrying amount is reviewed at each reporting date or whenever there is an indication that the asset may be impaired, to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds the estimated recoverable amount, it is written down to its estimated recoverable amount.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit and loss account when the asset is derecognized.

3.4 Investments

All investments are initially recognized at fair value, being the cost of the consideration given including transaction cost associated with the investment, except in case of held for trading investments, in which case the transaction costs are charged off to the profit and loss account.

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

The Company classifies its investments in the following categories:

Financial assets at fair value through profit or loss - held for trading

Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in prices are classified as 'financial assets at fair value through profit or loss - held for trading'. Subsequent to initial recognition, these investments are marked to market and are carried on the balance sheet at fair value, except for investments in unquoted debt securities which are carried at cost. Net gains and losses arising on changes in fair values of these investments are taken to the profit and loss account.

Held-to-maturity investments

Investments with a fixed maturity where the Company has the intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are carried at amortized cost using the effective interest rate method, less any accumulated impairment losses.

Available for sale

Investments intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in market prices, are classified as 'available for sale'. Subsequent to initial measurement, available for sale' investments are re-measured to fair value. Net gains and losses arising on changes in fair values of these investments are taken to other comprehensive income. However, any premium or discount on acquisition of debt securities is amortized and taken to the profit and loss account over the life of the investment using the effective interest rate method. When securities are disposed off or impaired, the related fair value adjustments previously taken to equity are transferred to the profit and loss account.

Fair value for listed securities are the quoted prices on stock exchange on the date it is valued. Fair value of term finance certificates, units of open end mutual funds and government securities are determined on the basis of rates notified by Mutual Fund Association of Pakistan for term finance certificates, relevant redemption prices for the open-end mutual funds and quotations obtained from the PKRV sheets for government securities respectively. Unquoted securities are valued at cost.

3.5 Derivatives

Derivative instruments held by the Company primarily comprise of future contracts in the capital market. These are initially recognized at fair value and are subsequently remeasured at fair value. The fair value of future contracts is calculated as being the net difference between the contract price and the closing price reported on the primary exchange of the future contracts. Derivatives with positive market values (unrealized gains) are included in assets and derivatives with negative market values (unrealized losses) are included in liabilities in the balance sheet. The resultant gains and losses are included in the profit and loss account. Derivative financial instrument contracts entered into by the Company do not meet the hedging criteria as defined by International Accounting Standard (IAS) 39: 'Financial Instruments: Recognition and Measurement'. Consequently hedge accounting is not being applied by the Company.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

3.6 Securities purchased / sold under resale / repurchase agreements

Transactions of purchase under resale (reverse-repo) of marketable securities including the securities purchased under marginal trading system are entered into at contracted rates for specified periods of time. Securities purchased with a corresponding commitment to resale at a specified future date (reverse-repo) are not recognised in the balance sheet. Amounts paid under these agreements in respect of reverse repurchase transactions are included in assets. The difference between purchase and resale price is treated as income from reverse repurchase transactions in marketable transactions / marginal trading system and accrued over the life of the reverse repo agreement.

Transactions of sale under repurchase (repo) of marketable securities are entered into at contracted rates for specified periods of time. Securities sold with a simultaneous commitment to repurchase at a specified future date (repo) continue to be recognised in the balance sheet and are measured in accordance with accounting policies for investments. The counterparty liabilities for amounts received under these transactions are recorded as liabilities. The difference between sale and repurchase price is treated as finance cost and accrued over the life of the repo agreement.

3.7 Trade debts and other receivables

Trade debts are recognised initially at invoice amount less provision for doubtful debts, if any.

Other receivables are stated at amortised cost less provision for impairment, if any.

3.8 Revenue recognition

Brokerage, consultancy, advisory fee, underwriting, book running fee, commission on foreign exchange dealings and debt securities etc. are recognized as and when such services are provided.

Income from reverse repurchase transactions, debt securities and bank deposits is recognized at effective yield on time proportionate basis.

Interest income on financial assets (including margin financing) is recognized on time proportionate basis taking into account effective / agreed rate of the instrument.

Dividend income is recorded when the right to receive the dividend is established.

Gains / (losses) arising on sale of investments are included in the profit and loss account in the period in which they arise.

Unrealised 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.

Unrealised gains / (losses) arising from mark to market of investments classified as 'available for sale' are taken directly to other comprehensive income.

Gains / (losses) arising on revaluation of derivatives to fair value are taken to profit and loss account under other income / other expense.

3.9 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit and loss account, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

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.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

Deferred

Deferred tax is recognised using the balance sheet liability method on all major temporary differences between the carrying amount of assets and liabilities used for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax is charged or credited to the profit and loss account.

3.10 Cash and cash equivalents

Cash and cash equivalents for cash flow purposes include cash in hand, 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.

3.11 Impairment

Financial assets

The Company assesses at each reporting date whether there is any objective evidence that financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after initial recognition of asset (an incurred loss event) and that loss event (or events) has impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. In case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of an equity security below its cost is considered as an objective evidence of impairment.

If, in a subsequent period, the fair value of an impaired available for sale security increases and the increase can be objectively related to an event occurring after the impairment loss recognised in profit or loss, the impairment loss is reversed, with the amount of the reversal recognised in profit or loss.

Non-financial assets

The carrying amount of the Company's non-financial assets other than deferred tax asset and intangible assets with indefinite useful life is reviewed at each reporting date to determine whether there is any objective evidence that an asset or group of assets may be impaired. If any such evidence exists, the asset or group of assets' recoverable amount is estimated. Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in profit and loss account immediately. 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, net of depreciation or amortization, if no impairment loss had been recognized.

3.12 Foreign currency translation

Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are converted into rupees at the rates of exchange prevailing at the transaction date. Exchange gains or losses are taken to profit and loss account.

3.13 Borrowing costs

Borrowing costs incurred on long term finances directly attributable for the construction / acquisition of qualifying assets are capitalized up to the date the respective assets are available for intended use. All other mark-up, interest and other related charges are taken to the profit and loss account currently.

3.14 Provisions

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

3.15 Financial liabilities

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

3.16 Financial instruments

All financial assets and liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instruments. Any gain or loss on the recognition and derecognition of the financial assets and liabilities is taken to profit and loss account.

3.17 Offsetting of financial assets and liabilities

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

3.18 Earnings per share

Earnings per share is calculated by dividing the profit after tax for the period by the weighted average number of ordinary shares outstanding during the period.

3.19 Dividend distributions and appropriations

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

3.20 Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the Board of Directors and Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The operating segments of the Company are as follows:

Brokerage

The brokerage activities include services provided in respect of share brokerage, money market brokerage, forex brokerage, commodity brokerage and share subscription commission.

Investment and treasury

It consists of capital market, money market investment and treasury functions. The activities include profit on bank deposit, term deposit receipts, capital gains on equity and debt securities, mark-up income on term finance certificates and sukus and dividend income.

Other operations

It consists of advisory and consultancy function.

4. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2015 (Number of shares)	2014		2015 ----- (Rupees) -----	2014
20,009,700	20,009,700	Ordinary shares of Rs. 10/- each fully paid in cash	200,097,000	200,097,000
29,990,300	29,990,300	Ordinary shares of Rs. 10/- each issued as fully paid bonus shares	299,903,000	299,903,000
50,000,000	50,000,000		500,000,000	500,000,000

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

4.1 Parent company held 25,525,169 (2014: 25,525,169) ordinary shares of Rs. 10/- each at year end.

4.2 There is only one class of ordinary shares.

4.3 There is no movement in share capital during the year.

5. CREDITORS, ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	2015 ----- (Rupees) -----	2014
Trade Creditors	5.1	448,218,210	641,682,823
Accrued expenses		71,045,558	63,467,256
Accrued markup		3,788,304	-
Provision for staff bonus	5.2	41,045,950	24,353,950
Unclaimed dividend		3,432,098	3,613,957
Retention money - Softech		40,600	40,600
Advance fee from client		5,877,413	5,877,413
Provision for Workers' Welfare Fund	5.3	27,773,863	20,092,561
Others		25,159,347	7,577,901
		626,381,343	766,706,461
5.1	Included herein is a sum of Rs. 1,383,599 (2014: Rs. 3,684,161) payable to related parties.		
5.2	Movement of provision for staff bonus is as follows:		
	As at January 1, 2015	24,353,950	5,000,000
	Paid during the year	(27,396,863)	(3,653,550)
	Charged during the year	44,088,863	23,007,500
	As at December 31, 2015	41,045,950	24,353,950

5.3 Prior to certain amendments made through the Finance Acts of 2006 and 2008, Worker Welfare Fund (WWF) was levied at 2% of the total income assessable under the Income Tax Ordinance, 2001 excluding incomes falling under the Final Tax Regime (FTR). Through Finance Act, 2008, an amendment was made in Section 4(5) of the WWF Ordinance, 1971 (the Ordinance) whereby WWF liability is applicable at 2% of the higher of the profit before taxation as per the accounts or declared income as per the return.

Aggrieved by the amendments made through the Finance Act, certain stakeholders filed petition against the changes in the Lahore High Court which struck down the aforementioned amendments to the WWF Ordinance in 2011. However, some stakeholders also filed the petition in the Sindh High Court which, in 2013, decided the petition against stakeholders. The Company along with its group companies has filed the petition before the High Court against the changes. The Company has not paid WWF liability for the tax years 2011 to 2015. On prudent basis, the Company has recognized an aggregate provision of Rs. 27.77 million for tax years 2011 to 2015.

In the prior year, the Company received a show cause notice u/s 221 (3) of Income Tax Ordinance from Deputy Commissioner Inland Revenue (Audit Unit) demanding an amount of Rs. 2,594,269. The Company filed a petition before the High Court and obtained a stay order in this regard.

In view of promulgation of Sindh Workers Welfare Fund Act, 2014 wherein the financial institutions have also been brought into definition of Industrial establishments, the Company has recognized a provision of Rs. 7.68 million for the year though the Company's management is also considering to contest this at an appropriate legal forum.

6. CONTINGENCIES AND COMMITMENTS

6.1 Commitments

Future sale transactions of equity securities entered into by the Company in respect of which the sale transactions have not been settled as at December 31

Forward contracts in respect of purchase of Pakistan Investment Bonds

	2015 ----- (Rupees) -----	2014
Future sale transactions of equity securities entered into by the Company in respect of which the sale transactions have not been settled as at December 31	702,176,085	718,263,495
Forward contracts in respect of purchase of Pakistan Investment Bonds	-	1,184,056,813

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

6.2 Tax related contingencies have been disclosed in note 24 to the financial statements.

2015

2014

------(Rupees)-----

7. PROPERTY AND EQUIPMENT

Property and equipment

7.1

59,901,526

41,868,786

7.1 Property and equipment

	2015							
	Cost			Rate (%)	Depreciation			Written down value as at December 31, 2015
	As at January 1, 2015	Additions/ (disposals)	As at December 31, 2015		As at January 1, 2015	For the year/ (disposals)	As at December 31, 2015	
------(Rupees)-----			------(Rupees)-----					
Office equipment	67,934,965	15,271,614 (207,600)	82,998,979	25	52,118,238	7,506,301 (80,976)	59,543,563	23,455,416
Office furniture	17,084,938	2,527,802 -	19,612,740	10	10,712,972	1,750,375 -	12,463,347	7,149,393
Motor vehicles	30,973,683	19,165,935 (4,343,017)	45,796,601	20	11,293,590	8,633,594 (3,427,300)	16,499,884	29,296,717
	115,993,586	36,965,351 (4,550,617)	148,408,320		74,124,800	17,890,270 (3,508,276)	88,506,794	59,901,526
	2014							
	Cost			Rate (%)	Depreciation			Written down value as at December 31, 2014
	As at January 1, 2014	Additions/ (disposals)	As at December 31, 2014		As at January 1, 2014	For the year/ (disposals)	As at December 31, 2014	
	------(Rupees)-----			------(Rupees)-----				
Office equipment	54,466,550	13,728,915 (260,500)	67,934,965	25	49,279,673	3,071,418 (232,853)	52,118,238	15,816,727
Office furniture	15,545,339	1,539,599 -	17,084,938	10	9,123,645	1,589,327 -	10,712,972	6,371,966
Motor vehicles	27,017,922	8,915,337 (4,959,576)	30,973,683	20	11,184,057	5,069,106 (4,959,573)	11,293,590	19,680,093
	97,029,811	24,183,851 (5,220,076)	115,993,586		69,587,375	9,729,851 (5,192,426)	74,124,800	41,868,786

7.2 Disposal of property and equipment

The following is a statement of property and equipment disposed off during the year:

Vehicles	Cost	Accumulated depreciation	Written down value	Sale proceeds	Gain / (loss)	Particulars of buyers	Mode of disposal
	------(Rupees)-----						
Suzuki Cultus	577,995	(577,994)	1	476,000	475,999	Mr. Umair Hameed Khan	Negotiation
Toyota Corolla	1,900,025	(1,171,682)	728,343	1,407,000	678,657	Mr. Shayan Sohail Nisar	Negotiation
Honda Civic	1,864,997	(1,677,624)	187,373	1,035,000	847,627	Mr. Irfan Ali Kalyar	Negotiation
	4,343,017	(3,427,300)	915,717	2,918,000	2,002,283		
Office equipments							
Blackberry	31,200	(4,550)	26,650	15,000	(11,650)	EFU General Insurance Limited	Insurance Claim
Laptop	114,900	(16,756)	98,144	114,900	16,756	Mustang Security Services (Pvt) Ltd	Claim Reimbursement
Laptop	61,500	(59,670)	1,830	27,000	25,170	EFU General Insurance Limited	Insurance Claim
	207,600	(80,976)	126,624	156,900	30,276		
December 31, 2015	4,550,617	(3,508,276)	1,042,341	3,074,900	2,032,559		
December 31, 2014	5,220,076	(5,192,426)	27,650	3,466,800	3,439,150		

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

	Note	2015 ------(Rupees)-----	2014
8. INTANGIBLE ASSETS			
Trading Right Entitlement Certificate - Pakistan Stock Exchange Limited	8.1	5,727,330	5,727,330
Membership card - Pakistan Mercantile Exchange Limited		2,500,000	2,500,000
		8,227,330	8,227,330
Softwares	8.2	6,403,362	8,019,693
		14,630,692	16,247,023

8.1 These represent Trading Right Entitlement Certificate (TREC) received from Pakistan Stock Exchange Limited (PSX) [formerly Karachi Stock Exchange Limited] in accordance with the requirements of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012 (The Act). The Company has also received shares of PSX after completion of the demutualisation process.

8.2 Softwares

		2015					
		Cost		Rate	Amortisation		Written down
As at	Additions	As at	(%)	As at	For the	As at	value as at
January 01,		December 31,		January 01,	year	December 31,	December 31,
2015		2015		2015		2015	2015
----- (Rupees) -----				----- (Rupees) -----			
10,382,866	2,263,939	12,646,805	33.33	2,363,173	3,880,270	6,243,443	6,403,362
10,382,866	2,263,939	12,646,805		2,363,173	3,880,270	6,243,443	6,403,362

		2014					
		Cost		Rate	Amortisation		Written down
As at	Additions	As at	(%)	As at	For the	As at	value as at
January 01,		December 31,		January 01,	year	December 31,	December 31,
2014		2014		2014		2014	2014
----- (Rupees) -----				----- (Rupees) -----			
325,000	10,057,866	10,382,866	33.33	216,673	2,146,500	2,363,173	8,019,693
325,000	10,057,866	10,382,866		216,673	2,146,500	2,363,173	8,019,693

	Note	2015 ------(Rupees)-----	2014
9. LONG TERM INVESTMENT			
Available for sale			
Shares in Pakistan Stock Exchange Limited	9.1	15,272,670	15,272,670

9.1 Pursuant to demutualization of the Pakistan Stock Exchange Limited (PSX) [formerly Karachi Stock Exchange Limited], the ownership rights in a Stock Exchange were segregated from the right to trade on an exchange. As a result of such demutualization, the Company received 1,602,953 shares and Trading Right Entitlement Certificate (TREC) from the PSX against its membership card which was carried at Rs. 21 million in the books of the Company.

Based on the technical guide dated May 29, 2013 issued by the Institute of Chartered Accountants of Pakistan, the Company has allocated its carrying value of the membership card of Rs. 21 million in the ratio of 0.73 to shares and 0.27 to TREC. Consequently, the investments have been recognized at Rs. 15.3 million and TREC at Rs. 5.7 million.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

	Note	2015 ------(Rupees)-----	2014
10. LONG TERM LOANS, ADVANCES AND DEPOSITS			
Long term loans - secured, considered good			
- Executives	10.1	6,145,322	2,915,474
- Employees		1,968,030	1,820,485
	10.2	8,113,352	4,735,959
Current maturity	14	(2,472,376)	(2,400,006)
		5,640,976	2,335,953
Security deposits	10.3	10,805,871	9,579,071
		16,446,847	11,915,024
10.1 Reconciliation of carrying amount of loans to executives:			
Balance at the beginning of the period		2,915,474	659,740
Disbursements		4,683,519	3,603,000
Repayments		(1,453,671)	(1,347,266)
Balance at the end of the period		6,145,322	2,915,474
10.2			
Loan to executives and employees are given for purchase of house, home appliances and other personal goods at an interest rate of 6 months T-bill rate per annum in accordance with the Company's policy and terms of employment. The loans are repayable over a period of two to ten years.			
10.3			
This includes Rs. 1.35 million (2014: Rs. 1.25 million) deposited with Pakistan Stock Exchange Limited (PSX) [formerly Karachi Stock Exchange Limited], Rs. 0.05 million (2014: Rs. 0.35 million) with National Clearing Company of Pakistan, Rs. 0.125 million (2014: Rs. 0.125 million) with Central Depository Company of Pakistan Limited and Rs.7.05 million (2014: Rs. 7.15 million) with Pakistan Mercantile Exchange Limited.			

	2015			
	Opening	(Charge) / reversal to profit and loss account	Charge to other comprehensive income	Closing
	------(Rupees)-----			
11. DEFERRED TAXATION - NET				
Taxable temporary difference				
Revaluation of investments	(9,801,224)	5,284,481	1,465,285	(3,051,458)
Deductible temporary differences				
Accelerated depreciation for tax purposes	1,041,814	(685,419)	-	356,395
Difference in accounting and tax base of intangible assets	50,154	162,659	-	212,813
Provision for doubtful debts	139,185,688	(19,774,621)	-	119,411,067
	130,476,432	(15,012,900)	1,465,285	116,928,817
	------(Rupees)-----			
	2014			
	Opening	(Charge) / reversal profit and loss account	Charge to other comprehensive income	Closing
	------(Rupees)-----			
Taxable temporary difference				
Revaluation of investments	-	(5,579,538)	(4,221,686)	(9,801,224)
Deductible temporary differences				
Accelerated depreciation for tax purposes	1,202,802	(160,988)	-	1,041,814
Difference in accounting and tax base of intangible assets	2,287	47,867	-	50,154
Provision for doubtful debts	139,185,688	-	-	139,185,688
	140,390,777	(5,692,659)	(4,221,686)	130,476,432

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

12. SHORT TERM INVESTMENTS	Note	2015	2014
		------(Rupees)-----	
Financial assets at fair value through profit or loss - held for trading			
Quoted equity securities	12.1	697,014,276	709,834,630
Term finance certificates and sukuk certificates	12.2	43,402,769	159,184,954
		740,417,045	869,019,584
Available for sale			
Quoted equity securities	12.3	25,830,778	-
Privately placed term finance certificates - unsecured	12.4	-	-
Government securities	12.5	-	224,206,450
		766,247,823	1,093,226,034

12.1 Quoted Equity Securities

Number of shares		Name of company	2015		2014
2015	2014		Average cost	Fair value	
------(Rupees)-----					
908,000	922,000	Adamjee Insurance Company Limited	51,804,054	51,311,080	45,602,120
74,000	-	Askari Bank Limited	1,592,480	1,608,760	-
14,500	101,500	Attock Refinery Limited	3,014,364	3,072,260	19,058,655
464,500	-	Engro Fertilizer Limited	39,104,610	39,078,385	-
353,500	754,000	D.G. Khan Cement Limited	50,258,889	52,173,065	83,339,620
113,500	257,500	Engro Foods Limited	16,638,000	16,637,965	27,949,050
728,000	473,500	Engro Corporation Limited	202,664,914	203,395,920	104,884,985
1,284,500	98,500	Fauji Cement Company Limited	46,617,475	47,295,290	2,545,240
-	54,500	Fauji Fertilizer Bin Qasim Limited	-	-	2,463,945
68,500	5,500	Fauji Fertilizer Company Limited	7,655,100	8,081,630	644,105
309,000	280,000	Maple Leaf Cement Factory Limited	21,953,325	23,045,220	12,390,000
72,000	847,000	National Bank of Pakistan Limited	3,851,900	3,890,880	58,832,620
224,500	209,000	Nishat Mills Limited	21,112,324	21,298,315	25,286,910
183,000	200,500	Pakistan Petroleum Limited	21,830,746	22,291,230	17,164,805
92,500	616,000	Pakistan State Oil Limited	31,122,451	30,133,725	108,736,320
-	334,000	Pakistan Telecommunication Company Limited	-	-	119,541,940
4,000	200,000	United Bank Limited	619,596	619,800	35,342,000
-	125,000	Bank Of Punjab Limited	-	-	1,368,750
-	28,000	Fatima Fertilizer Company Limited	-	-	1,001,560
-	10,000	K-Electric Limited	-	-	92,200
620,500	177,000	Oil and Gas Development Company Limited	71,757,705	72,809,470	36,438,990
1,281,000	-	Pak Elektron Limited	85,699,494	80,113,740	-
838,500	-	Sui Northern Gas Pipeline Limited	21,957,295	20,157,540	-
-	310,500	Pioneer Cement Limited	-	-	7,150,815
			699,254,722	697,014,275	709,834,630
		Unrealized loss on remeasurement at fair value	(2,240,446)	-	-
			697,014,276	697,014,275	709,834,630

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

12.2 Term Finance Certificates and Sukuk Certificates

Number of Certificates		Name of term finance certificates	2015		2014
2015	2014		Average cost	Fair value	
----- (Rupees) -----					
Listed					
-	400	Allied Bank Limited II	-	-	1,952,623
-	400	Engro Fertilizer Pakistan Limited	-	-	1,368,000
1,505	1,505	Engro Corporation Limited Islamic - Rupiya Sukuk - I	7,993,304	8,071,556	7,993,303
500	505	Engro Corporation Limited Islamic - Rupiya Sukuk - II	2,653,455	2,864,425	2,679,990
2,100	2,100	Jahangir Siddiqui & Company Limited VII - related party	2,625,872	2,567,342	5,250,872
6,000	-	Jahangir Siddiqui & Company Limited VIII - related party	25,875,000	25,897,770	-
200	200	Pakistan Mobile Communication Limited TFC VII	4,149,875	4,001,676	11,149,875
-	8,000	Engro Fertilizer Limited Sukuk	-	-	40,712,120
			43,297,506	43,402,769	71,106,783
Un-listed					
-	9,000	Askari TFC V	-	-	45,000,000
-	7,000	Bank Al Habib Limited IV	-	-	40,078,172
-	3	Al Baraka Bank Limited Sukuk	-	-	3,000,000
			-	-	88,078,172
			43,297,506	43,402,769	159,184,955
Unrealized gain on remeasurement at fair value			105,263	-	-
			43,402,769	43,402,769	159,184,955

12.3 Quoted Equity Securities

Number of shares		Name of company	2015		2014
2015	2014		Average cost	Fair value	
----- (Rupees) -----					
745,477	-	TRG Pakistan Limited	7,454,770	25,830,778	-
			7,454,770	25,830,778	-
Unrealized gain on remeasurement at fair value			18,376,008	-	-
			25,830,778	25,830,778	-

12.3.1 These shares were acquired as a result of underwriting arrangement undertaken by the Company.

12.4 Privately Placed Term Finance Certificates - unsecured

2015					
Number of certificates	Markup rate (%)	Name of company	Note	Maturity date	Cost (Rupees)
12	11.00%	Azgard Nine Limited [privately placed term finance certificates (PPTFCs)]	12.4.1	October 19, 2020	326,456,184
Impairment of investment in TFC					(326,456,184)
					-

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

2014

Number of certificates	Markup rate (%)	Name of company	Note	Maturity date	Cost (Rupees)
12	11.00%	Azgard Nine Limited (privately placed term finance certificates)	12.4.1	October 19, 2020	326,456,184
		Impairment of investment in TFC			(326,456,184)
					-

12.4.1 Considering the financial position of issuer, the Company has fully provided outstanding amount of the PPTFCs and records mark-up / interest income on receipt basis.

12.5 Government Securities

	Note	2015	2014
		Fair value (Rupees)	
Pakistan Investment Bonds	12.5.1	-	212,144,491
Unrealized gain on remeasurement at fair value		-	12,061,959
		-	224,206,450

12.5.1 These PIBs have a tenure ranging from 3 to 10 years with maturity ranging from July 17, 2017 to 19 July 2024. Return on these PIBs ranges from 2015: Nil (2014: 11.25% to 12.00%) payable on half-yearly basis with redemption on maturity.

13. TRADE DEBTS Considered good	Note	2015	2014
		(Rupees)	
- Receivables on account of purchase of shares	13.1	92,032,492	362,765,208
- Receivables against margin finance (purchase of shares)		643,734,485	220,041,779
- Advisory services		5,123,082	627,500
- Forex and fixed income commission		17,036,469	15,082,245
- Commodity		56,780,587	46,899,092
		814,707,115	645,415,824
Considered doubtful		398,036,891	397,673,393
Provision for doubtful debts	13.2	1,212,744,006 (398,036,891)	1,043,089,217 (397,673,393)
		814,707,115	645,415,824

13.1 Included herein is a sum of Rs. 1,407,757 (2014: Rs. 2,057,688) receivable from related parties.

13.2 Provision for doubtful debts	2015	2014
	(Rupees)	
Opening balance as at January 01, 2015	397,673,393	397,673,393
Charged during the year	363,498	-
Reversed during the year	-	-
	363,498	-
Closing balance as at December 31, 2015	398,036,891	397,673,393

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

	Note	2015 ------(Rupees)-----	2014
14. LOANS AND ADVANCES			
 Considered good			
Current maturity of long term loans - secured	10	2,472,376	2,400,006
Advances to staff		1,775,271	1,573,372
Advance for purchase of office - unsecured		2,500,000	2,500,000
Advance to suppliers		6,252,295	8,666,943
		12,999,942	15,140,321
15. DEPOSITS AND SHORT-TERM PREPAYMENTS			
Deposits	15.1	185,987,350	113,585,652
Prepayments		4,233,795	4,760,536
		190,221,145	118,346,188
15.1	This includes Rs. 182.565 million (2014: Rs. 107 million) given to PSX against ready and future exposures.		
		2015	2014
	Note	------(Rupees)-----	
16. INTEREST AND MARKUP ACCRUED			
Accrued interest on Margin Finance		15,386,360	1,818,033
Accrued markup on Pakistan Investment Bonds		-	11,289,640
Accrued markup on Term Finance Certificates		1,235,464	4,824,381
Profit receivable on bank deposits		9,004,470	1,978,664
		25,626,294	19,910,718
17. OTHER RECEIVABLES			
 Considered good			
Derivative financial assets		4,102,230	13,878,734
Dividend receivable		9,259,251	1,080,000
Others	17.1	6,122,609	4,462,996
		19,484,090	19,421,730
Sales tax paid on account of forex and advisory	24.3	16,390,149	16,390,149
Provision made against sales tax paid	17.2	(16,390,149)	(16,390,149)
		19,484,090	19,421,730
17.1	Included herein is a sum of Rs. 3,273,837 (2014: Rs. 3,808,700) receivable from related parties.		
17.2 Movement of provision made against sales tax paid			
Opening balance as at January 01, 2015		16,390,149	-
Charged during the year		-	16,390,149
Reversed during the year		-	-
		-	16,390,149
Closing balance as at December 31, 2015		16,390,149	16,390,149

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

18. CASH AND BANK BALANCES	Note	2015 ------(Rupees)-----	2014
Cash with banks:			
- Current accounts		2,399,757	1,430,755
- Profit and loss / deposit accounts	18.1	1,477,497,417	1,298,478,191
- Foreign currency deposit accounts	18.2	14,584	44,400
		1,479,911,758	1,299,953,346
Cash in hand		214,000	174,000
	18.3	1,480,125,758	1,300,127,346
18.1	Profit and loss / deposit accounts carry profit ranging from 4% to 7% per annum (2014: 8% to 10% per annum).		
18.2	Foreign currency deposit accounts carry profit ranging from 0.1% to 1% per annum (2014: 0.1% to 1% per annum).		
18.3	These include balances with the parent company amounting to Rs. 1,444.67 million (2014: Rs. 1,280.86 million).		
19. OPERATING REVENUE	Note	2015 ------(Rupees)-----	2014
Brokerage and operating revenue		452,924,634	335,201,578
Advisory and consultancy fee		41,869,352	72,116,986
		494,793,986	407,318,564
20. GAIN ON SALE OF INVESTMENTS			
Gain on sale of investment in open ended mutual funds		-	56,766,900
Gain on sale of ordinary shares		19,668,530	27,587,025
Gain on sale of term finance certificates		1,993,156	5,950,140
Gain on sale of government securities		60,116,978	37,225,287
		81,778,664	127,529,352
21. ADMINISTRATIVE AND OPERATING EXPENSES			
Salaries and benefits	21.1	241,094,638	168,748,043
Contribution to provident fund	21.2	7,007,760	4,784,857
Fee for directors / committee meetings	26	1,900,000	1,900,000
Printing and stationery		3,222,299	3,188,812
Telephone, fax, telegram and postage		9,580,119	6,682,410
Depreciation expense	7.1	17,890,270	9,729,851
Amortisation of intangible assets	8.2	3,880,270	2,146,500
Rent, rates and taxes		45,794,878	38,252,732
Vehicle running expenses		7,748,079	8,552,628
Electricity, gas etc.		7,334,273	7,165,315
Legal and professional charges		8,005,187	6,730,540
Insurance		10,097,445	7,724,756
Newspaper and periodicals		293,401	266,023
Entertainment		1,330,923	1,312,083
Advertisement and business promotion		11,835,884	20,947,844
Office supplies		2,313,312	1,907,263
Auditors' remuneration	21.3	1,105,000	869,997
Fees and subscription		12,466,637	20,938,801
Conveyance and traveling		18,512,890	10,523,334
Repairs and maintenance		10,088,791	9,525,140
Computer expenses		7,906,314	4,295,184
KSE Clearing House and CDC charges		31,436,534	19,758,106
Royalty	21.4	10,000,000	10,000,000
Contract and consultancy charges		1,815,000	1,650,000
Brokerage expenses		48,462	39,060
		472,708,366	367,639,279

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

	2015	2014
21.1 Number of employees at the end of the year	179	163
Average number of employees during the year	171	153
21.2 The Company's staff retirement benefits includes a separate provident fund - a defined contribution plan. The Company has established a separate provident fund. The un-audited information related to the provident fund as at June 30, 2015 (which is accounting year end of the fund) is as follows:		

	June 30, 2015	June 30, 2014
Number of employees	128	105
Size of provident fund (Rupees)	40,464,897	28,674,808
Cost of investments made (Rupees)	40,045,557	28,282,185
Percentage of investments made	99%	99%
Fair value of investments (Rupees)	40,159,589	28,262,870

Break-up of investments - at cost:

- Balance in National/Special Savings Scheme		
Amount of investment (Rupees)	4,503,380	4,140,929
Percentage of size of the fund	11%	14%
- Balance in listed securities		
Amount of investment (Rupees)	8,881,538	4,050,000
Percentage of size of the fund	22%	14%
- Balance in Term Finance Certificates		
Amount of investment (Rupees)	1,816,666	2,529,279
Percentage of size of the fund	4%	9%
- Balance in scheduled banks		
Amount of investment (Rupees)	24,843,973	17,561,977
Percentage of size of the fund	61%	61%

21.2.1 Investments out of provident fund have been made in accordance with the provisions of section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.

	2015	2014
	----- (Rupees) -----	
21.3 Auditors' remuneration		
Audit fee	450,000	450,000
Fee for other services including half year review	525,000	377,597
Out of pocket expenses	130,000	42,400
	1,105,000	869,997

21.4 This represents the royalty payable to Mr. Jahangir Siddiqui on account of use of part "JS" as a part of Company's name under an agreement dated February 07, 2007 whereby the Company agreed to pay Rs. 10 million per annum effective from June 1, 2008.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

22. OTHER INCOME	Note	2015 ------(Rupees)-----	2014
Income from financial assets:			
Profit on Term Finance Certificates, Treasury Bills, Pakistan Investment Bonds and National Savings Bonds		53,894,938	72,702,478
Dividend income		76,585,841	34,273,101
Return on cash margin on future contracts		9,349,902	5,007,583
Exchange loss on foreign currency deposit accounts		(116,579)	(61,843)
Profit on profit and loss sharing / deposit accounts		63,412,572	71,484,173
Gain on remeasurement of derivatives		4,102,230	13,878,734
Income under margin financing		78,175,759	25,873,370
Mark-up on PPTFCs		-	35,910,180
		285,404,663	259,067,776
Income from non-financial assets:			
Gain on sale of property and equipment		2,032,559	3,439,150
Other income		2,407,675	496,581
		4,440,234	3,935,731
		289,844,897	263,003,507
23. FINANCE COST			
Mark-up on running finance	23.1	3,976,168	301,285
Mark-up on repurchase transactions		2,685,900	-
Bank and other charges		505,493	407,113
		7,167,561	708,398

23.1 This represents mark-up on running finance obtained from JS Bank Limited, the parent company.

24. TAXATION

24.1 Except for tax year 2005 and tax year 2009, income tax assessments have been filed and are deemed to have been assessed under the Income Tax Ordinance, 2001 unless selected by taxation authorities for audit purposes. Furthermore, monitoring proceedings were initiated for tax years 2013 and 2014 for which no order has been passed, however, all the requested details have been submitted.

Tax year 2005 has been selected for audit and proceedings are pending in the Regional Tax Office (RTO). There is no progress in this regard in current period.

24.2 For tax year 2009, the ITRA no. 07/2013 filed by the Commissioner Inland Revenue against an order passed by the Learned Appellate Tribunal Inland Revenue in ITA no. 923/KB/2011 dated August 28, 2011 relating to apportionment of expenses, allowability of expenses and claiming of tax deducted at source amounting to Rs. 61.16 million which is pending for hearing before the Honorable High Court of Sindh at Karachi. The case was fixed for hearing on December 18, 2015, and various other dates during the period but on all dates, the case was discharged for want of time.

24.3 During 2013, the Company received a show cause notice from the Sindh Revenue Board (SRB) demanding payment of sales tax amounting to Rs. 19.65 million for the period from July 2011, to June 2012, under section 47 of the Sindh Sales Tax on Services Act, 2011. Subsequently an order was passed reducing the demand to Rs. 9.86 million along with default surcharge. The Company filed an appeal against the said order which was decided against it. The Company has also filed an appeal before tribunal which is pending adjudication and no order has been passed in this regard. During 2014, the Company paid an amount of Rs. 7.15 million before June 25, 2014 under the notification SRB 3-4/8/2014 to avail the exemption of penalty and 75% of default surcharge.

During 2014, the Company also received another show cause notice from SRB demanding payment of sales tax amounting to Rs. 34.69 million for the period from July 2012 to December 2013 under section 47 of the Sindh Sales Tax on Services Act, 2011. Subsequently, an order was passed reducing demand to Rs. 10.77 million. The Company has filed an appeal against the order with Commissioner Inland Revenue (Appeals) which is pending. Further, in respect of the same, rectification application has also been filed with the department. The Company and other stock brokers have also filed petition with the High Court and has been granted interim stay against recovery of demand. However, the Company has paid an amount of Rs. 9.24 million before June 25, 2014 under the notification SRB 3-4/8/2014 to avail the exemption of penalty and 75% of default surcharge.

On prudent basis, the Company has made a provision against the amount paid to SRB in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

24.4 During 2015, the Deputy Commissioner Inland Revenue has issued an order to the Company (among other brokerage houses), for tax demand amounting to Rs. 78 million on account of non-payment of Federal Excise Duty (FED) for tax period from 2010 to 2013. The Company had filed a rectification appeal amounting to Rs. 54.3 million against the said order on account of certain computational errors. The Company has also filed an appeal in the Sindh High Court, through KSE Stockbrokers Association (of which the Company is also a member) against the aforementioned order on the grounds that after 18th amendment to the Constitution the services that were previously subject to FED under the federal laws are now subject to provincial sales tax and the Company has accordingly discharged its tax obligations in the respective provinces. The Sindh High Court has stayed Federal Board of Revenue from demanding sales tax on services from stock brokers. Further, management of the Company and its tax advisors are of the view that because provincial sales tax on services has already been paid after constitutional dispensation, no further charge is expected to arise in respect of this matter.

24.5 Reconciliation of tax charge for the year	Note	2015	2014
		----- (Rupees) -----	
Profit before taxation		376,361,637	409,749,562
Tax at the applicable tax rate of 32% (2014 : 33%)	24.5.1	120,435,724	135,217,355
Tax effect of income tax at lower rate and final tax regime		(35,618,571)	(41,700,486)
Tax effect of amount relating to prior year		(9,018,474)	(1,253,226)
Tax charge on permanent differences		32,232,562	39,778,782
Deferred tax recognized at higher rate		15,012,902	(3,475,349)
Others		2,021,080	(1,384,198)
		125,065,223	127,182,878

24.5.1 During the current year, the Federal Government has reduced income tax rate for non-banking companies from 33% to 32%. This amendment was introduced through Finance Act, 2015.

24.5.2 Under section 5A of the Income Tax Ordinance, 2001, the Company is obligated to pay tax at the rate of 10 percent on its undistributed reserves exceeding 100 percent of its paid-up capital. Further, such tax shall not be applicable to a public company which distributes lower of 40 percent of its after tax profits or 50 percent of its paid up capital, within six months of the end of the tax year. The Company has not paid a dividend during the year and as such is willing to discharge its liability under section 5A of the Income Tax Ordinance, 2001 for tax year 2016 relevant to the year ended December 31, 2015, in the forthcoming months.

25. EARNINGS PER SHARE - basic and diluted

		2015	2014
Profit after taxation	Rupees	251,296,414	282,566,684
Weighted average number of shares	Number of shares	50,000,000	50,000,000
Earnings per share -basic and diluted	Rupees	5.03	5.65

26. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	Chief Executive		Directors		Executives	
	2015	2014	2015	2014	2015	2014
	----- (Rupees) -----					
Managerial remuneration	8,800,000	6,800,000	-	-	42,988,451	24,139,731
House rent allowance	3,520,000	2,720,000	-	-	17,195,381	9,655,893
Utilities allowance	880,000	680,000	-	-	4,298,845	2,413,973
Staff retirement benefits	880,000	680,000	-	-	3,953,292	2,413,973
Medical	237,608	221,941	-	-	278,403	348,287
Bonus	15,000,000	15,000,000	-	-	14,201,000	4,202,000
Fees for attending meetings	-	-	1,900,000	1,900,000	-	-
	29,317,608	26,101,941	1,900,000	1,900,000	82,915,372	43,173,857
Number of persons	1	1	5	5	40	24

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26.1 The Company provides the Chief Executive and certain Executives with the Company maintained cars / allowance as per their terms of employment.

27. RELATED PARTY TRANSACTIONS

Related parties comprise of parent company, major shareholders, associated companies with or without common directors, retirement benefit fund, directors, key management personnel and their close family members. Contribution to defined contribution plan (provident fund) are made as per terms of employment. Remuneration of key management personnel are in accordance with their terms of engagements. Transactions with other related parties are entered into at rates negotiated with them (agreed terms).

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

	2015		2014	
	Key management personnel of entity and associate entities	Associated entities other than parent company	Key management personnel of entity and associate entities	Associated entities other than parent company
----- (Rupees) -----				
Trade debts				
Opening balance	-	837,530	73,311	551,492
Invoiced during the year	19,672,630	5,283,663,432	-	2,770,415,457
Received during the year	(19,672,382)	(5,283,392,542)	(73,311)	(2,770,129,419)
Closing balance	248	1,108,420	-	837,530
----- (Rupees) -----				
	2015		2014	
	Key management personnel of entity and associate entities	Associated entities other than parent company	Key management personnel of entity and associate entities	Associated entities other than parent company
----- (Rupees) -----				
Trade payable				
Opening balance	101,301	3,676,161	55,780	17,638,067
Invoiced during the year	268,080,042	8,626,606,124	11,151,002	7,678,465,167
Paid during the year	(267,960,526)	(8,629,256,155)	(11,105,481)	(7,692,427,073)
Closing balance	220,817	1,026,130	101,301	3,676,161

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for the year ended December 31, 2015

	2015	2014
	----- (Rupees) -----	
Balances with parent company		
Trade debts	299,089	1,220,158
Balances with parent company	1,444,672,497	1,280,858,579
Balances with ultimate parent company		
Trade payables	136,652	72,523
Transactions with associated companies		
Nature of transactions		
Brokerage income	16,369,193	13,863,700
Dividend paid	-	86,939,328
Payment on account of expenses to associated companies	637,978	125,784
Transactions with funds managed by associated company		
Nature of transactions		
Sale of units of JS Cash Fund	-	997,724,991
Purchase of units of JS Cash Fund	-	700,000,000
Purchase of units of JS Income Fund	-	1,255,000,000
Sales of units of JS Income Fund	-	1,576,475,347
Bonus units received from JS Income Fund	-	97,233
Bonus units received from JS Cash Fund	-	422,231
Transactions with the parent company		
Nature of transactions		
Sale of term finance certificates - net	-	28,403,752
Purchase of Treasury Bills	4,203,911,138	-
Sale of Treasury Bills	-	3,184,678
Purchase of Pakistan Investment Bonds	1,592,116,129	1,683,094,487
Sale of Pakistan Investment Bonds	1,447,694,513	1,426,924,063
Brokerage income	3,452,290	4,230,478
Payment for rent and utilities and consultancy charges	3,870,889	2,950,145
Bank charges	326,076	265,225
Dividend paid	-	102,100,676
Profit on profit and loss sharing account	61,066,114	69,023,486
Exchange (loss) on foreign currency deposit accounts	-	(121,534)
Transactions with ultimate parent company		
Nature of transactions		
Brokerage income	9,557,462	450,214
Payment for rent and utilities & consultancy charges	51,913,062	42,065,280
Purchase of Term Finance Certificates	-	40,000,000
Transactions with other related parties		
Nature of transactions	Relationship	
Royalty expense	Key management personnel of the parent	10,000,000
Brokerage income	Key management personnel	189,536
Contributions to staff provident f	Post-employment benefit plan	7,007,760
		4,784,857

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

28. OPERATING SEGMENTS

	2015			Total
	Brokerage	Investment and treasury	Other operations	
	(Rupees)			
Segment revenues	452,924,634	369,591,003	41,869,352	864,384,989
Gain on remeasurement of investments	-	(2,135,183)	-	(2,135,183)
Administrative and operating expenses	(273,448,246)	(31,149,028)	(146,340,552)	(450,937,826)
Depreciation	(7,908,415)	(118,662)	(9,863,193)	(17,890,270)
Amortisation of intangible assets	-	-	(3,880,270)	(3,880,270)
Provision for sales tax on forex and advisory	-	(363,498)	-	(363,498)
Finance cost	-	(7,167,561)	-	(7,167,561)
				382,010,381
Gain on sale of property and equipment				2,032,558
Provision for Workers' Welfare Fund				(7,681,302)
Taxation				(125,065,223)
Profit after tax				251,296,414
Segment assets	865,093,921	2,628,035,388	39,463,410	3,532,592,719
Segment liabilities	469,796,765	171,581,342	5,877,413	647,255,520
Capital expenditure	24,148,388	261,500	12,555,463	36,965,351

Non cash items other than depreciation and amortisation

- Gain on remeasurement of investments	-	(2,135,183)	-	(2,135,183)
- Gain on remeasurement of future equity derivatives	-	4,102,230	-	4,102,230

There were no major customer of the Company which derived 10 percent or more of the Company's revenue. All non-current assets of the Company as at December 31, 2015 and December 31, 2014 are located and operating in Pakistan.

	2014			Total
	Brokerage	Investment and treasury	Other operations	
	(Rupees)			
Segment revenues	335,201,578	391,223,271	67,987,424	794,412,273
Gain on remeasurement of investments	-	4,998,201	-	4,998,201
Administrative and operating expenses	(206,577,174)	(137,703,731)	(11,482,024)	(355,762,929)
Depreciation	(4,838,815)	(423,639)	(4,467,396)	(9,729,850)
Amortisation of intangible assets	-	-	(2,146,500)	(2,146,500)
Provision for sales tax on forex and advisory	(16,390,149)	-	-	(16,390,149)
Finance cost	-	(708,398)	-	(708,398)
				414,672,648
Gain on sale of property and equipment				3,439,150
Provision for Workers' Welfare Fund				(8,362,236)
Taxation				(127,182,878)
Profit after tax				282,566,684
Segment assets	667,769,297	2,700,659,766	58,939,033	3,427,368,096
Segment liabilities	641,682,823	145,968,508	13,455,314	801,106,645
Capital expenditure	9,963,132	214,800	14,005,919	24,183,851
Non cash items other than depreciation and amortisation				
- Gain on remeasurement of investments	-	4,998,201	-	4,998,201
- Gain on remeasurement of future equity derivatives	-	13,878,734	-	13,878,734

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29. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

29.1 Financial instruments by category

29.1.1 Financial assets

	2015			
	At fair value through profit or loss - held for trading	Available for sale	Loans and receivables	Total
Long term loans, advances and deposits	-	-	16,446,847	16,446,847
Short term investments	740,417,045	25,830,778	-	766,247,823
Trade debts - unsecured	-	-	814,707,115	814,707,115
Loans and advances	-	-	4,247,647	4,247,647
Short term deposits	-	-	185,987,350	185,987,350
Interest and mark-up accrued	-	-	25,626,294	25,626,294
Other receivables	4,102,230	-	15,381,860	19,484,090
Cash and bank balances	-	-	1,480,125,758	1,480,125,758
	744,519,275	25,830,778	2,542,522,871	3,312,872,924

	2014			
	At fair value through profit or loss - held for trading	Available for sale	Loans and receivables	Total
Long term loans, advances and deposits	-	-	11,915,024	11,915,024
Short term investments	869,019,584	224,206,450	-	1,093,226,034
Trade debts - unsecured	-	-	645,415,824	645,415,824
Loans and advances	-	-	3,973,378	3,973,378
Short term deposits	-	-	113,585,652	113,585,652
Interest and mark-up accrued	-	-	19,910,718	19,910,718
Other receivables	13,878,734	-	5,542,996	19,421,730
Cash and bank balances	-	-	1,300,127,346	1,300,127,346
	882,898,318	224,206,450	2,100,470,938	3,207,575,706

29.1.2 Financial liabilities

	2015		
	Amortised cost	At fair value through profit or loss	Total
Creditors, accrued expenses and other liabilities	598,607,480	-	598,607,480
	598,607,480	-	598,607,480

	2014		
	Amortised cost	At fair value through profit or loss	Total
Creditors, accrued expenses and other liabilities	746,613,900	-	746,613,900
	746,613,900	-	746,613,900

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for the year ended December 31, 2015

29.2 Financial risk management

The Company primarily invests in a portfolio of money market investments and investments in marketable securities and short term debt securities. Such investments are subject to varying degrees of risk.

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the 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

29.2.1 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 placements or other arrangements to fulfill their obligations.

Exposure to credit risk

Credit risk of the Company arises principally from the trade debts, short term investments, loans and advances, deposits 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 minimised 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. Except for provision made against the trade debts amounting to Rs. 398,036,891 (refer note 13 to the financial statements) and impairment against investment in Privately Placed Term Finance Certificates amounting to Rs. 326,456,184 (refer note 12.4 to the financial statements), the Company does not expect to incur material credit losses on its financial assets. The maximum exposure to credit risk at the reporting date is as follows:

	2015	2014
	----- (Rupees) -----	
Long term loans, advances and deposits	16,446,847	11,915,024
Short term investments	43,402,769	159,184,954
Trade debts - unsecured	814,707,115	645,415,824
Loans and advances	4,247,647	3,973,378
Short term deposits	185,987,350	113,585,652
Interest and mark-up accrued	25,626,294	19,910,718
Other receivables	15,381,860	5,542,996
Cash and bank balances	1,479,911,758	1,299,953,346
	2,585,711,640	2,259,481,892

29.2.1.1 The maximum exposure to credit risk for trade debts at the balance sheet date by geographic region is as follows:

	2015	2014
	----- (Rupees) -----	
Local clients	810,237,175	1,043,282,839
Foreign clients	4,469,940	1,624,411
	814,707,115	1,044,907,250

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for the year ended December 31, 2015

	2015			2014		
	Gross	Impairment	Net	Gross	Impairment	Net
	----- (Rupees) -----					
Past due 1-30 days	800,552,424	-	800,552,424	604,110,332	-	604,110,332
Past due 31 days -180 days	12,987,567	-	12,987,567	40,379,266	-	40,379,266
Past due 181 days -1 year	1,167,124	-	1,167,124	926,226	-	926,226
More than one year	398,036,891	398,036,891	-	397,673,393	397,673,393	-
Total	1,212,744,006	398,036,891	814,707,115	1,043,089,217	397,673,393	645,415,824

Except for the impairment disclosed above, no impairment has been recognised in respect of these debts as the custody of equity securities against the same is considered to be adequate.

The aging of trade debts from related parties as at year reporting date is as follows:

	Past due 1-30 days	Past due 31 days -180 days	Past due 181 days -1 year	More than one year
2015	649,760	157,974	600,023	-
2014	962,920	494,163	600,605	-

29.2.1.2 Bank balances

The analysis below summarizes the credit quality of the Company's bank balance:

	2015	2014
	----- (Rupees) -----	
AAA	31,234,454	12,908,165
AA +	510,567	60,459
AA	724,732	2,733,035
AA -	2,769,509	3,334,360
A+	1,444,672,496	1,280,858,579
BBB	-	58,748
	1,479,911,758	1,299,953,346

29.2.1.3 Investment in debt securities

Exposure of the Company in Term Finance Certificates according to credit ratings is as follows:

Term Finance Certificates & Sukuk Certificates Credit rating	2015	
	(Rupees)	Percentage
AA+	39,401,093	90.78%
AA-	4,001,676	9.22%
	43,402,769	100.00%

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Term Finance Certificates & Sukuk Certificates Credit rating	2014	
	(Rupees)	Percentage
AA+	5,250,872	3.30%
AA	52,704,088	33.11%
AA-	56,149,875	35.27%
A+	42,080,120	26.43%
A	3,000,000	1.89%
	159,184,955	100.00%

29.2.1.4 Concentration of credit risk

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

Details of the industrial sector analysis of the trade debts are as follows:

	2015		2014	
	(Rupees)	%	(Rupees)	%
Services (Including Insurance)	2,352,316	0.30%	1,031,135	0.16%
Manufacturing	5,740,721	0.70%	7,385,375	1.14%
Banking and financial institutions	43,928,250	5.39%	46,770,172	7.23%
Individuals	762,685,828	93.61%	590,229,142	91.47%
	814,707,115	100.00%	645,415,824	100.00%

29.2.2 Liquidity risk

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

Carrying amount	Contractual cash flows	2015			
		Six months or less	Six to twelve months	One to two years	Two to five years
------(Rupees)-----					
Financial liabilities					
Creditors, accrued expenses and other liabilities	598,607,480	598,607,480	598,607,480	-	-
	598,607,480	598,607,480	598,607,480	-	-

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for the year ended December 31, 2015

Carrying amount	Contractual cash flows	Six months or less	2014			
			Six to twelve months	One to two years	Two to five years	
------(Rupees)-----						
Financial liabilities						
Creditors, accrued expenses and other liabilities	746,613,900	746,613,900	746,613,900	-	-	-
	<u>746,613,900</u>	<u>746,613,900</u>	<u>746,613,900</u>	<u>-</u>	<u>-</u>	<u>-</u>

On the balance sheet date, the Company has cash and bank balances of Rs. 1,480 million (2014: Rs. 1,300 million) as mentioned in note 18 and unutilised credit lines of Rs. 175 million (2014: 250 million) against the investments of the Company.

29.2.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, management manages market risk by monitoring exposure on marketable securities by following the internal risk management and investment policies and guidelines.

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

Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions in foreign currencies. Currently, the Company's foreign exchange risk exposure is restricted to bank balances in foreign currency. As such the Company does not regularly deal in foreign currency transactions except for maintenance of foreign currency bank accounts which currently are denominated in US Dollars. The Management believes that the Company's exposure emanating from any fluctuations in the foreign currencies does not require to be hedged.

Financial assets and liabilities exposed to foreign exchange rate risk amounts to Rs. 14,584 equivalent to USD 139 (2014 : Rs. 44,400 equivalent to USD 441) at the year end.

	Balance sheet date rate	
	2015	2014
Pak rupees / US Dollar	104.8	100.6

Sensitivity analysis

A 10% strengthening / weakening of the Rupee against US Dollar at December 31, 2015 would have increased / (decrease) the profits of the Company as follows:

	Impact on profit or loss before tax	
	2015	2014
------(Rupees)-----		
Strengthening of Rupees by 10%	(1,458)	(4,440)
Weakening of Rupees by 10%	1,458	4,440

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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 manages fair value risk by investing primarily in variable rate term finance certificates, preferably with no cap and floor which insulates the Company from fair value interest rate risk, as coupon rates correspond with current market interest rate. Company also invests in fixed rated Government securities such as treasury bills and Pakistan investment bonds.

As at December 31, 2015, investments in term finance certificates exposed to interest rate risk are detailed in note 12.2 to the financial statements. Cash and cash equivalents are not subject to cash flow and fair value interest rate risk.

At the reporting date, the interest rate profile of Company's interest-bearing financial instruments is as follows:

	Carrying amount	
	2015	2014
	----- (Rupees) -----	
Fixed rate investments (note 12.2, & 18)	1,488,447,982	1,349,274,056
Variable rate investments (note 12.2)	32,466,788	108,433,489

Cash flow sensitivity analysis for variable rate instruments

The Company holds KIBOR based interest bearing investments in term finance certificates exposing the Company to cash flow interest rate risk.

For cash flow sensitivity analysis of variable rate instruments, a hypothetical change of 100 basis points in interest rates during the year would have decreased / increased profit for the year by the amounts shown below. It is assumed that the changes occur immediately and uniformly to each category of instrument containing interest rate risk. Actual results might differ from those reflected in the details specified below. The analysis assumes that all other variables remain constant.

	Impact on profit or loss before tax	
	100 bp increase	100 bp decrease
	----- (Rupees) -----	
As at December 31, 2015		
Cash flow sensitivity - variable rate instruments	324,668	(324,668)
As at December 31, 2014		
Cash flow sensitivity - variable rate instruments	1,084,335	(1,084,335)

Other price risk

Other 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 interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market.

The Company's listed securities are susceptible to market price risk arising from uncertainties about the future value of investment securities. The Company manages the equity price risk through diversification and purchase of securities in the ready market and simultaneous sale in the future market.

Fair value sensitivity analysis for fixed rate instruments

The Company accounts for the following fixed rate financial assets and liabilities at fair value through profit and loss.

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A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) the profit before tax for the year as follows. This analysis assumes that all other variables remain constant.

	Impact on profit or loss	
	100 bp increase	100 bp Decrease
	------(Rupees)-----	
As at December 31, 2015		
Term Finance Certificates & Sukuk Certificates	(109,360)	109,360
	<u>(109,360)</u>	<u>109,360</u>
As at December 31, 2014		
Term Finance Certificates & Sukuk Certificates	(507,515)	507,515
	<u>(507,515)</u>	<u>507,515</u>

The Company is exposed to other price risk on investments in listed shares. The Company manages the risk through portfolio diversification, as per recommendation of Investment Committee of the Company. The Committee regularly monitors the performance of investees and assess their financial performance on an on-going basis.

The 10 % increase / (decrease) in market value of these instruments with all other variable held constant impact on profit and loss account of the Company is as follows:

	before Tax	
	10% increase	10% decrease
	------(Rupees)-----	
As at December 31, 2015		
Quoted equity securities	72,284,505	(72,284,505)
	<u>72,284,505</u>	<u>(72,284,505)</u>
As at December 31, 2014		
Quoted equity securities	70,983,463	(70,983,463)
	<u>70,983,463</u>	<u>(70,983,463)</u>

29.2.4 Operational risk

Operational risk is the risk of direct or 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 risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behaviour. Operational risks arise from all of the Company's activities.

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

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

- requirements for appropriate segregation of duties between various functions, roles and responsibility;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks 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.

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29.3 Fair value of financial instruments

The carrying values of all financial assets and liabilities reflected in these financial statements approximate to their fair value. The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2:** Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3:** Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Fair value of the financial assets that are traded in active markets are based on quoted market prices or dealer price quotations.

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

Financial assets at fair value through profit or loss	2015			Total
	Level 1	Level 2	Level 3	
Listed securities	740,417,045	-	-	740,417,045
	<u>740,417,045</u>	<u>-</u>	<u>-</u>	<u>740,417,045</u>
Available for sale				
Listed securities	25,830,778	-	-	25,830,778
	<u>25,830,778</u>	<u>-</u>	<u>-</u>	<u>25,830,778</u>
2014				
Financial assets at fair value through profit or loss	Level 1	Level 2	Level 3	Total
Listed securities and unit of funds	780,941,413	-	-	780,941,413
Government securities and unlisted term finance certificates	-	88,078,172	-	88,078,172
	<u>780,941,413</u>	<u>88,078,172</u>	<u>-</u>	<u>869,019,585</u>
Available for sale				
Government securities	-	224,206,450	-	224,206,450

During the year, there occurred no transfers between various levels of fair value hierarchy.

The carrying values of remaining financial assets and liabilities reflected in these financial statements approximate to their fair value.

29.4 Capital risk management

The primary objective of the Company's capital risk 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.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2015

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 minimise risk.

30. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors have proposed cash dividend of Nil (December 31, 2014: Nil) amounting to Nil (December 31, 2014: Nil) and bonus of Nil (December 31, 2014: Nil) in their meeting held on February 11, 2016.

31. RECLASSIFICATION

Comparative figures have been re-arranged and reclassified wherever necessary for the purpose of comparison and better presentation the effect of which is not material except the following:

Description	From	To	Rupees
Interest accrued on Margin Finance	Trade debts - Margin Finance receivable	Interest and mark-up accrued	1,818,033

32. DATE OF AUTHORISATION

These financial statements were authorised for issue in the Board of Directors' meeting held on February 11, 2016.

Basir Shamsie
Chairman

Muhammad Kamran Nasir
Chief Executive

Pattern of Shareholding

for the year ended December 31, 2015

Shareholdings

No. of Shareholders		From	To	Total Shares Held
544	Shareholding From	1	To 100	6,274
235	Shareholding From	101	To 500	70,049
116	Shareholding From	501	To 1000	99,335
192	Shareholding From	1001	To 5000	402,229
34	Shareholding From	5001	To 10000	276,809
10	Shareholding From	10001	To 15000	125,825
1	Shareholding From	15001	To 20000	15,238
2	Shareholding From	20001	To 25000	46,000
6	Shareholding From	25001	To 30000	171,362
1	Shareholding From	30001	To 35000	31,000
1	Shareholding From	35001	To 40000	37,500
1	Shareholding From	50001	To 55000	54,054
1	Shareholding From	85001	To 90000	88,000
1	Shareholding From	95001	To 100000	100,000
1	Shareholding From	130001	To 135000	134,000
1	Shareholding From	215001	To 220000	218,501
1	Shareholding From	220001	To 225000	223,500
1	Shareholding From	295001	To 300000	300,000
1	Shareholding From	340001	To 345000	340,323
1	Shareholding From	21730001	To 21735000	21,734,832
1	Shareholding From	25525001	To 25530000	25,525,169
1,152				50,000,000

S.No.	Categories of Shareholders	Number of Shareholders	Total Shares Held	Percentage
1	Individuals	1,131	2,164,692	4.33%
2	Investment Companies	19	21,969,816	43.94%
3	Banks	1	25,525,169	51.05%
4	Insurance Companies	1	340,323	0.68%
5	Joint Stock Companies	0	0	0.00%
6	Modarbas and Mutual Funds	0	0	0.00%
7	Foreign Investor	0	0	0.00%
8	Others	0	0	0.00%
		1,152	50,000,000	100.00%

*Includes 853 CDC Beneficial Owners as per list appear on CDS

Pattern of Shareholding

for the year ended December 31, 2015

	No.	Shares
1 Associated Companies, Undertakings and related parties		
JS Bank Limited	1	25,525,169
Global Investment House	1	21,734,832
Jahangir Siddiqui Securities Services Limited	1	218,501
	3	47,478,502
2 NIT and ICP	Nil	Nil
3 List of directors, CEO and their spouses and minor children		
Mr. Farid Arshad Masood	1	1
Mr. Ammar Talib Hajeyah	1	4
Mr. Fouad Fahmi Darwish	1	4
Mr. Abdul Hamid Mihrez	1	4
Mr. Khurshid Hadi	1	1
Mr. Basir Shamsie	1	1
Mr. Muhammad Yousuf Amanullah	1	1
Mr. Muhammad Kamran Nasir	1	1
	8	17
4 List of Executives	Nil	Nil
5 Public Sector Companies and Corporations	Nil	Nil
6 Banks, Development Financial Institutions, Non-Banking Finance Institutions, Insurance Companies, Modarbas and Mutual Funds	1	340,323
7 Joint Stock Companies & Others	17	16,483
8 Individuals	1,123	2,164,675
TOTAL	1,152	50,000,000

Pattern of Shareholding

for the year ended December 31, 2015

Detail of shareholding 10% or more

1	JS Bank Limited	25,525,169
2	Global Investment House	21,734,832
		<hr/>
		47,260,001
		<hr/>

The Directors, CEO, CFO, Company Secretary and their spouses and minor children had reportedly carried out no trading in the shares of the Company during the year ended December 31, 2015

Form of Proxy

15th Annual General Meeting

The Company Secretary

JS Global Capital Limited

6th Floor, Faysal House, Shahra-e- Faisal,
Karachi-75530

I/We _____ of _____
being member(s) of JS Global Capital Limited holding _____ ordinary shares as per Registered
Folio No. / CDC A/c. No. (for members who have shares in CDS) _____ hereby appoint
Mr. / Mrs. / Miss _____ of (full address) _____
_____ or failing him/her Mr. / Mrs. / Miss _____ of
(full address) _____

as my / our proxy in my / our absence to attend, act and vote for me / us and on my / our behalf at the Annual
General Meeting of the Company to be held on March 22, 2016 and / or any Adjournment thereof.

As witness my / our hand / seal this _____ day of 2016.

Signed by _____

In the presence of _____

Witness:

1. Name: _____

Signature: _____

Address: _____

CNIC or Passport No. _____

Witness:

2. Name: _____

Signature: _____

Address: _____

CNIC or Passport No. _____



The Signature should
agree with the
specimen registered
with Company.

Important:

1. A member of the Company entitled to attend and vote may appoint another member as his/her proxy to attend and vote instead of him /her.
2. This proxy form, duly completed and signed, must be received at the Office of the Company situated at 6th Floor, Faysal House, Shahrah-e-Faisal, Karachi-75530, not less than 48 hours before the time of holding meeting.
3. No Person shall act as proxy unless he / she himself / herself is a member of the Company, except that a corporation may appoint a person who is not a member.
4. If a member appoints more than one proxy and / or more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
5. Beneficial Owner of the physical shares and the shares registered in the name of Central Depository Company of Pakistan Ltd. (CDC) and /or their proxies are required to produce their original Computerized National Identity Card (CNIC) or passport for identity purpose at the time attending the meeting. The form of Proxy must be submitted with the Company within the stipulated time, duly witnessed by two persons whose name, addresses and CNIC numbers must be mentioned on the form, along with attested copies of CNIC or the passport of the beneficial owner and the proxy. In case of corporate entity, the Board of Directors' Resolution/Power of Attorney with specimen signature shall be submitted along with Proxy form.



**AFFIX
CORRECT
POSTAGE**

The Company Secretary
JS Global Capital Limited
6th Floor, Faysal House,
Main Shakra-e-Faisal
Karachi-

اہم:

- 1- کمپنی کا ممبر اپنی جگہ شرکت اور ووٹ دینے کیلئے کسی اور ممبر کو بطور پراکسی منتخب کرنے کا حق رکھتا/رکھتی ہے۔
- 2- مکمل اور دستخط شدہ پراکسی فارم کمپنی کے آفس، مقام چھٹی منزل، فیصل ہاؤس، شاہراہ فیصل، کراچی۔ 75530 پراجلاس کے انعقاد سے 48 گھنٹے قبل ضرور موصول ہو جانے چاہئیں۔
- 3- کوئی فرد بطور پراکسی اجلاس میں شرکت نہیں کر سکتا/سکتی بشرطیکہ وہ خود کمپنی کا/کی ممبر نہ ہو، ماسوائے کارپوریشن کے جو اس فرد کو پراکسی نامزد کر سکتا/سکتی ہے جو ممبر نہ ہو۔
- 4- اگر ممبر ایک سے زائد پراکسی نامزد کرتا/کرتی ہے اور/یا کمپنی کے کسی ممبر کی جانب سے پراکسی کے ایک سے زائد نامزد ناموں کو جمع کر دئے جاتے ہیں، تو ایسے تمام نامزد ناموں کو غیر مستعمل تصور کئے جائیں گے۔
- 5- فزیکل شیئرز کے تنظیمی اوزر اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (CDC) کے نام پر رجسٹر ہونے والے شیئرز اور/یا ان کی پراکسی کو اپنے اصل کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا پاسپورٹ بطور شناخت اجلاس میں شرکت کیلئے پیش کرنے ہوں گے۔ پراکسی فارم کمپنی کو مقررہ وقت پر، دو افراد کی گواہی کے ساتھ جن کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) نمبرز فارم بیان کئے گئے ہوں، جمع تنظیمی اوزر اور پراکسی کے کمپیوٹرائزڈ قومی شناختی کارڈ کی تصدیق شدہ نقول یا پاسپورٹ جمع کر دئیے جائیں۔ کارپوریٹ اسمبلی کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی جمع نمونے کے دستخط پراکسی فارم کے ساتھ جمع ہوگی۔

درست نکت چپکائیں

کمپنی سیکریٹری
JS گلوبل کپٹل لمیٹڈ
چھٹی منزل، فیصل ہاؤس،
مین شاہراہ فیصل،
کراچی۔



JS Global
JS Global Capital Limited

Head Office

6th Floor, Faysal House,
Main Shahra-e-Faisal, Karachi, Pakistan

www.jsgcl.com

www.jsglobalonline.com

UAN: +92 21 111-574-111

Fax: +92 21 328 001 67

Stock Exchange Branch

Room # 634, 6th Floor, Stock Exchange
Building, Stock Exchange Road,
Karachi, Pakistan
Tel: +92 21 3242 7461
Fax: 92 21 3246 2640, 32415136

Forum Branch

7th Floor, The Forum, Block-9, Clifton,
Karachi, Pakistan

Hyderabad Branch

Ground Floor, State Life Building # 3,
Thandi Sarak, Hyderabad, Pakistan
Tel: +92 22 273 0307 - 08
Fax: +92 22 273 0327

Islamabad Branch

Room No. 413, 4th Floor,
ISE Towers, 55-B, Jinnah Avenue,
Islamabad, Pakistan
UAN: +92 51 111 574 111
Fax: +92 51 289 4417

Lahore Branch

Office No. 135-Y, 1st Floor,
Street # 11, Phase-III,
D.H.A, Lahore Cantt, Lahore, Pakistan
Tel: +92 42 3569 4687- 89
Fax: +92 42 3569 4617

Faisalabad Branch

Ground Floor, Mezan Executive Tower,
Plot # 4, Liaquat Road, Faisalabad, Pakistan
Tel: +92 41 2541 900 - 8
Fax: +92 41 2541 909

Multan Branch

Office # 608 – A, 6th Floor, The United Mall,
Plot # 74, Abdali Road, Multan, Pakistan
Tel: +92 61 4570260 - 66,68,69
Fax: +92 61 4570267

Peshawar Branch

1st Floor, SLIC Building # 34, The Mall Road,
Peshawar Cantt, Peshawar, Pakistan
Tel: +92 91 5285 221 - 5

Abbotabad Branch

1st Floor, Al-Fateh Shopping Centre,
Opposite Radio Station, Abbottabad, Pakistan
Tel +92 92 408 193 - 97