



Annual Report | 2016



# JS Global

JS Global Capital Limited



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# Vision

To be the leader in the  
Financial Services Sector.



# Mission

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

# Company Information

<b>Board of Directors</b>	<p>Syed Hasan Akbar Kazmi            Mr. Munir Hassan Taher            Mr. Khurshid Hadi            Mr. Junaid Imran            Mr. Ammar Talib Hajeyah            Mr. Abdul Hamid Mihrez            Mr. Muhammad Khalil ur Rehman            Mr. Muhammad Kamran Nasir</p>	<p>Chairman            Non-Executive            Independent            Non-Executive            Non-Executive            Non-Executive            Non-Executive            Chief Executive Officer</p>
<b>Audit Committee</b>	<p>Mr. Khurshid Hadi            Mr. Muhammad Khalil ur Rehman            Mr. Ammar Talib Hajeyah</p>	<p>Chairman</p>
<b>Executive Committee</b>	<p>Mr. Muhammad Kamran Nasir            Mr. Munir Hassan Taher            Mr. Abdul Hamid Mihrez            Syed Hasan Akbar Kazmi            Mr. Muhammad Khalil ur Rehman</p>	<p>Chairman</p>
<b>Human Resource &amp; Remuneration Committee</b>	<p>Syed Hasan Akbar Kazmi            Mr. Muhammad Kamran Nasir            Mr. Abdul Hamid Mihrez</p>	<p>Chairman</p>
<b>Chief Financial Officer</b>	<p>Mr. Muhammad Umair Arif</p>	
<b>Company Secretary</b>	<p>Syed Muhammad Tariq Nabeel Jafri*</p>	
<b>External Auditor</b>	<p>EY Ford Rhodes            Chartered Accountants            5th Floor, Progressive Plaza, Beaumont Road, Karachi</p>	
<b>Internal Auditor</b>	<p>Deloitte Yousuf Adil            Chartered Accountants            Cavish Court, A-35, Block 7 &amp; 8,            KCHSU, Shahrab-e-Faisal, Karachi</p>	

\* Syed Muhammad Tariq Nabeel Jafri has been appointed in place of Mr. Aijaz Ali as Company Secretary with effect from Feb 24, 2017.

**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**  
**Askari Bank Limited**  
**Faysal Bank Limited**

**Legal Advisors**

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

**Ms. Lubna Saleem Pervez**  
Office No.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**

6<sup>th</sup> Floor, Faysal House Main Shakra-e-Faisal , Karachi  
Telephone: 92-21-111-574-111, Fax: 92-21-32800167  
[www.jsqel.com](http://www.jsqel.com)  
[www.jsqlobalonline.com](http://www.jsqlobalonline.com)



# Profile of Board of Directors

## Syed Hasan Akbar Kazmi Chairman

Mr. Kazmi is a Director in JS Group. Mr. Kazmi has a Private Equity, Investment Banking and Corporate Finance background with experience across diverse sectors including Steel, Glass Power, Oil and Gas, Fertilizer, Cement, Sugar, Chemicals, Infrastructure & Ports, Advertising, Transportation, Financial sector and others.

He has served in the JS Group under various capacities over 12 years including senior positions in Private Equity Group, Corporate & Investment Banking Group and Principal Finance Office.

Prior to JS Group, Mr. Kazmi worked as the Group Head of Investment Planning & Monitoring (equivalent to CIO) for Army Welfare Trust ("Askari Group"), which is one of the largest conglomerates in Pakistan and as an Investment Manager at "Fauji Foundation", one of the other large conglomerates in Pakistan.

Prior to investment management for these organizations, he worked at London and Scottish Marine Oil Company (LASMO, now ENI S.P.A) and Citi Bank NA, in Pakistan.

Mr. Kazmi has held several Board of Directors positions in various listed and unlisted companies including Ghani Glass Limited, Lucky Cement Limited (alternate), Dadex Eternit Limited, Capital Asset Leasing Corporation, Hascol Limited, Optimus Limited and others.

Mr. Kazmi graduated from the Institute of Business Administration ("IBA") Karachi with an MBA and has also a Masters in Economics from the University of Karachi.

## Khurshid Hadi Independent Director

Mr. Khurshid Hadi's schooling was in the UK, he then graduated from the Institute of Chartered Accountants in England and Wales. Subsequently, he was admitted as a fellow of that Institute as well as of 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 Pakistan 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 commerce inter alia: First Leasing Corporation, Saitex Pharmaceuticals, Newline 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.

He is also Chairman and Founder of the Mind Sports Association of Pakistan, an NGO that is introducing, teaching and promoting chess and other mind sports at schools and colleges.





Mr. Hadi periodically contributes to several national and international publications including Dawn and Newsline. His work has 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.

### **Abdul Hamid Mihrez** Non-Executive 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 (Global), where he is responsible for the value enhancement and wind down of a USD 600 million 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** Non-Executive 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, Ammar is a member of the Board of Director of Arzan Financial Group for Financing & Investment (K.P.S.C) Kuwait, In addition, he is also the Chairman of First Securities Brokerage Company Kuwait.

### **Junaid Imran** Non-Executive Director

Mr. Junaid Imran is a Senior Vice President in JS Group's Principal Finance Office based in Karachi. He has extensive experience and expertise in the fields of Investment Banking, Private Equity, Corporate Advisory and Mergers & Acquisitions. He has experience working in several sectors including Oil & Gas, Real Estate, Infrastructure & Terminals, Glass, Media & Entertainment, Power Generation and Financial Services sectors. He has held directorships in various JS Group companies.

Prior to this, Mr. Imran was an Investment Principal at JS Private Equity. He has also worked at Grant Thornton International as a Senior Manager leading various corporate finance, privatization and research assignments.

By qualification, he is a fellow member of Association of Chartered Certified Accountants, (ACCA) UK and holds a B.Sc. in Applied Accounting from Oxford Brooks University.



## **Muhammad Khalil Ur Rehman** Non-Executive Director

Mr. Muhammad Khalil Ur Rehman is a senior executive at JS Bank Limited with over 43 years of diversified experience in banking (operations, Risk and re-engineering). He has been associated with American Express Bank since 1993 and has held various senior positions in Operations and credit administration in different cities.

Prior to this, he has worked at Mashreq Bank Limited and United Bank Limited. Mr. Rehman is a Certified Business Process Reengineer from the United States and is also a Diploma Associate of the Institute of Bankers in Pakistan. He is a certified director from Pakistan Institute of Corporate Governance.

Mr. Rehman received his Bachelors (Hons) in Commerce from the University of Punjab and completed his Masters in Commerce from Hailey College of Commerce.

## **Munir Hassan Taher** Non-Executive Director

Mr. Munir Taher has over 15 years of combined professional experience in asset management, private equity and corporate finance. In 2007, he joined Global to assist in managing USD 1 billion of proprietary investments spread across various asset classes through out the region.

In 2009, he became part of a special task force to set up a USD 1.5 billion fund to facilitate Global's first round of debt restructuring and subsequently played a key role in raising ~USD 200 million in realization proceeds during the first year of the restructuring to service debt obligations.

He later played a similar role in the successful conclusion of Global's USD 1.7 billion second and final round of restructuring in 2013 and co-led transformation of principle investments division into a new asset management business pillar with an AUM of USD 500 million.

The Special Situations Asset Management applies a value driven divestment strategy through proactive roles in portfolio companies facilitating USD 270 million realization proceeds at exit multiples exceeding 1.6x to agreed target values.

Mr. Munir has represented on the board of several companies such as Al Razzi Holding (Kuwait), Emirates Retakaful (UAE), Saudi Yemeni Healthcare (Yemen), Bindar Trading (Jordan), CNBC Pakistan, CNBC Africa (South Africa), Murdoch University (UAE) and JS Global Capital Limited (Pakistan).

He began his career in Kenya working for several large institutions in the corporate finance department.

He obtained his Fellowship from the Association of Chartered Accountants from UK in 2001 and became CFA charter holder in 2015.

## **Muhammad Kamran Nasir** Chief Executive Officer

Mr. Muhammad Kamran Nasir joined JS Group in 2010 and has been leading JS Global Capital Limited, the largest brokerage and investment banking firm which is listed on the stock exchange, as its Chief Executive Officer since 2011.

Mr. Nasir is a Chartered Accountant from the Institute of Chartered Accountants of England & Wales and also a Chartered Certified Accountant from the Association of Chartered Certified Accountants U.K. He brings with him rich experience of Investment Banking and handling complex financial matters. His Investment Banking experiences ranges from advising companies on mergers, acquisitions, divestitures, debt raising and re-profiling including 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.

Mr. Nasir is a Certified Director from the Pakistan Institute of Corporate Governance. He has been a notable speaker in many public/commercial speaking events ranging from specialized topics to covering Pakistan Capital Markets on Electronic Media. He has wide experience of engaging with Global Fund Managers and has conducted various Road Shows in London, USA and elsewhere to showcase the Pakistan Corporate Sector. Due to his diverse experience, he is routinely invited by the Apex and Frontline Regulatory Bodies in Pakistan to deliberate on a host of technical and specialized matters.

# 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 three members including the Chairman. All the members of Committee are Non-Executive Directors.

The members of Audit Committee are as follows:

Mr. Khurshid Hadi	Chairman
Mr. Muhammad Khalil ur Rehman	Member
Mr. Ammar Talib Hajeyah	Member
Syed Muhammad Tariq Nabeel Jafri	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 the Committee are as follows:

Mr. Muhammad Kamran Nasir	Chairman
Mr. Abdul Hamid Mihrez	Member
Mr. Munir Hassan Taher	Member
Syed Hasan Akbar Kazmi	Member
Mr. Muhammad Khalil ur Rehman	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 as approved by the Board.

### 3. Human Resource & Remuneration Committee

The Human Resource & Remuneration Committee ("the Committee") comprises of three members including the Chairman of the Committee.

Syed Hasan Akbar Kazmi	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 Officers' 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.

### **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 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.



# Our Key Corporate Social Responsibility (CSR) Aspects

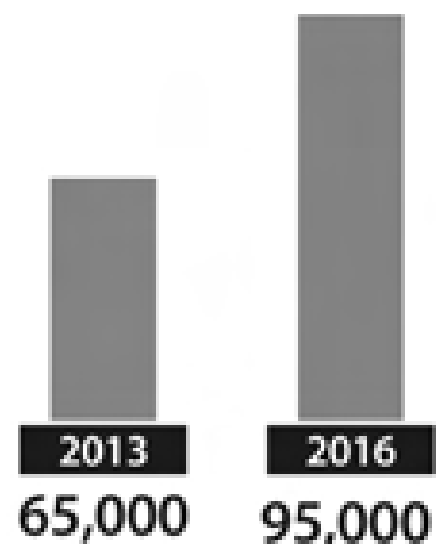
As a responsible corporate entity, JS Global Capital Limited (JS Global or the Company) strives to support CSR initiatives that foster economic growth, social progress and environmental protection.

The Company carries out major philanthropic in partnership with the Mahvash and Jahangir Siddiqui Foundation (MJSF).

## Supporting Our Communities

### Iftaar Meals

MJSF arranged iftaar meals for the less privileged during the holy month of Ramadan in 2016. These iftaar meals are being provided on an annual basis since 2013.



### Medical and Eye Camps

MJSF Medical and Eye Camps program was initiated in response to the critical health care needs of the rural population 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 of doctors, eye surgeons, paramedics and volunteers.

These camps attract patients from and around the respective camp locations and are announced publically through newspaper ads, pamphlets, hand-bills distribution, electronic media and megaphones. As of October 2016, over 80,000 patients have been examined in these camps and over 17,000 cataract surgeries have been performed. And more recently, patients have started being screened for Hepatitis B and C.

## **Being the First to Respond to Emergencies**

MUSF is an active supporter of the First Response Initiative of Pakistan (FRIP). FRIP is a medical student-run organization that uses young doctors and medical students, already having medical knowledge, to prepare and train the general population in basic life-saving skills.

## **Recognizing People's Potential**

MUSF supports the Karigar Training Institute (KTI). KTI was established in response to the urgent needs to provide specialized skills to underprivileged segments of society to help them earn an honest living.

## **Acumen Pakistan Fellows Program**

MUSF is a lead sponsor of the Acumen Pakistan Fellows program having supported this initiative since 2013. The Acumen Pakistan Fellows program is a one-year leadership development program designed to build the next generation of social leaders who will be able to transform society and create a better and more inclusive world.

Each cohort of Acumen Pakistan Fellows includes 20 individuals who are actively driving social change initiatives in Pakistan. Fellows participate in the year-long fellowship, directly applying learnings from the fellowship to the work they are doing as social entrepreneurs and leaders within the private, NGO and government sectors.

There have been 68 Acumen Pakistan Fellows since the program started in 2013. They work in diverse fields ranging from education and health to energy and women's empowerment.

## **Some Acumen investee companies:**

e-Guard, a solid waste management project operating in 6 cities throughout Pakistan and active in 3000 households.

Rural Development Project - aims to improve the socio-economic conditions of the poor and disaster affected communities by empowering them through sustainable agriculture and livestock management practices.

Soon Valley Development Program - promotes community development through grant-based interventions and microfinance programs focused on sectors such as agriculture, livestock and renewable energy.

Jaan Pakistan, a social enterprise researching and providing affordable energy solutions for low-income communities across Pakistan.



# Our Corporate Values

## **Integrity:**

Operating always with good business ethics, treating our customers and each other with respect, and being honest with and trusted by all our stakeholders.

## **Customer Focus:**

Placing priority on the confidence of our customers, we commit, as a “best partner” to our customers, to empowering and allowing them to achieve sustainable growth from a long-term perspective.

## **Creativity:**

Approaching banking and financial solutions in a forward-thinking manner and fostering each other in an entrepreneurial spirit.

## **Team Work:**

Employing the best of each others' talents, through a collaborative approach to achieving optimum solutions.

## **Personal Accountability:**

Fulfilling our promise to be responsible and accountable through a diligent and proactive work ethic, and achieving the highest standards in everything we do.

## **Good Citizenship:**

Do our share to make our society better. Stay informed, obey laws and rules, respect others rights and authority.





# Notice of Annual General Meeting

Notice is hereby given that the Sixteenth Annual General Meeting ("AGM") of the members of JS Global Capital Limited (the "Company") will be held on Friday, March 31, 2017 at 09:00 a.m. at Defence Authority Creek Club, Zulfiqar Street No.1, Phase VIII, DHA, Karachi to transact the following businesses:

## Ordinary Businesses:

- I. To receive and consider the audited financial statements of the Company for the year ended December 31, 2016 together with the Directors' Report and Auditors' Report thereon.
- II. To appoint auditors of the Company for the year ending December 31, 2017 and fix their remuneration. The retiring auditors, Messrs EY Ford Rhodes, being eligible have offered themselves for reappointment.

## Other Business:

- III. Any other business with the permission of the Chair.

By Order of the Board

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Syed Muhammad Tariq Nabeel Jafri  
Company Secretary

Karachi: March 10, 2017

## Notes:

- (i) The Share Transfer Books of the Company shall remain closed from March 24, 2017 to March 31, 2017 (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 Company'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 22, 2017 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) **Notice to Shareholders who have not provided CNIC:**

In terms of the directives of the Securities and Exchange Commission of Pakistan (SECP), 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.

(viii) **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. 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.jsqcl.com>.

(ix) **Electronic Transmission of Financial Statements and Notices.**

Pursuant to Notification vide SRO 787 (I)/2014 dated September 08, 2014; 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.jsqcl.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.

(x) **Placement of Financial Statements**

The Company has placed the Audited Financial Statements for the year ended December 31, 2016 along with Auditors and Directors Reports thereon on its website: <http://www.jsqcl.com>.



# Financial Highlights

	2016	2015	2014	2013	2012	2011
	Year ended				18 months	Year ended
	December 31				ended	June 30
<b>Operating Performance (Rupees in 000)</b>						
Operating Revenue	463,958	494,794	407,319	256,853	309,693	216,301
Operating expenses	498,626	472,708	367,639	296,404	446,003	329,061
Financial expenses	621	7,168	708	14,478	23,805	4,387
Other income	214,064	289,845	263,004	255,354	342,327	219,176
Profit / (loss) before tax	289,007	376,362	409,750	210,276	378,961	126,231
Profit / (loss) after tax	171,085	251,296	282,567	150,196	290,325	89,121
<b>Per Ordinary Share (Rupees)</b>						
Earnings / (loss) per share	4.13	5.03	5.65	3.00	5.81	1.78
Breakup value per share	67.2	57.7	52.5	50.72	54.21	51.91
<b>Dividends (Percentage)</b>						
Cash	-	-	10 (F)	35 (I)	20 (F)	-
	-	-	30 (F)	-	15 (F)	-
	-	-	-	-	30 (F)	-
Bonus shares	-	-	-	-	-	-
<b>Assets &amp; Liabilities (Rupees in 000)</b>						
Total assets	4,458,216	3,532,593	3,427,368	2,859,282	3,572,377	2,856,118
Current assets	4,197,472	3,309,412	3,211,588	2,658,707	3,373,003	2,657,867
Current liabilities	1,902,713	647,256	801,107	323,428	861,718	260,855
<b>Financial Position (Rupees in 000)</b>						
Shareholders equity	2,555,503	2,885,337	2,626,261	2,535,854	2,710,658	2,595,263
Share capital	380,079	500,000	500,000	500,000	500,000	500,000
Reserves	2,175,433	2,385,337	2,126,261	2,035,854	2,210,658	2,095,263
Shares outstanding - (Numbers in 000)	38,007	50,000	50,000	50,000	50,000	50,000
Return on capital employed - (%)	6.69	8.71	10.76	5.92	10.71	3.43
Return on total assets - (%)	3.84	7.11	8.24	5.25	8.13	3.12
Current ratio-times	2.21	5.11	4.01	8.22	3.91	10.19

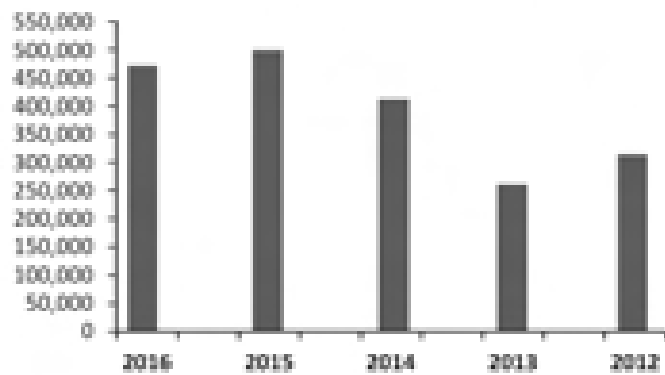
(I) Interim

(F) Final

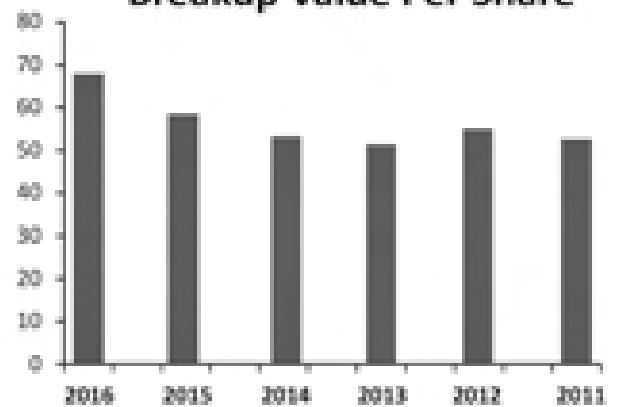


# Financial Highlights

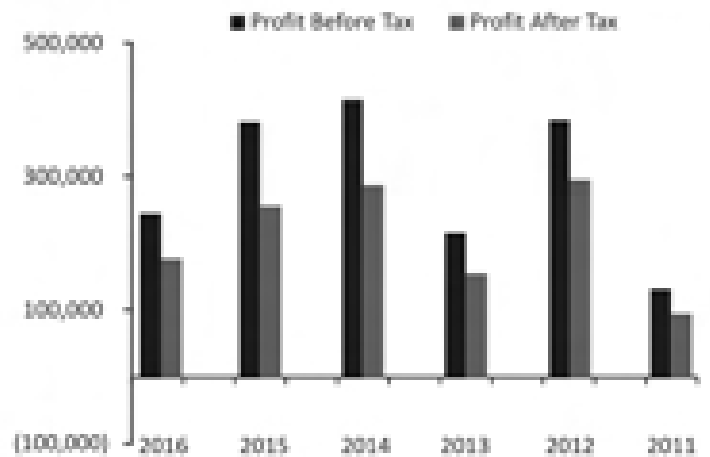
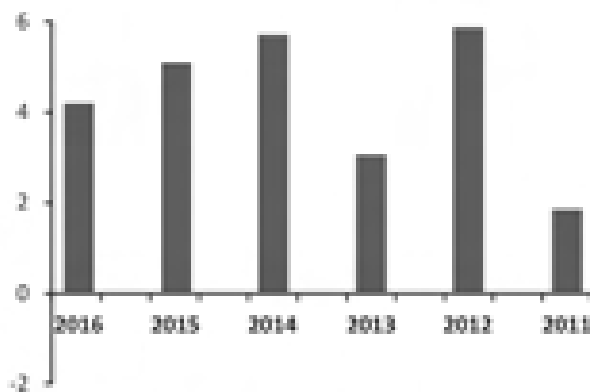
## Operating Revenue



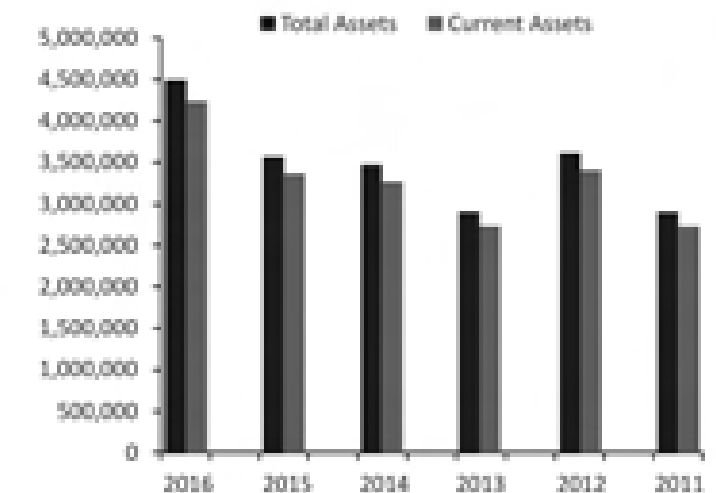
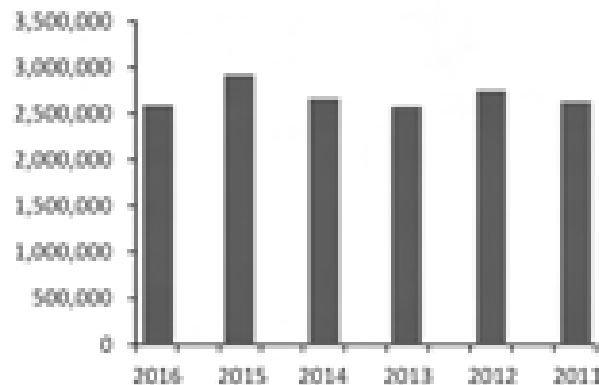
## Breakup Value Per Share



## Earning Per Share



## Shareholders Equity



# Directors' Report

We are pleased to present the Annual Report of JS Global Capital Limited ("the Company") along with the audited accounts and auditors' report for the year ended December 31, 2016.

The summarized results are set out below:

	Year ended December 31, 2016	Year ended December 31, 2015
	..... Pakistani Rupee (PKR).....	
Profit before tax	239,007,034	376,361,637
Profit after tax	171,035,496	251,296,414
Earnings per share	4.13	5.03

## The Economy

2016 was a year of accelerating growth. The global credit rating agency Standard and Poor's upgraded Pakistan's long-term credit rating from B- to B with stable outlook during 2016 and affirmed the 'B' short-term rating.

Confidence in the economy also increased with the successful completion of the IMF program comprising of a US Dollar (USD) 6.15 billion arrangement under the IMF's Extended Fund Facility, as a result of which the economy continued to stabilize and grow. Even though the IMF talked about significant challenges in its country review, the successful program completion by Pakistan was evidence of a strengthening economy. In spite of decline in exports and a higher import bill, government managed to maintain foreign exchange reserves on the back of inflows received from China. Low energy prices contributed significantly to low levels of inflation which fell to 3.8%, the lowest rate in a decade.

The fast pace of work on the China Pakistan Economic Corridor (CPEC) during the year led to significant growth in infrastructure spending, as a result of which the building materials and construction sectors grew rapidly.

The Government of Pakistan has set an ambitious GDP growth target of 5.7% for 2016-2017 from 4.7% which was achieved in 2015-2016.

## Equity Capital Markets

The amalgamation of the stock exchanges of Karachi, Lahore and Islamabad into the Pakistan Stock Exchange (PSX) resulted in an uptick in the trading activities due to streamlining of overall management and governance. During 2016, MSCI upgraded Pakistan from its Frontier to the Emerging Markets Index (effective May 2017) returning Pakistan to the Emerging Markets Index after nearly a decade.

JS Global was the only broker who played a very crucial role in this regard, as it took this unprecedented initiative with the support of the Ministry of Finance, Government of Pakistan, and the Pakistan Stock Exchange, for the timely push for Pakistan to regain the MSCI Emerging Market status. JS Global took along the largest caravan of Pakistan Corporates (14 listed, 2 unlisted) to London where about 15% of world AUMs were represented by the world-class investors an unprecedented effort in the history of Pakistan Capital Markets.

In December 2016, a consortium led by the China Financial Futures Exchange, Shanghai Stock Exchange and Shenzhen Stock Exchange won the bid to purchase a 40% stake in the Pakistan Stock Exchange. This is a welcome development and is expected to lead to increased interest from Chinese investors in Pakistan's equity markets.



## Foreign Exchange Market

The USD/PKR parity performed well in 2016. The exchange rate ranged between 1/104.07 and 1/104.85. PKR appreciated 0.11% as compared to the year-end closing in 2015 (December 2015 = 1/104.74, December 2016 = 1/104.62). Forex swaps gradually fell throughout the year. In 2015, the 1-month (1M), 3-months (3M) and 6-months (6M) swaps averaged 46, 122 and 232 paisas respectively, while in 2016, 1M, 3M and 6M swaps averaged 40, 114 and 220 paisas, respectively. Moreover, the forex swaps continued to fall in the last week of December with 1M, 3M and 6M swaps reaching 16.5, 68 and 148 paisas respectively. Pakistan's foreign exchange reserves were also at a record high of over USD 23.1 billion.

## Money Market

During CY16, yields on fixed income declined further due to a 25 basis points (bps) cut in the policy rate and major liquidity injection by the State Bank of Pakistan (SBP). However, in its latest monetary policy meeting, the SBP kept the policy rate unchanged at 5.75% on account of rising inflationary expectations.

In sequence with the decrease in the policy rate, the yields on the Market Treasury Bills<sup>1</sup> (MTBs) declined by around 35-40 bps during the year. In the same way, yields on the Pakistan Investment Bonds (PIBs) also responded accordingly with the yield on the 10-year PIB closing the year at 8.52% after hitting a bottom of 7.45% in July 2016. The SBP held MTB auctions during the year with a combined target of PKR 5,200 billion and a maturity of PKR 4,500 billion, approximately. The last MTB auction held in month of December 2016 showed an upward trend as cut-off yields for 3M and 6M increased to 5.9649% and 5.9792% respectively, while bids for 12 month T-Bills were rejected.

The target for the auction was PKR 200 billion out of which, a reasonable total of around PKR 150 billion was accepted. The federal government rejected all the bids in the auction for PIBs as most of the bids for the long-term investment bonds were submitted with a higher margin as compared to the previous auctions. This was the third auction in a row for the PIBs that was rejected by the SBP on behalf of the federal government.

During CY16, average Consumer Price Inflation (CPI) during this time clocked in at 3.76% compared to 2.54% in CY15. This increase in inflation was primarily due to a low base-effect and mainly due to a rise in core inflation (non-food, non-energy). The SBP has forecast inflation figures between 4.5% and 5.5% for CY17.

JS Global Research believes interest rates have bottomed out now and due to an expected rise in inflation, persistent government borrowing and rising private sector credit off-take, the SBP is expected to increase policy rates by 50 bps - 100 bps rise in CY17.

## Commodities Market

Overall volumes at the Pakistan Mercantile Exchange Limited (PMEX) continued their downward trajectory during 2016, as a slowdown in the commodities market continued to repel investors. Popular contracts such as Crude 10 (down 46% year-on-year (YoY)) and Crude 100 (down 17% YoY) witnessed dull trading mainly due to volatile international crude oil prices. Due to an uncertain geopolitical situation globally, activity increased in safe-haven assets such as Gold 10 Ounces (GO10OZ); GO10OZ volumes increased by 77% YoY.

Despite a decline in trading volumes, overall commodities value traded shot up by a whopping 69.5% YoY to PKR 1,446 billion. This increase in value traded can be attributed to launch of three international currencies' pairs (Australian Dollar (AUD), Canadian Dollar (CAD) and Swiss Francs (CHF)) for trading during the year. Going forward, because of expected weakness in US economic data and subdued growth expected in the global economy amidst geopolitical unrest, volatility in the commodity markets is expected to stay high.

## Overview of Financial Performance

The Directors are pleased to inform the shareholders that the Company has achieved PKR 171 million in net income for the year under consideration compared to PKR 251 million net income for the corresponding period last year.

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

The Company earned operating revenue amounting to PKR 464 million (compared to PKR 495 million in CY 2015) with PKR 451 million and PKR 13 million contributed by the brokerage (decline of 0.04 % YoY) and advisory income (decline of 69% YoY) businesses respectively. Capital gain on sale of investments decreased by 30% YoY.

On the cost front, the Company incurred PKR 499 million (growth of 5.48 % YoY) for the said year in respect of administrative and operating expenses while it contributed PKR 68 million in terms of taxes (last year PKR 125 million.) Increase in the company's administrative expenses is attributable to opening of new branches through which the Company aims to increase its retail client base.

The Earnings per Share (EPS) of the Company for the year stood at PKR 4.13 against EPS of PKR 5.03 for the corresponding period last year, reflecting a decline of 18%.

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, 2016	Year ended December 31, 2015
	----- PKR -----	
Profit after tax	171,035,496	251,296,414
Un-appropriated profit brought forward	559,612,692	308,316,278
<b>Transactions with owners recognized directly in equity</b>		
Amount paid in excess of face value of 11,993,000 shares@ PKR 46/share	(431,748,000)	-
Un-appropriated profit carried forward	<u>298,900,188</u>	<u>559,612,692</u>
<b>Other Comprehensive Income</b>		
Unrealized gain on revaluation of AFS Investments	<u>66,427,871</u>	<u>15,619,607</u>

The Board of Directors of the Company has not considered any distribution to shareholders for the year ended December 31, 2016 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 ('the Code') 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 (IFRS), 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 annual 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 unaudited financial statements for the year ended June 30, 2016 amounts to approximately PKR 43.66 million (2015: PKR 40.46 million unaudited).
- No material changes and commitments affecting the financial position of the 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 are critical in today's competitive business environment.

The status of each director on whether they are executive, non-executive or independent has been disclosed in the Annual Report in accordance with the Code, under clause 5.19 of PSX Rule Book.

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 CY 2016, the Board of directors held 6 meetings. The attendance record of the directors is as follows:

S.no	Name of Director	Eligibility	Meetings attended
1	Mr. Basir Shamsie *	2	2
2	Mr. Muhammad Kamran Nasir (CEO)	6	6
3	Mr. Muhammad Yousuf Amanullah *	2	2
4	Mr. Khurshid Hadi	6	5
5	Mr. Abdul Hamid Mihrez	6	4
6	Mr. Fouad Fahmi Darwish **	5	1
7	Mr. Ammar Talib Hajeyah	6	6
8	Mr. Farid Arshad Masood **	5	3
9	Syed Hasan Akbar Kazmi *	3	3
10	Mr. Muhammad Khalil Ur Rehman *	3	3
11	Mr. Munir Hassan Taher **	1	1
12	Mr. Junaid Imran **	1	1

\*Mr. Basir Shamsie and Mr. Muhammad Yousuf Amanullah resigned on February 26, 2016 and in their place, Syed Hasan Akbar Kazmi and Mr. Muhammad Khalil Ur Rehman respectively were appointed on May 17, 2016.

\*\*Mr. Farid Arshad Masood resigned on November 15, 2016 and Mr. Fouad Fahmi Darwish resigned on December 26, 2016. Mr. Junaid Imran and Mr. Munir Hassan Taher respectively were appointed in their place on December 26, 2016.

## The Board Audit Committee (BAC)

During CY16, the BAC held 4 meetings. The attendance record of the Directors is as follows:

S.no	Name of Director	Eligibility	Meetings attended
1	Mr. Basir Shamsie	1	1
2	Mr. Muhammad Yousuf Amanullah	1	1
3	Mr. Ammar Talib Hajeyah	4	4
4	Mr. Khurshid Hadi	4	4
5	Mr. Muhammad Khalil Ur Rehman	2	2



## The Board Human Resources & Remuneration Committee (BHR&RC)

During CY16, the BHR&RC held 2 meetings. The attendance record of the directors is as follows:

S.no	Name of Director	Eligibility	Meetings attended
1	Mr. Muhammad Kamran Nasir	2	2
2	Mr. Muhammad Yousuf Amanullah	1	1
3	Mr. Abdul Hamid Mihrez	2	2
4	Syed Hasan Akbar Kazmi	1	1

### Buy back of shares

In pursuance of the special resolution passed by members of the Company at the Annual General Meeting held on March 22, 2016 authorizing the Company to buy-back the shares under Section 95A of the Companies Ordinance, 1984 read with the Companies (Buy-Back of Shares) Rules, 1999, up to a maximum of 12,000,000 issued ordinary shares of the Company of the nominal / face value of Rs.10 (Rupees Ten) each at a price of Rs.46 (Rupees forty six) per share, the Company has bought back its 11,993,000 ordinary shares from its members.

Consequently, the paid up capital of Company has been reduced to Rs.380,070,000 divided into 38,007,000 ordinary shares of the face value of Rs.10 each.

### Directors' Training Program

The Board had arranged two training programs for its directors during the year from the recognised institution of Pakistan that meet the criteria specified by the SECP however one of such training program was postponed by such institution due to insufficient participant(s) interest.

### 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 BAC monitors and supervises the functions of the outsourced Internal Audit Department and assists the Board in monitoring and managing risks and internal controls. Internal Audit adopts a risk-based approach for planning and conducting business process audits, which are 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.

BAC 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 two non-Executive Directors while the Chairman is an independent Director. Internal Audit functions are outsourced to M/s Deloitte Yousuf Adil, Chartered Accountants, which reports directly to the Chairman of the Board Audit Committee, and the Chief Financial Officer is invited to attend the meetings. During the year, the Committee held four meetings. The external auditors were also in attendance to discuss specific issues. The financial statements of the Company were reviewed by the BAC before approval by the Board.

### Auditors

The auditors EY Ford Rhodes stand retired and are eligible for reappointment for the financial year 2017. BAC has recommended the reappointment of the retiring auditors.

## **Pattern of Shareholding**

Major shareholders of the Company are JS Bank Limited (67.16 percent) and Global Investment House, Kuwait (26.75 percent). 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 2016 is presented later in annual report.

## **Credit Rating**

The Pakistan Credit Rating Agency (PACRA) has maintained the Company's long term and short term ratings at AA (Double A) and A1+ (A one plus) respectively, for CY16. These ratings reflect the Company's sound financial position resulting from a 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 we will maintain our growth momentum in the long run and continue to build shareholders value as we have always in the past.

We plan on maintaining our focus on institutional building by continuously strengthening our core business units, increasing market share in all departments and constantly remaining in search of innovative financial products and services.

## **Acknowledgment**

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.

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 capital markets and measures to protect investor rights.

For and on behalf of the  
Board of Directors

**Muhammad Kamran Nasir**  
Chief Executive Officer

Karachi: February 21, 2017



آؤتے کھلی نے SECP کی طرف سے جاری کردہ کارپوریشن کوڈز کے مطابق کام کیا۔ کارپوریشن کی منظوری سے کارپوریشن ڈائریکٹرز کا قیام کیا۔ کارپوریشن میں دو ماہانہ میٹنگوں کا انعقاد کیا گیا اور کارپوریشن میں ہے۔ کارپوریشن آؤتے کھلی کے اہلکاروں نے کارپوریشن کے چارٹر اور ایگمنڈ کے مطابق کام کیا۔ کارپوریشن کے چارٹر اور ایگمنڈ کے مطابق کام کیا۔ کارپوریشن کے چارٹر اور ایگمنڈ کے مطابق کام کیا۔

آؤتے کھلی:

SECP نے کارپوریشن کوڈز کے مطابق کام کیا۔ کارپوریشن کے چارٹر اور ایگمنڈ کے مطابق کام کیا۔ کارپوریشن کے چارٹر اور ایگمنڈ کے مطابق کام کیا۔

کارپوریشن کے چارٹر:

کارپوریشن کے چارٹر اور ایگمنڈ کے مطابق کام کیا۔ کارپوریشن کے چارٹر اور ایگمنڈ کے مطابق کام کیا۔ کارپوریشن کے چارٹر اور ایگمنڈ کے مطابق کام کیا۔

کارپوریشن کے چارٹر اور ایگمنڈ کے مطابق کام کیا۔ کارپوریشن کے چارٹر اور ایگمنڈ کے مطابق کام کیا۔ کارپوریشن کے چارٹر اور ایگمنڈ کے مطابق کام کیا۔

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کارپوریشن کے چارٹر اور ایگمنڈ کے مطابق کام کیا۔ کارپوریشن کے چارٹر اور ایگمنڈ کے مطابق کام کیا۔ کارپوریشن کے چارٹر اور ایگمنڈ کے مطابق کام کیا۔

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کارپوریشن کے چارٹر:

کارپوریشن کے چارٹر:

کارپوریشن کے چارٹر:

کارپوریشن کے چارٹر:

بالی سال 2016 کے دوران بھارت آئیٹس کنٹری نے 13 جوائنٹ وینچرز کے منصوبوں میں اپنا حصہ لیا اور چار نئے جوائنٹ وینچرز کی بنیاد رکھی۔

نمبر	جوائنٹ وینچر نام	بھارت آئیٹس کنٹری کی حصہ	بھارت آئیٹس کنٹری کی حصہ
1	بھارت آئیٹس کنٹری	1	1
2	بھارت آئیٹس کنٹری	1	1
3	بھارت آئیٹس کنٹری	3	3
4	بھارت آئیٹس کنٹری	3	3
5	بھارت آئیٹس کنٹری	3	3

### بھارت آئیٹس کنٹری کے جوائنٹ وینچرز کی تفصیلات

بالی سال 2016 کے دوران بھارت آئیٹس کنٹری نے 13 جوائنٹ وینچرز کے منصوبوں میں اپنا حصہ لیا اور چار نئے جوائنٹ وینچرز کی بنیاد رکھی۔

نمبر	جوائنٹ وینچر نام	بھارت آئیٹس کنٹری کی حصہ	بھارت آئیٹس کنٹری کی حصہ
1	بھارت آئیٹس کنٹری	3	3
2	بھارت آئیٹس کنٹری	1	1
3	بھارت آئیٹس کنٹری	3	3
4	بھارت آئیٹس کنٹری	1	1

### کنٹری کے شیئرز کی باہمی خرید واری

22 جولائی 2016 کو نئے 13 جوائنٹ وینچرز میں کنٹری کے جوائنٹ وینچرز کے منصوبوں میں اپنا حصہ لیا اور چار نئے جوائنٹ وینچرز کی بنیاد رکھی۔ (Buy Back of Shares) کے تحت 1999 کے مطابق ہے۔

مستحقانہ خرید واری میں کنٹری نے 10 سے زیادہ جوائنٹ وینچرز میں اپنا حصہ لیا اور چار نئے جوائنٹ وینچرز کی بنیاد رکھی۔ اس عملے میں کنٹری نے 11,993,000 نام حصص اپنے جوائنٹ وینچرز سے اس کا حصہ لیا۔

### جوائنٹ وینچرز پر کام

بالی سال 2016 کے دوران بھارت آئیٹس کنٹری نے 13 جوائنٹ وینچرز کے منصوبوں میں اپنا حصہ لیا اور چار نئے جوائنٹ وینچرز کی بنیاد رکھی۔

### بالی سال 2016 کے دوران بھارت آئیٹس کنٹری کے جوائنٹ وینچرز کی تفصیلات

کنٹری کی باہمی خرید واری میں کنٹری نے 10 سے زیادہ جوائنٹ وینچرز میں اپنا حصہ لیا اور چار نئے جوائنٹ وینچرز کی بنیاد رکھی۔ اس عملے میں کنٹری نے 11,993,000 نام حصص اپنے جوائنٹ وینچرز سے اس کا حصہ لیا۔



☆ گزٹو چرمانوں کی ذمہ داری ہائیکورٹ کے احکامات اور پریس میں بیان کر دی گئی ہیں۔

☆ ڈاؤن لوڈ اور ڈیجیٹل مانیٹورنگ کے مسائل اور پریس کے حقوق و مفادات کا احاطہ کرنے میں مدد کی گئی ہے۔

☆ کھلی نئے ایپل ڈیوائس کے ذریعے ہائیکورٹ اور دیگر اداروں کی فراہمی کی قدر گزشتہ سال 43.88 ملین روپے ہے۔  
(2015 میں بھی تقریباً 40.48 ملین روپے تھے)

☆ جیسٹس فیملی کے راجیوں اور ان کی کزنز، جج صاحب کے ساتھ ان کی فیملی اور ان کے رشتہ داروں کی کھلی نئے ایپل ڈیوائس کی مدد کی گئی ہے۔

اور

ہو رہا ہے کہ ہائیکورٹ کے جج صاحب کی ذمہ داری ہائیکورٹ کے احکامات اور پریس میں بیان کر دی گئی ہے۔ ڈاؤن لوڈ اور ڈیجیٹل مانیٹورنگ کے مسائل اور پریس کے حقوق و مفادات کا احاطہ کرنے میں مدد کی گئی ہے۔

ہو رہا ہے کہ ہائیکورٹ کے جج صاحب کی ذمہ داری ہائیکورٹ کے احکامات اور پریس میں بیان کر دی گئی ہے۔

ہائیکورٹ کے جج صاحب کی ذمہ داری ہائیکورٹ کے احکامات اور پریس میں بیان کر دی گئی ہے۔

ہائیکورٹ کے جج صاحب کی ذمہ داری ہائیکورٹ کے احکامات اور پریس میں بیان کر دی گئی ہے۔

ہائیکورٹ کے جج صاحب کی ذمہ داری ہائیکورٹ کے احکامات اور پریس میں بیان کر دی گئی ہے۔

2016 کے سال کے دوران ہائیکورٹ کے جج صاحب کی ذمہ داری ہائیکورٹ کے احکامات اور پریس میں بیان کر دی گئی ہے۔

نمبر	ڈاؤن لوڈ اور ڈیجیٹل مانیٹورنگ	ہائیکورٹ کے جج صاحب کی ذمہ داری	ہائیکورٹ کے جج صاحب کی ذمہ داری
1	ہائیکورٹ کے جج صاحب کی ذمہ داری	2	2
2	ہائیکورٹ کے جج صاحب کی ذمہ داری	1	1
3	ہائیکورٹ کے جج صاحب کی ذمہ داری	4	4
4	ہائیکورٹ کے جج صاحب کی ذمہ داری	1	1
5	ہائیکورٹ کے جج صاحب کی ذمہ داری	1	1
6	ہائیکورٹ کے جج صاحب کی ذمہ داری	5	5
7	ہائیکورٹ کے جج صاحب کی ذمہ داری	1	1
8	ہائیکورٹ کے جج صاحب کی ذمہ داری	1	1
9	ہائیکورٹ کے جج صاحب کی ذمہ داری	3	3
10	ہائیکورٹ کے جج صاحب کی ذمہ داری	3	3
11	ہائیکورٹ کے جج صاحب کی ذمہ داری	1	1
12	ہائیکورٹ کے جج صاحب کی ذمہ داری	1	1

(\*) ہائیکورٹ کے جج صاحب کی ذمہ داری ہائیکورٹ کے احکامات اور پریس میں بیان کر دی گئی ہے۔ 28 فروری 2016 کو ہائیکورٹ کے جج صاحب کی ذمہ داری ہائیکورٹ کے احکامات اور پریس میں بیان کر دی گئی ہے۔ 17 مئی 2016 کو ہائیکورٹ کے جج صاحب کی ذمہ داری ہائیکورٹ کے احکامات اور پریس میں بیان کر دی گئی ہے۔

(\*\*) ہائیکورٹ کے جج صاحب کی ذمہ داری ہائیکورٹ کے احکامات اور پریس میں بیان کر دی گئی ہے۔ 15 نومبر 2016 کو ہائیکورٹ کے جج صاحب کی ذمہ داری ہائیکورٹ کے احکامات اور پریس میں بیان کر دی گئی ہے۔ 28 نومبر 2016 کو ہائیکورٹ کے جج صاحب کی ذمہ داری ہائیکورٹ کے احکامات اور پریس میں بیان کر دی گئی ہے۔

اگست کے 14 دن تکلیف لے گا۔ اس دوران ہر ایک ملازمہ ہفتہ کے پہلے میں اس سال کے لئے 4999 ٹھنڈے پائنتی، پہلے ترقی کے 3 سال پہلے 5.48 ملین ڈالرز کوپ کر دیا گیا ہے۔ کل 88 ٹھنڈے پائنتی کی مدد سے ملازمہ کے ہفتہ میں 125 ٹھنڈے پائنتی دیا ہے۔ ملٹی نیشنل ملازمہ کی ملازمہ کو کھانے سے منسوب ہے۔ اس میں ٹھنڈے کی ترقی دینی، ڈائٹ کو کھانے کو دیا جاتا ہے۔ مرکز ہے۔ ٹھنڈے کی Earnings پر مبنی (EPS) کے لئے 2016 سال 4.13 دیا ہے۔ اگر 2016 سال اس کی مدد سے کل 5.03 فیصد 18% کی کمی کو کھانے کرتی ہے۔ ٹھنڈے کی ترقی دینی اور سے کھانے ترقی کی دیکھ کر ملازمہ کے مرکز ہے۔ ملازمہ پائنتی کی کمی سے کھانے کر دیا گیا ہے۔ اس کے علاوہ 2016 سال اس میں 5000 ڈالرز کی طرف سے معمولی آمدنی کا بھی استعمال کیا گیا ہے۔ اس کے علاوہ ملازمہ کی دیکھ کر ملازمہ کے کھانے کی کمی ہے۔

### منافع کی تفصیلات:

سالانہ منافع اور سال کے اختتام پر قابل تقسیم منافع کی وضاحت درج ذیل ہے۔

31 دسمبر 2015	31 دسمبر 2016	
لاکھوں ڈالرز میں	لاکھوں ڈالرز میں	
251,298,414	171,038,498	منافع بعد از ٹیکس
308,316,278	559,812,692	ارتقائی ٹریڈنگ منافع
		معمولہ آمدنی کی شرح ملازمہ کے ساتھ دیکھ کر اس سے ملتا ہے
		11,993,000 حصص کی قیمت میں ٹیکس دہی سے آمدنی کی رقم
	(431,748,000)	ملازمہ 460 پائنتی ٹیکس
		ٹیکس کرنے کے بعد منافع
<u>359,812,692</u>	<u>298,960,188</u>	
		دیکھ کر آمدنی
<u>15,619,607</u>	<u>68,427,871</u>	میں بچاؤ آگین انجینئرنگ اور ایف اے ایف اے

مستقبل میں بھارت کی ترقی کے ساتھ ساتھ منافع کے ساتھ ساتھ 2016 دسمبر 31 لاکھوں ڈالرز سے 2015 دسمبر 31 لاکھوں ڈالرز میں بھارت کے منافع کی کمی بھی ہے۔

### کارپوریٹ گورننس

بھارت کی کارپوریٹ گورننس (BSECR) کے تحت کارپوریٹ گورننس کے اصول کی عملیاتی کرنے کے لئے ہے۔

- ☆ ٹھنڈے کی ملازمہ کی ترقی اور ارتقائی منافع کو دیکھ کر اس سے ملتا ہے۔
- ☆ ٹھنڈے کے 14 دن کی ترقی دینی اور سے کھانے ترقی دینی کی کمی ہے۔
- ☆ ارتقائی ٹریڈنگ منافع اور سال کے اختتام پر قابل تقسیم منافع کی وضاحت درج ذیل ہے۔
- ☆ ارتقائی ٹریڈنگ منافع اور سال کے اختتام پر قابل تقسیم منافع کی وضاحت درج ذیل ہے۔
- ☆ ارتقائی ٹریڈنگ منافع اور سال کے اختتام پر قابل تقسیم منافع کی وضاحت درج ذیل ہے۔
- ☆ ارتقائی ٹریڈنگ منافع اور سال کے اختتام پر قابل تقسیم منافع کی وضاحت درج ذیل ہے۔
- ☆ ارتقائی ٹریڈنگ منافع اور سال کے اختتام پر قابل تقسیم منافع کی وضاحت درج ذیل ہے۔
- ☆ ارتقائی ٹریڈنگ منافع اور سال کے اختتام پر قابل تقسیم منافع کی وضاحت درج ذیل ہے۔
- ☆ ارتقائی ٹریڈنگ منافع اور سال کے اختتام پر قابل تقسیم منافع کی وضاحت درج ذیل ہے۔
- ☆ ارتقائی ٹریڈنگ منافع اور سال کے اختتام پر قابل تقسیم منافع کی وضاحت درج ذیل ہے۔







# Statement of Compliance with the Code of Corporate Governance [See clause 5.19.24]

Name of Company JS Global Capital Limited (or 'Company')  
Year Ended December 31, 2016

This statement is being presented to comply with the Code of Corporate Governance ("CCG") contained in Regulation No. S.19.24 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 Director	a) Mr. Khurshid Hadi
Executive Director	b) Mr. Muhammad Kamran Nasir
Non-Executive Directors	c) Syed Hasan Akbar Kazmi d) Mr. Muhammad Khalil Ur Rehman e) Mr. Munir Hassan Taher f) Mr. Ammar Talib Hajeyah g) Mr. Abdul Hamid Mihrez h) Mr. Junaid Imran

The independent Director meets the criteria of independence under clause 5.19.1.(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 Broker of a Stock Exchange, has been declared as a defaulter by that Stock Exchange.
4. Casual vacancies occurred during the year ended December 31, 2016; which were appropriately filled up by the directors within the stipulated period.
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, in his absence, by a director elected by the Board for this purpose 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 for 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 two training programs for its directors during the year from the recognised institution of Pakistan that meet the criteria specified by the SECP however one of such training program was postponed by such institution due to insufficient participant(s) interest.
10. The Board has approved the appointment of Company Secretary including his 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 that 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 three 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 Board has outsourced the internal audit function to M/s Deloitte Yousuf Adil, 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 fulltime employee other than CFO, as Head of Internal Audit, to act as coordinator between M/s Deloitte Yousuf Adil, 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 exchange.
22. Material / price sensitive information has been disseminated among all market participants at once through Stock Exchange.
23. The Company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
24. We confirm that all other material principles enshrined in the CCG have been complied with.

**For and on behalf of the Board**

**Muhammad Kamran Nasir**  
Chief Executive Officer

Karachi: February 21, 2017



# 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 **31 December 2016** to comply with the requirements of Listing of Companies & Securities Regulation No. 5.19.24 of the Pakistan Stock Exchange (formerly known as Karachi Stock Exchange) Regulations, 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 a part of our audit of the 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 the approval of the 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 31 December 2016.

## Chartered Accountants

Date: February 21, 2017

Karachi



# Compliance of Corporate Governance Code for Securities Broker\*

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

Karachi: February 21, 2017

**Muhammad Kamran Nasir**  
Chief Executive Officer

*\*This statement is given as per the requirements of Regulation 16(1)(f) (to be read with Annexure D, refer clause 9(a)(iii)) of Securities Brokers (Licensing & Operations) Regulations, 2016.*



# Auditors' Report to the Members

We have audited the annexed balance sheet of **JS Global Capital Limited** (the Company) as at **31 December 2016** 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 except for the changes as stated in note 2.5 with which we concur;
  - (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 31 December 2016 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, 1980.

The financial statements of the Company for the year ended 31 December 2015 were audited by another firm of Chartered Accountants whose report, dated 11 February 2016, expressed an unqualified opinion thereon.

## Chartered Accountants

Audit Engagement Partner: **Shaikh Ahmed Salman**

Date: February 21, 2017

Karachi





# Financial Statements





# Balance Sheet

## as at December 31, 2016

	Note	2016 (Rupees)	2015		Note	2016 (Rupees)	2015
<b>EQUITY AND LIABILITIES</b>				<b>ASSETS</b>			
<b>Share capital and reserves</b>				<b>Non-current assets</b>			
Authorized 150,000,000 (December 31, 2015: 150,000,000) ordinary shares of Rs. 10 each		1,500,000,000	1,500,000,000	Property and equipment	7	65,654,048	59,901,526
Issued, subscribed and paid-up share capital	4	380,070,000	500,000,000	Intangible assets	8	10,741,528	14,630,692
Reserves		2,175,432,959	2,385,337,199	Long term investment	9	60,591,631	15,272,670
		2,555,502,959	2,885,337,199	Long term loans, advances and deposits	10	20,263,856	16,446,847
				Deferred taxation - net	11	103,493,340	116,928,817
						260,744,403	223,180,562
<b>LIABILITIES</b>				<b>Current assets</b>			
<b>Current liabilities</b>				Short term investments	12	819,719,863	766,247,823
Creditors, accrued expenses and other liabilities	5	1,902,713,678	625,022,995	Trade debts	13	922,947,353	170,972,630
Taxation - net		-	22,232,525	Receivable against margin finance		855,461,269	643,734,465
		1,902,713,678	647,255,520	Loans and advances - considered good	14	11,701,497	12,999,942
				Deposits and short-term prepayments	15	461,936,638	190,221,145
				Interest and mark-up accrued	16	17,284,195	25,626,294
				Other receivables	17	13,418,636	19,464,090
				Advance tax		47,250,952	-
				Cash and bank balances	18	1,047,751,383	1,480,125,758
						4,197,471,626	3,309,412,167
						4,458,216,626	3,532,502,719
Contingencies and commitments	6						

The annexed notes 1 to 33 form an integral part of these financial statements.

Syed Hasan Akbar Kazmi  
Chairman

Muhammad Kamran Nasir  
Chief Executive Officer



# Profit and Loss Account

## for the year ended December 31, 2016

	Note	2016 Rupees	2015
Operating revenue	19	483,957,794	494,793,988
Capital gain on sale of investments	20	56,888,037	81,778,664
Unrealised gain / (loss) on remeasurement of investments at fair value through profit or loss - net		13,592,624	(2,135,183)
Dividend income		54,615,822	76,585,841
Margin finance income		95,194,610	78,175,759
		<b>684,158,887</b>	<b>729,199,067</b>
Administrative and operating expenses	21	(498,626,207)	(472,708,368)
Provision for doubtful debts-net	13.1	(5,281,096)	(363,498)
Reversal of provision for sales tax on forex and advisory	17.2	-	380,150
		<b>180,251,584</b>	<b>256,507,353</b>
Other operating income - net	22	64,253,687	134,703,147
		<b>244,505,271</b>	<b>391,210,500</b>
Provision for 'Workers' Welfare Fund	5.3	(4,877,695)	(7,681,302)
Finance cost	23	(820,542)	(7,167,561)
Profit before taxation		<b>238,997,034</b>	<b>376,361,637</b>
Taxation - current		(71,065,171)	(119,070,797)
- prior		-	9,018,474
- deferred		3,093,633	(15,012,900)
	24	<b>(67,971,538)</b>	<b>(125,065,223)</b>
Profit after taxation		<b>171,025,496</b>	<b>251,296,414</b>
Earnings per share - basic and diluted	25	<b>4.13</b>	<b>5.03</b>

The annexed notes 1 to 33 form an integral part of these financial statements.

Syed Hasan Akbar Kazmi  
Chairman

Muhammad Kamran Nasir  
Chief Executive Officer

# Statement of Comprehensive Income for the year ended December 31, 2016

	2016	2015
Note	Rupees	Rupees
Profit for the year	171,035,496	251,296,414
<b>Other comprehensive income</b>		
<b>Items that will not be reclassified to profit or loss account subsequently</b>	-	-
<b>Items that may be reclassified to profit or loss account subsequently</b>		
Unrealised gain on revaluation of available for sale investments during the year	85,713,382	18,376,006
Less: Related tax	(19,285,511)	(2,756,401)
	66,427,871	15,619,607
Reclassification adjustments relating to available for sale investments disposed of during the year	(18,376,006)	(12,061,959)
Less: Related tax	2,756,401	4,221,686
	(15,619,607)	(7,840,273)
<b>Total comprehensive income for the year</b>	<b>221,843,760</b>	<b>259,075,748</b>

The annexed notes 1 to 33 form an integral part of these financial statements.

Syed Hasan Akbar Kazmi  
Chairman

Muhammad Kamran Nasir  
Chief Executive Officer



# Cash Flow Statement

## for the year ended December 31, 2016

	Note	2016	2015
		Rupees	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		239,007,034	376,361,637
<b>Adjustments for:</b>			
Depreciation	7.1	21,905,012	17,890,270
Amortisation of intangible assets	8.2	4,089,164	3,880,270
Gain on sale of property and equipment	7.2	(2,793,650)	(2,032,569)
Unrealised (gain) / loss on remeasurement of investments at fair value through profit or loss - net		(13,592,624)	2,135,183
Loss / (gain) on revaluation of future equity transactions	22	14,172,626	(4,102,230)
Provision for doubtful debts	13.1	5,281,096	363,498
Reversal of provision for sales tax on forex and advisory	17.2	-	(380,150)
Provision for Workers' Welfare Fund		4,877,695	7,681,302
Finance cost	23	620,542	7,167,561
		34,658,461	32,603,145
Cash generated from operating activities before working capital changes		273,657,495	408,964,782
<b>(Increase) / decrease in current assets</b>			
Trade debts		(757,255,719)	258,140,147
Receivable against margin finance		(211,726,724)	(423,692,706)
Loans and advances		1,298,445	2,140,379
Deposits and short term prepayments		(271,715,493)	(71,874,957)
Interest and mark-up accrued		8,342,099	(5,715,576)
Other receivables		6,065,454	317,790
		(1,224,991,938)	(240,664,923)
<b>Increase / (decrease) in current liabilities</b>			
Creditors, accrued expenses and other liabilities		1,258,645,667	(147,824,561)
Cash generated from operations		307,311,424	20,455,298
Finance cost paid		(620,542)	(7,167,561)
Taxes paid		(140,548,647)	(127,800,016)
Net cash generated from / (used in) operating activities		166,142,235	(114,512,279)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property and equipment	7.1	(29,903,458)	(36,965,351)
Proceeds from disposal of property and equipment	7.2	5,038,973	3,074,900
Long term loans, advances and deposits		(3,817,009)	(4,531,823)
Addition to intangible assets	8.2	(200,000)	(2,263,909)
Short term investments - net		(17,951,603)	335,378,763
Net cash (used in) / generated from investing activities		(46,832,497)	294,692,550
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Buy back of shares		(551,678,000)	-
Dividend paid		(8,113)	(181,859)
Net cash used in financing activities		(551,686,113)	(181,859)
(Decrease) / increase in cash and cash equivalents during the year		(432,374,375)	179,968,412
Cash and cash equivalents at the beginning of the year		1,480,125,758	1,300,127,346
Cash and cash equivalents at the end of the year	18	1,047,751,383	1,480,125,758

The annexed notes 1 to 33 form an integral part of these financial statements.

Syed Hasan Akbar Kazmi  
Chairman

Muhammad Kamran Nasir  
Chief Executive Officer

# Statement of Changes in Equity

## for the year ended December 31, 2016

	Issued, subscribed and paid-up share capital	Reserves			Sub-total	Total
		Share premium	Unrealised gain on revaluation of available for sale investment - net	Revenue Reserve Unappropriated profit		
(Rupees)						
Balance as at January 01, 2015	500,000,000	1,810,104,900	7,848,273	308,316,278	2,126,261,451	2,826,261,451
<b>Total comprehensive income for the year</b>						
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
<b>Total comprehensive income for the year</b>	-	-	7,779,334	251,296,414	259,075,748	259,075,748
<b>Balance as at December 31, 2015</b>	<b>500,000,000</b>	<b>1,810,104,900</b>	<b>15,619,607</b>	<b>559,612,692</b>	<b>2,385,337,199</b>	<b>2,885,337,199</b>
Balance as at January 01, 2016	500,000,000	1,810,104,900	15,619,607	559,612,692	2,385,337,199	2,885,337,199
<b>Total comprehensive income for the year</b>						
Profit for the year ended December 31, 2016	-	-	-	171,035,496	171,035,496	171,035,496
Other comprehensive income - net of tax	-	-	50,808,264	-	50,808,264	50,808,264
<b>Total comprehensive income for the year</b>	-	-	50,808,264	171,035,496	221,843,760	221,843,760
<b>Transactions with owners recognised directly in equity</b>						
Buy back of 11,963,000 shares having face value of Rs.10 each at price of Rs.46 each	(119,930,000)	-	-	-	-	(119,930,000)
Amount paid in excess of face value of 11,963,000 shares	-	-	-	(431,748,000)	(431,748,000)	(431,748,000)
<b>Balance as at December 31, 2016</b>	<b>380,070,000</b>	<b>1,810,104,900</b>	<b>66,427,871</b>	<b>298,960,188</b>	<b>2,175,432,959</b>	<b>2,555,502,959</b>

The annexed notes 1 to 33 form an integral part of these financial statements.

Syed Hasan Akbar Kazmi  
Chairman

Muhammad Kamran Nasir  
Chief Executive Officer



# Notes to the Financial Statements for the year ended December 31, 2016

## 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 07, 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.

The Company is a Trading Right Entitlement Certificate (TREC) holder of Pakistan Stock Exchange Limited (PSX) [formerly Karachi Stock Exchange Limited] and member of Pakistan Mercantile Exchange Limited (PMEX). 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 are 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, 2016

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);
- Recognition of current and deferred taxation (notes 3.9 and 11);
- Impairment of available-for-sale investments (note 3.11 and 12.4); and
- Provision against trade debts and other receivables (note 3.7, 13 and 17).

## 2.5 The Company has adopted the following accounting standards and the amendments and interpretation of IFRS which became effective for the current year

### Standard or Interpretation

IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements – Investment Entities: Applying the Consolidation Exception (Amendment)

IFRS 11 Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment)

IAS 1 Presentation of Financial Statements - Disclosure Initiative (Amendment)

IAS 16 Property, Plant and Equipment and IAS 38 intangible assets - Clarification of Acceptable Method of Depreciation and Amortisation (Amendment)

IAS 16 Property, Plant and Equipment IAS 41 Agriculture - Agriculture: Bearer Plants (Amendment)

IAS 27 Separate Financial Statements – Equity Method in Separate Financial Statements (Amendment)

### Improvements to Accounting Standards Issued by the IASB in September 2014

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations - Changes in methods of disposal

IFRS 7 Financial Instruments: Disclosures - Servicing contracts

IFRS 7 Financial Instruments: Disclosures - Applicability of the offsetting disclosures to condensed interim financial Statements

IAS 19 Employee Benefits - Discount rate: regional market issue

IAS 34 Interim Financial Reporting - Disclosure of information 'elsewhere in the interim financial report'

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

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

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:



# Notes to the Financial Statements

## for the year ended December 31, 2016

	Effective date (annual periods beginning on or after)
IFRS 2 Share-based Payments – Classification and Measurement Of Share-based Payments Transactions (Amendments)	January 01, 2018
IFRS 10 Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalized
IAS 7 Financial Instruments: Disclosures - Disclosure Initiative - (Amendment)	January 01, 2017
IAS 12 Income Taxes – Recognition of Deferred Tax Assets for unrealised losses (Amendments)	January 01, 2017
IFRS 4 Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments)	January 01, 2018
IAS 40 Investment Property: Transfers of Investment Property (Amendments)	January 01, 2018
IFRIC 22 Foreign Currency Transactions and Advance Consideration	January 01, 2018

The above standards and amendments are not expected to have any material impact on the Company's financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2016. Such improvements are generally effective for accounting periods beginning on or after January 01, 2017. The Company expects that such improvements to the standards will not have any impact on the Company's financial statements in the period of initial application.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard	IASB Effective date (annual periods beginning on or after)
IFRS 9 – Financial Instruments: Classification and Measurement	January 01, 2018
IFRS 14 – Regulatory Deferral Accounts	January 01, 2016
IFRS 15 – Revenue from Contracts with Customers	January 01, 2018
IFRS 16 – Leases	January 01, 2019

### 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.





# Notes to the Financial Statements for the year ended December 31, 2016

## 3.1 Employee benefits

### Defined contribution plan

The Company operates a defined contribution plan, i.e. recognised 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 7.33% 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	04 years
- Office furniture	10 years
- Motor vehicles	05 years

Subsequent costs are included in the asset's carrying amount or recognised 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 derecognised. 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 amortisation and accumulated impairment losses, if any. Such intangible assets are amortised using the straight-line method taking into account residual value, if any, at the rates specified in note 8 to these financial statements. Amortisation 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 amortisation 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 period over which the asset is expected to generate net cash inflows for the Company. An intangible asset with an indefinite useful life is not amortised. 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 recognised in profit and loss account when the asset is derecognised.



# Notes to the Financial Statements for the year ended December 31, 2016

## 3.4 Investments

All investments are initially recognised 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 recognised 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 amortised 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 remeasured 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 amortised 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 stated at cost, where the fair value is not reasonably determined.

## 3.5 Derivatives

Derivative instruments held by the Company primarily comprise of future contracts in the capital market. These are initially recognised 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 (unrealised gains) are included in assets and derivatives with negative market values (unrealised 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, 2016

### 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 recognised as and when such services are provided.

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

Interest income on financial assets (including margin financing) is recognised 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.

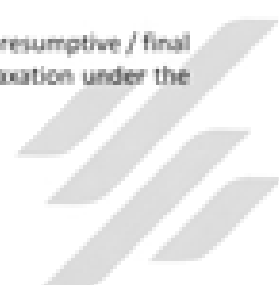
Gains / (losses) arising on revaluation of derivatives to fair value are taken to profit and loss account under other income / other expense.

### 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, 2016

## 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 an 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 and loss, the impairment loss is reversed, with the amount of the reversal recognised in profit and 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 recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised 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 amortisation, if no impairment loss had been recognised.

### 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

# Notes to the Financial Statements

## for the year ended December 31, 2016

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 directly.

### 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.

### 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 margin financing, term finance certificates and sukuk and dividend income.



# Notes to the Financial Statements for the year ended December 31, 2016

## Other operations

It consists of advisory and consultancy function.

## 4. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2016 (Number of shares)	2015		2016 (Rupees)	2015 (Rupees)
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
(11,993,000)	-	Buy back of 11,993,000 shares having face value of Rs. 10 each	(119,930,000)	-
<b>38,007,000</b>	<b>50,000,000</b>		<b>380,070,000</b>	<b>500,000,000</b>

4.1 Parent company held 25,525,169 (2015: 25,525,169) ordinary shares of Rs. 10 each at year end.

4.2 There is only one class of ordinary shares.

4.3 In pursuance of the special resolution passed by members of the Company at the Annual General Meeting held on March 22, 2016 authorizing the Company to buy-back the shares under Section 95A of the Companies Ordinance, 1984 read with the Companies (Buy-Back of Shares) Rules, 1999, up to a maximum of 12,000,000 issued ordinary shares of the Company of the nominal / face value of Rs. 10 (Rupees Ten) each at a price of Rs. 46 (Rupees forty six) per share, the Company has bought back its 11,993,000 ordinary shares from its members. Consequently, the paid up capital of Company has been reduced to Rs. 380,070,000 divided into 38,007,000 ordinary shares of the face value of Rs. 10 each.

## 5. CREDITORS, ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	2016 (Rupees)	2015 (Rupees)
Trade creditors	5.1	1,739,633,582	444,326,853
Accrued expenses		48,474,628	69,047,601
Accrued mark-up		-	3,788,304
Provision for staff bonus	5.2	31,614,750	41,045,950
Unclaimed dividend		3,425,985	3,432,098
Retention money - Softech		-	40,600
Advance fee from client		-	5,877,413
Provision for Workers' Welfare Fund	5.3	32,651,558	27,773,863
Unrealised loss on revaluation of future equity transactions		14,172,626	-
Others	5.4	32,739,941	29,690,313
		<b>1,902,713,070</b>	<b>625,022,995</b>

## Notes to the Financial Statements for the year ended December 31, 2016

5.1 This includes payables to PSX and National Clearing Company of Pakistan Limited (NCCPL) amounting to Rs.1,084,627 (2015: Rs.183,884) and Rs.663,562,399 (2015: Rs.21,840,013) respectively in respect of trading in securities, settled subsequent to the year end.

5.2 Movement of provision for staff bonus is as follows:	2016	2015
	----- (Rupees) -----	
Balance at the beginning of the year	41,045,950	24,353,960
Paid during the year	(30,231,200)	(27,398,863)
Charged during the year	20,800,000	44,088,863
Balance at the end of the year	<u>31,614,750</u>	<u>41,045,950</u>

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 income 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 income tax return.

Aggrieved by the amendments made through the Finance Act, 2008, 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, the Honorable High Court of Sindh in the year 2013 did not accept the above arguments and declared the amendments made through Finance Act as valid. Both these decisions were later challenged in the Honorable Supreme Court of Pakistan.

During the year 2016, the Honorable Supreme Court of Pakistan passed a judgment on 10 November 2016, declaring the insertion of amendments introduced in the Finance Acts pertaining to Workers' Welfare Fund as unlawful and thereby striking down such amendments. However, a petition has been filed in the Honorable Supreme Court of Pakistan for the review of the aforementioned judgement. In view of the said review petition, the Company has on conservative basis continued to maintain provision against the Federal Workers' Welfare Fund as at the year end.

Further, 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 on the basis of the opinion of its legal / tax advisor recognised a provision of Rs.4.878 million (December 31, 2015: Rs.7.681 million) for the year.

5.4 Included herein is a sum of Rs.144,611,178 (2015: Rs.1,383,599) payable to related parties.

6. CONTINGENCIES AND COMMITMENTS	2016	2015
	----- (Rupees) -----	
6.1 Commitments		
Net- future sale transactions of equity securities entered into by the Company in respect of which the settlement is outstanding	<u>750,928,880</u>	<u>702,176,085</u>

6.2 Contingencies

There are no outstanding contingencies as at December 31, 2016 (December 31, 2015: Nil) other than tax contingencies disclosed in note 24 of these financial statements.



# Notes to the Financial Statements for the year ended December 31, 2016

7. PROPERTY AND EQUIPMENT	Note	2016	2015
		----- (Rupees) -----	
Property and equipment	7.1	<b>65,654,048</b>	<b>59,901,526</b>

## 7.1 Property and equipment

	2016							
	Cost		Rate (%)	Depreciation		Written down value as at December 31, 2016		
	As at January 01, 2016	Additions / (disposals)		As at December 31, 2016	For the year / (disposals)		As at December 31, 2016	
	(Rupees)			(Rupees)				
Office equipment	82,998,979	12,229,897 (482,548)	25	59,543,563	18,073,420 (428,328)	69,190,663	25,575,673	
Office furniture	19,812,740	4,393,500	10	12,463,347	2,264,391	14,727,738	9,278,502	
Motor vehicles	45,796,601	13,280,091 (5,841,244)	20	16,499,884	9,567,201 (3,631,545)	22,435,545	30,799,873	
	<b>148,408,320</b>	<b>28,903,458</b> <b>(6,363,784)</b>		<b>88,506,794</b>	<b>21,905,912</b> <b>(4,097,865)</b>	<b>106,353,948</b>	<b>65,654,048</b>	
	2015							
	As at January 1, 2015	Additions / (disposals)	Rate (%)	As at January 1, 2015	For the year / (disposals)	As at December 31, 2015	Written down value as at December 31, 2015	
	(Rupees)			(Rupees)				
Office equipment	67,934,965	15,271,614 (207,600)	25	52,118,238	7,506,301 (80,978)	59,543,563	23,455,416	
Office furniture	17,064,938	2,527,802	10	10,712,972	1,750,375	12,463,347	7,149,393	
Motor vehicles	30,973,683	19,165,935 (4,343,017)	20	11,293,590	8,633,594 (3,437,300)	16,499,884	29,296,717	
	<b>115,990,586</b>	<b>36,965,351</b> <b>(4,550,617)</b>		<b>74,124,800</b>	<b>17,890,270</b> <b>(3,508,276)</b>	<b>88,506,794</b>	<b>59,901,526</b>	

## 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	Gain / (loss)	Particulars of buyers	Mode of disposal
			(Rupees)				
Suzuki Cultus	933,944	(771,223)	162,721	882,800	126,079	Mr. Muhammad Haroon	Negotiation
Toyota Corolla	1,874,519	(1,437,125)	437,394	1,469,000	1,022,615	Mr. Tariq Usman (Shah) (ex-employee)	Negotiation
Toyota Corolla	1,518,395	(1,219,930)	298,465	1,269,000	994,535	Mr. Raheel Mithani	Negotiation
Honda City	1,518,395	(1,813,283)	(294,888)	1,279,000	(770,888)	Mr. Kashif	Negotiation
	<b>5,841,244</b>	<b>(3,821,541)</b>	<b>2,209,703</b>	<b>4,817,800</b>	<b>2,606,097</b>		
<b>Office equipments</b>							
Office router	221,248	(221,248)	-	198,300	198,300	EFU General Insurance Limited	Insurance Claim
Office router	166,982	(166,981)	1	84,000	(83,999)	EFU General Insurance Limited	Insurance Claim
DVR	84,399	(28,171)	56,228	35,873	(5,346)	EFU General Insurance Limited	Insurance Claim
	<b>482,548</b>	<b>(426,320)</b>	<b>56,228</b>	<b>221,173</b>	<b>184,953</b>		
<b>December 31, 2016</b>	<b>6,363,784</b>	<b>(4,557,861)</b>	<b>2,210,923</b>	<b>5,038,973</b>	<b>2,791,050</b>		
<b>December 31, 2015</b>	<b>4,550,617</b>	<b>(3,508,276)</b>	<b>1,042,341</b>	<b>3,074,900</b>	<b>2,032,550</b>		



## Notes to the Financial Statements for the year ended December 31, 2016

8.	INTANGIBLE ASSETS	Note	2016	2015
			----- (Rupees) -----	
	Trading Right Entitlement Certificate (TREC) - Pakistan Stock Exchange Limited	8.1	5,727,330	5,727,330
	Membership card - Pakistan Mercantile Exchange Limited		2,500,000	2,500,000
			<b>8,227,330</b>	<b>8,227,330</b>
	Softwares	8.2	2,514,198	6,403,362
			<b>10,741,528</b>	<b>14,630,692</b>

**8.1** This represents Trading Right Entitlement Certificate (TREC) received from PSX 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. Refer note 9.1 for more detail.

### 8.2 Softwares

2016							
As at	Cost	As at	Rate	As at	Amortisation	As at	Written down
January 01,	Additions	December 31,	(%)	January 01,	For the	December 31,	value as at
2016	(Rupees)	2016		2016	year	2016	December 31,
							2016
12,646,805	300,000	12,846,805	33.33	6,243,443	4,089,164	10,332,607	2,514,198
<b>12,646,805</b>	<b>300,000</b>	<b>12,846,805</b>		<b>6,243,443</b>	<b>4,089,164</b>	<b>10,332,607</b>	<b>2,514,198</b>
2015							
As at	Cost	As at	Rate	As at	Amortisation	As at	Written down
January 01,	Additions	December 31,	(%)	January 01,	For the	December 31,	value as at
2015	(Rupees)	2015		2015	year	2015	December 31,
							2015
10,382,868	2,263,939	12,646,805	33.33	2,363,173	3,880,270	6,243,443	6,403,362
<b>10,382,868</b>	<b>2,263,939</b>	<b>12,646,805</b>		<b>2,363,173</b>	<b>3,880,270</b>	<b>6,243,443</b>	<b>6,403,362</b>

8.2	LONG TERM INVESTMENT	Note	2016	2015
			----- (Rupees) -----	
	Available for sale			
	Shares in PSX - cost	9.1	15,272,670	15,272,670
	Surplus on revaluation on shares in PSX		85,713,382	-
			<b>100,986,052</b>	<b>15,272,670</b>
	Current maturity shown under current assets	12	(40,394,421)	-
			<b>60,591,631</b>	<b>15,272,670</b>



## Notes to the Financial Statements for the year ended December 31, 2016

**9.1** Pursuant to demutualization of the Pakistan Stock Exchange Limited ("PSX" or "the Exchange"), 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 4,007,383 shares of Rs.10 each and TREC from the PSX against its membership card which was carried at Rs.21 million in the books of the Company. Out of allotted 4,007,383 shares, 40% shares were received by the Company whereas, remaining 60% shares were transferred in a blocked CDC account under the PSX participant ID which were meant for selling to strategic investor, general public and financial institutions and proceeds to be paid to the Company.

The Company has, based on Institute of Chartered Accountants of Pakistan's technical guide dated May 29, 2013 allocated the carrying value of the membership card of Rs. 21 million in the ratio of 0.73 to shares and 0.27 to TREC and consequently, the investments had been recognized at Rs. 15.3 million and TREC at Rs. 5.7 million.

During the year 2016, Divestment Committee of the Exchange had issued an invitation for Expression of Interest for acquiring upto 40% equity stake in PSX held in blocked CDC account. Thereafter, bids were submitted by interested parties and as a result of bidding process, share price of Rs. 28/share has been offered by the Anchor investor/successful investor. Sale proceeds of 40% shares sold, after retaining 10% of sale price for one year to settle any outstanding liabilities of PSX in terms of Share Purchase Agreement (SPA), shall be remitted to PSX's designated bank account by Anchor Investor whereby, PSX shall transfer the same to respective TREC Certificate holders.

The SPA between PSX, the divestment committee of PSX and the Anchor Investor has been signed. However, the SPA is subject to fulfillment/completion of certain conditions and formalities and until these conditions are fulfilled, the SPA shall not be considered as consummated.

Given the above, the Company has revalued its entire shareholding in PSX at the year end at the rate of Rs.25.2 per share (i.e. the sale price of Rs.28/share after deducting 10% retention (i.e. Rs. 2.8) as stated above), resulting in surplus on revaluation of investment of Rs.85.71 million which has been recognized net of tax in other comprehensive income. Since the transaction of 40% sale of equity stake is expected to be completed within a period of one year, the same has been classified under short-term investments.

	Note	2016 ----- (Rupees) -----	2015 -----
<b>10. LONG TERM LOANS, ADVANCES AND DEPOSITS</b>			
Long term loans - secured, considered good			
- Executives	10.1	8,302,487	6,145,322
- Employees		2,280,230	1,968,030
	10.2	10,582,717	8,113,352
Current maturity	14	(3,713,729)	(2,472,376)
		6,868,988	5,640,976
Security deposits	10.3	13,394,868	10,805,871
		20,263,856	16,446,847
<b>10.1 Reconciliation of carrying amount of loans to executives:</b>			
Balance at the beginning of the year		6,145,322	2,915,474
Disbursements		5,092,113	4,683,519
Repayments		(2,934,948)	(1,453,671)
Balance at the end of the year		8,302,487	6,145,322

## Notes to the Financial Statements for the year ended December 31, 2016

**10.2** Loans 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. 1.55 million (2015: Rs. 1.35 million) deposited with PSX, Rs. 0.05 million (2015: Rs. 0.05 million) with NCCPL, Rs. 0.125 million (2015: Rs. 0.125 million) with Central Depository Company of Pakistan Limited (CDC) and Rs. 10.42 million (2015: Rs. 7.05 million) with PMEX.

		2016			
		Opening	(Charge) / reversal to profit and loss account	Charge to other comprehensive income	Closing
		(Rupees)			
<b>11.</b>	<b>DEFERRED TAXATION - NET</b>				
	<b>Taxable temporary difference</b>				
	Revaluation of investments	(3,051,458)	395,557	(16,529,110)	(19,185,011)
	<b>Deductible temporary differences</b>				
	Accelerated depreciation for tax purposes	356,395	1,288,639	-	1,645,034
	Difference in accounting and tax base of intangible assets	212,813	(174,892)	-	37,921
	Provision for doubtful debts	119,411,067	1,584,329	-	120,995,396
		<b>116,928,817</b>	<b>3,093,633</b>	<b>(16,529,110)</b>	<b>103,493,340</b>

		2015			
		Opening	(Charge) / reversal to profit and loss account	Charge to other comprehensive income	Closing
		(Rupees)			
	<b>Taxable temporary difference</b>				
	Revaluation of investments	(9,801,224)	5,284,481	1,465,285	(3,051,458)
	<b>Deductible temporary difference</b>				
	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
		<b>130,476,432</b>	<b>(15,012,900)</b>	<b>1,465,285</b>	<b>116,928,817</b>



# Notes to the Financial Statements for the year ended December 31, 2016

12. SHORT TERM INVESTMENTS	Note	2016		2015	
		----- (Rupees) -----		----- (Rupees) -----	
<b>Financial asset at fair value through profit or loss - held for trading</b>					
Quoted equity securities	12.1	746,234,904	697,014,276		
Term finance certificates and sukuk certificates	12.2	33,690,538	43,402,769		
		<b>779,925,442</b>	<b>740,417,045</b>		
<b>Available for sale</b>					
Quoted equity securities	12.3	-	25,830,778		
Privately placed term finance certificates - unsecured	12.4	-	-		
Unquoted equity securities - shares in PSX	9	40,394,421	-		
		<b>40,394,421</b>	<b>25,830,778</b>		
		<b>819,719,863</b>	<b>766,247,823</b>		

## 12.1 Quoted Equity Securities

Number of shares		Name of company	2016		2015		
2016	2015		Average cost	Fair value	Average cost	Fair value	
		----- (Rupees) -----					
-	908,000	Adamjee Insurance Company Limited	-	-	-	51,311,060	
-	74,000	Askari Bank Limited	-	-	-	1,608,760	
2,324,900	-	Bank of Punjab	39,382,635	39,253,600	-	-	
364,560	68,500	Fauji Fertilizer Company Limited	31,915,376	31,780,665	8,081,630	-	
176,500	72,000	National Bank of Pakistan	13,203,040	13,218,085	3,890,880	-	
300,000	-	Nishat Chunian Limited	18,723,000	18,729,000	-	-	
		Oil and Gas Development Company Limited	47,923,884	48,199,525	72,809,470	-	
		Pakistan State Oil Company Limited	56,626,239	57,532,828	30,133,725	-	
940,000	-	TPL Trakker Limited	17,183,135	16,572,200	-	-	
-	4,000	United Bank Limited	-	-	-	619,800	
78,000	14,500	Attock Refinery Limited	32,294,260	33,173,400	3,072,260	-	
		D. G. Khan Cement Company Limited	81,713,096	84,257,400	52,173,065	-	
523,000	464,500	Engro Fertilizer Limited	34,672,655	35,553,540	39,078,385	-	
14,500	113,500	Engro Foods Limited	2,577,610	2,783,130	16,637,968	-	
342,000	728,000	Engro Corporation Limited	107,532,719	108,102,780	203,395,920	-	
258,000	1,284,500	Fauji Cement Company Limited	11,506,980	11,630,640	47,295,290	-	
126,500	-	Hascol Petroleum Limited	41,245,856	42,696,280	-	-	
82,000	-	MCB Bank Limited	19,391,072	19,501,240	-	-	
		Maple Leaf Cement Factory Limited	-	-	-	23,045,220	
73,000	224,500	Nishat Mills Limited	11,032,557	11,115,710	21,298,315	-	
1,938,900	1,281,000	Pak Elektron Limited	133,082,084	138,140,640	80,113,740	-	
7,000	183,000	Pakistan Petroleum Limited	1,323,740	1,317,260	22,291,230	-	
57,000	-	Pakistan Oilfields Limited	30,414,117	30,473,340	-	-	
94,012	-	Ghani Global Glass Limited	948,129	2,200,641	-	-	
		Sul Northern Gas Pipelines Limited	-	-	-	20,157,540	
			<b>732,684,175</b>	<b>746,234,904</b>	<b>697,014,276</b>		
		Unrealised gain on remeasurement at fair value	13,550,729	-	-	-	
			<b>746,234,904</b>	<b>746,234,904</b>	<b>697,014,276</b>		

## Notes to the Financial Statements for the year ended December 31, 2016

12.1.1 These securities (except for Ghani Global Glass Limited) were purchased in the ready "T+2" market and sold in the future market.

12.1.2 Ghani Global Glass Limited shares were acquired as a result of underwriting arrangement undertaken by the Company.

### 12.2 Term Finance Certificates and Sukuk Certificates

Number of Certificates		Name of term finance certificates	2016		2015
2016	2015		Average cost	Fair value	
			(Rupees)		
<b>Listed</b>					
-	2,100	Jahangir Siddiqui & Co. Limited VII - related party	-	-	2,567,342
6,000	6,000	Jahangir Siddiqui & Co. Limited VIII - related party	21,022,770	21,012,579	25,897,770
-	200	Pakistan Mobile Communication Limited TFC VII	-	-	4,001,676
1,635	1,505	Engro Corporation Limited Islamic - Rupiya Sukuk - I	8,700,398	8,565,610	8,071,556
597	500	Engro Corporation Limited Islamic - Rupiya Sukuk - II	3,412,475	3,512,349	2,864,425
			<b>33,138,643</b>	<b>33,090,538</b>	<b>43,402,769</b>
Unrealised loss on remeasurement at fair value			(48,105)	-	-
			<b>33,090,538</b>	<b>33,090,538</b>	<b>43,402,769</b>

### 12.3 Quoted Equity Securities

Number of shares		Name of company	2016		2015
2016	2015		Average cost	Fair value	
			(Rupees)		
-	745,477	TRG Pakistan Limited	-	-	25,830,778
			<b>-</b>	<b>-</b>	<b>25,830,778</b>

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

2016					
Number of certificates	Mark-up 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
					(326,456,184)
					-
2015					
-					

## Notes to the Financial Statements for the year ended December 31, 2016

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

13. TRADE DEBTS	Note	2016	2015
		(Rupees)	
Purchase of shares on behalf of clients		834,677,831	92,032,492
Advisory services		5,362,467	5,123,082
Forex and fixed income commission		8,129,861	17,036,469
Commodity		74,777,094	56,780,587
		<u>922,947,253</u>	<u>170,972,630</u>
Considered doubtful		403,317,987	398,036,891
		<u>1,326,265,240</u>	<u>569,009,521</u>
Provision for doubtful debts	13.1	(403,317,987)	(398,036,891)
	13.2	<u>922,947,253</u>	<u>170,972,630</u>

<b>13.1 Provision for doubtful debts</b>			
Balance at the beginning of the year		398,036,891	397,673,393
Charged during the year		7,713,688	363,498
Reversed during the year		(2,432,592)	-
		<u>5,281,096</u>	<u>363,498</u>
Balance at the end of the year		<u>403,317,987</u>	<u>398,036,891</u>

**13.2** Included herein is a sum of Rs. 26,367,579 (2015: Rs. 1,407,757) receivable from related parties.

14. LOANS AND ADVANCES - considered good	Note	2016	2015
		(Rupees)	
Current maturity of long term loans - secured	10	3,713,729	2,472,376
Advances to staff		2,610,473	1,775,271
Advance for purchase of office - unsecured		2,500,000	2,500,000
Advance to suppliers		2,877,295	6,252,295
		<u>11,701,497</u>	<u>12,999,942</u>

### 15. DEPOSITS AND SHORT-TERM PREPAYMENTS

Deposits	15.1	458,663,478	185,987,350
Prepayments		3,273,160	4,233,795
		<u>461,936,638</u>	<u>190,221,145</u>

**15.1** This includes Rs.417.565 million (2015: Rs. 182.565 million given to PSX) given to NCCPL against ready and future exposure.

16. INTEREST AND MARK-UP ACCRUED		2016	2015
		(Rupees)	
Accrued mark-up on margin finance		15,444,234	15,388,360
Accrued mark-up on term finance certificates		1,077,221	1,235,464
Profit receivable on bank deposits		762,740	9,004,470
		<u>17,284,195</u>	<u>25,628,294</u>

## Notes to the Financial Statements for the year ended December 31, 2016

17.	OTHER RECEIVABLES		2016	2015
	Considered good	Note	----- (Rupees) -----	-----
	Unrealised gain on revaluation of future equity transactions		-	4,102,230
	Dividend receivable		2,364,501	9,259,251
	Others	17.1	11,054,135	6,122,609
			<b>13,418,636</b>	<b>19,484,090</b>
	Sales tax paid on account of forex and advisory		16,009,999	16,009,999
	Provision made against sales tax paid	17.2	(16,009,999)	(16,009,999)
			<b>13,418,636</b>	<b>19,484,090</b>

17.1 Included herein is a sum of Rs. 3,525,831 (2015: Rs. 3,273,837) receivable from related parties.

17.2	Movement of provision made against sales tax paid	Note	2016	2015
			----- (Rupees) -----	-----
	Balance at the beginning of the year		16,009,999	16,390,149
	Charged during the year		-	-
	Reversed during the year		-	(380,150)
			-	(380,150)
	Balance at the end of the year		<b>16,009,999</b>	<b>16,009,999</b>

## 18. CASH AND BANK BALANCES

Cash with banks:

- Current accounts		2,205,408	2,399,757
- PLS accounts	18.1	1,045,321,975	1,477,497,417
- Foreign currency deposit accounts		-	14,584
		<b>1,047,527,383</b>	<b>1,479,911,758</b>
Cash in hand	18.2	224,000	214,000
		<b>1,047,751,383</b>	<b>1,480,125,758</b>

18.1 Profit and loss / deposit accounts carry profit ranging from 3.75% to 7% (2015: 4% to 7%) per annum.

18.2 These include balances with the Parent Company amounting to Rs.1,034.23 million (2015: Rs.1,444.67 million).

19.	OPERATING REVENUE	Note	2016	2015
			----- (Rupees) -----	-----
	Brokerage and operating income		450,954,113	452,924,634
	Advisory and consultancy fee		13,003,681	41,869,352
			<b>463,957,794</b>	<b>494,793,986</b>

## 20. CAPITAL GAIN ON SALE OF INVESTMENTS

Gain on sale of investment in open-end mutual funds	9,728	-
Gain on sale of ordinary shares	48,950,590	19,668,530
Gain on sale of term finance certificates	7,323,333	1,993,156
Gain on sale of government securities	604,386	60,116,978
	<b>56,888,037</b>	<b>81,778,664</b>

## Notes to the Financial Statements for the year ended December 31, 2016

21. ADMINISTRATIVE AND OPERATING EXPENSES	Note	2016 ----- (Rupees) -----	2015 -----
Salaries and benefits	21.1	230,608,442	241,094,638
Contribution to provident fund	21.2	9,811,897	7,007,760
Fee for directors / committee meetings	26	900,000	1,900,000
Printing and stationery		2,526,743	3,222,299
Telephone, fax, telegram and postage		10,369,318	9,580,119
Amortisation of intangible assets	8.2	4,089,164	3,880,270
Rent, rates and taxes		51,065,469	45,794,878
Vehicle running expenses		9,485,667	7,748,079
Electricity, gas etc.		7,123,120	7,334,273
Legal and professional charges		21,071,686	8,005,187
Insurance		11,458,452	10,097,445
Newspaper and periodicals		328,999	293,401
Entertainment		1,700,024	1,330,923
Advertisement and business promotion		15,736,364	11,835,884
Office supplies		2,921,957	2,313,312
Depreciation expense	7.1	21,905,012	17,890,270
Auditors' remuneration	21.3	1,030,000	1,105,000
Fees and subscription		15,811,907	12,466,637
Conveyance and traveling		13,503,736	18,512,890
Repairs and maintenance		12,083,273	10,088,791
Computer expenses		6,161,981	7,906,314
PXX Clearing House and CDC charges		35,325,421	31,436,534
Royalty	21.4	10,000,000	10,000,000
Contract and consultancy charges		3,605,000	1,815,000
Brokerage expenses		3,375	48,462
		<b>498,626,207</b>	<b>472,708,366</b>
<b>21.1</b>	<b>Number of employees at the end of the year</b>	<b>198</b>	<b>179</b>
	<b>Average number of employees during the year</b>	<b>193</b>	<b>171</b>
<b>21.2</b>	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, 2016 (which is accounting year end of the fund) is as follows:		
		June 30, 2016	June 30, 2015
	Number of employees	193	128
	Size of provident fund (Rupees)	43,661,595	40,464,897
	Cost of investments made (Rupees)	43,153,445	40,045,557
	Percentage of investments made	99%	99%
	Fair value of investments (Rupees)	43,223,648	40,159,589
	<b>Break-up of investments - at cost:</b>		
	- Balance in National / Special Savings Scheme		
	Amount of investment (Rupees)	4,902,497	4,503,380
	Percentage of size of the fund	11%	11%



## Notes to the Financial Statements for the year ended December 31, 2016

	June 30, 2016	June 30, 2015
- Balance in listed securities		
Amount of investment (Rupees)	12,046,085	8,881,538
Percentage of size of the fund	28%	22%
- Balance in Term Finance Certificates		
Amount of investment (Rupees)	1,652,858	1,816,666
Percentage of size of the fund	4%	4%
- Balance in scheduled banks		
Amount of investment (Rupees)	24,552,005	24,843,973
Percentage of size of the fund	56%	61%
<b>21.2.1</b>	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.	
	2016	2015
	----- (Rupees) -----	
<b>21.3</b>	<b>Auditors' remuneration</b>	
Statutory audit fee	475,000	450,000
Half year review	200,000	200,000
Review of code of corporate governance	50,000	50,000
Other certifications	175,000	275,000
Out of pocket expenses	130,000	130,000
	<b>1,030,000</b>	<b>1,105,000</b>
<b>21.4</b>	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 01, 2008.	
<b>22.</b>	<b>OTHER OPERATING INCOME - NET</b>	
	2016	2015
	----- (Rupees) -----	
<b>Income from financial assets:</b>		
Profit on term finance certificates, treasury bills, Pakistan investment bonds and national savings bonds	4,987,732	53,894,938
Return on cash margin on future contracts	7,651,634	9,349,902
Exchange loss on foreign currency deposit accounts	(33,943)	(116,579)
Profit earned on PLS accounts	61,575,638	63,412,572
Unrealised (loss) / gain on revaluation of future equity transactions	(14,172,626)	4,102,230
	<b>60,008,435</b>	<b>130,643,063</b>
<b>Income from non-financial assets:</b>		
Gain on sale of property and equipment	2,793,050	2,032,559
Other income	1,452,202	2,027,525
	<b>4,245,252</b>	<b>4,060,084</b>
	<b>64,253,687</b>	<b>134,703,147</b>

## Notes to the Financial Statements for the year ended December 31, 2016

23. FINANCE COST	2016	2015
	(Rupees)	
Mark-up on running finance	-	3,976,168
Mark-up on repurchase transactions	-	2,685,900
Bank and other charges	620,542	505,493
	<b>620,542</b>	<b>7,167,561</b>

## 24. TAXATION

24.1 Except for tax year 2005, 2009, 2014, 2015 and 2016 income tax assessments have been filed and are deemed to have been assessed under the Income Tax Ordinance, 2001 "the Ordinance" unless selected by taxation authorities for audit purposes.

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. 923/08/2011 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.

24.3 For tax year 2014, an amended assessment order dated April 28, 2016, has been passed under section 122 (5A) of the Ordinance by the Additional Commissioner Inland Revenue. Through said order, the ACIR raised demand amounting to Rs. 20.081 million. The Company has filed rectification application identifying various errors / details not considered by the ACIR and requested ACIR to rectify the same. In addition to that, the Company has also filed an appeal to the Commissioner Inland Revenue Appeals - IV (CIR-A) which is pending. The Company has also obtained stay against recovery of demand from Sindh High Court (SHC) till the decision of CIR-A. Tax advisor of the Company is of the opinion that no liability would accrue in this regard.

24.4 For tax year 2015, an order dated November 23, 2016 was passed under section 48 of the Ordinance by the Deputy Commissioner Inland Revenue - IV (DCIR). Through said order, an income of Rs. 810,583,651 was computed under section 48 of the Ordinance and resultant demand of super tax of Rs. 24,317,509 was raised. An appeal has been filed against the above order before CIR-A on December 1, 2016 identifying various errors / details not considered. In addition to that, the Company has also filed petition before SHC, and has been granted stay against recovery of the aforesaid demand.

24.5 For tax year 2016, a notice dated December 27, 2016 was issued under section 48 of the Ordinance by the Deputy Commissioner Inland Revenue - IV (DCIR). Through said notice, an income of Rs. 816,122,310 was computed and resultant demand of Super Tax of Rs. 24,483,669 was raised. The Company has challenged the notice through a petition before SHC on constitutional grounds wherein the SHC, vide its order dated January 16, 2017, has stated that no action shall be taken against the Company.

24.6 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, 2016

**24.7** Tax department has issued show cause notice dated June 08, 2015 confronting (alleged) non payment of Federal Excise Duty (FED) on Company's services under Federal Excise Act, 2005. In response thereto, an extension request was filed. The department however issued order without rejecting the application and raised FED demand of Rs.78,003 million on account of non-payment of Federal Excise Duty (FED) for tax year 2010 to tax year 2013. The Company filed a rectification appeal amounting to Rs.55.3 million against the said order on account of certain computational errors. However, the remaining demand of Rs.22.526 million represents duplicate levy as the Company has already paid Sindh sales tax under Sindh Sales Tax on Services Act on such services. The Company has also filed an appeal in the SHC, through Stockbroker Association (of which the Company is also the member) against aforementioned order on the grounds that after 18th amendment to the Constitution, the services that were previously subjected to FED under the federal laws are now subject to the provincial sales tax and the Company has accordingly discharged its tax obligation. The SHC initially, stayed Federal Board of Revenue from demanding sales tax on services from stockbrokers and subsequently, disposed of the order in Company's favor. However, the relevant tax authorities have filed the petition in Honourable Supreme Court of Pakistan which is pending adjudication.

	Note	2016 ----- (Rupees) -----	2015 ----- (Rupees) -----
<b>24.8</b> Reconciliation of tax charge for the year			
Profit before taxation		239,007,034	376,361,637
Tax at the applicable tax rate of 31% (2015 : 32%)	24.8.1	74,092,181	120,435,724
Tax effect of income tax at lower rate and final tax regime		(31,718,331)	(35,618,571)
Tax effect of amount relating to prior year		-	(9,018,474)
Tax charge on permanent differences		24,678,387	32,232,562
Deferred tax recognised at higher rate		(3,093,633)	15,012,902
Others		4,012,934	2,021,080
		<b>67,971,538</b>	<b>125,065,223</b>

**24.8.1** During the year 2016, the Federal Government has reduced income tax rate for non-banking companies from 32% to 31%. This amendment was introduced through Finance Act, 2016.

	Note	2016 ----- (Rupees) -----	2015 ----- (Rupees) -----
<b>25. EARNINGS PER SHARE - BASIC AND DILUTED</b>			
Profit after taxation		171,035,496	251,296,414
		----- (Number) -----	
Weighted average number of shares		41,457,041	50,000,000
		----- (Rupees) -----	
Earnings per share - basic and diluted	25.1	4.13	5.03



# Notes to the Financial Statements for the year ended December 31, 2016

## 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	
	2016	2015	2016	2015	2016	2015
	(Rupees)					
Managerial remuneration	14,181,818	8,800,000	-	-	98,239,633	42,968,451
Medical allowance	-	-	-	-	9,823,903	-
House rent allowance	1,278,364	3,520,000	-	-	-	17,195,381
Utilities allowance	141,818	880,000	-	-	-	4,298,845
Staff retirement benefits	1,048,800	880,000	-	-	6,973,787	3,953,292
Medical	59,911	237,608	-	-	-	278,403
Bonus	15,000,000	15,000,000	-	-	12,617,750	14,201,000
Fees for attending meetings	-	-	900,000	1,900,000	-	-
	<u>16,609,611</u>	<u>29,317,608</u>	<u>900,000</u>	<u>1,900,000</u>	<u>115,636,723</u>	<u>82,915,372</u>
Number of persons	1	1	7	7	78	40

## 27. RELATED PARTY TRANSACTIONS

Related parties comprise of parent company, major shareholders, associated companies with or without common directors, other companies with 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 the 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 period end with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	2016		2015	
	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)			
<b>Trade debts</b>				
Opening balance	248	1,108,420	-	837,530
Invoiced during the year	13,097,409	3,093,052,144	19,672,630	5,283,663,432
Received during the year	(13,097,657)	(3,093,004,309)	(19,672,382)	(5,283,392,542)
Closing balance	-	1,156,355	248	1,108,420
<b>Trade payable</b>				
Opening balance	220,817	1,026,130	101,301	3,676,161
Invoiced during the year	120,716,363	10,704,150,068	268,080,042	8,626,606,124
Paid during the year	(120,669,214)	(10,564,025,475)	(267,960,526)	(8,629,256,155)
Closing balance	267,966	141,150,723	220,817	1,026,130
<b>Loans and advances</b>				
Opening balance	648,789	-	-	-
Disbursements during the year	-	-	700,000	-
Repayments during the year	(147,084)	-	(51,211)	-
Closing balance	501,705	-	648,789	-

## Notes to the Financial Statements for the year ended December 31, 2016

	2016 ----- (Rupees) -----	2015 -----
<b>Balances with parent company</b>		
Trade debts	132,369	299,089
Other receivables	1,436,700	1,216,508
Bank balances with parent company	1,034,233,151	1,444,672,497
Other Payable	11,960	-
<b>Balances with ultimate parent company</b>		
Trade debts	24,503,500	-
Trade payable	-	138,652
Other receivables	397,093	397,091
<b>Balances with associated entities of group companies</b>		
Other receivables	1,692,038	1,660,238
<b>Transactions with associated companies</b>		
<b>Nature of transactions</b>		
Payment on account of expenses to associated companies	451,538	637,978
<b>Transactions with associated entities of group companies</b>		
<b>Nature of transactions</b>		
Brokerage income	14,659,187	16,369,193
<b>Transactions with the parent company</b>		
<b>Nature of transactions</b>		
Purchase of treasury bills	14,786,700	4,203,911,138
Purchase of Pakistan investment bonds	75,728,336	1,592,116,129
Sale of Pakistan investment bonds	41,130,626	1,447,694,513
Brokerage income	2,216,834	3,452,290
Payment for rent and utilities and consultancy charges	4,231,025	3,870,889
Bank charges	256,173	326,076
Profit on PLS accounts	57,608,373	61,066,114



## Notes to the Financial Statements for the year ended December 31, 2016

		2016	2015
		(Rupees)	
<b>Transactions with ultimate parent company</b>			
<b>Nature of transactions</b>			
Brokerage income		4,947,753	9,557,462
Reimbursement of expenses for rent and utilities		59,482,594	51,913,062
Purchase of Pakistan investment bonds		41,130,626	-
<b>Transactions with other related parties</b>			
<b>Nature of transactions</b>	<b>Relationship</b>		
Royalty expense	Key management personnel of the parent	10,000,000	10,000,000
Brokerage income	Key management personnel	109,484	189,536
Contributions to staff provident fund	Post - employment benefit plan	9,811,097	7,007,760
Purchase of term finance certificates	Related party	83,200,000	-

	2016			
	Brokerage	Investment and treasury	Other operations	Total
	(Rupees)			
<b>28. OPERATING SEGMENTS</b>				
Segment revenues	453,954,181	270,354,752	7,807,968	732,116,901
Gain on remeasurement of investments	-	13,502,624	-	13,502,624
Administrative and operating expenses	(271,296,252)	(29,450,905)	(177,165,971)	(477,913,128)
Depreciation	(11,485,897)	(195,324)	(10,223,791)	(21,905,012)
Amortisation of intangible assets	-	-	(4,089,164)	(4,089,164)
Finance cost	-	(620,542)	-	(620,542)
	171,172,032	253,590,605	(183,670,958)	241,091,679
Gain on sale of property and equipment				2,793,050
Provision for Workers' Welfare Fund				(4,877,695)
Taxation				(67,971,538)
Profit after tax				171,035,496
Segment assets	1,819,776,192	2,603,916,437	34,523,400	4,458,216,029
Segment liabilities	1,788,108,210	14,172,626	100,432,234	1,902,713,070
Capital expenditure	20,886,203	269,567	8,747,688	29,903,458

## Notes to the Financial Statements for the year ended December 31, 2016

### Non cash items other

#### than depreciation and amortisation

- Gain on remeasurement of investments	-	13,502,624	-	13,502,624
- Gain on remeasurement of future equity derivatives	-	(14,172,626)	-	(14,172,626)

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, 2016 and December 31, 2015 are located and operating in Pakistan.

	2015			Total
	Brokerage	Investment and treasury	Other operations	
	(Rupees)			
Segment revenues	452,924,634	369,591,003	41,669,352	864,384,989
Loss 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)
	171,567,973	328,657,071	(118,214,663)	382,010,381
Gain on sale of property and equipment				2,032,558
Provision for Workers' Welfare Fund				(7,681,302)
Taxation				(135,065,223)
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
<b>Non cash items other</b>				
<b>than depreciation and amortisation</b>				
- Gain on remeasurement of investments	-	(2,135,183)	-	(2,135,183)
- Gain on remeasurement of future equity transactions	-	4,102,230	-	4,102,230



# Notes to the Financial Statements for the year ended December 31, 2016

## 29. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

### 29.1 Financial instruments by category

#### 29.1.1 Financial assets

	2016			
	At fair value through profit or loss - held for trading	Available for sale	Loans and receivables	Total
	(Rupees)			
Long term loans, advances and deposits	-	-	20,263,856	20,263,856
Long term investment	-	60,591,631	-	60,591,631
Short term investments	819,719,863	-	-	819,719,863
Trade debts - unsecured	-	-	922,947,253	922,947,253
Receivable against margin finance	-	-	855,461,209	855,461,209
Loans and advances	-	-	6,324,202	6,324,202
Short-term deposits	-	-	458,663,478	458,663,478
Interest and mark-up accrued	-	-	17,284,195	17,284,195
Other receivables	-	-	13,418,636	13,418,636
Cash and bank balances	-	-	1,047,751,383	1,047,751,383
	<b>819,719,863</b>	<b>60,591,631</b>	<b>3,342,114,212</b>	<b>4,222,425,796</b>

	2015			
	At fair value through profit or loss - held for trading	Available for sale	Loans and receivables	Total
	(Rupees)			
Long term loans, advances and deposits	-	-	16,446,847	16,446,847
Long term investment	-	15,272,670	-	15,272,670
Short term investments	740,417,045	25,830,778	-	766,247,823
Trade debts - unsecured	-	-	170,972,630	170,972,630
Receivable against margin finance	-	-	643,734,485	643,734,485
Loans and advances	-	-	4,247,647	4,247,647
Short-term deposits	-	-	185,967,350	185,967,350
Interest and mark-up accrued	-	-	25,626,294	25,626,294
Other receivables	4,102,230	-	15,381,660	19,484,090
Cash and bank balances	-	-	1,480,125,758	1,480,125,758
	<b>744,519,275</b>	<b>41,103,448</b>	<b>2,542,532,871</b>	<b>3,328,145,594</b>

#### 29.1.2 Financial liabilities

	2016		
	Amortised cost	At fair value through profit or loss	Total
	(Rupees)		
Creditors, accrued expenses and other liabilities	1,855,888,886	14,172,626	1,870,061,512
	<b>1,855,888,886</b>	<b>14,172,626</b>	<b>1,870,061,512</b>

	2015		
	Amortised cost	At fair value through profit or loss	Total
	(Rupees)		
Creditors, accrued expenses and other liabilities	598,607,480	-	598,607,480
	<b>598,607,480</b>	<b>-</b>	<b>598,607,480</b>



# Notes to the Financial Statements for the year ended December 31, 2016

## 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.403,317,987 (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:

	2016	2015
	----- (Rupees) -----	
Long term loans, advances and deposits	20,263,856	18,446,847
Long term investment	60,591,631	15,272,670
Short term investments	73,484,959	43,402,769
Trade debts - unsecured	922,947,253	170,972,630
Receivable against margin finance	855,461,209	643,734,485
Loans and advances	6,324,202	4,247,647
Short-term deposits	458,663,478	185,987,350
Interest and mark-up accrued	17,284,195	25,626,294
Other receivables	13,418,636	15,381,860
Cash and bank balances	1,047,527,383	1,479,911,758
	<b>3,475,966,802</b>	<b>2,600,984,310</b>

# Notes to the Financial Statements for the year ended December 31, 2016

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

Local clients	1,778,845,874	810,237,175
Foreign clients	2,363,388	4,469,940
	<b>1,778,808,462</b>	<b>814,707,115</b>

	2016			2015		
	Gross	Impairment	Net	Gross	Impairment	Net
	(Rupees)					
Past due 1-30 days	1,763,726,877	-	1,763,726,877	800,552,424	-	800,552,424
Past due 31 days -180 days	13,434,467	-	13,434,467	12,987,567	-	12,987,567
Past due 181 days -1 year	1,247,118	-	1,247,118	1,167,124	-	1,167,124
More than one year	403,317,987	403,317,987	-	398,036,891	398,036,891	-
Total	<b>2,181,726,449</b>	<b>403,317,987</b>	<b>1,778,408,462</b>	<b>1,212,744,006</b>	<b>398,036,891</b>	<b>814,707,115</b>

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 ageing 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
2016	25,577,535	151,724	38,509	599,811
2015	649,760	157,974	600,023	-

## 29.2.1.2 Bank balances

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

	2016	2015
	(Rupees)	
AAA	5,181,081	31,234,454
AA+	2,181,847	510,567
AA	1,932,002	724,732
AA-	1,838,642,653	2,769,509
A+	-	1,444,672,496
	<b>1,647,527,383</b>	<b>1,479,911,752</b>

## 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	2016	
	(Rupees)	Percentage
AA+	33,099,538	100.00%
	<b>33,099,538</b>	<b>100.00%</b>
Term Finance Certificates & Sukuk Certificates Credit rating	2015	
	(Rupees)	Percentage
AA+	39,401,093	99.78%
AA-	4,001,676	9.22%
	<b>43,402,769</b>	<b>100.00%</b>

# Notes to the Financial Statements for the year ended December 31, 2016

## 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 and margin finance are as follows:

	2016		2015	
	(Rupees)	%	(Rupees)	%
Services (including insurance)	846,864	0.05%	2,352,316	0.30%
Manufacturing	1,483,695	0.08%	5,740,721	0.70%
Banking and financial institutions	906,239,222	50.96%	43,928,250	5.39%
Individuals	869,838,681	48.91%	762,685,828	93.61%
	<b>1,778,408,462</b>	<b>100.00%</b>	<b>814,707,115</b>	<b>100.00%</b>

## 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:

	2016					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years	Two to five years
	(Rupees)					
<b>Financial liabilities</b>						
Creditors, accrued expenses and other liabilities	1,888,540,444	1,888,540,444	1,888,540,444	-	-	-
	<b>1,888,540,444</b>	<b>1,888,540,444</b>	<b>1,888,540,444</b>	<b>-</b>	<b>-</b>	<b>-</b>
	2015					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years	Two to five years
	(Rupees)					
<b>Financial liabilities</b>						
Creditors, accrued expenses and other liabilities	625,022,995	625,022,995	625,022,995	-	-	-
	<b>625,022,995</b>	<b>625,022,995</b>	<b>625,022,995</b>	<b>-</b>	<b>-</b>	<b>-</b>

On the balance sheet date, the Company has cash and bank balances of Rs.1,047 million (2015: Rs. 1,480 million) as mentioned in note 18 and unutilised credit lines of Rs.800 million (2015: Rs.175 million) against the investments of the Company.



# Notes to the Financial Statements for the year ended December 31, 2016

## 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.Nil equivalent to USD Nil (2015: Rs.14,584 equivalent to USD 139) at the year end.

	Balance sheet date rate	
	2016	2015
Pak rupees / US Dollar	104.60	104.80

### Sensitivity analysis

A 10% strengthening / weakening of the Rupee against US Dollar at December 31, 2016 would have increased / (decrease) the profits of the Company as follows:

	Impact on profit or loss	
	2016	2015
	----- (Rupees) -----	
Strengthening of Rupees by 10%	-	(1,458)
Weakening of Rupees by 10%	-	1,458

### 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, 2016, 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.

## Notes to the Financial Statements for the year ended December 31, 2016

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

	<u>Carrying amount</u>	
	2016	2015
	----- (Rupees) -----	
Fixed rate investments (notes 12.2 and 18)	1,057,399,934	1,488,447,982
Variable rate investments (note 12.2)	21,012,579	32,466,788

### 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.

	<u>Impact on profit or loss</u>	
	100 bp increase	100 bp decrease
	----- (Rupees) -----	
<b>As at December 31, 2016</b>		
Cash flow sensitivity - variable rate instruments	210,126	(210,126)
<b>As at December 31, 2015</b>		
Cash flow sensitivity - variable rate instruments	324,668	(324,668)

### 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.

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.



## Notes to the Financial Statements for the year ended December 31, 2016

	Impact on profit or loss	
	100 bp increase	100 bp Decrease
	----- (Rupees) -----	
<b>As at December 31, 2016</b>		
Term Finance Certificates & Sukuk Certificates	(120,780)	120,780
	<u>(120,780)</u>	<u>120,780</u>
<b>As at December 31, 2015</b>		
Term Finance Certificates & Sukuk Certificates	(109,360)	109,360
	<u>(109,360)</u>	<u>109,360</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) -----	
<b>As at December 31, 2016</b>		
Quoted equity securities	74,623,490	(74,623,490)
	<u>74,623,490</u>	<u>(74,623,490)</u>
<b>As at December 31, 2015</b>		
Quoted equity securities	72,284,505	(72,284,505)
	<u>72,284,505</u>	<u>(72,284,505)</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.

# Notes to the Financial Statements for the year ended December 31, 2016

## 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:

**Level1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level2:** 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).

**Level3:** 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	2016			
	Level 1	Level 2	Level 3	Total
Listed securities	746,234,904	33,090,538	-	779,325,442
	<b>746,234,904</b>	<b>33,090,538</b>	<b>-</b>	<b>779,325,442</b>
<b>Available for sale</b>				
Listed securities	-	-	-	-
Unlisted securities	-	-	100,986,052	100,986,052
	<b>-</b>	<b>-</b>	<b>100,986,052</b>	<b>100,986,052</b>
Financial assets at fair value through profit or loss	2015			
	Level 1	Level 2	Level 3	Total
Listed securities and unit of funds	697,014,276	43,402,769	-	740,417,045
	<b>697,014,276</b>	<b>43,402,769</b>	<b>-</b>	<b>740,417,045</b>
<b>Available for sale</b>				
Listed securities	25,830,778	-	-	25,830,778
Unlisted securities	-	-	15,272,670	15,272,670
	<b>25,830,778</b>	<b>-</b>	<b>15,272,670</b>	<b>41,103,448</b>

During the year, there were 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, 2016

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. Disclosure under Regulation 5(4) of Research Analyst Regulations, 2015

At present, JSGL employs nine members in its research department (including head of research, three senior analysts, two junior analysts, one technical analyst, a librarian and a data administrator). All members report to Head of Research who in turn reports to CEO.

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

During the year ended December 31, 2016, the personnel employed in the Research Department have drawn an aggregate salary and benefits amounting to Rs. 14,477,949, which comprises basic salary, medical allowance, provident fund and other benefits as per company policy.

## 31. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors have proposed cash dividend of Nil (December 31, 2015: Nil) amounting to Nil (December 31, 2015: Nil) and bonus of Nil (December 31, 2015: Nil) in their meeting held on February 21, 2017.

## 32. CORRESPONDING FIGURES

Comparative figures have been re-arranged and reclassified whenever necessary for the purpose of comparison and better presentation, major reclassifications are as follows:

Component	Description	Reclassification from	Reclassification to	Rupees
Balance Sheet	NCCPL Exposure	Current assets - Trade debts	Current assets - Deposits and prepayments	35,702,996
Balance Sheet	Advance Sales Tax	Taxation - net	Creditors, accrued expenses and liabilities - other creditors	1,358,348
Balance Sheet	Receivable against margin finance	Current assets - Trade debts	Current assets-on the face of balance sheet	855,461,209
Profit and loss	Reversal of provision for sales tax on forex and advisory	Other operating income - net	On the face of profit and loss account	380,150
Profit and loss	Dividend income	Other operating income - net	On the face of profit and loss account	54,615,822
Profit and loss	Margin finance income	Other operating income - net	On the face of profit and loss account	95,194,610

## 33. DATE OF AUTHORISATION

These financial statements were authorised for issue in the Board of Directors' meeting held on February 21, 2017

Syed Hasan Akbar Kazmi  
Chairman

Muhammad Kamran Nasir  
Chief Executive Officer



## Pattern of Shareholding for the year ended December 31, 2016

### Shareholdings

No. of Shareholders		From	To	Total Shares Held
536	Shareholding From	1	100	5,920
225	Shareholding From	101	500	68,157
109	Shareholding From	501	1000	95,512
184	Shareholding From	1001	5000	402,252
24	Shareholding From	5001	10000	199,813
8	Shareholding From	10001	15000	100,736
3	Shareholding From	15001	20000	53,238
2	Shareholding From	20001	25000	45,000
3	Shareholding From	25001	30000	84,493
1	Shareholding From	30001	35000	31,000
1	Shareholding From	50001	55000	54,054
1	Shareholding From	85001	90000	87,000
1	Shareholding From	135001	140000	139,500
1	Shareholding From	215001	220000	218,501
1	Shareholding From	340001	345000	340,323
1	Shareholding From	385001	390000	389,500
1	Shareholding From	10165001	10170000	10,166,832
1	Shareholding From	25525001	25530000	25,525,169
<b>1,103</b>				<b>38,007,000</b>

S. No.	Category of Shareholders	Number of Shareholders	Total Shares Held	Percentage
1	Individuals	1,080	1,721,223	4.53%
2	Insurance Companies	1	340,323	0.90%
3	Joint Stock Companies	20	253,453	0.67%
4	Financial Institutions	1	25,525,169	67.16%
5	Foreign Institutions	1	10,166,832	26.75%
6	Others	-	-	-
		<b>1,103</b>	<b>38,007,000</b>	<b>100.00%</b>

\*Includes (794) CDC Beneficial Owners as appeared in CDS



## Pattern of Shareholding for the year ended December 31, 2016

	No.	SHARES
<b>1 Associated Companies, Undertakings and related parties</b>		
JS Bank Limited	1	25,525,169
Global Investment House	1	10,166,832
Jahangir Siddiqui Securities Services Limited	1	218,501
	<b>3</b>	<b>35,910,502</b>
<b>2 NIT and ICP</b>	<b>Nil</b>	<b>Nil</b>
<b>3 List of directors, CEO and their spouses and minor children</b>		
Syed Hasan Akbar Kazmi	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. Farid Arshad Masood*	1	1
Mr. Muhammad Khalil Ur Rehman	1	1
Mr. Muhammad Kamran Nasir	1	1
Mr. Junaid Imran*	-	-
Mr. Munir Hassan Taher*	-	-
	<b>8</b>	<b>17</b>
<b>4 List of Executives</b>	<b>Nil</b>	<b>Nil</b>
<b>5 Public Sector Companies and Corporations</b>	<b>Nil</b>	<b>Nil</b>
<b>6 Banks, Development Financial Institutions, Non-Banking Finance Institutions, Insurance Companies, Modarbas and Mutual Funds</b>	<b>1</b>	<b>340,323</b>
<b>7 Joint Stock Companies &amp; Others</b>	<b>19</b>	<b>34,952</b>
<b>8 Individuals</b>	<b>1,072</b>	<b>1,721,206</b>
<b>TOTAL</b>	<b>1,103</b>	<b>38,007,000</b>

\*Mr. Junaid Imran and Mr. Munir Hassan Taher has been appointed on December 26, 2016 in place of Mr. Farid Arshad Masood and Mr. Fouad Fahmi Darwish respectively, however shares were transferred subsequent to year end upon receiving 'No objection certificate' from Pakistan Stock Exchange.

## Pattern of Shareholding for the year ended December 31, 2016

### Detail of Share holding 5% or more

1	JS Bank Limited	25,525,169
2	Global Investment House	<u>10,166,832</u>
		<u><b>35,692,001</b></u>

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, 2016



# Form of Proxy

## 16<sup>th</sup> Annual General Meeting

The Company Secretary  
**JS Global Capital Limited**  
6th Floor, Faysal House, Shahrah-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 31, 2017** and / or any Adjournment thereof.  
As witness my / our hand / seal this ..... day of 2017.

Signed by .....

In the presence of .....

**Witness:**

1. Name: .....

Signature: .....

Address: .....

.....  
CNIC or Passport No. : .....

Signature on  
**Rs.5/-**  
Revenue Stamp

**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 Proxy form 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 Shahrah-e-Faisal,  
Karachi-



1- کئی کامروائی ٹیکسٹ کے ساتھ ساتھ چھپنے کی سہولتوں پر بھی توجہ دینے کا ارادہ ہے۔

2- کئی سہولتوں پر بھی توجہ دینے کا ارادہ ہے۔ 798330 پر اس کے ساتھ ساتھ 49 کھلی گزشتہ سالوں میں ہونے والے کاموں کے بارے میں۔

3- کوئی کامروائی ٹیکسٹ کے ساتھ ساتھ چھپنے کی سہولتوں پر بھی توجہ دینے کا ارادہ ہے۔

4- اگر کامروائی ٹیکسٹ کے ساتھ ساتھ چھپنے کی سہولتوں پر بھی توجہ دینے کا ارادہ ہے۔

5- ٹیکنالوجی کے ساتھ ساتھ چھپنے کی سہولتوں پر بھی توجہ دینے کا ارادہ ہے۔ (CDC) کے نام پر ہونے والے ٹیکسٹ کے ساتھ ساتھ چھپنے کی سہولتوں پر بھی توجہ دینے کا ارادہ ہے۔ (CNIC) کے نام پر ہونے والے ٹیکسٹ کے ساتھ ساتھ چھپنے کی سہولتوں پر بھی توجہ دینے کا ارادہ ہے۔

درست گفت چپائی

کئی ٹیکسٹ  
JS گلوبل کونسل  
کئی ٹیکسٹ  
کئی ٹیکسٹ  
کئی ٹیکسٹ





# JS Global

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\* Forum Branch was subsequently closed with effect from January 12, 2017.