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OPTIMUS CAPITAL MANAGEMENT (PRIVATE) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023

RIAZ AHMAD
SAQIB
GOHAR

Chartered Accountants

RASG

Result Assured Services for Growth

Independent Auditor's Report to the Members of Optimus Capital Management (Private) Limited

Report on the Audit of the Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2023 and of the income, the other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Information other than the Financial Statements and Auditor's Report Thereon

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

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

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

RIAZ AHMAD, SAQIB, GOHAR & CO.
Chartered Accountants

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Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980); and

e) the Company was in compliance with the requirements of section 78 of the Securities Act, 2015 and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016 as at the date on which the balance sheet was prepared.

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Kamal Gohar.

Chartered Accountants

Karachi: October 14, 2023

UDIN: AR202310253S5Dy2Z9Q6

OPTIMUS CAPITAL MANAGEMENT (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

	Note	June 30, 2023	June 30, 2022
		------------ (Rupees) ------------	
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	22,853,667	29,809,488
Right of use asset	5	3,248,918	8,122,294
Intangible assets	6	2,304,858	1,162,950
Long-term deposits	7	2,380,600	2,352,100
Long-term investment	8	4,300,836	5,945,615
Deferred tax asset	17	866,896	475,183
		35,955,775	47,867,630
CURRENT ASSETS			
Short-term investment	9	47,123,452	95,125,395
Trade debts - unsecured, considered good	10	8,525,141	28,077,459
Advances	11	1,263,868	2,232,176
Deposits and prepayments	12	174,522,930	81,881,116
Other receivables	13	26,906,174	16,179,492
Due from related parties	14	31,455,557	26,269,691
Advance tax - net		8,146,289	8,405,210
Cash and bank balances	15	64,730,924	132,778,443
		362,674,335	390,948,982
TOTAL ASSETS		398,630,110	438,816,612
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
3,000,000 (2022: 1,000,000) ordinary shares of Rs.100 each		300,000,000	100,000,000
Issued, subscribed and paid-up capital			
3,000,000 (2022: 1,000,000) ordinary shares of Rs.100 each	16	300,000,000	100,000,000
RESERVES			
Revenue reserves		46,472,745	246,886,001
		346,472,745	346,886,001
NON CURRENT LIABILITIES			
Lease liability	18	-	3,884,769
		-	3,884,769
CURRENT LIABILITIES			
Trade creditors		41,180,059	80,723,599
Current portion of lease liability	18	3,884,769	5,133,556
Accrued and other liabilities	19	7,092,537	2,188,687
		52,157,365	88,045,842
CONTINGENCIES AND COMMITMENTS	20	-	-
TOTAL EQUITY AND LIABILITIES		398,630,110	438,816,612

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

CHIEF EXECUTIVE OFFICER **DIRECTOR**

OPTIMUS CAPITAL MANAGEMENT (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2023

	Note	June 30, 2023	June 30, 2022
		------------ (Rupees)	------------
INCOME			
Operating revenues	21	133,322,089	155,824,583
Gain on sale of investments - net		3,689,736	364,631
		137,011,825	156,189,214
EXPENDITURES			
Administrative and general expenses	22	(152,208,173)	(137,230,113)
		(15,196,348)	18,959,101
Financial income		30,779,187	16,431,847
Other income - net	23	1,617,670	3,058,536
Gain / (Loss) on re-measurement of investments categorised as 'fair value through profit or loss' - net		732,310	(4,102,462)
Financial charges	24	(982,815)	(1,746,462)
Profit before taxation		16,950,004	32,600,560
Taxation	25	(14,936,917)	(16,426,978)
Profit after taxation		2,013,087	16,173,582
Earnings per share - basic and diluted	26	0.67	16.17

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

OPTIMUS CAPITAL MANAGEMENT (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023

	June 30, 2023	June 30, 2022
	------------ (Rupees) ------------	
Profit after taxation	**2,013,087**	16,173,582
OTHER COMPREHENSIVE INCOME		
Item that will not be reclassified subsequently to profit or loss		
Loss on remeasurement of equity instrument classified as 'FVOCI'	**(1,644,779)**	(7,020,823)
Less: impact of deferred tax	**137,841**	(108,876)
	(1,506,938)	(7,129,699)
Gain on sale of equity instrument classified as 'FVOCI'	**-**	875,420
Loss on remeasurement of debt instrument classified as 'FVOCI'	**(1,081,653)**	(2,340,848)
Less: impact of deferred tax	**162,248**	351,127
	(919,405)	(1,989,721)
Total comprehensive (loss) / income for the year	**(413,256)**	7,929,582

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

OPTIMUS CAPITAL MANAGEMENT (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2023

		Revenue reserve				
	Issued, subscribed and paid-up capital	Un-appropriated profit	Gain/(Loss) on remeasurement equity investments classified as 'FVOCI'	Loss on remeasurement debt investments classified as 'FVOCI'	Total	Total
	----------	----------	---------- Rupees	----------	----------	
Balance as at June 30, 2021	100,000,000	227,281,207	11,675,212	-	238,956,419	338,956,419
Profit for the year	-	16,173,582	-	-	16,173,582	16,173,582
Other comprehensive loss	-	-	(6,254,279)	(1,989,721)	(8,244,000)	(8,244,000)
Transfer on disposal of equity instrument	-	7,227,446	(7,227,446)	-	-	-
	-	23,401,028	(13,481,725)	(1,989,721)	7,929,582	7,929,582
Balance as at June 30, 2022	**100,000,000**	**250,682,235**	**(1,806,513)**	**(1,989,721)**	**246,886,001**	**346,886,001**
Profit for the year	-	2,013,087	-	-	2,013,087	2,013,087
Other comprehensive loss	-	-	(1,506,938)	(919,405)	(2,426,343)	(2,426,343)
Issue of bonus shares	200,000,000	(200,000,000)	-	-	(200,000,000)	-
	200,000,000	(197,986,913)	(1,506,938)	(919,405)	(200,413,256)	(413,256)
Balance as at June 30, 2023	**300,000,000**	**52,695,322**	**(3,313,451)**	**(2,909,126)**	**46,472,745**	**346,472,745**

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

OPTIMUS CAPITAL MANAGEMENT (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	Note	June 30, 2023	June 30, 2022
		------------ *(Rupees)* ------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year before taxation		16,950,004	32,600,560
Adjustments for:			
Depreciation	4.1 & 5	10,384,247	10,301,440
Loss on disposal of fixed assets	23	730,155	-
Amortization	6	658,092	219,858
(Gain) / loss on remeasurement of investments		(1,813,963)	1,761,614
Gain on lease modification		-	(1,921,857)
Financial charges	24	982,815	1,746,462
Profit before working capital changes		27,891,350	44,708,077
Changes in working capital			
(Increase) / decrease in current assets			
Trade debts		19,552,318	(19,295,304)
Advances		968,308	531,909
Deposits and prepayments		(92,641,814)	51,847,864
Other receivables		(10,726,682)	(793,330)
Due from related parties		(5,185,866)	1,270,365
		(88,033,736)	33,561,504
(Decrease) / increase in current liabilities			
Trade creditors		(39,543,540)	35,535,885
Accrued liabilities		4,903,850	(5,633,288)
		(34,639,690)	29,902,597
Cash (used in) / generated from operations		(94,782,076)	108,172,177
Income tax paid		(14,767,465)	(7,479,924)
Financial charges paid		(26,371)	(43,430)
Net cash (used in)/ generated from operating activities		(109,575,912)	100,648,824
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		(1,064,079)	(5,107,482)
Proceeds from disposal of fixed assets		2,509,029	51,804
Purchase of intangible assets		(1,800,000)	(1,082,803)
Long term deposits		(28,500)	8,550,000
Disposal of long-term investments		-	12,030,420
Purchase of short-term investments - net		(10,028,240)	(48,777,776)
Disposal of short-term investments - net		58,030,183	-
Net cash generated from/ (used in) investing activities		47,618,393	(34,335,837)
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease rental paid		(6,090,000)	(6,482,500)
Net cash used in financing activities		(6,090,000)	(6,482,500)
Net (decrease) / increase in cash and cash equivalents		(68,047,519)	59,830,487
Cash and cash equivalents at the beginning of the year		132,778,443	72,947,956
Cash and cash equivalents at the end of the year	15	64,730,924	132,778,443

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

CHIEF EXECUTIVE OFFICER **DIRECTOR**

OPTIMUS CAPITAL MANAGEMENT (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1 CORPORATE AND GENERAL INFORMATION

1.1 Legal status and operations

Optimus Capital Management (Private) Limited (the Company) was incorporated under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017) on March 18, 2004 as a Single Member Private Limited Company vide Incorporation Certificate No. 13358 / 20040302. The company was subsequently converted from single member company to multi member private company with effect from October 05, 2005. The company is a corporate member of Pakistan Stock Exchange Limited (PSX). The principal activities of the company are business of brokerage, sale and purchase of listed securities, etc. The registered office of the Company is relocated to 13-C stadium lane 2, DHA Phase V, Karachi from previous location at D 71/1, Clifton, Block 2, KDA Scheme No. 5, Karachi. The company is a subsidiary of Optimus Holdings (Private) Limited which holds 100% shares in the company.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These financial statements of the Company has been prepared in accordance with accounting and reporting standards applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprises:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Boards(IASB) as notified under the Companies Act, 2017 (the act).

- Provisions and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from IFRS, the provisions of and directives issued under Companies Act, 2017 have been followed.

2.2 Basis of Measurement

These financial statements have been prepared on the basis of historical cost convention, except otherwise stated in respective policy notes, without any adjustment to the effect of inflation or currency values.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupee (PKR) - rounded off to the nearest rupee, which is the functional and presentation currency of the Company.

2.4 Key judgments and estimates

The preparation of these financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

- Useful lives, residual values and depreciation method of property and equipment - **Note 3.1 & 4.**

- Useful lives, residual values and amortization method of intangible assets - **Note 3.2 & 6.**

- Estimation of provisions - **Note 3.7**

- Estimation of contingent liabilities - **Note 3.8 & 20**

- Current income tax expense, provision for current tax and recognition of deferred liability - **Note 3.6 & 25.**

2.5 Standards, amendments and interpretations adopted during the year

The Company has not adopted any new standard during the period.

2.6 Standards, interpretations and amendments to approved accounting standards that are not yet effective

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

Standards or Interpretation		Effective Date (Accounting periods beginning on or after)
IFRS 4	Amendments to IFRS 17 and Extension of the Temporary Exemption from Applying IFRS 9.	January 1, 2023
IAS 1	Amended by Classification of Liabilities as Current or Non-current.	January 1, 2024
IAS 12	Amended by Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 1, 2023
IFRS 16	Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	January 1, 2024

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The Company expects that the adoption of the above revisions, amendments and interpretations of the standards will not have material effect on the Company's financial statements in the period of initial application.

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

Standards or Interpretation		Effective Date (Accounting periods beginning on or after)
IFRS 17	Insurance Contracts	January 1, 2023

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Property and equipment

3.1.1 Owned assets

These are stated at cost less accumulated depreciation and impairment, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

All expenditures connected to the specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to specific assets as and when assets are available for use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

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 at rates specified in note 4, while no depreciation is charged in the month of disposal.

Motor Vehicles are depreciated on a straight line basis over their estimated useful life after providing for salvage value @ 40% of the cost of the said class of asset.

Repairs and maintenance are charged to the profit and loss account during the financial period in which they are incurred.

Gains or losses on disposals of property and equipment are determined by comparing proceeds with the carrying amount and are included in the profit and loss account of the period to which it relates.

The Company assesses at each balance sheet date whether there is any indication that a fixed asset may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying amounts exceed the estimated recoverable amount, assets are written down to the recoverable amount.

3.1.2 Right of use assets and related liabilities

The Company is carrying its operations through leased office building. At the inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

Leases are recognised as right of use assets and corresponding liabilities at the date at which the leased assets are available for use by the Company.

Right-of-use assets are initially measured based on the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right of use assets are depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The carrying amount of the right-of-use asset is reduced by impairment losses, if any. At transition, the Company recognised right to use assets equal to the present value of lease payments.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

3.2 Intangible assets

3.2.1 Trade Right Entitlement Certificate (TRE Certificate) & membership

TRE Certificate was received against surrender of Stock Exchange Membership Card and is stated at revalued amounts. As the fair value of both the 'asset transferred' and 'asset obtained' can not be determined with reasonable accuracy, TRE certificate has been recorded at the nil value.

3.2.2 Others

These are stated at cost less impairment, if any. The carrying amounts are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts and where carrying value exceeds estimated recoverable amount, these are written down to their estimated recoverable amount.

Amortization is charged to income applying the straight line method over the estimated useful lives of related assets, at the rate specified in Note 6. Amortization on intangible assets is charged in the month of acquisition, whereas no amortization charged in the month of disposal.

Intangible assets are capitalized when it is probable that future economic benefits attributable to the asset will flow to the enterprise and the same shall be amortized applying an appropriate amortization rate.

3.3 Financial assets

The Company determines the classification of its financial assets at initial recognition. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

3.3.1 Classification

The financial assets are classified in the following measurement categories:

a) Those to be measured subsequently at fair value through profit or loss,

b) Those to be measured subsequently at fair value through other comprehensive income, and

c) Those to be measured at amortized cost.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

3.3.2 Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of comprehensive income as incurred.

3.3.3 Impairment of financial assets

The Company shall assess on a forward-looking basis the expected credit losses (ECLs) associated with its financial assets carried at amortised cost and debt instruments at fair value through other comprehensive income. The ECLs shall be updated at each reporting date to reflect changes in credit risk.

The three-stage model for impairment shall be applied to loans and advances, debt instruments at fair value through other comprehensive income, and loan receivables from joint ventures and associates. The credit risk shall be determined through modelling a range of possible outcomes for different loss scenarios, using reasonable and supportable information about past events, current conditions and forecasts of future events and economic conditions and taking into account the time value of money.

A 12-month ECL shall be recognised, unless the credit risk on the financial asset increases significantly after initial recognition, when the lifetime ECL is recognised. For trade and other receivables, contract assets and lease receivables, the simplified approach shall be applied as permitted by IFRS 9, with lifetime ECLs recognised from initial recognition of the receivable.

These assets shall be grouped, based on shared credit risk characteristics and days past due, with ECLs for each grouping determined, based on the Company's historical credit loss experience, adjusted for factors specific to each receivable, general economic conditions and expected changes in forecast conditions.

At each reporting date, the management shall review the carrying amounts of its financial assets to determine whether there was any indication that those assets had suffered an impairment loss. If there is objective evidence that an impairment loss on a financial asset or group of financial assets has been incurred, the amount of the loss shall be measured as the difference between the estimated future cash flows from the asset discounted at the effective interest rate of the instrument at initial recognition.

Impairment losses shall be assessed individually for financial assets that were individually significant and collectively for assets that were not individually significant. In making collective assessments of impairment, financial assets shall be grouped into portfolios on the basis of similar characteristics.

3.3.4 De-recognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of the transferred financial asset, the Company continues to recognize the financial asset and also recognises a collateralized borrowing for the proceeds received.

Regular purchases and sales of investments are recognized on trade date basis - i.e. on the date when the Company commits to purchase or sell the asset. All client purchases and sales are recognized on the date of settlement.

3.4 Financial liabilities

The Company determines the classification of its financial liabilities at initial recognition.

3.4.1 Classification

The financial liabilities are classified in the following measurement categories:

a) those to be measured at fair value through profit and loss and
b) those to be measured at amortized cost

3.4.2 Measurement

All financial liabilities are recognised initially at fair value. Financial liabilities accounted at amortized cost like borrowings are accounted at the fair value determined based on the effective interest rate method (EIR) after considering the directly attributable transaction costs.

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

The effective interest rate ("EIR") method calculates the amortized cost of a debt instrument by allocating interest charge over the relevant effective interest rate period. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. This category generally applies to borrowings, trade payables etc.

The Company's financial liabilities include other payables and borrowings. The Company measures financial liabilities (except derivatives) at amortized cost.

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3.4.3 De-recognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of profit or loss.

3.5 Revenue recognition

(a) Brokerage, commission and other income are accrued as and when earned.

(b) Dividend income on equity investments is recognized, when the right to receive the same is established.

(c) Gains or losses on sale of investments are recognized in the period in which they arise.

(d) Underwriting commission is recognized when the agreement is executed. Take-up commission is recognized at the time commitment is fulfilled.

(e) Consultancy, advisory fee and service charges, are recognized as and when earned.

(f) Unrealized capital gains / (losses) arising from mark to market of investments classified as 'financial assets at fair value through profit or loss - held for trading' are included in profit and loss account in the period in which they arise.

3.6 Taxation

Taxation comprises of current tax and deferred tax.

Tax expense is recognized in the statement of profit and loss except to the extent that relates to items recognized in other comprehensive income or directly in equity (if any), in which case the tax amounts are recognized directly in other comprehensive income or equity.

Current tax

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account available tax credits and rebates, if any, and any under/over provisions in respect of prior year.

Deferred

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forward of unused tax assets and unused tax losses can be utilized.

Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

Further, the carrying amount of deferred assets is reviewed at each reporting date and is adjusted to reflect the current assessment of the future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits to allow the benefit of part or all of that recognized deferred tax asset to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Off-setting

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities, and they relate to income taxes levied by the same tax authority.

3.7 Provisions

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

3.8 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but its not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.9 Trade debts and other receivables

Trade debts and other receivables are recognized at fair value and subsequently measured at amortized cost. A provision for impairment in trade debts and other receivables is made when there is objective evidence that the Company will not be able to collect all amounts due according to original terms of receivables. Trade debts and other receivables considered irrecoverable are written off.

3.10 Trade and other payables

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

3.11 Earnings

Earnings per share is calculated by dividing the profit after tax for the year by the weighted average number of shares outstanding at the end of the year.

3.12 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, demand deposits and short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents also consist of bank overdrafts repayable on demand, if any.

		Note	June 30, 2023	June 30, 2022
4	**PROPERTY AND EQUIPMENT**		(Rupees)	
	Property and equipment	4.1	22,853,667	29,809,488

4.1 Following is the statement of property and equipment:

JUNE 30, 2023								
	COST				DEPRECIATION			
PARTICULARS	As at July 01, 2022	Additions / (Disposals)	As at June 30, 2023	Rate	As at July 01, 2022	Charge for the year / (Disposal)	As at June 30, 2023	Written down value as at June 30, 2023
	Rupees			%	Rupees			Rupees
Owned								
Motor vehicles	20,156,094	84,800 (4,068,900)	16,171,994	20	4,585,570	2,241,059 (1,559,871)	5,266,758	10,905,236
Furniture and fixtures	3,441,080	167,997	3,609,077	10	1,210,587	310,650	1,521,237	2,087,840
EDP equipment	15,067,097	663,125 (284,300)	15,445,922	33	11,880,170	1,601,340 (284,300)	13,197,210	2,248,712
Office equipment	729,395	55,000	784,395	20	553,315	65,681	618,996	165,399
Air conditioners	2,376,000	-	2,376,000	20	1,397,034	292,432	1,689,466	686,534
Office renovation	9,944,933	93,157	10,038,090	20	2,278,439	999,709	3,278,148	6,759,942
Generator	3,229,220	-	3,229,220	20	3,229,216	-	3,229,216	4
June 30, 2023	54,943,819	1,064,079 (4,353,200)	51,654,698		25,134,331	5,510,871 (1,844,171)	28,801,031	22,853,667

JUNE 30, 2022

PARTICULARS	COST			Rate	DEPRECIATION			Written down value as at June 30, 2022
	As at July 01, 2021	Additions / (Disposals)	As at June 30, 2022		As at July 01, 2021	Charge for the year / (Disposal)	As at June 30, 2022	
	Rupees			%	Rupees			Rupees
Owned								
Motor vehicles	20,086,094	70,000	20,156,094	20	2,224,360	2,361,210	4,585,570	15,570,524
Furniture and fixtures	2,617,330	823,750	3,441,080	10	902,057	308,530	1,210,587	2,230,493
EDP equipment	12,210,165	3,147,932 (291,000)	15,067,097	33	10,753,449	1,417,717 (290,996)	11,880,170	3,186,927
Office equipment	624,395	105,000	729,395	20	493,111	60,204	553,315	176,080
Air conditioners	2,106,900	409,600 (140,500)	2,376,000	20	1,177,829	307,905 (88,700)	1,397,034	978,966
Office renovation	9,393,733	551,200	9,944,933	20	1,305,941	972,498	2,278,439	7,666,494
Generator	3,229,220	-	3,229,220	20	3,229,216	-	3,229,216	4
June 30, 2022	50,267,837	5,107,482 (431,500)	54,943,819		20,085,963	5,428,064 (379,696)	25,134,331	29,809,488

		Note	June 30, 2023	June 30, 2022
5	**RIGHT OF USE ASSET**		------------ (Rupees) ------------	
	Balance at beginning of the year		**8,122,294**	14,470,342
	Depreciation charged during the year	5.1	**(4,873,376)**	(4,873,376)
	Adjustment due to modification in rent agreement		**-**	(1,474,672)
	Net book value at end of the year		**3,248,918**	8,122,294

5.1 Depreciation expense relating to right of use asset is allocated to administrative expenses. Right of use asset is against office building premise rented under an agreement for a lease term of 55 months.

6 INTANGIBLE ASSETS

	Trading Right Entitlement Certificate Note 6.1	PSX Booth Note 6.2	Computer software Note 6.3	Windows licenses Note 6.4	Total
	------------------ Rupees ------------------				
June 30, 2023					
Cost	-	300,000	3,322,814	1,082,803	4,705,617
Accumulated amortization	-	-	(3,322,809)	(219,858)	(3,542,667)
July 01, 2022	-	300,000	5	862,945	1,162,950
Additions during the year	-	-	1,800,000	-	1,800,000
Amortization recognized during the year	-	-	(360,898)	(297,194)	(658,092)
June 30, 2023	-	300,000	1,439,107	565,751	2,304,858
Cost	-	300,000	5,122,814	1,082,803	6,505,617
Accumulated amortization	-	-	(3,683,707)	(517,052)	(4,200,759)
June 30, 2023	-	300,000	1,439,107	565,751	2,304,858
June 30, 2022					
Cost	-	300,000	3,322,814	-	3,622,814
Accumulated amortization	-	-	(3,322,809)	-	(3,322,809)
July 01, 2021	-	300,000	5	-	300,005
Additions during the year	-	-	-	1,082,803	1,082,803
Amortization recognized during the year	-	-	-	(219,858)	(219,858)
June 30, 2022	-	300,000	5	862,945	1,162,950
Cost	-	300,000	3,322,814	1,082,803	4,705,617
Accumulated amortization	-	-	(3,322,809)	(219,858)	(3,542,667)
June 30, 2022	-	300,000	5	862,945	1,162,950

6.1 The Company have been granted Trading Right Entitlement (TRE) Certificate in pursuance of Section 5 of the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012 read with Regulation 6 of the Stock Exchanges (Corporatization, Demutualization and Integration) Regulation, 2012. This TRE Certificate represents intangible asset and is accounted for on Nil values as presently, the value of this TRE Certificate can not be determined with reasonable accuracy.

6.2 This represents telephone booth facility provided by the PSX to the TRE Certificate holders which has an indefinite useful life.

6.3 This represents token value of accounting, trading and back office software which have been fully amortized during the prior years.

6.4 Windows licenses are being amortised over a useful life of 3 years.

		Note	June 30, 2023	June 30, 2022
7	**LONG-TERM DEPOSITS**		------------ *(Rupees)* ------------	
	PSX - Initial trading deposits		**200,000**	200,000
	CDC		**100,000**	100,000
	NCCPL		**200,000**	200,000
	Deposits against lease		**1,800,000**	1,800,000
	NCCPL - Base minimum capital		**-**	-
	Others		**80,600**	52,100
			2,380,600	2,352,100

		Note	June 30, 2023	June 30, 2022
8	**LONG-TERM INVESTMENT**			
	Fair value through other comprehensive income			
	Pakistan Stock Exchange Limited			
	581,194 (2022: 581,194) Ordinary Shares	**8.1**	**4,300,836**	5,945,615

8.1 The Company has pledged 581,194 (June 30, 2022: 581,194) shares with PSX to fulfil the Base Minimum Capital requirement as per the PSX Regulations. The PSX shares have been revalued at a price of Rs. 7.40 (June 30, 2022: Rs. 10.23) as at reporting date.

		Note	June 30, 2023	June 30, 2022
9	**SHORT-TERM INVESTMENT**		------------ *(Rupees)* ------------	
	Fair value through other comprehensive income			
	Pakistan Investment Bonds	**9.1**	**21,115,262**	21,951,723
	Fair value through profit or loss			
	Treasury Bills	**9.2**	**-**	49,431,952
	Listed Equity Securities	**9.3**	**15,979,950**	23,741,720
	Mutual Funds		**10,028,240**	-
			26,008,190	73,173,672
			47,123,452	95,125,395

9.1 These yielded profit at the rate ranging from 9% to 10% during the year ended June 30, 2023.

9.2 These yielded profit at the rate ranging from 10.5% to 14.55% during the year ended June 30, 2023.

9.3 **Details of investment in listed equity securities:**

Number of shares 2023	2022	**Name of Investee Company**	June 30, 2023	June 30, 2022
			------------ *(Rupees)* ------------	
18,000	18,000	Allied Bank Limited	**1,206,000**	1,242,000
-	65,000	Hub Power Company Limited	**-**	4,431,050
15,000	243,000	Pakgen Power Limited	**669,150**	4,493,070
120,000	120,000	United Bank Limited	**14,104,800**	13,575,600
153,000	446,000		**15,979,950**	23,741,720

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		Note	June 30, 2023	June 30, 2022
10	**TRADE DEBTS - UNSECURED**		------------ (Rupees)	------------
	Considered good		**8,525,141**	28,077,459
	Considered doubtful		**205,724**	205,724
		10.1	**8,730,865**	28,283,183
	Less: Allowance for impairment of trade debts		**(205,724)**	(205,724)
			8,525,141	28,077,459

10.1 The age analysis of trade receivables is as follows:

1-360 days	**8,527,373**	28,076,574
Above 360 days	**203,492**	206,609
	8,730,865	28,283,183
Less: Allowance for impairment of trade debts	**(205,724)**	(205,724)
	8,525,141	28,077,459

The Company holds capital securities owned by its clients as collataral in their respective CDC accounts against trade debts. Provision is made against unsecured client balances above 360 days.

11 ADVANCES

Loan to employees - against salaries		**1,263,868**	2,232,176

12 DEPOSITS AND PREPAYMENTS

Short-term deposits	12.1	**172,081,260**	78,174,383
Prepayments		**2,441,670**	3,706,733
		174,522,930	81,881,116

12.1 This represents exposure deposits with NCCPL against ready market, future market and MTS.

		Note	June 30, 2023	June 30, 2022
13	**OTHER RECEIVABLES**		------------ (Rupees)	------------
	Omni Motorsports (Private) Limited	13.1	**15,000,000**	15,000,000
	Receivable from NCCPL - net	13.2	**3,324**	-
	Other receivable		**11,902,850**	1,179,492
			26,906,174	16,179,492

13.1 This represents temporary bridge loan given for meeting working capital requirements. This loan is unsecured and carry nil mark-up.

13.2 This represents the clients' future market transaction profits held by the National Clearing Company of Pakistan Limited (NCCPL) as at reporting date.

		Note	June 30, 2023	June 30, 2022
14	**DUE FROM RELATED PARTIES**		------------ (Rupees)	------------
	Optimus Holding (Private) Limited	14.1	14,775,557	12,112,732
	Optimus Market (Private) Limited	14.2	1,130,000	106,959
	PNO Capital Limited	14.3	11,300,000	11,300,000
	Receivable from Directors		2,250,000	-
	Receivable from Maryam Jawad		2,000,000	2,750,000
			31,455,557	26,269,691

14.1 This represents an unsecured amount recoverable from the holding company bearing interest @ 6 months KIBOR +2% (2022: @ 6 months KIBOR +2%). It includes accrued markup amounting to Rs. 4,262,732.

14.2 This represents an unsecured interest free loan receivable from the associated company.

14.3 This represents amount receivable from a related party against services provided in prior years.

		Note	June 30, 2023	June 30, 2022
15	**CASH AND BANK BALANCES**		------------ (Rupees)	------------
	Cash in hand		25,875	29,989
	Cash at banks			
	- in current accounts		41,730,696	81,224,694
	- in saving accounts	15.1	22,974,353	51,523,760
			64,730,924	132,778,443

15.1 These carry return ranging from 13.5% to 21% (2022 : 8% to 13.5%) per annum.

16 SHARE CAPITAL

2023	2022			
(Number of shares)				
937,600	937,600	Ordinary shares of Rs.100/- each fully paid in cash	93,760,000	93,760,000
62,400	62,400	Issued as bonus shares	6,240,000	6,240,000
2,000,000	-	Issued as bonus shares	200,000,000	-
3,000,000	1,000,000		300,000,000	100,000,000

16.1 PATTERN OF SHARE HOLDING

	June 30, 2023		June 30, 2022	
Company's shareholding as at 30 June 2023 is as under:	No. of share	Shareholding %	No. of share	Shareholding %
Asif Ali Qureshi	1	0%	1	0%
Muhammad Ovais Ahsan	-	-	1	0%
Syed Ayaz Ahmed	1	0%	-	-
Optimus Holdings (Private) Limited	2,999,998	100%	999,998	100%
	3,000,000	100%	1,000,000	100%

16.2 2 million bonus shares issued at par value of Rs. 100 per share issued during the year ended June 30, 2023.

17 DEFERRED TAX ASSET

Deferred tax asset comprises of net (deductible) / taxable temporary differences arise in respect of the following:

	Note	June 30, 2023	June 30, 2022
		------------ (Rupees) ------------	
Taxable temporary differences due to			
- accelerated tax depreciation allowance		**464,518**	899,399
- right of use assets		**942,186**	2,355,465
- intangibles		**-**	86,045
- short-term investments		**-**	108,876
		1,406,704	3,449,785
Deductible temporary differences due to			
- intangible assets		**(233,463)**	(966,497)
- long-term investments		**(137,841)**	-
- short-term investments		**(52,401)**	-
- trade debts		**(59,660)**	(59,660)
- lease liability		**(1,126,583)**	(2,615,314)
		(1,609,948)	(3,641,471)
Deferred tax asset on carried forward tax losses		**(663,652)**	(283,497)
Deferred tax asset		**(866,896)**	(475,183)

17.1 Movement of deferred tax income for the year:

Items recognized in profit or loss		**(91,624)**	(2,744,607)
Items recognized outside profit or loss		**(300,089)**	(242,251)
		(391,713)	(2,986,858)

18 LEASE LIABILITY

Balance at the beginning of the year		**9,018,325**	17,194,322
Finance cost		**956,444**	1,703,032
Lease rentals paid		**(6,090,000)**	(6,482,500)
Adjustment due to modification in rent agreement		**-**	(3,396,529)
	18.2	**3,884,769**	9,018,325
Current portion of lease liability		**(3,884,769)**	(5,133,556)
Balance at the end of the year		**-**	3,884,769

18.1 This represents liability against right-of-use asset being recognized in respect of lease rental agreement entered into by the Company on August 01, 2019. The lease is set to expire in February 2024, therefore the entire amount is classified as current portion.

18.2 Breakup of lease liability against right of use asset

Particulars	June 30, 2023			June 30, 2022		
	Upto one year	From one to five years	Total	Upto one year	From one to five years	Total
Minimum lease payments	**4,060,000**	-	**4,060,000**	6,090,000	4,060,000	10,150,000
Finance cost allocated	**(175,231)**	-	**(175,231)**	(956,444)	(175,231)	(1,131,675)
Present value of lease payments	**3,884,769**	-	**3,884,769**	5,133,556	3,884,769	9,018,325

	Note	June 30, 2023	June 30, 2022
19 ACCRUED AND OTHER LIABILITIES		------------ (Rupees)	------------
Accrued expenses		**5,061,882**	2,022,959
Sales tax payable - net		**2,030,655**	165,728
		7,092,537	2,188,687

20 CONTINGENCIES AND COMMITMENTS

20.1 Sindh Revenue Board had filed a reference through Special Sindh Sales Tax Reference Commissioner (Unit 4) against the company in Honorable Sindh High Court against the decision of appeal filed by Sindh Revenue Board (SRB) under Section 57(1) of the Sindh Sales Tax on Services Act, 2011 before Honorable Appellate Tribunal (HAP), SRB. In its decision the learned HAP upheld the decision by Commissioner (Appeal) to uphold the principle amount of SST short paid along with default surcharge and waiver of penalty finding that there was no mens rea. The original case pertained to show cause notice issued u/s 3 (2) of the Act in respect of short payment of Sindh Sales Tax on advisory services. The Company's lawyer believes that case by SRB is based on vague grounds and against the settled preposition of law as settled by the apex court of Pakistan and is very hopeful that the matter will be decided in favour of OCM.

The company has been selected for audit for the tax year 2016 u/s 214C of the Income Tax Ordinance, 2001 for the tax year 2016. The initiated proceeding were finalized during the year and the company's refund for the tax year 2016 was reduced from Rs. 5,695,984/- to Rs. 40,378/-. The company has filed an appeal with the Honourable CIR-Appeals against the assessment order passed and subsequent to June 30, 2022, the impugned order was remanded back by the Honourable CIR-Appeals with instructions to the officer to re-examine the supporting documents pertaining to the refund claim and allow it accordingly. The management is confident that the appeal will be decided in favour of the Company.

	Note	June 30, 2023	June 30, 2022
21 OPERATING REVENUES		------------ (Rupees)	------------
Equity brokerage income		**70,671,320**	148,476,222
Consultancy income		**56,990,434**	5,021,300
Commission income		**375,000**	4,822
Dividend income		**5,285,335**	2,322,239
		133,322,089	155,824,583

22 ADMINISTRATIVE AND GENERAL EXPENSES

	Note	June 30, 2023	June 30, 2022
Salaries, allowances and other benefits		**101,293,254**	89,793,518
Travelling, conveyance and vehicle running expenses		**146,876**	300,638
Rent, rates and taxes		**888,783**	1,951,188
Utility charges		**3,575,194**	2,595,539
Postage, telephone and telegram		**9,954,932**	7,505,024
Repair and maintenance		**1,624,549**	1,875,829
Insurance		**3,430,441**	3,154,913
Depreciation	**4.1 & 5**	**10,384,247**	10,301,440
Amortization	**6**	**658,092**	219,858
Entertainment		**945,958**	1,584,669
Printing and stationery		**160,5[illegible]**	343,010
Legal and professional charges		**3,029,762**	253,995
Fees and subscription		**5,249,301**	4,696,875
Balance carried forward		**141,341,985**	124,576,496

	Note	June 30, 2023	June 30, 2022
		------------ (Rupees)	------------
Balance brought forward		**141,341,985**	124,576,496
Auditors' remuneration	22.1	**560,250**	681,860
CDC charges		**1,290,863**	1,520,625
KSE charges		**1,326,352**	1,422,549
NCCPL charges		**3,952,001**	4,716,178
SECP charges		**372,368**	443,561
EDP expenses		**1,734,681**	1,221,491
Research and development		**71,625**	449,703
Allowance against doubtful debts		**-**	-
Others		**1,558,048**	2,197,650
		152,208,173	137,230,113

22.1 AUDITOR'S REMUNERATION

Audit fee		**242,190**	210,600
Other certification		**297,000**	450,200
Out of pocket expenses		**21,060**	21,060
		560,250	681,860

23 OTHER INCOME - NET

Loss on disposal of fixed assets		**(730,155)**	-
Gain on lease modification		**-**	1,921,857
Markup on loan to related party	30	**2,347,825**	1,136,679
		1,617,670	3,058,536

24 FINANCIAL CHARGES

Interest expense on lease		**956,444**	1,703,032
Bank charges		**26,371**	43,430
		982,815	1,746,462

25 TAXATION

- current		**15,041,416**	18,882,909
- prior		**(12,875)**	288,676
- deferred		**(91,624)**	(2,744,607)
	25.1	**14,936,917**	16,426,978

25.1 Reconciliation of tax charge for the year

Accounting profit		**16,950,004**	32,600,560
Corporate tax rate		**29%**	29%
Tax on accounting profit at applicable rate		**4,915,501**	9,454,162
Tax effect of	- income tax at lower rate and final tax regime	**1,507,884**	203,768
	- minimum tax	**8,981,534**	8,737,539
	- prior year	**(12,875)**	288,676
	- temporary differences	**(455,128)**	(2,257,167)
		14,936,917	16,426,978

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	Note	June 30, 2023	June 30, 2022
		------------ (Rupees) ------------	

26 EARNINGS PER SHARE

The basic earnings per share of the Company is based on:

		June 30, 2023	June 30, 2022
Profit after taxation		2,013,087	16,173,582
Weighted average number of ordinary shares outstanding		3,000,000	1,000,000
Earnings per share - basic and diluted		0.67	16.17

27 CLIENTS' ASSETS

CUSTOMER ASSETS	June 30, 2023		June 30, 2022	
	No. of Securities	Value (in Rupees)	No. of Securities	Value (in Rupees)
Held at bank		41,180,059		80,723,599
Held as securities:				
No. of securities	66,847,045		64,063,492	
Value of securities		9,542,525,066		8,667,830,761

28 VALUE OF SECURITIES PLEDGED WITH FINANCIAL INSTITUTIONS

Value of securities pledged with financial institutions are as follows:

	Note	June 30, 2023	June 30, 2022
		------------ (Rupees) ------------	
Proprietary		4,300,835	5,945,615
Client:			
Askari Bank Limited		43,433,170	101,866,050
JS Bank Limited		14,083,420	46,297,650
First Women Bank Limited		4,461,000	38,829,000
Bank Al Habib Limited		5,493,349	30,545,100
Allied Bank Limited		4,347,000	4,347,000
		71,817,939	221,884,800

29 RATING

PACRA through its notification dated April 07, 2023 has maintained the Company's long term and short term entity rating of A- and A2 respectively during the year ended on June 30, 2023. Furthermore, PACRA through its notification dated October 28, 2022 has maintained the Company's Brokerage Management Rating of BMR 2 during the year ended on June 30, 2023. PACRA through its notification dated October 28, 2022 has also maintained the Company's Broker Fiduciary Rating (BFR) of BFR 3++ during the year ended on June 30, 2023.

30 RELATED PARTY TRANSACTIONS

Related parties comprise of 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. Contributions to the provident fund are made as per the terms of employment. Remuneration of key management personnel are in accordance with their terms of employment and is disclosed below. Transactions with other related parties are entered into at rates negotiated with them which are as follows:

Name of the related party	Relationship and percentage shareholding	Transactions during the year and year end balances	2023 (Rupees)	2022 (Rupees)
Optimus Holdings (Private) Limited	Holding company holds 100% (2022: 100%) share capital	Accrued markup Amount due at the year end	**2,347,825** **14,775,557**	1,136,679 12,112,732
Optimus Markets (Private) Limited	Common shareholding	Miscellaneous amount paid Miscellaneous amount received Amount due at the year end	**2,722,954** **1,699,913** **1,130,000**	4,705,387 4,575,491 106,959
Board of Directors (executive and non-executive), all members of the Company's Management Team	Key management	Total compensation Loan repaid by CEO Loan repaid by Director Amount outstanding from Director	**18,267,000** **150,000** **225,000** **485,000**	23,500,000 1,850,000 300,000 150,000
PNO Capital Limited	Associated Company	Accrued markup Amount due at the year end	- **11,300,000**	- 11,300,000

30.1 Related parties and associated companies/ undertakings

Following are the details of related parties and associated companies/ undertakings with whom the company had entered into transactions or had arrangements in place during the year:

Particulars	Relationship with the Company
Optimus Holdings (Private) Limited	Parent Company (Holding 100% shares)
Optimus Market (Private) Limited	Common Shareholding
PNO Capital Limited	Associated Company
Mr. Asif Ali Qureshi	Chief Executive Officer
Mr. Syed Ayaz Ahmed	Director
Mr. Muhammad Mohsin Ahsan	Director
Mr. Jawad Amjad	Spouse of Director of Parent Company
Mrs. Maryam Jawad	Director of Parent Company

31 REMUNERATION OF CHIEF EXECUTIVE OFFICER, EXECUTIVE DIRECTOR AND OTHER EXECUTIVES

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

	Chief Executive Officer		Executive Director		Other Executives	
	2023	2022	**2023**	2022	**2023**	2022
	...(Rupees)...					
Gross salaries	**7,020,000**	9,150,000	**5,175,000**	8,325,000	**43,830,000**	43,904,051
Bonus	**6,000,000**	4,000,000	-	-	**10,000,000**	3,625,000
Others	**36,000**	36,000	**36,000**	36,000	**576,000**	576,000
	13,056,000	13,186,000	**5,211,000**	8,361,000	**54,406,000**	48,105,051
Number of Persons	**1**	1	**1**	1	**16**	16

The Company provides company maintained car to the chief executive officer, executive director and certain other executives. The Company does not pay remuneration to any non-executive directors. Further, the chief executive officer and executive director are also entitled for perquisites and facilities/benefits as per the Company's policies and rules.

		Note	June 30, 2023	June 30, 2022
32	**FINANCIAL INSTRUMENTS BY CATEGORY**		-------(Rupees)-------	
	Financial assets			
	At amortized cost			
	Long-term deposits		**2,380,600**	2,352,100
	Short-term deposits		**172,081,260**	78,174,383
	Trade debts - unsecured, considered good		**8,525,141**	28,077,459
	Advances		**1,263,868**	2,232,176
	Other receivables		**26,906,174**	16,179,492
	Due from related parties		**31,455,557**	26,269,691
	Cash and bank balances		**64,730,924**	132,778,443
			307,343,524	286,063,744
	At fair value through profit or loss			
	Short-term investment		**26,008,190**	73,173,672
	At fair value through other comprehensive income			
	Short-term investment		**21,115,262**	21,951,723
	Long-term investment		**4,300,836**	5,945,615
			25,416,098	27,897,338
	Financial liabilities			
	At amortized cost			
	Trade creditors		**41,180,059**	80,723,599
	Lease liability		**3,884,769**	9,018,325
	Accrued and other liabilities		**7,092,537**	2,188,687
			52,157,365	91,930,611

33 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying value and fair value estimates. The carrying values of all the financial assets and liabilities reflected in the financial statements approximate their fair values.

Financial Assets Fair Value Hierarchy

All financial instruments carried at fair value are categorized in three categories defined as follows:

Level 1 - Quoted prices in active markets for identical assets.

Level 2 - Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3. - Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The Company categorizes its long-term investment amounting to Rs. 4,300,836 in Level 1 (2022: 5,945,615 in Level 1).

The Company categorizes its short-term investment amounting to Rs. 47,123,452 in Level 2 (2022: Rs. 95,125,395).

34 FINANCIAL RISK MANAGEMENT

The Company does not have investments in equity or debt instruments except some short term equity instruments in listed entities. The Board of Directors of Company has overall responsibility for establishment and oversight of the Company's risk management framework. The Company has exposure to following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

34.1 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. There is a possibility of default by participants and of failure of the financial markets, the depositories, the settlements or clearing system, etc.

34.1.1 Exposure to credit risk

Credit risk of the Company arises principally from the long term deposits, trade debts, 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 & operational guidelines approved by the Board of Directors. In addition, credit risk is also minimized due to the fact that the Company invests only in high quality financial assets, majority of which have been rated by a reputable rating agency. All transactions are settled upon delivery.

The maximum exposure to credit risk at year end is as follows:

	Note	**June 30, 2023**	June 30, 2022
		(Rupees)	
Long term deposit		**2,380,600**	2,352,100
Trade debts - considered good		**8,525,141**	28,077,459
Advances		**1,263,868**	2,232,176
Deposits		**172,081,260**	78,174,383
Other receivables		**26,906,174**	16,179,492
Due from related parties		**31,455,557**	26,269,691
		242,612,600	153,285,301

34.1.2 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.

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

Bank	Rating Agency	Rating: Short term	Rating: Medium to long term
Allied Bank Limited	PACRA	A1+	AAA
Askari Bank	PACRA	A1+	AA+
Bank Al- Habib Limited	PACRA	A1+	AAA
Bank Al-Falah Limited	PACRA	A1+	AA+
Dubai Islamic Bank	JCR-VIS	A1+	AA
Habib Bank Limited	JCR-VIS	A1+	AAA
Habib Metropolitan Bank	PACRA	A1+	AA+
JS Bank Limited	PACRA	A1+	AA-
MCB Bank Limited	PACRA	A1+	AAA
Meezan Bank Limited	JCR-VIS	A1+	AAA
United Bank Limited	JCR-VIS	A1+	AAA

34.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and 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 following are the contractual maturities of financial liabilities:

	Carrying amount	Contractual cash flows	Six to twelve months	One to two years	Two to five years
	Rupees				
June 30, 2023					
Trade creditors	**41,180,059**	**41,180,059**	-	-	-
Lease libailty	**3,884,769**	**3,884,769**	**3,884,769**	-	-
Accrued and other liabilities	**7,092,537**	**7,092,537**	-	-	-
	52,157,365	**52,157,365**	**3,884,769**	-	-
June 30, 2022					
Trade creditors	80,723,599	80,723,599	-	-	-
Lease liability	9,018,325	9,018,325	5,133,556	3,884,769	-
Accrued and other liabilities	2,188,687	2,188,687	-	-	-
	91,930,611	91,930,611	5,133,556	3,884,769	-

On the balance sheet date, the Company has cash and bank balances of Rs. 64,730,924 (2022: Rs. 132,778,443).

34.3 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, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company manages market risk by monitoring exposure on marketable securities by following the internal risk management and investment policies and guidelines. Market risk comprises of three types of risk:

- Currency risk
- Interest rate risk
- Other price risk

Yield / interest rate sensitivity position for 'on balance sheet financial instruments' is based on the earlier of contractual repricing or maturity date. The company's market rate of return sensitivity related to financial assets and financial liabilities as at reporting date can be determined from the following:

	Effective rate of return	Exposed to interest rate risk		Not exposed to interest	Total
		Upto one year	More than one year		
		------- Rupees -------			
JUNE 30, 2023					
Financial assets					
Long term deposit		-	-	2,380,600	2,380,600
Investments		21,115,262	-	30,309,026	51,424,288
Trade debts		-	-	8,525,141	8,525,141
Advances		-	-	1,263,868	1,263,868
Short-term deposits		-	-	172,081,260	172,081,260
Other receivables		-	-	26,906,174	26,906,174
Due from related party	Kibor + 2%	14,775,557	-	3,130,000	17,905,557
Cash and bank balances	13.5% - 21%	22,974,353	-	41,756,571	64,730,924
		58,865,172	-	286,352,640	345,217,812
Financial liabilities					
Trade creditors		-	-	41,180,059	41,180,059
Lease liability		3,884,769	-	-	3,884,769
Accrued and other liabilities		-	-	7,092,537	7,092,537
		3,884,769	-	48,272,596	52,157,365
On balance sheet gap		54,980,403	-	238,080,044	293,060,447
JUNE 30, 2022					
Financial assets					
Long term deposit		-	-	2,352,100	2,352,100
Investments		71,383,675	-	29,687,335	101,071,010
Trade debts		-	-	28,077,459	28,077,459
Advances		-	-	2,232,176	2,232,176
Short-term deposits		-	-	78,174,383	78,174,383
Other receivables		-	-	16,179,492	16,179,492
Due from related party	Kibor + 2%	12,112,732	-	2,856,959	14,969,691
Cash and bank balances	8% - 13.5%	51,523,760	-	81,254,683	132,778,443
		135,020,167	-	240,814,587	375,834,754
Financial liabilities					
Trade creditors		-	-	80,723,599	80,723,599
Lease liability		5,133,556	3,884,769	-	9,018,325
Accrued and other liabilities		-	-	2,188,687	2,188,687
		5,133,556	-	82,912,286	91,930,611
On balance sheet gap		129,886,611	-	157,902,301	283,904,143

35 CAPITAL MANAGEMENT

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

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

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

36 CAPITAL ADEQUACY LEVEL

	Note	June 30, 2023	June 30, 2022
Total assets		**398,630,110**	441,316,612
Less: Total liabilities		**(52,157,365)**	(91,930,611)
Less: Revaluation reserves (created upon revaluation of fixed assets)		**-**	-
Capital Adequacy Level		**346,472,745**	349,386,001

While determining the value of the total assets of the TREC Holder, Notional value of the TRE certificate held by the Optimus Capital Management (Private) Limited as at year ended June 30, 2023 as determined by Pakistan Stock Exchange has been considered.

37 COMPUTATION OF LIQUID CAPITAL AS ON JUNE 30, 2023

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	26,102,584	26,102,584	-
1.2	Intangible Assets	2,304,858	2,304,858	-
1.3	Investment in Govt. Securities (150,000*99)	21,115,262	-	21,115,262
1.4	**Investment in Debt. Securities**			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.	-	5.00%	-
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	7.50%	-
	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	-	10.00%	-
	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-	10.00%	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	12.50%	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	-	15.00%	-
1.5	**Investment in Equity Securities**			
	i. If listed 15% or VaR of each securities on the cut off date as computed by the Securities Exchange for respective securities whichever is higher.[Provided that if any of these securities are pledged with the securities exchange for maintaining Base Minimum Capital Requirement, 100% haircut on the value of eligible securities to the extent of minimum required value of Base Minimum Capital.]	30,309,026	(8,253,050)	22,055,976
	ii. If unlisted, 100% of carrying value.	-	-	-
1.6	Investment in subsidiaries	-	100.00%	-
1.7	**Investment in associated companies/undertaking**			
	i. If listed 20% or VaR of each securities as computed by the Securites Exchange for respective securities whichever is higher.	-	-	-
	ii. If unlisted, 100% of net value.	-	100.00%	-

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.8	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity (i) 100% of net value, however any excess amount of cash deposited with securities exchange to comply with requirenments of base minimum capital may be taken in the calculation of LC.	500,000	500,000	-
1.9	Margin deposits with exchange and clearing house.	172,081,260	-	172,081,260
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	4,322,270	4,322,270	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)	8,275	-	8,275
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	-	-	-
1.13	Dividends receivables.	-	-	-
1.14	Amounts receivable against Repo financing. Amount paid as purchaser under the REPO agreement. (***Securities purchased under repo arrangement shall not be included in the investments.)***	-	-	-
	Advances and receivables other than trade Receiveables			
1.15	(i) No haircut may be applied on the short term loan to employees provided these loans are secured and due for repayments within 12 months.	1,223,338	-	1,223,338
	(ii) No haircut may be applied to the advance tax to the extent it is netted with provision of taxation .	8,146,289	-	8,146,289
	(iii) In all other cases 100% of net value	59,257,556	59,257,556	-
1.16	**Receivables from clearing house or securities exchange(s)**			
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	3,326	-	3,326
1.17	**Receivables from customers**			
	i. In case receivables are against margin financing, the aggregate if (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut. ***i. Lower of net balance sheet value or value determined through adjustments.***	-	-	-
	ii. Incase receivables are against margin trading, 5% of the net balance sheet value. ***ii. Net amount after deducting haircut***	-	-	-
	iii. Incase receivalbes are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, ***iii. Net amount after deducting haricut***	-	-	-
	iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. ***iv. Balance sheet value***	168,384	-	168,384
	v. Incase of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts. ***v. Lower of net balance sheet value or value determined through adjustments***	8,356,758	(3,524,485)	4,832,273
	vi. In the case of amount of receivable form related parties, values determined after applying applicable haircuts on underlying securities readily available in respective CDS account of the related party in the following manner: (i). Up to 30 days, values determined after applying VaR based haircuts (ii). Above 30 days but upto 90 days, values determined after applying 50% or VaR based haircuts whichever is higher (iii). Above 90 days, 100% haircut shall be applicable.vi. Lower of net balance sheet value or value determined through adjustments	-	-	-
1.18	**Cash and Bank balances**			
	I. Bank Balance-proprietory accounts	22,974,353	-	22,974,353
	ii. Bank balance-customer accounts	41,730,696	-	41,730,696
	iii. Cash in hand	25,875	-	25,875
1.19	**Subscription money against investment in IPO / offer for sale (asset)**	-	-	-
	(i) No haircut may be applied in respect of amount paid as subscription money provided that shares have not been alloted or are not included in the investments of securities broker.			
	(ii) In case of Investment in IPO where shares have been alloted but not yet credited in CDS Account, 25% haircuts will be applicable on the value of such securities.			
	(iii) In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VAR based haircut whichever is higher, will be applied on Right Shares.			
1.20	**Total Assets**	398,630,110		294,365,307

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S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
2. Liabilities				
2.1	**Trade Payables**			
	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	41,180,059	-	41,180,059
2.2	**Current Liabilities**			
	i. Statutory and regulatory dues	2,030,655	-	2,030,655
	ii. Accruals and other payables	5,061,882	-	5,061,882
	iii. Short-term borrowings	-	-	-
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	-	-	-
	vi. Deferred Liabilities	-	-	-
	vii. Provision for taxation	-	-	-
	viii. Other liabilities as per accounting principles and included in the financial statements	3,884,769	-	3,884,769
2.3	**Non-Current Liabilities**			
	i. Long-Term financing	-	100%	-
	a. Long-Term financing obtained from financial instituion: Long term portion of financing obtained from a financial institution including amount due against finance lease	-	-	-
	ii. Other long-term financing	-	-	-
	iii. Staff retirement benefits	-	-	-
	Note: (a) 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance leases. (b) Nill in all other cases	-	-	-
2.4	**Subordinated Loans**			
	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted: The Schedule III provides that 100% haircut will be allowed against subordinated Loans which fulfill the conditions specified by SECP. In this regard, following conditions are specified: a. Loan agreement must be executed on stamp paper and must clearly reflect the amount to be repaid after 12 months of reporting period b. No haircut will be allowed against short term portion which is repayable within next 12 months. c. In case of early repayment of loan, adjustment shall be made to the Liquid Capital and revised Liquid Capital statement must be submitted to exchange.	-	-	-
	ii. Subordinated loans which do not fulfill the conditions specified by SECP	-	-	-
2.5	**Advance against shares for Increase in Capital of Securities broker**			
	100% haircut may be allowed in respect of advance against shares if: a. The existing authorized share capital allows the proposed enhanced share capital b. Boad of Directors of the company has approved the increase in capital c. Relevant Regulatory approvals have been obtained d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed. e. Auditor is satisfied that such advance is against the increase of capital.			
2.6	**Total Liabilites**	52,157,365		52,157,365
3. Ranking Liabilities Relating to :				
3.1	**Concentration in Margin Financing**			
	The amount calculated client-to- client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total financees.	-	-	-
3.2	**Concentration in securites lending and borrowing**			
	The amount by which the aggregate of: (i) Amount deposited by the borrower with NCCPL (Ii) Cash margins paid and (iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed	-	-	-
3.3	**Net underwriting Commitments**			
	<u>(a) in the case of right issuse :</u> if the market value of securites is less than or equal to the subscription price; the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issuse where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting	-	-	-
	<u>(b) in any other case :</u> 12.5% of the net underwriting commitments	-	-	-

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S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
	Negative equity of subsidiary			
3.4	The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary	-	-	-
	Foreign exchange agreements and foreign currency positions			
3.5	5% of the net position in foreign currency.Net position in foreign currency means the difference of total assets denominated in foreign cuurency less total liabilities denominated in foreign currency	-	-	-
3.6	Amount Payable under REPO	-	-	-
	Repo adjustment			
3.7	**In the case of financier/purchaser** the total amount receivable under Repo less the 110% of the market value of underlying securites. **In the case of financee/seller** the market value of underlying securities after applying haircut less the total amount received ,less value of any securites deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	-	-	-
	Concentrated proprietary positions			
3.8	If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security .If the market of a security exceeds 51% of the proprietary position,then 10% of the value of such security	-	1,205,818	1,205,818
	Opening Positions in futures and options			
3.9	i. In case of customer positions, the total margin requiremnets in respect of open postions less the amount of cash deposited by the customer and the value of securites held as collateral/ pledged with securities exchange after applyiong VaR haircuts	-	46,243	46,243
	ii. In case of proprietary positions , the total margin requirements in respect of open positions to the extent not already met	-	-	-
	Short sell positions			
3.10	i. Incase of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts	-	-	-
	ii. Incase of proprietory positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.	-	-	-
3.11	**Total Ranking Liabilites**	-	1,252,061	1,252,061

Calculations Summary of Liquid Capital

	June 30, 2023 Rupees
(i) Adjusted value of Assets (serial number 1.20)	**294,365,307**
(ii) Less: Adjusted value of liabilities (serial number 2.6)	**(52,157,365)**
(iii) Less: Total ranking liabilities (series number 3.11)	**(1,252,061)**
	240,955,881

38 NUMBER OF EMPLOYEES

	June 30, 2023	June 30, 2022
Number of employees as at year end	**47**	45
Average number of employees during the year	**44**	40

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39 DATE OF AUTHORISATION

These financial statements have been authorized for issue on 04 OCT 2023 by the Board of Directors of the company.

40 GENERAL

40.1 Figures in these financial statements have been rounded off to the nearest rupee.

CHIEF EXECUTIVE OFFICER

DIRECTOR