

Annual Report 2018





Table of Contents

Vision - Mission	03
Company Information	04
Profile of Board of Directors	06
Details of Different Committees of the Board of Directors	09
Corporate Social Responsibility (CSR)	12
Notice of Annual General Meeting	13
Financial Highlights	16
Chairman's Review (English & Urdu)	18
Directors' Report (English & Urdu)	20
Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017	34
Review Report to the Members on the Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017	36
Compliance of Corporate Governance Code for Securities Broker	37
Independent Auditor's Report to the Members	38
Financial Statements	44
Pattern of Shareholding	93
Form of Proxy (English & Urdu)	96



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

Board of Directors	Mr. Muhammad Yousuf Amanullah* Mr. Muhammad Kamran Nasir Mr. Khurshid Hadi Mr. Munir Hassan Taher Mr. Junaid Imran Mr. Ammar Talib Hajeyah Mr. Abdul Hamid Mihrez Mr. Khurram Shaikh*	Chairman Chief Executive Officer Independent Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
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Audit Committee	Mr. Khurshid Hadi Mr. Khurram Shaikh* Mr. Ammar Talib Hajeyah	Chairman
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Executive Committee	Mr. Muhammad Kamran Nasir Mr. Munir Hassan Taher Mr. Abdul Hamid Mihrez Mr. Muhammad Yousuf Amanullah* Mr. Khurram Shaikh*	Chairman
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Human Resource & Remuneration Committee	Mr. Khurshid Hadi Mr. Muhammad Kamran Nasir Mr. Abdul Hamid Mihrez	Chairman
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*Mr. Muhammad Yousuf Amanullah and Mr. Khurram Shaikh have been appointed as Chairman and Director in place of outgoing Chairman Mr. Raja Abdullah Khan and outgoing Director Mr. Muhammad Khalil Ur Rehman respectively, which was subject to regulatory approval and was later received from SECP on January 29, 2019.

Chief Financial Officer	Mr. Fahad Muslim
Company Secretary	Mr. Syed Sufyan Ahmed

Mr. Syed Sufyan Ahmed has been appointed as Company Secretary in place of Mr. Noman Mirza with effect from February 19, 2019.

External Auditor	EY Ford Rhodes Chartered Accountants Progressive Plaza, Beaumont Road, P.O. Box 15541, Karachi 75530, Pakistan.
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Internal Auditor	Deloitte Yousuf Adil Chartered Accountants Cavish Court, A-35, Block 7 & 8, KCHSU, Shahrah-e-Faisal, Karachi.
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Company Information

Bankers

JS Bank Limited
MCB Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Bank Alfalah Limited
United Bank Limited
National Bank of Pakistan
Askari Bank Limited
Faysal Bank Limited
Sindh Bank Limited
Meezan Bank Limited
Summit Bank Limited

Legal Advisors

Bawaney & Partners
3rd & 4th Floors, 68-C, Lane-13,
Bukhari 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

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahra-e-Faisal, Karachi.

Registered Office*

6th Floor, Faysal House, Main Shahra-e-Faisal, Karachi.
Telephone: 92-21-111-574-111, Fax: 92-21-32800167
www.jsgcl.com
www.jsglobalonline.com

* With effect from April 01, 2019, Registered office of the Company has changed to “17th & 18th Floor, The Center, Plot No. 28, S.B.5, Abdullah Haroon Road, Karachi.”

Profile of Board of Directors

Mr. Muhammad Yousuf Amanullah

Chairman

Mr. Muhammad Yousuf Amanullah is a fellow member of the Institute of Chartered Accountants of Pakistan. He is a certified Director from the Pakistan Institute of Corporate Governance. He previously served on the Boards of Jahangir Siddiqui Investment Bank Limited, JS Global Capital Limited, JS Value Fund Limited and JS Investments Limited.

He joined JS Group in 2003 and is presently the Chief Financial Officer of JS Bank Limited as the Senior Executive Vice President. He was previously associated at a senior level with A. F. Ferguson & Co. Chartered Accountants, a member firm of PricewaterhouseCoopers after having qualification with them. Prior to A. F. Ferguson & Co., he worked with Ernst & Young Ford Rhodes Sidat Hyder. During his association with the firm, he was involved in various Statutory and Special assignments relating to Commercial banks, Non-Banking Finance Companies, Pharmaceutical and Automobile sectors.

Mr. 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, job and career opportunities to thousands of Pakistanis 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, Newsline Publications and the Pizza Hut and Nando's franchise concepts in the food area.

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

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.

Mr. Abdul Hamid M. Mihrez

Director

Abdul Hamid Mihrez is a seasoned investment professional with comprehensive knowledge and experience in the GCC and wider MENA region. He brings over 15 years of experience in asset management, investment banking, restructuring and exit strategies development.

He played an active role in Global's USD 1.7 billion debt restructuring and successfully transformed the principle investments division into an Asset Management business pillar. Mr. Mihrez heads the Special Situations Asset Management department which currently manages a portfolio of special situation assets worth USD 450 million and entails proactive management of the underlying positions; focusing on creating and enhancing the value and ensuring an orderly asset disposition.

Over the past 36 months Mr. Mihrez led the disposals of assets worth USD 350 million at an implied exit multiple over targeted asset value of around 1.5x. Mr. Mihrez is a board member of a number of regional and international companies in the real estate, insurance, food, industrial, and financial services sectors.

During his career, he led or co-led a number of investment banking transactions worth USD 700 million covering valuations, financial advisory, mergers & acquisitions, capital raising, bond issuance, financial restructuring and listing mandates. He started his career in the asset management field where he was a member of a fund management team managing two equity mutual funds.

Profile of Board of Directors

Mr. Ammar T. Hajeyah

Director

Mr. Ammar Talib Hajeyah has over 16 years of working experience in the financial services that include 13 years experience in managing equity investments in the MENA region. He joined Global Investment House in 2005 as an investment analyst. Currently, he is a Senior Vice President of the MENA Asset Management, co-managing the regional equities business. In 2014, he has led the process of streamlining Global Investment House (GIH) brokerage business by consolidating the brokerage operations in Kuwait and Jordan. Mr. Hajeyah started his career at Gulf Bank - Kuwait as a senior customer service representative from 2002 to 2005. He holds an MBA degree from Kuwait Maastricht Business School and a BSc degree in Business Administration (Finance) from Kuwait University. He also serves on the board of several regional companies and funds.

Mr. Junaid Imran

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.

Mr. Khurram Shaikh

Director

Mr. Khurram Shaikh has actively worked for financial inclusion, channel migration, payment channels, digital marketing, and channel management. He has over 13 years of experience contributing towards the digital revolution in the banking industry creating a financial eco-system to enable the masses to make cashless payments.

A pioneer, with two successful launches in the branchless banking portfolios including country's first and largest service, 'Easy Paisa' and world's first Islamic branchless banking service, 'Meezan Upaisa'. Considered to be a "Change Agent", Khurram Shaikh integrates financial needs while practically impacting the analytics and delivery of the solution.

Mr. Munir Hassan Taher

Director

Mr. Munir Hassan 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 1billion of proprietary investments spread across various asset classes throughout 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 350 million in realization proceeds at exit multiples exceeding 1.5x to agreed target values.

Mr. Taher 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.

Profile of Board of Directors

Mr. Muhammad Kamran Nasir

CEO

Mr. Muhammad Kamran Nasir joined JS Group in 2010 and has been associated with 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 experience 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 Committee are as follows:

Mr. Khurshid Hadi	Chairman
Mr. Khurram Shaikh	Member
Mr. Ammar Talib Hajeyah	Member

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 external auditors 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.

Mr. Muhammad Kamran Nasir	Chairman
Mr. Abdul Hamid Mihrez	Member
Mr. Munir Hassan Taher	Member
Mr. Muhammad Yousuf Amanuallah	Member
Mr. Khurram Shaikh	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.

Details of Different Committees of the Board of Directors

- Regularly review the Company's operations based on operating reports and present to the Board any shortfalls or significant changes in financial conditions, operations, prospects or business plan of the Company. Implement or as appropriate, delegate to the CEO to implement, the Company's capital expenditure budget approved by the Board.

3. Human Resource & Remuneration Committee

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

Mr. Khurshid Hadi	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 Human Resource & Remuneration Committee 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.

Details of Different Committees of the Board of Directors

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) 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

Striving Towards Sustainability

A brief summary of social responsibility activities undertaken by JS Global in 2018 under the banner of the Mahvash & Jahangir Foundation (MJSF), and JS Bank Limited is as under:

Iftaar for the Unprivileged:

An annual tradition since 2013, MJSF organized Iftars for underprivileged people in 21 cities nationwide during the month of Ramadan in 2018.

Donation

As a responsible corporate entity, JS Global Capital Limited has contributed an amount of little over to one day salary of its employees in "the Supreme Court of Pakistan and the Prime Minister of Pakistan Diamer-Bhasha and Mohmand Dams Fund".

School Development Finance

JS Bank, through JS School Development Finance, offers educational institutions with financing of up to Rs. 50 million to fulfill all their financial and non-financial needs.

Gender Equality: Women's Action Forum

Launched International Women's Day on March 2018, the Forum aims to create a platform for women to discuss and strategize solutions for workplace related matters at JS Bank. It seeks to empower female employees to build their careers.

Tree Plantation

For Pakistan's Independence Day celebrations this year, JS Bank conducted a Tree Plantation Drive in collaboration with WWF Pakistan for making a cleaner and greener Pakistan. As part of the drive 20,000 trees were planted throughout Pakistan on August 14.

Participating in Climate Finance

JS Bank has become Pakistan's first financial institution to have been accredited by the Green Climate Fund (GCF), the world's largest climate fund. The Fund is a unique global platform that aims to provide facilities to private sector corporations in emerging economies for limiting or reducing greenhouse gas (GHG) emissions through investments in low-emission and climate-resilient programs.

Notice of Annual General Meeting

Notice is hereby given that the 18th Annual General Meeting ("AGM") of the members of JS Global Capital Limited ("JSGCL" or the "Company") will be held on Monday, April 29, 2019 at 09:30 a.m. at Ramada Karachi Creek, Zulfiqar Street No.1, Phase VIII, Defence Housing Authority, Karachi, to transact the following business:-

Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended December 31, 2018 together with the Directors' Report and Auditors' Report thereon and Chairman's Review report.
2. To appoint auditors of the Company and fix their remuneration. The Audit Committee and the Board of Directors have recommended the name of M/s EY Ford Rhodes, Chartered Accountants, the retiring auditors for reappointment as auditor of the Company.

By Order of the Board

Karachi: April 08, 2019

Syed Sufyan Ahmed
Company Secretary

Notes:

- i. The Share Transfer Books of JS Global Capital Limited shall remain closed from April 22, 2019 to April 29, 2019 (both days inclusive) for determining the entitlement of the shareholders for attending the Annual General Meeting.
- ii. Physical transfers and deposit requests under the Central Depository System received by the JS Global Capital Limited's Independent Share Registrar M/s Central Depository Company of Pakistan Limited, CDC House, 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi by the close of business on April 19, 2019 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. For Appointing Proxies:

- a. In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
- b. The proxy form shall be witnessed by two persons, whose names, address and CNIC numbers shall be mentioned on the form.
- c. Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
- d. The proxy shall produce his original CNIC or original passport at the time of the Meeting.
- e. In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.
- vi. 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.
- vii. Shareholders are requested to notify any changes in their registered address immediately to the Company's Share Registrar, M/s Central Depository Company of Pakistan Limited.

Notice of Annual General Meeting

viii. 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 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 mentioned above.

ix. Payment of Cash Dividend through Electronic Mode:

In terms of section 242 of the Companies Act, 2017, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. Accordingly, the shareholders holding physical shares are requested to provide the Company's Share Registrar at the address mentioned above, electronic dividend mandate on E-Dividend Form which is available on website of the Company i.e. www.jsgcl.com. In the case of shares held in CDC, the same information should be provided to the CDS Participants for updating and forwarding to the Company in order to make process of payment of cash dividend more efficient.

x. Deduction of Income tax from Dividend at Revised Rates

The deduction of income tax from dividend payments shall be made on the basis of filers and non-filers as follows:

S. No	Nature of Shareholders	Rate of Deduction
1	Filers of Income Tax Return	15%
2	Non-Filers of Income Tax Return	20%

Income Tax will be deducted on the basis of Active Tax Payers List as posted on the website of Federal Board of Revenue.

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax certificate or necessary documentary evidence, as the case maybe.

The Shareholders who have joint shareholdings held by filers and non-filers shall be dealt with separately and in such particular situation, each account holder is to be treated as either a Filer or a Non-Filer and tax will be deducted according to his shareholding. If the share is not ascertainable, then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher rate, the joint account holders are requested to provide the below details of their shareholding to the Share Registrar of the Company.

Folio /CDC Account No	Total Shares	Principal Shareholder		Principal Shareholder	
		Name & CNIC	Shareholding proportion	Name & CNIC	Shareholding proportion

xi. Unclaimed Dividend:

Shareholders who by any reason could not collect their dividend are advised to contact our Share Registrar to collect / acquire about their unclaimed dividend, if any. In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividends outstanding for a period of 3 years or more from the date due shall be deposited to the credit of Federal Government.

xii. Electronic Transmission of Financial Statements and Notices:

Under Section 223(6) of the Companies Act, 2017, listed companies are allowed to send the Audited Financial Statements etc., through electronic mail system (e-mail). The members are hereby requested to convey their consent

Notice of Annual General Meeting

via email on a standard request form which is available at the Company's website i.e. **www.jsgcl.com**. Please ensure that your email account has sufficient rights and space available to receive such email which may be greater than 1 MB in size.

Members can request a hard copy of Audited Financial Statements which shall be provided free of cost within seven days from the date of requisition.

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.

xiii. Placement of Financial Statements:

The Company has placed the Audited Financial Statements for the year ended December 31, 2018 along with Auditors and Directors Reports thereon and Chairman's Review Report on its website: **www.jsgcl.com**.

Financial Highlights

	2018	2017	2016	2015	2014	2013
	-----Year ended-----					
	-----December 31-----					
Operating Performance (Rupees in 000)						
Operating Revenue	478,163	535,850	463,958	494,794	407,319	256,853
Operating expenses	649,797	634,326	498,626	472,708	367,639	296,404
Financial expenses	7,114	54,408	621	7,168	708	14,478
Other income	284,166	280,775	214,064	289,845	263,004	255,354
Profit before tax	98,836	198,444	239,007	376,362	409,750	210,276
Profit after tax	25,637	85,530	171,035	251,296	282,567	150,196
Per Ordinary Share (Rupees)						
Earning per share	0.67	2.25	4.13	5.03	5.65	3.00
Breakup value per share	68.6	68.4	67.2	57.7	52.5	50.7
Dividends (Percentage)						
Cash	-	-	-	-	10(I)	35(I)
	-	-	-	-	30(I)	-
Bonus shares	-	-	-	-	-	-
Assets & Liabilities (Rupees in 000)						
Total assets	4,840,047	3,762,454	4,458,216	3,532,593	3,427,368	2,859,282
Current assets	4,314,907	3,479,766	4,197,472	3,309,412	3,211,588	2,658,707
Current liabilities	2,231,646	1,161,038	1,902,713	647,256	801,107	323,428
Financial Position (Rupees in 000)						
Shareholders equity	2,608,401	2,601,417	2,555,503	2,885,337	2,626,261	2,535,854
Share capital	380,070	380,070	380,070	500,000	500,000	500,000
Reserves	2,228,331	2,221,347	2,175,433	2,385,337	2,126,261	2,035,854
Shares outstanding- (Numbers in 000)	38,007	38,007	38,007	50,000	50,000	50,000
Return on equity - (%)	0.98	3.29	6.69	8.71	10.76	5.92
Return on total assets - (%)	0.53	2.27	3.84	7.11	8.24	5.25
Current ratio-times	1.93	3.00	2.21	5.11	4.01	8.22

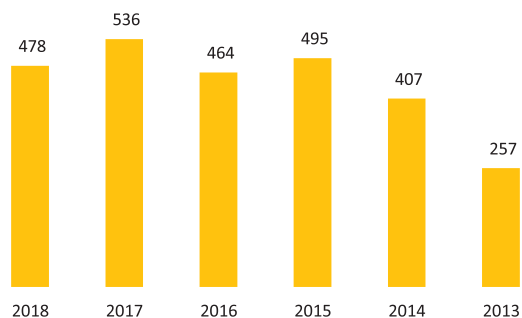
(I) Interim

(F) Final

Financial Highlights

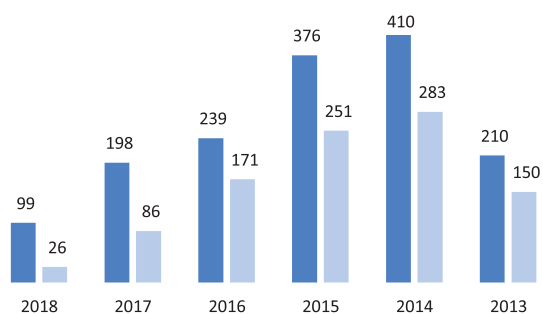
Operating Revenue

Amount in Millions



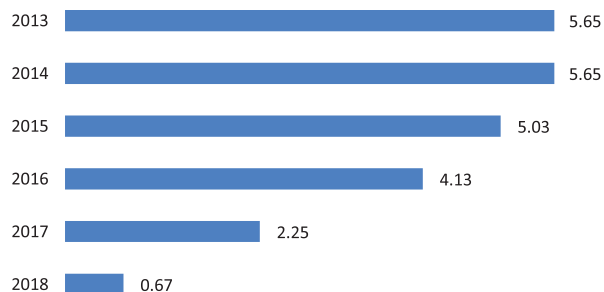
Profit Before Tax & Profit After Tax

Amount in Millions



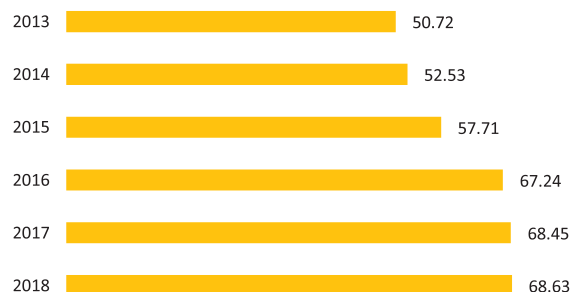
Earning Per Share

Amount in Rupees



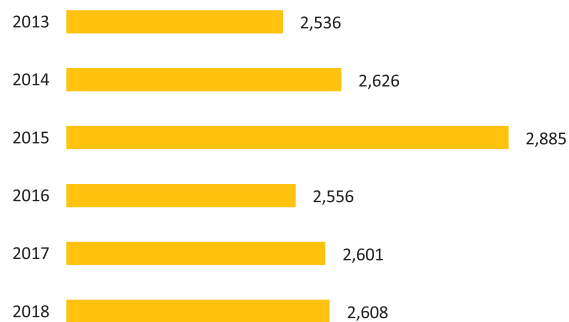
Breakup Value Per Share

Amount in Rupees



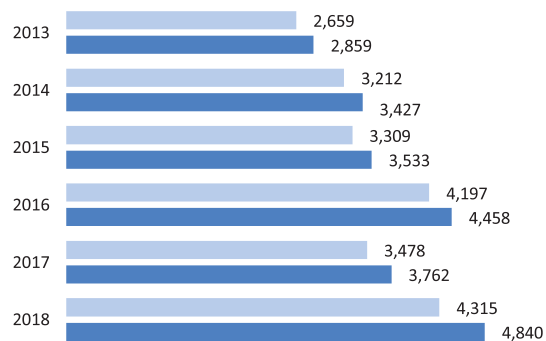
Shareholders Equity

Amount in Millions



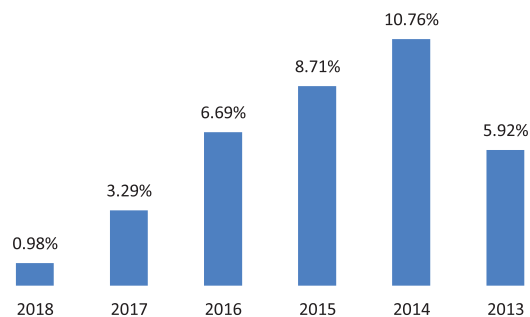
Total Assets - Current Assets

Amount in Millions



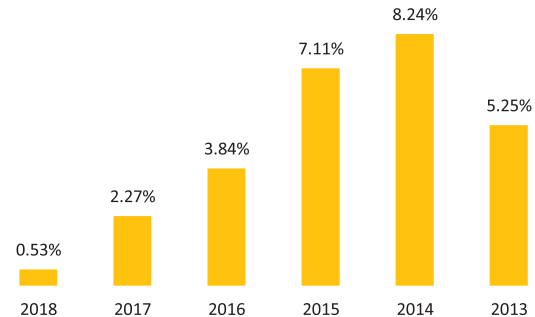
Return on equity

Percentage "%"



Return on Total Assets

Percentage "%"



Chairman's Review

It gives me immense pleasure to present this report to the shareholders of JS Global Capital Limited ("the Company"). The Company continued to maintain its leadership position in the investment banking and capital markets.

The Company has maintained its market leader position despite the unfavorable conditions at the bourse; the Company on the basis of value traded at Pakistan Stock Exchange has maintained the largest market share during the year.

At the investment banking front, the Company as a consultant to the issue successfully carried out IPO of AGP Limited during the year, Pakistan's largest IPO of the Pharmaceutical Sector.

After our successful efforts last year in collaboration with other parties which led to Pakistan's re-entry into the MSCI Emerging Markets Index ('MSCI Index'), this year too was no different. The Company continued to spearhead efforts for the elevation of the country's equity market in the international arena. This year, the highlight of the Company was its third edition of the Pakistan Investment Conference in the USA, showcasing our country's massive potential to foreign portfolio investors. Such events originate opportunities available for investment in the country's largest corporations and in the economy in general, which ultimately prove beneficial for the country, by not only projecting a positive image of Pakistan overseas; but also enticing foreign portfolio investments.

The Company's credentials reaffirmed and retain its position as industry leaders, where we have been again awarded AA (long term) and A1+ (short term) entity rating and BMR1 Management rating from PACRA, the highest for any equity brokerage firm in the country. This is an endorsement of our team's untiring efforts to excel on structural and operational levels. It is this mindset that allows the Company to lead the industry on many different levels.

The Board and its committees have played an effective role in providing strategic oversight to the company in assisting and identifying pathways for sustainable growth.

Despite the low penetration of our local equity markets among the masses, I strongly believe that the recent and on-going efforts to revamp regulatory institutions and the local exchange will bear fruit in the long term as added accountability will bridge the trust deficit between markets and small investors. The company, for its part, continues to lead in terms of compliance, protection of clients' assets and offers highly qualified and proficient sales and research teams.

On behalf of JSGCL and its management, I express my profound gratitude to all our stakeholders and look forward to a year, and more, of continued shared success.

Muhammad Yousuf Amanullah
Chairman

Date: February 19, 2019

چیرمین کا جائزہ رپورٹ:

JS گلوبل کپٹیل لمیٹڈ (کمپنی) کے شیئر ہولڈرز کو یہ رپورٹ پیش کرتے ہوئے بے حد مسرت محسوس کر رہا ہوں۔ ہماری کمپنی مستقل طور پر انویسٹمنٹ بینکنگ اور کپٹیل مارکیٹس میں اپنی حیثیت کو برقرار رکھے ہوئے ہے۔

ناسازگار حالات کے باوجود ہماری کمپنی نے مارکیٹ میں اپنی قائدانہ حیثیت کو برقرار رکھا ہے اور پاکستان اسٹاک ایکسچینج میں ویلیو ٹریڈ کے لحاظ سے کمپنی نے سال کے دوران سب سے بڑا مارکیٹ شیئر برقرار رکھا۔

ہماری کمپنی نے دوران سال انویسٹمنٹ بینکنگ کے حوالے سے AGP لمیٹڈ کے IPO کے معاملات کو بڑی خوش اسلوبی سے حل کیا ہے۔ فارماسیوٹیکل سیکٹر میں یہ پاکستان کی بڑی IPO ہے۔

دیگر یقین کے تعاون سے گزشتہ سال ہماری کامیاب کوششوں کے بعد پاکستان کو امریکن مارکیٹس انڈیکس (MSCI Index) میں دوبارہ داخلہ ملا جو کہ اس سال بھی برقرار رہا۔ ملک کی ایکویٹی مارکیٹ کیلئے بھی کمپنی کی عالمی میدان میں کوششیں جاری ہیں، اس سال امریکہ میں پاکستان انویسٹمنٹ کانفرنس کے تیسرے ایڈیشن میں کمپنی کو خاص اہمیت دی گئی۔ اس طرح ہماری کمپنی نے غیر ملکی سرمایہ کاروں میں بھی دلچسپی پیدا کی۔ اس طرح کی تقریبات ملک کی بڑی کارپوریشنز اور معیشت میں سرمایہ کاری کے لیے مواقع فراہم کرتی ہے، جو کہ یقیناً ملک کے لئے فائدہ مند ثابت ہوگی جو کہ نہ صرف پاکستان کی پوزیشن کو بیرون ممالک میں مثبت انداز میں پیش کرے گا بلکہ غیر ملکی پورٹ فولیو انویسٹمنٹ میں بھی اضافہ کرے گا۔

بطور صنعتی قائد کمپنی کی ساکھ میں مسلسل اضافہ ہو رہا ہے اور اسی وجہ سے ہم نے پاکرا سے BMR1 منجمنٹ ریٹنگ اور دیگر AA (طویل مدت) اور A1+ (مختصر مدت) کا ایوارڈ حاصل کیا جو کہ ملک میں کسی بھی ایکویٹی بروکر کیلئے اعلیٰ درجہ بندی ہے۔ اسٹیج ل اور آپریشنل سطحوں پر یہ ہماری ٹیم کی انتھک محنت اور کوششوں کا نتیجہ ہے جس کی وجہ سے ہماری کمپنی کو مختلف سطحوں پر بروکر کیلئے اندسٹری میں قیادت حاصل ہے۔

بورڈ اور اس کی کمیٹی نے اس کامیابی کیلئے منتخب کردہ امور میں تعاون کیلئے حکمت عملی فراہم کرنے میں بڑا موثر کردار ادا کیا ہے۔

ہماری ملکی ایکویٹی مارکیٹ کی توجہ کے باوجود ہمیں پختہ یقین ہے کہ ہماری موجودہ اور جاری کوششیں ملکی ایکسچینج کے حوالے سے طویل مدت میں کامیاب ہوگی اور اس سلسلے میں مارکیٹ اور چھوٹے سرمایہ کاروں کے مابین اعتماد کا جذبہ پیدا ہوگا۔ کمپنی اپنے حوالے سے کلائنٹ کے اثاثہ جات کے مکمل تحفظ کو یقینی بناتی ہے اور اعلیٰ ریسرچ اور سلیز ٹیم کی پیشکش کرتی ہے۔

JS گلوبل کپٹیل لمیٹڈ اور اس کی انتظامیہ کی جانب سے میں اپنے تمام اسٹیک ہولڈرز کا شکریہ ادا کرتا ہوں اور مستقل طور پر اگلے سال بھی کامیابی کی امید کرتا ہوں۔

محمد یوسف امان اللہ

چیرمین

مورخہ: 19 فروری 2019

Directors' Report

We are pleased to present the Annual Report of JS Global Capital Limited ("the Company") along with the audited accounts and auditor's report for the year ended December 31, 2018.

The Economy

The year 2018 saw Pakistan face significant economic challenges such as a mediocre growth rate, high fiscal and current account deficits, and low levels of foreign exchange reserves. A looming balance-of-payments crisis caused by exports falling short of expectations and a surging import bill- (a third made up of oil payments) combined to raise the country's Current Account Deficit (CAD) to over 5% of Gross Domestic Product (GDP). CAD for the first half of Fiscal Year 2018 (FY18) stood at United States Dollar USD 7.98 billion compared to USD 8.35 billion in the same period last year. A surging trade deficit, led by a 3% increase in imports over the previous year with exports stagnating at USD 11.84 billion exacerbated the situation. Like the currency of other emerging economies, the Pakistani Rupee (PKR) came under heavy pressure with multiple devaluations taking place from its previous levels. Headline inflation picked up towards the end of the year, remaining above 6% and well above the 2017 average of 4%, with the country's loose fiscal policy and rapidly growing domestic credit being one of the primary reasons. SBP's foreign exchange reserves plunged to USD 7.3 billion by the end of FY18, while total foreign exchange reserves stood at USD 13.8 billion. The Pakistani stock market never recovered from its declining trend post May 2017, giving its worst performance for over a year. Then there was the resurfacing of the circular debt which could only be resolved by reducing energy subsidies, raising energy taxes and recapitalizing state entities.

All news was not bad news, however, the depreciation of the rupee to boost exports, interest rate increases to stem inflation, large increase in gas tariffs closer to cost recovery levels, and the proposed increase in electricity tariffs were all steps looked upon positively by lenders. The drop in oil prices from a high of USD 87 per barrel continued to support demand and economic activity not only in Pakistan but also globally. The inflow of Chinese investments under CPEC continued to help growth and was predicted to further improve the country's growth potential. The country also became more open for business; moving up 11 places on the World Bank's Ease of Doing Business Index. The pouring in of investments and growing interest in the country from across the globe in recent months shows the world's confidence in a re-emerging Pakistan.

Equity Capital Markets

During FY18, the KSE-100 index performed below par with a negative return of 8% to close at the 37,067 level, making it the second consecutive decline in 22 years. In terms of the US Dollar, the index fared worse with a negative return of 27% year-on-year (YoY) due to an over 20% devaluation of the local currency resulting in a market capitalization loss of USD 22 billion. Investors' concerns over sharp interest rate increase, PKR devaluation against the greenback, lack of clarity over external funding, political uncertainty and deteriorating twin deficits were cited as the major reasons for the market's performance. However, announcement of funding arrangements from friendly countries by the new government during the latter half of the year brought some cause for celebration. The local index underperformed global benchmark indices, which were already under pressure on account of a global slowdown. Foreign investors continued the selling spree on the KSE-100 index with cumulative net selling of USD 523 million during FY18, which was broadly absorbed by the insurance sector. On a sector-wise basis, the textile composite sector outperformed the KSE-100 index with 11% gains, largely on the back of expectations of higher profitability arising from PKR devaluation during the year. The downtrend was led by cyclical sectors such as Engineering (down by 41%), auto assemblers (down by 37%) and cements (down by 23%). Various reasons, including rupee weakness (for autos), and fiscal consolidation (for cements and steels) led to the underperformance. Investor concerns also led to a decline in participation as average daily traded volumes declined to 185 million shares (down by 22%), while average daily traded value decreased to USD 65 million (down by 44%). For the upcoming year, how the external funding dilemma shapes out together with interest rate outlook will determine the fate of the market.

Foreign Exchange Market

During FY18, USD/PKR parity opened at 110.52 as compared to the corresponding period last year which was at 104.84 and closed at a parity of 138.86 on December 2018 as compared to the closing on December FY17, at 110.42. Moreover, the PKR devalued by over 25% during FY18. The highest USD/PKR parity during the year was at 142.00 with the lowest parity at 110.55, which closed in December FY18 at 138.86. The average swaps opened in January FY18 for 1 Month (1M), 3 Months (3M) and 6 Months (6M) were at 0.214, 0.511 and 1.08 paise respectively. During this period, swaps witnessed an upward trend and increased significantly in the month of June FY18 to August FY18 and traded on average as per the table below:-

Average swaps			
	1 Month	3 Months	6 Months
Jun	0.202	0.598	1.221
Jul	0.310	0.889	1.825
Aug	0.393	1.165	2.407

Directors' Report

The policy rate in January 2018 was 5.75% compared to 10% in December 2018. Foreign exchange reserves at the end of 2018 stood at USD 13.8 billion, as compared to USD 20.17 billion at the same time last year, reflecting a 32% reduction in total foreign exchange reserves.

Money Market

During the year, SBP raised policy rate by 4.25% from 5.75% to 10%. Average inflation during the period increased around 5.04% which is approximately 100 basis points (bps) higher than FY17. The increase in policy rates was mainly a result of controlling the consistently declining foreign reserves. During the year SBP raised PKR 19.6 trillion from Treasury Bills compared to PKR 12.6 trillion in FY17. Market participants stayed away from longer tenor bonds during this entire period with the result that SBP was able to raise only PKR 289 billion against a target of PKR 700 billion through PIB auctions.

Hence, to attract the investors to longer tenors, SBP offered a floating rate PIB for the first time, which received good participation from the market as the total participation amounted to PKR 447 billion against a target of PKR 250 billion. On the Islamic front, no fresh Government of Pakistan (GOP) Ijarah Sukuk was issued, but Bai-Muajjal (Islamic contract) was conducted for the Ijarah which matured in December 2018.

Commodities Market

Volumes on the Pakistan Mercantile Exchange Limited (PMEX) during 2018 were recorded at 3.46 million, an increase of 10.2% from last year. The US-China trade war, Brexit and forecasts of a global economic slowdown generally kept pressure on international commodity prices during the year. Crude oil prices remained highly volatile with Brent making a high of USD86.29 but finishing off the year at USD 53.80. This volatility is expected to extend into 2019 amid persisting global geopolitical and economic uncertainties.

Principal activities

The Company is a Trading Right Entitlement Certificate (TREC) holder of Pakistan Stock Exchange Limited (PSX) 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.

Overview of Financial Performance

The summarized results are set out below:

	Year ended December 31, 2018	Year ended December 31, 2017
 Pakistani Rupee (PKR).....	
Profit before tax	98,836,356	198,444,176
Profit after tax	25,637,137	85,529,703
Earnings per share	0.67	2.25

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

The Company earned operating revenue amounting to PKR 478 million relative to PKR 536 million in the corresponding period prior year, thus clocking the decline of 10.8%.

On the cost front, the Company incurred PKR 650million (up 2.4%YoY) for the said year in respect of administrative and operating expenses.

The decline in profitability is directly attributable to the significant lower volumes at the bourse during the period under consideration. Further, the change in tax regime during the first six months of period under consideration has also impacted the bottom line. These were all market related factors whereas the Company was once again able to increase its overall market share despite all challenges. Going forward, as the volumes at the bourse improves; the Company is poised to capitalize on the back of its growing market share.

Moreover, the Company is focused on maintaining its growth momentum in the long run. The 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.

Directors' Report

Appropriation of Profits

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

	Year ended December 31, 2018	Year ended December 31, 2017
	Rupees	Rupees
Un-appropriated profit brought forward	384,429,891	298,900,188
Profit after tax	25,637,137	85,529,703
Un-appropriated profit carried forward	410,067,028	384,429,891
Other Comprehensive Income		
Un realized gain on revaluation of AFS Investments	8,158,847	26,811,763

The Board of Directors of the Company has not proposed any distribution to shareholders for the year ended December 31, 2018 on account of future liquidity requirements.

Corporate Governance and Financial Reporting Framework

The Directors confirm compliance for the following matters:

- 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 have been given in annual report.
- Information about outstanding taxes, duties, levies and charges, if any, is given in notes to the accounts.
- The Company operates an approved Contributory Provident Fund for its eligible employees. Value of investments as per audited financial statements for the year ended June 30, 2018 amounts to approximately PKR 87.6 million (2017: PKR 50.4million).
- 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 one independent director, six other non-executive directors and the CEO. The Board comprises of all male members. 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.

Directors' Report

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

The Board of Directors has a formal policy and transparent procedures for remuneration of its directors. Non-Executive directors receive fixed annual fee for attending meetings of the Board. The purpose is to provide fixed remuneration to reflect the scale and complexity of both the business and the role, and to be competitive with the external market. There shall be no travel or other allowance payable to any Non-Executive directors for performing their functions. No benefits like retirement, pension, gratuity, provident fund or insurance shall be available for any Non-Executive directors. Non-Executive directors cannot receive any rewards under any incentive or performance based remuneration plans, and personal loans or guarantees shall not be granted to them by the Company.

The aggregate remuneration including certain benefits to the CEO, Directors and Executives of the Company is disclosed in financial statements.

The Board has three subcommittees comprising of Audit Committee, Executive Committee and Human Resource & Remuneration Committee, which assist the Board in the performance of its functions.

Board Meetings and Attendance

During FY18, the Board of directors held 5 meetings. The attendance record of the directors is as follows:

S.no	Name of Director	Eligibility	Meetings attended
1	Mr. Raja Abdullah Khan*	3	2
2	Mr. Muhammad Kamran Nasir (CEO)	5	5
3	Mr. Munir Hassan Taher	5	4
4	Mr. Khurshid Hadi	5	5
5	Mr. Junaid Imran	5	5
6	Mr. Ammar Talib Hajeyah	5	5
7	Mr. Abdul Hamid Mihrez	5	2
8	Mr. Muhammad Khalil Ur Rehman*	3	3
9	Mr. Muhammad Yousuf Amanullah*	-	-
10	Mr. Khurram Shaikh*	-	-

The Board Audit Committee

During FY18, the Board Audit Committee held 4 meetings. The attendance record of the directors is as follows:

S.no	Name of Director	Eligibility	Meetings attended
1	Mr. Khurshid Hadi	4	4
2	Mr. Ammar Talib Hajeyah	4	3
3	Mr. Muhammad Khalil Ur Rehman*	3	3
4	Mr. Khurram Shaikh*	-	-

The Board Human Resource & Remuneration Committee

During FY18, the Board Human Resource & Remuneration Committee held 3 meetings. The attendance record of the directors is as follows:

Directors' Report

S.no	Name of Director	Eligibility	Meetings attended
1	Mr. Khurshid Hadi	2	2
2	Mr. Raja Abdullah Khan*	2	1
3	Mr. Muhammad Kamran Nasir	3	3
4	Mr. Abdul Hamid Mihrez	3	3

The Board Executive Committee

During FY18, the Board Executive Committee held 4 meetings. The attendance record of the directors is as follows:

S.no	Name of Director	Eligibility	Meetings attended
1	Mr. Muhammad Kamran Nasir	4	4
2	Mr. Abdul Hamid Mihrez	4	2
3	Mr. Munir Hassan Taher	4	4
4	Mr. Raja Abdullah Khan*	3	1
5	Mr. Muhammad Khalil Ur Rehman*	3	3
6	Mr. Muhammad Yousuf Amanullah*	-	-
7	Mr. Khurram Shaikh*	-	-

* Mr. Muhammad Yousuf Amanullah and Mr. Khurram Shaikh have been appointed, in place of outgoing directors Mr. Raja Abdullah Khan and Mr. Muhammad Khalil-Ur Rehman respectively, which was subject to regulatory approval and was later received from SECP on January 29, 2019.

Adequacy of Internal Financial Control

The Board of Directors has established a system of sound internal financial controls, for achieving effectiveness and efficiency in its operations, reliable financial reporting and compliance with applicable laws and regulations. The independent outsourced Internal Audit function of the Company regularly monitors implementation of financial controls whereas the Audit Committee reviews the effectiveness of the internal control framework and financial statements on a quarterly basis.

Corporate Social Responsibility

Statement of Corporate and Social responsibility is disclosed in Annual report.

Management Discussion of Financial Responsibility and Significant Risks and Uncertainty

The Company's management is responsible for preparing the financial statements and related notes contained in the Annual Report. The Board Audit Committee ('BAC') monitors and supervises the functions of the outsourced Internal Audit Department and assists the Board in overseeing internal control and monitoring and managing risks, (including but not limited to credit risk, liquidity risk, market risk, operational risk, legal/regulatory risk and reputational risk among others) that results from operating in the capital market industry. 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 Listed Companies (Code of Corporate Governance) Regulations, 2017 issued by the Securities and Exchange Commission of Pakistan (SECP). Terms of reference as approved by the Board sets out the scope of the Committee. The Committee comprises of three non-executive directors including the Chairman who is an independent, non-executive director. The Chairman of the BAC satisfy the requirement of having at least one financial literate member, being a member of a recognized body of professional accountants. The Internal Audit function is outsourced to M/s Deloitte Yousuf Adil, Chartered Accountants, which reports directly to the Chairman of the BAC, 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 2019. BAC has recommended the reappointment of the retiring auditors.

Directors' Report

Pattern of Shareholding

Major shareholders of JS Global Capital Limited are JS Bank Limited, Pakistan (67.16%) and Global Investment House, Kuwait (26.75%). 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, if any, by Directors, Executives and their spouses including minor children during the year ended December 31, 2018 is presented later in annual report.

Credit Rating and Broker Management 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 FY18. These ratings reflect the Company's sound financial position resulting from a robust capital structure and denotes a low expectation of credit risk and strong capacity for timely payments of financial commitments.

During the FY18, PACRA conducted the Broker Management (BM) Rating and assigned BMR1 with a 'Stable' outlook. The rating derives comfort from the Company's policy prohibiting proprietary trading stocks, thus limiting the market risk and liquidity risk. The rating also reflects strong financial profile with a net capital balance of PKR 1,713 million as on September 30, 2018.

It is the highest rating that has been awarded to the Company by the rating agency amongst all its competitors, this rating reflects the highest standards of management quality, corporate governance, client services, IT infrastructure and strict compliance to regulatory framework.

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 on 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 domains and constantly remaining in search of innovative financial products and services.

Acknowledgement

We express our sincere 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 their measures to protect investor rights.

For and on behalf of the
Board of Directors

Muhammad Kamran Nasir
Chief Executive Officer

Muhammad Yousuf Amanullah
Director

Date: February 19, 2019

ڈائریکٹر کی رپورٹ

کریڈٹ ریٹنگ اور بروکرینجمنٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی (پاکرا) نے کمپنی کو طویل اور قلیل مدت کیلئے مالی سال 2018 کیلئے بائیں تیب AA (ڈبل اے) اور A1 (اے ون پلس) ریٹنگ دی۔ یہ ریٹنگ نہ صرف کمپنی کی مستحکم مالی صورت حال کو ظاہر کرتی ہیں جو مضبوط سرمائے اور بہترین نفع کے باعث ممکن ہوا بلکہ کریڈٹ رسک میں کمی اور مالی طور پر کئے گئے وعدوں کے سلسلے میں بروقت ادائیگی کو بھی ظاہر کرتی ہیں۔

سال 2018 کے دوران، پاکرا نے بروکرینجمنٹ (BM) کی درجہ بندی کا آغاز کیا اور مستحکم آؤٹ لک کے ساتھ BMR1 کا درجہ تفویض کی۔ یہ درجہ بندی کمپنی پالیسی سے ماخوذ ہے جو پروپرائیٹری ٹریڈنگ سٹاکس سے روکتی ہے، جو کہ مارکیٹ رسک اور لیکویڈٹی رسک کو محدود رکھتی ہے۔ یہ درجہ بندی 30 ستمبر 2018 کے مطابق 1,713 ملین پاکستانی روپے نیٹ کمپیوٹل بیلنس کیساتھ مضبوط مالیاتی پروفائل کی بھی عکاسی کرتا ہے۔

ریٹنگ ایجنسی کی جانب سے دی گئی یہ اعلیٰ ریٹنگ ہے جس سے کمپنی کو نوازا گیا ہے۔ یہ ریٹنگ اعلیٰ معیار کی منجمنٹ خوبیوں، کارپوریٹ گورننس، کلائنٹ سروسز، آئی ٹی انفراسٹرکچر اور ریگولیٹری فریم ورک کی سخت تعمیل کو ظاہر کرتی ہے۔

مستقبل کے امکانات

اپنی بیلنس شیٹ اور ذخائر کو خوش اور مستحکم بنیادوں پر ترقی دینے کیلئے ہماری مسلسل خواہش ہے کہ ہماری خدمات کو بہتر بنانے کے ساتھ ساتھ نئے مالیاتی مصنوعات اور ملک کی معیشت کو درپیش خطرات کے باوجود ہمیں یقین ہے کہ ہم طویل المدتی ترقی کی قمار کو برقرار رکھیں گے اور حصص یافتگان کی قدر میں ہم نے ہمیشہ ماضی میں مستحکم بنیادوں پر سہولیات فراہم کی ہیں۔ باوجود درپیش خطرات کے جو ہم محسوس کر رہے ہیں ہم مسلسل کوشش کر رہے ہیں کہ کاروبار کی اکائیوں کو مضبوط کرتے ہوئے ہمارے ادارے کی تعمیر ہو، ہماری توجہ برقرار رکھنے کیلئے تمام حلقوں میں مارکیٹ شیئرز میں اضافہ اور مسلسل جدید مالیاتی مصنوعات اور خدمات کی تلاش میں منصوبہ بندی کرتے رہیں گے۔ جیسا کہ ماضی میں ہمیشہ سے کمپنی کا شعار رہا ہے۔ کمپنی کیلئے درپیش چیلنجز کو بالائے طاق رکھتے ہوئے، آپ کی کمپنی کی توجہ اپنے بنیادی کاروباری نوٹس کو مسلسل مضبوط کرنے کے ساتھ ساتھ اداروں کی تعمیر پر مرکوز ہے اور تمام ڈپارٹمنٹس کیلئے مارکیٹ شیئرز میں اضافے کے علاوہ جدید اور نئی مالی پروڈکٹس اور خدمات کے مسلسل تلاش کیلئے بھی کوشاں ہیں۔

تسلیمات

ہم اعتراف کرتے ہیں کہ اپنے کلائنٹس، کاروباری شراکت داروں اور حصص یافتگان، اور ملازمین کی انتھک محنت اور کوششوں اور حمایت سے بے ایس گلوبل کمپیوٹل لمیٹڈ کے تمام ملازمین کا شکریہ ادا کرتے ہیں۔

ہم سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP)، سینٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ (CDC)، نیشنل کلیئرنگ کمپنی آف پاکستان لمیٹڈ (NCCPL) اور پاکستان اسٹاک ایکسچینج لمیٹڈ (PSX) کی انتظامیہ کو بھی کمپیوٹل مارکیٹ مستحکم کرنے اور سرمایہ کاروں کے حقوق کے تحفظ کیلئے اقدامات کرنے پر سراہتے ہیں۔

ومخانب بورڈ آف ڈائریکٹرز

محمد یوسف امان اللہ
ڈائریکٹر

محمد کامران ناصر
چیف ایگزیکٹو آفیسر

کراچی، 19 فروری 2019

انٹرنل فنانشل کنٹرول کی موزونیت

بورڈ آف ڈائریکٹرز نے ایک مضبوط اندرونی مالیاتی نظام قائم کیا ہے تاکہ موثر اور مستعد انداز میں کاروباری افعال جاری رکھے جاسکیں، مستند مالیاتی رپورٹنگ ہو اور قابل اطلاق قوانین و ضوابط کی پاسداری ہو۔ کمپنی کا آزاد اندرونی آڈٹ فنکشن باقاعدگی کے ساتھ مالیاتی کنٹرول کے نفاذ کے نگرانی کرتا ہے جبکہ آڈٹ کمیٹی انٹرنل کنٹرول فریم ورک اور مالیاتی گوشواروں کا سہ ماہی بنیاد پر اس کی اثر پذیری کا جائزہ لیتی ہے۔

کارپوریٹ سماجی ذمہ داری

کارپوریٹ سماجی ذمہ داری سے متعلق آڈٹ شدہ رپورٹ میں بتایا گیا ہے۔

مالیاتی ذمہ داری اور قابل ذکر خطرات اور غیر یقینی صورتحال سے متعلق انتظامیہ کی گفت و شنید

کمپنی کی انتظامیہ مالیاتی اسٹیمٹس بشمول نوٹس اور سالانہ رپورٹ کی تیاری کی ذمہ دار ہے بورڈ آف آڈٹ کمیٹی (BAC) آڈٹ سورسڈ انٹرنل آڈٹ ڈپارٹمنٹ کے امور کی نگرانی کرتی ہے، اس کے ساتھ ساتھ انٹرنل کنٹرول، رسک مینجمنٹ (بشمول کریڈٹ رسک، لیکویڈٹی رسک، مارکیٹ رسک، آپریشنل رسک، لیگل اور ریگولیٹری رسک اور ریپوٹیشنل رسک) جو کہ کمپنیل مارکیٹ سے منسلک ہے میں بورڈ کی مدد بھی کرتی ہے۔ انٹرنل آڈٹ برنس پروسیس آڈٹس کی انجام دہی اور منصوبہ بندی کے لئے Risk Based Approach استعمال کرتا ہے جو مقرر شدہ طریقہ نظام کے عین مطابق ہے۔ کمیٹی کمپنی کے ایکسٹرنل آڈیٹرز کی کارکردگی کا جائزہ بھی لیتی ہے اور انکی تقرری اور تقرری کی شرائط بھی تجویز کرتی ہے۔

SECP کے جاری کردہ سیکٹرز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2017 کے مطابق BAC کاروباری افعال انجام دیتی ہے۔ بورڈ کی تفویض کردہ ذمہ داریوں کے مطابق کمیٹی کا دائرہ کار طے کیا جاتا ہے۔ کمیٹی تین نان-ایگزیکٹو ممبران پر مشتمل ہے جس کا چیئر مین ایک آزادانہ ایگزیکٹو ڈائریکٹر ہوتا ہے۔ BAC کا چیئر مین مالیاتی علم رکھنے والا ممبر ہوتا ہے جو کہ کسی پیشہ ور اکاؤنٹنٹس کے تعلیمی ادارے کا ممبر ہوتا ہے۔ انٹرنل آڈٹ کا فنکشن بیرونی طور پر میسرز ویلاٹ یوسف عادل چارٹرڈ اکاؤنٹنٹس کے حوالے کیا گیا ہے جو کہ بلا واسطہ BAC کے چیئر مین کو رپورٹ کرتی ہے اور اس کے اجلاسوں میں چیف فنانشل آفیسر کو مدعو کیا جاتا ہے۔ سال کے دوران کمیٹی کے چار اجلاس ہوئے۔ بیرونی آڈیٹرز بھی اجلاس میں مخصوص معاملات پر گفت و شنید کے لئے حاضر ہوتے ہیں۔ کمپنی کے مالیاتی گوشواروں کی بورڈ کی منظوری سے قبل BAC ان کا جائزہ لیتی ہے۔

آڈیٹرز

آڈیٹرز ای وائی فورڈر ہوڈر زریٹائر ہو رہے ہیں اور مالیاتی سال 2019 کے لئے دوبارہ تقرری کے لئے اہل ہیں۔ BAC نے ریٹائر ہونے والے آڈیٹرز کی دوبارہ تقرری کی سفارش کی ہے۔

شیئرز ہولڈنگ کے طرز

JS گلوبل کمپنیل لمیٹڈ کے بڑے حصص یافتگان میں JS بینک لمیٹڈ (67.16 فیصد) اور گلوبل انویسٹمنٹ ہاؤس، کویت (26.75 فیصد) ہیں۔ دیگر شیئرز ہولڈرز مقامی دارے اور عام پبلک ہیں۔

شیئرز ہولڈنگ کے عام نمونہ کی اسٹیمٹ بمعہ شیئرز ہولڈرز کی خاص درجہ بندیوں کی شیئرز ہولڈنگ کے طرز جس میں حصص یافتگان کی معلومات ریگولیٹری فریم ورک برائے 2018 کے دوران خرید و فروخت کی تفصیلات، کم عمر بچوں سمیت ڈائریکٹرز، ایگزیکٹوز اور ان کے اہل خانہ کی طرف سے حصص کی خرید و فروخت، اگر کی گئی ہوں، کی اسٹیمٹ اس رپورٹ کے اختتام میں پیش کی گئی ہے۔ بعض طبقات کے تازہ ہولڈنگ کے نمونے کی اسٹیمٹ سالانہ رپورٹ میں موجود ہیں۔

ڈائریکٹر کی رپورٹ

بورڈ آڈٹ کمیٹی

مالیاتی سال 2018 کے دوران بورڈ کی آڈٹ کمیٹی کے 4 اجلاس ہوئے۔ ہر ڈائریکٹر کی حاضری کی تفصیل درج ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	اہلیت	حاضر اجلاسوں کی تعداد
1	جناب خورشید ہادی	4	4
2	جناب عمار طالب حاجیہ	4	3
3	جناب محمد خلیل الرحمن *	3	3
4	جناب خرم شیخ *	-	-

بورڈ ہیومن ریسورس اینڈ ریمینیو نریشن کمیٹی

کیلنڈر سال 2018 کے دوران بورڈ کی ہیومن ریسورس اینڈ ریمینیو نریشن کمیٹی کے 13 اجلاس ہوئے۔ ہر ڈائریکٹر کی حاضری کی تفصیل درج ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	اہلیت	حاضر اجلاسوں کی تعداد
1	جناب خورشید ہادی	2	2
2	جناب راجہ عبداللہ خان *	2	1
3	جناب محمد کامران ناصر	3	3
4	جناب عبدالخالق مہر	3	3

بورڈ ایگزیکٹو کمیٹی

کیلنڈر سال 2018 کے دوران بورڈ ایگزیکٹو کمیٹی کے 14 اجلاس ہوئے۔ ہر ڈائریکٹر کی حاضری کی تفصیل درج ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	اہلیت	حاضر اجلاسوں کی تعداد
1	جناب محمد کامران ناصر	4	4
2	جناب عبدالحمید مہر	4	2
3	جناب منیر حسن طاہر	4	4
4	جناب راجہ عبداللہ خان *	3	1
5	جناب محمد خلیل الرحمن *	3	3
6	جناب محمد یوسف امان اللہ *	-	-
7	جناب خرم شیخ *	-	-

* جناب محمد یوسف امان اللہ اور جناب خرم شیخ کو بالترتیب رخصت ہونے والے ڈائریکٹر ان جناب راجہ عبداللہ خان اور جناب محمد خلیل الرحمن کی جگہ پر تقرر کیا گیا ہے۔ جو ریگولیشن کے تابع تھا اور مورخہ 29 جنوری 2019 کو SECP نے وصول کیا تھا۔

ڈائریکٹرز کی رپورٹ

- واجب الادا ٹیکسز، ڈیویڈنڈ، عائد کردہ محصول اور چارجز، اگر کوئی ہوں، سے متعلق معلومات اکاؤنٹس کے نوٹس میں دی گئی ہیں۔ کمپنی اپنے اہل ملازمین کو منظور کردہ سرمایہ کفالت بھی فراہم کرتی ہے۔ 30 جون 2018 کو ختم ہونے والے سال کیلئے آڈیٹڈ فائنٹشل اسٹیٹمنٹس کے مطابق سرمایہ کاری کی قدر تقریباً 87.6 ملین روپے ہے (جیکہ 2017 میں بھی آڈیٹ شدہ 50.4 ملین روپے تھی)۔
- بیلنس شیٹ کی تاریخ اور ڈائریکٹرز رپورٹ کے دوران کوئی واضح تبدیلی اور ذمہ داریاں کمپنی کے مالی استحکام پر اثر انداز نہیں ہوئی ہیں۔

بورڈ

بورڈ ایک آزاد ڈائریکٹر، چھ نان ایگزیکٹو ڈائریکٹران اور سی ای او پر مشتمل ہے۔ بورڈ تمام مردارکان پر مشتمل ہے۔ بورڈ میں مختلف قابلیتوں کے حامل ڈائریکٹران شامل ہیں جن کی مہارت اور ضروری تجربہ نگرانی کے کردار کے لئے انتہائی اہم ہے۔ بورڈ مختلف النوع کاروباری مہارتوں اور تجربات کو اہمیت دیتا ہے جن میں وہ مختلف النوع مہارتیں، صلاحیتیں اور تجربات مختلف جغرافیائی اور ثقافتی پس منظر کے حامل ہیں جو آج کے موجودہ مسابقتی کاروبار کے لئے اہم ہیں۔

چیرمین اور سی ای او کے دو علیحدہ علیحدہ عہدے ہیں جو ادارتی نظم و نسق کے بہترین طور طریقوں کے مطابق ہیں۔

بورڈ آف ڈائریکٹرز کے پاس ڈائریکٹران کے معاوضے کے لئے ایک رسمی پالیسی اور طریقہ کار ہے۔ نان ایگزیکٹو ڈائریکٹران کو بورڈ کے اجلاس میں حاضری کے لئے سالانہ معاوضہ دیا جاتا ہے۔ مخصوص معاوضہ کاروباری نوعیت کی پیچیدگی اور ان کے کردار کے مطابق اور بیرونی مارکیٹ کی مسابقت کے مطابق دیا جاتا ہے۔ یہاں پر کوئی سفری یا دیگر الاؤنس نان ایگزیکٹو ڈائریکٹران کو ان کے افعال کی انجام دہی کے لئے فراہم نہیں کئے جاتے۔ کوئی بھی فوائد جیسے کہ ریٹائرمنٹ، پینشن، گریجویٹی، پروویڈنٹ فنڈ یا انشورنس نان ایگزیکٹو ڈائریکٹران کے لئے دستیاب نہیں ہے۔ نان ایگزیکٹو ڈائریکٹران کو کسی ترغیب یا کارکردگی کی بنیاد پر معاوضہ جاتی منصوبوں کے تحت ریوارڈ نہیں دیا جاتا اور نہ ہی ذاتی قرضے یا ضمانتیں ان کو کمپنی کی جانب سے فراہم کی جاتی ہیں۔

سی ای او، ڈائریکٹرز اور کمپنی کے ایگزیکٹوز کے مجموعی معاوضے کے بارے میں فائنٹشل اسٹیٹمنٹس میں بتایا گیا ہے۔

بورڈ کی تین ذیلی کمیٹیاں ہیں جن میں آڈٹ کمیٹی، ایگزیکٹو کمیٹی اور ہیومن ریسورس اینڈ ریٹینویشن کمیٹی بورڈ کے افعال کی انجام دہی میں اس کی مدد کرتی ہیں۔

کیلنڈر سال 2018 کے دوران بورڈ آف ڈائریکٹرز کے 15 اجلاس ہوئے۔ ہر ڈائریکٹر کی حاضری کی تفصیل درج ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	اہلیت	حاضر اجلاسوں کی تعداد
1	جناب راجہ عبداللہ خان *	3	2
2	جناب محمد کامران ناصر (سی ای او)	5	5
3	جناب منیر حسن طاہر	5	4
4	جناب خورشید بادوی	5	5
5	جناب جنید عمران	5	5
6	جناب عمار طالب حاجیہ	5	5
7	جناب عبدالحمید مہر	5	2
8	جناب محمد فہیل الرحمن *	3	3
9	جناب محمد یوسف امان اللہ *	-	-
10	جناب خرم شیخ *	-	-

ڈائریکٹرز کی رپورٹ

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

منافع کی تخصیص

مختتمہ سال کے منافع کے ساتھ قابل تقسیم منافع درج ذیل انداز میں مختص کیا گیا ہے:

31 دسمبر 2017	31 دسمبر 2018
کو ختم ہونے والا سال	کو ختم ہونے والا سال
روپے	روپے

298,900,188	384,429,891
85,529,703	25,637,137

ابتدائی غیر مختص شدہ منافع
منافع بعد از ٹیکس

384,429,891	410,067,028
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مختص کرنے کیلئے دستیاب منافع

دیگر جامع آمدن

26,811,763	8,158,847
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سرمایہ کاریوں کی از سر نو تشخیص مالیت پر غیر حاصل شدہ منافع

کمپنی کے بورڈ آف ڈائریکٹرز نے مختتمہ سال 31 دسمبر 2018 کے لئے..... روپے حصص یافتگان میں تقسیم کی تجویز دی ہے۔

کارپوریٹ گورننس اینڈ فنانشل رپورٹنگ فریم ورک

ڈائریکٹرز کوڈ آف کارپوریٹ گورننس کے کوڈ ("دی کوڈ") کی تعمیل کی درج ذیل تصدیق کرتے ہیں۔

- کمپنی کی انتظامیہ کی تیار کردہ مالیاتی اسٹیٹمنٹ کاروباری عمل درآمد کے نتائج، کیش کی روانی، سرمائے میں تبدیلی اور کاروباری معاملات کو شفافیت سے ظاہر کرتی ہے۔
- کمپنی کے اکاؤنٹ کی کتاب میں مناسب طریقے سے مینٹین کی گئی ہیں۔
- مالیاتی گوشوارے اور اکاؤنٹس کے تخمینوں میں موزوں اکاؤنٹنگ پالیسیز استعمال کی گئی ہیں اور اکاؤنٹنگ کے لئے تخمینے معقول حد تک تجزیے کی بنیاد پر ہیں۔
- مالیاتی گوشواروں کی تیاری میں پاکستان میں قابل اطلاق بین الاقوامی فائنٹنشل رپورٹنگ اسٹینڈرڈ اختیار کئے گئے اور کسی بھی قسم کے انحراف کو مناسب طریقے سے ظاہر اور بیان کیا گیا ہے۔
- اندرونی کنٹرول کے نظام کو موثر طریقے سے واضح کیا گیا اور اس پر بہتر طور پر عمل درآمد اور نگرانی کی گئی۔
- فعال بزنس کو جاری رکھنے کیلئے کمپنی کی صلاحیت سے متعلق کوئی شبہ نہیں ہے۔
- پچھلے سال کے آپریٹنگ نتائج سے تبدیلی کی وجوہات ڈائریکٹرز رپورٹ کے متعلقہ سیکشن میں بیان کر دی گئی ہیں۔
- کارپوریٹ گورننس کے بہترین ضابطہ عمل سے کچھ بھی انحراف نہیں کیا گیا ہے جس کی تفصیلات لسٹنگ ریگولیشنز میں موجود ہیں۔
- گزشتہ چھ سالوں کی اہم آپریٹنگ اور فائنٹنشل معلومات اس رپورٹ میں بیان کر دی گئی ہیں۔

ڈائریکٹر کی رپورٹ

250 بلین روپے کے ہدف کے مقابلے میں 447 بلین روپے تک پہنچ گئی۔ اسلامی محاذ پر کوئی نئی اجارہ سکوک حکومت پاکستان نے جاری نہیں کئے، لیکن اجارہ کے لئے ترتیب دیا گیا بائی بجل (اسلامی معاہدہ) مالیاتی سال 2018 کے دسمبر میں منپور ہو گیا۔

کمڈیٹی مارکیٹ کا جائزہ

مالیاتی سال 2018 کے دوران پاکستان مرکٹسٹاک ایکسچینج لمیٹڈ (PMEX) میں خرید و فروخت کا حجم 3.46 بلین روپے ریکارڈ کیا گیا، جو کہ گزشتہ سال کی بہ نسبت 10.2 فیصد زیادہ ہے۔ امریکہ چاند کے درمیان تجارتی جنگ، بریگزٹ اور عالمی معاشی کساد بازاری کی پیشین گوئیوں نے سال کے دوران عمومی طور پر اشیاء صرف کی عالمی قیمتوں پر دباؤ برقرار رکھا خام تیل کی قیمت امریکی ڈالر 86.29 کی بلند ترین سطح پر رہا لیکن سال کے آخر میں امریکی ڈالر 53.80 پر بند ہوا۔ موجودہ عالمی سیاسی جغرافیائی اور غیر یقینی معاشی نازک صورتحال 2019 میں بھی جاری رہے گی۔

بنیادی سرگرمیاں

کمپنی پاکستان اسٹاک ایکسچینج لمیٹڈ (PSX) کی ٹریڈنگ رائٹ اینڈ کلمنٹ سٹریٹجی (TREO) ہولڈر اور پاکستان مرکٹسٹاک ایکسچینج لمیٹڈ (PMEX) کی ممبر ہے۔ کمپنی کی کاروباری سرگرمیوں میں شیئرز بروکر، منی مارکیٹ بروکر، فارن ایکسچینج بروکر، کمڈیٹی بروکر، ایڈوائزی، انڈر رائٹنگ، بک رنگ اور کنسلٹنسی سروسز شامل ہیں۔ اسکے ساتھ ساتھ لہذا اور ان لہذا ایکویٹی، ڈیٹ سیکیورٹیز میں سرمایہ کاری اور ریورس ری پرچیز ٹرانزیکشنز شامل ہیں۔

مالیاتی کارکردگی کا عمومی جائزہ

نتیجہ کا خلاصہ ذیل میں پیش کیا جاتا ہے:

31 دسمبر 2017	31 دسمبر 2018	
کو ختم ہونے والا سال	کو ختم ہونے والا سال	
پاکستانی روپے		
198,444,176	98,836,356	منافع قبل از ٹیکس
85,529,703	25,637,137	منافع بعد از ٹیکس
2.25	0.67	فی حصص منافع

کمپنی کے اہم نفع و نقصانات کے مالیاتی اثرات پر ذیل میں روشنی ڈالی گئی ہے۔

کمپنی نے آپریٹنگ ریوینیو 478 ملین پاکستانی روپے کمائے نسبتاً گزشتہ سال اسی مدت میں 536 ملین کے مقابلے میں، جو کہ 10.8 فیصد کمی دکھاتی ہے۔

لاگت کے محاذ پر، کمپنی نے انتظامی اور آپریٹنگ اخراجات کے سلسلے میں اس سال کے لئے 650 ملین پاکستانی روپے خرچ کئے (پچھلے سال اس ہی مدت سے 2.4 فیصد زیادہ ہے)۔

کمپنی کے منافع میں کمی کو پاکستان اسٹاک ایکسچینج لمیٹڈ (PSX) کے حجم میں واضح کمی کو براہ راست منسوب کیا جاسکتا ہے پہلی ششماہی میں ٹیکس کے نظام نے کمپنی کے منافع بعد از ٹیکس کو اثر انداز کیا۔ ان تمام وجوہات کے باوجود کمپنی اپنے مارکیٹ شیئرز کو بڑھانے میں کامیاب رہی۔ مستقبل میں، کمپنی اپنے بڑھتے ہوئے مارکیٹ شیئر کی بنیاد پر پاکستان اسٹاک ایکسچینج (PSX) کے حجم میں بہتری سے فائدہ اٹھائے گی۔

ڈائریکٹرز کی رپورٹ

جائزہ لیس تو ٹیکسٹائل کے مجموعی شعبہ کی کارکردگی 11 فیصد کے ساتھ KSE-100 انڈیکس سے بہتر رہی جس کی بنیادی وجہ سال کے دوران پاکستانی روپے کی قدر میں کمی کی وجہ بلند منافع کاری کی توقعات تھیں۔ دیگر شعبہ جات جیسے اسٹیل (41 فیصد کمی)، آئو میں (37 فیصد کمی) اور سینٹ میں (23 فیصد کمی) میں کمی کار، حجامن و یکھا گیا۔ مختلف وجوہات جیسے پاکستانی روپے کی کمزور صورتحال (آٹو کے لئے) اور مالیاتی انجامد (سینٹ اور اسٹیل کے لئے) پست کارکردگی کا باعث بنیں۔ سرمایہ کاروں کے خدشات کی وجہ سے شرکت کم رہی جس کے نتیجے میں یومیہ اوسط خرید و فروخت کے حجم میں 185 ملین (22 فیصد کمی) حصص کی کمی ہوئی جبکہ یومیہ اوسط تجارت کی قیمت 65 ملین امریکی ڈالر (44 فیصد) سے کم ہو گئی۔ آنے والے سال میں بیرونی سرمایہ کاری کی صورتحال ہی مارکیٹ کی قسمت کا تعین کرے گی۔

فارن ایکسچج مارکیٹ کا جائزہ

مالیاتی سال 2018 جنوری تا دسمبر کے دوران امریکی ڈالر/پاکستانی روپے کی مساواتی قدر کا آغاز 110.55 روپے سے ہوا تھا جبکہ گزشتہ سال 104.84 روپے پر شروع ہوئی تھی اور مالیاتی سال کے دسمبر 2018 کے اختتام پر 138.86 بند ہوئی جو کہ دسمبر 2017 کے اختتام پر 110.42 روپے پر بند ہوئی تھی۔ اس طرح جنوری سے دسمبر 2018 کی مدت کے دوران پاکستانی روپے کی قدر میں 25 فیصد کمی ہوئی۔ مالیاتی سال 2018 کی بلند ترین امریکی ڈالر/پاکستانی روپے کی مساواتی قدر 142.00 پر ریکارڈ کی گئی، جبکہ کم ترین سطح 110.55 پر رہی، دسمبر 2018 کے اختتام میں 138.86 پر بند ہوئی۔ مالیاتی سال کے جنوری 2018 میں ایک ماہ (1 Month)، تین ماہ (3 Months) اور چھ ماہ (6 Months) کے سواپس میں اوسطاً سرمایہ کاری بالترتیب 0.214، 0.511 اور 1.08 پیسہ رہیں۔ اس مدت کے دوران سواپس میں اوپری رجحان دیکھا گیا اور مالیاتی سال 2018 میں جون سے اگست تک اس میں معنی خیز اضافہ ہوا اور اس میں اوسطاً خرید و فروخت درج ذیل گوشوارہ میں دکھائی گئی ہے:

اوسطاً سواپس

	ایک ماہ	تین ماہ	چھ ماہ
جون	0.202	0.598	1.221
جولائی	0.310	0.889	1.825
اگست	0.393	1.165	2.407

مالیاتی سال 2018 جنوری میں پالیسی ریٹ 5.75 فیصد تھا جو کہ مالیاتی سال 2018 دسمبر میں 10 فیصد ہو گیا۔ بیرونی زرمبادلہ کے ذخائر جو کہ مالیاتی سال 2018 کے اختتام میں 13.80 بلین امریکی ڈالر رہ گئے جو کہ پچھلے سال اس ہی مدت میں 20.17 بلین امریکی ڈالر تھے بیرونی زرمبادلہ کے ذخائر میں جو کہ 32 فیصد کمی نمایاں کمی کو ظاہر کرتا ہے۔

منی مارکیٹ کا جائزہ

سال کے دوران، اسٹیٹ بینک آف پاکستان (SBP) نے پالیسی ریٹ 4.25 فیصد میں 5.75 فیصد کا اضافہ کر کے 10 فیصد کر دیا۔ مدت کے دوران اوسطاً افراط زر میں اضافہ 5.04 فیصد ہوا جو کہ 2017 سے تقریباً 100 پیس پوائنٹس (bps) زیادہ ہے۔ پالیسی کی شرح میں اضافہ بنیادی طور پر مسلسل غیر ملکی ذخائر کو کنٹرول کرنے کا نتیجہ تھا۔ سال کے دوران SBP نے 19.6 ٹریلین پاکستانی روپے کے ٹریڈی بل جاری کئے جبکہ 2017 میں 12.6 ٹریلین جاری کئے تھے۔ پوری مدت کے دوران مارکیٹ کے شرکاء طویل مدتی بانڈز میں شرکت سے دور رہے جس کے نتیجے میں SBP 700 بلین روپے کے ہدف کے مقابلے میں صرف 289 بلین روپے کے بانڈز جاری کرنے میں کامیاب ہو سکا۔

لہذا، سرمایہ کاروں کی توجہ مرکوز کرنے کے لئے SBP نے پی آئی بی کو پہلی مرتبہ متزلزل نرخوں پر پیشکش کی جس سے بازار میں اچھی شرکت دیکھی گئی جس کے نتیجے میں مجموعی شرکت

JS گلوبل کیپیٹل لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے پیش کی جانے والی سالانہ رپورٹ اور آڈٹ شدہ مالیاتی تفصیلات بمع آڈیٹران کی رپورٹ پیش کرتا ہوں۔

معیشت

سال 2018 میں پاکستان کو کئی قابل ذکر مالیاتی چیلنجز کا سامنا رہا جن میں متوسط شرح نمو، بلند کرنٹ اکاؤنٹ ڈیفیسیٹ اور زرمبادلہ کے ذخائر کی کم ترین سطح شامل ہیں۔ توقع سے کم برآمدات اور درآمدات بل کی وجہ سے بگڑتا ہوا توازن، ادائیگی کا بحران، تیل کی قیمت کی ادائیگی سے کرنٹ اکاؤنٹ ڈیفیسیٹ (GDP(CAD کے پانچ فیصد سے بھی زیادہ) تجاوز کر گیا۔ مالیاتی سال 2018 کے پہلے ششماہی میں CAD 7.98 بلین امریکی ڈالر رہا جبکہ گزشتہ سال اسی مدت میں 8.35 بلین امریکی ڈالر تھا۔ بڑھتا ہوئے تجارتی خسارہ جس کی وجہ درآمدات میں گزشتہ سال کی نسبت 3 فیصد اضافہ کے علاوہ صرف 11.84 بلین امریکی ڈالر کی برآمدات نے صورتحال مزید خراب کر دی۔ دیگر ابھرتی ہوئی معیشتوں کی کرنسیوں کی طرح پاکستانی روپیہ (PKR) بھی شدید باؤ میں رہا جس میں سابقہ سطحوں کی نسبت کئی مرتبہ کمی ہوئی۔ مجموعی افراط زر میں سال کے اختتام پر اضافہ ہوا جو کہ 6 فیصد رہا اور 2017 کے اوسطاً 4 سے کافی زیادہ رہا، جس کی بنیادی وجوہات ملک کی کمزور معاشی پالیسی اور تیزی سے بڑھتا ہوا اندرونی قرضہ ہے۔ ایس بی پی میں زرمبادلہ کے ذخائر مالیاتی سال 2018 کے اختتام پر 7.3 بلین امریکی ڈالر رہ گئے جبکہ کل زرمبادلہ کے ذخائر 13.8 بلین امریکی ڈالر تھے۔ پاکستان اسٹاک ایکسچینج 2017 سے اپنی کم ترین سطح سے دوبارہ بحال نہیں ہو سکی، جس کی وجہ سے اس کی کارکردگی سال بھر بدترین رہی۔ پھر اس کے بعد گردش قرضوں کا سامنے آنا جو کہ صرف اسی صورت میں ختم ہو سکتا ہے جب توانائی کی سہڈی میں کمی لائی جاسکے، توانائی کے ٹیکس بڑھائے جائیں اور توانائی سے متعلق سرکاری اداروں میں سرمایہ کاری کی جائے۔ تاہم تمام خبریں بری ہی نہیں تھیں۔ برآمدات کو بڑھانے کے لئے روپے کی قدر میں کمی، افراط زر کو مستحکم کرنے کے لئے شرح سود میں اضافہ، لاگت کی وصولی کی سطح کو بحال کرنے کے لئے ٹیکس کے نرخوں میں بڑے پیمانے پر اضافے اور بجلی کے نرخوں میں مجوزہ اضافے کو قرض و ہندگان ثبت اقدامات قرار دے رہے ہیں۔ تیل کی قیمتوں میں 87 یو ایس ڈالر کی بلند ترین سطح میں مسلسل کمی نہ صرف پاکستان بلکہ عالمی سطح پر طلب اور معاشی سرگرمی میں معاون ہے۔ CPEC کے تحت چائنیز سرمایہ کاری کی آمد سے نمو کے تسلسل میں بھی مدد ملے گی اور پیشگوئی ہے کہ اس سے ملکی نمو میں مزید بہتری آئے گی۔ ورلڈ بینک کے مطابق پاکستان کا کاروباری انڈیکس سہل و آسانی کے لحاظ سے 11 ویں نمبر آ گیا ہے۔ حالیہ مہینوں میں دنیا بھر سے ملک میں سرمایہ کاروں کی آمد اور بڑھتی ہوئی دلچسپی ابھرتے ہوئے پاکستان پر دنیا کے اعتماد کو ثابت کرتی ہے۔

ایکویٹی کیپیٹل مارکیٹ کا جائزہ

مالیاتی سال 2018 کے دوران منفی 8 فیصد کی منفعت کے ساتھ KSE-100 انڈیکس کی کارکردگی کم رہی جو کہ 37,067 پوائنٹس کی سطح پر بند ہوا جو کہ 22 سالوں میں مسلسل دوسری مرتبہ کم ترین سطح ہے۔ امریکی ڈالر (USD) کے لحاظ سے انڈیکس کی کارکردگی بدترین رہی جس نے گزشتہ سال کی بہ نسبت منفی 27 منفعت فراہم کی۔ مقامی کرنسی کی قدر میں 20 فیصد کمی کی وجہ سے بازار حصص کو 22 بلین امریکی ڈالر کا سرمایہ جاتی خسارہ ہوا۔ شرح سود میں شدید اضافہ کی وجہ سے سرمایہ کاروں کے خدشات، امریکی ڈالر کے مقابلے میں پاکستان روپے کی قدر میں کمی، بیرونی قرضوں میں شفافیت کا فقدان، غیر یقینی سیاسی صورتحال اور دہرے خسارے کی بگڑتی ہوئی صورتحال اہم وجوہات تھیں جنہوں نے مارکیٹ کی کارکردگی پر برے اثرات مرتب کئے۔ تاہم سال کی آخری ششماہی میں دوست ممالک سے قرضوں کے اہتمامات سے کچھ خوش آئین اثرات مرتب ہوئے۔ مقامی انڈیکس کی کارکردگی عالمی شیئ مارک سے کم رہی جو کہ پہلے ہی عالمی کساد بازاری کی وجہ سے دباؤ میں تھی۔ مالیاتی سال 2018 میں KSE-100 انڈیکس میں بیرونی سرمایہ کاروں کی تیز ترین فروخت جاری رہی جن کی مجموعی فروخت 523 بلین امریکی ڈالر رہی جبکہ انشورنس کے شعبہ نے خریداری کرتے ہوئے بڑے پیمانے پر اس کے اثرات کو زائل کیا۔ شعبہ دار

Statement of Compliance with listed companies (Code of Corporate Governance) Regulations, 2017

Name of Company
Year Ended

JS Global Capital Limited (“the Company”)
December 31, 2018

This statement is being presented to comply with the Listed Companies (Code of Corporate Governance) Regulations 2017 (Regulations) 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 complied with the requirements of the Regulations in the following manner:

1. The total number of directors are 8 as per the following:
 - a. Male 8
 - b. Female nil
2. The composition of board is as follows:

CATEGORY	NAMES
a) Independent Director	Mr. Khurshid Hadi
b) Non-Executive Directors	Mr. Muhammad Yousuf Amanullah*
	Mr. Khurram Shaikh*
	Mr. Munir Hassan Mohamed Ali Taher
	Mr. Ammar Talib Hajeyah
	Mr. Abdul Hamid Mihrez
	Mr. Junaid Imran
c) Executive Director	Mr. Muhammad Kamran Nasir

- * Mr. Muhammad Yousuf Amanullah and Mr. Khurram Shaikh have been appointed, in place of outgoing directors Mr. Raja Abdullah Khan and Mr. Muhammad Khalil-Ur Rehman respectively, which was subject to regulatory approval and was later received from SECP on January 29, 2019.
3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company.
 4. 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.
 5. The board has developed a vision/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.
 6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Companies Act, 2017 and these Regulations.
 7. 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. The board has complied with the requirements of Companies Act, 2017 and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.
 8. The board of directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Companies Act, 2017 and these Regulations.
 9. Company stands complied with the requirement of having half of the directors of the board being certified by completing the Directors' Training Program (DTP) as prescribed under the sub clause 1(a) of regulation no. 20 of the Regulations as the total number of certified directors of the Company stands four out of total eight directors.
 10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
 11. CFO and CEO duly endorsed the financial statements before approval of the board.
 12. The board has formed committees comprising of members given below:

Statement of Compliance with listed companies (Code of Corporate Governance) Regulations, 2017

a) Audit Committee

Mr. Khurshid Hadi	Chairman
Mr. Khurram Shaikh	Member
Mr. Ammar Talib Hajeyah	Member

b) HR and Remuneration Committee

Mr. Khurshid Hadi	Chairman
Mr. Abdul Hamid Mihrez	Member
Mr. Muhammad Kamran Nasir	Member

c) Executive Committee

Mr. Muhammad Kamran Nasir	Chairman
Mr. Muhammad Yousuf Amanullah	Member
Mr. Khurram Shaikh	Member
Mr. Munir Hassan Mohamed Ali Taher	Member
Mr. Abdul Hamid Mihrez	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee during the year ended December 31, 2018 were as follows:
- | | |
|----------------------------------|---|
| a) Audit Committee | 4 |
| b) HR and Remuneration Committee | 3 |
| c) Executive Committee | 4 |
15. The Board has outsourced the internal audit function to M/s Deloitte Yousuf Adil & Co. Chartered Accountants, who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company. They are involved in the internal audit function on a full time basis. The Head of Internal Audit coordinates with the internal auditors and reports directly to the Board Audit Committee.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board 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 the ICAP.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Companies Act, 2017, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations have been complied with.

Muhammad Yousuf Amanullah
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Dated: February 19, 2019
Karachi

To The Members Of JS Global Capital Limited

Review Report On Statement Of Compliance Contained In The Listed Companies (Code Of Corporate Governance) Regulations, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of JS Global Capital Limited (the Company) for the year ended 31 December 2018 in accordance with the requirements of regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review, whether the statement of compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

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

The Regulations 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 its related party transactions and also ensure compliance with the requirements of Section 208 of the Companies Act, 2017. 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 assess and determine the company's process for identification of related parties and that 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 Regulations as applicable to the Company for the year ended 31 December 2018.

EY Ford Rhodes

Chartered Accountants

Date: 19 February 2019

Place: 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 19, 2019

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 clause 9(a)(iii)] of Securities Brokers (Licensing & Operations) Regulations, 2016.

Independent Auditor's Report

To the members of JS Global Capital Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of JS Global Capital Limited (the Company), which comprise the statement of financial position as at 31 December 2018, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of the profit or loss and other comprehensive income or 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 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

Key audit matters	How our audit addressed the key audit matter
1. Measurement of equity brokerage income	
<p>As disclosed in note 19 to the accompanying financial statements, the Company has equity brokerage income amounting to Rs.334.395 million, which is 70% of the operating revenue of the Company.</p> <p>We have identified the measurement of equity brokerage income as a key audit matter due to its significant effect on the Company's profitability, involvement of highly automated system based controls in the calculation and risk of unauthorized changes to the commission rates incorporated in the system.</p>	<p>Our key audit procedures in respect of Information Technology (IT) systems and controls of revenue processing and GL application and reporting processes included the following:</p> <ul style="list-style-type: none">- Obtained a front-to-end understanding of the revenue recognition and reporting processes and identified the automated controls and the corresponding key IT systems that support the processes.- We assessed the IT control environment, reviewed the IT governance framework and tested the IT general controls of the key IT application that support the revenue recognition and reporting to evaluate whether the system dependent controls and information could be relied on throughout the period. Our testing of IT general controls covered access management, change management and IT operations.

Independent Auditor's Report

Key audit matters	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> - We have tested the identified automated application controls, which are critical to the revenue recognition processes. Our testing procedures included the testing of system logics, automated calculations and validations, testing of system generated information, system interfaces and reconciliations. - We have also assessed the adequacy of the Company's disclosures in respect of the operating revenue.
2. Assessment of contingencies	
<p>As disclosed in note 24 to the accompanying financial statements, various tax matters are pending adjudication at various levels with the taxation authorities and other legal forums.</p> <p>The tax contingencies requires the management to make judgements and estimates in relation to the interpretation of tax laws and regulations and the recognition and measurement of any provisions that may be required against such contingencies. Due to inherent uncertainties and the time period such matters may take to resolve, the management judgements and estimates in relation to such contingencies may be complex. For such reasons we have considered tax contingencies as a key audit matter.</p>	<p>Our key audit procedures in this area included, amongst others, a review of the correspondence of the Company with the relevant tax authorities and tax advisors including judgments or orders passed by the competent authorities.</p> <p>We also obtained and reviewed confirmations / correspondences from the Company's external tax/legal advisor for their views on the status of each case and an overall opinion on the open tax position of the Company.</p> <p>We involved internal tax experts to assess and review the management's conclusions on contingent tax matters and evaluated whether adequate disclosures have been made in note 24 to the accompanying financial statements.</p>
3. Preparation of financial statements under Companies Act, 2017	
<p>As referred to in note 2 to the accompanying financial statements, the Companies Act 2017 (the Act) became applicable for the first time for the preparation of the Company's annual financial statements for the year ended 31 December 2018.</p> <p>The Act forms an integral part of the statutory financial reporting framework as applicable to the Company and amongst others, prescribes the nature and content of disclosures in relation to various elements of the financial statements.</p> <p>In the case of the Company, specific additional disclosures and changes to the existing disclosures have been included in the financial statements as referred to note 2 to the financial statements.</p> <p>The above changes and enhancements in the financial statements are considered important and a key audit matter because of the volume and significance of the changes in the financial statements resulting from the transition to the new reporting requirements under the Act.</p>	<p>We assessed the procedures applied by the management for identification of the changes required in the financial statements due the application of the Act. We considered the adequacy and appropriateness of the additional disclosures and changes to the previous disclosures based on the new requirements. We also evaluated the sources of information used by the management for the preparation of the above referred disclosures and the internal consistency of such disclosures with other elements of the financial statements.</p>

Independent Auditor's Report

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

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional 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.

Independent Auditor's Report

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.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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;
- 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 section 62 of the Futures Market Act, 2016 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 Shaikh Ahmed Salman.

Ey Ford Rhodes

Chartered Accountants

Date : 19 February 2019

Karachi



Invest with the best!

JS Global Capital Limited, one of the largest Brokerage and Investment Banking firms in Pakistan, with a continued leadership position in the domestic capital markets, has become the first brokerage house in Pakistan to be rated as

Brokerage Management Rating 1

by PACRA (Pakistan's leading credit rating agency)

This rating differentiates brokers based on quality of management and services provided to investors.

The rating reflects the strong standards of Corporate Governance, Business & Financial Stability, Management Quality, Client Services, IT Infrastructure, Risk Management Standards and Strict Adherence to the Regulatory Compliance Framework.

We further aim to provide unmatched services and highly effective management expertise to retain our position as the unchallenged market leaders.





Financial Statements

Statement of Financial Position

As at December 31, 2018

	Note	2018 ----- (Rupees) -----	2017 -----
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital: 150,000,000 (December 31, 2017:			
150,000,000) ordinary shares of Rs.10 each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up share capital	4	380,070,000	380,070,000
Share premium		1,810,104,900	1,810,104,900
Unrealised gain on revaluation of available-for-sale investments - net		8,158,847	26,811,763
Unappropriated profit		410,067,028	384,429,891
		2,608,400,775	2,601,416,554
LIABILITIES			
Current liabilities			
Creditors, accrued expenses and other liabilities	5	2,228,284,374	1,157,606,361
Unclaimed dividend		3,361,843	3,431,342
		2,231,646,217	1,161,037,703
		4,840,046,992	3,762,454,257
Contingencies and commitments	6		

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

Muhammad Yousuf Amanullah
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Statement of Financial Position

As at December 31, 2018

		2018	2017
	Note	(Rupees)	
ASSETS			
Non-current assets			
Property and equipment	7	216,757,123	73,803,532
Intangible assets	8	17,789,847	8,600,478
Long term investments	9	141,999,318	49,346,147
Long term loans and deposits	10	26,496,577	26,861,531
Deferred taxation - net	11	122,096,696	125,461,518
		525,139,561	284,073,206
Current assets			
Short term investments	12	1,019,068,064	617,091,756
Trade debts	13	1,085,989,859	561,598,823
Receivable against margin finance		297,726,631	328,167,003
Loans and advances - considered good	14	13,519,245	14,746,783
Short-term deposits and prepayments	15	136,239,312	184,245,368
Interest and mark-up accrued	16	12,684,564	15,149,069
Other receivables	17	56,944,676	21,717,361
Advance tax		121,133,650	57,134,953
Cash and bank balances	18	1,571,601,448	1,678,529,935
		4,314,907,431	3,478,381,051
		4,840,046,992	3,762,454,257

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

Muhammad Yousuf Amanullah
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Statement of Profit or Loss

For the year ended December 31, 2018

		2018	2017
	Note	(Rupees)	
Operating revenue	19	478,163,009	535,850,243
Capital gain on sale of investments - net	20	39,707,340	78,856,354
Unrealised loss on remeasurement of investments at fair value through profit or loss - net		(44,271,168)	(4,253,661)
Unrealised gain on remeasurement of derivatives at fair value through profit or loss - net		44,434,766	2,508,639
Dividend income		78,608,524	70,247,459
Margin finance income		55,059,663	87,745,930
		651,702,134	770,954,964
Administrative and operating expenses	21	(649,797,458)	(634,326,422)
		1,904,676	136,628,542
Other operating income - net	22	106,063,143	120,273,366
		107,967,819	256,901,908
Provision for Sindh Workers' Welfare Fund	5.3	(2,017,068)	(4,049,881)
Finance cost	23	(7,114,395)	(54,407,851)
Profit before taxation		98,836,356	198,444,176
Taxation - current		(59,423,121)	(97,145,112)
- prior		(9,617,363)	(17,925,528)
- deferred		(4,158,735)	2,156,167
	24	(73,199,219)	(112,914,473)
Profit after taxation		25,637,137	85,529,703
Earnings per share - basic and diluted	25	0.67	2.25

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

Muhammad Yousuf Amanullah
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Statement of Comprehensive Income

For the year ended December 31, 2018

	Note	2018 ----- (Rupees) -----	2017 -----
Profit for the year		25,637,137	85,529,703
Other comprehensive loss			
Items that will not be reclassified to profit or loss account subsequently		-	-
Items that may be reclassified to profit or loss account subsequently			
Unrealised loss on revaluation of available- for-sale investments during the year	9.2	(19,446,829)	(5,754,134)
Less: Related tax		793,913	526,500
		(18,652,916)	(5,227,634)
Reclassification adjustments relating to available-for- sale investments disposed of during the year		-	(53,673,985)
Less: Related tax		-	19,285,511
		-	(34,388,474)
Total comprehensive income for the year		6,984,221	45,913,595

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

Muhammad Yousuf Amanullah
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Statement of Changes in Equity

For the year ended December 31, 2018

	Issued, subscribed and paid-up share capital	Share premium	Reserves		Sub-total	Total
			Unrealised gain / (loss) on revaluation of available-for- sale investments - net	Revenue reserve Unappropriated profit		
			----- (Rupees) -----			
Balance as at January 01, 2017	380,070,000	1,810,104,900	66,427,871	298,900,188	2,175,432,959	2,555,502,959
Total comprehensive income for the year						
Profit for the year ended December 31, 2017	-	-	-	85,529,703	85,529,703	85,529,703
Other comprehensive loss - net of tax	-	-	(39,616,108)	-	(39,616,108)	(39,616,108)
Total comprehensive loss for the year	-	-	(39,616,108)	85,529,703	45,913,595	45,913,595
Balance as at December 31, 2017	380,070,000	1,810,104,900	26,811,763	384,429,891	2,221,346,554	2,601,416,554
Balance as at January 01, 2018	380,070,000	1,810,104,900	26,811,763	384,429,891	2,221,346,554	2,601,416,554
Total comprehensive income for the year						
Profit for the year ended December 31, 2018	-	-	-	25,637,137	25,637,137	25,637,137
Other comprehensive loss - net of tax	-	-	(18,652,916)	-	18,652,916	(18,652,916)
Total comprehensive loss for the year	-	-	(18,652,916)	25,637,137	6,984,221	6,984,221
Balance as at December 31, 2018	380,070,000	1,810,104,900	8,158,847	410,067,028	2,228,330,775	2,608,400,775

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

Muhammad Yousuf Amanullah
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Statement of Cash Flow

For the year ended December 31, 2018

		2018	2017
	Note	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		98,836,356	198,444,176
Adjustments for:			
Depreciation	7.1	25,535,148	25,234,398
Amortisation of intangible assets	8.2	321,138	2,223,523
Gain on sale of long term investment	20.1	(4,488,264)	(53,673,985)
Gain on sale of property and equipment	7.1.1	(11,668,213)	(116,751)
Unrealised loss on remeasurement of investments at fair value through profit or loss - net		44,271,168	4,253,661
Unrealised gain on remeasurement of derivatives at fair value through profit or loss - net		(44,434,766)	(2,508,639)
Provision for Sindh Workers' Welfare Fund		2,017,068	4,049,881
Finance cost	23	7,114,395	54,407,851
		18,667,674	33,869,939
Cash generated from operating activities before working capital changes		117,504,030	232,314,115
(Increase) / decrease in current assets			
Trade debts		(524,391,036)	361,348,430
Receivable against margin finance		30,440,372	527,294,206
Loans and advances		1,227,538	(2,185,217)
Short-term deposits and prepayments		48,006,056	277,691,270
Interest and mark-up accrued		2,464,505	2,135,126
Other receivables		9,207,452	(11,717,715)
		(433,045,113)	1,154,566,100
Increase / (decrease) in current liabilities			
Creditors, accrued expenses and other liabilities		1,068,660,944	(745,719,892)
Cash generated from operations		753,119,861	641,160,323
Finance cost paid		(7,114,395)	(54,407,851)
Taxes paid		(133,039,180)	(124,954,640)
Net cash generated from operating activities		612,966,286	461,797,832
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	7.1 & 7.2	(172,148,875)	(33,518,031)
Proceeds from disposal of property and equipment	7.1.1	15,328,348	250,900
Long term loans, advances and deposits		364,954	(4,038,754)
Addition to intangible assets	8	(9,510,507)	(82,473)
Long term investments - net		(124,511,736)	45,885,771
Short term investments - net		(429,347,458)	160,488,664
Net cash (used in) / generated from investing activities		(719,825,274)	168,986,077
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid / adjustment		(69,499)	(5,357)
Net cash used in financing activities		(69,499)	(5,357)
(Decrease) / Increase in cash and cash equivalents during the year		(106,928,487)	630,778,552
Cash and cash equivalents at the beginning of the year		1,678,529,935	1,047,751,383
Cash and cash equivalents at the end of the year	18	1,571,601,448	1,678,529,935

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

Muhammad Yousuf Amanullah
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Notes to the Financial Statements

For the year ended December 31, 2018

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.

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) 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. The Company has eleven branches (2017: twelve) in nine cities of Pakistan which are as follows:

	Branch Name	Address
1	Stock Exchange Branch	Room No. 634, 6th Floor, Stock Exchange Building, Stock Exchange Road, Karachi
2	Gulshan-e-Iqbal Branch	Suite No. 607-A, 6th Floor, Al Ameen Towers, Plot No E-2, Block 10, Gulshan-e- Iqbal, Main NIPA, Karachi
3	Hyderabad Branch	Ground Floor, State Life Building No. 3, Thandi Sarak, Hyderabad
4	Rawalpindi Branch	Shop No. 1 & 2, 1st Floor, Falcon Empire , Plaza No 101, Civic Center, Phase IV, Bahria Town , Islamabad
5	Islamabad Branch	Room No. 413, 4th Floor, ISE Towers, 55-B, Jinnah Avenue , Islamabad
6	Faisalabad Branch	Office no G-04, Ground Floor, Mezan Executive Tower Plot No 4, Liaquat Road, Faisalabad
7	Lahore Branch 1	Office No. 135-Y, 1st Floor, Street No. 11, Phase -III, D.H.A., Lahore Cantt, Lahore
8	Lahore Branch 2	Plot No. 434-G/1, MA Johar Town, Lahore
9	Multan Branch	Office No. 608-A, 6 Floor, The United Mall, Plot No. 74, Abdali Road, Multan
10	Peshawar Branch	First Floor, State life Building No. 34 The Mall Road, Peshawar Cantt, Peshawar
11	Abbottabad Branch	Room No. 1, Second Floor, Zaman Plaza Near Ayub Teaching Hospital, Abbottabad

Notes to the Financial Statements

For the year ended December 31, 2018

1.1 SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

The Companies Act, 2017 (the Act), became applicable to the Company from the current year and brought certain changes with regards to the preparation of these financial statement.

During the year under review, situation in the global and predominantly the local economic landscape, along with uncertainty in the local political scenario, until the general elections, adversely affected the equity market's performance, investor sentiment and the overall investment climate, leading to lower volumes and hence lower profits for the Company. This is reflected in the statement of Profit and Loss account. For detail performance review of the Company, refer Directors' Report.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

The Act is applicable for the current year financial statements and has brought certain changes with regard to the preparation and presentation of these financial statements. These changes amongst others, included change in nomenclature of the primary statements. Disclosure of significant transactions and events affecting the Company's financial position and performance (refer note 1.1), management assessment of sufficiency of tax provision (refer note 24.11), change in threshold for identification of executives for disclosing their remuneration (refer note 10.3 and 26) and additional disclosure requirements for related parties (refer note 27) etc.

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 recognised 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.

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);

Notes to the Financial Statements

For the year ended December 31, 2018

- 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 (notes 3.11 and 12.3); and
- Provision against trade debts and other receivables (notes 3.7, 13 and 17).

2.5 The Company has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year.

Standard or Interpretation

IFRS 2 Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)

IFRS 4 Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments)

IAS 40 Investment Property: Transfers of Investment Property (Amendments)

IFRIC 22 Foreign Currency Transactions and Advance Consideration

Improvements to Accounting Standards Issued by the IASB in December 2016

IFRS 1 First-time Adoption of International Financial Reporting Standards - Deletion of short-term exemptions for first-time adopters

IAS 28 Investments in Associates and Joint Ventures - Clarification that measuring investees at fair value through profit or loss is an investment - by - investment choice

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:

Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 9 – Financial Instruments	July 01, 2018*
IFRS 9 – Prepayment Features with Negative Compensation - (Amendments)	January 01, 2019
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
IFRS 15 – Revenue from Contracts with Customers	July 01, 2018
IFRS 16 – Leases	January 01, 2019
IAS 19 – Plan Amendment, Curtailment or Settlement (Amendments)	January 01, 2019

Notes to the Financial Statements

For the year ended December 31, 2018

IAS 28 – Long-term Interests in Associates and Joint Ventures – (Amendments)	January 01, 2019
IFRIC 23 – Uncertainty over Income Tax Treatments	January 01, 2019
Definition of a Business – Amendments to IFRS 3	January 01, 2020
Definition of Material – Amendments to IAS 1 and IAS 8	January 01, 2020

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. However, the Company is currently evaluating the requirements of IFRS-9 and potential impact on the financial statements of the Company.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2017. Such improvements are generally effective for accounting periods beginning on or after 01 January 2019. 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.

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after 01 January 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

* Subsequent to the year ended December 31, 2018, the SECP has modified the applicability of IFRS 9 vide its order no. S.R.O. 229 (I)/2019 dated February 14, 2019 whereby the effective date for applicability of IFRS 9 - Financial Instruments in place of IAS 39 - Financial Instruments: Recognition and Measurement has been revised as "Reporting period / year ending on or after June 30, 2019".

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 14 – Regulatory Deferral Accounts	January 01, 2016
IFRS 17 – Insurance Contracts	January 01, 2021

3. SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Employee benefits

Defined contribution plan

The Company operates a defined contribution plan. i.e. 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

Notes to the Financial Statements

For the year ended December 31, 2018

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 except for computer related items whose useful life has been revised from 04 years to 03 years during the year. In order to reflect more appropriately the flow of economic benefits derived from the use of computer related items, the useful life of these assets have been reduced from 04 years to 03 years. The effect of these changes on actual and expected depreciation expense in current and future years respectively is as follows:

	2018	2019	2020	2021	2022
Increase / (decrease) in depreciation expense	1,708,099	939,087	(1,254,335)	(419,667)	(165,091)

This effect of change in accounting estimate is accounted for prospectively in accordance with principles of IAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

Category of Operating Assets

Useful life

Office equipment - computer related items	03 years
Office equipment - others	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 statement of profit or loss 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 statement of profit or loss.

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 statement of profit or loss when the asset is derecognised.

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 statement of profit or loss.

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.

Notes to the Financial Statements

For the year ended December 31, 2018

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 statement of profit or loss.

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 statement of profit or loss 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 statement of profit or loss.

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 statement of profit or loss. 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.

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.

Notes to the Financial Statements

For the year ended December 31, 2018

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 statement of profit or loss 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 statement of profit or loss 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 statement of profit or loss under other income / other expense.

3.9 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss, 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.

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 arise, 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 statement of profit or loss.

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 statement of cash flow.

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.

Notes to the Financial Statements

For the year ended December 31, 2018

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 statement of profit or loss.

Non-financial assets

The carrying amount of the Company's non-financial assets other than deferred tax asset and intangible assets with indefinite useful life is reviewed at each reporting date to determine whether there is any objective evidence that an asset or group of assets may be impaired. If any such evidence exists, the asset or group of assets' recoverable amount is estimated. Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in statement of profit or loss 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 statement of profit or loss.

3.13 Borrowing costs

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

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

Notes to the Financial Statements

For the year ended December 31, 2018

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 sukuks and dividend income.

Other operations

It consists of advisory and consultancy function.

4. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2018	2017		2018	2017
(Number of shares)			(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)	(11,993,000)	Buy back of 11,993,000 shares having face value of Rs.10 each	(119,930,000)	(119,930,000)
38,007,000	38,007,000		380,070,000	380,070,000

4.1 Parent company held 25,525,169 (2017: 25,525,169) ordinary shares of Rs.10 each at year end.

4.2 There is only one class of ordinary shares. Voting rights, board selection, right of first refusal and block voting are in proportion to their shareholding.

4.3 Pattern of shareholding

2018	2017		2018	2017
Number of shares		Particulars / name of the shareholders	Percentage of holding	
25,525,169	25,525,169	JS Bank Limited	67.15%	67.15%
10,166,832	10,166,832	Global Investment House, Kuwait	26.75%	26.75%
1,949,037	1,735,823	Individuals	5.13%	4.57%
340,323	340,323	Insurance Company	0.90%	0.90%
25,639	238,853	Joint Stock Companies	0.07%	0.63%
38,007,000	38,007,000		100%	100%

Notes to the Financial Statements

For the year ended December 31, 2018

		2018	2017
5. CREDITORS, ACCRUED EXPENSES AND OTHER LIABILITIES	Note	(Rupees)	
Trade creditors	5.1	2,044,999,990	994,962,051
Accrued expenses		53,810,393	46,511,016
Provision for staff bonus	5.2	20,780,276	39,880,732
Provision for Workers' Welfare Fund	5.3	38,718,402	36,701,439
Others		69,975,313	39,551,123
	5.4	2,228,284,374	1,157,606,361

5.1 This includes payables to PSX and National Clearing Company of Pakistan Limited (NCCPL) amounting to Rs.0.969 million (2017: Rs.1.488 million) and Rs.342.511 million (2017: Rs.300.118 million) respectively in respect of trading in securities, settled subsequent to the year end.

5.2 Movement of provision for staff bonus is as follows:

Balance at the beginning of the year	39,880,732	31,614,750
Paid during the year	(26,600,456)	(33,349,015)
Charged during the year	7,500,000	41,614,997
Balance at the end of the year	20,780,276	39,880,732

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.

In 2016, the Honorable Supreme Court of Pakistan passed a judgment on November 10, 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.2.017 million (December 31, 2017: Rs.4.049 million) for the year.

5.4 Included herein is a sum of Rs. 32.234 million (2017: Rs.14.368 million) payable to related parties.

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There are no outstanding contingencies as at December 31, 2018 (December 31, 2017: Nil) other than tax contingencies disclosed in note 24 of these financial statements.

Notes to the Financial Statements

For the year ended December 31, 2018

6.2 Commitments

Net - future sale transactions of equity securities entered into by the Company in respect of which the settlement is outstanding

2018

2017

(Rupees)

1,003,368,025

323,632,355

Bank Guarantee from a commercial bank in favor of National Clearing Company of Pakistan Limited expiring on May 25, 2019

400,000,000

400,000,000

Outstanding settlements against margin financing contracts - net

12,348,192

4,528,519

Outstanding against capital expenditure

112,021,268

-

7. PROPERTY AND EQUIPMENT

Note

2018

2017

(Rupees)

Operating assets - owned

7.1

60,518,917

72,418,722

Capital work-in-progress

7.2

156,238,206

1,384,810

216,757,123

73,803,532

7.1 Operating assets - owned

	2018							
	Cost			Rate	Accumulated Depreciation			Written down
	As at		As at	(%)	As at	Charge for the	As at	value as at
	January 01,	Additions /	December 31,		January 01,	year /	December 31,	December 31,
	2018	(disposals)	2018		2018	(disposals)	2018	2018
	----- (Rupees) -----				----- (Rupees) -----			
Office equipment	103,619,429	1,882,451 (327,250)	105,174,630	25 - 33	81,092,360	12,739,697 (311,165)	93,520,892	11,653,738
Office furniture	31,856,158	880,380 (6,879,000)	25,857,538	10	16,981,036	2,013,463 (6,878,999)	12,115,500	13,742,038
Motor vehicles	67,972,743	14,532,648 (18,030,511)	64,474,880	20	32,956,212	10,781,988 (14,386,461)	29,351,739	35,123,141
	203,448,330	17,295,479 (25,236,761)	195,507,048		131,029,608	25,535,148 (21,576,625)	134,988,131	60,518,917

Notes to the Financial Statements

For the year ended December 31, 2018

	2017							
	Cost			Rate (%)	Accumulated Depreciation			Written down value as at December 31, 2017
	As at January 01, 2017	Additions / (disposals)	As at December 31, 2017		As at January 01, 2017	Charge for the year / (disposals)	As at December 31, 2017	
	(Rupees)				(Rupees)			
Office equipment	94,766,336	9,545,978 (692,885)	103,619,429	25	69,190,663	12,460,433 (558,736)	81,092,360	22,527,069
Office furniture	24,006,240	7,849,918 -	31,856,158	10	14,727,738	2,253,298 -	16,981,036	14,875,122
Motor vehicles	53,235,418	14,737,325 -	67,972,743	20	22,435,545	10,520,667 -	32,956,212	35,016,531
	172,007,994	32,133,221 (692,885)	203,448,330		106,353,946	25,234,398 (558,736)	131,029,608	72,418,722

7.1.1 Disposal of Operating assets - owned

The following is a statement of Operating assets - owned disposed off during the year:

	Cost	Accumulated depreciation	Written down value	Proceeds / settlement	Gain	Particulars of buyer	Mode of disposal
	(Rupees)						
Office equipments							
Computer equipment	27,250	(11,166)	16,084	23,163	7,079	EFU General Insurance Limited	Insurance Claim
UPS	300,000	(299,999)	1	180,000	179,999	EFU General Insurance Limited	Insurance Claim
Office furniture							
Furniture	6,879,000	(6,878,999)	1	370,000	369,999	Adam Traders	Negotiation
Motor vehicles							
Motor Car	842,772	(842,771)	1	681,786	681,785	Mr. Mohammad Azeem	Negotiation
Motor Car	1,259,000	(1,258,999)	1	1,040,000	1,039,999	Mr. Zahid Qadri	Negotiation
Motor Car	1,874,510	(1,874,509)	1	1,320,000	1,319,999	Mrs. Samra Basit Ali	Negotiation
Motor Car	1,719,303	(1,158,192)	561,111	1,675,000	1,113,889	Mr. Wasim Mirza	Negotiation
Motor Car	1,083,090	(866,472)	216,618	835,000	618,382	Mr. Mohammad Azeem	Negotiation
Motor Car	2,503,570	(2,086,308)	417,262	1,775,000	1,357,738	Mr. Wasim Mirza	Negotiation
Motor Car	1,712,665	(1,623,603)	89,062	1,366,999	1,277,937	Mr. Mohammad Azeem	Negotiation
Motor Car	1,895,092	(1,200,226)	694,866	1,600,000	905,134	Mr. Wasim Mirza	Negotiation
Motor Car	1,899,994	(1,044,997)	854,997	1,756,400	901,403	Mr. Mohammad Azeem	Negotiation
Motor Car	1,542,045	(1,156,531)	385,514	1,325,000	939,486	Mr. Zahid Qadri	Negotiation
Motor Car	1,698,470	(1,273,854)	424,616	1,380,000	955,384	Mr. Mian Tanveer Tariq	Negotiation
December 31, 2018	25,236,761	(21,576,626)	3,660,135	15,328,348	11,668,213		
December 31, 2017	692,885	(558,736)	134,149	250,900	116,751		

7.2 Capital work-in-progress

Advance against capital expenditure

Note	2018	2017
	(Rupees)	
7.2.1	156,238,206	1,384,810

Notes to the Financial Statements

For the year ended December 31, 2018

7.2.1 This represents advances paid to various contractors and suppliers in respect of civil works pertaining to new premises where the Company will be shifted once the construction is completed.

	Note	2018 (Rupees)	2017
8. INTANGIBLE ASSETS			
Trading Right Entitlement Certificate (TREC) -			
Pakistan Stock Exchange Limited (PSX)	8.1	5,727,330	5,727,330
Membership card - Pakistan Mercantile Exchange Limited		2,500,000	2,500,000
		8,227,330	8,227,330
Softwares	8.2	52,010	373,148
Advance against acquisition of software	8.3	9,510,507	-
		17,789,847	8,600,478

8.1 This represents TREC received from PSX in accordance with the requirements of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012. The Company has also received shares of PSX after completion of the demutualization process.

8.2 Softwares

			2018				
Cost			Rate (%)	Accumulated Amortisation			Written down value as at December 31, 2018
As at January 01, 2018	Additions	As at December 31, 2018		As at January 01, 2018	Charge for the year	As at December 31, 2018	
(Rupees)				(Rupees)			
12,929,278	-	12,929,278	33.33	12,556,130	321,138	12,877,268	52,010

			2017				
Cost			Rate (%)	Accumulated Amortisation			Written down value as at December 31, 2017
As at January 01, 2017	Additions	As at December 31, 2017		As at January 01, 2017	Charge for the year	As at December 31, 2017	
(Rupees)				(Rupees)			
12,846,805	82,473	12,929,278	33.33	10,332,607	2,223,523	12,556,130	373,148

8.3 Represents advance paid to Saudi National Technology Group Co. Limited situated in Riyadh, Kingdom of Saudia Arabia amounting to Rs.9.510 million (2017: Rs.Nil) equivalent to \$ 75,000 for acquisition of software. The remaining payments will be made on progress billings.

Notes to the Financial Statements

For the year ended December 31, 2018

	Note	2018 ----- (Rupees) -----	2017
9. LONG TERM INVESTMENT			
Available-for-sale			
Shares in PSX - at cost [2,202,953 (2017: 2,202,953) shares]		23,060,884	23,060,884
Term finance / sukuk certificates - secured	9.1	129,000,000	-
Surplus on revaluation of available-for-sale investments	9.2	6,838,434	26,285,263
Current maturity	12	(16,900,000)	-
		141,999,318	49,346,147

9.1 Term Finance / Sukuk Certificates - secured

Number of Certificates		Name of term finance / sukuk certificates	Carrying value	
2018	2017		2018	2017
----- (Rupees) -----				
Listed				
3,000	-	Jahangir Siddiqui & Co. Limited XI - related party	15,000,000	-
520	-	Dawood Hercules Corporation Limited - Sukuk - I	52,000,000	-
600	-	Dawood Hercules Corporation Limited - Sukuk - II	60,000,000	-
20	-	BYCO Petroleum Pakistan Limited - Sukuk	2,000,000	-
			129,000,000	-

9.1.1 Significant terms and conditions of term finance / sukuk certificates outstanding at the year end are as follows:

Name of security	Face value (Rupees)	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Maturity	Rating
------------------	------------------------	-----------------------------------	-----------------------------	----------	--------

Listed debt securities - secured

Jahangir Siddiqui & Co. -
Limited XI -
related party

5,000

5,000

6 month
kibor +1.75%

March 6, 2023

AA+

Dawood Hercules -
Corporation Limited
Sukuk - I

100,000

100,000

3 month
kibor +1.00%

November 16, 2022

AA

Notes to the Financial Statements

For the year ended December 31, 2018

Name of security	Face value (Rupees)	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Maturity	Rating
Dawood Hercules - Corporation Limited Sukuk - I	100,000	100,000	3 month kibor +1.00%	March 01, 2023	AA
BYCO Petroleum - Pakistan Limited Sukuk - I	100,000	100,000	3 month kibor +1.05%	January 18, 2022	AAA

The term finance / sukuk certificates held by the Company are secured against pledged listed securities and first ranking pari passu floating charge over all movable properties of the issuer. The maximum aggregate amount of term finance certificate loans due from the related party at the end of any month during the year was Rs.15 million (2017: Rs.Nil).

Investments in associated companies have been made in accordance with the requirements under the Companies Act, 2017.

9.2 Movement of surplus on revaluation of available-for-sale investments is as follows:

Note	2018 ----- (Rupees) -----	2017 -----
Balance at the beginning of the year	26,285,263	85,713,382
Reclassified to Profit and loss during the year upon disposal (Reversed) / charged through Other Comprehensive Income during the year	- (19,446,829)	(53,673,985) (5,754,134)
Balance at the end of the year	6,838,434	26,285,263

10. LONG TERM LOANS AND DEPOSITS

Long term loans - secured and considered good

- Executives	10.1	5,307,367	6,277,706
- Employees		8,521,494	7,390,465
	10.2	13,828,861	13,668,171
Current maturity	14	(6,547,352)	(5,661,708)
	10.3	7,281,509	8,006,463
Security deposits	10.4	19,215,068	18,855,068
		26,496,577	26,861,531

10.1 Reconciliation of carrying amount of loans to executives:

Balance at the beginning of the year	6,277,706	8,302,487
Disbursements	2,834,000	3,620,000
Repayments	(3,804,339)	(5,644,781)
Balance at the end of the year	5,307,367	6,277,706

Notes to the Financial Statements

For the year ended December 31, 2018

10.2 Loan to executives and employees are given for purchase of house, home appliances and other personal goods at an interest rate of 6 months T-bill rate per annum in accordance with the Company's policy and terms of employment. The loans are repayable over a period of two to ten years.

10.3 Comparative figures have been restated to reflect changes in definition of executives as per Companies Act, 2017.

10.4 This includes Rs.1.55 million (2017: Rs.1.55 million) deposited with PSX, Rs.1.05 million (2017: Rs.1.05 million) with NCCPL, Rs.0.2 million (2017: Rs.0.2 million) with Central Depository Company of Pakistan Limited (CDC) and Rs.10.42 million (2017: Rs.10.42 million) with PMEX.

2018			
Opening	(Charge) / reversal to profit and loss account	Charge to other comprehensive income	Closing
----- (Rupees) -----			

11. DEFERRED TAXATION - NET

Taxable temporary difference

Difference in accounting and tax

base of intangible assets

Deductible temporary differences

Unused tax losses / credits

Accelerated depreciation

for tax purposes

Revaluation of investments

Provision for doubtful debts

-	-	-	-
7,705	(10,806)	-	
-	3,355,917	-	3,355,917
3,670,164	847,233		4,517,397
788,253	(284,719)	793,913	1,297,447
120,995,396	(8,066,360)	-	112,929,036
125,461,518	(4,158,735)	793,913	122,096,696

2017			
Opening	(Charge) / reversal to profit and loss account	Charge to other comprehensive income	Closing
----- (Rupees) -----			

Taxable temporary difference

Deductible temporary differences

Accelerated depreciation

for tax purposes

Difference in accounting and tax

base of intangible assets

Revaluation of investments

Provision for doubtful debts

-	-	-	-
1,645,034	2,025,130	-	3,670,164
37,921	(30,216)	-	7,705
(19,185,011)	161,253	19,812,011	788,253
120,995,396	-	-	120,995,396
103,493,340	2,156,167	19,812,011	125,461,518

Notes to the Financial Statements

For the year ended December 31, 2018

	Note	2018	2017
		(Rupees)	
12. SHORT TERM INVESTMENTS			
Financial asset at fair value through profit or loss - held-for-trading			
Quoted equity securities	12.1	993,811,509	322,414,005
Term finance / sukuk certificates - secured	12.2	8,356,537	17,677,751
Units of mutual fund		-	225,000,000
		1,002,168,046	565,091,756
Available-for-sale			
Privately placed term finance certificates - unsecured	12.3	-	-
Current maturity of long term investments - secured	9	16,900,000	-
Advance against subscription of sukuk certificates		-	52,000,000
		1,019,068,046	617,091,756

12.1 Quoted Equity Securities

Number of Shares		Name of company	2018		2017	
2018	2017		Average cost	Fair value		
(Rupees)						
3,988,500	-	The Bank of Punjab	50,322,140	47,742,345	-	
85,000	-	Askari Bank Limited	1,981,250	2,033,200	-	
745,000	-	Habib Bank Limited	92,628,323	89,735,250	-	
86,000	-	Cherat Cement Company Limited	5,900,356	5,989,900	-	
-	353,500	Fauji Fertilizer Company Limited	-	-	27,965,385	
1,401,000	21,500	National Bank of Pakistan	63,087,365	58,884,030	1,044,040	
1,162,000	-	Nishat Chunian Limited	60,709,925	56,449,960	-	
324,000	239,500	Oil & Gas Development Company Limited	42,476,335	41,472,000	38,988,205	
27,000	263,500	Pakistan State Oil Company Limited	6,507,221	6,086,610	77,234,485	
37,000	-	The Searle Company Limited	8,805,434	9,086,830	-	
375,500	70,000	United Bank Limited	49,013,385	46,051,320	13,157,900	
210,000	56,500	Attock Refinery Limited	34,527,031	30,979,200	13,227,780	
1,033,000	118,000	D. G. Khan Cement Company Limited	89,945,911	82,794,950	15,778,960	
9,000	-	Descon Oxychem Limited	267,210	259,290	-	
1,187,000	163,000	Engro Fertilizers Limited	85,499,030	81,962,350	11,038,360	
22,500	-	Engro Foods Limited	1,905,735	1,793,700	-	
64,500	129,000	Engro Corporation Limited	19,953,965	18,774,660	35,442,750	
62,000	-	Engro Polymer & Chemicals Limited	2,321,290	2,302,680	-	

Notes to the Financial Statements

For the year ended December 31, 2018

Number of Shares		Name of company	2018		2017
2018	2017		Average cost	Fair value	
(Rupees)					
		Fatima Fertilizer			
3,019,500	-	Company Limited	107,045,745	110,121,165	-
92,000	165,500	Fauji Cement Company Limited	1,904,400	1,925,560	4,139,155
197,000	-	Fauji Foods Limited	6,142,225	5,965,160	-
5,000		Gul Ahmed Textile Mills Limited	235,050	230,850	-
638,000	1,000	International Steels Limited	43,444,595	41,961,260	106,465
		Lotte Chemical			
111,000		Pakistan Limited	1,963,310	1,874,790	-
8,500		Lucky Cement Limited	3,945,750	3,694,695	-
		Maple Leaf Cement			
138,500	27,000	Factory Limited	6,068,440	5,630,025	1,847,880
1,000	-	Nishat Mills Limited	132,500	126,530	-
2,849,500	1,736,000	Pak Elektron Limited	75,230,577	70,952,550	82,442,640
72,000	-	Pioneer Cement Limited	3,092,330	3,017,520	-
3,000	-	Pakistan Oilfields Limited	1,248,000	1,274,460	-
1,069,000		Power Cement Limited	8,295,440	8,370,270	-
		Sui Northern Gas			
1,453,000		Pipelines Limited	115,146,365	111,982,710	-
		Sui Southern Gas			
962,000		Company Limited	23,672,127	22,222,200	-
857,500	-	Unity Foods Limited	24,405,150	22,063,489	-
			1,037,823,910	993,811,509	322,414,005
		Unrealised loss on			
		remeasurement at fair value			
		through profit or loss - net	(44,012,401)	-	-
			993,811,509	993,811,509	322,414,005

12.2 Term Finance / Sukuk Certificates - secured

Number of Certificates		Name of term finance / sukuk certificates Listed	2018		2017
2018	2017		Carrying Value	Fair value	
(Rupees)					
6,000	6,000	Jahangir Siddiqui & Co. Limited VIII - related party	5,306,601	5,262,143	14,306,601
597	597	Engro Corporation Limited Islamic - Rupiya Sukuk - II	3,308,703	3,094,394	3,371,150
		Unrealised loss on remeasurement at fair value through profit or loss	8,615,304 (258,767) 8,356,537	8,356,537 - 8,356,537	17,677,751 - 17,677,751

Notes to the Financial Statements

For the year ended December 31, 2018

12.2.1 Significant terms and conditions of term finance / sukuk certificates outstanding at the year end are as follows:

Name of security	Face value	Unredeemed face value / redemption value	Mark-up rate (per annum)	Maturity	Rating
------------------	------------	--	--------------------------	----------	--------

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

Listed debt securities - secured

Jahangir Siddiqui & Co.			6 month		
Limited VIII - related party	5,000	875	kibor +1.75%	April 8, 2019	AA+
Engro Corporation Limited					
Islamic - Rupiya Sukuk - II	5,000	5,000	13.50%	July 10, 2019	AA+

The term finance / sukuk certificates held by the Company are secured against pledged listed securities and first ranking pari passu floating charge over all movable properties of the issuer. The maximum aggregate amount of term finance certificate loans due from the related party at the end of any month during the year was Rs.14.25 million (2017: Rs.21 million).

Investments in associated companies have been made in accordance with the requirements under the Companies Act, 2017.

12.3 Privately Placed Term Finance Certificates - Unsecured

2018					
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)	12.3.1	October 19, 2020	326,456,184
		Provision for impairment			(326,456,184)
					-
2017					
					-

12.3.1 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	2018	2017
		----- (Rupees) -----	-----
Purchase of shares on behalf of clients		1,031,487,282	460,617,505
Advisory services		6,889,484	6,588,070
Forex and fixed income commission		5,687,848	7,851,079
Commodity		41,925,245	86,542,169
		1,085,989,859	561,598,823
Considered doubtful		403,317,987	403,317,987
		1,489,307,846	964,916,810
Provision for doubtful debts		(403,317,987)	(403,317,987)
	13.1	1,085,989,859	561,598,823

Notes to the Financial Statements

For the year ended December 31, 2018

13.1 Included herein is a sum of Rs.326.567 million (2017: Rs.2.448 million) receivable from related parties.

	Note	2018	2017
		(Rupees)	
14. LOANS AND ADVANCES - considered good			
Current maturity of long term loans - secured	10	6,547,352	5,661,708
Advances to staff		2,606,150	2,843,279
Advance for purchase of office - unsecured		2,500,000	2,500,000
Advance to suppliers		1,865,743	3,741,796
		13,519,245	14,746,783

15. SHORT-TERM DEPOSITS AND PREPAYMENTS

Deposits	15.1	126,174,758	151,751,252
Prepayments			
- Rent		1,177,839	28,927,410
- Others		8,886,715	3,566,706
		136,239,312	184,245,368

15.1 This includes Rs.105.536 million (2017: Rs.132.072 million) given to NCCPL against ready and future exposure.

16. INTEREST AND MARK-UP ACCRUED

Accrued mark-up on margin finance		9,352,285	13,946,723
Accrued mark-up on term finance / sukuk certificates		3,285,304	912,828
Profit receivable on bank deposits		46,975	289,518
		12,684,564	15,149,069

17. OTHER RECEIVABLES

Considered good

Unrealised gain on revaluation of future equity transactions		44,434,766	2,508,639
Dividend receivable		1,864,891	7,943,376
Others	17.1	10,645,019	11,265,346
		56,944,676	21,717,361
Sales tax paid on account of forex and advisory		16,009,999	16,009,999
Provision made against sales tax paid		(16,009,999)	(16,009,999)
		56,944,676	21,717,361

17.1 Included herein is a sum of Rs.3.114 million (2017: Rs.3.423 million) receivable from related parties.

Notes to the Financial Statements

For the year ended December 31, 2018

18. CASH AND BANK BALANCES

		2018	2017
		(Rupees)	
Cash with banks:			
- Current accounts		3,008,585	2,339,843
- PLS accounts	18.1	1,368,343,863	1,675,931,092
- Deposits maturing within 12 months	18.2	200,000,000	-
		1,571,352,448	1,678,270,935
Cash in hand		249,000	259,000
	18.3	1,571,601,448	1,678,529,935

18.1 Profit and loss / deposit accounts carry profit rates ranging from 3% to 9.50% (2017: 3.75% to 6.25%) per annum.

18.2 These term deposit certificates carry profit rate of 9.6% (2017: Nil) placed with the Parent Company. These term deposit certificates have maturities upto February 2019.

18.3 These include balances with the Parent Company amounting to Rs.1,564.143 million (2017: Rs.1,664.91 million).

18.4 Detail of customer assets held in designated bank accounts and CDC are as follows:

Customer assets held in the designated bank accounts	1,352,363,828	626,262,739
Customer assets held in the CDC	29,935,147,057	27,350,240,808
18.5 Securities pledged with financial institutions	3,001,505,809	3,234,085,827

19. OPERATING REVENUE

Brokerage and operating income	388,558,731	529,365,028
Advisory and consultancy fee	89,604,278	6,485,215
	478,163,009	535,850,243

20. CAPITAL GAIN ON SALE OF INVESTMENTS - NET

	Note	2018	2017
		(Rupees)	
Gain on sale of investment in open-end mutual funds		313,970	4,006
Gain on sale of quoted equity securities - net		28,171,549	6,758,358
Gain on sale of PSX shares	20.1	4,488,264	53,673,985
Gain on sale of term finance certificates / sukuk certificates - net		6,360,524	15,897,755
Gain on sale of government securities - net		373,033	2,522,250
		39,707,340	78,856,354

20.1 This represents gain on sale of PSX shares which was previously retained by the PSX at the rate of 10% of the selling price.

Notes to the Financial Statements

For the year ended December 31, 2018

	Note	2018	2017
		(Rupees)	
21. ADMINISTRATIVE AND OPERATING EXPENSES			
Salaries and benefits	21.1	274,594,879	307,753,497
Contribution to provident fund	21.2	14,400,194	13,058,898
Fee for directors / committee meetings	26	2,133,225	2,000,000
Printing and stationery		3,303,328	3,014,193
Telephone, fax, telegram and postage		10,436,701	11,317,934
Amortisation of intangible assets	8.2	321,138	2,223,523
Rent, rates and taxes		95,641,729	66,390,469
Vehicle running expenses		17,603,175	12,201,246
Electricity, gas etc.		8,624,172	8,284,145
Legal and professional charges		20,133,147	13,061,691
Insurance		13,402,444	12,929,255
Newspaper and periodicals		370,255	353,117
Entertainment		1,355,352	1,630,883
Advertisement and business promotion		7,193,931	10,723,316
Office supplies		3,912,147	2,510,114
Depreciation expense	7.1	25,535,148	25,234,398
Auditors' remuneration	21.3	2,700,000	1,507,000
Fees and subscription		20,604,237	28,673,385
Conveyance and traveling		23,267,529	26,379,769
Repairs and maintenance		15,103,051	12,938,357
Commission expenses		21,565,000	10,000
Computer expenses		9,473,696	9,164,914
PSX, Clearing House and CDC charges		39,425,594	48,716,318
Royalty	21.4	13,750,000	10,000,000
Contract and consultancy charges		4,345,000	4,050,000
Donation	21.5	602,386	200,000
		649,797,458	634,326,422
21.1 Number of employees at the end of the year		206	222
Average number of employees during the year		213	212

21.2 The Company's staff retirement benefits includes a separate provident fund - a defined contribution plan. The audited information related to the provident fund as at June 30, 2018 (which is accounting year end of the fund) is as follows:

	2018	2017
Number of employees	195	174
Size of provident fund - Total assets (Rupees)	89,386,118	66,271,302
Cost of investments made (Rupees)	87,644,742	50,715,183
Percentage of investments made	97%	76%
Fair value of investments (Rupees)	87,646,549	50,434,502
Break-up of investments - at amortised cost / fair value:		
- Balance in National / Special Savings Scheme		
Amount of investment (Rupees)	584,229	4,505,690
Percentage of size of the fund	1%	7%

Notes to the Financial Statements

For the year ended December 31, 2018

	2018	2017
- Balance in listed equity securities		
Amount of investment (Rupees)	-	1,278,900
Percentage of size of the fund	0%	2%
- Balance in Term Finance and sukuk certificates		
Amount of investment (Rupees)	1,700,652	2,205,676
Percentage of size of the fund	2%	3%
- Balance in scheduled banks		
Amount of investment (Rupees)	85,361,668	42,444,236
Percentage of size of the fund	95%	64%

21.2.1 Investments in collective investment schemes, listed equity and listed debt securities out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

	Note	2018	2017
		(Rupees)	
21.3 Auditors' remuneration			
Statutory audit fee		545,000	500,000
Half year review		290,000	250,000
Review of code of corporate governance		85,000	55,000
Other certifications		1,450,000	565,000
Out of pocket expenses and sales tax on services		330,000	137,000
		2,700,000	1,507,000

21.4 This represents the royalty payable to Mr. Jahangir Siddiqui (associated person) on account of use of "JS" as a part of Company's name under an agreement dated February 07, 2007 which has been amended through addendum dated April 23, 2018 whereby the Company agreed to pay Rs.15 million per annum effective from April 01, 2018. Registered address is D-185, Block 5, Clifton, Karachi.

21.5 Donation includes amount contribute to Diamer bhasha & Mohmand fund amounting to Rs.0.592 million (2017: Rs.Nil). Donation was not made to any donee fund in which any director of the Company or his spouse had any interest.

22. OTHER OPERATING INCOME - NET

Income from financial assets:

Profit on term finance and sukuk certificates		10,475,098	3,130,338
Return on cash margin on future contracts		4,119,258	10,227,395
Exchange gain / (loss) on foreign currency transactions		26,028	(9,828)
Profit earned on PLS accounts		78,441,294	104,798,595
		93,061,678	118,146,500

Income from non-financial assets:

Gain on sale of property and equipment	7.1.1	11,668,213	116,751
Other income		1,333,252	2,010,115
		13,001,465	2,126,866
		106,063,143	120,273,366

Notes to the Financial Statements

For the year ended December 31, 2018

23. FINANCE COST

		2018	2017
		(Rupees)	
Mark-up on running finance	23.1	-	3,863,127
Mark-up on commercial paper		-	37,543,709
Commission expense on bank guarantee	23.2	4,635,604	6,102,199
Bank and other charges		2,478,791	6,898,816
		7,114,395	54,407,851

23.1 During the year, the Company obtained short term running finance facilities from JS Bank Limited (a related party), a commercial bank, to meet exposure and working capital requirements, amounting to Rs. 590 million. It carries a markup at the rate of one month KIBOR plus 300 bps. The facility is secured against first pari pasu charge over current assets of the Company and is due to expire on April 30, 2019 with mark-up payable in quarterly instalments, however, there is no outstanding running finance liability balance against the facility at the year end.

23.2 During the year, the Company obtained a bank guarantee from a commercial bank, to meet exposure requirements, amounting to Rs.400 million. It were priced at 1.15% per annum and will be expiring on May 25, 2019.

24. TAXATION

24.1 Except for tax year 2009, 2014, 2015, 2016, 2017 and 2018 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.

24.2 For tax year 2009, an ITRA no. 07/2013 was filed by the Commissioner Inland Revenue against an order passed by the Learned Appellate Tribunal Inland Revenue (ATIR) in ITA no. 923/KB/2011 dated August 28, 2012 which was related to the apportionment of expenses, allowability of expenses and claiming of tax deducted at source aggregating to Rs. 61.16 million. However, the same is pending for decision before the Sindh High Court (SHC).

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 (ACIR). 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 (CIR-A) which is pending. The Company has also obtained stay against recovery of demand from SHC till the decision of CIR-A.

24.4 For tax year 2015, an order dated November 23, 2016 was passed under section 4B of the Ordinance by the Deputy Commissioner Inland Revenue (DCIR). Through said order, an income of Rs.810.584 million was computed under section 4B of the Ordinance and resultant demand of super tax of Rs. 24.318 million was raised. An appeal was filed against the above order before CIR-A on December 01, 2016 identifying various errors / details not considered. The CIR-A, has confirmed DCIR's order vide his order dated May 30, 2017. In pursuance of the order of CIR-A, the Company has filed appeal before ATIR along with application for stay against recovery of demand. The appeal before ATIR has been heard and order is reserved whilst ATIR vide order dated July 18, 2017 has granted stay for 60 days and subsequently the said stay was further extended vide various orders by ATIR. Subsequently, recovery of aforesaid tax demand has now been stayed by the Hon'able SHC through C.P No 4915 of 2018 vide order dated June 28, 2018 with direction to the Department not to enforce recovery of tax demand till the decision of ATIR.

24.5 For tax year 2016 and 2017, notices dated December 27, 2016 and January 3, 2018 were issued under section 4B of the Ordinance by the DCIR. In the said notices the DCIR has contended that the Company is liable to pay Super Tax amounting to Rs. 24.483 million and Rs. 19.490 million on 'income' of Rs. 816.122 million and Rs. 649.676 million for Tax Years 2016 and 2017 respectively. The Company has challenged both notices through writ petition before SHC on constitutional grounds wherein the SHC has, vide its orders dated January 16, 2017 and January 11, 2018 for Tax Years 2016 and 2017 respectively, has stated that no coercive action shall be taken against the Company. The DCIR passed the orders under section 4B vide order dated April 23, 2018 and May 4, 2018 for tax years 2016 and 2017 respectively to levy Super tax of above mentioned amounts under the view that SHC has not restrained the department from passing an order. In pursuance of the said orders, Company filed appeals which were confirmed by CIR-A vide its order dated October 12, 2018 for both years. The Company has filed appeals before Appellant Tribunal Inland Revenue (ATIR) against the orders of CIR-A which is pending. Meanwhile, the Company paid 50% of tax demand of both tax years to maintain the above suits in light of judgement of Hon'able Supreme Court of Pakistan (Civil Appeals No. 1171/2017 and other

Notes to the Financial Statements

For the year ended December 31, 2018

connected appeals) wherein, the pending suits are declared to be entertained on the condition that a minimum of 50% of tax demand is deposited with tax authorities during the pendency of appeal.

For tax year 2018, a notice under section 4B of the Ordinance by the DCIR dated December 7, 2018 was issued, contending that the Company is liable to pay Super Tax amounting to Rs. 45.211 million on 'income' of Rs. 1,507.039 million. The Company has challenged the notice on constitutional grounds before SHC through C.P. No. 8670 of 2018. The SHC, vide its order dated December 14, 2018, has stated that no coercive action shall be taken against the Company.

24.6 For tax year 2016, an amended assessment order has been passed under section 122(5A) of the Ordinance by the Additional Commissioner Inland Revenue (ACIR). Through the said order, the ACIR raised demand amounting to Rs. 241.217 million. Upon appeal filed, CIR-A confirmed the ACIR's order vide its order dated December 12, 2017. In pursuance of the order of CIR-A, the Company has filed appeal before ATIR which is pending for hearing. However, the recovery of aforesaid tax demands has been stayed by SHC through Suit No. 2675 of 2017 vide order dated December 26, 2017.

24.7 For tax year 2017, an amended assessment order has been passed under section 122(5A) of the Ordinance by the ACIR. Through the said order, the ACIR raised a demand amounting to Rs. 17.649 million. The Company has filed an appeal before CIR-A which has been heard, however, no order has been passed till date. The total tax demand was partially stayed by the order of SHC vide CP No. 5431 of 2017 dated August 16, 2017, while the remaining liability was adjusted from the available refunds as declared in the return for tax year 2017.

24.8 During 2013, the Company received a show cause notice from the Sindh Revenue Board (SRB) 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 before the CIR-A and after being decided against the Company, it subsequently filed an appeal before Appellate Tribunal SRB. During the year 2014, the Company paid an amount of Rs. 7.15 million in respect of the abovementioned liability before June 25, 2014 under the notification SRB 3-4/8/2014 to avail the exemption from application of penalty and 75% of default surcharge. Appellate Tribunal SRB vide order dated November 29, 2017 decided the issue of Sindh Sales Tax (SST) in favor of the Company. However, the issue of SST on advisory and consultancy services and commission earned on purchase/sale of mutual funds have been remanded back whilst the issue relating to SST on commission on foreign exchange dealing, services rendered outside Sindh and levy of default surcharge and penalty have been decided against the Company. The Company has filed a reference application before SHC in respect of the issues decided against the Company and remanded back.

During 2014, the Company also received another show cause notice from SRB under section 47 of the Sindh Sales Tax on Services Act, 2011. Subsequently, an order was passed raising a tax demand amounting to Rs. 10.77 million. The Company has filed an appeal against the order with CIR-A 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 SHC 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.

Furthermore, for fiscal year 2014 and 2015, SRB alleged short payment of SST vide Notice dated February 02, 2017. The Company has submitted all the required details in response to the notice and no order in this respect has been passed.

24.9 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 and subsequently issued an order raising a demand amounting to Rs.78.003 million for tax year 2010 to tax year 2013. The Company filed a rectification appeal, in addition, to filing 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, CIR-A on the matter of appeal filed by the Company issued an order in favor of the department vide its order dated January 31, 2017. In pursuance of the order of CIR-A the Company has filed an appeal before Appellate Tribunal SRB along with application for stay of demand which was granted initially for 30 days and was subsequently extended vide various orders. Appellate Tribunal SRB has decided the matter vide order dated December 20, 2017, received by us on April 09, 2018, whereby ATIR decided that FED is applicable only on the commission earned from trading of shares and no other type of commission comes under the ambit of FED. With this opinion, ATIR has remanded back the issue related to pre amendment era. For post amendment era, ATIR has relied upon the decision of SHC (stated above) and declared the charge of FED after July 01, 2011 null and void.

Notes to the Financial Statements

For the year ended December 31, 2018

	Note	2018 ----- (Rupees) -----	2017 -----
24.10 Reconciliation of tax charge for the year			
Profit before taxation		98,836,356	198,444,176
Tax at the applicable tax rate of 29% (2017: 30%)	24.10.1	28,662,543	59,533,253
Tax effect of income under Presumptive Tax Regime		(42,072,616)	(52,410,180)
Tax effect of prior year tax charge		9,617,363	17,925,528
Tax effect of non-deductible expenses		64,116,156	84,973,685
Tax effect of exempt income / permanent differences		584,950	1,174,465
Tax effect of change in tax rate		4,314,226	-
Tax effect of minimum tax and alternate corporate tax (ACT)		3,442,835	-
Others		4,533,762	1,717,722
		73,199,219	112,914,473

24.10.1 During the year 2018, the Federal Government has reduced income tax rate for non-banking companies from 30% to 29%. This amendment was introduced through Finance Act, 2018.

24.11 According to management, the tax provision made in the financial statements is sufficient. A comparison of last three years of income tax provision with tax assessed is presented below:

Provision for taxation	Tax year	Provision for taxation ----- (Rupees) -----	Tax assessed -----
December 31, 2017	2018	97,145,112	97,620,890
December 31, 2016	2017	71,065,171	70,156,141
December 31, 2015	2016	119,070,797	114,238,099

25. EARNINGS PER SHARE - BASIC AND DILUTED		2018 ----- (Rupees) -----	2017 -----
Profit after taxation		25,637,137	85,529,703
		----- (Number) -----	
Weighted average number of shares		38,007,000	38,007,000
		----- (Rupees) -----	
Earnings per share - basic and diluted		0.67	2.25

Notes to the Financial Statements

For the year ended December 31, 2018

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	
	2018	2017	2018	2017	2018	2017
	(Rupees)					
Managerial remuneration	16,363,636	15,272,727	-	-	106,703,257	87,032,612
Medical allowance	-	-	-	-	10,670,326	8,703,260
House rent allowance	1,472,727	1,374,545	-	-	-	-
Utilities allowance	163,636	152,728	-	-	-	-
Staff retirement benefits	1,199,999	1,120,000	-	-	7,301,783	6,332,120
Medical	471,135	64,867	-	-	-	-
Bonus	4,848,845	10,000,000	-	-	2,651,155	9,500,000
Fees for attending meetings	-	-	2,133,225	2,000,000	-	-
	24,519,978	27,984,867	2,133,225	2,000,000	127,326,521	111,567,992
Number of persons	1	1	7	7	42	36

26.1 Comparative figures have been restated to reflect changes in definition of executives as per Companies Act, 2017.

27. RELATED PARTY TRANSACTIONS

27.1 Following are the name of associated companies, related parties and associated undertakings with whom the Company had entered into transactions or had agreements in place during the year:

Name of Related parties	Relationship	Aggregate % of Shareholding by Related parties in JS Global Capital limited
JS Bank Limited	Parent company	67.16%
Jahangir Siddiqui & Co. Limited	Ultimate parent company	0.00%
CDC Trustee JS Islamic Pension Savings Fund Equity	Fund managed by group company	0.00%

Notes to the Financial Statements

For the year ended December 31, 2018

Name of Related parties	Relationship	Aggregate % of Shareholding by Related parties in JS Global Capital limited
JS Large Cap Fund (Formerly UTP Large Cap Fund)	Fund managed by group company	0.00%
JS Pension Savings Fund	Fund managed by group company	0.00%
JS Global Capital Limited - Staff Provident Fund	Post Employment Benefit plan of company	0.00%
JS Value Fund	Fund managed by group company	0.00%
MCFSL -Trustee JS Growth Fund	Fund managed by group company	0.00%
EFU General Insurance Limited - Employee Gratuity Fund	Post Employment Benefit plan of company in which there is major shareholding of ultimate parent company	0.00%
CDC Trustee -Unit Trust of Pakistan	Fund managed by group company	0.00%
EFU General Insurance Limited	Major shareholding of ultimate parent company	0.00%
EFU Life Assurance Limited	Major shareholding of ultimate parent company	0.90%
Energy Infrastructure Holding (Private) Ltd.	Subsidiary of ultimate parent company	0.00%
Jahangir Siddiqui Securities Services Limited	Subsidiary of controlling person	0.00%
Jahangir Siddiqui & Sons Limited	Subsidiary of controlling person	0.00%
JS Bank Limited - Staff Provident Fund	Post Employment Benefit plan of parent company	0.00%
JS Islamic Fund	Fund managed by group company	0.00%
Mr. Adil Matcheswala	Key Management Personnel of parent company	0.00%
Mr. Rizwan Khan	Key Management Personnel of company	0.00%
Mr. Suleman Lalani	Key Management Personnel of ultimate parent company	0.00%
Mr. Ashraf Nawabi	Key Management Personnel of parent company	0.00%
Mr. Junaid Mirza	Key Management Personnel of company	0.00%
Mr. Muhammad Kamran Nasir	Key Management Personnel of company	0.00%
Mr. Jahangir Siddiqui	Controlling person	0.57%
JS Investments Limited	Subsidiary of parent company	0.00%
JS Cash Fund	Fund managed by group company	0.00%

27.2 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:

	2018		2017	
	Key management personnel of entity and associated entities	Associated entities other than parent company	Key management personnel of entity and associated entities	Associated entities other than parent company
	(Rupees)			
Trade debts				
Opening balance	167,470	2,230,737	-	1,156,355
Invoiced during the year	29,571,166	18,966,515,485	249,290,939	2,909,356,145
Received during the year	(28,987,484)	(18,842,198,197)	(249,123,469)	(2,908,281,763)
Closing balance	751,152	126,548,025	167,470	2,230,737
Trade payable				
Opening balance	43,838	14,323,967	267,986	141,150,723
Invoiced during the year	23,560,575	3,533,520,498	85,202,709	17,979,736,055
Paid during the year	(22,696,142)	(3,526,956,510)	(85,426,857)	(18,106,562,811)
Closing balance	908,271	20,887,955	43,838	14,323,967

Notes to the Financial Statements

For the year ended December 31, 2018

	2018		2017	
	Key management personnel of entity and associated entities	Associated entities other than parent company	Key management personnel of entity and associated entities	Associated entities other than parent company
	(Rupees)			
Loans and advances				
Opening balance	4,833,988	-	7,049,559	-
Disbursements during the year	3,085,000	-	2,450,000	-
Repayments during the year	(3,850,673)	-	(4,665,571)	-
Closing balance	4,068,315	-	4,833,988	-

	2018	2017
	(Rupees)	
Balances with parent company		
Trade debts	179,797	48,535
Other receivables	1,188,651	1,188,651
Bank balances with parent company	1,564,143,145	1,664,914,722
Other payable	4,206,960	4,061,960
Balances with ultimate parent company		
Trade debts	199,087,961	-
Other receivables	233,465	542,325
Mark-up receivable on term finance certificates	617,937	259,733
Principal outstanding on term finance certificates	20,250,000	14,306,601
Rent payable	160,000	-
Balances with associated entities of group companies		
Other receivables	1,692,038	1,692,038
Prepaid Rent	-	27,316,800
Rent Payable	6,070,400	-
Security Deposit	3,035,200	3,035,200
Transactions with associated companies		
Nature of transactions		
Payment on account of expenses to associated companies	-	154,155

Notes to the Financial Statements

For the year ended December 31, 2018

	2018	2017
	(Rupees)	
Transactions with associated entities of group companies		
Nature of transactions		
Brokerage income	23,613,013	24,836,780
Purchase of units of JS Cash Fund	250,000,000	-
Redemption of units of JS Cash Fund	250,087,717	-
Payment of advance rent and security deposit	-	33,387,200
Transactions with the parent company		
Nature of transactions		
Purchase of Pakistan investment bonds	21,621,204	30,417,480
Sale of Pakistan investment bonds	-	4,024,692
Purchase of sukuk certificates	2,026,237	-
Brokerage income	1,582,203	2,555,411
Commission expense	21,000,000	-
Rent, utilities and consultancy charges	4,200,000	5,897,742
Bank charges	2,284,110	4,308,897
Mark up on running finance	-	1,000,548
Profit on PLS accounts	77,663,776	100,555,028
Transactions with ultimate parent company		
Nature of transactions		
Brokerage income	1,141,430	2,868,658
Reimbursement of expenses by the ultimate parent company	4,027,478	-
Reimbursement of expenses to the ultimate parent company	66,025,085	55,386,763
Market maker fee received	12,020,768	200,000
Mark-up received on term finance certificates	1,592,166	1,153,502
Principal received on term finance certificates	9,000,000	3,000,000

Notes to the Financial Statements

For the year ended December 31, 2018

	2018	2017
	(Rupees)	
Transactions with key management personnel of the Company and its parent company		
Nature of transactions		
Brokerage income	269,208	181,139
Director's Remuneration	2,136,164	2,000,000
Remuneration paid to Chief Executive Officer	31,134,519	28,189,635
Remuneration paid to key management personnell	92,343,315	111,567,992
Transactions with other related parties		
Nature of transactions		
Royalty expense	13,750,000	10,000,000
Insurance expense	9,928,603	6,143,928
Insurance claim	203,163	250,900
Purchase of term finance certificates	46,974,752	-
Sale of term finance certificates	32,145,951	-
Capital gain on sale of term finance certificates	160,101	-
Purchase of sukuk certificates	25,635,314	-
Capital gain on sale of sukuk certificates	1,892,929	10,000,000
Contributions to staff provident fund	14,400,194	13,058,898
Sale of sukuk certificates	413,133,600	1,012,500,000
Security Deposit	-	3,035,200

Notes to the Financial Statements

For the year ended December 31, 2018

28. OPERATING SEGMENTS

	2018			
	Brokerage	Investment and treasury	Other operations	Total
	(Rupees)			
Segment revenues	388,558,731	307,935,459	93,874,042	790,368,232
Loss on remeasurement of investments	-	(44,271,168)	-	(44,271,168)
Administrative and operating expenses	(332,631,979)	(62,717,027)	(228,592,166)	(623,741,172)
Depreciation	(16,682,686)	(175,454)	(8,677,008)	(25,535,148)
Amortisation of intangible assets	-	-	(321,138)	(321,138)
Finance cost	(7,114,395)	-	-	(7,114,395)
	32,129,671	200,771,810	(143,716,270)	89,185,211
Gain on sale of property and equipment				11,668,213
Provision for Sindh Workers' Welfare Fund				(2,017,068)
Taxation				(73,199,219)
Profit after tax				25,637,137
Segment assets	2,894,192,564	1,698,463,387	247,391,041	4,840,046,992
Segment liabilities	2,071,628,673	-	160,017,544	2,231,646,217
Capital expenditure	90,041,396	63,287,234	18,820,245	172,148,875
Non cash items other than depreciation and amortisation				
- Loss on remeasurement of investments	-	(44,271,168)	-	(44,271,168)
- Gain on remeasurement of future equity derivatives	-	44,434,766	-	44,434,766

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, 2018 and December 31, 2017 are located and operating in Pakistan.

	2017			
	Brokerage	Investment and treasury	Other operations	Total
	(Rupees)			
Segment revenues	529,365,028	348,487,315	17,512,897	895,365,240
Loss on remeasurement of investments	-	(4,253,661)	-	(4,253,661)
Administrative and operating expenses	(352,157,453)	(74,241,653)	(180,469,395)	(606,868,501)
Depreciation	(13,827,900)	(217,790)	(11,188,708)	(25,234,398)
Amortisation of intangible assets	-	-	(2,223,523)	(2,223,523)
Finance cost	(21,244,241)	(33,163,610)	-	(54,407,851)
	142,135,434	236,610,601	(176,368,729)	202,377,306

Notes to the Financial Statements

For the year ended December 31, 2018

	2017			
	Brokerage	Investment and treasury	Other operations	Total
	(Rupees)			
Gain on sale of property and equipment				116,751
Provision for Sindh Workers' Welfare Fund				(4,049,881)
Taxation				(112,914,473)
Profit after tax				85,529,703
Segment assets	1,539,085,361	2,100,928,991	122,439,905	3,762,454,257
Segment liabilities	1,025,280,095	-	135,757,608	1,161,037,703
Capital expenditure	25,777,690	125,019	6,230,512	32,133,221
Non cash items other than depreciation and amortisation				
- Gain on remeasurement of investments	-	(4,253,661)	-	(4,253,661)
- Gain on remeasurement of future equity transactions	-	2,508,639	-	2,508,639

29. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

29.1 Financial instruments by category

29.1.1 Financial assets

	2018			
	At fair value through profit or loss - held for trading	Available-for-sale	Loans and receivables	Total
	(Rupees)			
Long term loans and deposits	-	-	26,496,577	26,496,577
Long term investments	-	141,999,318	-	141,999,318
Short term investments	1,019,068,046	-	-	1,019,068,046
Trade debts	-	-	1,085,989,859	1,085,989,859
Receivable against margin finance	-	-	297,726,631	297,726,631
Loans and advances	-	-	9,153,502	9,153,502
Short-term deposits	-	-	126,174,758	126,174,758
Interest and mark-up accrued	-	-	12,684,564	12,684,564
Other receivables	44,434,766	-	12,509,910	56,944,676
Cash and bank balances	-	-	1,571,601,448	1,571,601,448
	1,063,502,812	141,999,318	3,142,337,249	4,347,839,379

Notes to the Financial Statements

For the year ended December 31, 2018

	2017			
	At fair value through profit or loss - held for trading	Available-for-sale	Loans and receivables	Total
	(Rupees)			
Long term loans and deposits	-	-	26,861,531	26,861,531
Long term investments	-	49,346,147	-	49,346,147
Short term investments	617,091,756	-	-	617,091,756
Trade debts	-	-	561,598,823	561,598,823
Receivable against margin finance	-	-	328,167,003	328,167,003
Loans and advances	-	-	8,504,987	8,504,987
Short-term deposits	-	-	151,751,252	151,751,252
Interest and mark-up accrued	-	-	15,149,069	15,149,069
Other receivables	2,508,639	-	19,208,722	21,717,361
Cash and bank balances	-	-	1,678,529,935	1,678,529,935
	619,600,395	49,346,147	2,789,771,322	3,458,717,864

29.1.2 Financial liabilities

	2018		
	Amortised cost	At fair value through profit or loss	Total
	(Rupees)		
Creditors, accrued expenses and other liabilities	2,189,565,972	-	2,189,565,972
Unclaimed dividend	3,361,843	-	3,361,843
	2,192,927,815	-	2,192,927,815

	2017		
	Amortised cost	At fair value through profit or loss	Total
	(Rupees)		
Creditors, accrued expenses and other liabilities	1,120,904,922	-	1,120,904,922
Unclaimed dividend	3,431,342	-	3,431,342
	1,124,336,264	-	1,124,336,264

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:

Notes to the Financial Statements

For the year ended December 31, 2018

- 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. 403.318 million (refer note 13 to the financial statements) and impairment against investment in Privately Placed Term Finance Certificates amounting to Rs.326.456 million (refer note 12.3 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:

	2018	2017
	(Rupees)	
Long term loans and deposits	26,496,577	26,861,531
Short term investments	25,256,537	294,677,751
Long term investments	112,100,000	-
Trade debts	1,085,989,859	561,598,823
Receivable against margin finance	297,726,631	328,167,003
Loans and advances	9,153,502	8,504,987
Short-term deposits	126,174,758	151,751,252
Interest and mark-up accrued	12,684,564	15,149,069
Other receivables	12,509,910	19,208,722
Bank balances	1,571,352,448	1,678,270,935
	3,279,444,786	3,084,190,073

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	1,381,120,329	889,181,996
Foreign clients	2,596,161	583,830
	1,383,716,490	889,765,826

The ageing of trade debts as at year reporting date is as follows:

Notes to the Financial Statements

For the year ended December 31, 2018

	2018			2017		
	Gross	Impairment	Net	Gross	Impairment	Net
	(Rupees)					
Past due 1-30 days	1,072,623,528	-	1,072,623,528	546,307,796	-	546,307,796
Past due 31 days -180 days	8,902,817	-	8,902,817	11,825,886	-	11,825,886
Past due 181 days -1 year	1,106,584	-	1,106,584	1,663,286	-	1,663,286
More than one year	406,674,917	403,317,987	3,356,930	405,119,842	403,317,987	1,801,855
Total	1,489,307,846	403,317,987	1,085,989,859	964,916,810	403,317,987	561,598,823

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, other receivables and loans and advances from related parties as at year reporting date is as follows:

	Total	Past due 1-30 days	Past due 31 days -180 days	Past due 181 days - 1 year	More than one year
2018					
Trade debts	326,566,935	325,672,730	288,252	4,069	601,884
Other receivables	3,114,154	233,465	-	-	2,880,689
Loans and advances	4,068,315	375,000	982,190	-	2,711,125
2017					
Trade debts	2,478,851	1,755,851	122,252	942	599,806
Other receivables	3,423,014	542,325	-	-	2,880,689
Loans and advances	4,833,988	969,025	799,722	-	3,065,241

No provision has been recognized in respect of these trade debts, other receivables and loans and advances in these financial statements.

29.2.1.2 Bank balances

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

	2018	2017
	(Rupees)	
AAA	3,779,562	9,534,256
AA +	3,045,464	972,597
AA	377,202	2,841,376
AA -	1,564,143,145	1,664,914,724
BBB-	7,075	7,982
	1,571,352,448	1,678,270,935

Notes to the Financial Statements

For the year ended December 31, 2018

29.2.1.3 Investment in debt securities

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

		2018	
		(Rupees)	Percentage
Term Finance / Sukuk Certificates			
Credit rating			
AA+		23,356,567	17.00%
AA		112,002,868	81.54%
AAA		2,002,348	1.46%
		137,361,783	100%
		2017	
		(Rupees)	Percentage
Term Finance / Sukuk Certificates			
Credit rating			
AA+		17,677,751	100.00%
		17,677,751	100.00%

29.2.1.4 Concentration of credit risk

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

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

	2018		2017	
	(Rupees)	%	(Rupees)	%
Services (including insurance)	326,374,052	23.59%	3,448,812	0.39%
Manufacturing	47,390	0.00%	4,124,958	0.46%
Banking and financial institutions	273,990,431	19.80%	392,197,048	44.08%
Individuals	783,304,617	56.61%	489,995,008	55.07%
	1,383,716,490	100.00%	889,765,826	100.00%

29.2.2 Liquidity risk

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

Notes to the Financial Statements

For the year ended December 31, 2018

2018					
Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years	Two to five years
(Rupees)					
Financial liabilities					
Creditors, accrued expenses and other liabilities	2,189,565,972	2,189,565,972	2,189,565,972	-	-
Unclaimed dividend	3,361,843	3,361,843	3,361,843	-	-
	2,192,927,815	2,192,927,815	2,192,927,815	-	-

2017					
Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years	Two to five years
(Rupees)					
Financial liabilities					
Creditors, accrued expenses and other liabilities	1,120,904,922	1,120,904,922	1,120,904,922	-	-
Unclaimed dividend	3,431,342	3,431,342	3,431,342	-	-
	1,124,336,264	1,124,336,264	1,124,336,264	-	-

On the balance sheet date, the Company has cash and bank balances of Rs.1,572 million (2017: Rs.1,678 million) as mentioned in note 18 and unutilised credit lines of Rs.990 million (2017: Rs.800 million) against the investments of the Company.

29.2.3 Market risk

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

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

Currency risk

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

Financial assets and liabilities exposed to foreign exchange rate risk amounts to Rs.Nil equivalent to USD Nil (2017: Nil) at the year end.

Statement of Financial Position Date Rate	
2018	2017
Pak rupees / US Dollar	
138.86	110.42

Notes to the Financial Statements

For the year ended December 31, 2018

Sensitivity analysis

A 10% strengthening / weakening of the Rupee against US Dollar at December 31, 2018 would have increased / (decreased) the profits of the Company as follows:

	Impact on profit before tax	
	2018	2017
	----- (Rupees) -----	
Strengthening of Rupees by 10%	-	-
Weakening of Rupees by 10%	-	-

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, 2018, investments in term finance and sukuk certificates exposed to interest rate risk are detailed in note 9.1 and 12.2 to the financial statements. Cash and cash equivalents are not subject to cash flow and fair value interest rate risk.

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

	Carrying amount	
	2018	2017
	----- (Rupees) -----	
Fixed rate investments (notes 12.2 and 18)	1,571,438,257	1,679,302,242
Variable rate investments (note 9.1 and 12.2)	431,988,774	342,473,604

Cash flow sensitivity analysis for variable rate instruments

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

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

	Impact on profit before tax	
	100 bp increase	100 bp decrease
	----- (Rupees) -----	
As at December 31, 2018		
Cash flow sensitivity - variable rate instruments	4,319,888	(4,319,888)
As at December 31, 2017		
Cash flow sensitivity - variable rate instruments	3,424,736	(3,424,736)

Notes to the Financial Statements

For the year ended December 31, 2018

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.

	Impact on profit before tax	
	100 bp increase	100 bp decrease
	----- (Rupees) -----	
As at December 31, 2018		
Sukuk certificates	(30,944)	30,944
	<u>(30,944)</u>	<u>30,944</u>
As at December 31, 2017		
Sukuk certificates	(33,712)	33,712
	<u>(33,712)</u>	<u>33,712</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 statement of profit or loss of the Company is as follows:

	Impact on profit before tax	
	10% increase	10% decrease
	----- (Rupees) -----	
As at December 31, 2018		
Quoted equity securities	2,989,407	(2,989,407)
	<u>2,989,407</u>	<u>(2,989,407)</u>
As at December 31, 2017		
Quoted equity securities	4,934,615	(4,934,615)
	<u>4,934,615</u>	<u>(4,934,615)</u>

Notes to the Financial Statements

For the year ended December 31, 2018

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 behavior. 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; and
- risk mitigation, including insurance where this is effective.

29.3 Fair value of financial instruments

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

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

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

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

	2018			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Quoted equity securities	993,811,509	-	-	993,811,509
Term finance / sukuk certificates - secured	-	8,356,537	-	8,356,537
	<u>993,811,509</u>	<u>8,356,537</u>	<u>-</u>	<u>1,002,168,046</u>
Available-for-sale				
Listed securities	158,899,318	-	-	158,899,318
	<u>158,899,318</u>	<u>-</u>	<u>-</u>	<u>158,899,318</u>

Notes to the Financial Statements

For the year ended December 31, 2018

Financial assets at fair value through profit or loss	2017			
	Level 1	Level 2	Level 3	Total
Quoted equity securities	322,414,005	-	-	322,414,005
Term finance / sukuk certificates - secured	-	17,677,751	-	17,677,751
Units of mutual funds	-	225,000,000	-	225,000,000
	<u>322,414,005</u>	<u>242,677,751</u>	<u>-</u>	<u>565,091,756</u>
Available-for-sale				
Listed securities	49,346,147	-	-	49,346,147
	<u>49,346,147</u>	<u>-</u>	<u>-</u>	<u>49,346,147</u>

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.

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.

Net Capital requirements of the Company are set and regulated by PSX. These requirements are put in place to ensure sufficient solvency margins and are based on excess of current assets over current liabilities. The company manages its net capital requirements by assessing its capital structure against required capital level on a regular basis.

30. DISCLOSURE UNDER REGULATION 5(4) OF RESEARCH ANALYST REGULATIONS, 2015

At present, JSGCL employs ten members in its research department (including head of research, three senior analysts, three junior analysts, a technical analysts, 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, 2018, the personnel employed in the Research Department have drawn an aggregate salary and benefits amounting to Rs.23.214 million, which comprises basic salary, medical allowance, provident fund and other benefits as per company policy.

31. NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

31.1 The Board of Directors have proposed cash dividend of Nil (December 31, 2017: Nil) amounting to Rs. Nil (December 31, 2017: Rs.Nil) and bonus of Nil (December 31, 2017: Nil) in their meeting held on February 19, 2019. This appropriation will be approved in the forthcoming Annual General Meeting.

31.2 The Finance Act 2018, has levied a tax at the rate of 5% to be imposed on every public company that derives profit for a tax year but does not distribute atleast 20% of its after tax profits ('requisite dividend') within six months of the end of the tax year ('requisite time') through cash. Any liability in this respect will be recognised when the requisite time expires without the Company having distributed the requisite dividend.

Notes to the Financial Statements

For the year ended December 31, 2018

32. CORRESPONDING FIGURES

Comparative figures have been re-arranged and reclassified wherever necessary to comply with the requirements of Companies Act, 2017 and for the purpose of comparison and better presentation, in the current year. However, there are no material reclassification / re-arrangement to report. Following major reclassification has been made.

Reclassified from component	Reclassified to component	2017 --- (Rupees) ---
Creditors, accrued expenses and other liabilities	Unclaimed dividend (Disclosed on the face of statement of financial position)	3,431,342
Loans and advances - considered good	Property and equipment (Disclosed in capital work-in-progress)	1,384,810
Other operating income - net	Unrealised gain on remeasurement of derivatives at fair value through profit or loss - net (Disclosed on the face of statement of profit or loss)	2,508,639

33. DATE OF AUTHORISATION

These financial statements were authorised for issue in the Board of Directors' meeting held on February 19, 2019.

Muhammad Yousuf Amanullah
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Pattern of Shareholding

For the year ended December 31, 2018

# Of Shareholders	Shareholdings'Slab			Total Shares Held
491	1	to	100	5,455
207	101	to	500	63,980
97	501	to	1000	84,723
156	1001	to	5000	313,800
20	5001	to	10000	155,817
6	10001	to	15000	77,115
4	15001	to	20000	67,238
1	20001	to	25000	21,000
4	25001	to	30000	110,993
1	30001	to	35000	31,000
1	40001	to	45000	42,000
2	45001	to	50000	95,000
1	50001	to	55000	54,054
1	75001	to	80000	77,500
1	165001	to	170000	167,000
1	215001	to	220000	218,501
1	340001	to	345000	340,323
1	385001	to	390000	389,500
1	10165001	to	10170000	10,166,832
1	25525001	to	25530000	25,525,169
998				38,007,000

S.No.	Categories of Shareholders	No. of Shareholders	Total Shares Held	Percentage
1	Individuals	970	1,949,037	5.13%
2	Insurance Companies	1	340,323	0.90%
3	Joint Stock Companies	-	-	0.00%
4	Financial Institutions	1	25,525,169	67.16%
5	Foreign Institutions	1	10,166,832	26.75%
6	Others	25	25,639	0.07%
		998	38,007,000	100%

*Includes 679 CDC Beneficial Owners as appeared in CDS.

Pattern of Shareholding

For the year ended December 31, 2018

<u>Categories of Shareholders</u>	<u>No.</u>	<u>Shares Held</u>
Associated Companies, Undertakings And Related Parties		
Js Bank Limited	1	25,525,169
Global Investment House	1	10,166,832
Mr. Jahangir Siddiqui	1	218,501
	<u>3</u>	<u>35,910,502</u>
NIT and ICP	Nil	Nil
Directors, Ceo And Their Spouses And Minor Children		
Mr. Muhammad Kamran Nasir	1	1
Mr. Khurshid Hadi	1	1
Mr. Abdul Hamid Mihrez	1	4
Mr. Ammar Talib Hajeyah	1	4
Mr. Muhammad Khalil Ur Rehman*	1	1
Mr. Munir Hassan Tahir	1	4
Mr. Junaid Imran	1	1
Mr. Raja Abdullah Khan*	1	1
Mr. Muhammad Yousuf Amanullah*	-	-
Mr. Khurram Shaikh*	-	-
	<u>8</u>	<u>17</u>
Executives	Nil	Nil
Public Sector Companies and Corporations	Nil	Nil
Banks, development finance institutions, non-banking finance companies, insurance companies, takaful, modarabas, mutual and pension funds	<u>1</u>	<u>340,323</u>
Joint Stock Companies and Others	<u>25</u>	<u>25,639</u>
Individuals	<u>961</u>	<u>1,730,519</u>
Total	<u>998</u>	<u>38,007,000</u>

*Mr. Muhammad Yousuf Amanullah and Mr. Khurram Shaikh have been appointed on October 22, 2018 in place of outgoing directors Mr. Raja Abdullah Khan and Mr. Muhammad Khalil-Ur Rehman respectively. However shares were transferred subsequent to year end when regulatory approvals from PSX and SECP were received.

Pattern of Shareholding

For the year ended December 31, 2018

Share holders holding 5% or more

Shares Held

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

The Directors, CEO, COO, CFO, Head of Internal Audit, 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, 2018.

Form of Proxy

18th Annual General Meeting

The Company Secretary
JS Global Capital Limited
17th & 18th Floor, The Center, Plot No. 28
S.B.5, Abdullah Haroon Road, Karachi.

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) _____
_____ of 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 **April 29, 2019** and / or any Adjournment thereof.
As witness my / our hand / seal this _____ day of 2019.

Signed by _____

in the presence of _____

Witness:

1. Name _____

Signature _____

Address _____

CNIC or Passport No.: _____

Witness:

2. Name _____

Signature _____

Address _____

CNIC or Passport No.: _____

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

The Signature should
agree with the
specimen registered
with Company.

Form of Proxy

18th Annual General Meeting

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 17th & 18th Floor, The Center, Plot No. 28, S.B.5, Abdullah Haroon Road, Karachi, not less than 48 hours before the time of holding meeting.
3. No Person shall act as proxy unless he / she himself / herself is a member of the Company, except that a corporation may appoint a person who is not a member.
4. If a member appoints more than one proxy and / or more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
5. Beneficial Owner of the physical shares and the shares registered in the name of Central Depository Company of Pakistan Ltd. (CDC) and / or their proxies are required to produce their original Computerized National Identity Card (CNIC) or passport for identity purpose at the time attending the meeting. The form of Proxy must be submitted with the Company within the stipulated time, duly witnessed by two persons whose name, addresses and CNIC numbers must be mentioned on the form, along with attested copies of CNIC or the passport of the beneficial owner and the proxy. In case of corporate entity, the Board of Directors' Resolution/Power of Attorney with specimen signature shall be submitted along with Proxy form.

**AFFIX
CORRECT
POSTAGE**

The Company Secretary
JS Global Capital Limited
17th & 18th Floor, The Center,
Plot No. 28, S.B.5,
Abdullah Haroon Road,
Karachi-

اہم:

- 1- کمپنی کا ممبر اپنی جگہ شرکت اور ووٹ دینے کے لئے ممبر کو بطور پراکسی منتخب کرنے کا حق رکھتا/رکھتی ہے۔
- 2- مکمل اور دستخط شدہ پراکسی فارم کمپنی کے آفس بمقام سٹرویں اور اٹھارویں منزل، دی سینٹر، پلاٹ نمبر 28، ایس۔ بی۔ 5، عبداللہ ہارون روڈ، کراچی پر اجلاس کے انعقاد سے 48 گھنٹے قبل ضرور موصول ہو جانے چاہئیں۔
- 3- کوئی فرد بطور پراکسی اجلاس میں شرکت نہیں کر سکتا/ کر سکتی بشرطیکہ وہ خود کمپنی کا/ کی ممبر نہ ہو، ماسوائے کارپوریشن کے جو اس فرد کو پراکسی نامزد کر سکتا/ کر سکتی ہو جو ممبر نہ ہو۔
- 4- اگر ممبر ایک سے زائد پراکسیز نامزد کرتا/ کرتی ہے اور/یا کمپنی کے کسی ممبر کی جانب سے پراکسی کے ایک سے زائد اسٹرومنٹس جمع کروائے جاتے ہیں تو ایسے تمام اسٹرومنٹس غیر مستند تصور کئے جائیں گے۔
- 5- فزیکل شیئرز کے بینیفیشل اونرز اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (CDO) کے نام پر رجسٹر ہونے والے شیئرز اور/یا ان کی پراکسیز کو اپنے اصل کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا پاسپورٹ بطور شناخت اجلاس میں شرکت کے لئے پیش کرنے ہوں گے۔ پراکسی فارم کمپنی کو مقررہ وقت پر، دو افراد کی گواہی کے ساتھ جن کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) نمبرز فارم پر بیان کئے گئے ہوں، مع بینیفیشل اونرز اور پراکسی کے کمپیوٹرائزڈ قومی شناختی کارڈ کی تصدیق شدہ نقول یا پاسپورٹ جمع کروادیے جائیں۔ کارپوریٹ انٹیلی کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی بمع نمونے کے دستخط پراکسی فارم کے ساتھ جمع ہوگی۔

درست ٹکٹ چپکائیں








کمپنی سیکریٹری
JS گلوبل کمپیٹل لمیٹڈ
سٹرویں اور اٹھارویں منزل، دی سینٹر،
پلاٹ نمبر 28، ایس۔ بی۔ 5،
عبداللہ ہارون روڈ، کراچی۔



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Annual Report 2018

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Abdullah Haroon Road, Karachi, Pakistan
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Stock Exchange Branch

Room No. 634, 6th Floor, Stock Exchange Building,
Stock Exchange Road, Karachi

Gulshan-e-Iqbal Branch

Suite No. 607/A, 6th Floor, Al Ameen Towers, Plot No. E-2,
Block-10, Gulshan-e-Iqbal, Main NIPA, Karachi

Hyderabad Branch

Ground Floor, State Life Building No. 3,
Thandi Sarak, Hyderabad

Islamabad Branch

Room No. 413, 4th Floor, ISE Towers, 55-B,
Jinnah Avenue, Islamabad

Rawalpindi Branch

Shop No.s 1-2, 1st Floor, Falcon Empire Plaza No. 101,
Civic Center, Phase - IV, Bahria Town, Islamabad

Lahore Branch - I

Office No. 135-Y, 1st Floor, Street No. 11, Phase-III,
D.H.A., Lahore

Lahore Branch - II

Plot No. 434-G/1, Johar Town,
Lahore

Faisalabad Branch

G-4, Meezan Executive Tower,
Liaquat Road, Faisalabad.

Multan Branch

Office No. 608-A, 6th Floor,
The United Mall, Plot No. 74, Abdali Road, Multan

Peshawar Branch

1st Floor, SLIC Building No. 34, The Mall Road,
Peshawar Cantt, Peshawar

Abbottabad Branch

1st Floor, Al-Fateh Shopping Center,
Opposite Radio Station, Abbottabad



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