JS Global

JS Global Capital Limited

Condensed Interim Financial Information for the first quarter ended March 31, 2019 (Un-audited)

JS Global

JS Global Capital Limited

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Vision

To be the leader in the Financial Services Sector

Mission

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

Company Information

Board of Directors	**Mr. Muhammad Yousuf Amanullah**	Chairman
	Mr. Muhammad Kamran Nasir	Chief Executive Officer
	Mr. Khurshid Hadi	Independent Director
	Mr. Munir Hassan Taher	Non-Executive Director
	Mr. Junaid Imran	Non-Executive Director
	Mr. Ammar Talib Hajeyah	Non-Executive Director
	Mr. Abdul Hamid Mihrez	Non-Executive Director
	Mr. Khurram Shaikh	Non-Executive Director
Audit Committee	**Mr. Khurshid Hadi**	Chairman
	Mr. Khurram Shaikh	
	Mr. Ammar Talib Hajeyah	
Executive Committee	**Mr. Muhammad Kamran Nasir**	Chairman
	Mr. Munir Hassan Taher	
	Mr. Abdul Hamid Mihrez	
	Mr. Muhammad Yousuf Amanullah	
	Mr. Khurram Shaikh	
Human Resource & Remuneration Committee	**Mr. Khurshid Hadi**	Chairman
	Mr. Muhammad Kamran Nasir	
	Mr. Abdul Hamid Mihrez	
Chief Financial Officer	**Mr. Fahad Muslim**	
Company Secretary	**Mr. Syed Sufyan Ahmed**	
External Auditor	**EY Ford Rhodes** Chartered Accountants Progressive Plaza, Beaumont Road, P.O. Box 15541, Karachi 75530, Pakistan.	
Internal Auditor	**Deloitte Yousuf Adil** Chartered Accountants Cavish Court, A-35, Block 7 & 8, KCHSU, Shahrah-e-Faisal, Karachi.	

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	17th Floor, The Center, Plot No. 28, S.B.5, Abdullah Haroon Road, Karachi, Pakistan www.jsgcl.com | www.jsglobalonline.com UAN: +92 21 111-574-111 | Fax: +92 21 328 001 67

Directors' Report

We are pleased to present the unaudited, condensed interim financial information of JS Global Capital Limited ("the Company") for the quarter ended March 31, 2019.

The summarized results are set out below:-

	For the 1st Quarter ended	
	March 31, 2019	March 31, 2018
	----------Rupees ----------	
Profit before tax	**13,171,101**	56,094,309
Profit after tax	**2,769,339**	18,732,722
Earnings per share	**0.07**	0.49

THE ECONOMY

Pakistan's economy continued to face significant domestic and external challenges in the first quarter of 2019. Uncertainties pertaining to the macroeconomic policy, along with challenges on the external funding gap and fiscal constraints have led to slower economic growth, evident through a drop in Large Scale Manufacturing (LSM) in the seven months data available for the fiscal year 2019 (FY19). The State Bank of Pakistan (SBP) for its part increased the benchmark policy rate by 500 basis points to 10.75 percent in a short span of fourteen months. One reason to raise interest rates was to control rising inflationary pressures, where both headline and core (excluding food and energy) inflation figures were at 5-year high as they averaged 8.3% and 8.7%, respectively during the period under review. On the fiscal side, the government currently faces a revenue shortfall of Rs. 317 billion in the nine months of FY19 to reach the annual revenue target of Rs. 4.4 trillion.

On a positive note, there has been substantial improvement in the external account in recent months. A sharp decline in imports coupled with growth in workers' remittances led to the current account deficit (CAD) during the first two months of the calendar year 2019 (CY19) averaging at USD 615 million, compared to USD 1.5 billion during the same period in CY18.The decline in imports could have been steeper had it not been for the rise in international crude oil prices. During the coming months, key challenges for the government will be to manage the fiscal deficit, implement reforms in the upcoming annual budget and attract foreign inflows.

Equity Capital Markets

KSE-100, the benchmark index of the Pakistan Stock Exchange, improved by 4.3 percent (1,583 points) during the first three months of 2019 (1QCY19), closing the quarter at 38,649 level. With most of the spike witnessed in January, the index remained range bound during the subsequent two months on account of concerns over the macroeconomic situation and deliberations over an upcoming IMF relief package. As a result, investor participation declined during the period with sequential quarterly drops of 29 percent in both average daily traded volume (131mn shares) and average daily traded value (USD 41mn).

Market performance on a quarter-on-quarter (QoQ) basis was supported by the Oil & Gas Exploration Companies (+15% QoQ), Fertilizer (+6% QoQ) and the Banking (4% QoQ) sectors owing to various factors such as attractive valuations, rising international oil prices and higher interest rates. On the other hand, weaker fundamentals kept Refineries (-19% QoQ), Engineering - Steel (-9% QoQ) and Power Generation (-9% QoQ) sectors under pressure.

FOREIGN EXCHANGE MARKET

During the first quarter (CY19), USD/PKR opened at Rs. 138.90 as compared to Rs. 110.55 in the corresponding period last year.The lowest USD/PKR parity was recorded at Rs. 138.15 and closed in March 2019 at Rs. 140.80, the highest for the quarter.

The average swaps opened in January 2019 for 1 month (1M), 3 Month (3M) & 6 Month (6M) at 0.2132, 0.8064 & 1.9886 paisa respectively. During this period, swaps witnessed an upward trend, increasing significantly in the month of March. In February the swaps traded at averages of 0.644, 1.752, and 3.316,

respectively. Although this hike can be attributable to the rising discount rate, some consolidation was seen at the end of March with swaps trading at an average of 0.8950, 2.269 and 4.249.

The country's total foreign exchange reserves at the end of March 2019 stood at USD 17.398bn (courtesy of inflows from friendly countries) as compared to USD 13.757bn at the end of the preceding quarter while total reserves for the quarter ending March 2018 were USD 17.813bn.

MONEY MARKET

The central bank has increased a cumulative 75bps in two monetary policies this quarter, pushing the country's policy rate upwards to 10.75%. The money market remained volatile during the quarter. Market participants expected another hike in a policy rate, owing to the tough macroeconomic conditions terming it as one of the necessities for entering into an IMF program. The expected rate hike resulted in low trading volumes in longer duration instruments as market participants were more inclined towards short term T-bills. Participation was only witnessed in 3M tenor with little to no bids received in 6M and 12M tenor. Participation in fixed and floating rate bond also witnessed a similar trend. Floater rate bond witnessed a wide range of spread from 70bps to 125bps over the benchmark rate.

The headline inflation averaged at 8.27%YoY from January to March, 2019 which was in line with market expectations. The rise in energy and gas prices is expected to further push inflation in the coming months. Therefore,room for further monetary tightening cannot be ruled out.

COMMODITIES MARKET

There was an overall decline in activity at Pakistan Mercantile Exchange (PMEX) during the period under review. This can be gauged by looking at volumes, which shrank 47% compared to the December ending quarter. Within major contracts available at the PMEX, key contracts to exacerbate the decline were the NSDQ100 and CRUDE10, which fell by 61% and 48%, respectively, from the previous quarter. The two contracts cumulatively contributed almost 88 percent of the PMEX's fall in volumes during the period. Moreover, the NSDQ100 and various other crude oil contracts led to 46% shrinkage in value traded. JSGCL's commodity department outperformed the PMEX as total volumes during the quarter dropped by 21% compared to 47% decline in PMEX volumes mentioned earlier. This resulted in a market share rising by 114 basis points to 3.50% during the period. Crude oil contracts were the key reason for the fall in volumes during the quarter for the company, which can be attributed to global market uncertainties, such as threats of sanctions on Iran which caused jitters in commodity markets and led investors to remain firmly on the fence.

THE BOARD

The board has three subcommittees namely the Audit Committee, the Executive and the Human Resource & Remuneration Committee, which assist the Board in the performance of its functions. The name of Board members and members of subcommittees are as follows;

BOARD OF DIRECTORS

S. no	Name of Director
1	Mr. Muhammad Yousuf Amanullah (Chairman)
2	Mr. Muhammad Kamran Nasir (Chief Executive Officer)
3	Mr. Munir Hassan Taher
4	Mr. Khurshid Hadi
5	Mr. Junaid Imran
6	Mr. Abdul Hamid Mihrez
7	Mr. Ammar Talib Hajeyah
8	Mr. Khurram Shaikh

Directors' Report

AUDIT COMMITTEE

S. no	Name of Director
1	Mr. Khurshid Hadi
2	Mr. Ammar Talib Hajeyah
3	Mr. Khurram Shaikh

HUMAN RESOURCE & REMUNERATION COMMITTEE

S. no	Name of Director
1	Mr. Khurshid Hadi
2	Mr. Muhammad Kamran Nasir
3	Mr. Abdul Hamid Mihrez

EXECUTIVE COMMITTEE

S. no	Name of Director
1	Mr. Muhammad Yousuf Amanullah
2	Mr. Muhammad Kamran Nasir
3	Mr. Munir Hassan Taher
4	Mr. Abdul Hamid Mihrez
5	Mr. Khurram Shaikh

COMPANY PERFORMANCE REVIEW

The Company earned net income of PKR 2.77 million for the three months ended March 31, 2019 vis-a-vis net income of PKR 18.73 million in the comparative period last year clocking a decrease of 85.21% over the same period. Operating revenue of the Company decreased by 54.89% over the same period last year. On the cost front, the Company incurred PKR 140.40 million (down 22.91% YoY) for the said period in respect of administrative and operating expenses. The Earnings per Share (EPS) of the Company for the period stood at PKR 0.07 against EPS of Rs. 0.49 for the corresponding period last year, reflecting a decline of 85.71%.The decline in profitability is directly attributable to the significant lower volumes at the bourse during the period under consideration vis-à-vis comparative period last year.

Despite ongoing market-related challenges and the country's economic condition, the Company is focused on maintaining its growth momentum in the long run. Management is acutely monitoring its resources to reap the maximum benefits for its shareholders. This involves optimizing revenue generation from core brokerage and fee-based operations and treasury management.

ACKNOWLEDGEMENT

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

We would like to acknowledge the Securities and Exchange Commission of Pakistan(SECP),Central Depository Company of Pakistan Limited (CDC), National Clearing Company of Pakistan Limited (NCCPL) and Pakistan Stock Exchange (PSX) for their efforts to strengthen capital markets and measures to protect investor rights.

Muhammad Kamran Nasir
Chief Executive Officer

Junaid Imran
Director

Date: April 23, 2019

ڈائریکٹرز رپورٹ:

کمپنی کی کارکردگی کا جائزہ:

31 مارچ 2019ء کے آخری تین مہینوں کیلئے کمپنی نے خالص آمدنی 2.77 ملین پاکستانی روپے حاصل کی اس طرح سے خالص آمدنی کا تناسب 18.73 ملین پاکستانی روپے رہا جس کا موازنہ گزشتہ سال اسی مدت کے دوران 85.21 فیصد کی کمی سے کیا جاسکتا ہے۔ کمپنی کی موجودہ آمدنی میں گزشتہ سال 54.89% کی کمی واقع ہوئی جبکہ اخراجات کے حوالے سے کمپنی نے انتظامی اور آپریٹنگ کے اخراجات سے متعلق 140.40 ملین پاکستانی روپے (22.91% کمی) ہوئی۔ اس مدت کے دوران کمپنی کی فی شیئر آمدنی 0.07 پاکستانی روپے رہی جس کا موازنہ گزشتہ سال کے EPS مبلغ 0.49 روپے سے کیا جاسکتا ہے جس کی وجہ سے 85.71% کی کمی واقع ہوئی۔ اس مدت کے دوران منافع میں کمی کے سبب والیوم پر براہ راست اثر پڑا جس کا موازنہ گزشتہ سال کی اسی مدت سے کیا جاسکتا ہے۔

مارکیٹ سے متعلق چیلنجز اور ملکی معاشی حالت کے باوجود کمپنی نے ایک عرصہ تک ترقیاتی عمل کو برقرار رکھا اور انتظامیہ اپنے شیئر ہولڈرز کو زیادہ سے زیادہ فائدے پہنچانے کیلئے مسلسل اپنے ذرائع کو استعمال کر رہی ہے جس میں بروکریج اور آپریشن کی بنیاد پر آمدنی میں اضافہ اور ٹریژری انتظامیہ کا تعاون شامل ہے۔

تسلیمات

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

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

منجانب بورڈ آف ڈائریکٹرز

محمد کامران ناصر
چیف ایگزیکٹو آفیسر

جنید عمران
ڈائریکٹر

مورخہ: 23 اپریل 2019

ڈائریکٹرز رپورٹ:

بورڈ آف ڈائریکٹرز:

نمبر شمار	ڈائریکٹرز کے نام
۱	جناب محمد یوسف امان اللہ (چیئرمین)
۲	جناب محمد کامران ناصر (چیف ایگزیکیٹیو آفیسر)
۳	جناب منیر حسن طاہر
۴	جناب خورشید ہادی
۵	جناب جنید عمران
۶	جناب عبدالحامد مہریز
۷	جناب عمار طالب حاجیا
۸	جناب خرم شیخ

آڈٹ کمیٹی:

نمبر شمار	ڈائریکٹرز کے نام
۱	جناب خورشید ہادی
۲	جناب عمار طالب حاجیا
۳	جناب خرم شیخ

ہیومن ریسورس اینڈ ریموزیشن کمیٹی:

نمبر شمار	ڈائریکٹرز کے نام
۱	جناب خورشید ہادی
۲	جناب محمد کامران ناصر
۳	جناب عبدالحامد مہریز

ایگزیکیٹیو کمیٹی:

نمبر شمار	ڈائریکٹرز کے نام
۱	جناب محمد یوسف امان اللہ
۲	جناب محمد کامران ناصر
۳	جناب عبدالحامد مہریز
۴	جناب خرم شیخ
۵	منیر حسن طاہر

ڈائریکٹرز رپورٹ:

فارن ایکسچینج مارکیٹ کا جائزہ:

پہلی سہ ماہی (مالیاتی سال 2019ء) کے دوران امریکی ڈالر 138.90 پاکستانی روپے میں آغاز ہوا جس کا موازنہ گزشتہ سال کی اسی مدت میں 110.55 روپے سے کیا جاسکتا ہے، امریکی ڈالر کا پاکستانی روپے میں کم سے کم ریٹ مبلغ 138.15 روپے ریکارڈ کیا گیا تھا اور مارچ 2019ء میں مبلغ 140.80 روپے پر بند ہوا تھا جو کہ اس سہ ماہی کا سب سے زیادہ تناسب ہے۔

جنوری 2019ء میں ایک ماہ، تین ماہ اور چھ ماہ میں یہ تناسب 0.8064 ,0.2132 اور 1.9886 پیسہ پر آغاز ہوا تھا۔ اس مدت کے دوران مارچ کے مہینے میں اس تناسب میں اضافہ دیکھنے میں آیا۔ فروری میں تجارتی تناسب بتدریج 1.752 ,0.644 اور 3.316 رہا اور اس ڈسکاؤنٹ ریٹ میں اضافہ کی وجہ سے مارچ کے آخر میں تجارتی تناسب 2.269 ,0.8950 اور 4.249 رہا۔

مارچ 2019ء کے آخر میں ملک کا مجموعی زرِمبادلہ 17.398 بلین امریکی ڈالر رہا (جو کہ دوست ممالک کی جانب سے کمی کے سبب ہوا) جس کا موازنہ حالیہ سہ ماہی کے آخر میں 13.757 بلین امریکی ڈالر سے کیا جاسکتا ہے جبکہ مارچ 2018ء کی سہ ماہی کے آخر میں مجموعی بچت 17.813 بلین امریکی ڈالر تھی۔

منی مارکیٹ:

اس سہ ماہی کے دوران سینٹرل بینک نے مانیٹری پالیسیز میں 75bps کا اضافہ کیا اور ملک کے پالیسی ریٹ میں 10.75% کا اضافہ کیا۔ اس سہ ماہی کے دوران منی مارکیٹ مستقل اتار چڑھاؤ کا شکار رہی۔ مارکیٹ میں شرکت کنندگان ایک اور پالیسی ریٹ کے منتظر تھے تاکہ آئی ایم ایف پروگرام میں داخل ہونے کیلئے سخت مائیکرو اکنامک کنڈیشن کا مقابلہ کرسکیں۔ متوقع ریٹ کے نتیجہ میں مارکیٹ کے شرکت کنندگان کو اس دوران تجارتی والیوم میں کمی دیکھنے میں آئی۔ شرکت کنندگان اس بات کے گواہ تھے کہ تین ماہ کی مدت میں کوئی بولی وصول نہیں ہوئی اور یہی حال چھ ماہ اور بارہ ماہ کی مدت میں رہا۔ ریٹ میں کمی کے سبب تناسب میں کافی اضافہ دیکھنے میں آیا اس حوالے سے بینچ مارک ریٹ 70bps سے 125bps ہوگیا۔

جنوری سے مارچ 2019ء تک کمی کا تناسب 8.27% رہا۔ توانائی اور گیس کی قیمتوں میں اضافہ متوقع ہے تاکہ آنے والے مہینوں میں مہنگائی میں کمی کی جاسکے لہٰذا مزید مانیٹری معاملات پر اور زیادہ دباؤ نہیں ڈالا جاسکتا۔

کموڈیٹیز مارکیٹ:

زیرِ جائزہ مدت کے دوران پاکستان مرکنٹائل ایکسچینج (PMEX) کی سرگرمی میں کمی واقع ہوئی جس کا جائزہ والیومز کو دیکھ کے کیا جاسکتا ہے جس کا تناسب 47 فیصد رہا جس کا موازنہ دسمبر کی آخری سہ ماہی سے کیا جاسکتا ہے۔ اس سلسلے میں اہم معاہدے PMEX پر دستیاب ہیں۔ اس سلسلے میں اہم معاہدے بابت NSDQ100 اور CRUDE10 کیلئے کیئے گئے تھے جس کا تناسب 61 فیصد اور 48 فیصد رہا جو کہ گزشتہ سہ ماہی سے ہے۔ دو معاہدے جو کہ PMEX میں 88 فیصد کے تھے جس کا والیوم اس مدت کے دوران کافی نیچے گر گیا۔ اس کے علاوہ NSDQ100 اور دیگر خام تیل کے معاہدوں کا تناسب 46 فیصد رہا۔ JSGCL کے کموڈیٹی ڈپارٹمنٹ کی کارکردگی بہتر رہی لیکن PMEX کا کل والیوم اس سہ ماہی کے دوران 21 فیصد نیچے گر گیا جس کا موازنہ PMEX کے والیوم میں کمی کے حوالے سے 47 فیصد سے کیا جاسکتا ہے۔ اس کے نتیجے میں اس مدت کے دوران مارکیٹ شیئر 114bps سے بڑھ کے 3.50 فیصد رہا۔ خام تیل کے معاہدے کمپنی کے لئے سہ ماہی کے دوران والیوم میں کمی کا سبب بنے جو کہ عالمی مارکیٹ کے لئے غیر یقینی حالات پیدا کرسکتے ہیں جیسا کہ ایران کی جانب سے دھمکیوں کے باعث کموڈیٹیز مارکیٹ میں خسارہ کا سبب بنا۔

بورڈ:

یہ بورڈ تین سب کمیٹیوں پر مشتمل ہے جس میں آڈٹ کمیٹی، ایگزیکیٹیو کمیٹی اور ہیومن ریسورس اینڈ ریمونریشن کمیٹی جو کہ بورڈ کی کارکردگی میں تعاون کرتے ہیں۔ بورڈ کے ممبران اور سب کمیٹیوں کے ممبران کے نام درج ذیل ہیں:

ڈائریکٹرز رپورٹ:

JS گلوبل کیپیٹل لمیٹڈ (کمپنی) کے سہ ماہی مدت مختتمہ 31 مارچ 2019ء کے غیر آڈٹ شدہ اختصادی عبوری مالیاتی گوشوارے کرتے ہوئے اظہار مسرت کرتے ہیں۔

تفصیلی نتائج درج ذیل ہیں:

	پہلی سہ ماہی کے اختتام پر	
	31 مارچ 2019ء	31 مارچ 2018ء
	روپے	
قبل از ٹیکس منافع	**13,171,101**	56,094,309
بعد از ٹیکس منافع	**2,769,339**	18,732,722
آمدنی فی شیئر	**0.07**	0.49

معیشت:

پہلی سہ ماہی 2019ء سے پاکستان کی معیشت مسلسل داخلی اور خارجی چیلنجز بالخصوص مائیکرو اکنامک پالیسی کے متعلق غیر یقینی حالات، بشمول خارجی فنڈنگ میں فرق سے متعلق چیلنجز کا شکار رہی۔ اس کے علاوہ گزشتہ سات مہینوں میں لارج اسکیل مینوفیکچرنگ (ایل ایس ایم) میں معیشت کی سست پیداوار کافی کمی واقع ہوئی جس کی تفصیل مالیاتی سال 2019ء (مالیاتی سال 19) کے ڈیٹا میں موجود ہے۔ اسٹیٹ بینک آف پاکستان نے اپنے طور پر بینچ مارک پالیسی ریٹ میں 500bps سے لے کر 10.75 فیصد کا اضافہ کیا جو کہ 14 ماہ کی مختصر مدت میں کیا گیا ہے۔ انٹریسٹ ریٹ میں اضافے کی ایک وجہ مہنگائی کو کنٹرول کرنا تھا جبکہ دونوں جانب (ماسوائے غذائی اجناس اور توانائی) کی مہنگائی پانچ سال میں کافی اوپر رہی جس کا تناسب زیر جائزہ مدت کے دوران 8.3% اور 8.7% رہا۔ مالیاتی سال 2019ء میں نو ماہ کے دوران حکومت آمدنی میں مبلغ 317 بلین روپے کی کمی کا شکار ہے جو کہ سالانہ آمدنی کا ہدف 4.4 ٹریلین تک پہنچ چکا ہے۔

حالیہ مہینوں میں مثبت امور کی جانب خارجی اکاؤنٹ میں کافی بہتری نظر آئی ہے جو کہ درآمدات میں تیزی سے کمی کے علاوہ سال 2019ء (مالیاتی سال 19) کے پہلے دو ماہ کے دوران CAD میں کمی دیکھنے میں آئی جس کا تناسب 615 ملین امریکی ڈالر ہے، اس کا موازنہ گزشتہ مالیاتی سال 2018ء کے دوران 1.5 بلین امریکی ڈالر سے کیا جا سکتا ہے۔ درآمدات میں مزید کمی واقع ہو سکتی تھی اگر عالمی خام آئل کی قیمتوں میں اضافہ نہیں ہوتا تو آنے والے مہینوں کے دوران حکومت کیلئے یہ بڑے چیلنجز ہونگے جس کے لئے ضروری ہے کہ مالی خسارے کو بہتر کیا جائے، سالانہ بجٹ میں بہتری کے حوالے سے عملدرآمد کو یقینی بنایا جائے اور غیر ملکی آمدنی کو اپنی طرف متوجہ کیا جائے تاکہ خارجی امور میں بہتر نتائج حاصل ہو سکیں۔

ایکوئٹی کیپیٹل مارکیٹ:

KSE100 جو کہ پاکستان اسٹاک ایکسچینج کا انڈیکس بینچ مارک ہے جس میں سال 2019ء (پہلی سہ ماہی مالیاتی سال 19) کے پہلے تین مہینوں کے دوران اس تناسب میں 4.3 فیصد (1,583 پوائنٹس) کی بہتری آئی ہے جو کہ سہ ماہی کے اختتام تک 38,649 کی سطح پر رہا۔ جنوری میں اس انڈیکس میں مائیکرو اکنامک صورتحال کی وجہ سے گزشتہ دو ماہ کے دوران کافی کمی دیکھنے میں آئی جو کہ آئی ایم ایف ریلیف پیکیجز کی وجہ سے ہوا جس کے نتیجہ میں سرمایہ کاروں کی جانب سے اس سہ ماہی کی مدت کے دوران شرکت نہ کرنے پر 29 فیصد یعنی یومیہ تجارتی والیوم (131mm شیئرز) اور یومیہ تجارتی ویلیو کا تناسب (41 ملین امریکی ڈالر) رہا۔

سہ ماہی سے اگلی سہ ماہی کی بنیاد پر مارکیٹ کی کارکردگی کو آئل اینڈ گیس ایکسپلوریشن کمپنیز (15% QoQ+)، فرٹیلائزر (6% QoQ+) اور بینکنگ (4% QoQ) نے کافی سپورٹ دی، اس حوالے سے مختلف عوامل جیسا کہ ویلیوئیشن، عالمی طور پر تیل کی قیمتوں میں اضافہ اور انٹریسٹ کے ریٹس میں اضافہ دیکھنے میں آیا جبکہ دوسری جانب ریفائنریز (19% QoQ-)، انجینئرنگ (Steel, -9% QoQ) اور پاور جنریشن (9% QoQ-) کے سیکٹرز کافی دباؤ میں رہے۔

Financial Statements

Condensed Interim Statement of Financial Position (Un-audited) As at March 31, 2019

	Note	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
EQUITY AND LIABILITIES		---------- (Rupees)	----------
Share capital and reserves			
Authorised capital: 150,000,000 (December 31, 2018: 150,000,000) ordinary shares of Rs.10 each		**1,500,000,000**	1,500,000,000
Issued, subscribed and paid-up share capital	5	**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		**13,511,351**	8,158,847
Unappropriated profit		**412,836,367**	410,067,028
		2,616,522,618	2,608,400,775
LIABILITIES			
Current liabilities			
Creditors, accrued expenses and other liabilities	6	**2,535,296,873**	2,228,284,374
Unclaimed dividend		**3,361,843**	3,361,843
		2,538,658,716	2,231,646,217
		5,155,181,334	4,840,046,992
Contingencies and commitments	7		

The annexed notes 1 to 24 form an integral part of these condensed interim financial information.

Junaid Imran	Muhammad Kamran Nasir	Fahad Muslim
Director	Chief Executive Officer	Chief Financial Officer

Condensed Interim Statement of Financial Position (Un-audited) As at March 31, 2019

ASSETS	Note	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
		---------- (Rupees) ----------	
Non-current assets			
Property and equipment	8	**494,472,236**	216,757,123
Intangible assets	9	**17,769,088**	17,789,847
Long term investments	10	**147,493,019**	141,999,318
Long term loans and deposits		**34,646,490**	26,496,577
Deferred taxation - net		**120,409,866**	122,096,696
		814,790,699	525,139,561
Current assets			
Short term investments	11	**846,660,322**	1,019,068,046
Trade debts	12	**1,000,230,788**	1,085,989,859
Receivable against margin finance		**288,754,004**	297,726,631
Loans and advances - considered good		**8,533,301**	13,519,245
Short-term deposits and prepayments		**83,681,760**	136,239,312
Interest and mark-up accrued	13	**14,623,556**	12,684,564
Other receivables		**33,849,638**	56,944,676
Advance tax		**128,855,947**	121,133,650
Cash and bank balances	14	**1,935,201,319**	1,571,601,448
		4,340,390,635	4,314,907,431
		5,155,181,334	4,840,046,992

The annexed notes 1 to 24 form an integral part of these condensed interim financial information.

Junaid Imran
Director

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Condensed Interim Statement of Profit or Loss (Un-Audited)

For the three months period ended March 31, 2019

	Note	Three months ended	
		March 31, 2019	March 31, 2018
		---------- (Rupees) ----------	
Operating revenue	15	**80,208,857**	177,800,302
Capital gain on sale of investments - net		**7,406,845**	12,726,645
Unrealised gain on remeasurement of investments at fair value through profit or loss - net		**6,788,390**	5,303,682
Unrealised loss on remeasurement of derivatives at fair value through profit or loss - net		**(3,870,729)**	(4,338,437)
Dividend income		**24,962,209**	8,788,381
Margin finance income		**12,860,266**	13,194,014
		128,355,838	213,474,587
Administrative and operating expenses		**(140,403,272)**	(182,123,326)
		(12,047,434)	31,351,261
Other operating income - net		**33,841,472**	27,164,987
		21,794,038	58,516,248
Provision for Sindh Workers' Welfare Fund		**(268,798)**	(1,144,782)
Finance cost		**(8,354,139)**	(1,277,157)
Profit before taxation		**13,171,101**	56,094,309
Taxation - current		**(6,384,431)**	(29,892,846)
- prior		**(2,470,909)**	(7,441,657)
- deferred		**(1,546,422)**	(27,084)
	16	**(10,401,762)**	(37,361,587)
Profit after taxation		**2,769,339**	18,732,722
Earnings per share - basic and diluted	17	**0.07**	0.49

The annexed notes 1 to 24 form an integral part of these condensed interim financial information.

Junaid Imran
Director

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Un-audited) For the three months period ended March 31, 2019

	Note	Three months ended	
		March 31, 2019	March 31, 2018
		---------- (Rupees)	----------
Profit for the year		**2,769,339**	18,732,722
Other comprehensive income			
Items that will not be reclassified to profit or loss account subsequently		**-**	-
Items that may be reclassified to profit or loss account subsequently			
Unrealised gain on revaluation of available-for-sale investments during the year	10.2	**5,493,701**	7,732,360
Less: Related tax		**(141,197)**	(315,900)
		5,352,504	7,416,460
Reclassification adjustments relating to available-for-sale investments disposed of during the year		**-**	-
Less: Related tax		**-**	-
		-	-
Total comprehensive income for the year		**8,121,843**	26,149,182

The annexed notes 1 to 24 form an integral part of these condensed interim financial information.

Junaid Imran	**Muhammad Kamran Nasir**	**Fahad Muslim**
Director	Chief Executive Officer	Chief Financial Officer

Condensed Interim Statement of Changes In Equity (Un-audited) For the three months period ended March 31, 2019

	Issued, subscribed and paid-up share capital	Reserves				
		Share premium	Unrealised gain / (loss) on revaluation of available-for-sale investments - net	Revenue reserve Unappropriated profit	Sub-total	Total
	(Rupees)					
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 period						
Profit for the three months ended March 31, 2018	-	-	-	18,732,722	18,732,722	18,732,722
Other comprehensive income - net of tax	-	-	7,416,460	-	7,416,460	7,416,460
Total comprehensive income for the period	-	-	7,416,460	18,732,722	26,149,182	26,149,182
Balance as at March 31, 2018	**380,070,000**	**1,810,104,900**	**34,228,223**	**403,162,613**	**2,247,495,736**	**2,627,565,736**
Total comprehensive loss for the period						
Profit for the nine months ended December 31, 2018	-	-	-	6,904,415	6,904,415	6,904,415
Other comprehensive loss - net of tax	-	-	(26,069,376)	-	(26,069,376)	(26,069,376)
Total comprehensive loss for the period	-	-	(26,069,376)	6,904,415	(19,164,961)	(19,164,961)
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**
Total comprehensive income for the year						
Profit for the three months ended March 31, 2019	-	-	-	2,769,339	2,769,339	2,769,339
Other comprehensive gain - net of tax	-	-	5,352,504	-	5,352,504	5,352,504
Total comprehensive gain for the year	-	-	5,352,504	2,769,339	8,121,843	8,121,843
Balance as at March 31, 2019	**380,070,000**	**1,810,104,900**	**13,511,351**	**412,836,367**	**2,236,452,618**	**2,616,522,618**

The annexed notes 1 to 24 form an integral part of these condensed interim financial information.

Junaid Imran
Director

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

Condensed Interim Statement of Cash Flow (Un-audited)

For the three months period ended March 31, 2019

	Note	Three months ended March 31, 2019	Three months ended March 31, 2018
		---------- (Rupees) ----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		**13,171,101**	56,094,309
Adjustments for:			
Depreciation		**5,535,883**	7,090,990
Amortisation of intangible assets	9.2	**20,760**	184,455
Gain on sale of property and equipment		**-**	(5,704,640)
Unrealised gain on remeasurement of investments at fair value through profit or loss - net		**(6,788,390)**	(5,303,682)
Unrealised loss on remeasurement of derivatives at fair value through profit or loss - net		**3,870,729**	4,338,437
Provision for Sindh Workers' Welfare Fund		**268,798**	1,144,782
Finance cost		**8,354,139**	1,277,157
		11,261,919	3,027,499
Cash generated from operating activities before working capital changes		**24,433,020**	59,121,808
Decrease / (Increase) in current assets			
Trade debts		**85,759,071**	(609,760,590)
Receivable against margin finance		**8,972,627**	(63,865,796)
Loans and advances		**4,985,944**	(4,249,924)
Short-term deposits and prepayments		**52,557,552**	37,625,023
Interest and mark-up accrued		**(1,938,992)**	6,097,158
Other receivables		**19,224,309**	8,424,692
		169,560,511	(625,729,437)
Increase / (decrease) in current liabilities			
Creditors, accrued expenses and other liabilities		**61,622,207**	896,584,509
Cash generated from operations		**255,615,738**	329,976,880
Finance cost paid		**(1,174,865)**	(1,277,157)
Taxes paid		**(16,578,427)**	(30,735,725)
Net cash generated from operating activities		**237,862,446**	297,963,998
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	8.1 & 8.2	**(45,308,776)**	(1,371,815)
Proceeds from disposal of property and equipment		**-**	7,560,185
Long term loans, advances and deposits		**(8,149,913)**	(4,624,920)
Short term investments - net		**179,196,114**	(432,156,028)
Net cash generated from / (used in) investing activities		**125,737,425**	(430,592,578)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid / adjustment		**-**	-
Net cash used in financing activities		**-**	-
Increase / (decrease) in cash and cash equivalents during the year		**363,599,871**	(132,628,580)
Cash and cash equivalents at the beginning of the year		**1,571,601,448**	1,678,529,935
Cash and cash equivalents at the end of the year	14	**1,935,201,319**	1,545,901,355

The annexed notes 1 to 24 form an integral part of these condensed interim financial information.

Junaid Imran	**Muhammad Kamran Nasir**	**Fahad Muslim**
Director	Chief Executive Officer	Chief Financial Officer

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 17th floor, The Centre, Plot no. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi, Pakistan. The Company has eleven branches (2017: eleven) in nine cities of Pakistan.

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 -'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

2.1.2 The disclosures in this condensed interim financial information do not include the information reported for full annual financial statements and should therefore be read in conjunction with financial statements for the year ended December 31, 2018.

2.1.3 This condensed interim financial information is being submitted to the shareholders as required by the Pakistan Stock Exchange Limited Regulations and Section 237 of the Companies Act, 2017.

2.1.4 This condensed interim financial information is presented in Pak Rupees, which is the functional and presentation currency of the Company and rounded off to the nearest rupee.

2.2 Use of estimates and judgments

The preparation of condensed interim financial information requires the Company to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by the Company in applying accounting policies and the key sources of estimating uncertainty are the same as those that applied to financial statements as at and for the year ended December 31, 2018.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed

interim financial information are same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2018 other than those disclosed below:

3.1 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 15 – Revenue from Contracts with Customers

The adoption of the above accounting standard and interpretation did not have any material effect on these condensed interim financial statements.

IFRS 16 Leases

IFRS 16 supersedes 'IAS 17 - Leases', 'IFRIC 4 - Determining whether an Arrangement contains a Lease', 'SIC-15 - Operating Leases-Incentives' and 'SIC-27 - Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Lessor accounting under IFRS 16 is substantially unchanged under IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Company is the lessor.

The Company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect, if any, of initially applying the standard recognised at the date of initial application.

The effect of adoption of IFRS 16 as at 1 January 2019 (increase/(decrease)) is as follows:

Assets	
Right-of-use asset	216,938,671
Total assets	216,938,671
Liabilities	
Lease obligation - operating	216,867,151
Interest Liability	71,520
Total liabilities	216,938,671
Total adjustment on equity:	-

a) Nature of the effect of adoption of IFRS 16

The Company has operating lease contract for its office premises. Before the adoption of IFRS 16, the Company classified its lease (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Company; otherwise it was classified as an operating lease. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under Prepayments and Trade and other payables, respectively. Upon adoption of IFRS 16, the Company applied specific transition requirements and practical expedients as provided by the standard.

- Leases previously accounted for as operating leases:

The Company recognised right-of-use asset and lease liability for previously classified operating lease. The right-of-use assets was recognised based on the amount equal to the lease liability, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liability was recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. Rate of incremental borrowing has been taken as 12.30% as at the date of initial application.

The Company also applied the available practical expedients wherein it relied on its assessments of whether leases are onerous immediately before the date on initial application.

b) Summary of new accounting policies

Set out below are the new accounting policies of the Company upon adoption of IFRS 16, which have been applied from the date of initial application:

- Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over estimated useful life or the lease term, whichever is shorter. Right-of-use assets are subject to impairment.

- Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for erminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

- Significant judgement in determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

3.2 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:

Effective date (annual	Standard or Interpretation 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 J oint Venture (Amendment)	Not yet finalized
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

4. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended December 31, 2018.

5. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

5.1 Pattern of shareholding

Number of shares		Particulars / name of the shareholders	Percentage of holding	
March 31, 2019	December 31, 2018		**March 31, 2019**	December 31, 2018
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%
1,721,826	1,949,037	Individuals	**4.53%**	5.13%
340,323	340,323	Insurance Company	**0.90%**	0.90%
252,850	25,639	Joint Stock Companies	**0.67%**	0.07%
38,007,000	38,007,000		**100%**	100%

	Note	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
6. CREDITORS, ACCRUED EXPENSES AND OTHER LIABILITIES		---------- (Rupees) ----------	
Trade creditors	6.1	**2,134,293,052**	2,044,999,990
Accrued expenses		**46,617,585**	53,810,393
Provision for staff bonus		**5,883,718**	20,780,276
Provision for Workers' Welfare Fund		**38,987,200**	38,718,402
Others		**87,651,744**	69,975,313
Lease obligation - operating		**215,147,093**	-
Interest liability		**6,716,481**	-
	6.2	**2,535,296,873**	2,228,284,374

6.1 This includes payables to PSX and National Clearing Company of Pakistan Limited (NCCPL) amounting to Rs. 0.223 million (2018: Rs. 0.969 million) and Rs. 543.655 million (2018: Rs. 342.511 million) respectively in respect of trading in securities, settled subsequent to the year end.

6.2 Included herein is a sum of Rs. 1.449 million (2018: Rs. 32.234 million) payable to related parties.

7. CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

There are no outstanding contingencies as at March 31, 2019 (December 31, 2018: Nil) other than tax contingencies disclosed in note 24 of these financial information.

		March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
7.2	**Commitments**	---------- (Rupees) ----------	
	Net - future sale transactions of equity securities entered into by the Company in respect of which the settlement is outstanding	**819,464,615**	1,003,368,025
	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	**12,411,402**	12,348,192

		Note	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
8.	**PROPERTY AND EQUIPMENT**		---------- (Rupees) ----------	
	Operating assets - owned	8.1	**55,129,999**	60,518,917
	Capital work-in-progress	8.2	**201,400,017**	156,238,206
	Property and Equipment - Right of use Assets		**237,942,220**	-
			494,472,236	216,757,123

8.1 Operating assets - owned

March 31, 2019 (Un-audited)

	Cost			Rate	Accumulated Depreciation			Written down value as at March 31, 2019
	As at January 01, 2019	Additions / (disposals)	As at March 31, 2019	(%)	As at January 01, 2019	Charge for the period / (disposals)	As at March 31, 2019	
	---------- (Rupees) ----------				---------- (Rupees) ----------			
Office equipment	105,174,630	146,965 -	105,321,595	25 - 33	93,520,892	2,164,900 -	95,685,792	9,635,803
Office furniture	25,857,538	- -	25,857,538	10	12,115,500	506,182 -	12,621,682	13,235,856
Motor vehicles	64,474,880	- -	64,474,880	20	29,351,739	2,864,801 -	32,216,540	32,258,340
	195,507,048	146,965 -	195,654,013		134,988,131	5,535,883 -	140,524,014	55,129,999

December 31, 2018 (Audited)

	Cost			Rate	Accumulated Depreciation			Written down value as at December 31, 2018
	As at January 01, 2018	Additions / (disposals)	As at December 31, 2018	(%)	As at January 01, 2018	Charge for the year / (disposals)	As at December 31, 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

8.1.1 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
	---------- (Rupees) ----------				
March 31, 2019 (Un-audited)	-	-	-	-	-
December 31, 2018 (Audited)	25,236,761	(21,576,626)	3,660,135	15,328,348	11,668,213

	Note	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
		---------- (Rupees) ----------	
8.2 Capital work-in-progress			
Advance against capital expenditure		**201,400,017**	156,238,206

	Note	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
		---------- (Rupees) ----------	
9. INTANGIBLE ASSETS			
Trading Right Entitlement Certificate (TREC) - Pakistan Stock Exchange Limited (PSX)	9.1	**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	9.2	**31,251**	52,010
Advance against acquisition of software		**9,510,507**	9,510,507
		17,769,088	17,789,847

9.1 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.

9.2 Softwares

March 31, 2019 (Un-audited)

Cost			Rate	Accumulated Amortisation			Written down
As at January 01, 2019	Additions	As at March 31, 2019	(%)	As at January 01, 2019	Charge for the period	As at March 31, 2019	value as at March 31, 2019
(Rupees)				(Rupees)			
12,929,278	-	12,929,278	33.33	12,877,268	20,759	12,898,027	31,251

December 31, 2018 (Audited)

Cost			Rate	Accumulated Amortisation			Written down
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	value 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

		Note	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
10.	**LONG TERM INVESTMENTS**		---------- (Rupees) ----------	
	Available-for-sale			
	Shares in PSX - at cost			
	[2,202,953 (2018: 2,202,953) shares]		**23,060,884**	23,060,884
	Term finance / sukuk certificates - secured	10.1	**129,000,000**	129,000,000
	Surplus on revaluation of available-for-sale investments	10.2	**12,332,135**	6,838,434
	Current maturity	12	**(16,900,000)**	(16,900,000)
			147,493,019	141,999,318

10.1 Term Finance / Sukuk Certificates - secured

Number of Certificates		Name of term finance / sukuks certificates	Carrying value	
March 31, 2019 (Un-audited)	December 31, 2018 (Audited)		**March 31, 2019 (Un-audited)**	December 31, 2018 (Audited)
			---------- (Rupees) ----------	
		Listed		
3,000	3,000	Jahangir Siddiqui & Co. Limited XI - related party	**15,000,000**	15,000,000
520	520	Dawood Hercules Corporation Limited - Sukuk - I	**52,000,000**	52,000,000
600	600	Dawood Hercules Corporation Limited - Sukuk - II	**60,000,000**	60,000,000
20	20	BYCO Petroleum Pakistan Limited - Sukuk - I	**2,000,000**	2,000,000
			129,000,000	129,000,000

10.1.1 Significant terms and conditions of term finance / sukuk certificates outstanding at the period 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 06, 2023	AA+
Dawood Hercules - Corporation Limited Sukuk - I	100,000	100,000	3 month kibor +1.00%	November 16, 2022	AA
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 period was Rs.15 million (2018: Rs.15 million).

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

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

	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
	---------- (Rupees) ----------	
Balance at the beginning of the year	**6,838,434**	26,285,263
Reclassified to Profit and loss during the period / year upon disposal	**-**	-
(Reversed) / charged through Other Comprehensive Income during the period / year	**5,493,701**	(19,446,829)
Balance at the end of the period / year	**12,332,135**	6,838,434

	Note	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
		---------- (Rupees) ----------	
11. SHORT TERM INVESTMENTS			
Financial asset at fair value through profit or loss - held-for-trading			
Quoted equity securities	11.1	**821,516,021**	993,811,509
Term finance / sukuk certificates - secured	11.2	**8,244,301**	8,356,537
		829,760,322	1,002,168,046
Available-for-sale			
Privately placed term finance certificates - unsecured	11.3	**-**	-
Current maturity of long term investments - secured	10	**16,900,000**	16,900,000
Advance against subscription of sukuk certificates		**-**	-
		846,660,322	1,019,068,046

11.1 Quoted Equity Securities

Number of Shares		Name of company	March 31, 2019 (Un-audited)		December 31, 2018 (Audited)
March 31, 2019 (Un-audited)	December 31, 2018 (Audited)		**Average cost**	---------- **Fair value** ----------	
			---------- (Rupees) ----------		
11,692,000	3,988,500	The Bank of Punjab	**151,396,626**	**152,229,840**	47,742,345
40,000	-	Ayesha Steel Mills Limited	**395,600**	**421,200**	-
-	85,000	Askari Bank Limited	**-**	**-**	2,033,200
73,000	745,000	Habib Bank Limited	**9,854,998**	**9,671,770**	89,735,250
-	86,000	Cherat Cement Company Limited	**-**	**-**	5,989,900
1,500	-	Fauji Fertilizer Company Limited	**157,515**	**156,690**	-
1,646,500	1,401,000	National Bank of Pakistan	**66,903,886**	**65,958,790**	58,884,030
1,383,500	1,162,000	Nishat Chunian Limited	**70,855,140**	**71,582,290**	56,449,960
-					
1,420,000	324,000	Oil & Gas Development Company Limited	**207,169,692**	**209,521,000**	41,472,000
-	27,000	Pakistan State Oil Company Limited	**-**	**-**	6,086,610
5,500	37,000	The Searle Company Limited	**1,302,150**	**1,302,565**	9,086,830
66,500	375,500	United Bank Limited	**9,244,293**	**9,278,745**	46,051,320
81,500	210,000	Attock Refinery Limited	**8,777,381**	**8,718,870**	30,979,200
1,000	1,033,000	D. G. Khan Cement Company Limited	**85,050**	**85,410**	82,794,950
390,000	9,000	Descon Oxychem Limited	**7,842,405**	**7,784,400**	259,290
2,110,000	1,187,000	Engro Fertilizers Limited	**151,371,901**	**150,970,500**	81,962,350
7,000	22,500	Engro Foods Limited	**487,500**	**484,120**	1,793,700
64,500	64,500	Engro Corporation Limited	**20,865,729**	**21,106,335**	18,774,660

Notes To The Condensed Interim Financial Statements

For the three months period ended March 31, 2019

Number of Shares		Name of company	March 31, 2019 (Un-audited)		December 31, 2018 (Audited)
March 31, 2019 (Un-audited)	December 31, 2018 (Audited)		Average cost	---------- Fair value ----------	
			---------- (Rupees) ----------		
3,500	62,000	Engro Polymer & Chemicals Limited	123,410	127,120	2,302,680
1,994,500	3,019,500	Fatima Fertilizer Company Limited	63,076,750	66,576,410	110,121,165
3,000	92,000	Fauji Cement Company Limited	58,086	59,880	1,925,560
23,500	197,000	Fauji Foods Limited	634,550	613,350	5,965,160
123,000	5,000	Gul Ahmed Textile Mills Limited	6,834,853	7,007,310	230,850
-	638,000	International Steels Limited	-	-	41,961,260
201,500	111,000	Lotte Chemical Pakistan Limited	2,870,665	2,865,330	1,874,790
-	8,500	Lucky Cement Limited	-	-	3,694,695
-	138,500	Maple Leaf Cement Factory Limited	-	-	5,630,025
-	1,000	Nishat Mills Limited	-	-	126,530
25,000	-	Nimir Resins Limited	179,750	180,250	-
1,557,500	-	K-Electric Limited	8,754,495	8,706,425	-
353,000	2,849,500	Pak Elektron Limited	8,203,828	8,186,070	70,952,550
-	72,000	Pioneer Cement Limited	-	-	3,017,520
-	3,000	Pakistan Oilfields Limited	-	-	1,274,460
234,500	1,069,000	Power Cement Limited	1,874,781	1,854,895	8,370,270
6,500	-	Pakistan Petroleum Limited	1,230,290	1,202,435	-
174,000	1,453,000	Sui Northern Gas Pipelines Limited	12,292,225	13,069,140	111,982,710
19,000	962,000	Sui Southern Gas Company Limited	408,120	415,150	22,222,200
64,500	-	Shabbir Tiles & Ceramics Limited	811,725	808,830	-
30,000	-	Siddiqsons Tin Plate Limited	552,000	570,900	-
-	857,500	Unity Foods Limited	-	-	22,063,489
			814,615,394	821,516,020	993,811,509
		Unrealised gain on remeasurement at fair value through profit or loss - net	6,900,626	-	-
			821,516,020	821,516,020	993,811,509

11.2 Term Finance / Sukuk Certificates - secured

Number of Certificates			March 31, 2019 (Un-audited)		December 31, 2018 (Audited)
March 31, 2019 (Un-audited)	December 31, 2018 (Audited)	Name of term finance / sukuks certificates Listed	Carrying value	Fair value	
			(Rupees)		
		Jahangir Siddiqui & Co.			
6,000	6,000	Limited VIII - related party	5,262,143	5,251,838	5,262,143
		Engro Corporation Limited			
597	597	Islamic - Rupiya Sukuk - II	3,094,394	2,992,463	3,094,394
			8,356,537	8,244,301	8,356,537
		Unrealised loss on remeasurement at fair value through profit or loss	(112,236)	-	-
			8,244,301	8,244,301	8,356,537

11.2.1 Significant terms and conditions of term finance / sukuk certificates outstanding at the period 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.					
Limited VIII - related party	5,000	875	6 month 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 period was Rs.14.25 million (2018: Rs.14.25 million).

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

11.3 Privately Placed Term Finance Certificates - Unsecured

March 31, 2019 (Un-audited)					
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)	11.3.1	October 19, 2020	**326,456,184**
		Provision for impairment			**(326,456,184)**
					-
		December 31, 2018 (Audited)			-

11.3.1 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.

		March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
12.	**TRADE DEBTS**	---------- (Rupees) ----------	
	Purchase of shares on behalf of clients	**938,917,779**	1,031,487,282
	Advisory services	**10,881,305**	6,889,484
	Forex and fixed income commission	**5,003,895**	5,687,848
	Commodity	**45,427,809**	41,925,245
		1,000,230,788	1,085,989,859
	Considered doubtful	**403,317,987**	403,317,987
		1,403,548,775	1,489,307,846
	Provision for doubtful debts	**(403,317,987)**	(403,317,987)
		1,000,230,788	1,085,989,859

12.1 Trade debts are recognised initially at invoice amount less provision for doubtful debts, if any. The aging analysis for amount receivable from clients is as follows:

	March 31, 2019 (Un-audited)		
	Gross	**Impairment**	**Net**
	---------- (Rupees) ----------		
Past due 1-30 days	**920,400,979**	**-**	**920,400,979**
Past due 31 days -180 days	**73,733,214**	**-**	**73,733,214**
Past due 181 days -1 year	**2,538,647**	**-**	**2,538,647**
More than one year	**406,875,935**	**403,317,987**	**3,557,948**
Total	**1,403,548,775**	**403,317,987**	**1,000,230,788**

	December 31, 2018 (Audited)		
	Gross	Impairment	Net
	---------- (Rupees) ----------		
Past due 1-30 days	1,072,623,528	-	1,072,623,528
Past due 31 days -180 days	8,902,817	-	8,902,817
Past due 181 days -1 year	1,106,584	-	1,106,584
More than one year	406,674,917	403,317,987	3,356,930
Total	1,489,307,846	403,317,987	1,085,989,859

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.

13. INTEREST AND MARK-UP ACCRUED

Accrued mark-up on margin finance	**12,794,750**	9,352,285
Accrued mark-up on term finance / sukuk certificates	**1,776,170**	3,285,304
Profit receivable on bank deposits	**52,636**	46,975
	14,623,556	12,684,564

14. CASH AND BANK BALANCES

Cash with banks:			
- Current accounts		**2,009,589**	3,008,585
- PLS accounts	14.1	**1,932,942,730**	1,368,343,863
- Deposits maturing within 12 months		**-**	200,000,000
		1,934,952,319	1,571,352,448
Cash in hand		**249,000**	249,000
	14.2	**1,935,201,319**	1,571,601,448

14.1 Profit and loss / deposit accounts carry profit rates ranging from 3% to 9.50% (2018: 3% to 9.50%) per annum.

14.2 These include balances with the Parent Company amounting to Rs.1,929.171 million (2018: Rs.1,564.143 million).

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

Customer assets held in the designated bank accounts	**1,383,204,169**	1,352,363,828
Customer assets held in the CDC	**27,835,660,203**	29,935,147,057
14.4 Securities pledged with financial institutions	**3,536,444,110**	3,001,505,809

15. OPERATING REVENUE

	March 31, 2019 (Un-audited)	March 31, 2018 (Un-audited)
	---------- (Rupees) ----------	
Brokerage and operating income	**71,348,872**	105,175,659
Advisory and consultancy fee	**8,859,985**	72,624,643
	80,208,857	177,800,302

16. TAXATION

16.1 There are no material changes in tax contingencies as disclosed in annual financial statements for the year ended December 31, 2018.

17. EARNINGS PER SHARE - BASIC AND DILUTED

	March 31, 2019 (Un-audited)	March 31, 2018 (Un-audited)
	---------- (Rupees) ----------	
Profit after taxation	**2,769,339**	18,732,722
	---------- (Number) ----------	
Weighted average number of shares	**38,007,000**	38,007,000
	---------- (Rupees) ----------	
Earnings per share - basic and diluted	**0.07**	0.49

18. RELATED PARTY TRANSACTIONS

18.1 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:

	March 31, 2019 (Un-audited)		December 31, 2018 (Audited)	
	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	**751,152**	**126,548,025**	167,470	2,230,737
Invoiced during the year	**21,853,786**	**366,405,447**	29,571,166	18,966,515,485
Received during the year	**(21,407,144)**	**(474,823,621)**	(28,987,484)	(18,842,198,197)
Closing balance	**1,197,794**	**18,129,851**	751,152	126,548,025

	March 31, 2019 (Un-audited)		December 31, 2018 (Audited)	
	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 payable				
Opening balance	**908,271**	**20,887,955**	43,838	14,323,967
Invoiced during the year	**4,253,084**	**4,276,269,678**	23,560,575	3,533,520,498
Paid during the year	**(4,956,015)**	**(4,296,226,124)**	(22,696,142)	(3,526,956,510)
Closing balance	**205,340**	**931,509**	908,271	20,887,955
Loans and advances				
Opening balance	**4,068,315**	**-**	4,833,988	-
Disbursements during the year	**4,500,000**	**-**	3,085,000	-
Repayments during the year	**(584,778)**	**-**	(3,850,673)	-
Closing balance	**7,983,537**	**-**	4,068,315	-

	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
Balances with parent company	---------- (Rupees) ----------	
Trade debts	**249,328**	179,797
Other receivables	**1,188,651**	1,188,651
Bank balances with parent company	**1,929,171,856**	1,564,143,145
Other payable	**6,960**	4,206,960
Balances with ultimate parent company		
Trade debts	**112,690**	199,087,961
Other receivables	**223,465**	223,465
Mark-up receivable on term finance certificates	**386,745**	617,937
Principal outstanding on term finance certificates	**20,250,000**	20,250,000
Rent payable	**320,000**	160,000

Notes To The Condensed Interim Financial Statements

For the three months period ended March 31, 2019

	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
	---------- (Rupees) ----------	
Balances with associated entities of group companies		
Other receivables	**1,692,038**	1,692,038
Prepaid Rent	**18,211,200**	-
Rent Payable	**-**	6,070,400
Security Deposit	**3,035,200**	3,035,200

	March 31, 2019 (Un-audited)	March 31, 2018 (Un-audited)
Transactions with associated companies	---------- (Rupees) ----------	
Nature of transactions		
Payment on account of expenses to associated companies	**-**	-
Transactions with associated entities of group companies		
Nature of transactions		
Brokerage income	**5,876,157**	4,589,797
Transactions with the parent company		
Nature of transactions		
Purchase of Term Deposit	**600,000,000**	-
Sale of Term Deposit	**800,662,795**	-
Mark-up Income on Term Deposit	**736,438**	-
Brokerage income	**606,172**	474,298
Utilities and consultancy charges	**4,500,000**	4,200,000
Bank charges	**40,742**	96,452
Profit on PLS accounts	**24,241,730**	19,040,101
Transactions with ultimate parent company		
Nature of transactions		
Brokerage income	**801,484**	240,717
Reimbursement of expenses by the ultimate parent company	**46,485**	-
Reimbursement of expenses to the ultimate parent company	**16,002,489**	14,408,032
Mark-up received on term finance certificates	**633,971**	-

		March 31, 2019 (Un-audited)	March 31, 2018 (Un-audited)
		---------- (Rupees) ----------	
Transactions with key management personnel of the Company and its parent company			
Nature of transactions			
Brokerage income	Key management personnel	**18,706**	53,500
Director's Remuneration	Key management personnel	**1,300,000**	1,300,000
Remuneration paid to Chief Executive Officer	Key management personnel	**13,306,536**	14,931,419
Remuneration paid to key management personnel	Key management personnel	**25,310,478**	24,558,818
Transactions with other related parties			
Nature of transactions			
Royalty expense	Key management personnel of the parent	**5,000,000**	2,500,000
Brokerage Expense	Related Parties	**279,535**	-
Insurance expense	Related Parties	**4,669,874**	-
Mark-up on Sukuk certificates	Related Parties	**10,864**	-
Capital gain on sale of sukuk certificates	Related party	**136,850**	-
Contributions to staff provident fund	Post - employment benefit plan	**3,504,769**	3,648,812
Sale of sukuk certificates	Related Party	**673,095,664**	-
Security Deposit	Related Party	**-**	-

19. OPERATING SEGMENTS

	March 31, 2019 (Un-audited)			
	Brokerage	**Investment and treasury**	**Other operations**	**Total**
	---------- (Rupees) ----------			
Segment revenues	**71,348,872**	**76,572,162**	**7,487,886**	**155,408,920**
Gain on remeasurement of investments	**-**	**6,788,390**	**-**	**6,788,390**
Administrative and operating expenses	**(75,716,631)**	**(11,983,029)**	**(47,146,969)**	**(134,846,629)**
Depreciation	**(4,153,901)**	**(121,994)**	**(1,259,988)**	**(5,535,883)**
Amortisation of intangible assets	**-**	**-**	**(20,760)**	**(20,760)**
Finance cost	**(8,354,139)**	**-**	**-**	**(8,354,139)**
	(16,875,799)	**71,255,529**	**(40,939,831)**	**13,439,899**
Gain on sale of property and equipment				**-**
Provision for Sindh Workers' Welfare Fund				**(268,798)**
Taxation				**(10,401,762)**
Profit after tax				**2,769,339**

	March 31, 2019 (Un-audited)			
	Brokerage	**Investment and treasury**	**Other operations**	**Total**
	---------- (Rupees) ----------			
Segment assets	**2,893,220,539**	**1,881,104,763**	**380,856,032**	**5,155,181,334**
Segment liabilities	**2,161,460,394**	**-**	**377,198,322**	**2,538,658,716**

There were no major customer of the Company which derived 10 percent or more of the Company's revenue.

	March 31, 2018 (Un-audited)			
	Brokerage	Investment and treasury	Other operations	Total
	---------- (Rupees) ----------			
Segment revenues	93,995,659	51,270,205	90,070,028	235,335,892
Gain on remeasurement of investments	-	5,303,682	-	5,303,682
Administrative and operating expenses	(84,023,270)	(18,555,107)	(72,269,506)	(174,847,883)
Depreciation	(4,111,947)	(129,823)	(2,849,218)	(7,090,988)
Amortisation of intangible assets	-	-	(184,455)	(184,455)
Finance cost	(1,277,157)	-	-	(1,277,157)
	4,583,285	37,888,957	14,766,849	51,534,451
Gain on sale of property and equipment				5,704,640
Provision for Sindh Workers' Welfare Fund				(1,144,782)
Taxation				(37,361,587)
Profit after tax				18,732,722
Segment assets	2,367,226,249	2,173,887,484	145,218,997	4,686,332,730
Segment liabilities	1,912,257,489	-	146,509,505	2,058,766,994

20. 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:

	March 31, 2019 (Un-audited)			
Financial assets at fair value through profit or loss	**Level 1**	**Level 2**	**Level 3**	**Total**
Quoted equity securities	**821,516,021**	**-**	**-**	**821,516,021**
Term finance / sukuk certificates - secured	**-**	**8,244,301**	**-**	**8,244,301**
	821,516,021	**8,244,301**	**-**	**829,760,322**
Available-for-sale				
Listed securities	**164,393,019**	**-**	**-**	**164,393,019**
	164,393,019	**-**	**-**	**164,393,019**

	December 31, 2018 (Audited)			
Financial assets at fair value through profit or loss	Level 1	Level 2	Level 3	Total
Quoted equity securities	993,811,509	-	-	993,811,509
Term finance / sukuk certificates - secured	-	8,356,537	-	8,356,537
	993,811,509	8,356,537	-	1,002,168,046
Available-for-sale				
Listed securities	158,899,318	-	-	158,899,318
	158,899,318	-	-	158,899,318

During the period ended March 31, 2019, there were no transfers between level 1 and 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

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

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

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

During the period ended March 31, 2019, the personnel employed in the Research Department have drawn an aggregate salary and benefits amounting to Rs.4.664 million, which comprises basic salary, medical allowance, provident fund and other benefits as per company policy.

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

22.1 The Board of Directors have proposed cash dividend of Rs. **Nil** (December 31, 2018: Nil) amounting to Rs. **Nil** (December 31, 2018: Rs. Nil) and bonus of Rs. **Nil** (December 31, 2018: Nil) in their meeting held on **April 23, 2019.**

23. CORRESPONDING FIGURES

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

Reclassified from component	Reclassified to component	March 31, 2018
		--- (Rupees) ---
Unrealised gain on remeasurement of investments at fair value through profit or loss - net	Unrealised loss on remeasurement of derivatives at fair value through profit or loss - net (Disclosed on the face of profit and loss account)	(4,338,437)

24. DATE OF AUTHORISATION

This financial statements was authorised for issue in the Board of Directors' meeting held on April 23, 2019.

Junaid Imran
Director

Muhammad Kamran Nasir
Chief Executive Officer

Fahad Muslim
Chief Financial Officer

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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
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Civic Center, Phase - IV, Bahria Town, Islamabad

Lahore Branch I
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D.H.A., Lahore

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

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

Faisalabad Branch
Office No.s 509-510, 5th Floor, State Life Building No. 2,
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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