

28 CAPITAL MANAGEMENT

28.1 The Company objectives when managing capital are to safeguard the company's ability as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

28.2 CAPITAL ADEQUACY

The Capital Adequacy level as required by CDC is Calculated as Follows

|                                                                              | Notes  | Amount<br>(Rupees) |
|------------------------------------------------------------------------------|--------|--------------------|
| <i>Total Assets</i>                                                          | 28.2.1 | 117,939,666        |
| <i>Less: Total Liabilities</i>                                               |        | (25,574,783)       |
| <i>Less: Revaluation Reserves (created upon revaluation of fixed assets)</i> |        | -                  |
| <b>Capital Adequacy Level</b>                                                |        | <b>92,364,883</b>  |

28.2.1 While determining the value of the total assets of the TREC Holder, Notional value of the TREC Certificate held by MGM SECURITIES (PVT) LIMITED as at year ended June 30th 2022 as determined by Pakistan Stock Exchange has been considered.

28.3 NET CAPITAL BALANCE

Net capital requirements of the Company are set and regulated by Pakistan Stock Exchange Limited. These requirements are put in place to ensure sufficient solvency margins and are based on excess of current assets over current liabilities.

The Net Capital Balance as required under Third Schedule of Securities and Exchange Rules, 1971 read with the SECP guidelines is calculated as follows;

| A. | Description of Current Assets                                                                            | Basis of Accounting                                           | Notes | Amount<br>(Rupees)                               |
|----|----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|-------|--------------------------------------------------|
| 1  | Cash in hand & Cash at bank<br>Cash in hand<br>Cash at bank-House Account<br>Cash at bank-Client Account | As per book value.                                            | 11    | 12,979<br>28,347,635<br>21,369,221<br>49,729,834 |
| 2  | Margin deposits                                                                                          |                                                               | 10    | 10,800,000                                       |
| 3  | Receivable From NCCPL                                                                                    |                                                               | 10    | 15,362,837                                       |
| 4  | Trade receivables<br>Less: Outstanding for more than 14 days                                             | Book value less those overdue for more than 14 days.          | 9     | 5,332,343<br>(4,231,221)<br>1,101,122            |
| 5  | Investment in listed securities in the name of company                                                   | Securities on the Exposure List to Market less 15 % discount. |       | -                                                |
| 6  | Securities purchase for client                                                                           |                                                               |       | 3,365,181                                        |
|    |                                                                                                          |                                                               |       | <b>80,358,974</b>                                |
| B. | Description of Current Liabilities                                                                       |                                                               |       |                                                  |
| 1  | Trade payables<br>Less: Overdue more than 30 days                                                        | Book value less those overdue for more than 30 days.          | 13    | 23,478,835<br>(14,211,843)<br>9,266,991          |
| 2  | Other liabilities                                                                                        | Accrued & other liabilities                                   | 13    | 14,727,054                                       |
|    |                                                                                                          |                                                               |       | <b>23,994,045</b>                                |
|    | <b>NET CAPITAL BALANCE</b>                                                                               |                                                               |       | <b>56,364,929</b>                                |



28.4 Liquid Capital

| S. No.                                                                                                                                                                                                                                                                                                                                                                                                                       | Head of Account                                                                                                               | Value in Pak Rupees | Hair Cut / Adjustments | Net Adjusted Value |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|---------------------|------------------------|--------------------|
| <b>1. Assets</b>                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                               |                     |                        |                    |
| 1.1                                                                                                                                                                                                                                                                                                                                                                                                                          | Property & Equipment                                                                                                          |                     |                        |                    |
| 1.2                                                                                                                                                                                                                                                                                                                                                                                                                          | Intangible Assets                                                                                                             | 10,481,819          | 100%                   | -                  |
| 1.3                                                                                                                                                                                                                                                                                                                                                                                                                          | Investment in Govt. Securities (150,000*99)                                                                                   | 2,500,000           | 100%                   | -                  |
| <b>Investment in Debt. Securities</b>                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                               |                     |                        |                    |
| <b>If listed than:</b>                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                               |                     |                        |                    |
| i. 5% of the balance sheet value in the case of tenure upto 1 year.                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                               |                     |                        |                    |
| ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                               |                     |                        |                    |
| iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.                                                                                                                                                                                                                                                                                                                                             |                                                                                                                               |                     |                        |                    |
| <b>If unlisted than:</b>                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                               |                     |                        |                    |
| i. 10% of the balance sheet value in the case of tenure upto 1 year.                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                               |                     |                        |                    |
| ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                               |                     |                        |                    |
| iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.                                                                                                                                                                                                                                                                                                                                             |                                                                                                                               |                     |                        |                    |
| <b>Investment in Equity Securities</b>                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                               |                     |                        |                    |
| i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher.                                                                                                                                                                                                                                                                          |                                                                                                                               |                     |                        |                    |
| ii. If unlisted, 100% of carrying value.                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                               |                     |                        |                    |
| iii. Subscription money against Investment in IPO/offer for Sale: Amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker.                                                                                                                                                                                                                 |                                                                                                                               |                     |                        |                    |
| iv. 100% Haircut shall be applied to Value of Investment in any asset including shares of listed securities that are in Block, Freeze or Pledge status as on reporting date. (July 19, 2017)                                                                                                                                                                                                                                 |                                                                                                                               |                     |                        |                    |
| Provided that 100% haircut shall not be applied in case of investment in those securities which are Pledged in favor of Stock Exchange / Clearing House against Margin financing requirements or pledged in favor of Banks against Short Term financing arrangements. In such cases, the haircut as provided in schedule III of the Regulations in respect of investment in securities shall be applicable (August 25, 2017) |                                                                                                                               |                     |                        |                    |
| 1.5                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                               | 16,406,874          | 100%                   | -                  |
| 1.6                                                                                                                                                                                                                                                                                                                                                                                                                          | Investment in subsidiaries                                                                                                    |                     |                        | -                  |
| <b>Investment in associated companies/undertaking</b>                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                               |                     |                        |                    |
| i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.                                                                                                                                                                                                                                                                                             |                                                                                                                               |                     |                        |                    |
| ii. If unlisted, 100% of net value.                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                               |                     |                        |                    |
| 1.7                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                               |                     |                        | -                  |
| 1.8                                                                                                                                                                                                                                                                                                                                                                                                                          | Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity. | 5,808,500           | 100%                   | -                  |
| 1.9                                                                                                                                                                                                                                                                                                                                                                                                                          | Margin deposits with exchange and clearing house.                                                                             | 10,800,000          | 0.00%                  | 10,800,000         |
| 1.10                                                                                                                                                                                                                                                                                                                                                                                                                         | Deposit with authorized intermediary against borrowed securities under SLB.                                                   |                     |                        | -                  |
| 1.11                                                                                                                                                                                                                                                                                                                                                                                                                         | Other deposits and prepayments                                                                                                | 2,383,500           | 100%                   | -                  |
| Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)                                                                                                                                                                                                                                                                                                               |                                                                                                                               |                     |                        |                    |
| 1.12                                                                                                                                                                                                                                                                                                                                                                                                                         | 100% in respect of markup accrued on loans to directors, subsidiaries and other related parties                               |                     |                        | -                  |
| 1.13                                                                                                                                                                                                                                                                                                                                                                                                                         | Dividends receivables.                                                                                                        |                     |                        | -                  |
| 1.14                                                                                                                                                                                                                                                                                                                                                                                                                         | Amounts receivable against Repo financing.                                                                                    |                     |                        | -                  |
| Amount paid as purchaser under the REPO agreement. ( <i>Securities purchased under repo arrangement shall not be included in the investments.</i> )                                                                                                                                                                                                                                                                          |                                                                                                                               |                     |                        |                    |
| i. Short Term Loan To Employees: Loans are Secured and Due for repayment within 12 months                                                                                                                                                                                                                                                                                                                                    |                                                                                                                               |                     |                        |                    |
| ii. Receivables other than trade receivables                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                               |                     |                        |                    |
| <b>Receivables from clearing house or securities exchange(s)</b>                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                               |                     |                        |                    |
| 100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.                                                                                                                                                                                                                                                                                           |                                                                                                                               |                     |                        |                    |
| claims on account of entitlements against trading of securities in all markets including MtM gains.                                                                                                                                                                                                                                                                                                                          |                                                                                                                               |                     |                        |                    |
| 1.16                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                               | 15,362,837          | 0.00%                  | 15,362,837         |
| <b>Receivables from customers</b>                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                               |                     |                        |                    |
| i. In case receivables are against margin financing, the aggregate if (i) value of securities held in the blocked account after applying VaR based Haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut.                                                                                                                 |                                                                                                                               |                     |                        |                    |
| <b>i. Lower of net balance sheet value or value determined through adjustments.</b>                                                                                                                                                                                                                                                                                                                                          |                                                                                                                               |                     |                        |                    |
| ii. In case receivables are against margin trading, 5% of the net balance sheet value.                                                                                                                                                                                                                                                                                                                                       |                                                                                                                               |                     |                        |                    |
| <b>ii. Net amount after deducting haircut</b>                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                               |                     |                        |                    |
| iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract,                                                                                                                                                                                                                                                                                    |                                                                                                                               |                     |                        |                    |
| 1.17                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>iii. Net amount after deducting haircut</b>                                                                                |                     |                        | -                  |





|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                    |                  |                   |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------------|-------------------|
| 1.17                          | iii. Incase receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract,<br><b>iii. Net amount after deducting haircut</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                    |                  | -                 |
|                               | iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value.<br><b>iv. Balance sheet value</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 138,808            | 0.00%            | 138,808           |
|                               | v. Incase of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts.<br><b>v. Lower of net balance sheet value or value determined through adjustments</b>                                                                                                                                                                                                                                                      | 3,693,442          | 3,887,662        | 3,693,442         |
|                               | <b>vi. 100% haircut in the case of amount receivable form related parties.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 634,052            | 100%             |                   |
| <b>Cash and Bank balances</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                    |                  |                   |
| 1.18                          | i. Bank Balance-proprietary accounts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 28,347,635         | -                | 28,347,635        |
|                               | ii. Bank balance-customer accounts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 21,369,221         | -                | 21,369,221        |
|                               | iii. Cash in hand                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 12,979             | -                | 12,979            |
| 1.19                          | <b>Total Assets</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>117,939,666</b> | <b>3,887,668</b> | <b>79,724,922</b> |
| <b>2. Liabilities</b>         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                    |                  |                   |
| 2.1                           | <b>Trade Payables</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                    |                  | -                 |
|                               | i. Payable to exchanges and clearing house                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | -                  | -                | -                 |
|                               | ii. Payable against leveraged market products                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | -                  | -                | -                 |
|                               | iii. Payable to customers                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 23,478,835         | -                | 23,478,835        |
| 2.2                           | <b>Current Liabilities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                    |                  | -                 |
|                               | i. Statutory and regulatory dues                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | -                  | -                | -                 |
|                               | ii. Accruals and other payables                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 615,211            | -                | 615,211           |
|                               | iii. Short-term borrowings                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | -                  | -                | -                 |
|                               | iv. Current portion of subordinated loans                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                  | -                | -                 |
|                               | v. Current portion of long term liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 1,480,737          | -                | 1,480,737         |
|                               | vi. Deferred Liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | -                  | -                | -                 |
|                               | vii. Provision for bad debts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | -                  | -                | -                 |
|                               | viii. Provision for taxation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | -                  | -                | -                 |
|                               | ix. Other liabilities as per accounting principles and included in the financial statements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | -                  | -                | -                 |
| 2.3                           | <b>Non-Current Liabilities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                    |                  | -                 |
|                               | i. Long-Term financing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | -                  | -                | -                 |
|                               | a. Long-Term financing obtained from financial instituon: Long term portion of financing obtained from a financial institution including amount due against finance lease                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                  | -                | -                 |
|                               | b. Other long-term financing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | -                  | -                | -                 |
|                               | ii. Staff retirement benefits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | -                  | -                | -                 |
|                               | iii. Advance against shares for Increase in Capital of Securities broker: 100% haircut may be allowed in respect of advance against shares if:<br>a. The existing authorized share capital allows the proposed enhanced share capital<br>b. Boad of Directors of the company has approved the increase in capital<br>c. Relevant Regulatory approvals have been obtained<br>d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed.<br>e. Auditor is satisfied that such advance is against the increase of capital.                                                                                  | -                  | -                | -                 |
|                               | iv. Other liabilities as per accounting principles and included in the financial statements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | -                  | -                | -                 |
| 2.4                           | <b>Subordinated Loans</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                    |                  |                   |
|                               | i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted:<br>The Schedule III provides that 100% haircut will be allowed against subordinated Loans which fulfill the conditions specified by SECP. In this regard, following conditions are specified:<br>a. Loan agreement must be executed on stamp paper and must clearly reflect the amount to be repaid after 12 months of reporting period<br>b. No haircut will be allowed against short term portion which is repayable within next 12 months.<br>c. In case of early repayment of loan, adjustment shall be made to the Liquid Capital and revised Liquid Capital statement must be submitted to exchange. |                    |                  |                   |
|                               | ii. Subordinated loans which do not fulfill the conditions specified by SECP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                    |                  |                   |
| 2.5                           | <b>Total Liabilites</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>25,574,783</b>  | <b>-</b>         | <b>25,574,783</b> |



| 3. Ranking Liabilities Relating to : |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |   |   |
|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| 3.1                                  | <b>Concentration in Margin Financing</b><br>The amount calculated client-to- client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total financees.                                                                                                                                                                                                                                                                                                                                                                                       |   |   |
| 3.2                                  | <b>Concentration in securities lending and borrowing</b><br>The amount by which the aggregate of:<br>(i) Amount deposited by the borrower with NCCPL<br>(ii) Cash margins paid and<br>(iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed                                                                                                                                                                                                                                                                                                             |   |   |
| 3.3                                  | <b>Net underwriting Commitments</b><br><b>(a) in the case of right issue :</b> if the market value of securities is less than or equal to the subscription price;<br>the aggregate of:<br>(i) the 50% of Haircut multiplied by the underwriting commitments and<br>(ii) the value by which the underwriting commitments exceeds the market price of the securities.<br>In the case of rights issue where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting<br><b>(b) in any other case :</b> 12.5% of the net underwriting commitments |   |   |
| 3.4                                  | <b>Negative equity of subsidiary</b><br>The amount by which the total assets of the subsidiary ( excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary                                                                                                                                                                                                                                                                                                                                                                                                                    |   |   |
| 3.5                                  | <b>Foreign exchange agreements and foreign currency positions</b><br>5% of the net position in foreign currency.Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency                                                                                                                                                                                                                                                                                                                                     |   |   |
| 3.6                                  | Amount Payable under REPO                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |   |   |
| 3.7                                  | <b>Repo adjustment</b><br><b>In the case of financier/purchaser</b> the total amount receivable under Repo less the 110% of the market value of underlying securities.<br><b>In the case of financee/seller</b> the market value of underlying securities after applying haircut less the total amount received ,less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.                                                                                                                                                          |   |   |
| 3.8                                  | <b>Concentrated proprietary positions</b><br>If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security .If the market of a security exceeds 51% of the proprietary position,then 10% of the value of such security                                                                                                                                                                                                                                                                                                                     |   |   |
| 3.9                                  | <b>Opening Positions in futures and options</b><br>i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/pledged with securities exchange after applying VaR haircuts<br>ii. In case of proprietary positions , the total margin requirements in respect of open positions to the extent not already met                                                                                                                                                                 |   |   |
| 3.10                                 | <b>Short sell positions</b><br>i. In case of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VaR based haircuts<br>ii. In case of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VaR based haircut less the value of securities pledged as collateral after applying haircuts.                           |   |   |
| 3.11                                 | <b>Total Ranking Liabilities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | - | - |

TOTAL

92,364,884 Liquid Capital 54,150,139

Calculation Summary of Liquid Capital

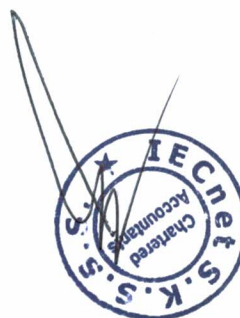
- (i) Adjusted Value of Assets (serial No. 1.19)
- (i) Less: Adjusted Value of Liabilities (serial no. 2.5)
- (i) Less: Total ranking liabilities (serial no. 3.11)

79,724,922  
(25,574,783)  

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54,150,139





## 29 RELATED PARTY TRANSACTIONS

The related parties of the Company comprise of shareholders/ directors, key management personnel, entities with common shareholding, entities over which the directors are able to exercise influence and entities under common directorship. Transactions with related parties and the balances outstanding at year end are disclosed in the respective notes to the financial statements.

## 30 IMPACT OF COVID-19 (CORONA VIRUS)

The pandemic of COVID-19 that has rapidly spread all across the world has not only endangered human lives but has also adversely impacted the global economy. The Government of the Punjab announced a temporary lock down as a measure to reduce the spread of the COVID-19. The Company's operations were not affected as Pakistan Stock Exchange was not subject to lockdown restrictions. Company implemented all the necessary Standard Operating Procedures (SOPs) to ensure safety of employees and contained its operations. Due to this, management has assessed the accounting implications of these developments on these financial statements, however, according to management's assessment, there is no significant accounting impact of the effect of COVID-19 on these Financials Statements.

## 31 EVENTS AFTER REPORTING PERIOD

No events occurred after the reporting period that would require adjustment or disclosure in the financial statements.

## 32 NUMBER OF EMPLOYEES

Total number of employees at the end of year was 11 (2021: 11). Average number of employees was 11 (2021: 11)

## 33 RE-CLASSIFICATION AND RE-ARRANGEMENTS

Corresponding figures have been reclassified and re-arranged wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison, and in order to improve compliance with disclosure requirements.


## 34 GENERAL

Amounts have been rounded off to the nearest rupee, unless otherwise stated.

## 35 AUTHORIZATION

- 35.1 These financial statements were authorized for issue on October 25, 2022 by the Board of Directors of the Company.

*WOL*  
\_\_\_\_\_  
Chief Executive



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Director