

2017 Annual Report



Javed Omer Vohra & Company Ltd.
(Incorporated in Pakistan under the Companies Ordinance, 1984)

OUR VISION

Our vision is to be customer-focused, quality driven and growth oriented Company endeavoring to play an active role in the development of capital market and to ensure value to our clients by providing best quality service that meets or exceeds their needs while achieving favorable returns to the Company, its employee and shareholders.

OUR MISSION

To realize our vision and fulfill our mission, we are committed to:

Promoting trust and strengthening long-term business relationships with our clients in order to discover and meet their needs.

Using a combination of proven and innovative professional skills to address clients needs and concerns.

Delivering high quality, accurate and timely services that represent value to our clients and generate profit for us.

As a growth oriented company, we are committed to provide a working climate that will make our people feel respected, fairly treated, listened to and involved. We're determined to create an environment in which we will offer all the employees an opportunity to learn, participate, contribute, be rewarded, grow and advanced based on excellence, not on politics.

To fulfill all our responsibilities being a good corporate citizen.



JAVED OMER VOHRA & COMPANY LIMITED

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JAVED OMER VOHRA & COMPANY LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS

Muhammad Bilal Vohra
Mrs. Ayesha Mubashir
Mrs. Fatima Amir
Ms. Afshan Farooqui
Mrs. Saira Faraz

AUDIT COMMITTEE

Ms. Fatima Amir *Chairman*
Ms. Saira Faraz *Member*
Mr. Farrukh Habib *Member*

AUDITORS

NAVEED ZAFAR ASHFAQ JAFFERY & CO Chartered Accountants

LEGAL ADVISORS

MS Mangrio & Co.

BANKERS

United Bank Limited
Bank Al-Falah Limited
Summit Bank Limited
MCB Bank Limited

SHARE REGISTRAR

JWAFFS registrar services (Private) limited
505, 5th Floor, Kashif Centre
Near Hotel Mehran, Main Shahra-e-Faisal,
Phone: 35643871-72, Fax: 35643873
Email: jwaffs@live.com

REGISTERED OFFICE

509-510, Karachi Stock Exchange Building, I.I. Chundrigar Road, Karachi.
Telephone: (021)-32424051
FAX: (021) 32415709
E-MAIL: jovcoltd@hotmail.com



JAVED OMER VOHRA & COMPANY LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty-first Annual General Meeting of the Company will be held on Tuesday, October 31st, 2017 at 10:30 AM at Hotel crown Inn Plot No.171 .off 21 AM, Frere Road, Saddar , Karachi to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of Annual General Meeting held on October 29th, 2016.
2. To elect 07 (seven) Directors as fixed by the Board of Directors in pursuant to section 178(1) of the Companies Ordinance, 1984, for the term of next three years and to fix their remuneration. Following are the retiring Directors:
 - I. Mr.Muhammad Bilal Vohra
 - II. Ms.Ayesha Mubashir
 - III. Ms.Saira Faraz
 - IV. Ms.Fatima Amir
 - V. Ms.Afshan Farooqi
3. To receive, consider and adopt the audited accounts of the company together with Director's and Auditor's report thereon for the year ended June 30, 2017.
4. To appoint Auditors and fix their remuneration for the year ended June 30,2018.
5. To authorize the Chair to transact all businesses related to Company assets and other matters.
6. To transact any other business with the permission of chair.

By order of the board
Sd/-

(Muhammad Bilal Vohra)
Chief Executive Officer

Karachi: October 6th 2017

Notes:

1. The share transfer books of the Company will remain closed from October 24th, 2017 to October 31st, 2017 (both days inclusive). Transfers received at JWAFS Registrar Services (Private)) limited at 505, 5th Floor, Kashif Centre Near Hotel Mehran, Main Shakra-e-Faisal, Karachi.
2. A member eligible to attend and vote may appoint another member as his/her proxy to attend and vote in the meeting.
3. The instrument appointing the proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of the power of attorney or other authority in order to be effective must be deposited at the Registered office of the Company, at least 48 hours before the time of holding the meeting.
4. The member who shares are deposited with Central Depository Company of Pakistan Limited (CDC) and /or their proxies are requested to bring their original Computerized National Identity Card (CNIC) or Passport along with the participant's ID Number and their account numbers in Central Depository Company of Pakistan Ltd. (CDC) to facilitate identification at the time of meeting.
5. The members are requested to timely notify any change in their addresses to JWAFS Registrar Services (Private) limited at 505, 5th Floor, Kashif Centre Near Hotel Mehran, Main Shakra-e-Faisal, Karachi.



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CHAIRMAN'S REVIEW

The Board of Director's met six times during the year to discuss the future of the Company and to resolve it's issues with the Banks and meet compliances. It gives me immense pleasure to present the Company's 21st Annual Report which reflects that the Company has been able to resolve all the issues with the Banks and that now its moving towards getting its TREC license restored.

This has all been possible due to relentless efforts and we intend to stay committed to make it operational and eventually lucrative for everyone associated with it.



DIRECTOR'S REPORT TO THE SHAREHOLDERS

Dear Shareholders,

The Directors of the Company present their report together with the audited financial statements of the Company for the year ended June 30, 2017.

Economic & Market Review

In fiscal year (ended 30 June 2017), Pakistan made a broad recovery with GDP growth of 5.3% against the target of 5.7% in comparison to 4.7% last fiscal year, reaching beyond US\$ 300 billion as an economy. The GDP is the highest in the last decade. The inflation in the FY 2016-17 is around 4.1% against expectations of 6% and the fiscal deficit has been on manageable levels as well. Both the industrial and the large scale manufacturing sector grew around 5% while small sector recorded the growth of about 8.2% being close to the target. The agricultural sector reached targets with a growth of 3.5% while the services sector surpassed the growth rate by reaching 6%.

CPEC (China Pakistan Economic Corridor) projects have been gaining momentum with visible developments now taking place. The infrastructure developments such as roads and railways along with fiber optic connectivity will bring a boost to investments and opportunities into the country.

However, one of the concerning factors for the country was higher than expected current account deficit even though the balance of payments was in a manageable position; measures regarding increase in exports have to be ensured. Along with this, challenges such as energy shortages and low revenue collection are a point of concern for the Pakistan's business community. Nevertheless; increasing remittances, accommodating monetary policy, stable PKR to USD parity and record foreign exchange reserve led to restoring faith in the country.

KSE 100 was inflated by 23% during the year and closed at 46,565 points on June 30, 2017 as compared to 37,784 in the same period last year. As for the market capitalization, it also increased from Rs. 7,588.5bn to Rs. 9,522.4bn.

The PSX-100 was boosted by heavy inflows of local investors and mutual funds with selling by the foreign investors who offloaded around US\$ 650 million of Pakistan equities.

However, we see the market to continue its upward trail as the KSE 100 is considered to be trading at a massive discount to its emerging market peers with respect to multiples and dividend yields. With CPEC looking promising, significant infrastructure investments seem positive for Pakistan's equity market.



JAVED OMER VOHRA & COMPANY LIMITED

FINANCIAL HIGHLIGHTS

The summary of the financial results of the Company for the year ended 30 June, 2014 are as under.

	2017 (Rupees)	2016 (Rupees)
Brokerage Revenue	-	-
Dividend Income	403,152	1,209,081
Capital (Loss)/Gain on sale of investments	-	-
Gain on re-measurement of investments to fair value	13,738	13,381
Profit/ (Loss) before taxation	192,741,663	(1,336,940)
Taxation-Current	(50,394)	(151,135)
-Prior	-	-
Profit/ (Loss) after taxation	192,691,269	(1,488,075)
Gain/(Loss) earnings per share-basic and diluted	3.79	(0.03)

Auditor's Observation

As mentioned in Note 1.2, the brokerage activities of the Company were suspended on 23rd November, 2009 due to inability of the Company to maintain the required net capital balance in accordance with Schedule 2 of the Securities Brokers (Licencing and operation) Regulation, 2016 which has further resulted in severe liquidity problems and consequently the company was unable to honor its obligation, due to which a recovery suit had been filed by one of the banks for the outstanding amount including mark-up overdue since 2009.

No formal plan to revive the company including capital injection has been formulated by the board of directors of the company, as yet.

These events indicate that the going concern assumption used by the management; as indicated in Note 1.3 to these financial statements is not appropriate, and therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

Explanation with regard to afore mentioned auditors' qualification

The Company has earned net profit of Rs. 252.885 million for the year ended June 30, 2017. The profit is mainly due to reversal of prior year bank lending's and mark-up and due to revaluation of gain of PSX shares. The Company is suffering liquidity problems due



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to the suspension of trading filed an application for registration as broker to Securities and Exchange Commission of Pakistan ('SECP') in accordance with Corporation, Demutualization and Integration Act, 2012 (the act). However, to date SECP has not granted license to operate as broker due to deficiency of net capital balance. These financial statements have been prepared on the assumption, that the Company would continue as a going concern based on the following:

The Securities and Exchange Commission of Pakistan (SECP) has passed an order dated 10 September 2009 against Corporate Business Management (Private) Limited (CBML), under the voluntary winding up directing its liquidator to pay Rs. 175 million to the Company in view of the losses caused to the Company due to fall in share price of Crescent Standard Investment Bank Limited (now merged into Innovative Housing Finance Limited and renamed as Innovative Investment Bank Limited (CSIBL)) subsequent to sale of 24.5 million shares of CSIBL to the Company, on account of certain price sensitive information held by directors one of whom was the CEO of CBML during financial year 2006. In the year 2010, CBML has again filed an appeal against the aforementioned order which is still pending. The Company still feels that the decision of the case will be in favour of the Company and they will receive the due amount in the forth-coming year.

Future Outlook

With CPEC around the corner and infrastructure developments in view, the future of the country looks promising parallel to the projects under the CPEC wing.

As for the company, after the settlement with all the banks and clearing out the liabilities, the Company is looking forward to get its trading rights restored to become operational again.

Social Obligation

The Company paid no donation during the year.

Compliance with Code of Corporate Governance

The Directors are pleased to report compliance according to the provision of Code of Corporate Governance as stated in Statement of Compliance and confirm that:

- The Financial Statements present fairly the state of affairs of the Company, the results of its operations, Cash Flow Statement and statement of Changes in Equity.
- Proper books of accounts of the Company have been maintained.



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- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- Approved Accounting Standard, as applicable in Pakistan, have been followed in preparation of financial statements.
- The Board of directors has not appointed an individual to carry out internal audit of the Company.
- The management feels that the Company will revive from the adverse financial situation and hence as narrated in note 1.3 to the accompanying financial statements we believe that there are no significant doubts upon the Company's ability to continue as going concern.
- There has been material departure from the best practices of code of corporate governance, as stated in Statement of Compliance with Code of Corporate Governance

Key Financial Data

Statement of key operating and financial data of last six years in summarized form is enclosed.

Board Meetings

Six meetings of the Board of Directors was held during the year from 01 July 2015 to 30 June 2016. The attendance of directors at board meetings was as below:

NAME OF DIRECTOR	ATTENDANCE
Mr. Muhammad Bilal Vohra	6
Mrs. Ayesha Mubashir	6
Mrs. Fatima Amir	6
Mrs. Saira Faraz	6
Ms. Afshan Farooqui	2

Appointment of Auditors

The auditors M/S Naveed Zafar Ashfaq Jaffery & CO Chartered Accountants retire at the conclusion of the Annual General Meeting and being eligible; offer themselves for reappointment for the financial year ending June 30, 2017.



JAVED OMER VOHRA & COMPANY LIMITED

Pattern of Shareholding

Statement of Pattern of Shareholding as on June 30, 2017, prepared in accordance with the requirements of Code of Corporate Governance, is annexed.

Acknowledgement

We wish to place on record our gratitude to the valued clients, regulatory authorities, banks & financial institutions and also to the shareholders for their confidence and continued support. We also appreciate the efforts and dedication shown by the staff for the Company's affairs successfully.

For and on behalf of Board of Directors.

Muhammad Bilal Vohra
Chief Executive

Karachi: October 6th, 2017

شیر ہولڈرز کے لئے ڈائریکٹر کی رپورٹ

پیارے شیر ہولڈرز،

کمپنی کے ڈائریکٹرز کی رپورٹ 30 جون، 2017 کو ختم ہونے والے سال کے لئے کمپنی کے آڈٹ کردہ مالیاتی بیانات کے ساتھ مل کر پیش کرتے ہیں۔

اقتصادی اور مارکیٹ کا جائزہ:

مالی سال میں (30 جون 2017 تک) پاکستان نے گزشتہ مالی سال میں 4.7% کے مقابلے میں 5.7% کے ہدف کے مقابلے میں 5.3% کی جی ڈی پی کی ترقی کے ساتھ وسیع ترقی کی ہے۔ جس میں معیشت کے طور پر 300 ارب امریکی ڈالر سے زائد تک پہنچ گئی۔ گزشتہ دہائی میں جی ڈی پی سب سے زیادہ ہے۔ 2016-17 کے مالیاتی افراط زر میں 6 فیصد کی توقع کے مقابلے میں 4.1 فیصد ہے اور مالی خسارہ انتظامیہ سطح پر بھی ہے۔ صنعتی اور بڑے پیمانے پر مینوفیکچرنگ کے شعبے دونوں میں تقریباً 5 فیصد اضافہ ہوا۔ جبکہ چھوٹے سیکٹر نے ہدف کے تقریباً 8.2 فیصد کی ترقی ریکارڈ کی۔ زرعی شعبے میں 3.5% کی ترقی کے ساتھ ہدف تک پہنچ گئی۔ جبکہ خدمات کے شعبے نے 6 فیصد تک پہنچنے کی شرح بڑھادی۔

سی پیک (چین پاکستان اقتصادی کوریڈور) منصوبوں کو ابھی تک نظر آنے والی پیش رفت کے ساتھ رفتار حاصل ہو رہی ہے۔ ریشہ اور ریلوے جیسے بنیادی ڈھانچے کی ترقی فائبر آپٹک کنکٹیوٹی کے ساتھ ملک میں سرمایہ کاری اور مواقع کو فروغ دیں گے۔

تاہم، ملک کے متعلقہ عوامل میں سے ایک سے موجودہ اکاؤنٹ کی خسارہ سے زیادہ تھا اگرچہ ادائیگی کی توازن ایک انتظامی حیثیت میں تھا، برآمدات میں اضافے کے بارے میں اقدامات کو یقینی بنایا جانا چاہئے۔ اس کے ساتھ ساتھ، توانائی کی قلت اور کم آمدنی کے مجموعے جیسے چیلنج پاکستان کے کاروباری برادری کے لئے تشویش کا ایک نقطہ نظر ہیں۔ اسکے باوجود پیسہ بڑھانے، مالیاتی پالیسی کو ایڈجسٹ کرنے، مستحکم IPKR امریکی مساوات اور ریکارڈ غیر ملکی تبادلہ ریزرو ملک میں اعتماد کو بحال کرنے کے لئے

سال 2014 کے دوران کے ایس سی 100 فیصد سے 23 فیصد ہوا اور 30 جون 2017 کو 30,565 پوائنٹس پر بند کر دیا گیا جبکہ گزشتہ سال اسی مدت

میں 37,784 کی نسبت ہوا۔ مارکیٹ کی سرمایہ کاری کے لئے، یہ بھی 7,588.5 بلین روپے 9,522.4 بلین بڑھ گئی ہے

پی ایس ایکس۔ 100 کو مقامی سرمایہ کاروں اور ملٹی فنڈز کی بھاری آمدنی سے فروغ دیا گیا تھا جو غیر ملکی سرمایہ کاروں کی طرف سے فروخت کرتے تھے جنہوں نے پاکستان کے اقوام متحدہ کے 650 بلین امریکی ڈالر کو بند کر دیا۔

تاہم، ہم دیکھتے ہیں کہ مارکیٹ اسکے اوپر کے راستے کو جاری رکھنے کے لئے ہے کیونکہ اسکے ایچ بی مارکیٹ کے ساتھیوں کو کثیر منافع اور لاگت حاصل کرنے کے سلسلے میں کی کے ایس ای 100 کو بڑے پیمانے پر رعایت پر ٹریڈ سمجھا جاتا ہے۔ سی پیک کے ساتھ وعدہ لگ رہا ہے، پاکستان کے مساوات کے بازار کے لئے اہم بنیادی ڈھانچہ سرمایہ کاری مثبت ہے۔

FINANCIAL HIGHLIGHTS

The summary of the financial results of the Company for the year ended 30 June, 2014 are as under.

	2017 (Rupees)	2016 (Rupees)
Brokerage Revenue	-	-
Dividend Income	403,152	1,209,081
Capital (Loss)/Gain on sale of investments	-	-
Gain on re-measurement of investments to fair value	13,738	13,381
Profit/ (Loss) before taxation	192,741,663	(1,336,940)
Taxation-Current	(50,394)	(151,135)
-Prior	-	-
Profit/ (Loss) after taxation	192,691,269	(1,488,075)
Gain/(Loss) earnings per share-basic and diluted	3.79	(0.03)

آڈیٹر کا مشاہدہ:

جیسا کہ نوٹ 1.2 میں ذکر کیا گیا ہے، کمپنی کے بروکر ج سرگرمیوں کو 23 نومبر، 2009 کو معطل کر دیا گیا تھا کیونکہ کمپنی کی سیکورٹی بروکرز (لائسنسنگ اور آپریشن) ریگولیشن، 2016 کے شیڈول 2 کے مطابق ضروری نیت درک کے توازن کو برقرار رکھنے کے لئے اسکے نتیجے میں شدید عدلت کی خرابیوں میں اضافہ ہوا اور اسکے نتیجے میں کمپنی اپنی ذمہ داریوں کا احترام کرنے میں ناکام رہی، جس کے نتیجے میں 2009 میں ایک بینک کی رقم کی وصولی کے لئے ایک اضافی رقم درج کی گئی ہے۔

دارالحکومت انجکشن کمپنی کو بحال کرنے کا کوئی باقاعدہ منصوبہ کمپنی کے ڈائریکٹر بورڈ کی طرف سے تیار نہیں کیا گیا ہے۔

ان واقعات سے پتہ چلتا ہے کہ انتظامیہ کی جانب سے استعمال ہونے والی تشویش کا احساس، جیسا کہ نوٹ 1.3 میں ان مالی بیانات سے ظاہر ہوتا ہے مناسب نہیں ہے۔ اور اس وجہ سے، کمپنی اسکے اثاثوں کو محسوس کرنے میں ناکام رہی اور اپنی ذمہ داریوں کو کاربار کے عام کورس میں خارج کر دیتا ہے۔

مندرجہ ذیل آڈیٹر کی اہلیت کے بارے میں وضاحت:

کمپنی نے روپے کا خالص منافع حاصل کیا ہے۔ 25 جون، 2017 کو ختم ہونے والے سال کے لئے 252.885 ملین، بنیادی طور پر پہلے سال کے بینک قرضے کی قیمتوں میں اضافہ ہو سکتا ہے اور پی ایس ایکس حصص کے حصول کے تجدید کے باعث ہے۔ ٹریڈنگ کی معطل کرنے کے باعث کمپنی کو مائیکرو سیسی کی دشواریوں کا سامنا کرنا پڑتا ہے کیونکہ کارکنوں، ڈیپوٹائیوٹائزیشن اور انٹیکریشن ایکٹ، 2012 (ایکٹ) کے مطابق بروکرز سیکرٹریز اور ایچ جی کمیشن آف پاکستان (ایس ای سی پی) کے طور پر رجسٹریشن کے لئے ایک درخواست درج کی ہے۔ تاہم، ایس ای سی پی نے خالص سرمایہ پیپلس کی کمی کی وجہ سے بروکر کے طور پر چلانے کے لئے لائسنس نہیں دی ہے۔ ان مالی بیانات کو یہ فرض کیا گیا ہے کہ کمپنی مندرجہ ذیل پر مبنی ایک تشویش کے طور پر جاری رکھیں گے۔

سیکورٹیز اینڈ ایچ جی کمیشن آف پاکستان (ایس ای سی پی) نے 10 ستمبر 2009 کو کارپوریٹ برنس منجمنٹ (نئی) لمیٹڈ (سی بی ایم ایل) کے خلاف رضا کارانہ طور پر اسکے مائیکرو کو ہدایت دی ہے کہ وہ اسکے مائع کو مدعو کرنے کے لئے 10 ستمبر 2009 کو منظور کرے۔ کمپنی کے نتیجے میں 175 ملین ملزمان کی وجہ سے کریڈنٹ شیڈولڈ اسٹیٹ انوشنٹ بینک لمیٹڈ (اب جدید نوکری فنانس لمیٹڈ میں ضم کیا گیا ہے اور

انویٹیوٹ انوسٹمنٹ بینک لمیٹڈ (سی ایس آئی بی ایل) کے طور پر تبدیل کر دیا گیا ہے جس کے نتیجے میں 24.5 فروخت سی ایس آئی بی ایل کی کمپنی کے لئے بلین حصص، ڈائریکٹرز کے زیر اہتمام بعض مخصوص حساس معلومات کے مطابق، جن میں سے ایک مئی سال 2006 کے دوران سی بی ایم ایل کے سی ای او تھا۔ سال 2010 میں، سی بی ایم ایل نے دوبارہ پیش کردہ حکم کے خلاف اپیل کی ہے جس میں ابھی بھی زیر التواء ہے۔ کمپنی کو اب بھی محسوس ہوتا ہے کہ کیس کا فیصلہ کمپنی کے حق میں ہوگا اور وہ اگلے آنے والے سال میں اسکی رقم وصول کرے گی۔

مستقبل کا جائزہ:

سی پیک کے ساتھ ہونے اور بنیادی ڈھانچہ کی ترقی کے سلسلے میں، ملک کا مستقبل سی پیک ونگ کے تحت منصوبوں کی متوازی وعدہ کرتا ہے۔ کمپنی کے طور پر، تمام بینکوں کے ساتھ حل کرنے اور ذمہ داریوں کو صاف کرنے کے بعد کمپنی دوبارہ تجارتی بننے کے لئے تجارتی حقوق حاصل کرنے کے منتظر ہے۔

سماجی ذمہ داری:

کمپنی نے سال کے دوران کوئی عطیہ نہیں دیا۔



JAVED OMER VOHRA & COMPANY LIMITED

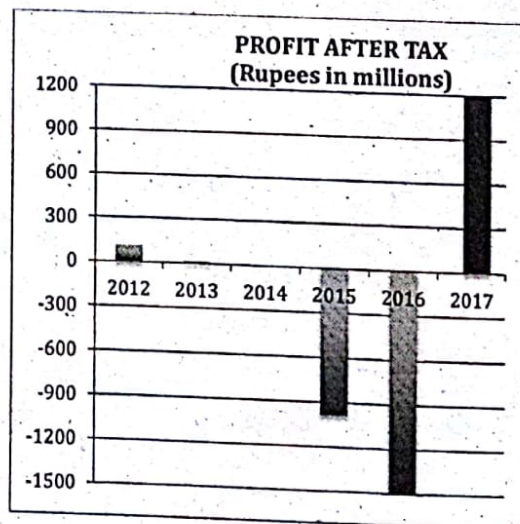
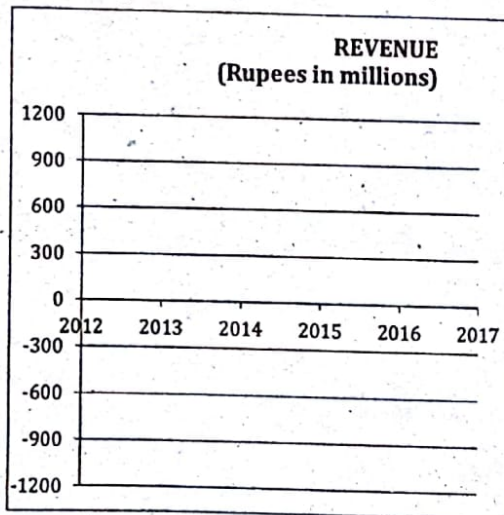
FINANCIAL HIGHLIGHTS

Rs. In '000

OPERATING RESULTS	2012	2013	2014	2015	2016	2017
Revenues	0	0	0	0	0	0
Profit/(loss) before tax	113,659	17,038	(1,753)	(1,753)	(1,336)	192,741
Profit/(loss) after tax	113,659	17,038	(1,753)	(1,753)	(1,488)	192,691

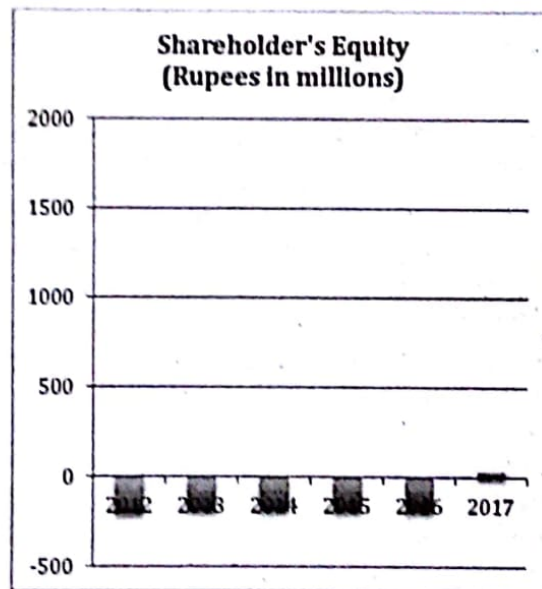
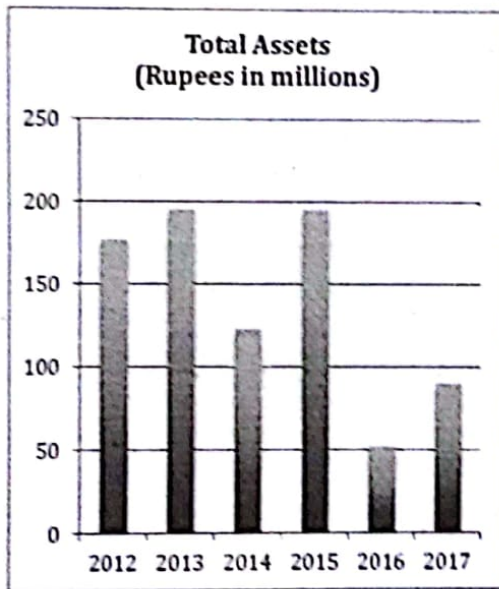
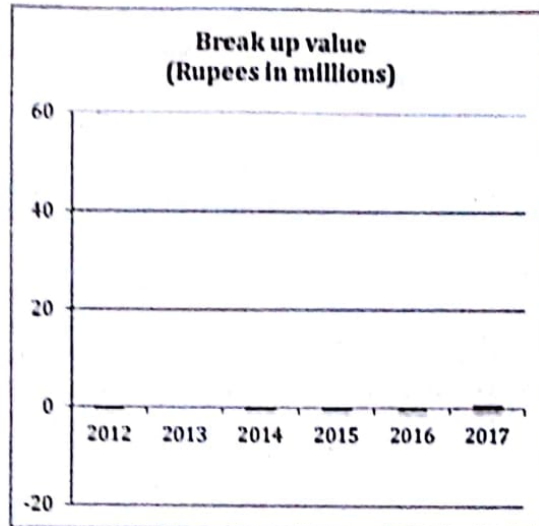
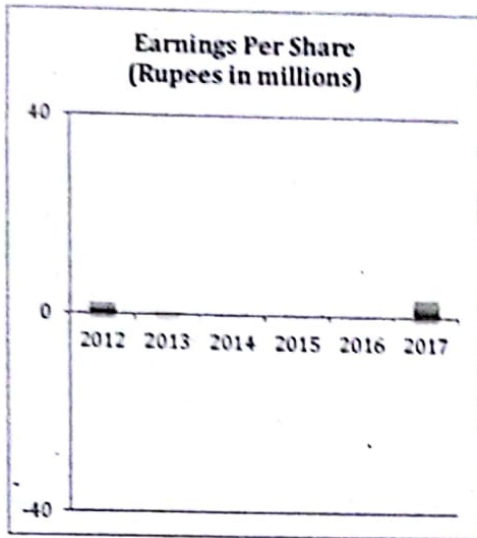
VALUATION	2012	2013	2014	2015	2016	2017
Earning/(loss) per share	2.24	0.34	(0.03)	(0.03)	(0.03)	3.79
Break-up value	(0.41)	(0.16)	(0.38)	(0.38)	(0.45)	0.72
Dividends (%)						
Cash	-	-	-	-	-	-
Bonus	-	-	-	-	-	-

FINANCIAL POSITION	2012	2013	2014	2015	2016	2017
Total Assets	177,110	195,785	123,493	123,493	52,585	90,954
Shareholder's equity	(208,254)	(191,216)	(192,970)	(192,970)	(195,446)	36,731
Shares Outstanding	50,820	50,820	50,820	50,820	50,820	50,820





JAVED OMER VOHRA & COMPANY LIMITED



STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED JUNE 30, 2017

This statement is being presented to comply with the Code of Corporate Governance (the "Code") contained in Clause 5.19 of the Rule Book of Pakistan Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

This statement has been prepared after considering the facts that the company is facing serious financial and liquidity problems, and is not able to meet the net capital requirement. Trading activities of the company were suspended by the stock exchanges since November 2009. The company has applied the principles contained in the code to the extent practicable under the given circumstances in the following manner:

1. The Board comprises of five directors, including the CEO. The Company encourages representation of independent non-executive directors on its Board including those representing minority interests. At present, the Board includes one independent non executive director.
2. The Directors have confirmed that none of them is serving as a director in more than seven listed companies, including this Company.
3. All the resident Directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or being a member of a stock exchange, has been declared as a defaulter by the stock exchange.
4. No casual vacancy occurred during the period.
5. The Company has prepared a Statement of Ethics and Business Practices which has been signed by all the directors.
6. The Board has developed a vision and mission statement, overall corporate strategy and significant along with the dates on which they were approved or amended has been maintained. However, formal plans and strategies to revive the company including the capital injection have not yet been formulated by the Board of directors.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO have been taken by the Board.
8. The meetings of the Board were presided over by the CEO as the company is operating without the chairman, the board met at least once in every quarter. Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Board did not arranged orientation courses for its directors during the financial year to apprise them of their duties and responsibilities.
10. The company is operating without CFO, Company Secretary and Head of Internal audit has been made during the year.

11. The Directors' Report for this period has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The financial statements of the Company were duly endorsed only by the CEO before approval of the Board as currently the CFO is not employed by the company.
13. The Directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
14. The Company has not complied with all the corporate and financial reporting requirements of the Code.
15. The Board has formed an Audit Committee. It comprises three members, two of which are non-executive Directors.
16. The Board has not formed a Human Resource and Remuneration Committee.
17. The meetings of the audit committee were not held during the period. The terms of reference of the committee have been formed and advised to the committee for compliance.
18. The Board has not setup an effective internal audit function.
19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by the Institute of Chartered Accountants of Pakistan.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Listing Regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period' prior to the announcement of interim / final results and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange.
22. The company has not complied with all the major corporate and financial reporting requirements to the code. All related parties transactions has been reviewed and approved by the Board and are carried out as per agreed terms.
23. Material/Price sensitive information has been disseminated among all market participants at once through the stock exchange.
24. The company has complied with the requirements relating to maintenance of register of persons having access to inside information by Company Secretary in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
25. We confirm that all other material principles contained in the Code have been complied with except for the matters disclosed in the above paragraphs.

Muhammad Bilal Vohra
Chief Executive Officer
Karachi:
Date:

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants

A member firm of



1st Floor, Modern Motors House,
Beaumont Road, Karachi, Pakistan
Ph: +92-21-38671809, 38673754
Fax: +92 21-35210828
Email: khl@nzaj.com.pk
Web: www.nzaj.com.pk

Review Report to the Members on Statement of Compliance with the Code of Corporate Governance

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance ("the Code") prepared by the Board of Directors of Javed Omer Vohra & Company Limited ("the Company") for the year ended June 30, 2017 to comply with the requirements of Chapter 5, Clause 5.19.24 (b) of the Code of Corporate Governance of Rule Book of Pakistan Stock Exchange Limited, where the Company is listed..

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

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

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were under taken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company, for the year ended June 30, 2017.

Further, we highlight below instances of non-compliance with the requirements of the Code as reflecte in the note/paragraph reference where these are stated in the Statement of Compliance:

Other Offices

3-B, ATS Centre, 30 West, Block Fazal-ul-Haq Road, Blue Area, Islamabad, Pakistan Ph: +92-51-2878530-32 Fax: +92-51-2206283 E-mail: isl@nzaj.com.pk
201-Regency Plaza, M.M. Alam Road, Gulberg-II, Lahore, Pakistan - Ph: +92 42-37321969, 37249053 Fax: +92 42-37324103 Email: lhr@nzaj.com.pk
1st Floor Lamsay Arcade, Oppt.Green's Banquet Hall, Peshawar Pakistan - Ph +92 91-5276102, 5274995 Fax: 091-5274968 Email: pesh@nzaj.com.pk

- I. As disclosed in point 1 of the statement, the Board comprise of five directors which is violation of clause (i) of the code.
- II. As disclosed in point 8 of the statement, the company is operating without chairman of the board and all the meetings of the board were presided by the CEO which is violation of clause (vi) of the code.
- III. As disclosed in point 9 of the statement, the Board did not arrange orientation courses for its directors during the financial year to apprise them of their duties and responsibilities as required under clause (xi) of the code.
- IV. As disclosed in point 12 of the statement, the consideration has not been given by the CFO as required under clause (xxi).
- V. As disclosed in point 14 of the statement, the board of director has not complied with clause (xvi) of the code.
- VI. As disclosed in point 16 of the statement, the board of director has not complied with clause (xxv) of the code.
- VI. As disclosed in point 17 of the statement, the board of director has not complied with clause (xxvii) of the code.
- VIII. As disclosed in point 18 of the statement, the board of director has not complied with clause (xxxii) of the code.

Karachi
Dated:

Chartered Accountants
Engagement Partner: **Tanveer Afzal Khan**



AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of the Javed Omer Vohra & Company Limited ("the company") as at June 30, 2017 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the repealed Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- i) The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, as discussed in Note 1.3 to these financial statements.

As mentioned in Note 1.2, the brokerage activities of the Company were suspended on 23rd November, 2009 due to inability of the Company to maintain the required net capital balance in accordance with Schedule 2 of the Securities Brokers (Licencing and operation) Regulation, 2016 which has further resulted in severe liquidity problems and consequently the company was unable to honor its obligation, due to which a recovery suit had been filed by one of the banks for the outstanding amount including mark-up overdue since 2009.

No formal plan to revive the company including capital injection has been formulated by the board of directors of the company.

These events indicate that the going concern assumption used by the management; as indicated in Note 1.3 to these financial statements is not appropriate, and therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

**Other
Offices**

3-B, ATS Centre, 30 West, Block Fazal-ul-Haq Road, Blue Area, Islamabad, Pakistan Ph: +92-51-2878530-32 Fax: +92-51-2206283 E-mail: isi@nzaj.com.pk
201-Regency Plaza, M.M. Alam Road, Gulberg-II, Lahore, Pakistan - Ph: +92 42-37321969, 37249053 Fax: +92 42-37324103 Email: thr@nzaj.com.pk
1st Floor Lamsay Arcade, Oppt. Green's Banquet Hall, Peshawar Pakistan - Ph +92 91-5276102, 5274995 Fax: 091-5274968 Email: pesh@nzaj.com.pk

- a) Except for the effects of the matter discussed in paragraph (i) above, in our opinion, proper books of accounts have been kept by the Company as required by the repealed Companies Ordinance, 1984;
- b) Except for the effects of the matter discussed in paragraph (i) above, in our opinion :
- (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the repealed Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - (ii) the expenditure incurred during the year was for the purpose of the company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;
- c) in our opinion, because of the significance of the matters discussed in paragraphs (i) , and to the best of our information, and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, do not conform with approved accounting standards as applicable in Pakistan, and, do not give the information required by the repealed Companies Ordinance, 1984, in the manner so required, and respectively do not give a true and fair view of the state of the Company's affairs as at June 30, 2017, and of the profit, the comprehensive income, its cash flows and changes in equity for the year then ended; and
- d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants
Engagement Partner: Tanveer Afzal Khan

Date :
Karachi:

JAVED OMER VOHRA & COMPANY LIMITED
BALANCE SHEET
AS AT JUNE 30, 2017

EQUITY AND LIABILITIES	Note	2017 Rupees	2016
SHARE CAPITAL AND RESERVES			
75,000,000 (2016: 75,000,000) Ordinary shares of Rs.10 each		<u>750,000,000</u>	<u>750,000,000</u>
Issued, subscribed and paid-up share capital	5	508,200,000	508,200,000
Accumulated loss		<u>(471,828,184)</u>	<u>(703,646,908)</u>
		<u>36,371,816</u>	<u>(195,446,908)</u>
Current liabilities			
Term finance	6	-	68,615,552
Running finance under mark-up arrangements - secured	7	-	60,067,914
Interest and mark-up accrued	8	-	77,911,980
Creditors, accrued and other liabilities	9	15,193,607	14,206,810
Loan from related party	10	12,629,165	-
Provision for taxation - net	11	26,759,674	27,230,394
		<u>54,582,446</u>	<u>248,032,650</u>
TOTAL EQUITY AND LIABILITIES		<u><u>90,954,262</u></u>	<u><u>52,585,741</u></u>
ASSETS			
Non-current assets			
Property and equipment	12	7,148,533	7,283,334
Intangibles	13	1,909,091	1,909,091
Long term deposits	14	2,853,500	2,853,500
		<u>11,911,124</u>	<u>12,045,925</u>
Current assets			
Investments	15	41,229,884	5,143,237
Advances and other receivables	16	26,691,254	203,885
Cash and bank balances	17	4,122,000	4,220,609
		<u>72,043,138</u>	<u>9,567,731</u>
Assets held for sale	18	7,000,000	30,972,085
Contingencies and commitments	19	-	-
TOTAL ASSETS		<u><u>90,954,261</u></u>	<u><u>52,585,741</u></u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

Chief Executive Officer

Director

JAVED OMER VOHRA & COMPANY LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30,2017

	Note	2017 Rupees	2016
Dividend income on PSX shares		403,152	1,209,081
Realized gain on sale of PSX shares		63,827,244	-
Gain on re-measurement of investments to fair value	15.1	13,718	13,381
Administrative expenses	20	<u>(2,130,902)</u>	<u>(2,558,753)</u>
		62,113,212	(1,336,290)
Other operating expense		(2,000,000)	
Other operating income	21	<u>76,000</u>	<u>502</u>
		60,189,212	(1,335,788)
Finance cost	22	(3,016)	(1,152)
Term loan and accrued mark-up waived		132,555,447	-
Profit / (loss) before taxation		<u>192,741,643</u>	<u>(1,336,940)</u>
Taxation		(50,394)	(151,135)
Profit / (loss) after taxation		<u>192,691,249</u>	<u>(1,488,075)</u>
Gain / (Loss) per share - Basic and diluted	23	<u>3.79</u>	<u>(0.03)</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

Chief Executive Officer

Director

JAVED OMER VOHRA & COMPANY LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before taxation		192,741,643	(1,336,940)
Adjustment for non cash items:			
Depreciation	12.1	134,802	145,767
Term loan and mark-up waived		(132,555,447)	
Loss on disposal of fixed assets		2,000,000	
Realized gain on sale of PSX shares		(63,827,244.20)	
Gain on remeasurement of investments to fair value		(13,718)	(13,381)
Finance cost	22	3,016	1,152
Cash used in operating activities before		<u>(1,516,948)</u>	<u>(1,203,403)</u>
Increase in current liabilities			
Creditors, accrued and other liabilities		986,797	1,404,313
Taxes paid		(519,840)	(151,185)
Finance cost paid		(4,289)	(1,152)
Net cash (outflow) / inflow from operating activities		<u>(1,054,280)</u>	<u>48,573</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of PSX shares		40,394,421	-
Proceeds from sale office premises		12,000,000	-
Net cash inflow from investing activities		<u>52,394,421</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan from related party		12,629,165	-
Payment of Bank Alfalah loan and accrued mark up		(60,067,914)	-
Payment of Summit Bank Limited loan and accrued mark up		(4,000,000)	-
Net cash outflow from financing activities		<u>(51,438,749)</u>	<u>-</u>
Net increase in cash and cash equivalents		(98,608)	48,573
Cash and cash equivalents at the beginning of the year		4,220,609	4,172,036
Cash and cash equivalents at the end of the year	17	<u>4,121,999</u>	<u>4,220,609</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

Chief Executive Officer

Director

JAVED OMER VOHRA & COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2017

	Issued, subscribed and paid-up share capital	Unrealized gain on available for sale investment	Accumulated (loss) /profit	Total
	----- Rupees -----			
Balance as at July 1, 2015	508,200,000	-	(702,158,833)	(193,958,833)
Loss for the year	-	-	(1,488,075)	(1,488,075)
Other comprehensive income	-	-	-	-
Total comprehensive loss	-	-	(1,488,075)	(1,488,075)
Balance as at June 30, 2016	508,200,000	-	(703,646,908)	(195,446,908)
Profit for the year	-	-	192,691,249	192,691,249
Other comprehensive income	-	39,127,475	-	39,127,475
Total comprehensive income	-	39,127,475	192,691,249	231,818,724
Balance as at June 30, 2017	<u>508,200,000</u>	<u>39,127,475</u>	<u>(510,955,659)</u>	<u>36,371,816</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

Chief Executive Officer

Director

JAVED OMER VOHRA & COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016
Profit / (Loss) for the year		192,691,249	(1,488,075)
<u>Other comprehensive income:</u>			
Unrealised gain on remeasurement of available for sale investments		39,127,475	
Total comprehensive income / (loss) for the year		<u>231,818,724</u>	<u>(1,488,075)</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

Chief Executive Officer

Director

JAVED OMER VOHRA & COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

1. STATUS AND NATURE OF BUSINESS

1.1 Javed Omer Vohra & Company Limited ("the Company") was incorporated in Pakistan on 29 December 1992 as a public limited company under the Companies Ordinance, 1984 and is listed on all the stock exchanges in Pakistan. The Company is a Trading Right Entitlement Certificate ("TREC") holder of the Pakistan Stock Exchange Limited. The registered office of the Company is located at 509-510, Karachi Stock Exchange Building, I. I. Chundrigar Road, Karachi. Its principal activities include trading and brokerage for equities, underwriting of public issues, etc.

1.2 On 23 November 2009, the brokerage activities of the Company were suspended due to inability of the Company to maintain the required net capital balance in accordance with Schedule 2 of the Securities Brokers (Licencing and operation) Regulation, 2016

1.3 Basis for going concern assumptions

The Company has earned net profit of Rs. 252.885 million for the year ended June 30, 2017. The profit is mainly due to reversal of prior year bank lendings and mark-up and due to revaluation gain of PSX shares. The Company is suffering liquidity problems due to the suspension of trading. The company has filed an application for registration as broker to Securities and Exchange Commission of Pakistan ('SECP') in accordance with Corporatation, Demutualization and Integeration Act, 2012 (the act). However, to date SECP has not granted license to operate as broker due to defficiency of net capital balance. These financial statements have been prepared on the assumption, that the Company would continue as a going concern based on the following:

The Securities and Exchange Commission of Pakistan (SECP) has passed an order dated 10 September 2009 against Corporate Business Management (Private) Limited (CBML), under the voluntary winding up directing its liquidator to pay Rs. 175 million to the Company in view of the losses caused to the Company due to fall in share price of Crescent Standard Investment Bank Limited (now merged into Innovative Housing Finance Limited and renamed as Innovative Investment Bank Limited (CSIBL)) subsequent to sale of 24.5 million shares of CSIBL to the Company, on account of certain price sensitive information held by directors one of whom was the CEO of CBML during financial year 2006. In the year 2010, CBML has again filed an appeal against the aforementioned order which is still pending. The Company still feels that the decision of the case will be in favour of the Company and they will receive the due amount in the forth coming year.

The company is operating with 5 directors as against the requirement of 7 directors as per listing regulation of the Pakistan Stock Exchange Limited.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as notified under the repealed Companies Ordinance 1984, provisions of and directives issued under the repealed Companies Ordinance, 1984. In case requirements differ, the provisions of or directives, issued under repealed Companies Ordinance 1984, shall prevail.

The Companies Ordinance, 1984 has been repealed after the enforcement of the Companies Act, 2017. However, as allowed by the SECP vide its press release dated 20 July 2017, these financial statements have been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain investments which are measured at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the functional and presentation currency of the Company and has been rounded off to the nearest Rupee.

2.4 Use of estimates and judgement

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and judgements that have a significant effect on the financial statements are in respect of the following:

- Investments
- Residual values and useful lives of property and equipments
- Recognition of taxation and deferred taxation
- Staff retirement benefits
- Trade debts and other receivables
- Loans
- Intangible assets

3 STANDARD AMMENDMENTS AND INTERPRETIIONS

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as described below:

3.1 New and amended standards and interpretations

There were certain new standards, amendments to the approved accounting standards and new interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), interpretations which became effective during the year but are not considered to be relevant or have any significant effect on the Company's operations and are, therefore, not disclosed in these financial statements.

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

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

	Standard or Interpretation	Effective Date (Accounting periods beginning on or after)
IFRS 11	Joint Agreements - Amendments relating to accounting for acquisitions of interests in Joint Operations	January 01, 2016
IAS 27	Separate Financial Statements - Amendments relating to equity method in separate financial statements	January 01, 2016
IAS 7	Statement of Cash Flows - Amendments relating to Disclosure Initiative	January 01, 2017
IAS 12	Income Taxes - Amendments relating to recognition of Deferred Tax Assets for unrealized losses	January 01, 2017
IFRS 2	Share-based Payment - Amendments relating to classification and measurement of Share-based Payment Transactions	January 01, 2018
IFRS 16	Leases	January 01, 2019

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

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

The Company expects that such improvements to the standards will not have material effect on the Company's financial statements in the period of initial application.

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

	Standards	Effective Date (Accounting periods beginning on or after)
IFRS 9	Financial Instruments	January 01, 2018
IFRS 15	Revenue from Contracts with Customers	January 01, 2017

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Staff retirement benefits

Defined benefit plan

The Company operates an approved funded defined benefit plan - gratuity scheme for its permanent employees. Contributions are made annually to the fund on the basis of actuarial recommendations.

Actuarial gains or losses arising from adjustments and changes in the actuarial assumptions which are in excess of 10% of the fair value of the plan assets or 10% of the defined benefit obligations are charged or credited to income over the employees' expected average remaining working lives.

Actuarial valuation of the fund is undertaken at appropriate regular intervals IAS-19 mandates the use of Projected Unit Credit (PUC) Actuarial Cost Method to determine the benefit obligations for a post-employment defined benefit scheme (such as gratuity scheme of the Company). PUC provides the benefit obligations assuming that the entity/benefit scheme will continue to exist in its present form in future. The benefit obligations and related accounting disclosures are determined on the basis that most of the employees will resign in the forthcoming year.

4.2 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit and loss account, except to the extent that it relates to items recognised directly in other comprehensive income or below equity, in which case it is recognised in other comprehensive income or below equity respectively.

Current

Provision for current taxation is based on taxability of certain income streams of the Company under presumptive / final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime after taking into account tax credits and tax rebates available, if any. The charge for current tax includes adjustments to charge for prior years, if any.

Deferred

Deferred tax is provided using the balance sheet method, providing for all temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4.3 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Normal repairs and maintenance are charged to income, as and when incurred. Subsequent expenditure is capitalised only when it is probable that respective future economic benefits will flow to the Company and the cost of the item can be measured reliably. Capital work-in-progress is stated at cost less impairment losses, if any.

Depreciation is charged to profit and loss account by applying reducing balance method at the rates specified in note 11 to these financial statements. Depreciation on additions is charged from the month in asset is available for use and on disposal up to the month the asset is in use.

Gains or losses on disposal of property and equipment, if any, are taken to profit and loss account currently.

The carrying value of Company's property and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If such indication exists the asset's recoverable amount is estimated. An impairment loss is recognised wherever the carrying value of the asset exceeds its recoverable amount. Impairment losses are recognised in profit and loss account.

The residual values and useful lives of assets are reviewed and adjusted, if appropriate, at each balance sheet date.

4.4 Intangible assets

Intangible assets with indefinite life are stated at cost less impairment losses, if any. Intangible assets with finite useful life are stated at cost less amortisation and impairment losses, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates and cost of the item can be measured reliably. All other expenditure is expensed as incurred.

Intangible assets with indefinite useful lives are not amortised instead they are systematically tested for impairment at each balance sheet date. Intangible assets with finite useful lives are amortised at straight line basis over the estimated useful life of the asset.

4.5 Investments

All investments are initially recognised at fair value, being the cost of the consideration given including transaction cost associated with the investment, except in case of held for trading investments, in which case the transaction costs are charged off to the profit and loss account.

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention such as 'T+2' purchases and sales are recognised at the trade date. Trade date is the date on which the Company commits to purchase or sale an asset.

The management determines the appropriate classification of the investment made by the Company in accordance with the requirements of International Accounting Standards (IAS) 39: 'Financial Instruments: Recognition and Measurement' at the time of purchase.

The Company classifies its investments in the following categories:

Financial assets 'at fair value through profit or loss - held-for-trading'

Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in prices are classified as 'financial assets at fair value through profit or loss - held for trading'. Subsequent to initial recognition, these investments are marked to market and are carried on the balance sheet at fair value. Net gains and losses arising on changes in fair values of these investments are taken to the profit and loss account.

Held-to-maturity Investments

Investments with a fixed maturity where the Company has the intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are carried at amortized cost using the effective interest rate method, less any accumulated impairment losses.

Available for sale

Investments intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in market prices, are classified as 'available for sale'. Subsequent to initial measurement, 'available for sale' investments are re-measured to fair value. Net gains and losses arising on changes in fair values of these investments are taken in other comprehensive income. However, any premium or discount on acquisition of debt securities is amortised and taken to the profit and loss account over the life of the investment using the effective interest rate method. When securities are disposed off or impaired, the related fair value adjustments previously taken to equity are transferred to the profit and loss account.

Unquoted equity securities are valued at cost less impairment losses, if any.

4.6 Trade debts and other receivables

Trade debts and other receivables are recognised at fair value and subsequently measured at amortised cost less impairment losses, if any. A provision for impairment in trade debts and other receivables is made when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables where as debts deemed uncollectible are written off.

4.7 Revenue recognition

Brokerage income is recognised as and when such services are provided.

Capital gains and losses on sale of marketable securities are included in the profit and loss account in the period in which they arise.

Unrealised gains or losses arising from mark to market of investments at fair value through profit or loss account - held for trading are included in profit and loss account in the period in which they arise.

Dividend income is recognised when the right to receive is established.

Underwriting commission is recognised when the agreement is executed.

Mark-up income on bank deposits are recognised on a time proportion basis that takes into account the effective yield.

4.8 Cash and cash equivalents

Cash and cash equivalents comprise of cash balances. For the purpose of statement of cash flows, cash and cash equivalents are presented net of short term borrowings which are repayable on demand or in the short term and form an integral part of the Company's cash management excluding the loan which were not repaid on the due dates.

4.9 Financial instruments

All financial assets and liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Any gain or loss on the recognition and derecognition of the financial assets and liabilities is taken to profit and loss account currently.

4.10 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are only offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognised amount and the Company intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.1 Foreign currencies

Foreign currency transaction are converted into rupees at the rates of exchange approximating to those ruling at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rate of exchange approximating those ruling at the balance sheet date. Exchange gains or losses are taken to profit and loss account.

4.1 Impairment

The carrying value of assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount and the resulting impairment is charged to profit and loss account.

4.13 Trade and other payables

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

4.14 Provisions

Provisions are recognised in the balance sheet when the Company has a legal or constructive obligation as a result of past events and it is probable that outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made of the amount of obligation. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

4.15 Earning per share

Earning per share is calculated by dividing the profit / loss after tax for the year by the weighted average number of shares outstanding during the year.

4.16 Dividend distributions and appropriations

Dividend distributions and appropriations are recorded in the period in which the distributions and appropriations are approved.

4.17 Borrowing cost

Borrowing cost are interest or other auxiliary costs incurred by the Company in connection with borrowing of funds and is treated as periodic cost and charged to profit and loss account.

5. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	2017 Number of shares	2016 Number of shares	Note	2017	2016
				Rupees	
	4,000,000	4,000,000		40,000,000	40,000,000
	46,820,000	46,820,000		468,200,000	468,200,000
	<u>50,820,000</u>	<u>50,820,000</u>		<u>508,200,000</u>	<u>508,200,000</u>
6. TERM FINANCE					
Loan			18.1	-	51,178,130
Accrued mark-up			18.1	-	17,437,422
				<u>-</u>	<u>68,615,552</u>
7. RUNNING FINANCE UNDER MARK-UP ARRANGEMENTS - SECURED					
Bank Alfalah Limited			18.2	-	60,067,914
				<u>-</u>	<u>60,067,914</u>
8. INTEREST AND MARK-UP ACCRUED					
Bank Alfalah Limited				<u>-</u>	<u>77,911,980</u>
9. CREDITORS, ACCRUED AND OTHER LIABILITIES					
Trade creditors				920,900	920,900
Accrued expenses				9,142,340	8,172,340
Dividend payable				16,797	-
Unclaimed dividend				4,113,570	4,113,570
Other liabilities				1,000,000	1,000,000
				<u>15,193,607</u>	<u>14,206,810</u>
10. LOAN FROM RELATED PARTY					

This represents loan from Mrs. Fozia Parveen Vohra - close family member. The loan was taken for the purpose to settle the liabilities due to the banks. The amount is repayable at the discretion of the board of directors.

11. TAXATION

11.1 Tax assessments

The Additional Commissioner of Income Tax has re-opened the assessment for the tax years 2003 to 2005 and raised an additional tax demand of Rs. 11.4 million in respect of various matters, which includes allocation of expenses, disallowance of rebate on donation, disallowance of set off of business losses. The Company has filed appeals with the CIT (A) against the aforementioned orders and the management is confident that the outcome of the appeals will be in favour of the Company. Adequate provision has been recognised against these demands. Since 2011 the company has not paid the outstanding tax liability.

11.2 Deferred tax asset has not been recognised on the provision for doubtful debts and taxable losses as it is not probable that future taxable profits will be available against which such assets can be utilized.

12. PROPERTY AND EQUIPMENTS	Note	2017	2016
		Rupees	
Property and equipments	12.1.	<u>7,148,535</u>	<u>7,283,335</u>

12.1 PROPERTY AND EQUIPMENT

Note	Leased	Owned				Total
	Leasehold premises	Furniture & fixture	Office equipment	Computers	Vehicles	
Rupees						
Year ended June 30, 2016						
Opening net book value	6,725,670	117,650	553,544	32,035	203	7,429,102
Additions						
Disposal						
Cost						
Depreciation						
Depreciation charge for the year	67,929	11,765	55,354	10,677	41	145,767
Closing net book value	6,657,741	105,885	498,190	21,358	162	7,283,334
At June 30, 2016						
Cost	13,500,000	1,194,125	2,206,253	2,952,253	27,648	19,880,279
Accumulated depreciation	(1,326,986)	(1,088,240)	(1,708,063)	(2,930,895)	(27,486)	(7,081,671)
Impairment	(5,515,273)					(5,515,273)
Net book value	6,657,741	105,885	498,190	21,358	162	7,283,335
Year ended June 30, 2017						
Opening net book value	6,657,741	105,885	498,190	21,358	162	7,283,335
Additions						
Depreciation charge for the year	67,243	10,589	49,819	7,119	32	134,802
Closing net book value	6,590,498	95,297	448,371	14,239	130	7,148,535
At June 30, 2017						
Cost	13,500,000	1,194,125	2,206,253	2,952,253	27,648	19,880,279
Accumulated depreciation	(1,394,229)	(1,098,829)	(1,757,882)	(2,938,014)	(27,518)	(7,216,472)
Impairment	(5,515,273)					(5,515,273)
Net book value	6,590,498	95,297	448,371	14,239	130	7,148,533
Depreciation rate	1.01%	10%	10%	33.33%	20%	

12.2 On April 01, 2010 a valuation of company leasehold premises were carried out by Iqbal A. Nanjee & Co. (Private) Limited. The valuation was resulted in impairment of Rs. 27,576,364 and accordingly recorded in the books of relevant year.

	Note	2017	2016
		Rupees	
13. INTANGIBLE ASSETS			
Trading Right Entitlement Certificate		<u>1,909,091</u>	<u>1,909,091</u>
		<u>1,909,091</u>	<u>1,909,091</u>

14. LONG TERM DEPOSITS

This includes Rs. 2.5 million (2016: Rs. 2.5 million) deposited with National Commodity Exchange Limited for rooms in Hyatt Regency.

15. INVESTMENTS

	Note	2017	2016
		Rupees	
Held for trading at fair value through profit and loss	15.1	66,046	52,328
Available-for-sale	15.2	<u>41,163,838</u>	<u>5,090,909</u>
		<u>41,229,884</u>	<u>5,143,237</u>

15.1 Held-for-trading

Quoted - equity securities

Unless otherwise stated, holdings are in ordinary shares of Rs. 10 each.

Number of shares		Name of Investee	Note	2017		2016
June 2017	June 2016			Carrying Value	Fair Value	Fair value /Carrying Amount

OTHERS

11	11	Johnson and Philips (Pakistan) Limited		244	330	244
300	300	Bestway Cement Limited		<u>52,104</u>	<u>65,736</u>	<u>52,104</u>
				<u>52,348</u>	<u>66,066</u>	<u>52,348</u>
		Unrealised gain on account of remeasurement to fair value		13,718		
		Carrying value of investments		<u>66,066</u>		
		Net carrying value		<u>66,066</u>		<u>52,348</u>

15.2 Available-for-sale

Un-quoted - equity securities

Unless otherwise stated, holdings are ordinary shares of Rs. 10 each.

Number of shares		Name of Investee	Note	2017		2016
June 2017	June 2016			Carrying Value	Fair Value	Fair value /Carrying Amount

1,602,953	4,007,383	Pakistan Stock Exchange Limited	15.2.1	<u>2,036,364</u>	<u>41,163,838</u>	<u>5,090,909</u>
				<u>2,036,364</u>	<u>41,163,838</u>	<u>5,090,909</u>

Unrealised gain on account of remeasurement to fair value @Rs. 25.68/share

Carrying value of investments

15.2.1 This represents unquoted shares of Pakistan Stock Exchange Limited ('PSX') allocated as a result of Corporatization, Demutualization and Intergeration Act, 2012 (the act) in lieu of membership card of PSX, out of which 1,602,953 shares were kept in blocked account in the name of the company maintained under the PSX's participants ID for divestment to strategic investor(s), general public and financial institution in accordance with the requirement of the Act. However 40% of the shares kept in the blocked account have been sold to Chinese consortium through the divestment committee at Rs. 28 per share. The divestment committee vide PSX letter dated March 07, 2017 requested to initial shareholders of PSX to temporarily transfer 13,000 shares of PSX to bridge the shortfall due to courts' order for freezing of shares of certain Initial shareholders. These shares will be returned back shortly. As such these 13,000 shares are not readily available for sale but these have been classified as available for-sale in these financial statements. The remaining 20% have been sold to general public. The company has revalued its remaining shareholding in PSX at a price of Rs. 25.68 per share after taking discounting effect.

15.3 The percentage of the shares held by the Company in the following Investee companies are more than 10 percent.

Number of shares		Name of Investee	Percentage holding	
June 2017	June 2016		June 2017	June 2016
6,073,500	6,073,500	Southern Networks Limited	12.15	12.15

16. ADVANCES AND OTHER RECEIVABLES	Note	2017	2016
		Rupees	
Considered doubtful			
Advance to IIBL	16.1	34,000,000	34,000,000
Provision against advance to IIBL		(34,000,000)	(34,000,000)
Considered good			
Receivable from defined benefit plan-gratuity	16.2	173,105	173,105
Advances to staff		30,780	30,780
		203,885	203,885
Receivable from Pakistan Stock Exchange against withheld shares		26,487,369	-
		26,691,254	203,885

16.1 In 2006, the Company advanced a sum of Rs. 165.6 million to Crescent Standard Investment Bank Limited (now merged into Innovative Housing Finance Limited and renamed as Innovative Investment Bank Limited (IIBL)) for the purpose of finance to be provided to Sysmax (Private) Limited for the extension and reconstruction of Defence Authority Country and Golf Club. In consideration of aforementioned amount, IIBL sub delegated / assigned its rights of 207 memberships Defence Authority Country and Golf Club to the Company (as security against the finance). On 23 October 2009, a settlement agreement was entered between the Company and IIBL. According to which IIBL will encumber 94 Defence Authority Country and Golf Club memberships in favour of the Company which will treated as full and final settlement of outstanding amount. The market value of the memberships is approximately Rs. 131.6 million.

On 07 January 2010, deed of assignment / conveyance was entered between the Company and IIBL, according to the deed IIBL has sub assigned rights of 94 platinum memberships to the Company after acquiring full transfer rights from the Sysmax (Private) Limited by way of assignment / conveyance deed.

On 10 May 2010, the High court of Sindh awarded a decree in favour of IIBL and on this basis Company also applied in High Court of Sindh for execution. On 04 October 2010, the High Court of Sindh has issued an order for execution of decree and accordingly directions were issued to the administrator of Defence Housing Authority for the transfer/conveyance/assignment of 94 platinum memberships. During the year 2012, the memberships were transferred to the Company.

16.2 DEFINED BENEFIT PLAN - EMPLOYEES' GRATUITY FUND

General description

The Company operates an approved gratuity fund for all its permanent employees, which is administered by the Board of Trustees. The Company's costs and contributions are determined based on an actuarial valuation carried out at appropriate regular intervals. The benefits under the gratuity scheme are payable on retirement at the age of 60 or on earlier cessation of service as under:

16.2.1 Principal actuarial assumptions

(a) The latest actuarial valuation of the scheme was carried out for financial statements for the year ended 30 June 2010. Actuarial method used by the actuary in the current year is as follows:

IAS-19 mandates the use of Projected Unit Credit (PUC) Actuarial Cost Method to determine the benefit obligations for a post-employment defined benefit scheme (such as gratuity scheme of the Company). PUC provides the benefit obligations assuming that the entity/benefit scheme will continue to exist in its present form in future. However, due to extraordinary circumstances benefit obligations and related accounting disclosures are determined based on the assumption that most of the employees will leave the Company in the forthcoming year and therefore total

(b) The actuarial valuation of the scheme for financial statements for the year ended June 30, 2016 were based on the following assumptions:

Discount rate	12%
Expected rate of increase in salary in future years	11%
Expected rate of return on plan assets	12%
Average expected remaining working life time of employees	11 years

	Note	2017 Rupees	2016 Rupees
16.2.2 Reconciliation of payable / (receivable) to defined benefit plan			
Present value of defined benefit obligations	16.2.3	547,800	547,800
Fair value of plan assets	16.2.4	(720,905)	(720,905)
Asset recognised in the balance sheet		(173,105)	(173,105)
16.2.3 Movement in defined benefit obligation			
Obligation as at 1 July 2016		547,800	547,800
Current service cost		-	-
Interest cost		-	-
Benefits paid	16.2.3.1	-	-
Actuarial gain on obligation		-	-
Obligation as at 30 June 2017		547,800	547,800
16.2.3.1			
This include amount paid to employees who have resigned and rejoined the Company in the current and corresponding year.			
16.2.4 Movement in fair value of plan assets	Note		
Fair value as at 1 July 2016		720,905	720,905
Expected return on plan assets		-	-
Contribution by the Company		-	-
Benefits paid		-	-
Actuarial loss on plan assets		-	-
Fair value as at 30 June 2017		720,905	720,905
16.2.5 Movement in (receivable) / payable to defined benefit			
Balance as at 1 July 2016		(173,105)	(173,105)
Charge for the year		-	-
Contribution to the fund during the year - Company's contribution		-	-
Balance as at 30 June 2017		(173,105)	(173,105)

	Note	Rupees	
16.2.7 Actual return on plan assets			
The actual return on the assets during the year is:			
Expected return on plan assets			
Actuarial loss on plan assets			

16.3 Advance to staff
The Company has a policy of providing interest free loan to its permanent employees.

17. CASH AND BANK BALANCES

Cash at banks:

- Current accounts
- Deposit account

		4,107,925	4,107,925
		14,075	112,684
	16.1	<u>4,122,000</u>	<u>4,220,609</u>

17.1 This represents deposit account maintained with United Bank Limited carrying profit rate of 5% per annum (2016: 5% per annum).

18. ASSETS HELD FOR SALE

18.1 On April 1, 2014 an agreement was entered into between the Company and Summit Bank Limited whereby Summit Bank Limited has agreed to settle the outstanding liability as appearing in note 6; in following manner:

- i) The Company shall sell / transfer / assign its rights in respect of 28 Golf Club Platinum Memberships worth Rs. 39.2 million in favor of Summit Bank Limited. The membership card was transferred in the prior years and credit was given by the bank.
- ii) The Company shall sell / transfer 1 of its Rooms / office (leasehold premises - refer note 10.1) bearing office no. 511 situated at Karachi Stock Exchange Building for an amount of Rs. 7 million in favor of Summit Bank Limited. To date, the company has transferred the said room as per the settlement agreement.
- iii) The Company shall sell / transfer its membership of Pakistan Mercantile Exchange Limited for an amount of Rs. 4 million in favor of Summit Bank Limited. The company transferred the card in prior years and credit was given by the bank.

18.2 Similarly, on April 8, 2014, an agreement was entered into between Bank Alfalah Limited and the Company whereby Bank Alfalah Limited has agreed on settlement of outstanding amounts as appearing in notes 7 and 8; in following manner:

- i) The Company shall sell / transfer / assign its rights in respect of 51 Golf Club Platinum Memberships worth Rs. 71.4 million in favor of Bank Alfalah Limited. The company transferred the cards in the prior years and credit was given by the bank.
- ii) The Company shall sell / transfer 3 of its Rooms / offices bearing office no. 507, 508 and 509 situated at Karachi Stock Exchange Building for an amount of Rs. 21 million in favor of Bank Alfalah Limited. The company has transferred the said rooms as per the agreement.
- iii) The Bank Alfalah Limited enforced its pledge over 4,401,596 shares of Balochistan Glass Limited by selling the same to any person at the rate prevailing in market on the date of relevant transfer;
- iv) The Bank Alfalah Limited has enforced its pledge over 392,166 shares of Kohinoor Mills Limited by selling the same to any person at the rate prevailing in market on the date of relevant transfer;
- v) The remaining Principal Outstanding amount has been settled through the sale proceeds of personal properties situated at Gawadar and Nooriabad. The properties has been be sold through mutual efforts and the sale consideration of such properties shall be finalised after prior written consent of Bank Alfalah Limited;
- vi) The entire sale proceeds of the Gawadar and the Nooriabad properties as mentioned above in point (v) has been deposited with Bank Alfalah Limited firstly for adjustments towards the principal outstanding amount of the Company. If there is surplus sale proceeds left after the satisfaction of the principal liabilities of the Company, the surplus amount will then be adjusted towards the principal outstanding personal liability of Mr. Javed Omer Vohra (late) in accordance with the settlement agreement dated May 13, 2014; and
- vii) In addition to the above, if after settling the principal liability of the Company and personal liability of Mr. Javed Omer Vohra (late), there is still some sale proceeds left with Bank Alfalah Limited, it will at its own discretion, utilise the same towards total or partial adjustment of mark-up outstanding amount and / or cost of funds outstanding amount (and / or other charges that may have been waived in Company's or Javed Omer Vohra's (late) account.

Accordingly, all such assets that have been agreed by the Company to be transferred to the Banks as settlement of outstanding liabilities; have been classified as Assets held for sale. During the period, all the remaining assets were transferred to the lending banks as full and final settlements. They are summarized as under:

		2017	2016
		Rupees	
18.3	Assets classified as held for sale		
	Property and equipments	7,000,000	28,000,000
	Intangible assets	-	750,000
	Investments	-	2,222,085
		<u>7,000,000</u>	<u>30,972,085</u>
19	CONTINGENCIES AND COMMITMENTS		
	No contingencies and commitments exist as at June 30, 2017.		
20.	ADMINISTRATIVE AND OPERATING EXPENSES	2017	2016
		Rupees	
	Salaries, allowances and other benefits	900,000	900,000
	Fee and subscription	8,925	61,500
	Utility charges	164,269	251,967
	Auditors' remuneration	320,000	320,000
	Printing and Stationary	116,000	62,650
	Repair and maintenance	226,000	-
	Telephone, postage and fax charges	92,100	304,607
	Depreciation	134,802	145,767
	Others	25,256	27,000
	Professional Fee	143,550	485,262
		<u>2,130,902</u>	<u>2,558,753</u>
20.1	Auditors' Remuneration		
	Audit fee	250,000	250,000
	Fee for half yearly review and other certifications	60,000	60,000
	Out of pocket expenses	10,000	10,000
		<u>320,000</u>	<u>320,000</u>
21.	OTHER OPERATING INCOME		
	Income from financial assets		
	Mark-up income	-	502
	Income from other financial assets	76,000	-
		<u>76,000</u>	<u>502</u>
22.	FINANCE COST		
	Bank charges	3,016	1,152
23.	LOSS PER SHARE basic and diluted		
	Profit / (loss) after taxation	192,691,249	(1,488,075)
	Weighted average number of ordinary shares outstanding during the year	50,820,000	50,820,000
		<u>3.79</u>	<u>(0.03)</u>
24.	REMUNERATION OF CHIEF EXECUTIVE AND EXECUTIVE		

The aggregate amounts charged in the accounts for the remuneration, including all benefits, to the Chief Executive Officer (CEO) and Executives of the Company were as follows:

	Chief Executive	
	2017	2016
	Rupees	
Basic salary	900,000	900,000
House rent allowance	-	-
Conveyance	-	-
Retirement benefits	-	-
Leave encashment	-	-
	<u>900,000</u>	<u>900,000</u>
Number of persons	<u>1</u>	<u>1</u>

25. RELATED PARTY TRANSACTIONS

Related parties comprises of major shareholders, associated companies with or without common directors, other companies with common directors, retirement benefit fund, directors, key management personnel and their close family members. Transactions with related parties are entered at rates negotiated with them. Remuneration to key management personnel are in accordance with their terms of engagements. Contribution to defined benefit plan is made as per Actuarial advice.

Details of transactions and balances at year end with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	2017	2016
	Rupees	
25.1 Transactions with related parties		
Close family member		
<i>Mrs. Fozia Parveen Vohra:</i>		
Settlement of bank liabilities	25,752,180	-
25.2 Balances with related parties		
Receivable from staff retirement fund	<u>173,105</u>	<u>173,105</u>
Mrs. Fozia Parveen Vohra	<u>20,752,180</u>	-
Key management personnel (Mr.Bilal Vohra-CEO) - payable	<u>5,025,000</u>	<u>4,125,000</u>
Key management personnel(Mr.Bilal Vohra-CEO) - salaries and benefits expense	<u>900,000</u>	<u>900,000</u>

26. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Fair value of all the financial assets and financial liabilities are estimated to approximate their respective carrying values.

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).

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

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss -equity securities	66,046	-	-	66,046
Financial assets available for sale - equity securities	41,163,838	-	-	41,163,838
	41,229,884	-	-	41,229,884

27. FINANCIAL RISK MANAGEMENT

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company primarily invests in the portfolio of investments in marketable securities. Such investments are subject to varying degree of risk. These risk emanate various factors that include, but are not limited to:

- Market risk
- Credit risk
- Liquidity risk
- Operational risk

27.1 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is not exposed to currency risk as all transactions are carried out in Pak Rupees.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

a) Sensitivity analysis for variable rate instruments

The Company holds KIBOR based running finance facility from various banks that expose the Company to cash flow interest rate risk. In case of 100 basis points increase / decrease in KIBOR, the net profit of the Company would have been higher / lower by Rs. 1.9 million, based on it's existing portfolio of interest bearing financial instruments. However no interest has been recognised in the year.

The composition of the Company's investment portfolio and interest rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of 30 June 2016 is not necessarily indicative of future movements in interest rates.

Yield / interest rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on settlement date.

The Company's market rate of return sensitivity related to financial assets and financial liabilities as at June 30, 2016 can be determined from the following:

June 30, 2017					
Effective Rate of Markup/Return (%)	Exposed to interest rate risk			Not exposed to interest rate risk	Total
	Upto three Months	More than three months and upto one	More than one year		
Rupees					
Financial Assets					
Long term deposits	-	-	-	2,853,500	2,853,500
Investments	-	-	-	41,229,884	41,229,884
Advances and other receivables	-	-	-	26,691,254	26,691,254
Cash and bank balances	5	14,075	-	4,107,925	4,122,000
		14,075	-	74,882,563	74,896,638
Financial Liabilities					
Running finance and accrued markup	24	-	-	-	-
Running finance under mark-up arrangements - secured Interest and mark-up accrued	14.26 to 16.77	-	-	-	-
Creditors, accrued and other liabilities	-	-	-	15,193,607	15,193,607
On balance sheet gap		14,075	-	59,688,956	74,896,638

June 30, 2016					
Effective Rate of Markup/Return (%)	Exposed to interest rate risk			Not exposed to interest rate risk	Total
	Upto three Months	More than three months and upto one year	More than one year		
Rupees					
Financial assets					
Long term deposits	-	-	-	2,853,500	2,853,500
Investments	-	-	-	5,143,237	5,143,237
Trade debtors - unsecured, considered good	-	-	-	203,885	203,885
Advances and other receivables	-	-	-	4,107,925	4,220,609
Cash and bank balances	5	112,684	-	12,308,547	12,421,231
		112,684	-	12,308,547	12,421,231
Financial liabilities					
Running finance and markup accrued	24	68,615,552	-	-	68,615,552
Running finance under mark-up arrangements - secured Interest and mark-up accrued	14.26 to 16.27	-	-	-	71,828,414
Creditors, accrued and other liabilities	-	-	-	12,802,497	12,802,497
		68,615,552	-	12,802,497	140,443,966
On balance sheet gap		(68,615,552)	112,684	(493,950)	(128,022,735)

Other price risk

Other price risk includes equity price risks which is the risk of changes in the fair value of equity securities as a result of changes in the levels of KSE-Index and the value of individual shares. The equity price risk exposure arises from investments in equity securities held by the Company for which prices in the future are uncertain.

A summary analysis of investments by industry sector as at 30 June 2017 is represented in note 13 to the financial statements.

The table below summarizes the sensitivity of the company's investments in equity securities at 30 June. The analysis is based on the assumption that KSE-100 index increased by 30% (2016: 30%) and decreased by 30% (2016: 30%), with all other variables held constant and that the fair value of the company's portfolio of equity securities moved according to their historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KSE-100 index having regard to the historic volatility of index of past three years.

The impact below arise from the reasonable possible changes in the fair value of listed equity securities.

	2017	2016
	Rupees	
Effect of an Increase/decrease in the KSE-100 Index		
Effect on short term investments*	19,814	15,698
Effect on profit and loss account	19,814	15,698

27.2 Credit risk

Credit risk management

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Credit risk arises from the inability of the issuers of the instruments, the relevant financial institutions or counter parties in case of placements or other arrangements to fulfill their obligations. There is a possibility of default by participants and of failure of the financial markets, the depositories, the settlements or clearing system etc.

Exposure to credit risk

Credit risk of the Company arises principally from the trade debts, short term investments, loans and advances, deposits and other receivables. The carrying amount of financial assets represents the maximum credit exposure. The management continuously monitors the credit exposure towards the clients and makes provision against those balances considered doubtful of recovery or when the margins are lower than the outstanding amount.

The maximum exposure to credit risk before any credit enhancements at 30 June 2017 is the carrying amount of the financial assets as set out below:

	2017	2016
	(Rupees)	
Long term deposits	2,853,500	2,853,500
Advances and other receivables	26,691,254	203,885
Cash and bank balances	4,122,000	4,220,609
	33,666,754	7,277,994

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure.

Bank Balances

The analysis below summarises the credit quality of the company's bank balances

	2017	2016
	Rupees	
AA+	4,122,000	4,220,609

27.3 Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulties in raising funds to meet its obligations and commitments. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. As highlighted in note 1.3 the Company is suffering from severe liquidity problems and is not able to meet its financial obligations.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

The maturity profile of the Company's financial liabilities based on contractual maturities is given below:

	June 30, 2017				
	Carrying Amount	Contractual Cash Flows	Six Months or Less	Six to Twelve Months	One to Five Years
	Rupees				
Financial liabilities					
Running finance and markup	-	-	-	-	-
Running finance under mark-up arrangements - secured	-	-	-	-	-
Interest and mark-up accrued	-	-	-	-	-
Creditors, accrued and other liabilities	15,193,607	15,193,607	15,193,607	-	-
	15,193,607	15,193,607	15,193,607	-	-

	June 30, 2016				
	Carrying Amount	Contractual Cash Flows	Six Months or Less	Six to Twelve Months	One to five Years
	Rupees				
Financial liabilities					
Running finance and markup accrued					
Running finance under mark-up arrangements - secured	71,828,414	71,828,414	71,828,414	-	-
Interest and mark-up accrued	77,911,980	77,911,980	77,911,980	-	-
Creditors, accrued and other liabilities	12,802,497	12,802,497	12,802,497	-	-
	<u>162,542,891</u>	<u>162,542,891</u>	<u>162,542,891</u>	<u>-</u>	<u>-</u>

27.4 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behaviour. Operational risks arise from all of the Company's activities.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. Significant risks include, but are not limited to:

- Requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- Requirements for the reconciliation and monitoring of transactions;
- Compliance with regulatory and other legal requirements;
- Documentation of controls and procedures;
- Requirement
- Ethical and business standards; and
- Risk mitigation, including insurance where this is effective.

27.5 Capital risk management

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

The Company is not able to meet the minimum net capital balance requirement prescribed by the KSE (refer note 1.3)

28. GENERAL

Corresponding figures' have been reclassified / rearranged, wherever necessary.

During the year the average number of employees were 1(Chief executive) [2016:1].

29. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Company in their meeting held on _____.

Chief Executive Officer

Director

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**JAVED OMER VOHRA & COMPANY LIMITED**

PATTERN OF SHAREHOLDINGS From "34" As on June 30, 2017

NUMBERS OF SHARE HOLDERS	SHAREHOLDING			TOTAL SHARES HELD
	From		To	
920	1	-	100	45,456
1,835	101	-	500	556,138
1,749	501	-	1000	1,359,237
3,415	1001	-	5000	8,021,076
740	5001	-	10000	5,494,478
258	10001	-	15000	3,201,947
121	15001	-	20000	2,164,228
87	20001	-	25000	1,992,811
58	25001	-	30000	1,619,922
41	30001	-	35000	1,336,885
30	35001	-	40000	1,134,781
13	40001	-	45000	552,953
20	45001	-	50000	977,549
15	50001	-	55000	795,276
21	55001	-	60000	1,213,542
5	60001	-	65000	311,330
6	65001	-	70000	412,426
7	70001	-	75000	508,173
4	75001	-	80000	307,927
4	80001	-	85000	330,906
5	85001	-	90000	443,763
14	95001	-	100000	1,394,754
5	100001	-	105000	508,570
2	105001	-	110000	216,600
3	110001	-	115000	340,346
1	115001	-	120000	119,247
3	120001	-	125000	367,001
1	125001	-	130000	130,000
4	135001	-	140000	551,312
2	140001	-	145000	283,150
2	145001	-	150000	291,703
1	150001	-	155000	150,015
1	160001	-	165000	160,643
1	170001	-	175000	175,000
1	185001	-	190000	188,369
2	190001	-	195000	385,462
5	195001	-	200000	993,815
1	210001	-	215000	214,969
1	235001	-	240000	238,201
1	305001	-	310000	310,000
2	320001	-	325000	644,295
1	355001	-	360000	359,590
1	360001	-	365000	361,097
1	380001	-	385000	384,869
1	390001	-	395000	394,264
1	500001	-	505000	500,827
1	525001	-	530000	525,665
1	635001	-	640000	636,867
1	685001	-	690000	685,999
1	855001	-	860000	859,960
1	890001	-	895000	891,000
1	1775001	-	1780000	1,775,606
1	2995001	-	3000000	3,000,000
9,419				50,820,000



JAVED OMER VOHRA & COMPANY LIMITED

DETAILS OF PATTERN OF SHAREHOLDING AS PER REQUIREMENTS OF CODE OF CORPORATE GOVERNANCE

CATEGORIES OF SHAREHOLDERS	SHARES HELD	% age
5.1 - Directors, Chief Executive Officer, Their Spouse and Children		
Directors	24,669	0.05
Mr. Muhammad Bilal Vohra	20,328	
Haji M. Iqbal	847	
Mr. Muhammad Rafiq Javed	500	
Ms. Ayesha Mubashir	847	
Ms. Saira Faraz	800	
Ms. Fatima Amir	847	
Ms. Afshan Farooqui	500	
5.2 - Associated Companies, Undertakings & Related Parties		
Nil		
5.3 - NIT & ICP (Name Wise Detail)		
National Bank of Pakistan, Trustee Deptt. (CDC)	1,775,606	3.49
	1,775,606	
5.4 - Banks, DFI'S, NBFI'S		
	1,656,119	3.26
5.5 - Insurance Companies		
	74,018	0.15
5.6 - Modarba and Mutual Fund		
	80,800	0.16
5.7 - Other Companies		
	15,886,163	31.26
5.8 - General Public		
	31,322,625	61.63
Total	50,820,000	100



JAVED OMER VOHRA & COMPANY LIMITED



FORM OF PROXY

TWENTI-FIRST ANNUAL GENERAL MEETING

The Company Secretary
Javed Omer Vohra & Co. Limited
507-511, Karachi Stock Exchange Building,
Stock Exchange Road,
Karachi.

I/We _____ of
_____ being member(s) of JAVED OMER VOHRA & CO.
LIMITED holding _____ Ordinary shares as per Registered Folio No. _____ and/or CDC A/c No. (for
members who have shares in CDS) _____ hereby appoint Mr./Mrs./Miss
_____ of _____ (full address) _____

who is/are also member(s) of the Company, as my/our proxy in my/our absence to attend and vote for
me/us and on my/our behalf at the Twentieth Annual General Meeting of the Company to be held on
October 31st, 2015 at 9.45 A.M. at Hotel Crown Inn, Shahra-e-Iraq, Saddar, Karachi and/or any adjournment
thereof.

As witness my/our hand/seal this _____ day of _____ 2015.

Signed by _____

Witnesses:

1. _____
Name _____
NIC No. _____
Address _____

2. _____
Name _____
NIC No. _____
Address _____

NOTES:-

1. This proxy form, duly completed and signed, must be received at the Registered Office of the Company, not less than 48 hours before the time of holding the meeting.
2. No person shall act as proxy unless he/she himself/herself is a member of the Company, except that a corporation may appoint a person who is not a member.
3. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the company, all such instruments of proxy shall be rendered invalid.
4. Any individual Beneficial Owner of the Central Depository Company entitled to vote at this meeting must bring his/her National Identity Card or original passport with him/her to prove his/her identity, and in case of proxy, must enclose an attested copy of his/her National Identity Card. Representatives of corporate members should bring the usual documents required for such purpose.

Signature on
Rs. 5/-
Revenue Stamp

BOOK POST



Javed Omer Vohra & Company Ltd.

Registered Office

507-511, Karachi Stock Exchange Building, I.I. Chundrigar Road, Karachi-74000

Telephone: 32424051

Email: jovcoltd@hotmail.com