



Innovating
a **Digital**
Future

Annual Report
2017

 **JS Global**



Table of Contents

Vision	03
Mission	04
Company Information	05
Profile of Board of Directors	07
Details of Different Committees of the Board of Directors	10
Corporate Social Responsibility	13
Notice of Annual General Meeting	14
Financial Highlights	25
Chairman's Review	27
Directors' Report (English & Urdu)	28
Statement of Compliance with the Code of Corporate Governance	41
Review Report to the Members on the	
Statement of Compliance with Code of Corporate Governance	43
Compliance with Corporate Governance Code for Securities Broker	44
Auditors' Report to the Members	45
Financial Statements	47
Pattern of Shareholding	90
Form of Proxy (English & Urdu)	93

Vision

To be the leader
in the Financial
Services Sector

A glowing lightbulb is shown in a close-up, angled view. The bulb is illuminated from within, casting a warm, golden glow. Inside the glass bulb, a stylized, glowing logo is visible, consisting of several interconnected, angular lines that form a complex, abstract shape. The background is dark and out of focus, with some faint, circular light patterns. The overall composition is clean and modern, suggesting innovation and ideas.

Mission

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

Company Information

Board of Directors	Mr. Raja Abdullah Khan	Chairman
	Mr. Munir Hassan Taher	Non-Executive
	Mr. Khurshid Hadi	Independent
	Mr. Junaid Imran	Non-Executive
	Mr. Ammar Talib Hajeyah	Non-Executive
	Mr. Abdul Hamid Mihrez	Non-Executive
	Mr. Muhammad Khalil Ur Rehman	Non-Executive
	Mr. Muhammad Kamran Nasir	Chief Executive Officer

Audit Committee	Mr. Khurshid Hadi	Chairman
	Mr. Muhammad Khalil Ur Rehman	
	Mr. Ammar Talib Hajeyah	

Executive Committee	Mr. Muhammad Kamran Nasir	Chairman
	Mr. Munir Hassan Taher	
	Mr. Abdul Hamid Mihrez	
	Mr. Raja Abdullah Khan	
	Mr. Muhammad Khalil Ur Rehman	

Human Resource & Remuneration Committee	Mr. Raja Abdullah Khan	Chairman
	Mr. Muhammad Kamran Nasir	
	Mr. Abdul Hamid Mihrez	

Chief Financial Officer **Mr. Muhammad Umair Arif**

Company Secretary **Mr. Noman Mirza***

*Mr. Noman Mirza has been appointed as Company Secretary in place of Syed Muhammad Tariq Nabeel Jafri with effect from February 22, 2018.

External Auditor **EY Ford Rhodes**
Chartered Accountants
6th Floor, Progressive Plaza, Beaumont Road, Karachi.

Company Information

Internal Auditor **Deloitte Yousuf Adil**
Chartered Accountants
Cavish Court, A-35, Block 7 & 8, KCHSU, Shahrah-e-Faisal, Karachi.

Bankers

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

Legal Advisors **Bawaney & Partners,**
3rd & 4th Floors, 68-C, Lane-13,
Bokhari Commercial Area, Phase - VI, D.H.A, Karachi.

Ms. Lubna Saleem Pervez
Office no. 409, 4th Floor, Land Mark Plaza,
Muhammad Bin Qasim Road, Off. I.I. Chundrigar Road, Karachi.

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

*Central Depository Company of Pakistan Limited has been appointed as Share Registrar in place of Technology Trade (Pvt.) Limited with effect from January 16, 2018.

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

Profile of Board of Directors

Raja Abdullah Khan

Chairman

Raja Abdullah Khan is currently working as Group Head Consumer Banking & Specialized Products at JS Bank. Having done his graduation in 1992 and master's in 1995, he has worked extensively in different areas within manufacturing and financial sector.

He has effectively been working with top management by assisting them to formulate, communicate and implement sustainable strategic initiatives. In addition to these, he has been responsible for assisting and developing revenue generating strategies, implementing management controls and reporting procedures for sound and quick decision making. He has successfully launched various projects in agriculture, leasing, structured financing, branchless banking and renewable energy sectors.

He has also worked extensively in human resources within different organizations for implementing the HR strategy & ensuring its alignment with the business strategy and organizational goals, whereby, ensuring the development, communication & implementation of a performance oriented culture through effective policies & people management practices.

Khurshid Hadi

Independent Director

Mr. Khurshid Hadi's schooling was in the UK, he then graduated from the Institute of Chartered Accountants in England and Wales. Subsequently, he was admitted as a fellow of that Institute as well as of the Institute of Chartered Accountants of Pakistan.

Mr. Hadi is the Founder Partner of the accounting practice of Taseer Hadi Khalid & Co. (THK) which today is one of the largest accounting and consultancy institution in Pakistan. THK is the member firm of KPMG, one of the largest accounting firm in the world. Until 1977, Mr. Hadi was the Senior Operating Partner in Pakistan, then he moved to Dubai to assume the responsibility of managing the joint practice of Peat Marwick Taseer Hadi & Co. These firms have provided training, professional education and job and career opportunities to thousands of Pakistan and other South Asian professionals.

After ten years in the Middle East and the US, Mr. Hadi returned to Pakistan to launch a series of investments over the next 10 years in the fields of financial, industrial and commerce inter alia: First Leasing Corporation, Saitex Pharmaceuticals, Newline Publications and the Pizza Hut and Nando's franchise concepts in the food area.

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

He is also Chairman and Founder of the Mind Sports Association of Pakistan, an NGO that is introducing, teaching and promoting chess and other mind sports at schools and colleges.

Mr. Hadi periodically contributes to several national and international publications including Dawn and Newline. His work has been published in the International Herald Tribune, New York Times and the Boston Globe. Mr. Hadi was also the correspondent for the Far Eastern Economic Review for several years.

Abdul Hamid Mihrez

Director

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

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

Profile of Board of Directors

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

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

Ammar Talib Hajeyah

Director

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

Junaid Imran

Director

Mr. Junaid Imran is a Senior Vice President in JS Group's Principal Finance Office based in Karachi. He has extensive experience and expertise in the fields of investment banking, private equity, corporate advisory and mergers & acquisitions. He has experience working in several sectors including Oil & Gas, Real Estate, Infrastructure & Terminals, Glass, Media & Entertainment, Power Generation and Financial Services sectors. He has held directorships in various JS Group companies.

Prior to this, Mr. Imran was an Investment Principal at JS Private Equity. He has also worked at Grant Thornton International as a Senior Manager leading various corporate finance, privatization and research assignments.

By qualification, he is a fellow member of Association of Chartered Certified Accountants, (ACCA) UK and holds a B.Sc. in Applied Accounting from Oxford Brooks University.

Muhammad Khalil Ur Rehman

Director

Mr. Muhammad Khalil Ur Rehman is a senior executive at JS Bank Limited with over 44 years of diversified experience in banking (operations, risk and re-engineering) and worked as COO of JS Bank. He has been associated with American Express Bank since 1993 and has held various senior positions in operations and credit administration in different cities.

Prior to this, he has worked at Mashreq Bank Limited and United Bank Limited. Mr. Rehman is a Certified Business Process Reengineer from the United States and is also a Diploma Associate of the Institute of Bankers in Pakistan. He is a certified Director from Pakistan Institute of Corporate Governance.

Mr. Rehman received his Bachelors (Hons) in Commerce from the University of Punjab and completed his Masters in Commerce from Hailey College of Commerce.

Munir Hassan Taher

Director

Mr. Munir Hassan Taher has over 15 years of combined professional experience in asset management, private equity and corporate finance. In 2007, he joined Global to assist in managing USD 1 billion of proprietary investments spread

Profile of Board of Directors

across various asset classes throughout the region. In 2009, he became part of a special task force to set up a USD 1.5 billion fund to facilitate Global's first round of debt restructuring and subsequently played a key role in raising USD 200 million in realization proceeds during the first year of the restructuring to service debt obligations.

He later played a similar role in the successful conclusion of Global's USD 1.7 billion second and final round of restructuring in 2013 and co-led transformation of principle investments division into a new asset management business pillar with an AUM of USD 500 million.

The Special Situations Asset Management applies a value driven divestment strategy through proactive roles in portfolio companies facilitating USD 350 million in realization proceeds at exit multiples exceeding 1.5x to agreed target values.

Mr. Taher has represented on the board of several companies such as Al Razzi Holding (Kuwait), Emirates Retakaful (UAE), Saudi Yemeni Healthcare (Yemen), Bindar Trading (Jordan), CNBC Pakistan, CNBC Africa (South Africa), Murdoch University (UAE) and JS Global Capital Limited (Pakistan).

He began his career in Kenya working for several large institutions in the corporate finance department. He obtained his Fellowship from the Association of Chartered Accountants from UK in 2001 and became CFA charter holder in 2015.

Muhammad Kamran Nasir CEO

Mr. Muhammad Kamran Nasir joined JS Group in 2010 and has been leading JS Global Capital Limited, the largest brokerage and investment banking firm which is listed on the stock exchange, as its Chief Executive Officer since 2011.

Mr. Nasir is a Chartered Accountant from the Institute of Chartered Accountants of England & Wales and also a Chartered Certified Accountant from the Association of Chartered Certified Accountants U.K. He brings with him rich experience of Investment Banking and handling complex financial matters. His Investment Banking experiences ranges from advising companies on mergers, acquisitions, divestitures, debt raising and re-profiling including taking companies public.

Besides this, he has also held various senior level positions within the Financial Sector and Multinational companies including Chief Financial Officer. He has played an instrumental role in setting up and managing one of the largest Brokerage Divisions in his previous company that performed exceptionally well. He has also been associated with KPMG where he was primarily involved in audits of Financial Sector Institutions particularly Commercial Banks.

Mr. Nasir is a Certified Director from the Pakistan Institute of Corporate Governance. He has been a notable speaker in many public/commercial speaking events ranging from specialized topics to covering Pakistan Capital Markets on Electronic Media. He has wide experience of engaging with Global Fund Managers and has conducted various Road Shows in London, USA and elsewhere to showcase the Pakistan Corporate Sector. Due to his diverse experience he is routinely invited by the Apex and Frontline Regulatory Bodies in Pakistan to deliberate on a host of technical and specialized matters.

Details of Different Committees of the Board of Directors

1. Audit Committee
2. Executive Committee
3. Human Resource & Remuneration Committee

1. Audit Committee

The Audit Committee comprises of three members including the Chairman . All the members of Committee are Non-Executive Directors.

The members of Committee are as follows:

Mr. Khurshid Hadi	Chairman
Mr. Muhammad Khalil ur Rehman	Member
Mr. Ammar Talib Hajeyah	Member

Terms of Reference of Audit Committee

- Recommendation to Board of Directors regarding the appointment of external auditors subject to shareholders' ratification.
- Considerations of any question of resignation/removal of external auditors, audit fee and provision of any service to the Company in addition to the audit of its financial statements as are allowed under the Code of Corporate Governance.
- Determination of appropriate measures to safeguard the Company's assets.
- Review of preliminary announcements of results prior to publication.
- Review of quarterly, half-yearly and annual financial statements, prior to their approval by the Board of Directors.
- Facilitating the external auditors and discussion with external auditors of major observations arising from interim and final audit.
- Review of management letter issued by the external auditors and management's response thereto.
- Ensuring coordination between the internal and external auditors.
- Review of the scope and extent of the internal audit and ensuring that internal audit function has adequate resources.
- Consideration of major findings of internal investigations and management response thereto.
- Ascertaining that the internal control system including financial and operational controls, accounting system and reporting structure are adequate and effective.
- Review of the management statement on internal control system prior to endorsement by the Board of Directors.
- Determination of compliance with relevant statutory requirements.
- Monitoring compliance with the best practices of Corporate Governance and identification of significant violations thereof.
- Consideration of any other issue or matter as may be assigned by the Board of Directors.

2. Executive Committee

The Executive Committee ("the Committee") comprises of five members including the Chairman of the Executive Committee.

The members of Committee are as follows:

Mr. Muhammad Kamran Nasir	Chairman
Mr. Abdul Hamid Mihrez	Member
Mr. Munir Hassan Taher	Member
Mr. Raja Abdullah Khan	Member
Mr. Muhammad Khalil Ur Rehman	Member

Terms of Reference of Executive Committee

- The Committee is appointed by the Board of Directors. There must be at least three members, of whom one must be the Chief Executive Officer (CEO). In the event of any casual vacancy, appointment is made immediately in the following Board meeting.

Details of Different Committees of the Board of Directors

Quorum of the meeting is at least two members present in person, of whom one must be the CEO. The meeting is compulsorily convened once each quarter to evaluate and recommend to management and Board for approval of new lines of business, underwriting, major additions / deletions in assets and changes in investment mix.

- Review the Company's adherence to the mission and vision statement and, if needed, make recommendation to the Board for change as a result of new developments.
- Regularly review the Company's operations based on operating reports and present to the Board any shortfalls or significant changes in financial conditions, operations, prospects or business plan of the Company.
- Implement or as appropriate, delegate to the CEO to implement, the Company's capital expenditure budget approved by the Board.

3. Human Resource & Remuneration Committee

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

Mr. Raja Abdullah Khan	Chairman
Mr. Muhammad Kamran Nasir	Member
Mr. Abdul Hamid Mihrez	Member

Terms of Reference of Human Resource & Remuneration Committee

- The Committee is appointed by the Board of Directors. There must be at least three members, of whom one must be the CEO. In the event of any casual vacancy, appointment is made immediately in the following Board meeting.
- Quorum of the meeting is at least two members present in person, of whom one must be the CEO. The meeting is compulsorily convened once a year.
- The Committee reviews and approves the Company's compensation and benefits policies generally including reviewing and approving any incentive-compensation plans of the Company. Reviewing compensation policies and guidelines relating to all employees, including annual salary and incentive policies and programs, material new benefit programs and material changes to existing benefit programs. In reviewing such compensation and benefits policies, the Committee may consider the recruitment, development, promotion, retention and compensation of senior executives and other employees of the Company and any other factors that it deems appropriate.
- Monitor and evaluate matters relating to the compensation and benefits structure of the Company as the Committee deems appropriate, including providing guidance to management on significant issues affecting compensation philosophy or policy and review and approve compensation policies regarding CFO, Company Secretary, Internal Auditors and other Senior Executive Officers compensation.
- The Committee, in consultation with the CEO, reviews the CEO's assessment of Senior Executives (including CFO, Company Secretary & Internal Auditor), oversee an evaluation of the performance of the Company's Senior Executive Officers and approve the annual compensation, including salary, bonus, incentive and equity compensation, for the Executive Officers. Review the structure and competitiveness of the Company's Executive Officers compensation programs considering the following factors:
 - (i) the attraction and retention of Executive Officers;
 - (ii) the motivation of Executive Officers to achieve the Company's business objectives; and
 - (iii) the alignment of the interests of Executive Officers with the long-term interests of the Company's shareholders.
- The Committee periodically reviews the Company's management organization structure and the CEO's proposals for changes to that structure and report any significant organizational changes, along with the Human Resource & Remuneration Committee recommendations, to the Board.
- The Committee annually reviews the Company's succession plans. The Committee monitors the progress and development of executives in accordance with the succession plans and annually reviews the adequacy of the succession candidates to foster timely and effective executive continuity.

Risk Management Policy

Risk Management is the process of identifying, controlling, eliminating or minimizing uncertain events that may affect the system resources. It includes risk analysis, cost-benefit analysis, controls selection, implementation and tests, security evaluation of safeguards and overall security review.

Details of Different Committees of the Board of Directors

Risk Management is a continuous, measured, rational and vigilant process. It is designed to identify and manage the risks inherent in the brokerage business. The goal of an effective Risk Management process is not only to avoid financial losses, but also to ensure that the Company achieves its targeted financial results with high degree of reliability.

The Company's principal business activities by their nature engender significant market and credit risks. In addition, the Company is also subject to other risks including operating risk, legal risk and funding risk. Effective identification, assessment and management of these risks are critical to the success and stability of the Company. As a result, comprehensive Risk Management policies and procedures have been established to identify, control and monitor each of these risks.

Risk Management begins with the Board of Directors, which reviews the governance of these activities formulation of policy and day to day Risk Management is the responsibility of Executive Committee. The Board of Directors has adopted a Statement of Investment & Operational Policies (SIOPs) which provides overall Risk Management guidelines for the Company. The Statement also provides authority limits for the Board, the Executive Committee and the CEO.

Our Key Corporate Social Responsibility (CSR) Aspects

Striving Towards Sustainability

A brief summary of social responsibility activities undertaken by JS Global in 2017 under the banner of the Mahvash and Jahangir Siddiqui Foundation (MJSF) is as under:

Iftaar for the Needy:

An annual tradition since 2013, MJSF arranged iftaar meals for the less privileged during the holy month of Ramadan in 2017. This year the foundation served 93,890 meals for the underprivileged.

First Response Initiative of Pakistan (FRIP)

MJSF is an active supporter of the First Response Initiative of Pakistan (FRIP) - a medical student-run organization. The organization prepares and trains the general population in basic life-saving skills. In 2017, MJSF sponsored five first response trainings and trained over 500 people.

Karachi Biennale 2017

JS Global was the main sponsor for the Karachi Biennale – one of Pakistan’s largest and most engaging art festivals. The event’s objective was to bring together the various artistic elements of Pakistan under one roof. In 2017, 140 national and international artists showcased their work across 12 venues in Karachi to help develop a sense of communal togetherness through their work.

Medical and Eye Camps

Mahvash and Jahangir Siddiqui Foundation supports medical and eye camps program in response to the critical healthcare needs of the rural population who are deprived of basic health services. The program is being implemented by a dedicated health team comprising of doctors, eye surgeons, paramedics and volunteers in remote rural areas of Sindh, lower Punjab and Balochistan. Patients through the camp locations and further efforts are made to publicly announce the same through newspaper ads, pamphlets, electronic media and community engagement. As of 2017, over 17,936 patients have been examined in these camps and almost 3,943 cataract surgeries have been performed. More recently, patients have started being screened for Hepatitis B and C with almost 9,524 screenings taking place.

Notice of Annual General Meeting

Notice is hereby given that the 17th Annual General Meeting ("AGM") of the members of JS Global Capital Limited ("JSGCL" or the "Company") will be held on Wednesday, April 11, 2018 at 09:00 a.m. at Defence Authority Creek Club, Zulfiqar Street No. 1, Phase VIII, Defence Housing Authority, Karachi, to transact the following business:-

Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended December 31, 2017 together with the Directors' Report and Auditors' Report thereon and Chairman's Review report.
2. To appoint auditors of the Company and fix their remuneration. The Audit Committee and the Board of Directors have recommended the name of M/s EY Ford Rhodes, Chartered Accountants, the retiring auditors for reappointment as auditor of the Company.

Special Business:

3. To consider and if thought fit, to pass the following resolutions as Special Resolutions with or without modification:

a) Alteration of Memorandum of Association of Company

RESOLVED THAT subject to confirmation of the Securities and Exchange Commission of Pakistan, the Memorandum of Association of the Company be and is hereby altered as follows:

(a) the following new sub clause iv-a) be and is hereby inserted after the existing sub-clause iv) in clause III 4 of the Memorandum of Association of the Company:

"iv-a). To act as Consultant to the Issue for undertaking the business of advising any person or undertaking regarding issue or offer of securities/public offering of securities and arrangement, reconstruction, mergers, due diligence or take-over of a listed company, subsidiary of a listed company, company undertaking an activity licensed or registered by the Commission and any other regulated financial institution and any of its assets or liabilities"

(b) the clause III 4 iv) of the Memorandum of Association of the Company be and is hereby amended to read as follows:

"iv) To underwrite, manage, act as a book runner, securities adviser, futures adviser, securities manager and distribute the issue of Shares and Securities either directly or through or jointly with one or more of its constituent institutions or other investment or financial institutions"

RESOLVED FURTHER THAT the Chief Executive Officer (or any person authorized by him in this behalf) and /or Company Secretary be and are hereby jointly and severally authorized to complete all necessary legal formalities including application for approval of regulatory authorities in connection with the alteration of the memorandum of association of the Company.

RESOLVED FURTHER THAT a formal petition be filed with the Securities and Exchange Commission of Pakistan ("SECP") under Sections 32 of the Companies Act, 2017, read with Rules 3 and 30 of the Companies (General Provisions and Rules) 1985, along with all requisite documents, affidavits, statements, etc. for confirmation of alteration of Memorandum of Association for which purpose, the Chief Executive Officer (or any person authorized by him in this behalf) and the Company Secretary be and are hereby jointly and severally authorized to fulfil all legal, corporate and procedural formalities for accomplishing alteration of the Company's Memorandum of Association.

RESOLVED FURTHER THAT the new Memorandum of Association of the Company be printed and replaced for the existing one after getting the confirmation of alteration by the SECP.

b) Investment in Associated Company

"RESOLVED THAT consent and approval be and are hereby accorded under Section 199 of the Companies Act, 2017, and JS Global Capital Limited (JSGCL) be and is hereby authorized to invest an amount of up to a maximum of Rs.75 million (being approximately 5% of the issue size) in the rated, secured and over the counter listed term finance certificates (TFC XI) having call option, issued by Jahangir Siddiqui & Co. Limited (on March 06, 2018) an associated company as redeemable capital under Section 66 of the Companies Act, 2017, carrying a coupon of six month KIBOR plus 1.40% per annum for a maximum tenor of 5 years (inclusive of a two-years grace period), in terms of the Company's role as Market Maker, as per other terms and conditions disclosed to the members.

RESOLVED FURTHER THAT the Chief Executive Officer (or any person authorized by him in this behalf) and /or Company Secretary be and are hereby jointly and severally authorized and empowered to take all such necessary, ancillary and incidental steps and do all such acts, deeds and things that may be required for the purpose of giving effect to this resolution, including signing all documents, deeds and agreement related thereto.

Notice of Annual General Meeting

c) Transmission of annual accounts

"RESOLVED THAT transmission of annual audited financial statements, auditors' report and directors' report etc. ("annual audited accounts") to the members of the Company at their registered addresses in soft form i.e. through CD/DVD/USB instead of transmitting the same in hard copies from the year ending December 31, 2018 in terms of S.R.O. No. 470 (I)/2016 dated May 31, 2016 be and is hereby approved.

RESOLVED FURTHER THAT the Chief Executive Officer (or any person authorized by him in this behalf) and /or Company Secretary be and are hereby jointly and severally authorized and empowered to take all such necessary, ancillary and incidental steps and do all such acts, deeds and things that may be required for the purpose of giving effect to this resolution.

By Order of the Board

Noman Mirza
Company Secretary

Karachi: March 20, 2018

Notes:

- i. The Share Transfer Books of JS Global Capital Limited shall remain closed from April 04, 2018 to April 11, 2018 (both days inclusive) for determining the entitlement of the shareholders for attending the Annual General Meeting.
- ii. Physical transfers and deposit requests under the Central Depository System received by the JS Global Capital Limited's Independent Share Registrar M/s Central Depository Company of Pakistan Limited, CDC House, 99 - B, Block - B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi by the close of business on April 03, 2018 will be treated in time.
- iii. A member of the company entitled to attend and vote at the meeting may appoint another member as his / her proxy to attend and vote for him / her.
- iv. Proxies must be received at the Registered Office of the Company not less than 48 hours before the time of the meeting.

v. For Appointing Proxies:

- a. In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
- b. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
- c. Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
- d. The proxy shall produce his original CNIC or original passport at the time of the Meeting.
- e. In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.
- vi. Beneficial owners of physical shares and the shares registered in the name of Central Depository Company of Pakistan Limited (CDC) and/or their proxies are required to produce their original Computerized National Identity Cards (CNICs) or Passports for identification purpose at the time of attending the meeting. The Proxy Form(s) must be submitted with the Company within the time stipulated in para (iv) above, duly signed and witnessed by two persons whose names, addresses and CNIC numbers must be mentioned on the Proxy Form(s), along with attested copy(ies) of the CNICs or the Passport(s) of the beneficial owners and the proxy(ies). In case of corporate entity, the Board of Directors' Resolution/Power of Attorney with specimen signature shall be submitted (unless it has been provided earlier) along with the Proxy(ies) Form(s) to the Company.
- vii. Shareholders are requested to notify any changes in their registered address immediately to the Company's Share Registrar, M/s Central Depository Company of Pakistan Limited.

viii. Notice to Shareholders who have not provided CNIC:

In terms of the directives of the Securities and Exchange Commission of Pakistan (SECP), the Computerized National Identity Card Numbers (CNIC) of the registered shareholders or the authorized person except in the case of minor(s) and corporate shareholders are required to be mentioned on the dividend warrants and in the annual return required to be filed by the Company with the SECP. Therefore, the shareholders who have not yet provided copies of their CNICs are advised to provide at earliest the attested copies of their CNICs (if not already provided) directly to our Independent Share Registrar at the address mentioned above.

Notice of Annual General Meeting

ix. Payment of Cash Dividend through Electronic Mode:

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

x. Deduction of Income tax from Dividend at Revised Rates

Pursuant to the provisions of Finance Act, 2017 effective 01 July, 2017, the deduction of income tax from dividend payments shall be made on the basis of filers and non-filers as follows:

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

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

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

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

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

xi. Unclaimed Dividend:

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

xii. Electronic Transmission of Financial Statements and Notices:

Under Section 223(6) of the Companies Act, 2017, listed companies are allowed to send the Audited Financial Statements etc., through electronic mail system (e-mail). The members are hereby requested to convey their consent via email on a standard request form which is available at the Company's website i.e. www.jsjcl.com. Please ensure that your email account has sufficient rights and space available to receive such email which may be greater than 1 MB in size.

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

Further, it is the responsibility of the member(s) to timely update the Share Registrar of any change in his (her/its/their) registered email address at the address of Company's Share Registrar mentioned above.

xiii. Placement of Financial Statements:

The Company has placed the Audited Financial Statements for the year ended December 31, 2017 along with Auditors and Directors Reports thereon and Chairman's Review Report on its website: www.jsjcl.com.

STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 PERTAINING TO SPECIAL BUSINESS

This explanatory statement sets out the material facts pertaining to the special business, as given in agenda Items No.3 a), 3 b) and 3 c) to be transacted at the Annual General Meeting of JS Global Capital Limited (the "Company") to be held on April 11, 2018.

Alteration of Memorandum of Association

In accordance with the resolution passed by the directors in their meeting, the Company had applied for grant of license as 'Consultant to the Issue' with Securities and Exchange Commission of Pakistan ('the Commission') under the regulation 5 of the Public Offering (Regulated Securities Activities Licensing) Regulations, 2017 ('the Regulations'). Commission has issued the license subject to the condition that Company shall incorporate the following clause in its Memorandum of Association (Memorandum) of Association:

"To act as Consultant to the Issue for undertaking the business of advising any person or undertaking regarding issue or offer of securities/public offering of securities and arrangement, reconstruction, mergers, due diligence or take-over of a listed company, subsidiary of a listed company, company undertaking an activity licensed or registered by the Commission and any other regulated financial institution and any of its assets or liabilities"

Further, in order to authorize the Company to act as 'Futures Adviser', it is hereby proposed to alter the Memorandum of Association for inclusion of provision to act as 'Futures Adviser'.

Existing Clause III 4 iv)	Proposed Clause III 4 iv) (changes highlighted as bold italics and underline)
To underwrite, manage, act as a book runner, securities adviser, securities manager and distribute the issue of Shares and Securities either directly or through or jointly with one or more of its constituent institutions or other investment or financial institutions	To underwrite, manage, act as a book runner, securities adviser, <i>futures adviser</i> , securities manager and distribute the issue of Shares and Securities either directly or through or jointly with one or more of its constituent institutions or other investment or financial institutions

It is expedient for the Company to alter its Memorandum to include the above business activity as the SECP specifically requires such provision in the Company's Memorandum of Association for the purposes of getting license. Further the proposed business activity is beneficial for the Company.

The proposed changes will not affect any rights and obligations of the Company and the interest of any shareholder or investor in any manner. The authorization to the Company to carry out such additional activities will add value to the Company.

The Directors and Chief Executive of the Company and their relatives have no personal direct or indirect interest in the above special business, except to the extent of their directorships and shareholdings in the Company which is disclosed in the pattern of shareholdings attached to the directors' report.

Investment in Associated Company

Jahangir Siddiqui & Co. Ltd. (JSCL) an associated company has been among significant issuer of Term Finance Certificates (TFCs) and so far it has issued eleven TFCs (both listed and unlisted) including TFC XI out of which seven have been fully redeemed in a timely manner. Of the remaining issues, the eighth (8th) will be maturing in April, 2019; the ninth (9th) will be maturing in June, 2021 and the tenth (10th) will be maturing in July 2022.

JSCL has, on March 06, 2018, issued TFC XI, a rated, secured and over the counter listed instrument being issued as redeemable capital under Section 66 of the Companies Act, 2017 ('Act'), the purpose of which is to fund its expansion of business and other ongoing operations as permitted by its Memorandum and Articles of Association. The said TFCs have an issue size of Rs. 1,500 million with a tenor of 5 years (inclusive of 2 years grace period), and carry semi-annual coupon of six month KIBOR + 1.40% p.a. with the first coupon payable on September 06, 2018 after six months from the issue date. Further, the said TFCs shall be redeemed in six equal semi-annual installments, with the first redemption installment falling due on September 06, 2020 i.e. 30th month after the issue date.

STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 PERTAINING TO SPECIAL BUSINESS

The Pakistan Credit Rating Agency (PACRA) has maintained the long term and short term entity ratings of JSCL at 'AA' (Double A) and 'A1+' (A One Plus) respectively. Moreover, ratings of the three outstanding TFCs of JSCL (i.e. TFC VIII, TFC IX and TFC X) have been maintained at 'AA+' (Double A Plus) by PACRA. Such rating denotes a very low expectation of credit risk emanating from a very strong capacity for timely payment of financial commitments [Source: PACRA Press Release dated January 29, 2018].

The TFC XI issue has received a preliminary rating of AA+ reflecting strong capacity of repayment.

The TFC XI Issue carries a call option allowing JSCL an option to call the TFC's at any time in full on a coupon payment date, subject to a 30 days' notice and a premium of 0.25% of the outstanding value of the TFCs.

Moreover, TFC XI issue is secured by pledge of listed securities, including but not limited to, TRG Pakistan Limited, Pakistan International Bulk Terminal Limited, EFU General Insurance Limited, EFU Life Assurance Limited, Ghani Glass Limited, placed in a designated account with the Central Depository Company of Pakistan Limited along with a margin of 35%. It has been confirmed that the security shall be held and maintained by the Trustee to the issue.

Considering the fact that the Company actively invests in fixed income and debt securities and has the requisite experience in acting as a market maker for debt instruments, along-with the fact that the TFC XI issue by JSCL provides attractive returns, it is recommended that the said investment be made. The Company has sufficient funds and resources to make the intended investment and act as a market maker. Moreover, the Company has in the past made investments in TFCs issued by JSCL, and all such instruments were and continue to be redeemed in a timely fashion.

Since the TFCs under the TFC XI issue have already been issued by JSCL, the Company shall make the proposed investment by acquiring the said TFCs from the secondary market.

The role of the Company as a market maker will be to:

- i. Hold up to 5% of the said TFCs amounting to Rs. 75 million at all times till the maturity (or earlier redemption/call) of the TFC XI issue in its capacity as the Market Maker.
- ii. Provide bid-offer quotes and fulfill all requirements applicable on the Market Maker as contained in the PSX Rule Book.
- iii. Purchase or sell a maximum of one percent of total principal outstanding of the issue in the TFC XI issue during a trading day (or such other percentage as may be prescribed by the Exchange)

JS Global shall receive a fee of Rs. 500,000/- per annum for its role as the Market Maker.

Other information

- JSCL is an associated company of JSGCL and would require Special Resolution in terms of Section 199 of the Act and related Regulations to make the proposed investment in the eleventh TFC issue by JSCL. To give effect to the above, the management has proposed to consider and if thought fit, to pass the resolution mentioned in the notice to be passed as Special Resolution (with or without modification) by majority of not less than three-fourth (3/4th) of such members who are entitled to vote and are present in person or by proxy(ies) at the meeting for approval of an investment of up to a maximum of Rs. 75 million by JSGCL in the TFC XI issue by JSCL.
- All legal, corporate and regulatory formalities will be fulfilled in consultation with the Legal Advisors.
- JSGCL is also the 'Advisor and Arranger' to the above mentioned TFC XI issue by JSCL whereby it would be receiving advisory and arrangement fee of 1% of the issue size.

**STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3)
OF THE COMPANIES ACT, 2017 PERTAINING TO SPECIAL BUSINESS**

The information and particulars required under Regulation 3(a) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 are as under:-

Sr. No.	Description	The information and particulars required																				
(a)	Disclosure for all types of investments:																					
(A)	Regarding associated company or associated undertaking:-																					
(i)	Name of associated company or associated undertaking	Jahangir Siddiqui & Co. Ltd. (JSCL)																				
(ii)	Basis of relationship	JSCL holds 75.02% voting shares of JS Bank Limited which in turn holds 67.16% shares of the Company. Due to these shareholdings, JSCL is the holding company of JS Bank Limited, while JSGCL is the subsidiary of JS Bank Limited.																				
(iii)	Earnings per share for the last three years.	<table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th>SEP 2017*</th> <th>DEC 2016</th> <th>DEC 2015</th> <th>DEC 2014</th> </tr> </thead> <tbody> <tr> <td>EPS (in Rs.)</td> <td>0.67</td> <td>0.68</td> <td>3.36</td> <td>0.23</td> </tr> </tbody> </table> <p>* It represents the EPS of JSCL for the nine months period ended September 30, 2017.</p>		SEP 2017*	DEC 2016	DEC 2015	DEC 2014	EPS (in Rs.)	0.67	0.68	3.36	0.23										
	SEP 2017*	DEC 2016	DEC 2015	DEC 2014																		
EPS (in Rs.)	0.67	0.68	3.36	0.23																		
(iv)	Break-up value per share, based on latest audited financial statements.	Rs. 32.81 (December 31, 2016)																				
(v)	Financial position (including main items of statement of financial position and profit and loss account on the basis of its latest financial statements)	<p>September 30, 2017 (Rupees in million)</p> <p>Profit and Loss Account</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tbody> <tr> <td>Revenue</td> <td style="text-align: right;">1,363</td> </tr> <tr> <td>EBITDA</td> <td style="text-align: right;">1,012</td> </tr> <tr> <td>Profit Before Tax</td> <td style="text-align: right;">862</td> </tr> <tr> <td>Profit After Tax</td> <td style="text-align: right;">617</td> </tr> </tbody> </table> <p>Financial Position</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tbody> <tr> <td>Total Equity</td> <td style="text-align: right;">29,640</td> </tr> <tr> <td>Borrowing</td> <td style="text-align: right;">3,724</td> </tr> <tr> <td>Long Term Investments</td> <td style="text-align: right;">27,121</td> </tr> <tr> <td>Short Term Investments</td> <td style="text-align: right;">3,439</td> </tr> <tr> <td>Cash and Bank Balances</td> <td style="text-align: right;">3,018</td> </tr> <tr> <td>Total Assets</td> <td style="text-align: right;">33,889</td> </tr> </tbody> </table>	Revenue	1,363	EBITDA	1,012	Profit Before Tax	862	Profit After Tax	617	Total Equity	29,640	Borrowing	3,724	Long Term Investments	27,121	Short Term Investments	3,439	Cash and Bank Balances	3,018	Total Assets	33,889
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(vi)	<p>In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely,-</p> <p>(I) description of the project and its history since conceptualization;</p> <p>(II) starting and expected date of completion of work;</p>	Not Applicable.																				

**STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3)
OF THE COMPANIES ACT, 2017 PERTAINING TO SPECIAL BUSINESS**

Sr. No.	Description	The information and particulars required
	<p>(III) time by which such project shall become commercially operational;</p> <p>(IV) expected time by which the project shall start paying return on investment; and</p> <p>(V) funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;</p>	
(B)	General disclosures:-	
(i)	Maximum amount of investment to be made	Upto Rs. 75 million for investment in the TFC XI of JSCL.
(ii)	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	<p>a) Purpose To invest till maturity (or earlier redemption/call) an amount of up to a maximum of Rs. 75 million (i.e. 5% of the total issue) in JSCL's rated, secured and over the counter listed eleventh term finance certificates (TFC XI Issue) issued as redeemable capital under Section 66 of the Companies Act, 2017.</p> <p>b) Benefits The Company actively invests in fixed income and debt market securities like PIBs, TFCs, Ready Buy Future Sell (RBFS) spread transactions, Margin Financing System (MFS) etc. Moreover, the Company has sufficient liquidity to make the proposed investment, which can result in positive yield for the Company. The said TFCs carry a return of 6 months KIBOR + 1.40% p.a. The Company shall also receive Rs. 500,000 p.a. as Market Making Fee.</p> <p>c) Period of Investment The Company intends to invest in the said TFCs of JSCL till maturity (or earlier redemption/call) of the TFC XI issue. The tenor of the said TFC would be five years (inclusive of two years grace period). The first redemption payment would be made 30 months after the issue date.</p>
(iii)	<p>Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,-</p> <p>(I) justification for investment through borrowings;</p> <p>(II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</p> <p>(III) cost benefit analysis;</p>	The Company will use funds from its own sources as it has sufficient liquidity for this investment

**STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3)
OF THE COMPANIES ACT, 2017 PERTAINING TO SPECIAL BUSINESS**

Sr. No.	Description	The information and particulars required
(iv)	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment.	<p>The Company shall invest in the TFCs by purchasing it in the secondary market. Terms of the TFCs will be governed by the Trust Deed which shall be same for all investors of the TFC XI issue. The Company shall also execute Market Maker Agreement for its role as a Market Maker.</p> <p>The security for the TFC issue shall be vested in the Security Trustee, namely, Pak Brunei Investment Company Limited.</p> <p>The security shall be created prior to the disbursement of the funds to JSCL as the issuer.</p> <p>The issuer shall have an option to call the outstanding TFCs, which option shall be exercisable in full at any time on a coupon payment date, subject to a 30 days' notice at a premium of 0.25% on the outstanding face value.</p> <p>The TFC shall be secured by way of pledge of the securities in a designated CDC account, which includes but not limited to the following shares along with the margin of 35%:</p> <ul style="list-style-type: none"> - TRG Pakistan Limited - Pakistan International Bulk Terminal Limited - EFU General Insurance Limited - EFU Life Assurance Limited - Ghani Glass Limited <p>In the event of any sale and repurchase of securities, the Trustee will have a lien over subsequent cash, which is to be deposited in a specified bank account.</p> <p>The Company, in the capacity of Market Maker, shall:</p> <ol style="list-style-type: none"> i. endeavour to maintain an adequate inventory of the Securities to ensure smooth market making activities; ii. endeavour to make available both buy and sell orders/quotes during the Designated Market Making Period; iii. endeavour to replenish its quotes subsequent to execution of already queued orders/quotes, within the Designated Market Making Period; iv. maintain sufficient and appropriate risk management control procedures for its designated agent(s)/trader(s); and;

**STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3)
OF THE COMPANIES ACT, 2017 PERTAINING TO SPECIAL BUSINESS**

Sr. No.	Description	The information and particulars required
		v. provide any information/explanation of any actions, as required by the PSX from time to time, in relation to its market making activities.
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration.	JSCL holds 75.02% voting shares of JS Bank Limited which in turn holds 67.16% shares of the Company. The directors are interested to the extent of their shareholdings in the company as is mentioned in the pattern of shareholding attached to the directors' report.
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs.	The Company had invested in 'TFC VII' and 'TFC VIII' of JSCL whereby TFC VII has been redeemed in full on time. Coupon and Principal repayment of TFC VIII has been received on time and it is scheduled to mature on April 08, 2019 (refer note 12.2.1 of Annual Report 2017 for further details).
(vii)	Any other important details necessary for the members to understand the transaction.	None
(b)	In case of investments in the form of loans, advances and guarantees, following disclosures in addition to those provided under clause (a) of sub-regulation (1) of regulation 3 shall be made:-	
(i)	Category-wise amount of investment;	TFC: Maximum amount of Rs. 75 million (being approximately 5% of the issue size)
(ii)	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period;	6.47%
(iii)	rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	Six month KIBOR plus 1.40% per annum. The Company shall also receive Rs. 500,000 p.a. as Market Making Fee.
(iv)	particulars of collateral or security to be obtained in relation to the proposed investment;	<p>The TFC shall be secured by way of pledge of the securities in a designated CDC account, which includes but not limited to the following shares along with the margin of 35%:</p> <ul style="list-style-type: none"> - TRG Pakistan Limited - Pakistan International Bulk Terminal Limited - EFU General Insurance Limited - EFU Life Assurance Limited - Ghani Glass Limited <p>In the event of any sale and repurchase of securities, the Trustee will have a lien over subsequent cash, which is to be deposited in a specified bank account.</p>

**STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3)
OF THE COMPANIES ACT, 2017 PERTAINING TO SPECIAL BUSINESS**

Sr. No.	Description	The information and particulars required
(v)	if the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and	Not Applicable
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	<p>The said TFCs have an issue size of Rs. 1,500 million with a tenor of 5 years (inclusive of 2 years grace period), and carry semi-annual coupon of six month KIBOR + 1.40% p.a. with the first coupon payable on September 06, 2018 i.e. after six months from the issue date. Further, TFC XI issue shall be redeemed in six equal semi-annual installments, with the first redemption installment falling due on September 06, 2020 i.e. 30th month after the issue date.</p> <p>The TFC XI Issue carries a call option allowing JSCL an option to call the TFC's at any time in full on a coupon payment date, subject to a 30 days' notice and a premium of 0.25% of the outstanding value of the TFCs.</p> <p>Moreover, TFC XI issue is secured by pledge of listed securities, including but not limited to, TRG Pakistan Limited, Pakistan International Bulk Terminal Limited, EFU General Insurance Limited, EFU Life Assurance Limited, Ghani Glass Limited, placed in a designated account with the Central Depository Company of Pakistan Limited alongwith a margin of 35%. It has been confirmed that the security shall be held and maintained by the Trustee to the issue.</p>

The Directors of the Company shall submit an undertaking to the shareholders at the AGM to be held on April 11, 2018 that they have carried out due diligence for the proposed investment and the due diligence report with signed recommendations of the Directors shall be available for inspection by the members at the AGM.

Information required under Regulation 4 of the Companies (Investment in Associated Companies or Associated Undertakings), Regulations, 2017, is as follow:-

Chief Justice (R) Mahboob Ahmed, Chairman/Director of JSCL and Mr. Kalim ur Rehman, Director of JSCL hold 8693 shares and 1 share respectively in the Company (JSGCL). Mr. Raja Abdullah Khan, Chairman/Director of the Company and Mr. Khurshid Hadi, Director of the Company hold 1 share and 8,500 shares respectively in JSCL, the investee company.

No other Director or sponsor of JSCL holds any shares of the Company and no other Director or sponsor of the Company holds any shares of JSCL.

JSCL holds 75.02% voting shares of JS Bank Limited and JS Bank Limited in turn holds 67.16% shares of the Company.

The interest of the Directors of the Company in the proposed investment is limited only to the extent of their being Directors and shareholders of the Company.

STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 PERTAINING TO SPECIAL BUSINESS

Annual Financial Statements of JSCL shall be made available for inspection of the members at the AGM.

Transmission of annual accounts by CD/DVD/USB

Securities and Exchange Commission of Pakistan ('SECP') has vide S.R.O. 470(I)/2016 dated May 31, 2016 allowed the companies to circulate the annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the Company to its members through CD/DVD/USB subject to consent of the shareholders in the general meeting. This will save time and expenses incurred on printing of the annual report.

The Company shall provide the hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand. After approval of the shareholders, the Company will place a Standard Request Form on its website to communicate their need of hard copies of the documents along with postal and email address of the Company Secretary/Share Registrar to whom such requests shall be made.

The directors, sponsors, majority shareholders of the Company and their relatives have no vested interest, directly or indirectly in the above business except to the extent of their (or spouses') shareholdings and/or directorship in the Company.

Financial Highlights

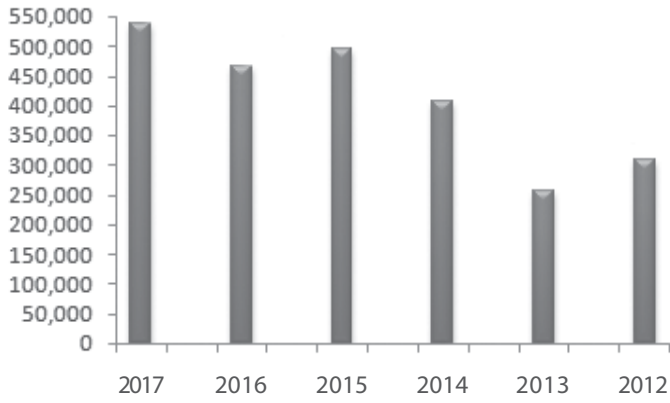
	2017	2016	2015	2014	2013	2012
	Year ended				18 months ended	
	December 31					
Operating Performance (Rupees in 000)						
Operating Revenue	535,850	463,958	494,794	407,319	256,853	309,693
Operating expenses	634,326	498,626	472,708	367,639	296,404	446,003
Financial expenses	54,408	621	7,168	708	14,478	23,805
Other income	280,775	214,064	289,845	263,004	255,354	342,327
Profit / (loss) before tax	198,444	239,007	376,362	409,750	210,276	378,961
Profit / (loss) after tax	85,530	171,035	251,296	282,567	150,196	290,325
Per Ordinary Share (Rupees)						
Earnings / (loss) per share	2.25	4.13	5.03	5.65	3.00	5.81
Breakup value per share	68.4	67.2	57.7	52.5	50.72	54.21
Dividends (Percentage)						
Cash	-	-	-	10(I)	35(I)	20(I)
	-	-	-	30(I)	-	15(I)
	-	-	-	-	-	30(F)
Bonus shares	-	-	-	-	-	-
Assets & Liabilities (Rupees in 000)						
Total assets	3,762,454	4,458,216	3,532,593	3,427,368	2,859,282	3,572,377
Current assets	3,479,766	4,197,472	3,309,412	3,211,588	2,658,707	3,373,003
Current liabilities	1,161,038	1,902,713	647,256	801,107	323,428	861,718
Financial Position (Rupees in 000)						
Shareholders equity	380,070	2,555,503	2,885,337	2,626,261	2,535,854	2,710,658
Share capital	2,601,417	380,070	500,000	500,000	500,000	500,000
Reserves	2,221,347	2,175,433	2,385,337	2,126,261	2,035,854	2,210,658
Shares outstanding- (Numbers in 000)	38,007	38,007	50,000	50,000	50,000	50,000
Return on capital employed - (%)	3.29	6.69	8.71	10.76	5.92	10.71
Return on total assets - (%)	2.27	3.84	7.11	8.24	5.25	8.13
Current ratio-times	3.00	2.21	5.11	4.01	8.22	3.91

(I) Interim

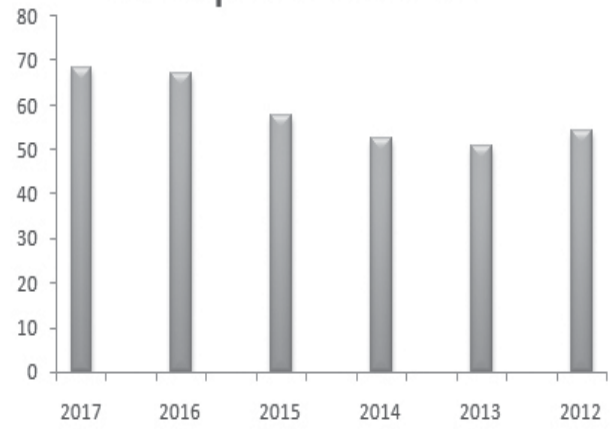
(F) Final

Financial Highlights

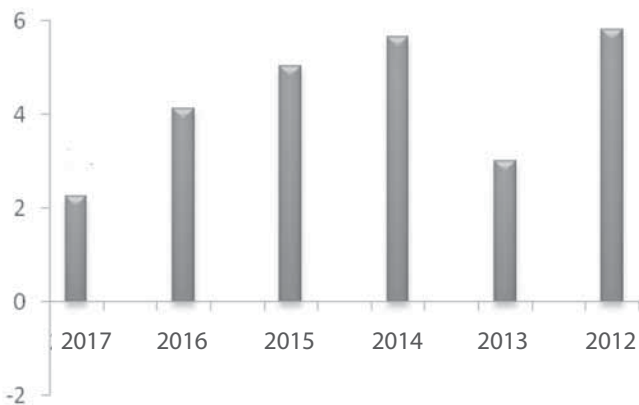
Operating Revenue



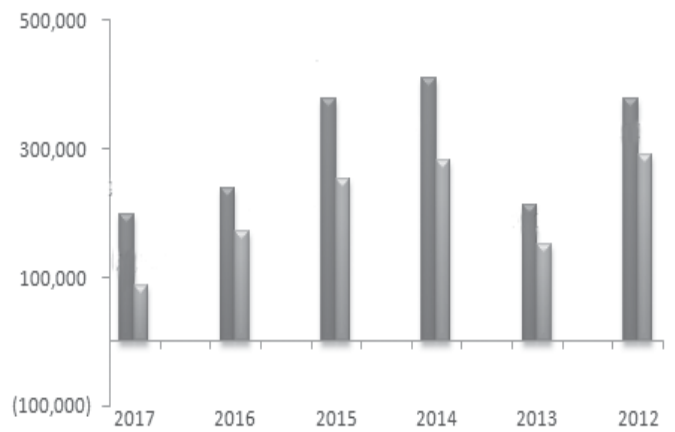
Breakup Value Per Share



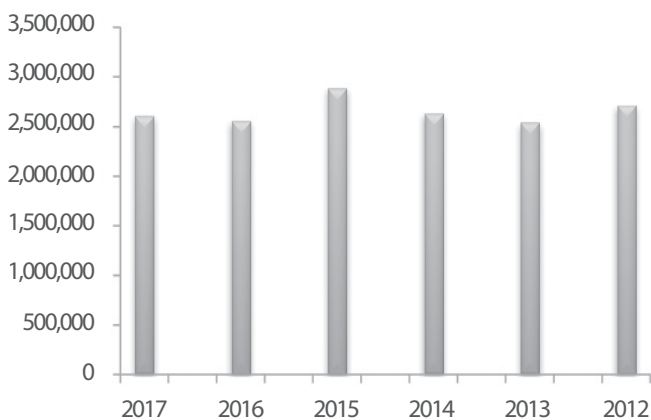
Earning Per Share



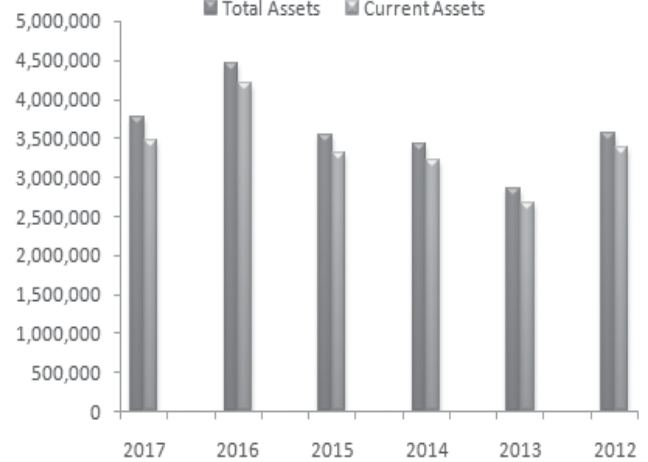
■ Profit Before Tax ■ Profit After Tax



Shareholders Equity



■ Total Assets ■ Current Assets



Chairman's Review

I begin this review by stating that despite a period of volatility in the stock market over the year, JS Global has continued to grow. We have maintained our position as a market leader in the local brokerage industry and our strong performance is a reflection of our dynamic management team.

In collaboration with the Securities & Exchange Commission of Pakistan (SECP), Pakistan Stock Exchange (PSX) and other government institutions, JS Global successfully lobbied for Pakistan's re-entry into the MSCI Emerging Markets Index (EM) through investment conferences and roadshows that showcased Pakistan's biggest corporations to some of the largest institutional investors from across the globe. This is a testament to our dedication and commitment to work in the larger interest of all of our stakeholders, ranging from our customers to our business partners to the country as a whole while ensuring long term sustainable financial benefits.

One of the highlights of 2017 was when JS Global handled the largest share of the total traded value on May 31, 2017 which was the day of Pakistan's re-entry into the MSCI EM Index, outperforming its competitors by a huge margin. It is worth noting that this performance was commendable given that the KSE-100 Index posted one of the worst declines in its history.

In terms of revenue, JS Global posted a growth of 15.5% in its top-line on the back of 17% growth in brokerage revenues. Our sales efforts were not only aimed at maximizing revenues but also focused on the development of Pakistan's capital market by focusing on bringing retail investors into the market. We did this by opening branches in cities such as Faisalabad, Lahore and Rawalpindi and a new branch in Karachi.

Even though equity markets continue to remain unpopular amongst the masses in our country, I firmly believe qualities embedded in our institution such as strict compliance with rules & regulations, strong protection of client's assets against misuse, good quality of sales and research teams, the knowledge and cohesiveness of our people and our strategic thinking will continue to drive us forward. I also firmly believe JS Global will continue to be a leader in Pakistan's brokerage industry in the years to come as even in a turbulent year, we managed to maintain a healthy and vibrant institution, all thanks to strong ethical values embedded in our culture.

On behalf of JS Global and its management, I would like to express my gratitude to all of our stakeholders and look forward to our continued shared success.

Karachi: February 20, 2018

Raja Abdullah Khan
Chairman

Directors' Report

We are pleased to present the Annual Report of JS Global Capital Limited ("the Company") along with the audited accounts and auditors' report for the year ended December 31, 2017.

The summarized results are set out below:

	Year ended December 31, 2017	Year ended December 31, 2016
 Pakistani Rupee (PKR).....	
Profit before tax	198,444,176	239,007,034
Profit after tax	85,529,703	171,035,496
Earnings per share	2.25	4.13

The Economy

The calendar year 2017 ('CY17') saw a fairly smooth upward economic trajectory with some hiccups. According to a report by the State Bank of Pakistan (SBP), the economy is on its way to achieving its growth target of 6 percent for the fiscal year 2017-18 ('FY18'). This is indicative of future employment generation and a sign that the growth momentum should stay strong in the medium term. This is further complimented by a stable interest rate regime and inflation levels that are below the target of 6 percent, averaging 3.75 percent over the year. Rising income levels of domestic consumers and a growing middle class have fueled retail sales and commercial activities. On the fiscal front, revenue collection for the year improved with a growth of 18 percent in the first half of FY18 (1HFY18). Electricity blackouts were effectively addressed for the time being as fast-track work on energy projects included in the China Pakistan Economic Corridor (CPEC) continued.

Signs of fragility are, however, present. Despite improvement, revenue collection has still fallen short of its target by Pakistani Rupee (PKR) 50 billion. With a recovery in crude oil prices (Brent was at USD 66.87 per Barrel, WTI was at USD 60.42 per Barrel as at December 31, 2017) and increased machinery imports, the import bill has ballooned. Workers remittances have stagnated amidst deteriorating global fundamentals, especially in the Middle East and North Africa (MENA) region (remittances were up by a meager 1.3 percent year-on-year (YoY) to USD 8.02 billion in the first five months of FY18). This has resulted in an overall Balance of Payments (BoP) situation that remains precarious as foreign exchange reserves clocked in at USD 20.15 billion (as at December 31, 2017), reflecting a decline of 13 percent YoY from 2016. The PKR finally succumbed to this pressure and dropped from its sticky USD/PKR parity of 1/105 to 1/111.

Equity Capital Markets

The CY17 proved to be a year of gloom for the Pakistan Stock Exchange (PSX) with the benchmark KSE-100 Index plummeting by 15.34 percent (20.89 percent in US Dollar (USD) terms) - the largest percentage based decline since 2008. A host of political and macroeconomic factors affected market performance during the year. On the macroeconomic front, a worsening BoP situation and an unfavorable tax-laden fiscal budget hampered performance over the year while the initial excitement of Pakistan's inclusion into the MSCI Emerging Markets Index on May 31, 2017 did not materialize. From its peak level of 52,876 points witnessed on May 24, 2017, the KSE-100 Index nosedived to 40,472 points - a massive decline of 19 percent. Market fall was witnessed across some of the heavyweights sectors such as (1) Cements (decline of 41 percent), (2) Pharmaceuticals (decline of 21 percent), (3) Banks (decline of 16 percent), (4) OMCs (decline of 14 percent) and (5) Fertilizers (decline of 13 percent). The decline in these sectors could not be offset by an increase in the Oil & Gas Exploration sector, which increased by 8 percent. Looking ahead, 2018 as an election year may prove to be just as volatile in terms of market performance. In the long term, however, valuations remain compelling as Pakistani equities continue to trade at an over 40 percent discount to their regional peers.

Foreign Exchange Market

In CY17, USD/PKR parity opened at 1/104.72 as compared to the corresponding period last year's opening of 1/104.85 reflecting a miniscule appreciation of 0.13 percent. The USD/PKR parity closed at 1/110.42 as on December 29, 2017 as compared to the corresponding period last year's closing of 1/104.62, reflecting a depreciation of 5.6 percent. The first half of the year saw the USD/PKR parity depreciate to around 106 before it stabilized around the 105 levels. On the other hand, the second half of the year saw the parity depreciating to 111 against the greenback before coming back to 110.55 levels.

Directors' Report

Forex swaps from January to March 2017, with tenures including 1-month (1M), 3-months (3M) and 6-months (6M) topped at 0.31, 0.755 and 1.52 while hitting the bottom at 0.14, 0.455, 0.95 levels respectively. Further, from April to June for 1M, 3M and 6M swaps, highs were 0.2850, 0.675, and 1.255 while the lows were at 0.10, 0.475, and 1.015, respectively. For the third quarter from July to September for 1M, 3M and 6M swaps, high rates remained at 0.44, 0.885, and 1.685, while low rates were at 0.2350, 0.60, and 1.24 respectively. Finally, for the last quarter of the 2017 from October to December, forex swaps highs touched 0.285, 0.73, and 1.385, while lows were at (0.125), 0.125, and 0.64 respectively. On an average, forex swaps showed a declining trend from the first quarter to the second quarter, a gain in the third quarter while the fourth quarter again saw forex swaps hitting the lowest level of the year. During 2017, Pakistan's foreign exchange reserves also declined by 13 percent YoY, from USD 23.2 billion in 2016 to USD 20.15 billion in 2017.

Money Market

During CY17, the government's objective of financing the budget deficit moved heavily towards the commercial banks. During the year, SBP raised more than double the amount as was raised last year through Market Treasury Bills' (MTBs), while raising only one-fourth of the amount as was raised last year through Pakistan Investment Bonds (PIBs). In this regard, SBP raised PKR 12.6 trillion from MTBs compared to a borrowing of PKR 5.2 trillion in 2016, while PKR 303 billion was raised from PIB auctions in 2017 as opposed to PKR 1.1 trillion raised in 2016. The Government's domestic debt profile tilted towards short-term papers with the rollover risk relatively increased, as a heavy borrowing shift was observed in MTBs from PIBs during the second half of CY17. This was due to the fact that market participants remained reluctant to participate heavily in the medium to long-term government securities at relatively lower yields, which were not compensating for any potential upward interest rate reversals ahead. Resultantly, with the money offered by the participants at higher than the targeted yields, SBP rejected all the bond auctions conducted during 2HCY17.

CPI Inflation rate during CY17 settled at 4.09 percent YoY. The money market has already started firming expectations of the interest rate increases ahead, especially with further expectations of currency depreciation in CY18 (5.6 percent in CY17) alongside a recovery in international oil prices, which is expected to adversely impact the inflation.

Commodities Market

Overall volumes at the Pakistan Mercantile Exchange Limited (PMEX) continued their downward trajectory during 2017 declining by 9.2 percent YoY to 3.14 million. Overall geopolitical uncertainties continued to keep price performance of most of the commodities in check, though Crude Oil performed better than others. Going forward, major financial institutions expect a recovery in international commodities market amidst improving demand dynamics of the global economy. However, risks still remain which will potentially continue to counteract demand-led optimism such as escalating conflicts in the MENA region and rising tensions between North Korea and USA.

Principal activities

The Company is a Trading Right Entitlement Certificate (TREC) holder of Pakistan Stock Exchange Limited (PSX) and member of Pakistan Mercantile Exchange Limited (PMEX). The principal activities of the Company are share brokerage, money market brokerage, forex brokerage, commodity brokerage, advisory, underwriting, book running and consultancy services. Other activities include investment in a mix of listed and unlisted equity and debt securities and reverse repurchase transactions.

Overview of Financial Performance

The Directors are pleased to inform the shareholders that the Company has achieved PKR 85 million in net income for the year under consideration compared to PKR 171 million in net income for the corresponding period last year.

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

The Company earned operating revenue amounting to PKR 536 million relative to PKR 464 million in the corresponding period prior year, thus clocking the growth of 15.50 percent. Capital gain on sale of investments increased by 38.61 percent YoY. On cost front, the Company incurred PKR 634 million (up 27.21 percent YoY) for the said year in respect of administrative and operating expenses. Increase in company's administrative expenses is attributable to opening of new branches through which the Company aims to increase its retail client base.

Directors' Report

The Earnings per Share (EPS) of the Company for the year stood at Rs. 2.25 against EPS of Rs. 4.13 for the corresponding period last year, reflecting a decline of 45.5 percent. The decline in profitability is directly attributable to the significant lower volumes at the bourse during the last six months in the period under consideration. Further, the change in tax regime has also impacted the bottom line. These were all market related factors whereas the Company was once again able to increase its overall market share despite all challenges. Going forward, as the volumes at the bourse improves; the Company is poised to capitalize on the back of its growing market share.

Moreover, the Company is focused on maintaining its growth momentum in the long run. Management is acutely monitoring its resources to reap the maximum benefits for its shareholders. This involves optimizing revenue generation from treasury management, core brokerage and fee based operations whilst at the same time rationalizing our cost base.

Appropriation of Profits

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

	Year ended December 31, 2017	Year ended December 31, 2016
 (PKR).....	
Un - appropriated profit brought forward	298,900,188	559,612,692
Profit after tax	85,529,703	171,035,496
Transactions with owners recognized directly in equity		
Amount paid in excess of face value of 11,993,000 shares@ PKR 46 /share	-	(431,748,000)
Un - appropriated profit carried forward	384,429,891	298,900,188

The Board of Directors of the Company has not proposed any distribution to shareholders for the year ended December 31, 2017 on account of future liquidity requirements.

Corporate Governance and Financial Reporting Framework

The Directors confirm compliance with the Code of Corporate Governance ('the Code') for the following matters:

- The financial statements, prepared by the management of the Company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards (IFRS), as applicable in Pakistan have been followed in preparation of financial statements and any departures therefrom has been adequately disclosed and explained.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- Reasons for significant deviation from the last year's operating results have been explained in the relevant section of the Directors Report.

Directors' Report

- There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations.
- Key operating and financial data of last six years has been given in annual report.
- Information about outstanding taxes, duties, levies and charges, if any, is given in notes to the accounts.
- The Company operates an approved Contributory Provident Fund for its eligible employees. Value of investments as per audited financial statements for the year ended June 30, 2017 amounts to approximately PKR 50.4 million (2016: PKR 42.6 million).
- No material changes and commitments affecting the financial position of the Company have occurred between the balance sheet date and the date of the Directors' Report.

The Board

The Board comprises of seven non-executive directors and the CEO. The Board includes a mix of Directors with the right expertise and necessary experience required to fulfill their essential oversight roles. The Board values diversity of business skills and experience as the Directors with diverse skill set, capabilities and experience gained from different geographic and cultural background are critical in today's competitive business environment.

The status of each Director on whether they are executive, non-executive or independent has been disclosed in the Annual Report in accordance with the clause 5.19.1(b) of PSX Rule Book.

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

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

Board Meetings and Attendance

During CY17, the Board of directors held 6 meetings. The attendance record of the directors is as follows:

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

*Syed Hasan Akbar Kazmi resigned with effect from July 17, 2017 and in his place, Mr. Raja Abdullah Khan was appointed on August 15, 2017.

The Board Audit Committee

During CY17, the Board Audit Committee held 4 meetings. The attendance record of the directors is as follows:

Directors' Report

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

The Board Human Resource & Remuneration Committee

During CY17, the Board Human Resource & Remuneration Committee held 2 meetings. The attendance record of the directors is as follows:

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

*Syed Hasan Akbar Kazmi resigned with effect from July 17, 2017 and in his place, Mr. Raja Abdullah Khan was appointed on August 15, 2017.

The Board Executive Committee

During CY17, the Board Executive Committee held 4 meetings. The attendance record of the directors is as follows:

S.no	Name of Director	Eligibility	Meetings attended
1	Mr. Muhammad Kamran Nasir	4	4
2	Mr. Abdul Hamid Mihrez	4	2
3	Syed Hasan Akbar Kazmi*	2	2
4	Mr. Munir Hassan Taher	4	3
5	Mr. Raja Abdullah Khan*	1	1
6	Mr. Muhammad Khalil Ur Rehman	4	3

*Syed Hasan Akbar Kazmi resigned with effect from July 17, 2017 and in his place, Mr. Raja Abdullah Khan was appointed on August 15, 2017.

Adequacy of Internal Financial Control

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

Corporate Social Responsibility:

As a responsible corporate entity, JS Global carries out major philanthropic activities in collaboration with the Mahvash and Jahangir Siddiqui Foundation (MJSF). Some of the initiatives that were taken in 2017 were supporting the Karachi Biennial 2017 which was the city's biggest and most exciting art event as well as supporting education through the provision of laptops to various schools of DIL (Developments in Literacy) to support the right of education for underprivileged children."

Directors' Report

Directors' Training Program

The Board arranged one training program for its director during the year from a recognized institution of Pakistan that meets the criteria specified by the SECP.

Management Discussion of Financial Responsibility and Principal Risks and Uncertainty

The Company's management is responsible for preparing the financial statements and related notes contained in the Annual Report. The Board Audit Committee ('BAC') monitors and supervises the functions of the outsourced Internal Audit Department and assists the Board in overseeing internal control and monitoring and managing risks, (including but not limited to Credit risk, Liquidity risk, Market risk, Operational risk, legal/regulatory risk and reputational risk among others) that results from operating in the capital market industry. Internal Audit adopts a risk-based approach for planning and conducting business process audits, which are very much consistent with the established Framework. The Committee also reviews the performance of the Company's external auditors and recommends their appointment and the terms of their appointment.

BAC operates in accordance with the Code of Corporate Governance issued by the SECP. Terms of reference as approved by the Board sets out the scope of the Committee. The Committee comprises of three non-executive directors including the Chairman who is an independent, non-executive director. Internal Audit function is outsourced to M/s Deloitte Yousuf Adil Chartered Accountants, which reports directly to the Chairman of the Board Audit Committee, and the Chief Financial Officer is invited to attend the meetings. During the year, the Committee held four meetings. The external auditors were also in attendance to discuss specific issues. The financial statements of the company were reviewed by the BAC before approval by the Board.

Auditors

The auditors EY Ford Rhodes stand retired and are eligible for reappointment for the financial year 2018. BAC has recommended the reappointment of the retiring auditors.

Pattern of Shareholding

Major shareholders of JS Global Capital Limited are JS Bank Limited (67.16 percent) and Global Investment House, Kuwait (26.75 percent). Other shareholders include local institutions and the general public.

A statement of the general pattern of shareholding along with pattern of shareholding of certain classes of shareholders whose disclosure is required under the regulatory framework and the statement of purchase and sale of shares, if any, by Directors, Executives and their spouses including minor children during 2017 is presented later in annual report.

Credit Rating and Broker Management Rating

The Pakistan Credit Rating Agency (PACRA) has maintained the Company's long term and short term ratings at AA (Double A) and A1+ (A one plus) respectively, for CY17. This rating reflects the Company's sound financial position resulting from a robust capital structure and denotes a low expectation of credit risk and strong capacity for timely payments of financial commitments.

During the year 2017, PACRA initiated Broker Management (BM) Rating and assigned BMR1 with Stable Outlook. The rating derives comfort from the Company's policy prohibiting proprietary trading stocks, thus limiting the market risk and liquidity risk. The rating also reflects strong financial profile with net capital balance of PKR 1,858 million as on June 30, 2017.

It is the highest rating that has been awarded to the Company by the rating agency. This rating reflects the highest standards of Management Quality, Corporate Governance, Client Services, IT infrastructure and strict compliance to regulatory framework.

Directors' Report

Future Outlook

With the strength that our balance sheet and reserves have to offer and our constant desire to achieve steady and tangible growth, we will continue to strengthen and improve on our services as well as create new financial products and services. In spite of the numerous challenges being faced by the country and the economy, we are confident that we will maintain our growth momentum in the long run and continue to build shareholders value as we have always in the past.

We plan on maintaining our focus on institutional building by continuously strengthening our core business units, increasing market share in all domains and constantly remaining in search of innovative financial products and services.

Acknowledgement

We express our sincerest appreciation to our employees for their dedication and hard work and to our clients, business partners and shareholders for their support and confidence. The Board also takes this opportunity to express its gratitude to all the employees of JS Global Capital Limited for their untiring efforts.

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

For and on behalf of the Board of Directors

Junaid Imran

Director

Muhammad Kamran Nasir

Chief Executive Officer

Karachi: February 20, 2018

ڈائریکٹرز کی رپورٹ

شیرز ہولڈنگ کے طرز:

جے ایس گلوبل کیپیٹل لمیٹڈ کے بڑے حصص یافتگان میں جے ایس بینک لمیٹڈ (67.16 فیصد) اور گلوبل انویسٹمنٹ ہاؤس، کویت (26.75 فیصد) ہیں۔ دیگر شیرز ہولڈرز مقامی ادارے اور عام بینک ہیں۔ شیرز ہولڈنگ کے عام نمونہ کی اسٹیٹمنٹ بمعہ شیرز ہولڈرز کی خاص درجہ بند یوں کی شیرز ہولڈنگ کے طرز جس میں حصص یافتگان کی معلومات ریگولیٹری فریم ورک برائے 2017 کے دوران خرید و فروخت کی تفصیلات، کم عمر بچوں سمیت ڈائریکٹرز، ایگزیکٹوز اور ان کے اہل خانہ کی طرف سے حصص کی خرید و فروخت، اگر کی گئی ہوں، کی اسٹیٹمنٹ اس رپورٹ کے اختتام میں پیش کی گئی ہے۔ بعض طبقات کے تازہ ہولڈنگ کے نمونے کی اسٹیٹمنٹ سالانہ رپورٹ میں موجود ہیں۔

کریڈٹ ریٹنگ ایجنٹ بروکرینجمنٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی (پاکرا) نے کمپنی کو طویل اور قلیل مدت کیلئے مالی سال 2017 کیلئے بالترتیب AA (ڈبل اے) اور A1+ (اے ون پلس) ریٹنگ دی۔ یہ ریٹنگ نہ صرف کمپنی کی مستحکم مالی صورت حال کو ظاہر کرتی ہیں جو مضبوط سرمائے اور بہتر نفع کے باعث ممکن ہوا بلکہ کریڈٹ رسک میں کمی اور مالی طور پر کئے گئے وعدوں کے سلسلے میں بروقت ادائیگی کو بھی ظاہر کرتی ہیں۔ سال 2017 کے دوران، پاکرا نے بروکرینجمنٹ (بی ایم) کی درجہ بندی کا آغاز کیا اور مستحکم آؤٹ لگ کے ساتھ BMR1 کا درجہ تفویض کی۔ یہ درجہ بندی کمپنی پالیسی سے ماخوذ ہے جو پروپرائیٹری ٹریڈنگ سٹاکس سے روکتی ہے، جو کہ مارکیٹ رسک اور لیکویڈٹی رسک کو محدود رکھتی ہے۔ یہ درجہ بندی 30 جون 2017 کے مطابق 1,858 ملین پاکستانی روپے نیٹ کیپیٹل بیلنس کیساتھ مضبوط مالیاتی پروفائل کی بھی عکاسی کرتا ہے۔ ریٹنگ ایجنسی کی جانب سے دی گئی یہ اعلیٰ ریٹنگ ہے جس سے کمپنی کو نوازا گیا ہے۔ یہ ریٹنگ اعلیٰ معیار کی بیجمنٹ خوشیوں، کارپوریٹ گورننس، کلائنٹ سروسز، آئی ٹی انفراسٹرکچر اور ریگولیٹری فریم ورک کی سخت تعمیل کو ظاہر کرتی ہے۔

مستقبل کے امکانات:

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

تلیات:

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

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

منجانب بورڈ آف ڈائریکٹرز

کراچی: 20 فروری، 2018

محمد کامران ناصر
چیف ایگزیکٹو آفیسر

مجید عمران
ڈائریکٹر

ڈائریکٹرز کی رپورٹ

بورڈ آف ایگزیکٹو کمیٹی

سال 2017 کے دوران بورڈ آف ایگزیکٹو کمیٹی نے 14 اجلاس کا انعقاد کیا جس میں ڈائریکٹرز کی حاضری کا ریکارڈ درج ذیل ہے۔

نمبر شمار	ڈائریکٹر کا نام	میٹنگ میں شرکت کی اہلیت	میٹنگ میں شرکت
۱۔	جناب محمد عمران ناصر	۴	۴
۲۔	جناب عبدالرحمان مہرین	۴	۴
۳۔	جناب حسن اکبر کاظمی *	۲	۲
۴۔	جناب منیر حسن طاہر	۴	۳
۵۔	جناب راجہ عبداللہ خان *	۱	۱
۶۔	جناب محمد خلیل الرحمن	۴	۳

* سید حسن اکبر کاظمی صاحب نے 17 جولائی 2017 کو استعفیٰ دے دیا تھا اور انکی جگہ جناب راجہ عبداللہ خان صاحب کا مورخہ 15 اگست، 2017 کو تقرر ہوا۔

انٹرنل فنانسئل کنٹرول کی موزونیت

بورڈ آف ڈائریکٹرز نے کمپنی کے کاموں میں کارکردگی اور بہتری کے حصول کیلئے معتبر فنانسئل رپورٹنگ اور قابل اطلاق قوانین اور ضوابط کی تعمیل کے ساتھ مستحکم اندرونی فنانسئل کنٹرولز کا سسٹم قائم کیا ہے۔ کمپنی کا خود مختار آڈٹ سوسائٹی انٹرنل آڈٹ فنکشن فنانسئل کنٹرولز کے نفاذ کی متواتر نگرانی کر رہا ہے، جبکہ آڈٹ کمیٹی انٹرنل کنٹرول فریم ورک کی کارکردگی اور فنانسئل ٹیمٹنس پرسیس ماہی بنیادوں پر نظر ثانی کرتی ہے۔

کارپوریٹ سماجی ذمہ داری

بحیثیت ذمہ دار کارپوریٹ ادارہ، جے ایس گلوبل، مہوش اینڈ جہانگیر صدیقی فاؤنڈیشن (MJSF) کے اشتراک سے اہم فلاحی سرگرمیوں میں مصروف عمل ہے۔ 2017 میں کچھ خاص اقدامات کئے گئے جن میں مثلاً کراچی ہینٹیل 2017 جو کہ شہر کا بہت بڑا اور دلچسپ آرٹ ایونٹ تھا اسکی معاونت کی گئی، اور اسکے ساتھ ساتھ غریب بچوں کی تعلیم میں معاونت کے سلسلے میں ڈی آئی ایل (ڈیولپمنٹ ان لٹریسی) کے مختلف اسکولوں میں لیپ ٹاپس تقسیم کئے گئے۔

ڈائریکٹرز ٹینگ پروگرام

سال 2017 کے دوران بورڈ نے اپنے ڈائریکٹرز کے لئے SECP کے منظور شدہ اداروں سے ایک ٹریننگ پروگرام منعقد کیا۔

مالی ذمہ داری کے حوالے سے انتظامی گفتگو

کمپنی کی انتظامیہ مالیاتی اسٹیٹمنٹس بشمول نوٹس اور سالانہ رپورٹ کی تیاری کی ذمہ دار ہے بورڈ آف آڈٹ کمیٹی ("BAC")

آڈٹ سوسائٹی انٹرنل آڈٹ ڈیپارٹمنٹ کے امور کی نگرانی کرتی ہے، اس کے ساتھ ساتھ انٹرنل کنٹرول، رسک مینجمنٹ (بشمول کریڈٹ رسک، لیکویڈٹی رسک، مارکیٹ رسک، آپریٹیشنل رسک، لیگل اور ریگولیٹری رسک اور ریپوٹنگ رسک) جو کہ کمپیٹل مارکیٹ سے منسلک ہے میں بورڈ کی مدد بھی کرتی ہے۔ انٹرنل آڈٹ برنس پروسیس آڈٹس کی انجام دہی اور منصوبہ بندی کے لئے Risk Based Approach استعمال کرتا ہے جو مقرر شدہ طریقہ نظام کے عین مطابق ہے۔ کمیٹی کمپنی کے ایکسٹرنل آڈیٹرز کی کارکردگی کا جائزہ بھی لیتی ہے اور انکی تقرری اور تقرری کی شرائط بھی تجویز کرتی ہے۔

BAC SECP کی طرف سے مقرر شدہ کارپوریٹ گورننس کے کوڈ کے مطابق کام کرتی ہے اور شرائط کی منظوری دے کر بیرونی دائرہ کار کا تعین کرتی ہے۔ جبکہ کمیٹی تین نان ایگزیکٹو ڈائریکٹرز بشمول چیئرمین جو کہ خود مختار ڈائریکٹرز پر مشتمل ہے۔ انٹرنل آڈٹ کے افعال برائے میسرز ڈیپوٹ بوسف عادل چارٹرڈ اکاؤنٹنٹ نے ترتیب دی جن کی رپورٹ براہ راست چیئرمین بورڈ آڈٹ کمیٹی کو بھیجی جاتی ہے، اور چیف فنانسئل آفیسر کو میٹنگ میں شرکت کی دعوت بھی دی جاتی ہے۔ کمیٹی نے پورے سال کے دوران چار میٹنگز منعقد کیں۔ ایکسٹرنل آڈیٹرز نے بھی ان مقررہ مسائل پر مشاورت کی۔ کمیٹی کی مالی تفصیلات کا بورڈ آڈٹ کمیٹی نے بورڈ کی منظوری سے قبل جائزہ لیا۔

آڈیٹرز

EY فورڈر ہوڈوڈز سبکدوش ہو گئے ہیں اور FY 2018 کیلئے ایل ہونے کی بناء پر انہوں نے خود کو دوبارہ تقرری کیلئے پیش کیا۔ بورڈ آڈٹ کمیٹی نے انکی دوبارہ تقرری تجویز کی ہے۔

ڈائریکٹرز کی رپورٹ

بورڈ کے اجلاس اور حاضری

مالی سال 2017 کے دوران بورڈ آف ڈائریکٹرز نے 16 اجلاس کا انعقاد کیا جس میں ڈائریکٹرز کی حاضری کا ریکارڈ درج ذیل ہے۔

نمبر شمار	ڈائریکٹر کا نام	میٹنگ میں شرکت کی اہلیت	میٹنگ میں شرکت
۱۔	جناب محمد کامران ناصر (چیف ایگزیکٹو آفیسر)	۶	۶
۲۔	جناب خورشید ہادی	۶	۵
۳۔	جناب عبدالحمید مہرین	۶	۳
۴۔	جناب عمار طالب حاجیہ	۶	۵
۵۔	جناب محمد خلیل الرحمن	۶	۲
۶۔	جناب منیر حسن طاہر	۶	۶
۷۔	جناب جنید عمران	۶	۵
۸۔	جناب راجہ عبداللہ خان*	۳	۳
۹۔	جناب سید حسن اکبر کاظمی*	۳	۳

سید حسن اکبر کاظمی صاحب نے 17 جولائی 2017 کو استعفیٰ دے دیا تھا اور انکی جگہ جناب راجہ عبداللہ خان صاحب کا مورخہ 15 اگست، 2017 کو تقرر ہوا۔

بورڈ آڈٹ کمیٹی

سال 2017 کے دوران بورڈ آف آڈٹ کمیٹی نے ۱۴ اجلاس منعقد کئے جس میں ڈائریکٹرز کی حاضری کا ریکارڈ درج ذیل ہے۔

نمبر شمار	ڈائریکٹر کا نام	میٹنگ میں شرکت کی اہلیت	میٹنگ میں شرکت
۱۔	جناب خورشید ہادی	۴	۴
۲۔	جناب عمار طالب حاجیہ	۴	۴
۳۔	جناب محمد خلیل الرحمن	۴	۳

بورڈ ہیومن ریسورس اینڈ ریوژنیشن کمیٹی

سال 2017 کے دوران بورڈ آف ہیومن ریسورس اینڈ ریوژنیشن کمیٹی نے 2 اجلاس کا انعقاد کیا جس میں ڈائریکٹرز کی حاضری کا ریکارڈ درج ذیل ہے۔

نمبر شمار	ڈائریکٹر کا نام	میٹنگ میں شرکت کی اہلیت	میٹنگ میں شرکت
۱۔	جناب محمد کامران ناصر	۲	۲
۲۔	جناب عبدالحمید مہرین	۲	۱
۳۔	جناب حسن اکبر کاظمی	۱	۱
۴۔	جناب راجہ عبداللہ خان*	۱	۱

* جناب سید حسن اکبر کاظمی صاحب نے 17 جولائی 2017 کو استعفیٰ دے دیا تھا اور انکی جگہ جناب راجہ عبداللہ خان صاحب کا مورخہ 15 اگست، 2017 کو تقرر ہوا۔

ڈائریکٹرز کی رپورٹ

منافع کی تخصیص:

سال تختہ کا منافع بعد سال کے اختتام پر قابل تقسیم منافع کی مدد بنی درج ذیل ہے۔

31 دسمبر 2016	31 دسمبر 2017
کو ختم ہونے والا سال	کو ختم ہونے والا سال
559,612,692	298,900,188
171,035,496	85,529,703
(431,748,000)	384,429,891

ابتدائی غیر مختص شدہ منافع
منافع بعد از ٹیکس

منظور شدہ ایکویٹی میں مالکان کے ساتھ براہ راست ٹرانزیکشنز
11,993,000 حصص کی قیمت میں فیس ویلیو سے زائد ادا کی گئی رقم
بجواب - 46 روپے فی حصص
مختص کرنے کیلئے دستیاب منافع

مستقبل میں ممکنہ لیکویڈٹی کی ترجیحات کے پیش نظر کمپنی کے بورڈ آف ڈائریکٹرز نے 31 دسمبر 2017 کو ختم ہونے والے مالیاتی سال کیلئے شیئر ہولڈرز کو منافع کی کوئی تقسیم تجویز نہیں کی۔

کارپوریٹ گورننس اور فنانس رپورٹنگ فریم ورک

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

- کمپنی کی انتظامیہ کی تیار کردہ مالیاتی اسٹیٹمنٹ کاروباری عمل درآمد کے نتائج، کیش کی روانی، سرمائے میں تبدیلی اور کاروباری معاملات کو شفافیت سے ظاہر کرتی ہے۔
- کمپنی کے اکاؤنٹ کی کتابیں مناسب طریقے سے مینٹین کی گئی ہیں۔
- مالیاتی گوشوارے اور اکاؤنٹس کے نمونوں میں موزوں اکاؤنٹنگ پالیسیوں استعمال کی گئی ہیں اور اکاؤنٹنگ کے لئے تخمینے معقول حد تک تجربے کی بنیاد پر ہیں۔
- مالیاتی گوشواروں کی تیاری میں پاکستان میں قابل اطلاق بین الاقوامی فائیننشل رپورٹنگ اسٹیٹنڈرڈ اختیار کئے گئے اور کسی بھی قسم کے انحراف کو مناسب طریقے سے ظاہر اور بیان کیا گیا ہے۔
- اندرونی کنٹرول کے نظام کو موثر طریقے سے واضح کیا گیا اور اس پر بہتر طور پر عمل درآمد اور نگرانی کی گئی۔
- فعال بزنس کو جاری رکھنے کیلئے کمپنی کی صلاحیت سے متعلق کوئی شبہ نہیں ہے۔
- پچھلے سال کے آپریٹنگ نتائج سے تبدیلی کی وجوہات ڈائریکٹرز رپورٹ کے متعلقہ سیکشن میں بیان کر دی گئی ہیں۔
- کارپوریٹ گورننس کے بہترین ضابطہ عمل سے کچھ بھی انحراف نہیں کیا گیا ہے جس کی تفصیلات لسٹنگ ریگولیشنز میں موجود ہیں۔
- گزشتہ چھ سالوں کی اہم آپریٹنگ اور فائیننشل معلومات اس رپورٹ میں بیان کر دی گئی ہیں۔
- واجب الادا ٹیکسز، ڈیویڈنڈس، عائد کردہ محصول اور چارجز، اگر کوئی ہوں، سے متعلق معلومات اکاؤنٹس کے نوٹس میں دی گئی ہیں۔
- کمپنی اپنے اہل ملازمین کو منظور کردہ سرمایہ کفالت بھی فراہم کرتی ہے۔ 30 جون 2017 کو ختم ہونے والے سال کیلئے آڈیٹڈ فائیننشل اسٹیٹمنٹس کے مطابق سرمایہ کاری کی قدر تقریباً 50.4 ملین روپے ہے (جبکہ 2016 میں یہی آڈیٹڈ شدہ 42.6 ملین روپے تھی)۔
- بیلنس شیٹ کی تاریخ اور ڈائریکٹرز رپورٹ کے دوران کوئی واضح تبدیلی اور مدداریاں کمپنی کے مالی استحکام پر اثر انداز نہیں ہوئی ہیں۔

بورڈ

بورڈ سات نان ایگزیکٹو ڈائریکٹرز اور ایک چیف ایگزیکٹو آفیسر پر مشتمل ہے۔ اپنے اہم امور کی انجام دہی کے لئے ضروری درکار تجربہ اور مہارت کی بنیاد پر بورڈ میں مختلف ڈائریکٹرز شامل ہیں۔ بزنس میں مختلف مہارت اور تجربے کو بورڈ خاص اہمیت دیتا ہے۔ کیوں کہ آج کے اس مسابقتی کاروباری ماحول میں ڈائریکٹرز کے لئے ضروری ہے کہ وہ متنوع مہارت، اہلیت اور تجربے کے حامل ہوں، جو مختلف جغرافیائی اور ثقافتی پس منظر سے حاصل کیا گیا ہو۔

ہر ڈائریکٹر کا منصب خواہ ایگزیکٹو، نان ایگزیکٹو یا خود مختار ہو، PSX کی رول بک کوڈ شیڈ نمبر 5.19.1(b) کے مطابق اس رپورٹ میں بیان کر دیا گیا ہے۔

چیئر مین اور چیف ایگزیکٹو آفیسر کی پوزیشن کوڈ اور میٹ گورننس پریکٹسز کے مطابق علیحدہ ہیں۔

بورڈ میں تین ذیلی کمیٹیاں آڈٹ کمیٹی، ایگزیکٹو اور جیو من ریورس کمیٹی اینڈ ریویو ٹریڈیشن کمیٹی موجود ہیں جو بورڈ کے تمام امور کی انجام دہی میں مدد کرتی ہیں۔

ڈائریکٹرز کی رپورٹ

0.10، 0.475 اور 1.015 بالترتیب رہی۔ تیسری سہ ماہی یعنی جولائی سے ستمبر 2017 کے دوران، ایک ماہ، تین ماہ اور چھ ماہ کے اوسطاً سودوں کی بلند ترین سطح 1.685 اور 0.885، 0.44 اور 1.385 جبکہ سب سے کم 0.235، 0.60 اور 1.24 بالترتیب رہی۔ آخر میں 2017 کی آخری سہ ماہی یعنی اکتوبر سے دسمبر کے دوران فاریکس میں بلند ترین سطح کو چھونے والے سودے اوسطاً 0.285، 0.73 اور 1.385 جبکہ چلی سطح والے سودے (0.125، 0.125 اور 0.64) بالترتیب تھے۔ فاریکس سودے اوسطاً پہلی سہ ماہی سے دوسری سہ ماہی کے درمیان زوال پذیر نظر آئے، جبکہ تیسری سہ ماہی 2017 میں کچھ بہتری نظر آئی مگر چوتھی سہ ماہی میں دوبارہ فاریکس کے سودے سال کی چلی ترین سطح کو چھوتے نظر آئے۔ سال 2017 کے دوران پاکستان کے غیر ملکی زرمبادلہ کے ذخائر میں بھی 13 فیصد سال بہ سال کمی واقع ہوئی، جو کہ 2016 میں 23.2 بلین امریکی ڈالر جبکہ 2017 میں 20.15 بلین امریکی ڈالر تھے۔

منی مارکیٹ کا جائزہ

حالیہ سال 2017 کے دوران، حکومت کا مقصد بجٹ خسارے کی فنانسنگ کمرشل بینکوں کی جانب منتقل کرنے میں رہی۔ دوران سال، اسٹیٹ بینک آف پاکستان نے گذشتہ سال کی طرح مارکیٹ ٹریڈری بلز (MTB) کے ذریعے دو گنی رقم اٹھائی، جبکہ گذشتہ سال رقم کا ایک چوتھائی پاکستان انویسٹمنٹ بانڈز (PIB) کے ذریعے حاصل کیا۔ اس ضمن میں، اسٹیٹ بینک آف پاکستان 12.6 ٹریلین پاکستانی روپے بذریعہ MTBs حاصل کئے نسبتاً 2016 میں حاصل کردہ قرضوں یعنی 5.2 ٹریلین روپے کے، جبکہ 2016 میں اٹھائے گئے 1.1 ٹریلین روپے کے برعکس 2017 میں پاکستان انویسٹمنٹ بانڈز کی نیلامیوں سے 303 بلین روپے حاصل کئے۔ حکومت کے ڈومیسٹک قرض کارہاجان Short Term Papers کی جانب رجحان کی وجہ سے Rollover Risk میں اضافہ ہوا، جیسا کہ موجودہ سال 17 کے دوسرے نصف کے دوران PIBs سے MTBs میں ایک بھاری قرض کا تبادلہ کیا گیا۔ یہی وجہ تھی کہ مارکیٹ شرکاء نے چلی سطح کی نسبت درمیانے سے طویل المدتی حکومتی سیکورٹیز میں شمولیت سے کثرت سے گریز کیا، جو کہ کسی بھی طرح شرح سود میں اضافے کی منسوخی کیلئے بہتر نہیں ہوا۔ نتیجتاً، شرکاء کی جانب سے تجویز کردہ Targeted Yields سے مقابلاً بڑھ گئیں، اسٹیٹ بینک آف پاکستان نے موجودہ سال 2017 کے دوسرے نصف کے دوران متعقد ہونے والی بانڈز کی تمام نیلامیاں منسوخ کر دیں۔

سال 2017 کے دوران، CPI افراط زر 4.09 فیصد پر رہی۔ منی مارکیٹ میں پہلے سے ہی شرح سود میں اضافے کے یقینی خدشات کی توقعات شروع ہو گئی تھیں، خاص کر موجودہ سال 18 میں کرنسی کی قدر میں کمی کی توقعات (جو کہ CY17 میں 5.6 فیصد تھیں)، اسکے ساتھ ساتھ بین الاقوامی مارکیٹ میں تیل کی قیمتوں میں ریکوری، جن سے افراط زر میں کمی کی اُمید کی جاسکتی ہے۔

کمبوڈی مارکیٹ کا جائزہ

مالی سال 2017 کے دوران، پاکستان مرکزی بینک (PMEX) کا مجموعی حجم مسلسل مندی کا شکار رہا، جو 9.2 فیصد کمی کے ساتھ 3.14 بلین رہ گیا۔ مجموعی طور پر جغرافیائی سیاست میں غیر یقینی صورتحال رہی جس کی وجہ سے اجناس کی قیمتیں دباؤ کا شکار ہیں، اگرچہ دیگر کے مقابلے میں خام تیل کی کارکردگی بہتر رہی۔ آگے بڑھتے ہوئے، اہم مالیاتی اداروں کو عالمی معیشت میں بڑھتی ہوئی طلب کی وجہ سے بین الاقوامی اجناس کی منڈیوں میں بحالی کی اُمید ہے۔ تاہم، MENA خطوں اور شمالی کوریا اور امریکہ کے درمیان بڑھتی ہوئی کشیدگی کی صورت میں خطرات ابھی باقی ہیں جو کہ ممکنہ طور پر طلب میں کمی کا باعث بن سکتی ہے۔

بنیادی سرگرمیاں

کمپنی پاکستان اسٹاک ایکسچینج لمیٹڈ (PSX) کی ٹریڈنگ رائٹ ایٹا غلٹ سرٹیفکیٹ (TREC) ہولڈر اور پاکستان مرکزی بینک (PMEX) کی ممبر ہے۔ کمپنی کی کاروباری سرگرمیوں میں شیئر بروکرینج، منی مارکیٹ بروکرینج، فاریکس بروکرینج، کمبوڈی بروکرینج، ایڈوائسری، انڈرائٹنگ، بک رنگ اور کنسلٹنسی سرورسز شامل ہیں۔ اسکے ساتھ ساتھ لٹل اور ان لٹل ایجوکیشن، ڈیجیٹل سیکورٹیز میں سرمایہ کاری اور رپورس ری پریزنٹیشنز شامل ہیں۔

مالیاتی کارکردگی کا جائزہ

ڈائریکٹرز شیئر ہولڈرز کو بخوشی مطلع کرتے ہیں کہ کمپنی نے زبر غور سال کیلئے 85 بلین پاکستانی روپے کی خالص آمدنی حاصل کی، گذشتہ سال اس ہی مدت کیلئے اس کی خالص آمدنی 171 ملین تھی۔

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

کمپنی نے آپریٹنگ ریونیو 536 ملین پاکستانی روپے کمائے نسبتاً گذشتہ سال اسی مدت میں 464 ملین کے مقابلے میں، جو کہ 15.5 فیصد کمی نمود کھاتی ہے۔ انویسٹمنٹ کی فروخت پر کمپنیل گین میں سال بہ سال 38.61 فیصد اضافہ ہوا۔ لاگت کے محاذ پر، کمپنی نے انتظامی اور آپریٹنگ اخراجات کے سلسلے میں اس سال کے لئے 634 ملین پاکستانی روپے خرچ کئے جو سال بہ سال 27.21 فیصد کا اضافہ دکھاتا ہے۔ اضافی انتظامی اخراجات نئی شاخیں کھولنے سے منسوب ہیں، جس میں کمپنی کی توجہ اپنے ریٹیل کلائنٹ کو بڑھانے پر مرکوز ہے۔ کمپنی کافی حصص منافع (EPS) برائے موجودہ سال 2.25 روپے ہے، گزشتہ سال اس ہی مدت کیلئے 4.13 جو کہ 45.5% کی کمی کو ظاہر کرتا ہے۔ کمپنی کے منافع میں کمی کو آخری نصف CY17 میں پاکستان اسٹاک ایکسچینج لمیٹڈ (PSX) کے حجم میں واضح کمی کو براہ راست منسوب کیا جاسکتا ہے۔ ٹیکس کے نظام میں رو بہ بدل نے کمپنی کے منافع بعد از ٹیکس کو اثر انداز کیا۔ ان تمام وجوہات کے باوجود کمپنی اپنے مارکیٹ شیئر کو بڑھانے میں کامیاب رہی۔ مستقبل میں، کمپنی اپنے بڑھتے ہوئے مارکیٹ شیئر کی بنیاد پر پاکستان اسٹاک ایکسچینج (PSX) کے حجم میں بہتری سے فائدہ اٹھائے گی۔

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

ڈائریکٹرز کی رپورٹ

JS گلوبل کیپیٹل لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے پیش کی گئی رپورٹ کے مورخہ 31 دسمبر 2017 کو ختم ہونے والے سال کیلئے کمپنی کی سالانہ رپورٹ اور آڈٹ شدہ مالیاتی تفصیلات جمع آڈیٹران کی رپورٹ پیش کرتا ہوں۔

نتائج کا خلاصہ ذیل میں پیش کیا جاتا ہے۔

اختتام سال	اختتام سال
31 دسمبر 2016	31 دسمبر 2017
..... پاکستانی روپے	
239,007,034	198,444,176
171,035,496	85,529,703
4.13	2.25

منافع قبل از ٹیکس
منافع بعد از ٹیکس
نی حصص منافع

معاشی جائزہ

سال 2017 ('CY17') میں معیشت میں چند رکاوٹوں کے باوجود بہتری کی جانب رجحان دیکھنے میں آیا۔ اسٹیٹ بینک آف پاکستان (SBP) کی رپورٹ کے مطابق، معیشت 6 فیصد نمو کے ہدف کے حصول کے لئے اپنے راستے پر گامزن ہے۔ یہ اشارہ مستقبل میں روزگار کے بہتر مواقع اور درمیانی مدت میں ترقی کی رفتار کے مستحکم رہنے کی علامت ہے۔ جسے مستحکم نظام شرح سود بشمول افراط زر جو کہ 6 فیصد کے ہدف سے نیچے رہنے اور سال بھر اوسط 3.75 فیصد رکھنے سے مزید سہارا ملا۔ گھریلو صارفین کی بڑھتی ہوئی آمدنی اور متوسط طبقہ کی بڑھتی تعداد سے ریٹیل سیلز اور تجارتی سرگرمیوں کو فروغ ملا ہے۔ مالی سال 2018 (18 HFY) کے پہلے نصف میں سال کے لئے آمدنی کا حصول 18 فیصد کی نمو کے ساتھ بہتر رہا۔ CPEC میں شامل توانائی کے منصوبوں کی وجہ سے بجلی کی لوڈ شیڈنگ میں موثر طریقے سے قابو پایا گیا جس پر فی الوقت تیزی سے کام جاری ہے۔

ناسازی کے آثار تاحال موجود ہیں۔ بہتری کے باوجود، مجموعی آمدنی ابھی تک اپنے ہدف سے 50 بلین پاکستانی روپے کم ہے۔ خام تیل کی قیمتوں میں بحالی (31 دسمبر 2017 کو Brent 66.87 امریکی ڈالر فی بیرل، WTI 60.42 امریکی ڈالر فی بیرل پر تھا) اور مشینری کی درآمدات میں اضافہ کی بناء پر ایمپورٹ بیل بڑھا رہا۔ عالمی ترسیلات میں کمی رہی، جو مشرق وسطیٰ اور شمالی افریقہ میں نمایاں نظر آئی، اس کے باوجود ملازمتیں کی ترسیلات زرمستحکم رہی (جو کہ مالی سال 2018 کے پہلے پانچ ماہ میں 1.3 فیصد سال بہ سال کی معمولی بڑھوتی سے 8.02 بلین رہی)۔ نتیجتاً، بیننس آف پیمنٹ (BOP) کی صورت حال نازک رہی جیسا کہ (31 دسمبر 2017) کو غیر ملکی زرمبادلہ کے ذخائر 20.15 بلین امریکی ڈالر پر ٹھہرے، جو کہ 2016 سے سال بہ سال 13 فیصد کمی کی عکاسی کرتے ہیں۔ آخر کار پاکستانی روپیہ اس دباؤ کے آگے جانبر نہ ہوا اور 105/1 سے 111/1 تک نیچے گر گیا۔

ایکسچینج کیٹیبل مارکیٹ کا جائزہ

سال 2017، پاکستان اسٹاک ایکسچینج کیلئے مشکل سال ثابت ہوا، KSE-100 انڈیکس میں 15.34 فیصد (20.89 فیصد امریکی ڈالر کی اصطلاح میں) کی نمایاں کمی دیکھنے میں آئی جو کہ سال 2008 کے بعد کا بڑا زوال ہے۔ دوران سال سیاسی اور میکرو اکنامک عوامل نے مارکیٹ کارکردگی کو متاثر کیا۔ میکرو اکنامک محاذ پر، BOP کی بدتر صورت حال اور غیر موافق ٹیکسوں سے بھرے سالانہ بجٹ نے کارکردگی کو پورے سال متاثر کئے رکھا جبکہ 31 مئی 2017 کو MSCI امریکن مارکیٹ انڈیکس میں پاکستان کی جوش و خروش سے شمولیت کے بھی کوئی خاطر خواہ نتائج نہیں ملے۔ 24 مئی 2017 کو KSE 100 انڈیکس اپنی بلند ترین سطح 52,876 پوائنٹس سے 19 فیصد کی نمایاں کمی کے بعد 40,472 پوائنٹس ہو گیا۔ مارکیٹ میں بعض اہم شعبے مندی کا شکار رہے جن میں (1) سینٹ (41 فیصد کمی)، (2) فارماسیوٹیکل (21 فیصد کمی)، (3) بینکس (16 فیصد کمی)، (4) OMC (14 فیصد کمی)، اور (5) فریٹلائزرز (13 فیصد کمی) کے ساتھ شامل ہیں۔ آئل اینڈ گیس ایکسپلوریشن کے شعبے میں 8 فیصد سے اضافہ رہا جو کہ باقی نمایاں شعبوں میں کمی کی برابری نہ کر سکا۔ آگے دیکھتے ہوئے، سال 2018 میں مارکیٹ غیر مستحکم نظر آتی ہے کیونکہ 2018 انڈیکشن کا سال ہے۔ طویل المدت میں، البتہ پاکستانی ایکویٹی کی قیمتیں بہتر ہوتی نظر آ رہی ہیں کیونکہ اپنے علاقائی حریفوں کے ساتھ 40 فیصد رعایت پر تجارت جاری ہے۔

فارن ایکسچینج مارکیٹ کا جائزہ

سال 2017، کے دوران پاکستانی روپے کی قدر میں 0.13 فیصد سے بہتری رہی، امریکی ڈالر پاکستانی روپے کے درمیان ایکسچینج ریٹ کا آغاز 1/104.72 کے ساتھ ہوا، جب کہ گذشتہ سال اسی مدت میں 1/104.85 تھا، 29 دسمبر 2017 کو سال کے اختتام پر امریکی ڈالر کا شرح تبادلہ 1/110.42 رہا جبکہ گذشتہ سال اسی مدت میں 1/104.62 پر بند ہوا تھا جو کہ مقابلہ 5.6 فیصد کمی کی ظاہر کرتا ہے۔ سال کے پہلے نصف حصہ میں امریکی ڈالر پاکستانی روپیہ کے درمیان قدر میں کمی کی سطح 105 پر رکنے سے پہلے 106 کے گرد گھومتی نظر آئی۔ دوسری جانب، سال کے دوسرے نصف میں ڈالر کے مقابلے میں روپے کی قدر میں کمی 110.55 کی سطح پر واپس آنے سے قبل 111 تک رہی۔

فارنیکس میں جنوری سے مارچ 2017 کے دوران ہونے والے سودے جن میں ایک ماہ، تین ماہ اور چھ ماہ کے دورانیے شامل ہیں، کی بلند ترین سطح 0.31، 0.755 اور 1.52 جبکہ زیر ترین سطح 0.145، 0.95 اور 0.675 کے درمیان ایک ماہ، تین ماہ اور چھ ماہ کے اوسط سودوں کی بلند ترین سطح 0.2850 اور 1.255 رہی جبکہ کم ترین سطح

Statement of Compliance with the Code of Corporate Governance

Name of Company JS Global Capital Limited (or 'Company')
Year Ended December 31, 2017

This statement is being presented to comply with the Code of Corporate Governance ('CCG') contained in Regulation No. 5.19.24 of Listing Regulations 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.

The Company has applied the principles contained in the CCG in the following manner:

1. The Company encourages representation of independent, non-executive directors and directors representing minority interests on its Board of Directors. At present, the Board includes:

CATEGORY	NAMES
Independent Director	a) Mr. Khurshid Hadi
Executive Director	b) Mr. Muhammad Kamran Nasir
Non - Executive Directors	c) Mr. Raja Abdullah Khan d) Mr. Muhammad Khalil Ur Rehman e) Mr. Munir Hassan Taher f) Mr. Ammar Talib Hajeyah g) Mr. Abdul Hamid Mihrez h) Mr. Junaid Imran

The independent director meets the criteria of independence under clause 5.19.1 (b) of the CCG.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including JS Global Capital Limited. Further, the directors have confirmed that they are not director of any other listed company as required under section 153, clause (k) of the Companies Act, 2017.
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 Broker of a stock exchange, has been declared as a defaulter by that stock exchange.
4. A casual vacancy occurring on the Board on July 17, 2017 was filled up by the directors within 30 days.
5. The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
6. The Board has developed a vision and mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
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, other executive and non-executive directors have been taken by the Board / shareholders.
8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and 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 except for an emergent meeting in accordance with the articles of association. The minutes of the meetings were appropriately recorded and circulated.
9. The Board arranged one training program for its newly appointed director during the year, from the recognised institution of Pakistan that meets the criteria specified by the SECP.

Statement of Compliance with the Code of Corporate Governance

10. The Board has approved the appointment of one of the existing employee of the Company as Company Secretary and Head of Internal Audit including his remuneration and terms and conditions of employment. No new appointment of the CFO has been made during the year.
11. The Directors' Report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
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 complied with all the corporate and financial reporting requirements of the CCG.
15. The Board has formed an Audit Committee. It comprises of three non-executive directors including the Chairman. Chairman of the Audit Committee is an independent, non-executive director.
16. The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the CCG. The terms of reference of the Committee have been formed and advised to the Committee for compliance.
17. The Board has formed a Human Resource and Remuneration Committee. It comprises of three members of whom two are non-executive directors and the Chairman of the Committee is a non-executive director.
18. The Board has outsourced the internal audit function to M/s. Deloitte Yousuf Adil, Chartered Accountants, who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company. The Company has designated a fulltime employee other than CFO, as Head of Internal Audit, to act as coordinator between M/s. Deloitte Yousuf Adil, Chartered Accountants and the Board.
19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review Program 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 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. Material / price sensitive information has been disseminated among all market participants at once through stock exchange.
23. The Company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
24. We confirm that all other material principles enshrined in the CCG have been complied with.

For and on behalf of the Board

Raja Abdullah Khan

Chairman

Karachi: February 20, 2018

Muhammad Kamran Nasir

Chief Executive Officer

REVIEW REPORT TO THE MEMBERS ON THE 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 JS Global Capital Limited (the Company) for the year ended 31 December 2017 to comply with the respective requirements of the Rule Book of Pakistan Stock Exchange, 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 a 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 of 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 undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended 31 December 2017.

Chartered Accountants

Date: February 20, 2018

Karachi

Compliance of Corporate Governance Code for Securities Broker*

To the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of any securities market laws.

Karachi: February 20, 2018

Muhammad Kamran Nasir
Chief Executive Officer

*This statement is given as per the requirements of Regulation 16(1)(f) [to be read with Annexure D clause 9(a)(iii)] of Securities Brokers (Licensing & Operations) Regulations, 2016.

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of JS Global Capital Limited (the Company) as at December 31, 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 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:

- (a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) 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 Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied except for the changes as stated in note 2.5 with which we concur;
 - (ii) the expenditure incurred during the year was for the purpose of the Company's business;
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company; and
 - (iv) the Company was in compliance with the requirements of section 78 of the Securities Act 2015, and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016 as at the date on which the balance sheet was prepared.
- (c) in our opinion 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 conform with approved accounting standards as applicable in Pakistan, and give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2017 and of the profit, 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.

Chartered Accountants

Audit Engagement Partner: **Shaikh Ahmed Salman**

Date: February 20, 2018

Karachi



Invest with the best!

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

Brokerage Management Rating 1

by PACRA (Pakistan's leading credit rating agency)

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

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

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

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 **JS Global**



Financial Statements

Balance Sheet

As at December 31, 2017

	2017	2016
Note	----- (Rupees) -----	
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorised : 150,000,000 (December 31, 2016: 150,000,000) ordinary shares of Rs.10 each	1,500,000,000	1,500,000,000
Issued, subscribed and paid-up share capital	4 380,070,000	380,070,000
Share premium	1,810,104,900	1,810,104,900
Unrealised gain on revaluation of available-for-sale investments - net	26,811,763	66,427,871
Unappropriated profit	384,429,891	298,900,188
	2,601,416,554	2,555,502,959
LIABILITIES		
Current liabilities		
Creditors, accrued expenses and other liabilities	5 1,161,037,703	1,902,713,070
	3,762,454,257	4,458,216,029
Contingencies and commitments	6	

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

Raja Abdullah Khan
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Muhammad Umair Arif
Chief Financial Officer

Balance Sheet

As at December 31, 2017

		2017	2016
	Note	------(Rupees)-----	
ASSETS			
Non-current assets			
Property and equipment	7	72,418,722	65,654,048
Intangible assets	8	8,600,478	10,741,528
Long-term investment	9	49,346,147	60,591,631
Long-term loans, advances and deposits	10	26,861,531	22,822,777
Deferred taxation - net	11	125,461,518	103,493,340
		282,688,396	263,303,324
Current assets			
Short-term investments	12	617,091,756	819,719,863
Trade debts	13	561,598,823	922,947,253
Receivable against margin finance		328,167,003	855,461,209
Loans and advances - considered good	14	16,131,593	12,561,566
Short-term deposits and prepayments	15	184,245,368	461,936,638
Interest and mark-up accrued	16	15,149,069	17,284,195
Other receivables	17	21,717,361	9,999,646
Advance tax		57,134,953	47,250,952
Cash and bank balances	18	1,678,529,935	1,047,751,383
		3,479,765,861	4,194,912,705
		3,762,454,257	4,458,216,029

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

Raja Abdullah Khan
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Muhammad Umair Arif
Chief Financial Officer

Profit & Loss Account

For the year ended December 31, 2017

		2017	2016
	Note	------(Rupees)-----	
Operating revenue	19	535,850,243	463,957,794
Capital gain on sale of investments	20	78,856,354	56,888,037
Unrealised (loss)/ gain on remeasurement of investments at fair value through profit or loss - net		(4,253,661)	13,502,624
Dividend income		70,247,459	54,615,822
Margin finance income		87,745,930	95,194,610
		768,446,325	684,158,887
Administrative and operating expenses	21	(634,326,422)	(498,626,207)
Provision for doubtful debts - net	13.1	-	(5,281,096)
		134,119,903	180,251,584
Other operating income - net	22	122,782,005	64,253,687
		256,901,908	244,505,271
Provision for Sindh Workers' Welfare Fund	5.3	(4,049,881)	(4,877,695)
Finance cost	23	(54,407,851)	(620,542)
Profit before taxation		198,444,176	239,007,034
Taxation - current		(97,145,112)	(71,065,171)
- prior		(17,925,528)	-
- deferred		2,156,167	3,093,633
	24	(112,914,473)	(67,971,538)
Profit after taxation		85,529,703	171,035,496
Earnings per share - basic and diluted	25	2.25	4.13

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

Raja Abdullah Khan
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Muhammad Umair Arif
Chief Financial Officer

Statement of Comprehensive Income

For the year ended December 31, 2017

		2017	2016
	Note	------(Rupees)-----	
Profit for the year		85,529,703	171,035,496
Other comprehensive income			
Items that will not be reclassified to profit or loss account subsequently			
		-	-
Items that may be reclassified to profit or loss account subsequently			
Unrealised (loss)/ gain on revaluation of available-for-sale investments during the year	9.2	(5,754,134)	85,713,382
Less: Related tax		526,500	(19,285,511)
		(5,227,634)	66,427,871
Reclassification adjustments relating to available-for-sale investments disposed of during the year		(53,673,985)	(18,376,008)
Less: Related tax		19,285,511	2,756,401
		(34,388,474)	(15,619,607)
Total comprehensive income for the year		45,913,595	221,843,760

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

Raja Abdullah Khan
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Muhammad Umair Arif
Chief Financial Officer

Statement of Changes in Equity

For the year ended December 31, 2017

	Issued, subscribed and paid-up share capital	Reserves			Sub-total	Total
		Share premium	Unrealised gain on revaluation of available-for -sale investments - net	Revenue Reserve Unappropriated profit		
..... (Rupees)						
Balance as at January 01, 2016	500,000,000	1,810,104,900	15,619,607	559,612,692	2,385,337,199	2,885,337,199
Total comprehensive income for the year						
Profit for the year ended December 31, 2016	-	-	-	171,035,496	171,035,496	171,035,496
Other comprehensive income - net of tax	-	-	50,808,264	-	50,808,264	50,808,264
Total comprehensive income for the year	-	-	50,808,264	171,035,496	221,843,760	221,843,760
Transactions with owners recognised directly in equity						
Buy back of 11,993,000 shares having face value of Rs.10 each at price of Rs.46 each	(119,930,000)	-	-	-	-	(119,930,000)
Amount paid in excess of face value of 11,993,000 shares	-	-	-	(431,748,000)	(431,748,000)	(431,748,000)
Balance as at December 31, 2016	380,070,000	1,810,104,900	66,427,871	298,900,188	2,175,432,959	2,555,502,959
Balance as at January 01, 2017	380,070,000	1,810,104,900	66,427,871	298,900,188	2,175,432,959	2,555,502,959
Total comprehensive income for the year						
Profit for the year ended December 31, 2017	-	-	-	85,529,703	85,529,703	85,529,703
Other comprehensive income - net of tax	-	-	(39,616,108)	-	(39,616,108)	(39,616,108)
Total comprehensive income for the year	-	-	(39,616,108)	85,529,703	45,913,595	45,913,595
Balance as at December 31, 2017	380,070,000	1,810,104,900	26,811,763	384,429,891	2,221,346,554	2,601,416,554

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

Raja Abdullah Khan
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Muhammad Umair Arif
Chief Financial Officer

Cash Flow Statement

For the year ended December 31, 2017

		2017	2016
	Note	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		198,444,176	239,007,034
Adjustments for:			
Depreciation	7.1	25,234,398	21,905,012
Amortisation of intangible assets	8.2	2,223,523	4,089,164
Gain on sale of long-term investment	20.1	(53,673,985)	-
Gain on sale of property and equipment	7.2	(116,751)	(2,793,050)
Unrealised loss/(gain) on remeasurement of investments at fair value through profit or loss - net		4,253,661	(13,502,624)
Unrealised (gain)/ loss on revaluation of future equity transactions	22	(2,508,639)	14,172,626
Provision for doubtful debts	13.1	-	5,281,096
Provision for Sindh Workers' Welfare Fund		4,049,881	4,877,695
Finance cost	23	54,407,851	620,542
		33,869,939	34,650,461
Cash generated from operating activities before working capital changes		232,314,115	273,657,495
Decrease / (Increase) in current assets			
Trade debts		361,348,430	(757,255,719)
Receivable against margin finance		527,294,206	(211,726,724)
Loans and advances		(3,570,027)	1,298,445
Short-term deposits and prepayments		277,691,270	(271,715,493)
Interest and mark-up accrued		2,135,126	8,342,099
Other receivables		(11,717,715)	6,065,454
		1,153,181,290	(1,224,991,938)
Increase/(decrease) in current liabilities			
Creditors, accrued expenses and other liabilities		(745,730,606)	1,258,645,867
Cash generated from operations		639,764,799	307,311,424
Finance cost paid		(54,407,851)	(620,542)
Taxes paid		(124,954,640)	(140,548,647)
Net cash generated from operating activities		460,402,308	166,142,235
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	7.1	(32,133,221)	(29,903,458)
Proceeds from disposal of property and equipment	7.2	250,900	5,038,973
Long-term loans, advances and deposits		(4,038,754)	(3,817,009)
Addition to intangible assets	8.2	(82,473)	(200,000)
Long-term investments - net		45,885,771	-
Short-term investments - net		160,488,664	(17,951,003)
Net cash generated from/(used in) investing activities		170,370,887	(46,832,497)
CASH FLOWS FROM FINANCING ACTIVITIES			
Buy back of shares		-	(551,678,000)
Dividend adjustment / (paid)		5,357	(6,113)
Net cash used in financing activities		5,357	(551,684,113)
Increase/(decrease) in cash and cash equivalents during the year		630,778,552	(432,374,375)
Cash and cash equivalents at the beginning of the year		1,047,751,383	1,480,125,758
Cash and cash equivalents at the end of the year	18	1,678,529,935	1,047,751,383

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

Raja Abdullah Khan
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Muhammad Umair Arif
Chief Financial Officer

Notes to the Financial Statements

For the year ended December 31, 2017

1. STATUS AND NATURE OF BUSINESS

JS Global Capital Limited (the Company) was incorporated as a private limited company on June 28, 2000. However, the Company commenced its operations in May 2003 and name of the Company was changed from JSCL Direct (Private) Limited to Jahangir Siddiqui Capital Markets (Private) Limited. Subsequently, the Company was converted into a public unquoted company and the holding company Jahangir Siddiqui and Company Limited (JSCL) offered its 25% shareholding to the general public for subscription in December 2004 and the Company obtained listing on Karachi Stock Exchange Limited and Islamabad Stock Exchange Limited on February 07, 2005. During 2006-07, the Company issued 10,009,700 shares to Global Investment House K.S.C.C Kuwait, ('Global'). The shares were issued to Global without offering right shares on the basis of a special resolution passed on July 11, 2006. The Securities and Exchange Commission of Pakistan vide its letter no. EMD/CI/49/2006-458 dated July 19, 2006 gave its in-principle approval to the scheme. The Company has twelve branches in nine cities of Pakistan.

During the year 2012, JS Bank Limited (the Bank), a subsidiary of JSCL, acquired 25,525,169 shares of the Company from JSCL and other shareholders against issuance of 185,321,537 shares in lieu thereof. As a result, the principal ownership of the Company was transferred to the Bank. Presently, the Company is subsidiary of JS Bank Limited, which is a subsidiary of JSCL, the ultimate parent of the Company.

The Company is a Trading Right Entitlement Certificate (TREC) holder of Pakistan Stock Exchange Limited (PSX) and member of Pakistan Mercantile Exchange Limited (PMEX). The principal activities of the Company are share brokerage, money market brokerage, forex brokerage, commodity brokerage, advisory, underwriting, book running and consultancy services. Other activities include investment in a mix of listed and unlisted equity and debt securities and reverse repurchase transactions. The registered office of the Company is situated at 6th floor, Faysal House, Shahra-e-Faisal, Karachi, Pakistan.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved Accounting Standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board as are notified under the Companies Ordinance, 1984 and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Companies Ordinance, 1984 and the directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Companies Ordinance, 1984 and the directives issued by the SECP prevail.

Effective 30 May 2017, the Companies Act, 2017 (the Act) has been promulgated, however, the Securities and Exchange Commission of Pakistan (SECP) vide its circular No. 23 of 2017 dated October 04, 2017 decided that the companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Furthermore, the Institute of Chartered Accountants of Pakistan also issued clarification vide its circular dated October 06, 2017 which states that the financial statements of companies for the periods ending on or before December 31, 2017 shall be 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 and derivative financial instruments which are stated at fair value.

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgments

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

Notes to the Financial Statements

For the year ended December 31, 2017

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which are apparent from other sources. Actual results may differ from these estimates.

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

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

- Investments (notes 3.4 and 12);
- Residual values and useful lives of property and equipment (notes 3.2 and 7);
- Useful lives of intangible assets (notes 3.3 and 8);
- Recognition of current and deferred taxation (notes 3.9 and 11);
- Impairment of available-for-sale investments (note 3.11 and 12.4); and
- Provision against trade debts and other receivables (note 3.7, 13 and 17).

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

Standard or Interpretation

IFRS 7 Financial Instruments: Disclosures - Disclosure Initiative - (Amendment)

IAS 12 Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)

Improvements to Accounting Standards Issued by the IASB

IFRS 12 Disclosure of Interests in Other Entities -
Clarification of the scope of the disclosure requirements in IFRS 12

The adoption of the above amendments, improvements to accounting standards and interpretations did not have any effect on the financial statements.

2.6 New accounting standards / amendments and IFRS interpretations that are not yet effective

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

Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 2 – Share-based Payments – Classification and Measurement of Share-based Payments Transactions – (Amendments)	January 01, 2018
IFRS 10 – Consolidated Financial Statements and IAS 28 – Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – (Amendment)	Not yet finalized
IFRS 4 – Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments)	January 01, 2018
IFRS 9 – Financial Instruments: Classification and Measurement	July 01, 2018
IFRS 9 – Prepayment Features with Negative Compensation – (Amendments)	January 01, 2019

Notes to the Financial Statements

For the year ended December 31, 2017

IFRS 15 – Revenue from Contracts with Customers	January 01, 2018
IFRIC Interpretation 22 – Foreign Currency Transactions and Advance Consideration	January 01, 2018
IFRIC 23 – Uncertainty over Income Tax Treatments	January 01, 2019

The above standards, amendments and interpretations are not expected to have any material impact on the Company's financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2016. Such improvements are generally effective for accounting periods beginning on or after January 01, 2018 and January 01, 2019. The Company expects that such improvements to the standards will not have any impact on the Company's financial statements in the period of initial application.

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

Standard	IASB Effective date (annual periods beginning on or after)
IFRS 14 – Regulatory Deferral Accounts	January 01, 2018
IFRS 16 – Leases	January 01, 2019
IFRS 17 – Insurance Contracts	January 01, 2021

3. SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Employee benefits

Defined contribution plan

The Company operates a defined contribution plan. i.e. recognised provident fund scheme for all its eligible employees in accordance with the trust deed and rules made thereunder. Equal monthly contributions at the rate of 7.33% of basic salary are made to the fund by the Company and the employees.

3.2 Property and equipment

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Depreciation is calculated on straight line basis over the estimated useful lives of the assets. Depreciation on additions is charged from the month in which they are available for use and on deletions up to the month of deletion. The estimated useful lives for the current and comparative periods are as follows:

Office equipment	04 years
Office furniture	10 years
Motor vehicles	05 years

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and its cost can be reliably measured. Cost incurred to replace an item of property and equipment is capitalized and the asset so replaced is retired from use and its carrying amount is derecognised. Normal repairs and maintenance are charged to the profit and loss account during the period in which they are incurred.

Notes to the Financial Statements

For the year ended December 31, 2017

The residual values and useful lives of assets are reviewed and adjusted, if appropriate at each reporting date. Capital work-in-progress is stated at cost less impairment loss, if any.

Gains and losses on disposal of assets, if any, are taken to profit and loss account.

3.3 Intangible assets

Intangible assets having finite useful lives are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Such intangible assets are amortised using the straight-line method taking into account residual value, if any, at the rates specified in note 8 to these financial statements. Amortisation is charged from the date the asset is available for use while in the case of assets disposed of, it is charged till the date of disposal. The useful lives and amortisation method are reviewed and adjusted, if appropriate, at each reporting date.

Intangible assets having an indefinite useful life are stated at cost less accumulated impairment losses, if any. An intangible asset is regarded as having an indefinite useful life, when, based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Company. An intangible asset with an indefinite useful life is not amortised. However, the carrying amount is reviewed at each reporting date or whenever there is an indication that the asset may be impaired, to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds the estimated recoverable amount, it is written down to its estimated recoverable amount.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit and loss account when the asset is derecognised.

3.4 Investments

All investments are initially recognised at fair value, being the cost of the consideration given including transaction cost associated with the investment, except in case of held for trading investments, in which case the transaction costs are charged off to the 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 Company classifies its investments in the following categories:

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

Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in prices are classified as 'financial assets at fair value through profit or loss - held for trading'. Subsequent to initial recognition, these investments are marked to market and are carried on the balance sheet at fair value, except for investments in unquoted debt securities which are carried at cost. Net gains and losses arising on changes in fair values of these investments are taken to the 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 amortised cost using the effective interest rate method, less any accumulated impairment losses.

Available-for-sale

Investments intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in market prices, are classified as 'available-for-sale'. Subsequent to initial measurement, available-for-sale investments are remeasured to fair value. Net gains and losses arising on changes in fair values of these investments are taken to other comprehensive income. However, any premium or discount on acquisition of debt securities is amortised and taken to the 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.

Notes to the Financial Statements

For the year ended December 31, 2017

Fair value for listed securities are the quoted prices on stock exchange on the date it is valued. Fair value of term finance certificates, units of open-end mutual funds and government securities are determined on the basis of rates notified by Mutual Fund Association of Pakistan for term finance certificates, relevant redemption prices for the open-end mutual funds and quotations obtained from the PKRV sheets for government securities respectively. Unquoted securities are stated at cost, where the fair value is not reasonably determined.

3.5 Derivatives

Derivative instruments held by the Company primarily comprise of future contracts in the capital market. These are initially recognised at fair value and are subsequently remeasured at fair value. The fair value of future contracts is calculated as being the net difference between the contract price and the closing price reported on the primary exchange of the future contracts. Derivatives with positive market values (unrealised gains) are included in assets and derivatives with negative market values (unrealised losses) are included in liabilities in the balance sheet. The resultant gains and losses are included in the profit and loss account. Derivative financial instrument contracts entered into by the Company do not meet the hedging criteria as defined by International Accounting Standard (IAS) '39: 'Financial Instruments: Recognition and Measurement'. Consequently hedge accounting is not being applied by the Company.

3.6 Securities purchased / sold under resale / repurchase agreements

Transactions of purchase under resale (reverse-repo) of marketable securities including the securities purchased under marginal trading system are entered into at contracted rates for specified periods of time. Securities purchased with a corresponding commitment to resale at a specified future date (reverse-repo) are not recognised in the balance sheet. Amounts paid under these agreements in respect of reverse repurchase transactions are included in assets. The difference between purchase and resale price is treated as income from reverse repurchase transactions in marketable transactions / marginal trading system and accrued over the life of the reverse repo agreement.

Transactions of sale under repurchase (repo) of marketable securities are entered into at contracted rates for specified periods of time. Securities sold with a simultaneous commitment to repurchase at a specified future date (repo) continue to be recognised in the balance sheet and are measured in accordance with accounting policies for investments. The counterparty liabilities for amounts received under these transactions are recorded as liabilities. The difference between sale and repurchase price is treated as finance cost and accrued over the life of the repo agreement.

3.7 Trade debts and other receivables

Trade debts are recognised initially at invoice amount less provision for doubtful debts, if any.

Other receivables are stated at amortised cost less provision for impairment, if any.

3.8 Revenue recognition

Brokerage, consultancy, advisory fee, underwriting, book running fee, commission on foreign exchange dealings and debt securities etc. are recognised as and when such services are provided.

Income from reverse repurchase transactions, debt securities and bank deposits is recognised at effective yield on time proportionate basis.

Interest income on financial assets (including margin financing) is recognised on time proportionate basis taking into account effective / agreed rate of the instrument.

Dividend income is recorded when the right to receive the dividend is established.

Gains / (losses) arising on sale of investments are included in the profit and loss account in the period in which they arise.

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

Notes to the Financial Statements

For the year ended December 31, 2017

Unrealised gains / (losses) arising from mark to market of investments classified as 'available for sale' are taken directly to other comprehensive income.

Gains / (losses) arising on revaluation of derivatives to fair value are taken to profit and loss account under other income / other expense.

3.9 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 equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

Current

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

Deferred

Deferred tax is recognised using the balance sheet liability method on all major temporary differences between the carrying amount of assets and liabilities used for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax is charged or credited to the profit and loss account.

3.10 Cash and cash equivalents

Cash and cash equivalents for cash flow purposes include cash in hand, current and deposit accounts held with banks. Running finance facilities availed by the Company, which are payable on demand and form an integral part of the Company's cash management are included as part of cash and cash equivalents for the purpose of cash flow statement.

3.11 Impairment

Financial assets

The Company assesses at each reporting date whether there is any objective evidence that financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is an objective evidence of impairment as a result of one or more events that has occurred after initial recognition of asset (an incurred loss event) and that loss event (or events) has impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. In case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of an equity security below its cost is considered as an objective evidence of impairment.

If, in a subsequent period, the fair value of an impaired available-for-sale security increases and the increase can be objectively related to an event occurring after the impairment loss recognised in profit and loss, the impairment loss is reversed, with the amount of the reversal recognised in profit and loss.

Non-financial assets

The carrying amount of the Company's non-financial assets other than deferred tax asset and intangible assets with indefinite useful life is reviewed at each reporting date to determine whether there is any objective evidence that an asset or group of assets may be impaired. If any such evidence exists, the asset or group of assets' recoverable amount is estimated.

Notes to the Financial Statements

For the year ended December 31, 2017

Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit and loss account immediately. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.12 Foreign currency translation

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

3.13 Borrowing costs

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

3.14 Provisions

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

3.15 Financial liabilities

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

3.16 Financial instruments

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

3.17 Offsetting of financial assets and liabilities

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

3.18 Earnings per share

Earnings per share is calculated by dividing the profit after tax for the period by the weighted average number of ordinary shares outstanding during the period.

3.19 Dividend distributions and appropriations

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

Notes to the Financial Statements

For the year ended December 31, 2017

3.20 Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the Board of Directors and Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The operating segments of the Company are as follows:

Brokerage

The brokerage activities include services provided in respect of share brokerage, money market brokerage, forex brokerage, commodity brokerage and share subscription commission.

Investment and treasury

It consists of capital market, money market investment and treasury functions. The activities include profit on bank deposit, term deposit receipts, capital gains on equity and debt securities, mark-up income on margin financing, term finance certificates and sukuks and dividend income.

Other operations

It consists of advisory and consultancy function.

4. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2017	2016		2017	2016
Number of shares			(Rupees)	
20,009,700	20,009,700	Ordinary shares of Rs. 10 each fully paid in cash	200,097,000	200,097,000
29,990,300	29,990,300	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	299,903,000	299,903,000
(11,993,000)	(11,993,000)	Buy back of 11,993,000 shares having face value of Rs. 10 each	(119,930,000)	(119,930,000)
38,007,000	38,007,000		380,070,000	380,070,000

4.1 Parent company held 25,525,169 (2016: 25,525,169) ordinary shares of Rs.10 each at year end.

4.2 There is only one class of ordinary shares.

4.3 Pattern of shareholding

2017	2016		2017	2016
Number of shares		Particulars / name of the shareholders	Percentage of holding	
25,525,169	25,525,169	JS Bank Limited	67.15%	67.15%
10,166,832	10,166,832	Global Investment House, Kuwait	26.75%	26.75%
1,735,823	1,721,223	Individuals	4.57%	4.53%
340,323	340,323	Insurance Company	0.90%	0.90%
238,853	253,453	Joint Stock Companies	0.63%	0.67%
38,007,000	38,007,000		100%	100%

Notes to the Financial Statements

For the year ended December 31, 2017

		2017	2016
	Note	------(Rupees)-----	
5. CREDITORS, ACCRUED EXPENSES AND OTHER LIABILITIES			
Trade creditors	5.1	994,962,051	1,739,633,582
Accrued expenses		46,511,016	48,474,628
Provision for staff bonus	5.2	39,880,732	31,614,750
Unclaimed dividend		3,431,342	3,425,985
Provision for Workers' Welfare Fund	5.3	36,701,439	32,651,558
Unrealised loss on revaluation of future equity transactions		-	14,172,626
Others		39,551,123	32,739,941
	5.4	1,161,037,703	1,902,713,070

5.1 This includes payables to PSX and National Clearing Company of Pakistan Limited (NCCPL) amounting to Rs.1.488 million (2016: Rs.1.085 million) and Rs. 300.118 million (2016: Rs. 663.562 million) respectively in respect of trading in securities, settled subsequent to the year end.

	2017	2016
	------(Rupees)-----	
5.2 Movement of provision for staff bonus is as follows:		
Balance at the beginning of the year	31,614,750	41,045,950
Paid during the year	(33,349,015)	(30,231,200)
Charged during the year	41,614,997	20,800,000
Balance at the end of the year	39,880,732	31,614,750

5.3 Prior to certain amendments made through the Finance Acts of 2006 and 2008, Worker Welfare Fund (WWF) was levied at 2% of the total income assessable under the Income Tax Ordinance, 2001 excluding income falling under the Final Tax Regime (FTR). Through Finance Act, 2008, an amendment was made in Section 4(5) of the WWF Ordinance, 1971 (the Ordinance) whereby WWF liability is applicable at 2% of the higher of the profit before taxation as per the accounts or declared income as per the income tax return.

Aggrieved by the amendments made through the Finance Act, 2008, certain stakeholders filed petition against the changes in the Lahore High Court which struck down the aforementioned amendments to the WWF Ordinance in 2011. However, the Honorable High Court of Sindh in the year 2013 did not accept the above arguments and declared the amendments made through Finance Act as valid. Both these decisions were later challenged in the Honorable Supreme Court of Pakistan.

In 2016, the Honorable Supreme Court of Pakistan passed a judgment on November 10, 2016, declaring the insertion of amendments introduced in the Finance Acts pertaining to Workers' Welfare Fund as unlawful and thereby striking down such amendments. However, a petition has been filed in the Honorable Supreme Court of Pakistan for the review of the aforementioned judgement. In view of the said review petition, the Company has on conservative basis continued to maintain provision against the Federal Workers' Welfare Fund as at the year end.

Further, in view of promulgation of Sindh Workers' Welfare Fund Act, 2014, wherein the financial institutions have also been brought into definition of Industrial establishments, the Company has on the basis of the opinion of its legal / tax advisor recognised a provision of Rs. 4.049 million (December 31, 2016: Rs. 4.878 million) for the year.

5.4 Included herein is a sum of Rs. 14.368 million (2016: Rs. 144,611million) payable to related parties.

Notes to the Financial Statements

For the year ended December 31, 2017

2017

2016

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

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There are no outstanding contingencies as at December 31, 2017 (December 31, 2016: Nil) other than tax contingencies disclosed in note 24 of these financial statements.

6.2 Commitments

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

323,632,355

750,928,880

Bank Guarantee from a commercial bank in favor of National Clearing Company of Pakistan Limited expiring on May 31, 2018

400,000,000

-

Outstanding settlements against margin financing contracts - net

4,528,519

(180,189,452)

2017

2016

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

7. PROPERTY AND EQUIPMENT

Property and equipment

7.1

72,418,722

65,654,048

7.1 Property and equipment

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

Notes to the Financial Statements

For the year ended December 31, 2017

	2016							
	Cost			Rate (%)	Accumulated Depreciation			Written down value as at December 31, 2016
	As at January 01, 2016	Additions / (disposals)	As at December 31, 2016		As at January 01, 2016	For the year / (disposals)	As at December 31, 2016	
	(Rupees)				(Rupees)			
Office equipment	82,998,979	12,229,897 (462,540)	94,766,336	25	59,543,563	10,073,420 (426,320)	69,190,663	25,575,673
Office furniture	19,612,740	4,393,500	24,006,240	10	12,463,347	2,264,391	14,727,738	9,278,502
Motor vehicles	45,796,601	13,280,061 (5,841,244)	53,235,418	20	16,499,884	9,567,201 (3,631,540)	22,435,545	30,799,873
	148,408,320	29,903,458 (6,303,784)	172,007,994		88,506,794	21,905,012 (4,057,860)	106,353,946	65,654,048

7.2 Disposal of property and equipment

The following is a statement of property and equipment disposed off during the year:

	Cost	Accumulated depreciation	Written down value	Proceeds / settlement	Gain / (loss)	Particulars of buyer	Mode of disposal
Office equipments	(Rupees)						
Auto Tape Drive laptop	450,000	(449,999)	1	135,000	134,999	EFU General Insurance Limited	Insurance Claim
Mobile	45,000	(44,999)	1	21,200	21,199	EFU General Insurance Limited	Insurance Claim
Mobile	37,000	(6,939)	30,061	25,000	(5,061)	EFU General Insurance Limited	Insurance Claim
Mobile	45,350	(22,676)	22,674	13,000	(9,674)	EFU General Insurance Limited	Insurance Claim
Mobile	39,035	(5,691)	33,344	25,000	(8,344)	EFU General Insurance Limited	Insurance Claim
Mobile	44,500	(15,759)	28,741	20,000	(8,741)	EFU General Insurance Limited	Insurance Claim
Mobile	32,000	(12,673)	19,327	11,700	(7,627)	EFU General Insurance Limited	Insurance Claim
December 31, 2017	692,885	(558,736)	134,149	250,900	116,751		
December 31, 2016	6,303,784	(4,057,860)	2,245,923	5,038,973	2,793,050		

	2017	2016
Note	(Rupees)	

8. INTANGIBLE ASSETS

Trading Right Entitlement Certificate (TREC) - Pakistan Stock Exchange Limited (PSX)	8.1	5,727,330	5,727,330
Membership card - Pakistan Mercantile Exchange Limited		2,500,000	2,500,000
		8,227,330	8,227,330
Softwares	8.2	373,148	2,514,198
		8,600,478	10,741,528

8.1 This represents TREC received from PSX in accordance with the requirements of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012. The Company has also received shares of PSX after completion of the demutualization process. Refer note 9.1 for more detail.

Notes to the Financial Statements

For the year ended December 31, 2017

8.2 Softwares

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

				2016			
Cost			Rate	Accumulated Amortisation			Written down
As at January 01, 2016	Additions	As at December 31, 2016	(%)	As at January 01, 2016	Charge For the year	As at December 31, 2016	value as at December 31, 2016
------(Rupees)-----				------(Rupees)-----			
12,646,805	200,000	12,846,805	33.33	6,243,443	4,089,164	10,332,607	2,514,198

	2017	2016
Note	------(Rupees)-----	

9. LONG TERM INVESTMENT

Available-for-sale

Shares in PSX- at cost [2,202,953 (2016: 4,007,383) shares]	9.1	23,060,884	15,272,670
Surplus on revaluation of shares in PSX	9.2	26,285,263	85,713,382
		49,346,147	100,986,052
Current maturity shown under current assets	12	-	(40,394,421)
		49,346,147	60,591,631

9.1 In March 2017, the Company disposed-off 1,602,953 shares (i.e. 40% stake), under the Share Purchase Agreement between PSX, the divestment committee of PSX and the Anchor Investors at a price of Rs. 25.20 per share. The original price was Rs. 28 per share from which there was a retention of 10% (i.e. Rs. 2.8 per share).

Furthermore, in June, PSX offered Initial Public Offering in which the Company disposed-off additional 801,477 shares (i.e. 20% stake) at a price of Rs. 28 per share.

During the year, the SECP approved PSX's application for listing and thereafter, the shares were successfully listed on June 29, 2017. Accordingly, the remaining 1,602,953 shares (i.e. 40% stake) and the additional 600,000 shares purchased by the Company are valued at market price prevailing as at December 31, 2017.

9.2 Movement of surplus on revaluation of shares in PSX is as follows:

Balance at the beginning of the year	85,713,382	-
Reclassified to Profit and loss during the year upon disposal (Reversed) / charged through Other Comprehensive Income during the year	(53,673,985)	-
	(5,754,134)	85,713,382
Balance at the end of the year	26,285,263	85,713,382

Notes to the Financial Statements

For the year ended December 31, 2017

		2017	2016
	Note	------(Rupees)-----	
10. LONG-TERM LOANS, ADVANCES AND DEPOSITS			
Long-term loans - secured and considered good			
- Executives	10.1	12,580,085	11,721,477
- Employees		1,088,086	2,280,230
	10.2	13,668,171	14,001,707
Current maturity	14	(5,661,708)	(4,573,798)
		8,006,463	9,427,909
Security deposits	10.3	18,855,068	13,394,868
		26,861,531	22,822,777
		2017	2016
		------(Rupees)-----	

10.1 Reconciliation of carrying amount of loans to executives:

Balance at the beginning of the year	11,721,477	6,145,322
Disbursements	10,945,000	8,511,103
Repayments	(10,086,392)	(2,934,948)
Balance at the end of the year	12,580,085	11,721,477

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

10.3 This includes Rs. 1.55 million (2016: Rs. 1.55 million) deposited with PSX, Rs. 1.05 million (2016: Rs. 0.05 million) with NCCPL Rs. 0.20 million (2016: Rs. 0.125 million), with Central Depository Company of Pakistan Limited (CDC) and Rs. 10.42 million (2016: Rs. 10.42 million) with PMEX.

	2017			
	Opening	(Charge)/ reversal to profit and loss account	Charge to other comprehensive income	Closing
	------(Rupees)-----			
11. DEFERRED TAXATION - NET				
Taxable temporary difference	-	-	-	-
Deductible temporary differences				
Difference in accounting and tax				
base of intangible assets	37,921	(30,216)	-	7,705
Accelerated depreciation				
for tax purposes	1,645,034	2,025,130	-	3,670,164
Revaluation of investments	(19,185,011)	161,253	19,812,011	788,253
Provision for doubtful debts	120,995,396	-	-	120,995,396
	103,493,340	2,156,167	19,812,011	125,461,518

Notes to the Financial Statements

For the year ended December 31, 2017

	2016			Closing
	Opening	(Charge)/ reversal to profit and loss account	Charge to other comprehensive income	
------(Rupees)-----				
Taxable temporary difference				
Revaluation of investments	(3,051,458)	395,557	(16,529,110)	(19,185,011)
Deductible temporary differences				
Accelerated depreciation for tax purposes	356,395	1,288,639	-	1,645,034
Difference in accounting and tax base of intangible assets	212,813	(174,892)	-	37,921
Provision for doubtful debts	119,411,067	1,584,329	-	120,995,396
	116,928,817	3,093,633	(16,529,110)	103,493,340

	Note	2017	2016
		------(Rupees)-----	
12. SHORT TERM INVESTMENTS			
Financial asset at fair value through profit or loss - held-for-trading			
Quoted equity securities	12.1	322,414,005	746,234,904
Term finance / sukuk certificates - secured	12.2	17,677,751	33,090,538
Units of mutual fund	12.3	225,000,000	-
		565,091,756	779,325,442
Available-for-sale			
Privately placed term finance certificates - unsecured	12.4	-	-
Unquoted equity securities - shares in PSX		-	40,394,421
		-	40,394,421
Advance against subscription of sukuk certificates	12.5	52,000,000	-
		617,091,756	819,719,863

12.1 Quoted Equity Securities

Number of shares	Name of Company	Note	2017		2016
			Average Cost	Fair Value	
2017	2016		------(Rupees)-----		
-	2,224,000	The Bank of Punjab	-	-	39,253,600
353,500	304,500	Fauji Fertilizer Company Limited	27,414,810	27,965,385	31,780,665
21,500	176,500	National Bank of Pakistan	1,045,200	1,044,040	13,218,085
-	300,000	Nishat Chunian Limited	-	-	18,729,000
239,500	291,500	Oil & Gas Development Company Limited	39,068,807	38,988,205	48,199,525
263,500	132,500	Pakistan State Oil Company Limited	78,352,156	77,234,485	57,532,828
-	940,000	TPL Corp Limited	-	-	16,572,200
70,000	-	United Bank Limited	12,600,740	13,157,900	-

Notes to the Financial Statements

For the year ended December 31, 2017

Number of shares		Name of Company	Note	2017		2016
2017	2016			Average Cost	-----Fair Value-----	
		------(Rupees)-----				
56,500	78,000	Attock Refinery Limited		13,062,222	13,227,780	33,173,400
		D. G. Khan Cement				
118,000	380,000	Company Limited		14,917,468	15,778,960	84,257,400
163,000	523,000	Engro Fertilizers Limited		10,747,356	11,038,360	35,553,540
-	14,500	Engro Foods Limited		-	-	2,783,130
129,000	342,000	Engro Corporation Limited		35,776,669	35,442,750	108,102,780
165,500	258,000	Fauji Cement Company Limited		4,132,480	4,139,155	11,630,640
1,000	-	International Steels Limited		100,217	106,465	-
-	126,500	Hascol Petroleum Limited		-	-	42,696,280
-	82,000	MCB Bank Limited		-	-	19,501,240
		Maple Leaf Cement				
27,000	-	Factory Limited		1,915,270	1,847,880	-
-	73,000	Nishat Mills Limited		-	-	11,115,710
1,736,000	1,938,000	Pak Elektron Limited		87,437,094	82,442,640	138,140,640
-	7,000	Pakistan Petroleum Limited		-	-	1,317,260
-	57,000	Pakistan Oilfields Limited		-	-	30,473,340
-	94,012	Ghani Global Glass Limited		-	-	2,203,641
				326,570,489	322,414,005	746,234,904
Unrealised loss on remeasurement at fair value through profit or loss				(4,156,484)	-	-
				322,414,005	322,414,005	746,234,904

12.1.1 This investment includes bonus shares having market value of Rs.1.3 million withheld by the investee company during the period as issuance of bonus shares has been made taxable through Finance Act, 2017. Consequently, bonus shares equivalent to 5% representing tax impact of the bonus announcement have been withheld by the investee company. Upon payment of an amount equivalent to market value of 5% bonus shares, these shares were released by the investee company subsequent to the year end.

12.2 Term Finance / Sukuk Certificates - secured

Number of Certificates		Name of term finance / sukuk certificates	2017		2016	
2017	2016		Average Cost	-----Fair Value-----		
		------(Rupees)-----				
		Listed				
6,000	6,000	Jahangir Siddiqui & Co. Limited VIII - related party		14,262,579	14,306,601	21,012,579
-	1,635	Engro Corporation Limited Islamic - Rupiya Sukuk - I		-	-	8,565,610
597	597	Engro Corporation Limited Islamic - Rupiya Sukuk - II		3,512,349	3,371,150	3,512,349
				17,774,928	17,677,751	33,090,538
Unrealised loss on remeasurement at fair value through profit or loss				(97,177)	-	-
				17,677,751	17,677,751	33,090,538

Notes to the Financial Statements

For the year ended December 31, 2017

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

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

Listed debt securities - secured

Jahangir Siddiqui & Co. Limited VIII	5,000	2,375	6 month kibar + 1.75%	April 8, 2019	AA+
Engro Corporation Limited Islamic - Rupiya Sukuk - II	5,000	5,000	13.50%	July 10, 2019	AA+

The term finance / sukuk certificates held by the Company are secured against pledged listed securities and first ranking pari passu floating charge over all movable properties of the issuer.

12.3 Units of Mutual Fund

Number of Units		Name of Fund	2017		2016
2017	2016		Average Cost	Fair Value	
21,806,577	-	ABL Cash Fund	225,000,000	225,000,000	-
			225,000,000	225,000,000	-

12.4 Privately Placed Term Finance Certificates - Unsecured

2017					
Number of certificates	Mark-up rate (%)	Name of company	Note	Maturity date	Cost (Rupees)
12	11.00%	Azgard Nine Limited (Privately Placed Term Finance Certificates)	12.4.1	October 19, 2020	326,456,184
		Provision for impairment			(326,456,184)
					-
					-
				2016	-

12.4.1 Considering the financial position of the issuer, the Company has fully provided outstanding amount of the PPTFCs and records mark-up / interest on receipt basis.

12.5 This represents advance against subscription of sukuk certificates of Dawood Hercules Corporation Limited, having tenor of five years and carrying mark-up at the rate of 1% plus 3 months KIBOR. Subsequent to year end, the units are allocated into the CDC account of the Company.

Notes to the Financial Statements

For the year ended December 31, 2017

		2017	2016
	Note	----- (Rupees) -----	
13. TRADE DEBTS			
Purchase of shares on behalf of clients		460,617,505	834,677,831
Advisory services		6,588,070	5,362,467
Forex and fixed income commission		7,851,079	8,129,861
Commodity		86,542,169	74,777,094
		561,598,823	922,947,253
Considered doubtful		403,317,987	403,317,987
		964,916,810	1,326,265,240
Provision for doubtful debts	13.1	(403,317,987)	(403,317,987)
	13.2	561,598,823	922,947,253
13.1 Provision for doubtful debts			
Balance at the beginning of the year		403,317,987	398,036,891
Charged during the year		-	7,713,688
Reversed during the year		-	(2,432,592)
		-	5,281,096
Balance at the end of the year		403,317,987	403,317,987
13.2 Included herein is a sum of Rs. 2.448 million (2016: Rs. 26.368 million) receivable from related parties.			
13.3 Trade debts are recognised initially at invoice amount less provision for doubtful debts, if any. The aging analysis for amount receivable from clients for more than five days is as follows:			
Amount due from clients for more than 5 days - gross		665,538,483	675,311,728
Value of listed shares (collateral) after applying haircut on the basis of VAR		4,194,099,933	5,599,042,414
Amount receivable from clients exceeding the collateral held from such customers		-	-
14. LOANS AND ADVANCES - considered good			
Current maturity of long term loans - secured	10	5,661,708	4,573,798
Advances to staff		2,843,279	2,610,473
Advance for purchase of office - unsecured		2,500,000	2,500,000
Advance to suppliers		5,126,606	2,877,295
		16,131,593	12,561,566
15. SHORT-TERM DEPOSITS AND PREPAYMENTS			
Deposits	15.1	151,751,252	458,663,478
Prepayments			
- Rent	15.2	28,927,410	1,461,894
- Others		3,566,706	1,811,266
		184,245,368	461,936,638

Notes to the Financial Statements

For the year ended December 31, 2017

15.1 This includes Rs.132.072 million (2016: Rs. 417.565 million) given to NCCPL against ready and future exposure.

15.2 Included herein is a sum of Rs. 27.317 million paid to a related party as prepaid rent for new office premises.

	2017	2016
Note	------(Rupees)-----	
16. INTEREST AND MARK-UP ACCRUED		
Accrued mark-up on margin finance	13,946,723	15,444,234
Accrued mark-up on term finance / sukuk certificates	912,828	1,077,221
Profit receivable on bank deposits	289,518	762,740
	15,149,069	17,284,195
17. OTHER RECEIVABLES		
Considered good		
Unrealised gain on revaluation of future equity transactions	2,508,639	-
Dividend receivable	7,943,376	2,364,501
Others	11,265,346	7,635,145
	21,717,361	9,999,646
Sales tax paid on account of forex and advisory	16,009,999	16,009,999
Provision made against sales tax paid	(16,009,999)	(16,009,999)
	21,717,361	9,999,646

17.1 Included herein is a sum of Rs. 3.423 million (2016: Rs. 3.526 million) receivable from related parties.

	2017	2016
Note	------(Rupees)-----	
18. CASH AND BANK BALANCES		
Cash with banks:		
- Current accounts	2,339,843	2,205,408
- PLS accounts	1,675,931,092	1,045,321,975
	1,678,270,935	1,047,527,383
Cash in hand	259,000	224,000
	1,678,529,935	1,047,751,383

18.1 Profit and loss / deposit accounts carry profit rates ranging from 3.75% to 6.25% (2016: 3.75% to 7%) per annum.

18.2 These include balances with the Parent Company amounting to Rs. 1,664.91 million (2016: Rs. 1,034.23 million).

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

Customer assets held in the designated bank accounts	626,262,739	858,303,360
Customer assets held in the CDC	27,350,240,808	34,222,889,870
18.4 Securities pledged with financial institutions	3,234,085,827	3,252,762,793

	2017	2016
Note	------(Rupees)-----	
19. OPERATING REVENUE		
Brokerage and operating income	529,365,028	450,954,113
Advisory and consultancy fee	6,485,215	13,003,681
	535,850,243	463,957,794

Notes to the Financial Statements

For the year ended December 31, 2017

19.1 This includes brokerage income on equity amounting to Rs. 210.72 million (December 31, 2016: Rs. 137.53 million) and Rs. 243.34 million (December 31, 2016: Rs. 231.53 million) earned from institutional and retail customers respectively.

	2017	2016
20. CAPITAL GAIN ON SALE OF INVESTMENTS	----- (Rupees) -----	
Gain on sale of investment in open-end mutual funds	4,006	9,728
Gain on sale of quoted equity securities	6,758,358	48,950,590
Gain on sale of PSX shares	53,673,985	-
Gain on sale of term finance certificates / sukuk certificates	15,897,755	7,323,333
Gain on sale of government securities	2,522,250	604,386
	78,856,354	56,888,037

20.1 This represents gain on sale of PSX shares, as fully disclosed in note 9.1 and 9.2.

21. ADMINISTRATIVE AND OPERATING EXPENSES

Salaries and benefits	21.1	307,753,497	230,608,442
Contribution to provident fund	21.2	13,058,898	9,811,097
Fee for directors / committee meetings	26	2,000,000	900,000
Printing and stationery		3,014,193	2,526,743
Telephone, fax, telegram and postage		11,317,934	10,369,318
Amortisation of intangible assets	8.2	2,223,523	4,089,164
Rent, rates and taxes		66,390,469	51,065,469
Vehicle running expenses		12,201,246	9,485,667
Electricity, gas etc.		8,284,145	7,123,120
Legal and professional charges		13,061,691	21,071,686
Insurance		12,929,255	11,458,452
Newspaper and periodicals		353,117	328,999
Entertainment		1,630,883	1,700,024
Advertisement and business promotion		10,723,316	15,736,364
Office supplies		2,510,114	2,921,957
Depreciation expense	7.1	25,234,398	21,905,012
Auditors' remuneration	21.3	1,507,000	1,030,000
Fees and subscription		28,673,385	15,811,907
Conveyance and traveling		26,379,769	13,503,736
Repairs and maintenance		12,938,357	12,083,273
Computer expenses		9,164,914	6,161,981
PSX, Clearing House and CDC charges		48,716,318	35,325,421
Royalty	21.4	10,000,000	10,000,000
Contract and consultancy charges		4,050,000	3,605,000
Donation	21.5	200,000	-
Brokerage expenses		10,000	3,375
		634,326,422	498,626,207

21.1 Number of employees at the end of the year

Average number of employees during the year

222	198
212	193

Notes to the Financial Statements

For the year ended December 31, 2017

21.2 The Company's staff retirement benefits includes a separate provident fund - a defined contribution plan. The audited information related to the provident fund as at June 30, 2017 (which is accounting year end of the fund) is as follows:

	2017	2016
Number of employees	174	172
Size of provident fund - Total assets (Rupees)	66,271,302	48,670,484
Cost of investments made (Rupees)	50,715,183	42,591,316
Percentage of investments made	76%	87%
Fair value of investments (Rupees)	50,434,502	42,608,784

Break-up of investments - at amortised cost / fair value:

- Balance in National / Special Savings Scheme		
Amount of investment (Rupees)	4,505,690	4,504,535
Percentage of size of the fund	7%	9%
- Balance in listed equity securities		
Amount of investment (Rupees)	1,278,900	12,046,085
Percentage of size of the fund	2%	25%
- Balance in Term Finance Certificates and sukus		
Amount of investment (Rupees)	2,205,676	1,600,362
Percentage of size of the fund	3%	3%
- Balance in scheduled banks		
Amount of investment (Rupees)	42,444,236	24,457,802
Percentage of size of the fund	64%	50%

21.2.1 Investments out of provident fund have been made in accordance with the provisions of section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.

Note	2017	2016
	----- (Rupees) -----	

21.3 Auditors' remuneration

Statutory audit fee	500,000	475,000
Half year review	250,000	200,000
Review of code of corporate governance	55,000	50,000
Other certifications	565,000	175,000
Out of pocket expenses	137,000	130,000
	<u>1,507,000</u>	<u>1,030,000</u>

21.4 This represents the royalty payable to Mr. Jahangir Siddiqui on account of use of "JS" as a part of Company's name under an agreement dated February 07, 2007 whereby the Company agreed to pay Rs. 10 million per annum effective from June 01, 2008.

21.5 Donation was not made to any donee fund in which any director of the Company or his spouse had any interest.

Notes to the Financial Statements

For the year ended December 31, 2017

		2017	2016
	Note	----- (Rupees) -----	
22. OTHER OPERATING INCOME - NET			
Income from financial assets:			
Profit on term finance certificates and sukuks		3,130,338	4,987,732
Return on cash margin on future contracts		10,227,395	7,651,634
Exchange loss on foreign currency transactions		(9,828)	(33,943)
Profit earned on PLS accounts		104,798,595	61,575,638
Unrealised gain / (loss) on revaluation of future equity transactions		2,508,639	(14,172,626)
		120,655,139	60,008,435
Income from non-financial assets:			
Gain on sale of property and equipment	7.2	116,751	2,793,050
Other income		2,010,115	1,452,202
		2,126,866	4,245,252
		122,782,005	64,253,687
23. FINANCE COST			
Mark-up on running finance	23.1	3,863,127	-
Mark-up on commercial paper	23.2	37,543,709	-
Commission expense on bank guarantee	23.3	6,102,199	-
Bank and other charges		6,898,816	620,542
		54,407,851	620,542

23.1 During the year, the Company obtained short term running finance facilities from two commercial banks, to meet exposure and working capital requirements, amounting to Rs. 2,300 million out of which Rs. 800 million was obtained from JS Bank (a related party) and Rs. 1,500 million from another commercial bank. These carry markup at the rate of three months KIBOR plus 300 bps and one month KIBOR plus 300 bps respectively. Facility from a related party bank is secured against first exclusive charge over current assets of the Company and is due to expire on April 30, 2018 with mark-up payable in quarterly installments, however, there is no outstanding running finance liability balance against the facility at the year end. The facility from another commercial bank is secured against ranking hypothecation charge over present and future current assets of the Company and has expired on June 30, 2017.

23.2 During the year, the Company issued short term, unsecured, unlisted and rated Commercial Paper in the form of promissory notes with a face value of Rs. 1,000 million (inclusive of green shoe option of Rs. 300 million) with a tenure of six months and carrying profit rate of six months KIBOR plus 175 bps. The Commercial paper was redeemed at face value and was matured on November 07, 2017.

23.3 During the year, the Company obtained bank guarantee from three commercial banks, to meet exposure requirements, amounting to Rs. 2,900 million. These were priced at 1.15% per annum, 0.1% per annum and 0.16% per annum respectively. However, two bank guarantees have expired during the year.

24. TAXATION

24.1 Except for tax year 2009, 2014, 2015, 2016 and 2017 income tax assessments have been filed and are deemed to have been assessed under the Income Tax Ordinance, 2001 (the Ordinance) unless selected by taxation authorities for audit purposes.

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

Notes to the Financial Statements

For the year ended December 31, 2017

- 24.3** For tax year 2014, an amended assessment order dated April 28, 2016, has been passed under section 122 (5A) of the Ordinance by the Additional Commissioner Inland Revenue (ACIR). Through said order, the ACIR raised demand amounting to Rs. 20.081 million. The Company has filed rectification application identifying various errors / details not considered by the ACIR and requested ACIR to rectify the same. In addition to that, the Company has also filed an appeal to the Commissioner Inland Revenue Appeals (CIR-A) which is pending. The Company has also obtained stay against recovery of demand from SHC till the decision of CIR-A.
- 24.4** For tax year 2015, an order dated November 23, 2016 was passed under section 4B of the Ordinance by the Deputy Commissioner Inland Revenue (DCIR). Through said order, an income of Rs. 810.584 million was computed under section 4B of the Ordinance and resultant demand of super tax of Rs. 24.318 million was raised. An appeal was filed against the above order before CIR-A on December 01, 2016 identifying various errors / details not considered. The CIR-A, has confirmed DCIR's order vide his order dated May 30, 2017. In pursuance of the order of CIR-A, the Company has filed appeal before ATIR along with application for stay against recovery of demand. The appeal before ATIR has been heard and order is reserved whilst ATIR vide order dated July 18, 2017 has granted stay for 60 days and subsequently the said stay was further extended vide various orders by the ATIR until March 14, 2018.
- 24.5** For tax year 2016 and 2017, notices dated December 27, 2016 and January 3, 2018 were issued under section 4B of the Ordinance by the DCIR. In the said notices the DCIR has contended that the Company is liable to pay Super Tax amounting to Rs. 24.483 million and Rs. 19.490 million on 'income' of Rs. 816.122 million and Rs. 649.676 million for Tax Years 2016 and 2017 respectively. The Company has challenged both notices through writ petition before SHC on constitutional grounds wherein the SHC has, vide its orders dated January 16, 2017 and January 11, 2018 for Tax Years 2016 and 2017 respectively, has stated that no coercive action shall be taken against the Company.

Further, amended assessment order, has been passed under section 122(5A) of the Ordinance by the Additional Commissioner Inland Revenue (ACIR) for the tax year 2016. Through the said order, the ACIR raised demand amounting to Rs. 241.217 million. The CIR-A confirmed the ACIR's order vide order dated December 12, 2017. In pursuance of the order of CIR-A, the Company has filed appeal before ATIR which is pending for hearing. However, the recovery of aforesaid tax demands has been stayed by SHC vide order dated December 26, 2017.

- 24.6** During 2013, the Company received a show cause notice from the Sindh Revenue Board (SRB) demanding payment of sales tax amounting to Rs. 19.65 million for fiscal year 2012, under section 47 of the Sindh Sales Tax on Services Act, 2011. Subsequently an order was passed reducing the demand to Rs. 9.86 million along with default surcharge. The Company filed an appeal before the CIR-A and after being decided against the Company, it subsequently filed an appeal before Appellate Tribunal SRB. During the year 2014, the Company paid an amount of Rs. 7.15 million in respect of the above mentioned liability before June 25, 2014 under the notification SRB 3-4/8/2014 to avail the exemption from application of penalty and 75% of default surcharge. However, during the year Appellate Tribunal SRB vide order dated November 29, 2017 has decided the issue of Sindh Sales Tax (SST). The issue of SST on advisory and consultancy services and commission earned on purchase/sale of mutual funds have been remanded back whilst the issue relating to SST on commission on foreign exchange dealing, services rendered outside Sindh and levy of default surcharge and penalty have been decided against the Company. The Company has filed a reference application before SHC in respect of the issues decided against the Company and remanded back.

During 2014, the Company also received another show cause notice from SRB demanding payment of sales tax amounting to Rs. 34.69 million for fiscal year 2013 under section 47 of the Sindh Sales Tax on Services Act, 2011. Subsequently, an order was passed reducing demand to Rs. 10.77 million. The Company has filed an appeal against the order with CIR-A which is pending. Further, in respect of the same, rectification application has also been filed with the department. The Company and other stock brokers have also filed petition with the SHC and has been granted interim stay against recovery of demand. However, the Company has paid an amount of Rs. 9.24 million before June 25, 2014 under the notification SRB 3-4/8/2014 to avail the exemption of penalty and 75% of default surcharge. It is expected that CIR-A will follow the above mentioned decision of Appellate Tribunal SRB while disposing the appeal.

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

- 24.7** Tax department has issued show cause notice dated June 08, 2015 confronting (alleged) non payment of Federal Excise Duty (FED) on Company's services under Federal Excise Act, 2005. In response thereto, an extension request was filed.

Notes to the Financial Statements

For the year ended December 31, 2017

The department however issued order without rejecting the application and raised FED demand of Rs. 78.003 million on account of non-payment of Federal Excise Duty (FED) for tax year 2010 to tax year 2013. The Company filed a rectification appeal amounting to Rs. 55.3 million against the said order on account of certain computational errors as the remaining demand of Rs. 22.526 million represented duplicate levy which the Company had already paid as SST under Sindh Sales Tax on Services Act, 2011 on such services. The Company has also filed an appeal in the SHC, through Stockbroker Association (of which the Company is also the member) against aforementioned order on the grounds that after 18th amendment to the Constitution, the services that were previously subjected to FED under the federal laws are now subject to the provincial sales tax and the Company has accordingly discharged its tax obligation. The SHC initially, stayed Federal Board of Revenue from demanding sales tax on services from stockbrokers and subsequently, disposed of the order in Company's favor. However, during the year an appeal filed before CIR-A against the said order by the relevant tax authorities was adjudicated in their favor vide order dated January 31, 2017. In pursuance of the order of CIR-A the Company has filed an appeal before Appellate Tribunal SRB along with application for stay of demand which was granted initially for 30 days and was subsequently extended vide various orders.

		2017	2016
	Note	----- (Rupees) -----	
24.8 Reconciliation of tax charge for the year			
Profit before taxation		198,444,176	239,007,034
Tax at the applicable tax rate of 30% (2016: 31%)	24.8.1	59,533,253	74,092,181
Tax effect of income tax at lower rate and final tax regime		(52,410,180)	(31,718,331)
Tax effect of amount relating to prior year		17,925,528	-
Tax charge on permanent differences		84,973,685	24,678,387
Deferred tax recognised at higher rate		(2,156,167)	(3,093,633)
Others		5,048,354	4,012,934
		112,914,473	67,971,538

24.8.1 During the year 2017, the Federal Government has reduced income tax rate for non-banking companies from 31% to 30%. This amendment was introduced through Finance Act, 2017.

		2017	2016
		----- (Rupees) -----	
25. EARNINGS PER SHARE - BASIC AND DILUTED			
Profit after taxation		85,529,703	171,035,496
		----- (Number) -----	
Weighted average number of shares		38,007,000	41,457,041
		----- (Rupees) -----	
Earnings per share - basic and diluted		2.25	4.13

Notes to the Financial Statements

For the year ended December 31, 2017

26. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	Chief Executive		Directors		Executives	
	2017	2016	2017	2016	2017	2016
	(Rupees)					
Managerial remuneration	15,272,727	14,181,818	-	-	136,909,612	98,239,033
Medical allowance	-	-	-	-	13,690,967	9,823,903
House rent allowance	1,374,545	1,276,364	-	-	-	-
Utilities allowance	152,728	141,818	-	-	-	-
Staff retirement benefits	1,120,000	1,040,000	-	-	9,835,785	6,973,787
Medical	64,867	59,011	-	-	-	-
Bonus	10,000,000	15,000,000	-	-	12,242,475	12,617,750
Fees for attending meetings	-	-	2,000,000	900,000	-	-
	27,984,867	31,699,011	2,000,000	900,000	172,678,839	127,654,473
Number of persons	1	1	7	7	97	78

27. RELATED PARTY TRANSACTIONS

Related parties comprise of parent company, major shareholders, associated companies with or without common directors, other companies with common directors, retirement benefit fund, directors, key management personnel and their close family members. Contribution to defined contribution plan (provident fund) are made as per the terms of employment. Remuneration of key management personnel are in accordance with their terms of engagements. Transactions with other related parties are entered into at rates negotiated with them (agreed terms).

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

	2017		2016	
	Key management personnel of entity and associate entities	Associated entities other than parent company	Key management personnel of entity and associate entities	Associated entities other than parent company
	(Rupees)			
Trade debts				
Opening balance	-	1,156,355	248	1,108,420
Invoiced during the year	249,290,939	2,909,356,145	13,097,409	3,093,052,144
Received during the year	(249,123,469)	(2,908,281,763)	(13,097,657)	(3,093,004,209)
Closing balance	167,470	2,230,737	-	1,156,355
Trade payable				
Opening balance	267,986	141,150,723	220,817	1,026,130
Invoiced during the year	85,202,709	17,979,736,055	120,716,383	10,704,150,068
Paid during the year	(85,426,857)	(18,106,562,811)	(120,669,214)	(10,564,025,475)
Closing balance	43,838	14,323,967	267,986	141,150,723
Loans and advances				
Opening balance	501,705	-	648,789	-
Disbursements during the year	-	-	-	-
Repayments during the year	(501,705)	-	(147,084)	-
Closing balance	-	-	501,705	-

Notes to the Financial Statements

For the year ended December 31, 2017

	2017	2016
	(Rupees)	
Balances with parent company		
Trade debts	48,535	132,369
Other receivables	1,188,651	1,436,700
Bank balances with parent company	1,664,914,722	1,034,233,151
Other payable	4,061,960	11,960
Balances with ultimate parent company		
Trade debts	-	24,503,500
Other receivables	542,325	397,093
Mark-up receivable on term finance certificates	259,733	376,964
Principal outstanding on term finance certificates	14,306,601	21,012,579
Balances with associated entities of group companies		
Other receivables	1,692,038	1,692,038
Prepaid Rent	27,316,800	-
Security Deposit	3,035,200	-
Transactions with associated companies		
Nature of transactions		
Payment on account of expenses to associated companies	154,155	451,538
Transactions with associated entities of group companies		
Nature of transactions		
Brokerage income	24,836,780	14,659,187
Payment of advance rent and security deposit	33,387,200	-
Transactions with the parent company		
Nature of transactions		
Purchase of treasury bills	-	14,786,700
Purchase of Pakistan investment bonds	30,417,480	75,728,336
Sale of Pakistan investment bonds	4,024,692	41,130,626
Brokerage income	2,555,411	2,216,834
Rent, utilities and consultancy charges	5,897,742	4,231,025
Bank charges	4,308,897	256,173
Mark up on running finance	1,000,548	-
Profit on PLS accounts	100,555,028	57,608,373
Transactions with ultimate parent company		
Nature of transactions		
Brokerage income	2,868,658	4,947,753
Reimbursement of expenses for rent and utilities	55,386,763	59,482,594
Purchase of Pakistan investment bonds	-	41,130,626
Market maker fee received	200,000	200,000
Mark-up received on term finance certificates	1,153,502	1,559,108

Notes to the Financial Statements

For the year ended December 31, 2017

Transactions with other related parties		2017	2016
		------(Rupees)-----	
Nature of transactions	Relationship		
Royalty expense	Key management personnel of the parent	10,000,000	10,000,000
Brokerage income	Key management personnel	181,139	109,484
Capital gain on sale of sukuk certificates	Related party	10,000,000	-
Contributions to staff provident fund	Post - employment benefit plan	13,058,898	9,811,097
Director's Remuneration	Key management personnel	2,000,000	900,000
Purchase of term finance certificates	Related party	-	83,200,000
Sale of sukuk certificates	Related Party	1,012,500,000	-

2017

Brokerage	Investment and treasury	Other operations	Total
------(Rupees)-----			

28. OPERATING SEGMENTS

Segment revenues	529,365,028	348,487,315	17,512,897	895,365,240
Loss on remeasurement of investments	-	(4,253,661)	-	(4,253,661)
Administrative and operating expenses	(352,157,453)	(74,241,653)	(180,469,395)	(606,868,501)
Depreciation	(13,827,900)	(217,790)	(11,188,708)	(25,234,398)
Amortisation of intangible assets	-	-	(2,223,523)	(2,223,523)
Finance cost	(21,244,241)	(33,163,610)	-	(54,407,851)
	142,135,434	236,610,601	(176,368,729)	202,377,306
Gain on sale of property and equipment				116,751
Provision for Workers' Welfare Fund				(4,049,881)
Taxation				(112,914,473)
Profit after tax				85,529,703
Segment assets	1,539,085,361	2,100,928,991	122,439,905	3,762,454,257
Segment liabilities	1,025,280,095	-	135,757,608	1,161,037,703
Capital expenditure	25,777,690	125,019	6,230,512	32,133,221
Non cash items other than depreciation and amortisation				
- Loss on remeasurement of investments	-	(4,253,661)	-	(4,253,661)
- Gain on remeasurement of future equity derivatives	-	2,508,639	-	2,508,639

There were no major customer of the Company which derived 10 percent or more of the Company's revenue. All non-current assets of the Company as at December 31, 2017 and December 31, 2016 are located and operating in Pakistan.

Notes to the Financial Statements

For the year ended December 31, 2017

	2016			Total
	Brokerage	Investment and treasury	Other operations	
------(Rupees)-----				
Segment revenues	453,954,181	270,354,752	7,807,968	732,116,901
Loss on remeasurement of investments	-	13,502,624	-	13,502,624
Administrative and operating expenses	(271,296,252)	(29,450,905)	(177,165,971)	(477,913,128)
Depreciation	(11,485,897)	(195,324)	(10,223,791)	(21,905,012)
Amortisation of intangible assets	-	-	(4,089,164)	(4,089,164)
Finance cost	-	(620,542)	-	(620,542)
	<u>171,172,032</u>	<u>253,590,605</u>	<u>(183,670,958)</u>	<u>241,091,679</u>
Gain on sale of property and equipment				2,793,050
Provision for Workers' Welfare Fund				(4,877,695)
Taxation				(67,971,538)
Profit after tax				<u>171,035,496</u>
Segment assets	<u>1,819,776,192</u>	<u>2,603,916,437</u>	<u>34,523,400</u>	<u>4,458,216,029</u>
Segment liabilities	<u>1,788,108,210</u>	<u>14,172,626</u>	<u>100,432,234</u>	<u>1,902,713,070</u>
Capital expenditure	<u>20,886,203</u>	<u>269,567</u>	<u>8,747,688</u>	<u>29,903,458</u>
Non cash items other than depreciation and amortisation				
- Gain on remeasurement of investments	-	(13,502,624)	-	(13,502,624)
- Gain on remeasurement of future equity transactions	-	(14,172,626)	-	(14,172,626)

29. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

29.1 Financial instruments by category

29.1.1 Financial assets

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

Notes to the Financial Statements

For the year ended December 31, 2017

	2016			Total
	At fair value through profit or loss - held for trading	Available -for-sale	Loans and receivables	
	----- (Rupees) -----			
Long term loans, advances and deposits	-	-	22,822,777	22,822,777
Long term investment	-	60,591,631	-	60,591,631
Short term investments	819,719,863	-	-	819,719,863
Trade debts	-	-	922,947,253	922,947,253
Receivable against margin finance	-	-	855,461,209	855,461,209
Loans and advances	-	-	7,184,271	7,184,271
Short-term deposits	-	-	458,663,478	458,663,478
Interest and mark-up accrued	-	-	17,284,195	17,284,195
Other receivables	-	-	9,999,646	9,999,646
Cash and bank balances	-	-	1,047,751,383	1,047,751,383
	819,719,863	60,591,631	3,342,114,212	4,222,425,706

29.1.2 Financial liabilities

	2017		
	Amortised cost	At fair value through profit or loss	Total
	----- (Rupees) -----		
Creditors, accrued expenses and other liabilities	1,124,336,264	-	1,124,336,264
	1,124,336,264	-	1,124,336,264
	2016		
	Amortised cost	At fair value through profit or loss	Total
	----- (Rupees) -----		
Creditors, accrued expenses and other liabilities	1,855,888,886	14,172,626	1,870,061,512
	1,855,888,886	14,172,626	1,870,061,512

29.2 Financial risk management

The Company primarily invests in a portfolio of money market investments and investments in marketable securities and short term debt securities. Such investments are subject to varying degrees of risk.

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

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

Notes to the Financial Statements

For the year ended December 31, 2017

29.2.1 Credit risk

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

Exposure to credit risk

Credit risk of the Company arises principally from the trade debts, short term investments, loans and advances, deposits and other receivables. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk, the Company has developed its own risk management policies and guidelines whereby clients are provided trading limits according to their worth and proper margins are collected and maintained from the clients. The management continuously monitors the credit exposure towards the clients and makes provision against those balances considered doubtful of recovery.

The Company's policy is to enter into financial contracts in accordance with the internal risk management policies and investment and operational guidelines approved by the Board of Directors. In addition, credit risk is also minimised due to the fact that the Company invests only in high quality financial assets, majority of which have been rated by a reputable rating agency. All transactions are settled / paid for upon delivery. Except for provision made against the trade debts amounting to Rs. 403.318 million (refer note 13 to the financial statements) and impairment against investment in Privately Placed Term Finance Certificates amounting to Rs. 326.456 million (refer note 12.4 to the financial statements), the Company does not expect to incur material credit losses on its financial assets. The maximum exposure to credit risk at the reporting date is as follows:

	2017	2016
	----- (Rupees) -----	
Long term loans, advances and deposits	26,861,531	22,822,777
Long term investment	49,346,147	60,591,631
Short term investments	294,677,751	73,484,959
Trade debts	561,598,823	922,947,253
Receivable against margin finance	328,167,003	855,461,209
Loans and advances	8,504,987	7,184,271
Short-term deposits	151,751,252	458,663,478
Interest and mark-up accrued	15,149,069	17,284,195
Other receivables	19,208,722	9,999,646
Bank balances	1,678,270,935	1,047,527,383
	<u>3,133,536,220</u>	<u>3,475,966,802</u>

29.2.1.1 The maximum exposure to credit risk for trade debts and margin finance at the balance sheet date by geographic region is as follows:

Local clients	889,181,996	1,776,045,074
Foreign clients	583,830	2,363,388
	<u>889,765,826</u>	<u>1,778,408,462</u>

Notes to the Financial Statements

For the year ended December 31, 2017

	2017			2016		
	Gross	Impairment	Net	Gross	Impairment	Net
	----- (Rupees) -----					
Past due 1-30 days	874,474,799	-	874,474,799	1,763,726,877	-	1,763,726,877
Past due 31 days -180 days	11,825,886	-	11,825,886	13,434,467	-	13,434,467
Past due 181 days -1 year	1,663,286	-	1,663,286	1,247,118	-	1,247,118
More than one year	405,119,842	403,317,987	1,801,855	403,317,987	403,317,987	-
Total	1,293,083,813	403,317,987	889,765,826	2,181,726,449	403,317,987	1,778,408,462

Except for the impairment disclosed above, no impairment has been recognised in respect of these debts as the custody of equity securities against the same is considered to be adequate.

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

	Past due 1-30 days	Past due 31 days - 180 days	Past due 181 days - 1 year	More than one year
2017	1,755,851	122,252	942	599,806
2016	25,577,535	151,724	38,509	599,811

29.2.1.2 Bank balances

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

	2017	2016
	----- (Rupees) -----	
AAA	9,534,256	5,181,081
AA +	972,597	2,181,647
AA	2,841,376	1,522,002
AA -	1,664,914,724	1,038,642,653
A-	7,982	-
	1,678,270,935	1,047,527,383

29.2.1.3 Investment in debt securities

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

Term Finance / Sukuk Certificates Credit rating	2017	
	(Rupees)	Percentage
AA+	17,677,751	100.00%
	17,677,751	100.00%
Term Finance / Sukuk Certificates Credit rating	2016	
	(Rupees)	Percentage
AA+	33,090,538	100.00%
	33,090,538	100.00%

Notes to the Financial Statements

For the year ended December 31, 2017

29.2.1.4 Concentration of credit risk

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

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

	2017		2016	
	(Rupees)	%	(Rupees)	%
Services (including insurance)	3,448,812	0.39%	846,864	0.05%
Manufacturing	4,124,958	0.46%	1,483,695	0.08%
Banking and financial institutions	392,197,048	44.08%	906,239,222	50.96%
Individuals	489,995,008	55.07%	869,838,681	48.91%
	<u>889,765,826</u>	<u>100.00%</u>	<u>1,778,408,462</u>	<u>100.00%</u>

29.2.2 Liquidity risk

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

	2017					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years	Two to five years
	------(Rupees)-----					
Financial liabilities						
Creditors, accrued expenses and other liabilities	994,962,051	994,962,051	994,962,051	-	-	-
	<u>994,962,051</u>	<u>994,962,051</u>	<u>994,962,051</u>	<u>-</u>	<u>-</u>	<u>-</u>
	------(Rupees)-----					
	2016					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years	Two to five years
	------(Rupees)-----					
Financial liabilities						
Creditors, accrued expenses and other liabilities	1,739,633,582	1,739,633,582	1,739,633,582	-	-	-
	<u>1,739,633,582</u>	<u>1,739,633,582</u>	<u>1,739,633,582</u>	<u>-</u>	<u>-</u>	<u>-</u>

On the balance sheet date, the Company has cash and bank balances of Rs. 1,678 million (2016: Rs. 1,047 million) as mentioned in note 18 and unutilised credit lines of Rs. 800 million (2016: Rs. 800 million) against the investments of the Company.

29.2.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest

Notes to the Financial Statements

For the year ended December 31, 2017

rates or the market price due to a change in credit rating of the issuer or the instrument, management manages market risk by monitoring exposure on marketable securities by following the internal risk management and investment policies and guidelines.

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

Currency risk

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

Financial assets and liabilities exposed to foreign exchange rate risk amounts to Rs. Nil equivalent to USD Nil (2016: Rs. Nil) at the year end.

	Balance sheet date rate	
	2017	2016
Pak rupees / US Dollar	110.42	104.60

Sensitivity analysis

A 10% strengthening / weakening of the Rupee against US Dollar at December 31, 2017 would have increased / (decreased) the profits of the Company as follows:

	Impact on profit or loss	
	2017	2016
	----- (Rupees) -----	
Strengthening of Rupees by 10%	-	-
Weakening of Rupees by 10%	-	-

Interest rate risk

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

The Company manages fair value risk by investing primarily in variable rate term finance certificates, preferably with no cap and floor which insulates the Company from fair value interest rate risk, as coupon rates correspond with current market interest rate. Company also invests in fixed rated Government securities such as treasury bills and Pakistan investment bonds.

As at December 31, 2017, investments in term finance certificates exposed to interest rate risk are detailed in note 12.2 to the financial statements. Cash and cash equivalents are not subject to cash flow and fair value interest rate risk.

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

	Carrying amount	
	2017	2016
	----- (Rupees) -----	
Fixed rate investments (notes 12.2 and 18)	1,679,302,242	1,057,399,934
Variable rate investments (note 12.2)	14,306,601	21,012,579

Notes to the Financial Statements

For the year ended December 31, 2017

Cash flow sensitivity analysis for variable rate instruments

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

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

	Impact on profit or loss before tax	
	100 bp increase	100 bp decrease
	------(Rupees)-----	
As at December 31, 2017		
Cash flow sensitivity - variable rate instruments	143,066	(143,066)
As at December 31, 2016		
Cash flow sensitivity - variable rate instruments	210,126	(210,126)

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market.

The Company's listed securities are susceptible to market price risk arising from uncertainties about the future value of investment securities. The Company manages the equity price risk through diversification and purchase of securities in the ready market and simultaneous sale in the future market.

Fair value sensitivity analysis for fixed rate instruments

The Company accounts for the following fixed rate financial assets and liabilities at fair value through profit and loss.

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) the profit before tax for the year as follows. This analysis assumes that all other variables remain constant.

	Impact on profit or loss before tax	
	100 bp increase	100 bp decrease
	------(Rupees)-----	
As at December 31, 2017		
Sukuk certificates	(33,712)	33,712
	(33,712)	33,712
As at December 31, 2016		
Sukuk certificates	(120,780)	120,780
	(120,780)	120,780

Notes to the Financial Statements

For the year ended December 31, 2017

The Company is exposed to other price risk on investments in listed shares. The Company manages the risk through portfolio diversification, as per recommendation of Investment Committee of the Company. The Committee regularly monitors the performance of investees and assess their financial performance on an on-going basis.

The 10 percent increase / (decrease) in market value of these instruments with all other variables held constant impact on profit and loss account of the Company is as follows:

	before tax	
	10% increase	10% decrease
	----- (Rupees) -----	
As at December 31, 2017		
Quoted equity securities	4,934,615	(4,934,615)
	<u>4,934,615</u>	<u>(4,934,615)</u>
As at December 31, 2016		
Quoted equity securities	10,098,605	(10,098,605)
	<u>10,098,605</u>	<u>(10,098,605)</u>

29.2.4 Operational risk

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

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibility;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- ethical and business standards;
- risk mitigation, including insurance where this is effective.

29.3 Fair value of financial instruments

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

Notes to the Financial Statements

For the year ended December 31, 2017

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

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

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

Financial assets at fair value through profit or loss	2016			
	Level 1	Level 2	Level 3	Total
Quoted equity securities	746,234,904	-	-	746,234,904
Term finance / sukuk certificates - secured	-	33,090,538	-	33,090,538
Units of mutual fund	-	-	-	-
	746,234,904	33,090,538	-	779,325,442
Available-for-sale				
Listed securities	-	-	-	-
Unlisted securities	-	-	100,986,052	100,986,052
	-	-	100,986,052	100,986,052

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in level 3 of the fair value hierarchy

	2017	2016
	----- (Rupees) -----	
Balance at the beginning of the year	100,986,052	15,272,670
Purchased during the year	16,950,000	-
Sold during the year	(62,835,771)	-
Unrealised (loss) / gain on revaluation of shares	(5,754,134)	85,713,382
Transferred from level 3 to level 1 during the year	(49,346,147)	-
Balance at the end of the year	-	100,986,052

Notes to the Financial Statements

For the year ended December 31, 2017

The carrying values of remaining financial assets and liabilities reflected in these financial statements approximate to their fair value.

29.4 Capital risk management

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

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

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

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

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

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

During the year ended December 31, 2017, the personnel employed in the Research Department have drawn an aggregate salary and benefits amounting to Rs. 20.602 million, which comprises basic salary, medical allowance, provident fund and other benefits as per company policy.

31. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

31.1 The Board of Directors have proposed cash dividend of Nil (December 31, 2016: Nil) amounting to Rs. Nil (December 31, 2016: Rs. Nil) and bonus of Nil (December 31, 2016: Nil) in their meeting held on February 20, 2018.

31.2 The Finance Act 2017, has levied a tax at the rate of 7.5% to be imposed on every public company that derives profit for a tax year but does not distribute atleast 40% of its after tax profits ('requisite dividend') within six months of the end of the tax year ('requisite time') through cash or bonus shares. Any liability in this respect will be recognised when the requisite time expires without the Company having distributed the requisite dividend.

32. CORRESPONDING FIGURES

Comparative figures have been re-arranged and reclassified wherever necessary for the purpose of comparison and better presentation, in the current year. However, there are no material reclassification / re-arrangement to report.

33. DATE OF AUTHORISATION

These financial statements were authorised for issue in the Board of Directors' meeting held on February 20, 2018.

Raja Abdullah Khan
Chairman

Muhammad Kamran Nasir
Chief Executive Officer

Muhammad Umair Arif
Chief Financial Officer

Pattern of Shareholding for the year ended December 31, 2017

No. of shareholders		Shareholdings				Total Shares Held
505	Shareholding	From	1	To	100	5,572
216	Shareholding	From	101	To	500	67,072
101	Shareholding	From	501	To	1000	88,981
166	Shareholding	From	1001	To	5000	330,333
23	Shareholding	From	5001	To	10000	176,817
8	Shareholding	From	10001	To	15000	99,115
2	Shareholding	From	15001	To	20000	30,738
3	Shareholding	From	20001	To	25000	70,000
4	Shareholding	From	25001	To	30000	110,493
1	Shareholding	From	30001	To	35000	31,000
1	Shareholding	From	50001	To	55000	54,054
1	Shareholding	From	55001	To	60000	58,000
1	Shareholding	From	75001	To	80000	77,500
1	Shareholding	From	165001	To	170000	167,000
1	Shareholding	From	215001	To	220000	218,501
1	Shareholding	From	340001	To	345000	340,323
1	Shareholding	From	385001	To	390000	389,500
1	Shareholding	From	10165001	To	10170000	10,166,832
1	Shareholding	From	25525001	To	25530000	25,525,169
1,038						38,007,000

S.No.	Categories of Shareholders	No. of Shareholders	Total Shares Held	Percentage
1	Individuals	1017	1,735,823	4.57%
2	Insurance Companies	1	340,323	0.90%
3	Joint Stock Companies	18	238,853	0.63%
4	Financial Institutions	1	25,525,169	67.15%
5	Foreign Institutions	1	10,166,832	26.75%
6	Others	-	-	-
		1038	38,007,000	100.00%

* Includes (722) CDC Beneficial Owners as appeared in CDS.

Pattern of Shareholding for the year ended December 31, 2017

	NO.	SHARES
1 Associated Companies, Undertakings and related parties		
JS Bank Limited	1	25,525,169
Global Investment House	1	10,166,832
Jahangir Siddiqui Securities Services Limited	1	218,501
	3	35,910,502
2 NIT and ICP	Nil	Nil
3 Directors, CEO and their spouses and minor children		
Mr. Abdul Hamid Mihrez	1	4
Mr. Junaid Imran	1	1
Mr. Ammar Talib Hajeyah	1	4
Mr. Muhammad Khalil Ur Rehman	1	1
Mr. Khurshid Hadi	1	1
Mr. Raja Abdullah Khan	1	1
Mr. Munir Hassan Taher	1	4
Mr. Muhammad Kamran Nasir	1	1
	8	17
4 Executives	Nil	Nil
5 Public Sector Companies and Corporations	Nil	Nil
6 Banks Development Financial Institutions, Non-Banking Finance Institutions, Insurance Companies, Modarabas and Mutual Funds	1	340,323
7 Joint Stock Companies & Others	17	20,352
8 Individuals	1,009	1,735,806
TOTAL	1,038	38,007,000

Pattern of Shareholding

for the year ended December 31, 2017

Detail of shareholding 5% or more

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

The Directors, CEO, COO, CFO, Head of Internal Audit, Company Secretary and their spouses and minor children had reportedly carried out no trading in the shares of the Company during the year ended December 31, 2017.

Form of Proxy

17th Annual General Meeting

The Company Secretary
JS Global Capital Limited
6th Floor, Faysal House, Shahrah-e- Faisal,
Karachi-75530

I/We----- of -----
being member(s) of JS Global Capital Limited holding ----- ordinary shares as per Registered
Folio No. / CDC A/c. No. (for members who have shares in CDS) ----- hereby appoint
Mr. / Mrs. / Miss ----- of (full address) -----
----- or failing him/her Mr. / Mrs. / Miss ----- of
(full address) -----
as my / our proxy in my / our absence to attend, act and vote for me / us and on my /our behalf at the Annual General Meeting
of the Company to be held on **April 11, 2018** and / or any Adjournment thereof.
As witness my / our hand / seal this ----- day of 2018.

Signed by -----

In the presence of -----

Witness:

1. Name _____

Signature _____

Address _____

CNIC or Passport No.: _____

Witness:

2. Name _____

Signature _____

Address _____

CNIC or Passport No.: _____

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

The Signature should
agree with the
specimen registered
with Company.

Form of Proxy

17th Annual General Meeting

Important:

1. A member of the Company entitled to attend and vote may appoint another member as his/her proxy to attend and vote instead of him /her.
2. This proxy form, duly completed and signed, must be received at the Office of the Company situated at 6th Floor, Faysal House, Shahrah-e-Faisal, Karachi-75530, not less than 48 hours before the time of holding meeting.
3. No Person shall act as proxy unless he / she himself / herself is a member of the Company, except that a corporation may appoint a person who is not a member.
4. If a member appoints more than one proxy and / or more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
5. Beneficial Owner of the physical shares and the shares registered in the name of Central Depository Company of Pakistan Ltd. (CDC) and /or their proxies are required to produce their original Computerized National Identity Card (CNIC) or passport for identity purpose at the time attending the meeting. The form of Proxy must be submitted with the Company within the stipulated time, duly witnessed by two persons whose name, addresses and CNIC numbers must be mentioned on the form, along with attested copies of CNIC or the passport of the beneficial owner and the proxy. In case of corporate entity, the Board of Directors' Resolution/Power of Attorney with specimen signature shall be submitted along with Proxy form.

**AFFIX
CORRECT
POSTAGE**

The Company Secretary
JS Global Capital Limited
6th Floor, FaysalHouse,
Main Shahr-e-Faisal
Karachi-

فارم برائے پراکسی

سترواں سالانہ اجلاس عام

اہم:

- 1- کمپنی کا ممبر اپنی جگہ شرکت اور ووٹ دینے کے لئے ممبر کو بلور پراکسی منتخب کرنے کا حق رکھتا/رکھتی ہے۔
- 2- مکمل اور دستخط شدہ پراکسی فارم کمپنی کے آفس، بمقام چھٹی منزل، فیصل ہاؤس، شاہراہ فیصل، کراچی-75530 پر اجلاس کے انعقاد سے 48 گھنٹے قبل ضرور موصول ہو جانے چاہئیں۔
- 3- کوئی فرد بلور پراکسی اجلاس میں شرکت نہیں کر سکتا/کر سکتی بشرطیکہ وہ خود کمپنی کا/کی ممبر نہ ہو، ماسوائے کارپوریشن کے جو اس فرد کو پراکسی نامزد کر سکتا/کر سکتی ہو جو ممبر نہ ہو۔
- 4- اگر ممبر ایک سے زائد پراکسیز نامزد کرتا/کرتی ہے اور/یا کمپنی کے کسی ممبر کی جانب سے پراکسی کے ایک سے زائد اسٹرومنٹس جمع کروائے جاتے ہیں تو ایسے تمام اسٹرومنٹس غیر مستند تصور کئے جائیں گے۔
- 5- فزیکل شیئرز کے بینیفٹل اونرز اور سینئر ڈپازٹری کمپنی آف پاکستان لمیٹڈ (CDC) کے نام پر رجسٹر ہونے والے شیئرز اور/یا ان کی پراکسیز کو اپنے اصل کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا پاسپورٹ بلور شناخت اجلاس میں شرکت کے لئے پیش کرنے ہوں گے۔ پراکسی فارم کمپنی کو مقررہ وقت پر، دو افراد کی گواہی کے ساتھ جن کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) نمبرز فارم پر بیان کئے گئے ہوں، جمع بینیفٹل اونرز اور پراکسی کے کمپیوٹرائزڈ قومی شناختی کارڈ کی تصدیق شدہ نقول یا پاسپورٹ جمع کروائیے جائیں۔ کارپوریٹ اسٹیٹس کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی جمع نمونے کے دستخط پراکسی فارم کے ساتھ جمع ہوگی۔

درست نکت چپکائیں

کمپنی سیکریٹری
JS گلوبل کمپیٹل لمیٹڈ
چھٹی منزل، فیصل ہاؤس،
مین شاہراہ فیصل،
کراچی

فارم برائے پراکسی سٹرواں سالانہ اجلاس عام

کمپنی سیکریٹری
JS گلوبل کیپیٹل لمیٹڈ
چھٹی منزل، فیصل ہاؤس، شاہراہ فیصل،
کراچی-75530

میں/ہم برائے بحیثیت JS گلوبل کیپیٹل لمیٹڈ کے ممبر/ممبران
رجسٹرڈ فوئیونمبر/CDC نمبر (وہ ممبران جو CDC میں شیئرز رکھتے ہوں) عام حصص رکھتے ہیں، بذریعہ ہذا مسز/مسز/اس
کا (مکمل پتہ) یا ان کی عدم موجودگی کی صورت
میں/مسز/مسز کا (مکمل پتہ) کو میری/ہماری غیر موجودگی میں 11 اپریل 2018 کو مستعد ہونے اور یا ملوثی ہونے
والے کمپنی کے سالانہ اجلاس عام میں میری/ہماری جانب سے حاضری، فعالیت اور میری/ہماری جانب سے ووٹ دینے کے لئے میری/ہماری پراکسی مقرر کرتا ہوں/کرتے ہیں۔

بطور گواہ میں/ہم نے 2018 کو میرے/ہمارے ہاتھ سے دستخط کئے/مہر لگائی۔
..... کی موجودگی میں نے دستخط کئے۔

گواہ:

1- نام:
دستخط
پتہ
.....
کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ نمبر.....

2- نام:
دستخط
پتہ
.....
کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ نمبر.....



دستخط کمپنی کے رجسٹر میں نمونے کے
دستخط کے مطابق ہونے چاہئیں۔



JS Global

JS Global Capital Limited

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Fax: +92 21 3262640, 3262726

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UAN: +92 3 1111 574 111
Fax: +92 51 289 4417

Rawalpindi Branch:

Shop Nos. 1-2, 1st Floor, Fakhri Complex,
Phase No. 101, Civic Center, Phase - M,
Bahria Town, Islamabad.
Tel: 051-5733425, 67-68

Abbottabad Branch:

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Opposite Bus Station, Abbottabad, Pakistan.
Tel: +92 92 408 193 - 97



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