

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

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

DESCRIPTION	VALUATION	Note	2021	2020
			Rupees	Rupees
CURRENT ASSETS				
Cash and bank balances				
Pertaining to house account	As per book value		2,773,927	23,378,346
Pertaining to client account	As per book value		25,549,952	20,964,355
		12	<u>28,323,879</u>	<u>44,342,701</u>
Deposits against exposure		10	33,400,000	8,900,000
Trade receivables	Book value	9	32,655,884	8,983,643
	less overdue for more than 14 days		(1,381,893)	(129,048)
		25.5.2	<u>31,273,991</u>	<u>8,854,595</u>

		Note	2021	2020
			Rupees	Rupees
Securities purchased for client	Securities purchased for the client and held by the member where the payment has not been received within 14 days		28,767	42,797
			<u>93,026,637</u>	<u>62,140,093</u>
CURRENT LIABILITIES				
Trade payables	Book value	15	43,688,985	22,314,774
	Less those overdue for more than 30 days		(6,968,437)	(6,447,548)
		25.5.3	<u>36,720,548</u>	<u>15,867,226</u>
Other liabilities		25.5.4	<u>14,232,649</u>	<u>9,098,983</u>
			<u>50,953,197</u>	<u>24,966,209</u>
Net capital balance as at 30 June 2021			<u>42,073,440</u>	<u>37,173,884</u>

25.5.1 Basis of accounting

This statement of Net Capital balance has been prepared in accordance with the requirements of the Second Schedule of the Securities brokers (Licensing and Operations) Regulations, 2016 (the Regulations) Read with Rule 2(d) of the Securities Exchange Commission (SEC) Rules 1971 (SEC Rules 1971) issued by the Securities & Exchange Commission of Pakistan (SECP).

25.5.2 Trade receivables		Note	2021	2020
			Rupees	Rupees
Receivable against margin financing		9	10,732,516	5,879,854
Receivable from NCCPL		9	-	2,839,675
Other trade receivables		9	21,923,368	264,114
			<u>32,655,884</u>	<u>8,983,643</u>
Less over due for more than 14 days			(1,381,893)	(129,048)
			<u>31,273,991</u>	<u>8,854,595</u>
25.5.3 Trade payables				
Trade payables			43,688,985	22,314,774
Less more than 30 days payable			(6,968,437)	(6,447,548)
			<u>36,720,548</u>	<u>15,867,226</u>
25.5.4 Other liabilities				
Trade payables for more than 30 days			6,968,437	6,447,548
Provident fund payable			2,210,988	1,310,304
Other payables			3,494,818	959,480
Provision for taxation			1,558,406	381,651
			<u>14,232,649</u>	<u>9,098,983</u>