

General Investment & Securities

Private Limited

Audited Financial Statements

For the year ended

30th JUNE 2023



INDEPENDENT AUDITOR'S REPORT

To the members of **GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2023 and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information, 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2023 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or

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to cease operations, or has no realistic alternative but to do so, Board of directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
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We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) the securities broker was in compliance with the requirements of section 78 of Securities Act, 2015 and section 62 of the Futures Act, and the relevant requirement of these regulations as at the date on which the statement of financial position was prepared.
- d) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- e) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Other Matter Paragraph

The financial Statements of the company for the year ended 30 June, 2022 were audited by another auditor who expressed an unmodified opinion in their report dated 29 November, 2022.

The engagement partner on the audit resulting in this independent auditor's report is Imran Ul Haq.

Place: Islamabad

Date: October 06, 2023

UDIN: AR202310163xW5miSRAT



GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

	Note	2023 Rupees	Restated 2022 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	19,266,620	18,244,852
Intangible assets	5	5,000,000	5,000,000
Long term investments	6	265,175,129	225,192,498
Long term deposits	7	2,075,000	3,050,000
Deferred tax asset net	8	-	-
		291,516,749	251,487,350
CURRENT ASSETS			
Trade and other receivable - net	9	11,151,891	8,261,982
Prepayments, deposits and advances	10	14,921,495	19,079,931
Tax Refundable	11	1,699,038	2,120,878
Short term investments	12	1,595,120	1,601,795
Cash and bank balances	13	15,878,153	37,101,784
		45,245,697	68,166,370
		336,762,446	319,653,720
EQUITY & LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital	14	94,029,300	79,945,000
Unappropriated profit		206,972,771	177,966,545
Director's Loan	15	10,000,000	13,000,000
		311,002,071	270,911,545
NON-CURRENT LIABILITIES			
Other long term payable	16	-	5,600,000
		-	5,600,000
CURRENT LIABILITIES			
Trade and other payables	17	24,037,333	41,455,852
Provision for taxation	18	1,723,042	1,686,323
		25,760,375	43,142,175
CONTINGENCIES AND COMMITMENTS			
	19	336,762,446	319,653,720

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

Chief Executive Officer



Director

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 Rupees	Restated 2022 Rupees
Revenue	20	31,164,566	36,376,196
Fair value gain/(loss) on equity instruments at FVTPL		39,975,956	5,396,958
Gain on sale of equity instruments at FVTPL - net		282,341	-
		<u>71,422,863</u>	<u>41,773,154</u>
Operating and Administrative expenses	21	(31,321,525)	(38,546,603)
Operating profit		<u>40,101,337</u>	<u>3,226,551</u>
Other income/(Loss)	22	(651,987)	427,163
Profit before taxation		<u>39,449,350</u>	<u>3,653,714</u>
Taxation	23	(1,958,825)	(2,891,511)
Profit after taxation		<u>37,490,525</u>	<u>762,202</u>
Represented by:			
Unrealized Gain on Investment		<u>39,975,956</u>	<u>5,396,958</u>
Net (Loss) excluding unrealized gain/(loss)		<u>(2,485,431)</u>	<u>(4,634,755)</u>

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


 Chief Executive Officer

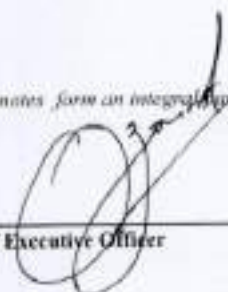



 Director

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023

	2023 Rupees	Restated 2022 Rupees
(loss)/ Profit after taxation	37,490,525	762,202
Other comprehensive income	-	-
Total comprehensive income/(loss) for the year	37,490,525	762,202

The annexed notes form an integral part of these financial statements



Chief Executive Officer





Director

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 Rupees	Restated 2022 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / Profit before taxation		39,449,350	3,653,714
Adjustments:			
Depreciation		3,007,972	2,893,809
Loss on Disposal		-	180,794
Provision for Bad debt		871,082	-
Unrealized loss / (gain) on short-term investments		(39,975,956)	5,396,958
Dividend income		(9,698,073)	(8,957,241)
		(45,794,975)	(485,680)
Profit before working capital changes		(6,345,625)	3,168,034
(Increase) / decrease in current assets			
Trade receivable - net		(2,889,908)	824,532
Deposits, prepayments and other receivables		4,158,436	8,525,477
		1,268,528	9,350,009
Increase/(decrease) in current liabilities			
Trade and other payables		(16,367,495)	(13,630,024)
Cash generated from / (used in) operations		(21,444,592)	(1,111,981)
Dividends received		9,698,073	8,957,241
Income tax paid		(3,422,370)	(1,464,817)
		6,275,703	7,492,424
Net cash generated from / (used in) operating activities		(15,168,889)	6,380,443
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of property and equipment		(4,029,741)	(5,735,701)
Decrease/(increase) in long-term deposits		975,000	-
Net cash generated from / (used in) investing activities		(3,054,741)	(5,735,701)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan from Directors (repaid / converted) / received - net		(3,000,000)	(7,793,916)
Net cash generated from/(used in) financing activities		(3,000,000)	(7,793,916)
Net (decrease) / increase in cash and cash equivalents		(21,223,631)	(7,149,175)
Cash and cash equivalents at the beginning of the year		37,101,784	44,250,958
Cash and cash equivalents at the end of the year	13	15,878,153	37,101,784

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

Chief Executive Officer



Director

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2023

	Note	Issued, subscribed and paid-up capital	Revenue reserve	Director's Loan	Total
			Unappropriated profit/(loss)		
			----- Rupees -----		
Balance as at June 30, 2021		79,945,000	168,911,316	-	248,856,316
Adjustment of error	29	-	8,293,026	-	8,293,026
Balance as at June 30, 2021-Restated		79,945,000	177,204,342	-	257,149,342
Total comprehensive income for the year					
Gain/(Loss) for the year		-	762,203	-	762,203
Other comprehensive income/(loss)		-	-	-	-
Director Loan classified under Equity		-	-	13,000,000	13,000,000
		-	762,203	13,000,000	13,762,203
Balance as at June 30, 2022-Restated		79,945,000	177,966,545	13,000,000	270,911,545
Total comprehensive income for the year					
Bonus Shares Issued		8,484,300	(8,484,300)	-	-
Shares issued for Cash		5,600,000	-	-	5,600,000
Gain/(Loss) for the year		-	37,490,526	-	37,490,526
Other comprehensive income/(loss)		-	-	-	-
Repayment of Loan		-	-	(3,000,000)	(3,000,000)
		14,084,300	29,006,226	(3,000,000)	40,090,526
Balance as at June 30, 2023		94,029,300	206,972,771	10,000,000	311,002,071

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

Chief Executive Officer



Director

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1 CORPORATE AND GENERAL INFORMATION

1.1 Legal status and operations

General Investment Securities (Private) Limited (the "Company") is a private limited company incorporated in Pakistan on November 11, 1997 under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017). The Company is a holder of Trading Rights Entitlement Certificate ("TREC") of Pakistan Stock Exchange Limited.

The Company is principally engaged in the business of investment advisory, purchase and sale of securities, financial consultancy, brokerage, underwriting, portfolio management and securities research.

The geographical location and address of Company and its branch office is as follows:

Business Units Geographical Location

Registered offices Office #1209, 12th Floor, ISE Tower, 55-B Jinnah Avenue, Blue Area, Islamabad.

Branch Office Office # 6, Block 1, Mall Business Center, The Mall Road, Rawalpindi.

2 ACCOUNTING CONVENTION AND BASIS FOR PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) for SMEs issued by the International Accounting Standards Board as are notified under the Companies Act, 2017, provisions of and directives issued under the Companies Act, 2017. In case requirements differ, the provisions or directives of the Companies Act, 2017 shall prevail.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except:

- Investments in quoted equity securities (whether classified as assets at fair value through profit or loss, or at fair value through other comprehensive income), which are carried at fair value;
- Investments in unquoted equities, measured at fair value through other comprehensive income;
- Investments in associates, which are recorded in accordance with the equity method of accounting for such investments; and
- Derivative financial instruments, which are marked-to-market as appropriate under relevant accounting and reporting standards.

2.3 Accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are continually evaluated and are based on historical experience as well as expectations of future events and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Company's financial statements, are as follows:

- (i) Estimates of useful lives and residual values of items of property, plant and equipment;
- (ii) Estimates of useful lives of intangible assets;
- (iii) Provision for Bad debt;
- (iv) Fair values of unquoted equity investments;
- (v) Classification, recognition, measurement / valuation of financial instruments; and
- (vi) Provision for taxation

2.4 Change of Accounting Framework

The accounting framework for the preparation of financial has been changed from International Financial reporting standard to International Financial Reporting Standards (IFRS) for Small and Medium Entities (SMEs) issued by IASB. This change has no effect on the measurement of assets and liabilities except the investment at fair value through other comprehensive income (FVTOCI) has been reclassified to fair value through profit or loss (FVTPL), resultantly the fair value reserve through other comprehensive income has also been reclassified to fair value gain through profit or loss as mentioned below:

	2022 Rupees	2021 Rupees
Decrease in Unrealized surplus on remeasurement of investments measured at FVOCI	-	122,824,344
Increase in Unappropriated Profit	5,820,591	122,824,344

2.5 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is also the company's functional currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented.

3.1 Property and equipment

Initial Recognition

Items of property and equipment are stated at cost less accumulated depreciation (if any) and impairment losses (if any). Cost includes expenditure that is direct attributable to the acquisition of the items.

Subsequent measurement

Subsequent costs are included in the asset's carrying amount or recognized 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 the cost of the item can be measured reliably. Where such subsequent costs are incurred to replace parts and are capitalized, the carrying amount of replaced parts is derecognized. All other repair and maintenance expenditures are charged to profit or loss during the year in which they are incurred.

Depreciation

Depreciation on all items of property and equipment is calculated using the reducing balance method, in accordance with the rates specified in note 4 to these financial statements and after taking into account residual value, if material. Residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date. Depreciation is charged on an asset from the date when the asset is available for use until the asset is disposed off.

Disposal

An item of property and equipment is derecognized upon disposal or when no future benefits are expected from its use or disposal. Any gain or loss arising on asset derecognition (calculated as the difference between net disposal proceeds and the carrying amount of the asset) is included in the profit and loss account in the year in which the asset is derecognized.

Judgments and estimates

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

Impairment

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Change in estimate

The Company reviews useful lives of property and equipment on a regular basis. Any change in estimates in future years which might affect the carrying amounts of the respective items of property and equipment with a corresponding effect on the depreciation charge and impairment loss. Further, management also on a year basis reviews the carrying amounts of certain classes of property and equipment which are carried at revalued amounts. Any change in estimate in future years which might affect the carrying amount of these classes with a corresponding effect on the surplus on revaluation of property and equipment, related deferred tax liability and related charge of incremental depreciation.

3.2 Intangible Asset - Acquired

TREC Certificates and PMEX Certificate

These are stated at cost less impairment losses (if any). Cost includes expenditure that is directly attributable to the acquisition of the items. Trading Right Entitlement Certificates and Membership Card have indefinite useful life and accordingly are not amortized however, these are tested for impairment only. Impairment loss is recognized in profit and loss account.

Judgments and estimates

The useful lives, residual values and amortization method are reviewed on a regular basis. The effect of any changes in estimate accounted for on a prospective basis.

3.3 Financial Instruments

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument and assets and liabilities are stated initially at cost which is the fair value of consideration given or received. The financial assets are subsequently measured at fair value, amortized cost or cost as the case may be with classifications into i) at fair value through profit or loss (FVTPL) and ii) at amortized cost. Subsequently:

i) Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

ii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss and other comprehensive income in the period in which they arise.

Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in Statement of Profit or loss. Currently, there are no financial liabilities designated at FVTPL.

3.3.1 Impairment of financial assets

The financial assets other than those that are carried at fair value are assessed at each reporting date to determine whether there is any objective evidence of their impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably. The impairment loss is recognized immediately in the statement of profit or loss and the carrying amount of the related financial asset is reduced accordingly. An impairment loss is reversed only if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

3.3.2 Derecognition of financial instruments

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Company is recognized as a separate asset or liability. The Company de-recognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

3.4 Impairment non-financial assets

At each reporting date, the company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.



GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, 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. A reversal of impairment loss for a cash generating unit is allocated to the assets of the unit, except for goodwill, pro rata with the carrying amounts of those assets. The increase in the carrying amounts shall be treated as reversals of impairment losses for individual assets and recognised in profit or loss unless the asset is measured at revalued amount. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase.

**3.5 Trade Receivable
Measurement**

Trade receivable are recognised initially at fair value and subsequently measured at cost less provision for doubtful debts.

Impairment

A provision for impairment of trade debts is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the debts. The amount of the provision is recognised in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

Judgments and estimates

Management reviews its trade debtors on a continuous basis to identify receivables where collection of the amount is no longer probable. These estimates are based on historical experience and are subject to change in condition at the time of actual recovery.

3.6 Taxation

Income tax expense comprises current and deferred tax.

Current

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management yearly evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.


Deferred tax is calculated at the rates that are expected to apply to the year when the differences reverse, based on tax rates that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is charged or credited in the statement of profit or loss account, except in the case of items credited or charged to comprehensive income or equity, in which case it is included in comprehensive income or equity.

Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain as these matters are being contested at various legal forums. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits to allow the benefit of part or all of that recognised deferred tax asset to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.



Off-setting

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.7 Settlement Date Accounting

All "regular way" purchases and sales of financial assets are recognized on settlement date, i.e. the date on which the asset is delivered to or by the Company. Regular way purchases or sales of financial assets are those contracts which requires delivery of assets within the time frame generally established by regulation or convention in the market.

3.8 Cash and cash equivalents

These are measured at cost which is the fair value. For the purposes of cash flow statement, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash in hand, balances with banks on current and savings accounts.

3.9 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the period in which the dividends are approved by the company's shareholders.

3.10 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.11 Trade and other payables

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost using the effective interest method. They are classified as current if payment is due within twelve months of the reporting date, and as non-current otherwise.

3.12 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount could be reliably estimated. Provisions are not recognized for future operating losses.


Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Judgement and estimates

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

Contingent liabilities

A contingent liability is disclosed when the company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the company or the company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.



GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
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3.12 Revenue recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of any direct expenses. Revenue is recognized on the following basis:

Brokerage Commission

Brokerage, consultation and advisory fee and commission on securities and commodities is recognized as and when related services are rendered.

Income on bank deposits

Mark-up / interest on bank deposits and return on investments is recognized on time apportionment basis when right to receive is established using effective interest rate.

Dividend income

Dividend income is recognised in profit or loss as other income when:

- the Company's right to receive payment have been established;
- it is probable that the economic benefits associated with the dividend will flow to the company; and
- the amount of the dividend can be measured reliably.

Others

Gain / loss on sale of investment is recognized in the year in which they arise.

3.13 Borrowings


These are recorded at the proceeds received. Finance costs are accounted for on accrual basis and are disclosed as accrued interest / mark-up to the extent of the amount unpaid in the reporting date.

3.14 Fiduciary assets

Assets held in trust or in a fiduciary capacity by the Company are not treated as assets of the Company.

3.15 Related party transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the Board of Directors, it is in the interest of the Company to do so.



GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
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4 PROPERTY AND EQUIPMENT

2023								
Particulars	Cost			Accumulated Depreciation			Rate of Depreciation %age	
	As at 1 July 2022	Additions	Disposals	As at 30 June 2023	For the year	As at 30 June 2023		
	Rupees							
Computer Equipment	2,244,001	-	-	2,244,001	1,644,997	351,799	1,996,796	30
Fixture and Furniture	841,058	-	-	841,058	730,334	11,072	741,406	10
Office Equipment	1,563,928	-	-	1,563,928	1,153,174	41,075	1,194,250	10
Vehicles	23,686,584	4,029,740	-	27,716,324	6,562,214	2,694,025	9,166,239	15
	28,335,571	4,029,740	-	32,365,311	10,099,719	3,007,972	13,098,691	19,266,620

2022								
Particulars	Cost			Accumulated Depreciation			Rate of Depreciation	
	As at 1 July 2021	Additions	Disposals	As at 30 June 2022	Disposals	For the year		
								As at 30 June 2022
Rupees								
Computer Equipment	1,612,301	631,700	-	2,244,001	1,413,155	231,842	1,644,997	30
Fixture and Furniture	841,058	-	-	841,058	718,031	12,303	730,334	10
Office Equipment	1,563,928	-	-	1,563,928	1,107,535	45,639	1,153,174	10
Vehicles	19,207,584	5,104,000	(625,000)	23,686,584	4,402,395	(444,206)	6,562,214	15
	23,224,871	5,735,700	(625,000)	28,335,571	7,641,116	(444,206)	2,893,809	18,244,852

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5 INTANGIBLE ASSETS

	Note	2023 Rupees	2022 Rupees
Trading Right Entitlement Certificate ("TREC")	5.1	2,500,000	2,500,000
Pakistan Mercantile Exchange Membership Card	5.2	2,500,000	2,500,000
		<u>5,000,000</u>	<u>5,000,000</u>

5.1 The Company has pledged/hypothecated Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited (PSX) at a notional value of Rs. 2.5 million to meet Base Minimum Capital (BMC) requirement.

5.2 These are carried at below notional value which is Rs. 2.5 million as published by the PMEX.

6 LONG TERM INVESTMENTS - FVTPL

Non-listed Equity Securities

Opening Balance	6.1	225,192,498	219,371,907
Additions during the year		-	-
Adjustment for remeasurement to fair value		<u>39,982,631</u>	<u>5,820,391</u>
	6.2	<u>265,175,129</u>	<u>225,192,498</u>

6.1 As a result of the demutualization and corporatization of stock exchanges, the Company received 3,034,603 shares at Rs.10 each share, of ISE Towers REIT Management Limited. Of these, (1,820,762 shares) were held in a separate Central Depository Company Limited ("CDC") sub-account, blocked until they are sold to strategic investors, financial institutions and/or the general public. The remaining shares 1,213,841 shares were allotted to the Company.

The Company acquired 12,897,623 further shares from other companies and pledged the 1,679,238 to Pakistan Stock Exchange (PSX) to meet the Base Minimum Capital requirement of the company.

6.2 These shares are neither listed on any exchange nor are they actively traded. As a result, fair value has been estimated by reference to the latest break-up value of Rs. 20.56 according to audited financial statements of ISE REIT Management Company Limited for the year ended June 30, 2023 (2022: Rs. 17.46) or net asset value per share of these shares notified by ISE Towers REIT Management Limited.

7 LONG TERM DEPOSITS

	2023 Rupees	Restated 2022 Rupees
Central Depository Company Limited	100,000	100,000
National Clearing Company of Pakistan Limited	200,000	200,000
PMEX Deposit	<u>1,250,000</u>	<u>1,250,000</u>
	1,550,000	1,550,000
Other security deposits	<u>525,000</u>	<u>1,500,000</u>
	<u>2,075,000</u>	<u>3,050,000</u>

8 DEFERRED TAX ASSET / LIABILITY NET

The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Deferred tax Asset / (Liability)	-	-
	<u>-</u>	<u>-</u>
8.1 Analysis of change in deferred tax		
Property, Plant & Equipment	(11,850)	(52,843)
Provision for Expected credit loss	1,103,622	851,009
Revaluations of equity instruments to FVTPL	1,936	105,350
Unused Tax losses	<u>3,544,876</u>	<u>4,041,247</u>
Minimum Tax credit carried forward	<u>2,680,551</u>	<u>2,412,220</u>
8.1.1	<u>7,319,134</u>	<u>7,356,982</u>

8.1.1 As at June 30, 2023, deferred tax asset amounting to Rs.7,319,134 (June 30, 2022: Rs.7,356,982) has not been recognized in these financial statements as the Company does not foresee sufficient taxable profits in future.

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NOTES TO THE FINANCIAL STATEMENTS
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		2023	2022
	Note	Rupees	Rupees
9 TRADE AND OTHER RECEIVABLE			
Other parties		8,712,475	7,641,229
Related parties	9.1	1,037,002	1,261,849
		9,749,477	8,903,078
Other Receivable	9.2	5,208,008	2,293,417
		14,957,485	11,196,495
Less: Provision for bad debts			
Customer	9.3	(3,805,594)	(2,934,513)
		<u>11,151,891</u>	<u>8,261,982</u>
9.1 The aging of receivable from related party as at the reporting date is as follows:			
Not past due		-	-
Past due 0 - 30 days		99,769	3,118
Past due 31 - 90 days		-	549,935
Past due 91 - 1 year		536,992	700,598
Past due more than 1 year		400,242	8,198
		<u>1,037,002</u>	<u>1,261,849</u>
9.2 Other Receivables			
Receivable from NCCPL	9.2.1	5,208,008	1,258,960
Other receivables		-	1,034,457
		<u>5,208,008</u>	<u>2,293,417</u>
9.2.1 This represents amount receivable against trading of securities in all markets which will be settled on 4-July-2022			
9.3 Provision for Bad Debt			
Balance as at July 1		2,934,513	3,309,093
Charged during the year		871,082	(374,580)
Closing balance (as at June 30)		<u>3,805,594</u>	<u>2,934,513</u>
This represents amount receivable against trading of securities in all markets which will be settled on 4-July-2023			
		2023	2022
		Rupees	Rupees
10 PREPAYMENTS, DEPOSITS AND ADVANCES			
Short-term loans and advances			
Advances to employees		200,000	50,000
Loan to director (Ozair Aslam)		-	350,000
Advance to suppliers		-	3,822,500
Security Deposit		1,300,000	-
		<u>1,500,000</u>	<u>4,222,500</u>
Short-term deposits			
NCCPL exposure Margin - House		2,960,000	7,160,000
NCCPL exposure Margin - Clients		10,461,495	7,697,431
		<u>13,421,495</u>	<u>14,857,431</u>
		<u>14,921,495</u>	<u>19,079,931</u>
11 TAX REFUNDABLE			
Opening balance (as at July 1)		2,120,878	2,297,622
Add: Current year additions		1,500,266	1,427,289
		<u>3,621,144</u>	<u>3,724,911</u>
Less: Adjustment against provision for taxation		(1,922,106)	(1,604,033)
Balance at the end of the year		<u>1,699,038</u>	<u>2,120,878</u>

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12 SHORT TERM INVESTMENTS - FVTPL

Opening Balance	1,601,795	2,293,533
Fair value adjustment	(6,675)	(691,738)
	<u>1,595,120</u>	<u>1,601,795</u>
	Market value	
Beema Pakistan company limited - Freeze - 16,000 (2022: 16,000) Shares	-	-
Business & Industrial Insurance co Ltd - Freeze - 459 (2022: 459) Shares	-	-
Fauji Foods limited - 500 (2022: 500) Shares	2,870	3,315
Nurric Textile Mills limited - 85,500 (2022: 85,500) Shares	-	-
Oil & Gas Development company limited - 20,000 (2022: 20,000) Shares	1,560,000	1,573,400
Popular Islamic Modarba - 3,000 (2021: 3,000) Shares	32,250	25,080
Zeal Pak Cement Factory Ltd - Freeze - 146,821 (2022: 146,821) Shares	-	-
	<u>1,595,120</u>	<u>1,601,795</u>

12.1 Fair values of these equity shares are determined by reference to published price quotations in an active market.

13 CASH AND BANK BALANCES

	Note	2023 Rupees	2022 Rupees
Cash in hand		198	513
Cash at bank - Local currency			
Current accounts		14,232,215	36,397,595
Savings accounts	13.1	1,645,740	703,676
		<u>15,878,153</u>	<u>37,101,784</u>

13.1 Average rate of markup for the year ended 2023 is 8.22% (2022: 10.58%)

14 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

14.1	Authorized capital			
	1,800,000 (2022: 1,800,000) ordinary shares of PKR 100 each, fully paid in cash		<u>180,000,000</u>	<u>180,000,000</u>
14.2	Issued, subscribed and paid-up share capital			
	2023	2022		
	<u>940,293</u>	<u>799,450</u>	Ordinary shares of Rs.100 each, issued for cash	85,545,000
			Ordinary Shares of Rs.100 each issued as bonus shares	8,484,300
				<u>94,029,300</u>
				<u>94,029,300</u>

14.3 Shareholders holding 5% or more of total shareholding

	Number of Shares		Percentage	
	2023	2022	2023	2022
Ch. Muhammad Aslam	874,848	740,845	93.04%	92.67%

15 DIRECTOR'S LOAN

Director's Loan	15.1	<u>10,000,000</u>	<u>13,000,000</u>
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15.1 During the year June 30, 2022, the management revised the terms of the agreement with the director whereby the loan is repayable on the discretion of the company and it is unsecured and interest free loan. This loan is accounted for in accordance with the technical Release - 32 issued by ICAP

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		2023	Restated
		Rupees	2022
			Rupees
15.2 Director's Loan movement during the year			
Opening Balance		13,000,000	-
Addition/Transfer		-	13,000,000
Repayment		(3,000,000)	-
Closing Balance		10,000,000	13,000,000
16 OTHER LONG TERM PAYABLE			
Other payables		-	5,600,000
		-	5,600,000
17 TRADE AND OTHER PAYABLES			
Trade creditors	17.1	22,659,084	39,196,107
Accrued & Other payables		1,378,249	2,259,745
		24,037,333	41,455,852
17.1 Trade payables include balances amounting to Rs. Nil (2022: Rs. 134,201) due to related parties.			
18 PROVISION FOR TAXATION			
Balance at the beginning of the year		1,686,323	1,043,266
Add: Current year provision		1,723,042	1,686,323
		3,409,365	2,729,589
Less: Adjustment against advance tax		(1,686,323)	(1,043,266)
Balance Payable / (Receivable)		1,723,042	1,686,323
19 CONTINGENCIES AND COMMITMENTS			
19.1 There are no contingencies or commitments of the Company as at June 30, 2023 (2022: Nil).			
20 REVENUE	Note	2023	2022
		Rupees	Rupees
Commission Income Equity Trading		24,611,131	31,556,573
Commission Income Commodity trading		250,000	215,000
		24,861,131	31,771,573
Less: Federal Excise Duty		(3,394,638)	(4,352,618)
		21,466,493	27,418,955
Dividend income		9,698,073	8,957,241
		9,698,073	8,957,241
		31,164,566	36,376,196

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
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		2023 Rupees	2022 Rupees
21 OPERATING AND ADMINISTRATIVE EXPENSES			
Staff salaries, allowances and other benefits		14,282,377	23,123,227
Depreciation		3,007,972	2,893,809
Traveling and conveyance		113,030	82,203
Telephone		383,520	269,900
Entertainment		376,632	198,009
Advertisement		-	174,650
Auditors' remuneration	21.1	198,000	175,000
PSX and CDC charges		1,468,271	1,013,268
PMEX charges		120,001	101,518
ISE charges		776,116	715,412
NCCPL charges		608,485	149,982
Newspapers and periodicals		6,690	12,765
Internet charges		30,752	16,420
Printing and stationery		53,858	50,355
Postage and courier charges		12,149	45,110
Fee and subscription		660,765	578,868
Legal and Professional charges		60,885	590,949
Repair and maintenance		12,500	34,020
Vehicle Running and Maintenance		1,237,137	921,728
Rent, rate and taxes		6,183,366	6,151,818
Software charges		103,950	156,081
Office expenses		165,828	257,410
Bank and other charges		2,560	3,263
Utilities		1,031,810	829,837
Miscellaneous		424,871	1,001
		<u>31,321,525</u>	<u>38,546,603</u>
21.1 Auditor's remuneration			
Audit Services			
Annual Audit fee		175,000	145,000
Non-audit services			
Certifications for regulatory purposes		23,000	30,000
		<u>198,000</u>	<u>175,000</u>
22 OTHER INCOME / (LOSS)			
Profit on savings account		187,880	171,071
Bad debts Gain / (Loss)		(871,082)	374,580
Miscellaneous income		31,214	62,306
Loss on disposal of Fixed assets		-	(180,794)
		<u>(651,987)</u>	<u>427,163</u>
23 TAXATION			
	Note	2023 Rupees	2022 Rupees
Current tax		1,723,042	1,686,323
Prior year		235,783	598,297
Deferred tax		-	606,891
		<u>1,958,825</u>	<u>2,891,511</u>

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24 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration to the chief executive, directors and executives of the Company as per the terms of their employment are set out in the table below:

	2023		2022	
	Remuneration	No of Person	Remuneration	No of Person
	Rupees		Rupees	
Directors	579,459	1	-	-
Chief Executive	-	-	-	-
Executives	2,614,800	2	10,925,905	2
	3,194,259	3	10,925,905	2

25 FINANCIAL INSTRUMENTS BY CATEGORY

	2023		
	Amortized cost	FVTPL	Total
	Rupees		
ASSETS			
Non-current assets			
Long term deposits	2,075,000	-	2,075,000
Long term investments	-	265,175,129	265,175,129
Current assets			
Short term investments	-	1,595,120	1,595,120
Trade and other receivable - net	11,151,891	-	11,151,891
Prepayments, deposits and advances	14,921,495	-	14,921,495
Cash and bank balances	15,878,153	-	15,878,153
LIABILITIES			
Current liabilities			
Trade and other payables	24,037,333	-	24,037,333

	2022		
	Amortized cost	FVTPL	Total
	Rupees		
ASSETS			
Non-current assets			
Long term deposits	3,050,000	-	3,050,000
Long term investments	-	225,192,498	225,192,498
Current assets			
Short term investments	-	1,601,795	1,601,795
Trade and other receivable - net	8,261,982	-	8,261,982
Prepayments, deposits and advances	19,079,931	-	19,079,931
Cash and bank balances	37,101,784	-	37,101,784
LIABILITIES			
Current liabilities			
Trade and other payables	41,455,852	-	41,455,852

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
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26 CAPITAL ADEQUACY LEVEL AND CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure. 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 Capital adequacy level as required by CDC is calculated as follows:

	2023	2022
	Rupees	
Total assets	336,762,446	319,653,720
Less: Total liabilities	(25,760,375)	(48,742,175)
Less: Revaluation Reserves (created upon revaluation of fixed assets)	-	-
Capital adequacy level	311,002,071	270,911,545

While determining the value of the total assets of the TREC holder, notional value of the TRE certificate as at year ended as determined by Pakistan Stock Exchange has been considered.

27 BASE MINIMUM CAPITAL

In compliance with the Regulation 19.2 of the Rule Book of Pakistan Stock Exchange Limited, every Trading Right Entitlement Certificate (TREC) holder registered as a broker, is required to maintain a Base Minimum Capital (BMC) in the amount and form as prescribed in the Rule on the basis of Assets Under Custody (AUC). As per the said regulation, the Company is required to maintain BMC of Rs. 23 million as at June 30, 2023. The Company has pledged TRE Certificate and a portion of shares of ISE REIT to meet this requirement.

	2023	2022
	Rupees	Rupees
Trading Right Entitlement Certificates	2,500,000	2,500,000
ISE REIT Management Company Limited	71,960,000	61,110,000
	74,460,000	63,610,000

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28 LIQUID CAPITAL BALANCE

Basis of Preparation

The liquid capital balance has been prepared under regulation 6(4) of Third Schedule of Securities Brokers (Licensing and operations) Regulations, 2016 (The Regulations) issued by Securities and Exchange Commission of Pakistan

Sr. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
		----- Rupees -----		
1. Assets				
1.1	Property & Equipment	19,266,620	100%	-
1.2	Intangible Assets	5,000,000	100%	-
1.3	Investment in Govt. Securities:			
	Difference between book value and sale value on the date on the basis of PKRV published by NIFT		-	-
	- Sale value on the date on the basis of PKRV published by NIFT			
1.4	Investment in Debt Securities:			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure up to 1 year.		5%	-
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.		7.5%	-
	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.		10%	-
	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure up to 1 year.		10%	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.		12.5%	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.		15%	-
1.5	Investment in Equity Securities:			
	i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher.	1,595,120	239,268	1,355,852
	ii. If unlisted, 100% of carrying value.	265,175,129	100%	-
1.6	Investment in subsidiaries:			
	- 100% of net value		-	-
1.7	Investment in associated companies/undertaking:			
	i. If listed 15% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.	-	-	-
	ii. If unlisted, 100% of net value.	-	-	-
1.8	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity - 100% of net value	2,075,000	100%	-
1.9	Margin deposits with exchange and clearing house - Nil Haircut	18,629,503	-	18,629,503
1.10	Deposit with authorized intermediary against borrowed securities under SLB		-	-
1.11	Other deposits and prepayments - 100% haircut of carrying value		-	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc:			
	- nil		-	-
	- 100% in respect of markup accrued on loans to directors, subsidiaries and other related parties		-	-
1.13	Dividends receivables: - Nil		-	-
1.14	Amounts receivable against Repo financing:			
	- Amount paid as purchaser under the REPO agreement.			
	- Securities purchased under repo arrangement shall not be included in the investments.			

Sr. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
		----- Rupees -----		
1.15	Advances and Receivables other than trade receivables:			
	i. No Haircut may be applied on the short term loan to employees provided these loans are secured and due for repayment within 12 months	200,000	-	200,000
	ii. No Haircut may be applied to the advance tax to the extent it is netted with provision of taxation	1,699,038	-	1,699,038
	iii. In all other cases. - 100% of net value	-	-	-
1.16	Receivables from clearing house or securities exchange(s):			
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MTM gains.	-	-	-
1.17	Receivables from customers			
	i. In case receivables are against margin financing, the aggregate if a. value of securities held in the blocked account after applying VAR based Haircut, b. cash deposited as collateral by the Financée and c. market value of any securities deposited as collateral after applying VaR based haircut. - Lower of net balance sheet value or value determined through adjustments.		-	-
	ii. In case receivables are against margin trading, 5% of the net balance sheet value.		-	-
	iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract. - Net amount after deducting haircut		-	-
	iv. In case of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. - Balance sheet value	1,249,732	-	1,249,732
	v. In case of other trade receivables are overdue, or 5 days or more, the aggregate of a. the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, b. cash deposited as collateral by the respective customer and c. the market value of securities held as collateral after applying VaR based haircuts. - Lower of net balance sheet value or value determined through adjustments.	8,500,103	3,255,368	5,244,735
	vi. 100% haircut in the case of amount receivable from related parties.	-	-	-
1.18	Cash and Bank balances:			
	i. Bank Balance-proprietary accounts	1,645,740	-	1,645,740
	ii. Bank balance-customer accounts	9,062,343	-	9,062,343
	iii. Cash in hand	198	-	198
1.19	Subscription money against investment in IPO/offer for sale (asset):			
	No haircut may be applied in respect of amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker. - Net amount after deducting haircuts			
1.20	Total Assets	334,098,526	3,494,641	39,087,141

Sr. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value			
		----- Rupees -----					
2. Liabilities							
2.1	Trade Payables:						
	i. Payable to exchanges and clearing house	-	-	-			
	ii. Payable against leveraged market products	-	-	-			
	iii. Payable to customers	22,659,084	-	22,659,084			
2.2	Current Liabilities:						
	i. Statutory and regulatory dues		-	-			
	ii. Accruals and other payables	1,378,249	-	1,378,249			
	iii. Short-term borrowings		-	-			
	iv. Current portion of subordinated loans		-	-			
	v. Current portion of long term liabilities		-	-			
	vi. Deferred Liabilities		-	-			
	vii. Provision for taxation	1,723,042	-	1,723,042			
	ix. Other liabilities as per accounting principles and included in the financial statements		-	-			
2.3	Non-Current Liabilities:						
	i. Long-Term financing		-	-			
	ii. Staff retirement benefits		-	-			
	iii. Other liabilities as per accounting principles and included in the financial statements		-	-			
	- 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance leases.	-	-	-			
	- Nil in all other cases.						
2.4	Subordinated Loans:						
	100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted. In this regard, following conditions are specified: a. Loan agreement must be executed on stamp paper and must clearly reflect the amount to be repaid after 12 months of reporting period b. No haircut will be allowed against short term portion which is repayable within next 12 months.	-	100%	-			
2.5	Advance against shares for Increase in Capital of Securities 100% haircut may be allowed in respect of advance against shares if: a. The existing authorized share capital allows the proposed enhanced share capital b. Board of Directors of the company has approved the increase in capital c. relevant Regulatory approvals have been obtained d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed. e. Auditor is satisfied that such advance is against the increase of capital						
2.6	Total Liabilities	25,760,375		25,760,375			

3. Ranking Liabilities Relating to:

3.1	Concentration in Margin Financing:			
	The amount calculated client-to-client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total financees.	-	-	-
3.2	Concentration in securities lending and borrowing:			
	The amount by which the aggregate of:	-	-	-
	(i) Amount deposited by the borrower with NCCPL			
	(ii) Cash margins paid and			
	(iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed			
	- Amount as determined through adjustment			

Sr. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
		----- Rupees -----		
	Net underwriting Commitments:			
3.3	(a) - in the case of right issue: if the market value of securities is less than or equal to the subscription price, the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the	-	-	-
	- In the case of rights issue: where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting commitment.	-	-	-
	(b) in any other case : 12.5% of the net underwriting commitments	-	-	-
	- Amount as determined through adjustment			
3.4	Negative equity of subsidiary			
	The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary	-	-	-
3.5	Foreign exchange agreements and foreign currency positions:			
	5% of the net position in foreign currency. Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency - Amount as determined through adjustment	-	-	-
3.6	Amount Payable under REPO:			
	- Carrying Value	-	-	-
3.7	Repo adjustment:			
	In the case of financier/purchaser, the total amount receivable under Repo less the 110% of the market value of underlying	-	-	-
	In the case of finance/seller, the market value of underlying securities after applying haircut less the total amount received less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser. - Amount as determined through adjustment	-	-	-
3.8	Concentrated proprietary positions:			
	- If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security	-	-	-
	- If the market of a security exceeds 51% of the proprietary position, then 10% of the value of such security - Amount as determined through adjustment	-	-	-
3.9	Opening Positions in futures and options:			
	i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applying VaR haircuts	34,184,295	-	-
	ii. In case of proprietary positions, the total margin requirements in respect of open positions to the extent not already met	-	-	-
3.10	Short sell positions:			
	i. In case of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts	-	-	-
	ii. In case of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral	-	-	-
3.11	Total Ranking Liabilities	34,184,295	-	-
Total Liquid Capital As At June 30, 2022 (1.20-2.5-3.11)		274,153,856	3,494,641	13,326,766

Calculations Summary of Liquid Capital

(i) Adjusted value of Assets (serial number 1.20)	39,087,141
(ii) Less: Adjusted value of liabilities (serial number 2.6)	25,760,375
(iii) Less: Total ranking liabilities (serial number 3.11)	-
	13,326,766

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

29 Information required by regulation 34 of Securities Broker Regulations 2016		2023	2022
a)	- Customer shares in the central depository system	129,211,827	117,536,673
-	Customer's cash in bank account - PKR	9,062,343	31,228,099
b)	Securities pledged with financial institutions		
c)	Pattern of shares:		
	Chaudhary Muhammad Aslam	874,848	739,945
	Ozair Aslam Chaudhary	30,774	28,000
	Omar Aslam Chaudhary	30,774	28,000
	Faisal Nasim	3,897	3,505
	Total no of shares	940,293	799,450
d)	Changes in shareholding:		
	Shares issued during the year to Chaudhary Muhammad Aslam	134,903	-
	Shares issued during the year to Ozair Aslam Chaudhary	2,774	-
	Shares issued during the year to Omar Aslam Chaudhary	2,774	-
	Shares issued during the year to Faisal Nasim	392	-
e)	Trade and other receivables are stated at estimated realizable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the statement of profit or loss.		
f)	Aging analysis of amount due from customers		
	Due not more than 5 days - PKR	1,249,732	800,599
	Due more than 5 days - PKR	8,500,103	4,167,076

30 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties include directors, major shareholders, key management personnel, senior executives and entities over which the directors are able to exercise influence. Transaction with related parties are on arm's length basis (except for where stated else wise). Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

Name of the related party	Nature of relationship	Transactions during the year	2023	2022
----- Rupees -----				
Ch. Muhammad Aslam	Director	Opening Balance	13,000,000	13,000,000
		Loan received /repaid	(3,000,000)	-
		Transfer of shares of REIT	-	-
		Loan converted into share capital	-	-
			10,000,000	13,000,000
Ch. Ozair Aslam	Director	Opening Balance	(350,000)	350,000
		Amount paid	(850,000)	-
		Amount Received	1,200,000	-
		Loan converted into share capital	-	-
			-	(350,000)

Other Transactions are disclosed in below note

	2023			
	Chief Executive	Director	Others	Total
Purchase of marketable securities for and on behalf	-	1,642,477,000	-	1,642,477,000
Sale of marketable securities for and on behalf	-	1,607,083,678	-	1,607,083,678
Brokerage Income	-	1,481,407	-	1,481,407
	-	3,251,042,085	-	3,251,042,085
	2022			
	Chief Executive	Director	Others	Total
Purchase of marketable securities for and on behalf	-	651,181,445	-	651,181,445
Sale of marketable securities for and on behalf	-	584,510,698	-	584,510,698
Brokerage Income	-	1,173,142	-	1,173,142
	-	1,236,865,285	-	1,236,865,285

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

31 Restatement of Comparatives

31.1 Restatement of Directors Loan

The Closing balance of directors loan for the year ended 30 June, 2021 has been restated because the repayment of an amount of Rs 7,043,026 was mistakenly charged to expenses in the financial year ended 30 June, 2021 which is now rectified and the effect of the said adjustment is as follows:

	2022	2021
Decrease in Directors Loan	7,043,026	7,043,026
Increase in Retained Earnings	7,043,026	7,043,026

31.2 Restatement of Long term deposits

The closing balance of long term deposits for the year ended 30 June, 2021 has been restated because the security deposit amounting Rs. 1,250,000/- paid for the rawalpindi office was mistakenly charged to expense. This error now has been rectified and the effect of the said adjustment is as follows:

	2022	2021
Increase in Long term Deposits	1,250,000	1,250,000
Increase in Retained Earnings	1,250,000	1,250,000

32 EVENTS AFTER REPORTING DATE

There were no subsequent events that may require adjustment or disclosure in the financial statements as at reporting date.

33 GENERAL

The figures have been rounded off to the nearest Rupee

34 NUMBER OF EMPLOYEE

Number of persons employed
 Average number of employees during the year

2023	2022
19	19
19	19

35 DATE OF AUTHORIZATION

These financial statements have been authorized by the Board of Directors of the Company on

CHIEF EXECUTIVE



DIRECTOR

General Investment & Securities (Pvt) Limited

Universal Member: Pakistan Mercantile Exchange

TREC Holder Pakistan Stock Exchange Limited (PSX)

Registered Broker Securities & Exchange Commission of Pakistan (SECP)



GENERAL INVESTMENTS & SECURITIES (PRIVATE) LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of M/S General Investment & Securities (Private) Limited feels pleasure in presenting the report for the Financial Year 2022-23. The Annual Accounts for the Financial Year 2022-23 have been audited by the company's auditor's M/S Nasir Javaid Maqsood Imran Chartered Accountants.

That M/S General Investment & Securities (Private) Limited having its registered office in Islamabad was incorporated on November 11, 1997, vide Registration No. 0038496 and engaged in the business of brokerage, sale and purchase of listed securities member of Pakistan Stock Exchange (PSX) vide TREC No. 442. Member of Pakistan Mercantile Exchange (PMEX) vide Membership No. MEM-188 and also Member of Pakistan Stock Broker Association vide Registration No. PSBA-442

Financial Highlights

During the FY 2022-23, the company has borne a pretax loss of Rs. (2,485,431) (2022: 4,634,755). The silent highlights of the profit and loss accounts is given here as;

	2023	2022
Income	31,446,907	36,376,196
Expenditure	31,321,525	38,546,603
Other Income/(loss)	(651,987)	427,163
Profit/(Loss) for the year before taxation	(526,605)	(1,743,244)
Profit/(Loss) for the year after taxation	(2,485,431)	(4,634,755)

Board of Directors

There are four (4) Directors of the company

Mr. Ozair Aslam Chaudhary	Director / CEO
Mr. Omair Aslam Chaudhary	Director
Mr. Faisal Nasim	Director
Mr. Chaudhary Muhammad Aslam	Director

"Subject to rules of the Exchange"

Head Office

Office No. 205, 2nd Floor, ISE Towers 55-B, Jinnah Avenue, Blue Area, Islamabad Tel: 051-2894946-9 Fax: 051-2894950

Branch Office

Office No. 6, Block No. 1, Mall Business Centre, The Mall Road, Rawalpindi. Tel: 051-5566971-2

General Investment & Securities (Pvt) Limited

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Authorized Capital

That authorized capital of the company remained 180,000,000/- divided in 1,800,000 ordinary shares of Rs. 100/- and issued, subscribed & paid-up capital is Rs. 94,029,300/- divided in 940,293 shares of Rs. 100/- each. The shareholding in this regard is as follows

Name OF Director	Share Holding
Mr. Ozair Aslam Chaudhary	30,774
Mr. Omair Aslam Chaudhary	30,774
Mr. Faisal Nasim	3,897
Mr. Chaudhary Muhammad Aslam	874,848

Annual General Meeting

Annual general meeting of the company held on 27th October 2023, and following Directors were present at the time of Annual General Meeting held on 27.10.2023.

Name of Director	Designation	Attendance
Mr. Ozair Aslam Chaudhary	Director / CEO	Yes
Mr. Omair Aslam Chaudhary	Director	Yes
Mr. Faisal Nasim	Director	Yes
Mr. Chaudhary Muhammad Aslam	Director	Yes

Financial Statements are approved by the Board of Directors in Annual General Meeting of the company showing loss of Rs. (2,485,431).

"Subject to rules of the Exchange"

Head Office

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Branch Office

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Registered Broker Securities & Exchange Commission of Pakistan (SECP)



Auditors

That present auditor's M/S Nasir Javaid Maqsood Imran Chartered Accountants of the company for the FY 2022-23 has been retired and offers themselves for re-appointment.

Acknowledgement

The director wishes to place on record its gratitude to the regulations, its bankers, members and clients for their continued cooperation and support. Furthermore, the directors appreciate the valuable, loyal, and commendable services rendered to the company by its employees.



Chief Executive Officer

GENERAL
INVESTMENT & SECURITIES

"Subject to rules of the Exchange"

Head Office

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CEO STATEMENT AS PER REGULATION 9(a) OF ANNEXURE D READ WITH REGULATION 16(1) (f) OF THE SECURITIES BROKERS (LICENSING AND OPERATIONS) REGULATIONS 2016

I, Ozair Aslam Chaudhary CEO of General Investments & Securities (Pvt.) Limited "the company" hereby undertake that there were no transactions entered into by the company during the year ended June 30, 2023 which fraudulent, illegal, or in violation of any securities market laws.

Chief Executive Officer



GENERAL
INVESTMENT & SECURITIES

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Head Office

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STATEMENT OF COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE

The company has prepared a code of ethics and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.

Furthermore, the company is compliant with the requirements as mentioned in corporate governance code.

Chief Executive Officer



GENERAL
INVESTMENT & SECURITIES

Subject to rules of the Exchange

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DISCLOSURE OF CLIENTS SECURITIES HELD IN CDS

With respect to regulation 34(2)(a)

(i) the Company had dealt with the customers' assets received by it in accordance with the requirements of the Act.

(ii) the Company was maintaining separate bank accounts titled "Client accounts" with the banks and it was kept the money belonging to clients in those designated bank accounts.

(iii) shares belonging to the clients were kept in their respective sub accounts maintained with the Central Depository Company of Pakistan (CDC) and the shares belonging to the Company were kept in separate account with the CDC and proper records / documents were maintained in this respect.

(iv) Our Auditors also reviewed & prepared the "Client Assets Segregation Statement" for the management of the Company as at June 30, 2023 and found no inconsistency. The said statement was timely filed by the Company with PSX.


Chief Executive Officer



"Subject to rules of the Exchange"

Head Office

Office No. 205, 2nd Floor, ISE Towers 55-B, Jinnah Avenue, Blue Area, Islamabad Tel: 051-2894940-8 Fax: 051-2894950

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Branch Office

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