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**Review Report on Statement of Net Capital Balance
To the Chief Executive Officer of
Pasha Securities (Private) Limited (the Securities Broker)**

Introduction

We have reviewed the accompanying Statement of Net Capital Balance of **Pasha Securities (Private) Limited** (the Securities Broker) as at 31 December 2020 and notes to the Statement of Net Capital Balance (here-in-after referred to as the statement'). Management is responsible for the preparation of the statement in accordance with the requirements of the Second Schedule of the Securities Brokers (Licensing and Operations) Regulations, 2016 (the Regulations) issued by the Securities and Exchange Commission of Pakistan (SECP). Our responsibility is to express a conclusion on the statement based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' which applies to review of historical financial information performed by the independent auditor of the Securities Broker. A review of historical financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying statement is not prepared, in all material respects, in accordance with the requirements of Second Schedule of the Regulations.

Other Matter - Restriction on Distribution and Use

Our report is intended solely for **Pasha Securities (Private) Limited** (the Securities Broker), SECP, Pakistan Stock Exchange and National Clearing Company of Pakistan Limited and should not be distributed to any other parties. Our conclusion is not modified in respect of this matter.

HC



The engagement partner on the review of statement of net capital balance of "Pasha Securities (Private) Limited" for the year ended 31 December 2020, resulting in this review report is Iqbal Hussain.

Place: Islamabad

Date: 11 MAR 2021

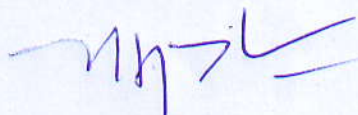
M. H. Chaudhary
CROWE HUSSAIN CHAUDHURY & CO.
(CHARTERED ACCOUNTANTS)



**PASHA SECURITIES (PRIVATE) LIMITED
STATEMENT OF NET CAPITAL BALANCE
AS AT DECEMBER 31, 2020**


Description	Note	2020 Rupees
<u>Current Assets</u>		
Cash and bank balances	2	25,200,094
Cash margin with National Clearing Company of Pakistan Limited	3	4,556,111
Trade receivables	4	127,271
Securities purchased for clients	5	2,707,154
Investment in listed securities		1,655,771
Total Current Assets		34,246,401
<u>Current Liabilities</u>		
Trade payables	6	12,255,736
Other liabilities	7	8,642,282
Total Current Liabilities		20,898,018
Net Capital Balance as at December 31, 2020		13,348,383

The annexed notes 1 to 8 form an integral part of this Statement.



Chief Executive





Director

PASHA SECURITIES (PRIVATE) LIMITED
NOTES TO THE STATEMENT OF NET CAPITAL BALANCE
AS AT DECEMBER 31, 2020

1 STATEMENT OF COMPLIANCE

- 1.1 This Net Capital Balance Statement is prepared in accordance with the requirements of the Regulation 6 and the Second Schedule of the Securities Brokers (Licensing and Operations) Regulations, 2016 read with Rule 2(d) of the Securities and Exchange Commission Rules, 1971 and SECP guidelines.
- 1.2 The accounting principles and methods of computation used in the preparation of this Statement of Net Capital Balance are the prevailing accounting policies of Pasha Securities (Private) Limited.
- 1.3 The valuation of current assets and current liabilities for the purposes of net capital balance has been determined on the basis of the following:

Description	Valuation Basis
Cash in hand or in bank	As per Book value
Cash margin with National Clearing Company of Pakistan Limited	As per Book value
Trade Receivables	Book value less those overdue for more than 14 days
Investment in the listed securities	Securities on the exposure list marked to market less 15% discount
Market Treasury Bills	At market value
Any other asset as may be specified by the commission	As per the valuation basis determined by the Commission
Trade Payables	Book value less overdue for more than 30 days
Other liabilities	As classified under generally accepted accounting principles

2 CASH AND BANK BALANCES

	Note	2020 Rupees
Cash in hand		7,479
Cash at Banks		
House Accounts	2.1	186,935
Client Accounts	2.2	25,005,680
		25,200,094
2.1 HOUSE ACCOUNTS		
JSBL House		22,841
BAFL House		164,094
		186,935
2.2 CLIENT ACCOUNTS		
JS Clients		23,475,833
BAFL Clients		1,529,847
		25,005,680

3 CASH DEPOSITED AS MARGIN WITH NCCPL

This represents cash deposited with National Clearing Company of Pakistan Limited against exposure margin deposits. Deposits held with PSX and NCCPL as basic deposits have not been included as per the clarification issued by the Securities and Exchange Commission of Pakistan (SECP).

4 TRADE RECEIVABLES

These are stated at cost less bad and doubtful debts (if any) and debts outstanding for more than 14 days.

Book Value	3,338,960
Less: overdue for more than 14 days	(3,211,689)
	127,271

PASHA SECURITIES (PRIVATE) LIMITED
NOTES TO THE STATEMENT OF NET CAPITAL BALANCE
AS AT DECEMBER 31, 2020

5 SECURITIES PURCHASED FOR CLIENTS

These are the securities, purchased for the customers and held by the broker where the payment has not been received within fourteen days.

6 TRADE PAYABLES

This represents balance payable against trading of shares less trade payables overdue for more than 30 days which has been included in other liabilities (refer to note: 7).

Trade payable	20,385,789
Less: Over due more than 30 days	<u>(8,130,053)</u>
	<u>12,255,736</u>

7 OTHER LIABILITIES

This represents current liabilities and trade payable which are overdue for more than 30 days. Other liabilities are stated as book value.

	2020 Rupees
Trade payables overdue for more than 30 days	8,130,053
Accrued and other payables	512,229
	<u>8,642,282</u>

8 GENERAL

8.1 This statement is prepared to meet the requirements of the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited, and National Clearing Company of Pakistan Limited. Therefore this statement may not be suitable for any other purpose and should not be distributed to parties other than Pasha Securities (Pvt) Limited (the Broker), SECP, PSX and NCCPL.

8.2 DATE OF ISSUANCE

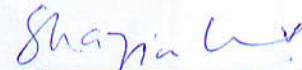
This statement is being authorized for issue on _____

11 MAR 2021



Chief Executive





Director