



AL Habib Capital Markets (Pvt) Ltd.

(A Subsidiary of Bank AL Habib Ltd.)

Statement of Net Capital Balance

As at 30 June 2018

(Excess of Current Assets over Current Liabilities determined in accordance with the requirements of Second Schedule of the Securities Broker (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 and Exchange Corporation of Pakistan (SECP).)

DESCRIPTION	VALUATION BASIS	Note	Sub Total ----- (Rupees) -----	Total
<u>CURRENT ASSETS</u>				
Cash in hand and bank balances	As per book value	2		54,407,258
Cash deposited as margin with National Clearing Company of Pakistan	As per book value	3		43,000,000
Trade receivables	As per book value Less: Overdue for more than 14 days	4	30,005,906 (1,861,471)	28,144,435
Investment in listed securities in the name of broker	At market value Less: Securities not in exposure list Less: Securities pledged against Regulatory requirement Less: Outstanding exposure demand as on 30 June 2018	5	96,284,835 - (9,670,500) (454,736)	86,159,599
	Less: Securities in exposure list marked to market less 15% discount		(12,923,940)	73,235,659
Securities purchased for customers	As per criteria in para 4.1 of clarification/guidelines			164,970
Market Treasury Bills	At market value	6		154,065,734
Total Current Assets				353,018,056
<u>CURRENT LIABILITIES</u>				
Trade payables	As per book value - trade base Less: Overdue for more than 30 days	7	98,019,136 (27,975,348)	70,043,788
Other liabilities	As per book value	8		32,222,830
Total Current Liabilities				102,266,618
Net Capital Balance as at 30 June 2018				250,751,438

The annexed notes 1 to 9 form an integral part of the statement.

Chief Executive Officer



Chief Financial Officer

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AL Habib Capital Markets (Pvt) Ltd.

Notes to the Statement of Net Capital Balance

For the period ended 30 June 2018

1. STATEMENT OF COMPLIANCE

- 1.1 The statement of net capital balance ("the statement") has been prepared in accordance with the requirements of Second Schedule of the Securities Broker (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 and Exchange Corporation of Pakistan (SECP).
- 1.2 The accounting policies and methods of computation used in the preparation of the statement of net capital balance are disclosed in the financial statements for the year ended 30 June 2018. Therefore this statement should be read in conjunction with the aforesaid financial statements.
- 1.3 The valuation of current assets and current liabilities for the purpose 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
Trade receivables	Book value less those overdue for more than fourteen
Investment in listed securities in the name of broker	Securities on the exposure list marked to market less discount.
Market Treasury Bills	At market value
Any other assets as specified by the Commission	As per the valuation basis as determined by the Commission.
Trade payables	Book value less those overdue for more than 30 days
Other liabilities	As classified under the generally accepted accounting principles.

2. CASH IN HAND AND BANK BALANCES

	Note	30 June 2018 (Rupees)
These are stated at book value.		
Cash in hand		29,811
Bank balances pertaining to:		
- Brokerage house - Current account		589,542
- Profit and loss sharing account		3,892,572
- Clients - current account		49,913,593
		<u>54,425,518</u>
Less: adjustment to restrict client account to client-wise / overall creditors	2.1	(18,260)
		<u><u>54,407,258</u></u>

- 2.1 The client's bank account balance amounting to Rs. 54,425,521 has been restricted to client wise trade payable balance on settlement base Rs. 54,407,258 for the purpose of Net Capital Balance in accordance with clause 1.5 A of clarification / guidelines issued by SECP on 08 September 2016.

3. CASH DEPOSITED AS MARGIN WITH NCCPL

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

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AL Habib Capital Markets (Pvt) Ltd.

4. TRADE RECEIVABLES

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

	30 June 2018 (Rupees)
Total receivable	30,005,906
Less: Outstanding for more than 14 days	1,861,471
Balance generated within 14 days and/or not yet due	<u>28,144,435</u>

5. INVESTMENTS IN LISTED SECURITIES IN THE NAME OF BROKER

30 June 2018		30 June 2018	
Shares	Name of investee	Carrying amount	Market value
		(Rupees)	
	Note		
253,000	The Hub Power Company Limited	24,920,159	23,316,480
128,100	Pakistan Petroleum Limited	24,700,784	27,528,690
87,000	Habib Bank Limited	16,845,387	14,480,280
300,000	Pakistan Stock Exchange Limited	8,479,238	5,925,000
7,500	Attock Petroleum Limited	4,617,590	4,424,925
32,000	Engro Corporation Limited	10,075,009	10,043,520
86,000	Engro Fertilizer Limited	4,840,047	6,442,260
88,000	Pioneer Cement Limited	4,984,574	4,123,680
		<u>99,462,788</u>	<u>96,284,835</u>

5.1 This includes 45,000 shares (2017 : Nil) pledged against Base Minimum Capital

6. MARKET TREASURY BILLS

These Treasury Bills have been valued at market value as prescribed in Rule 2 (d) of the Third Schedule of the Securities and Exchange Rules, 1971.

7. TRADE PAYABLES

This represents balances payable against trading of shares less trade payable balance overdue for more than 30 days which have been included in other liabilities (refer note 8).

8. OTHER LIABILITIES

These represents current liabilities, and trade payable, which are overdue for more than 30 days. Other liabilities are stated at book value.

The break up is as follows:

	30 June 2018 (Rupees)
- Accrued expenses	2,744,392
- Workers' Welfare Fund	509,179
- Other liabilities	807,429
- Sales tax and FED payable	186,482
- Trade payables overdue for more than 30 days	27,975,348
	<u>32,222,830</u>

DATE OF ISSUANCE

This statement was authorized for issued on 14 SEP 2018



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Chief Executive Officer



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Chief Financial Officer