



ANNUAL REPORT TO THE MEMBERS

We have audited the financial statements of Habib Ullah Sheikh (Private) Limited, which are set out on pages 1 to 10, and the related notes and annexes, comprising of the statement of financial position, statement of profit and loss, statement of cash flows and statement of changes in equity, with the notes thereto, for the year ended June 30, 2016, and we are pleased to report that they are in accordance with the accounting policies adopted by the company.

HABIB ULLAH SHEIKH (PVT) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2016

We have also audited the related income tax returns of Habib Ullah Sheikh (Private) Limited for the year ended June 30, 2016, and we are pleased to report that they are in accordance with the provisions of the Income Tax Ordinance, 2001, and the rules thereunder.

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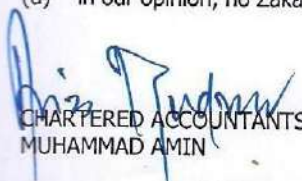
AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Habib Ullah Sheikh (Private) Limited** as at June 30, 2016 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 change in accounting policy as stated in note 3.1 to the annexed financial statements with which we concur;
 - (ii) the expenditure incurred during the year was for the purpose of the company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;
- (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 June 30, 2016 and of the loss, its comprehensive loss, 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
MUHAMMAD AMIN

Lahore: 07 SEP 2016

HABIB ULLAH SHEIKH (PVT) LIMITED
BALANCE SHEET
AS AT JUNE 30, 2016

Note	2016 Rupees	2015 Rupees (Re-stated)	2014 Rupees (Re-stated)
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ASSETS

NON CURRENT ASSETS

Property and equipment	5	2,843,275	3,178,904	3,547,197
Capital work in progress	6	2,192,320	2,192,320	2,192,320
Intangible assets	7	14,500,000	14,500,000	18,438,747
Long term investment	8	17,343,686	15,275,948	15,275,948
Long term deposits	9	941,000	2,341,000	2,311,000
Deferred taxation -Net				79,242
		<u>37,820,281</u>	<u>37,488,171</u>	<u>41,844,454</u>

CURRENT ASSETS

Account receivables	10	1,838,795	13,104,309	5,038,520
Investment at fair value through profit and loss	11	9,892,644	18,575,300	11,804,565
Trade deposits ,short term prepayments and current account balance with statutory authorities	12	1,187,531	402,555	429,533
Other recievables		102,215	-	-
Cash and bank balances	13	34,823,738	34,930,741	39,880,555
		<u>47,844,923</u>	<u>67,012,904</u>	<u>57,153,173</u>
		<u>85,665,204</u>	<u>104,501,076</u>	<u>98,997,627</u>

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Share capital	14	45,300,000	45,300,000	45,300,000
Accumulated profit		18,924,653	21,815,075	23,928,594
Fair value adjustment reserve		382,433	(1,685,306)	(1,685,306)
		<u>64,607,086</u>	<u>65,429,770</u>	<u>67,543,289</u>

NON CURRENT LIABILITIES

Deferred taxation	15	17,448	207,711	-
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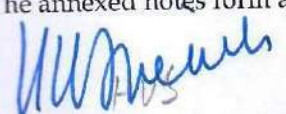
CURRENT LIABILITIES

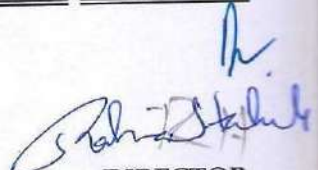
Trade and other payables	16	21,040,670	38,863,595	31,454,338
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CONTINGENCIES AND COMMITMENTS

	17	-	-	-
		<u>85,665,204</u>	<u>104,501,076</u>	<u>98,997,627</u>

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


CHIEF EXECUTIVE


DIRECTOR

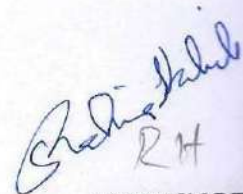
ABIB ULLAH SHEIKH (PVT) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2016

	Note	2016 Rupees	2015 Rupees	2014 Rupees
Brokerage and commission	18	5,171,079	6,293,002	5,064,917
Capital gain/(loss) on marketable securities		(995,181)	(6,211,099)	2,210,789
		4,175,898	81,903	7,275,706
Direct cost	19	1,174,753	2,144,206	209,816
		3,001,145	(2,062,303)	7,065,890
Operating expenses	20	7,250,728	7,209,941	7,079,145
OPERATING LOSS		(4,249,583)	(9,272,244)	(13,255)
Other operating income/(expenses)	21	1,451,381	11,935,130	4,427,320
Finance cost	22	24,375	19,603	3,856
Impairment loss - TREC		-	3,938,747	-
PROFIT/(LOSS) BEFORE TAXATION		(2,822,577)	(1,295,464)	4,410,208
Taxation	23	67,846	818,056	417,688
PROFIT/(LOSS) FOR THE YEAR		<u>(2,890,423)</u>	<u>(2,113,520)</u>	<u>3,992,520</u>
EARNING/(LOSS) PER SHARE- BASIC AND DILUTED	24	<u>(63.81)</u>	<u>(46.66)</u>	<u>88.14</u>

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


HVS

CHIEF EXECUTIVE


R H

DIRECTOR

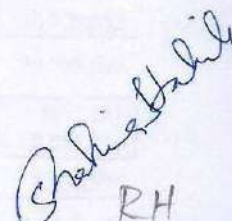
HABIB ULLAH SHEIKH (PVT) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2016

	2016 Rupees	2015 Rupees (Re-stated)	2014 Rupees (Re-stated)
Profit/(Loss) for the year	(2,890,423)	(2,113,520)	3,992,520
Items that will not be reclassified subsequently to profit and loss account	-	-	-
Items that may be reclassified subsequently to profit and loss account			
Gain/(Loss) on revaluation of available for sale investment	2,067,739	-	(1,685,306)
Other comprehensive income/(loss) for the year	2,067,739	-	(1,685,306)
Total comprehensive income/(loss) for the year	<u>(822,684)</u>	<u>(2,113,520)</u>	<u>2,307,214</u>

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


HUS

CHIEF EXECUTIVE


RH
DIRECTOR

HABIB ULLAH SHEIKH (PVT) LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2016

	Note	2016 Rupees	2015 Rupees	2014 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(Loss) before taxation		(2,822,577)	(1,295,464)	4,410,207
Adjustments of items not involving movements of cash:				
Depreciation	5	528,829	574,593	669,351
Dividend income		(1,357,481)	(1,249,213)	(1,922,994)
Bad debts		-	10,887	33,402
Mark - up / Interest income		(2,200,857)	(3,021,161)	(2,014,716)
Impairment		-	3,938,747	-
Balances written back		(73,615)	-	-
Balances written off		1,202,965	-	69,873
Gain on remeasurement of short term investment	11	1,230,608	(5,498,068)	(84,615)
		(669,551)	(5,244,216)	(3,249,699)
Operating cash Flows Before Working capital changes		(3,492,128)	(6,539,680)	1,160,508
(Increase) / Decrease in Working Capital				
(Increase) / decrease in current assets		10,062,549	(8,076,676)	(1,388,170)
Account receivables		(555,696)	5,265	
Trade deposits and short term prepayments		(102,215)		
Other recievables		7,452,048	(1,272,667)	
Short term investment		(17,749,310)	7,409,257	15,117,502
Increase / (decrease) in current liabilities		(892,624)	(1,934,821)	13,729,332
Trade and other payables		(4,384,752)	(8,474,501)	14,889,840
Cash Generated From Operations		(487,389)	(509,389)	(481,121)
Taxes paid		2,200,857	3,021,161	2,014,716
Mark - up / Interest Received		1,713,468	2,511,773	1,533,595
Net cash Flows From Operating Activities		(2,671,284)	(5,962,728)	16,423,435
CASH FLOWS FROM INVESTING ACTIVITIES				
Fixed capital expenditure		(193,200)	(206,300)	(131,750)
Long term deposits		1,400,000	(30,000)	(2,222,320)
Dividend income received		1,357,481	1,249,213	1,922,994
Net cash Flows From Investing Activities		2,564,281	1,012,913	(431,076)
CASH FLOWS FROM FINANCING ACTIVITIES				
Net Cash Flows From Financing Activities		-	-	(69,579,516)
Purchase of short term investment		-	-	70,662,906
Proceeds from sale of short term investments		-	-	1,083,390
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(107,003)	(4,949,815)	17,075,749
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		34,930,741	39,880,555	22,804,806
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	A	34,823,738	34,930,741	39,880,555
A Cash and Cash Equivalents				
Cash and bank balances	13	34,823,738	34,930,741	39,880,555
		34,823,738	34,930,741	39,880,555

The annexed notes form an integral part of these financial statement.
HVS
CHIEF EXECUTIVE

Signature
RA
DIRECTOR

HABIB ULLAH SHEIKH (PVT) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2016

	Paid up capital	Acumulated profit	Fair value adjustment reserve	Total
	----- (R u p e e s) -----			
Balance as at June 30, 2013	45,300,000	19,936,075	-	65,236,075
Profit after taxation	-	3,992,520	-	3,992,520
Other comprehensive loss	-	-	(1,685,306)	(1,685,306)
Total comprehensive income for the year	-	3,992,520	(1,685,306)	2,307,214
Balance as at June 30, 2014-Restated	45,300,000	23,928,595	(1,685,306)	67,543,289
Loss after taxation	-	(2,113,520)	-	(2,113,520)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	-	(2,113,520)	-	(2,113,520)
Balance as at June 30, 2015-Restated	45,300,000	21,815,075	(1,685,306)	65,429,769
Loss after taxation	-	(2,890,423)	-	(2,890,423)
Other comprehensive income	-	-	2,067,739	2,067,739
Total comprehensive loss for the year	-	(2,890,423)	2,067,739	(822,684)
Balance as at June 30, 2016	45,300,000	18,924,653	382,433	64,607,086

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

CHIEF EXECUTIVE

DIRECTOR

HABIB ULLAH SHEIKH (PVT) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

1 COMPANY AND ITS OPERATION

The company was incorporated as Private Limited Company on May 30, 2006 under the Companies Ordinance, 1984. The registered office of the Company is situated at Room # 213, 2nd Floor, Lahore Stock Exchange Building, 19- Khayaban-e-Aiwan-e-Iqbal, Lahore.

The company is Trading Right Entitlement Certificate (TREC) Holder of Pakistan Stock Exchange. The Principle activity of the Company is financial consultancy, brokerage, underwriting, portfolio management / acquisition of securities and securities research.

2 BASIS OF 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) issued by the International Accounting Standards Board (IASB) as notified under the provisions of 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 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these IFRSs, the requirements of Companies Ordinance, 1984 or the requirements of the said directives issued by the SECP take precedence.

2.2 ACCOUNTING CONVENTION

These financial statements have been prepared under the historical cost convention except as stated hereafter in the relevant accounting policies. Further accrual basis of accounting is followed in the preparation of these financial statements except for cash flow information.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in Pakistani Rupee, which is the company's functional and presentation currency.

2.4 JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.5 AMENDMENTS / INTERPRETATION TO EXISTING STANDARD AND FORTHCOMING REQUIREMENTS

2.5.1 Amendments to published standards that are effective in current year but not relevant to the Company.

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2015 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

2.5.2 Standards and amendments to published approved accounting standards that are not yet effective but relevant to the Company

The following standards and amendments to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 01 July 2016 or later periods:

- Amendments to IAS 38 Intangible Assets and IAS 16 Property, Plant and Equipment (effective for annual periods beginning on or after 1 January 2016) introduce severe restrictions on the use of

revenue-based amortization for intangible assets and explicitly state that revenue-based methods of depreciation cannot be used for property, plant and equipment. The rebuttable presumption that the use of revenue-based amortization methods for intangible assets is inappropriate and can be overcome only when revenue and the consumption of the economic benefits of the intangible asset are 'highly correlated', or when the intangible asset is expressed as a measure of revenue.

- Amendments to IAS 12 'Income Taxes' are effective for annual periods beginning on or after 1 January 2017. The amendments clarify that the existence of a deductible temporary difference depends solely on a comparison of the carrying amount of an asset and its tax base at the end of the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset. The amendments are not likely to have an impact on Company's financial statements.
- Amendments to IAS 7 'Statement of Cash Flows' are part of IASB's broader disclosure initiative and are effective for annual periods beginning on or after 1 January 2017. The amendments require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes.
- IFRS 7 'Financial Instruments- Disclosures'. IFRS 7 is amended to clarify when servicing arrangements on continuing involvement in transferred financial assets in cases when they are derecognized in their entirety are in the scope of its disclosure requirements. IFRS 7 is also amended to clarify that additional disclosures required by 'Disclosures: Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS7)' are not specifically required for inclusion in condensed interim financial statements for all interim periods.

The above amendments are not likely to have a material impact on Company's financial statements.

2.5.3 Standard and amendments to published standards that are not yet effective and not considered relevant to the company

There are other standard and amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2016 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 CHANGE IN ACCOUNTING POLICY

During the year, the company has changed its accounting policy in respect of treatment of available for sale investment as explained in note no. 8 to the financial statements.

3.2 PROPERTY AND EQUIPMENT AND DEPRECIATION

Property and equipment are stated at cost less accumulated depreciation.

Depreciation is charged on reducing balance method at the rates mentioned in the note no. 5. Depreciation on addition is charged from the month the asset is available for use while no depreciation is charged in the month in which the asset is disposed off.

Normal repair and maintenance is charged to revenue as and when incurred, while major renewals and replacement are capitalized.

Gain or loss on disposal of property and equipment, if any is taken to profit and loss account.

3.3 INTANGIBLE ASSETS

Intangible assets with finite useful life are stated at cost less amortization and impairment, if any. The carrying amount is reviewed at each balance sheet date to assess whether it is in excess of its recoverable amount, and where carrying value exceeds estimated recoverable amount, it is written down to estimated recoverable amount.

3.4 FINANCIAL ASSETS

Financial assets are classified in the following categories: Held-to-maturity, at fair value through profit or

loss, available-for-sale and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. The company determines the classification of its financial assets at initial recognition and, where allowed and appropriate, re-evaluates the designation at each balance sheet date.

3.4.1 Held to Maturity

The investments with fixed maturity, if any, that the company has to positive intent and ability to hold to maturity. Held to maturity investments are initially measured at fair value plus transaction costs and are subsequently stated at amortized cost using the effective interest rate method less impairment, if any. These are classified as current and non-current assets in accordance with criteria set out by IFRSs.

3.4.2 At fair value through profit and loss

Investments classified as held for trading are included in the category of financial assets at fair value through profit and loss. These are listed securities that are acquired principally for the purpose of generating a profit from short term fluctuations in price or dealer's margin.

All investments are initially recognized at cost, being the fair value of the consideration given excluding acquisition charges with the investment. After initial recognition, investments are measured at their fair values. Unrealized gains and losses on investments are recognized in profit and loss account of the period.

Fair values of these securities representing listed equity and debt securities are determined by reference to stock exchange quoted market prices at the close of the business on balance sheet date.

3.4.3 Available-for-sale

Investments which are intended to be held for an undefined period of time but may be sold in response to the need for liquidity or changes in interest rates are classified as available-for-sale.

Subsequent to initial recognition at cost, these are premeasured at fair value. The Company uses latest stock exchange quotations to determine the fair value of its quoted investments whereas fair value of investments in un-quoted companies is determined by applying the appropriate valuation techniques as permissible under IAS 39 (Financial Instruments: Recognition and Measurement). Gains or losses on available-for-sale investments are recognized directly in other comprehensive income until the investments are sold or disposed-off, or until the investments are determined to be impaired, at that time cumulative gain or loss previously recognized in other comprehensive income, is re-classified from equity to profit and loss as re-classification adjustment.

3.5 TRADE DEBTS AND OTHER RECIEVABLES

Trade debts and other receivables are recognized initially at cost which is the fair value of consideration to be received less provision for doubtful debts, if any. A provision for doubtful debt is established when there is an objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. Trade debts and other receivables considered irrecoverable are written off.

3.6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are carried in the balance sheet at fair value. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand, balances at banks in current and deposit accounts and short term running finances with bank.

3.7 SHARE CAPITAL

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



3.8 TAXATION

Current

Provision for current taxation is based on taxable income at the applicable rates of taxation after taking into account tax credits and tax rebates available, if any, minimum tax or alternative corporate tax u/s 113 of the Income Tax Ordinance, 2001, whichever is higher.

Deferred

The company accounts for deferred taxation using the liability method on all timing differences which are considered reversible in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilized.

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

3.9 TRADE AND OTHER PAYABLES

Trade and other payables are carried at cost, which is the fair value of the consideration to be paid, in the future for goods and services received.

3.10 PROVISIONS

Provisions are recognized when the company has a legal or constructive obligation as a result of past events and it is probable that an out flow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Contingent assets are not recognized and are also not disclosed unless an inflow of economic benefits is probable and contingent liabilities are not recognized and are disclosed unless the probability of an outflow of resources embodying economic benefits is remote.

3.11 IMPAIRMENT

The Company assesses at each reporting date whether there is any indication that operating fixed assets may be impaired. If such an indication exists, the carrying amounts of the related assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amounts, assets are written down to their recoverable amounts and the resulting impairment loss is charged to the profit and loss account. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

3.12 OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

A financial asset and a financial liability is only offset and the net amount is reported in the balance sheet date, where there is a legal enforceable right to set off the recognized amount and the company intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses arising from such assets and liabilities are also accordingly offset.

3.13 REVENUE RECOGNITION

- Brokerage, consultancy and advisory fees are recognized as and when services are provided.
- Capital gains or losses on sale of marketable securities are accounted for the year in which they arise.
- Dividend income is recorded when the right to receive the dividend is established .
- Interest income is recognized on time proportion basis using effective interest rates.
- Other revenues are recorded, as and when due, on accrual basis.

3.14 BASIC AND DILUTED EARNINGS PER SHARE

The Company presents basic and diluted earnings per share (EPS) for its shareholders. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

3.15 RELATED PARTY TRANSACTIONS

Transactions and contracts with the related parties are carried out at an arm's length price determined in accordance with comparable uncontrolled price method.

4 RELATED PARTY TRANSACTIONS

Transactions with related parties have been disclosed in the relevant notes to the financial statements except that commission earned from related parties i.e. directors and shareholders during the year was amounting Rs. 614,385 (2015: Rs. 377,185).

5 PROPERTY AND EQUIPMENT

Particulars	Cost			Depreciation				WDV
	As at June 30, 2015	Additions	As at June 30, 2016	Rate %	As at June 30, 2015	Charge for the year	As at June 30, 2016	As at June 30, 2016
OWNED								
Furniture and fittings	719,154	-	719,154	15	536,797	27,354	564,151	155,003
Vehicles	3,834,900	110,000	3,944,900	15	1,365,695	378,806	1,744,501	2,200,399
Office equipment	814,850	-	814,850	15	507,826	46,054	553,880	260,970
Computers	580,667	83,200	663,867	30	360,300	76,615	436,965	226,902
Rupees	5,949,571	193,200	6,142,771		2,770,668	528,829	3,299,497	2,843,275
2015 Rupees	5,743,271	206,300	5,949,571		2,196,074	574,593	2,770,667	3,178,904
2014 Rupees	5,758,371	131,750 (146,850)	5,743,271		1,603,700	669,351 (76,977)	2,196,074	3,547,197

6 CAPITAL WORK IN PROGRESS

	2016 Rupees	2015 Rupees	2014 Rupees
Advance for purchase of room - LSE Financial Services Limited	2,192,320	2,192,320	2,192,320
	2,192,320	2,192,320	2,192,320

	Note	2016 Rupees	2015 Rupees	2014 Rupees
7 INTANGIBLE ASSETS				
Trading right entitlement certificate (TREC)	7.1	4,100,000	4,100,000	8,038,747
Rights of room		10,000,000	10,000,000	10,000,000
Membership in Royal Palm		400,000	400,000	400,000
		<u>14,500,000</u>	<u>14,500,000</u>	<u>18,438,747</u>

- 7.1 It represents Trading Right Entitlement Certificate (TREC) received from the Pakistan Stock Exchange Limited without any additional payment, in lieu of TREC issued by the Lahore Stock Exchange Limited, surrendered on, January 10, 2016 on the consequence of Scheme(s) of Integration approved by the Securities and Exchange Commission of Pakistan vide Order No. 01/2016 dated January 11, 2016 under regulation 6 (8) of the Stock Exchange (Corporatization, Demutualization and Integration) Regulations, 2012. The Trading Right entitlement certificate is pledged/mortgaged with the Pakistan Stock Exchange Limited as a collateral for running the brokerage business and to meet partly, the Base Minimum Capital Requirement.

	Note	2016 Rupees	2015 Rupees (Re-stated)	2014 Rupees (Re-stated)
8 LONG TERM INVESTMENT				
Available for sale investment				
Unquoted - Shares of LSE Financial Services Limited (Formerly: Lahore Stock Exchange Limited)				
Cost as at July 01,		16,961,253	16,961,253	16,961,253
Fair value adjustment		<u>382,433</u>	<u>(1,685,306)</u>	<u>(1,685,306)</u>
	8.1	<u>17,343,686</u>	<u>15,275,948</u>	<u>15,275,948</u>

- 8.1 Pursuant to the promulgation of the Stock Exchanges (Corporation, Demutualization and Integration) Act, 2012 (The Act), The Lahore Stock Exchange Limited, now LSE Financial Services Limited allotted 843,975 shares of the face value of Rs. 10 each to the TREC holder. All shares are held in freeze status in the respective CDC sub-account of the TREC holder. The divestment of the same will be made in accordance with the requirements of the Act within one year from the date of Scheme(s) of Integration approved by the Securities and Exchange Commission of Pakistan vide Order No. 01/2016 dated January 11, 2016 under regulation 6 (8) of the Stock Exchange (Corporatization, Demutualization and Integration) Regulations, 2012. The Company has pledged 843,975 shares of LSE Financial Services Limited with the Pakistan Stock Exchange to fulfill the Base Minimum Capital requirement.

The valuation of the aforementioned entity carried out the by the valuer after considering the latest available financial information, recent market development, effect of integration and new scope of business to be carried by LSE Financial Services Limited.

The company has changed its accounting policy in respect of "Available for Sale Investment" from cost to fair value. The relevant adjustment has been made retrospectively as per International Accounting Standard 8 "Accounting Policies, Changes in Accounting Estimates and Errors". Further, there was no effect on earning per share in consequence of change in accounting policy.



9 LONG TERM DEPOSITS

Deposits with:

Lahore Stock Exchange Limited
Pakistan Stock Exchange Limited
National Clearing Company
Others

2016 Rupees	2015 Rupees	2014 Rupees
381,000	1,881,000	1,881,000
200,000	-	-
300,000	300,000	300,000
60,000	160,000	130,000
<u>941,000</u>	<u>2,341,000</u>	<u>2,311,000</u>

10 ACCOUNTS RECEIVABLES

These are receivable against purchase of shares on behalf of client and commission charged thereof and these are secured to the extent of margin maintained with the TREC holder. Further, these are considered good by the management of the company.

2016 Rupees	2015 Rupees	2014 Rupees
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11 INVESTMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS

Investment - listed companies
Cost

Gain/(loss) on remeasurement of fair value of investment as at June 30,

11,123,252	13,077,232	11,719,950
(1,230,608)	5,498,068	84,615
<u>9,892,644</u>	<u>18,575,300</u>	<u>11,804,565</u>

12 TRADE DEPOSITS, SHORT TERM REPAYMENTS AND CURRENT ACCOUNT BALANCE WITH STATUTORY AUTHORITIES

Deposits with:

National Clearing Company
Pakistan Stock Exchange

Prepayments
Tax deducted source

531,677	-	-
28,785	-	-
560,462	-	-
18,679	23,444	28,708
608,390	379,111	400,825
<u>1,187,531</u>	<u>402,555</u>	<u>429,533</u>

13 CASH AND BANK BALANCES

These were held as under:

Cash in hand
Cash at banks in:
-Current accounts
-Saving account
-Running finance

13.1

78,103	11,474	1,640
1,049,203	231,128	39,878,915
33,695,682	34,688,139	-
750	-	-
34,745,635	34,919,267	39,878,915
<u>34,823,738</u>	<u>34,930,741</u>	<u>39,880,555</u>

13.1 The company had been sanctioned a running finance limit amounting Rs.20 Million by the Habib Bank Limited, Stock Exchange Branch, Lahore. It was secured by pledge of proprietary shares registered with CDC and personal guarantee of the directors. It carried mark up at the rate of three months average KIBOR plus 300 bps p.a. This facility has been expired during the year.

	Note	2016 Rupees	2015 Rupees	2014 Rupees
14 SHARE CAPITAL				
Authorized				
100,000 (2015:100,000) ordinary shares of Rs.1,000/- each		<u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>
Issued, subscribed and paid up				
45,300 (2015:45,300) ordinary shares of Rs.1,000/- each fully paid in cash		<u>45,300,000</u>	<u>45,300,000</u>	<u>45,300,000</u>
15 DEFERRED TAXATION				
Deferred credits/(debits) arising due to:				
Accelerated tax depreciation		130,998	207,711	131,553
Short term investment		-	-	(210,795)
Brought forward losses		(113,550)	-	-
		<u>17,448</u>	<u>207,711</u>	<u>(79,242)</u>
Balance as at July 01,		207,711	(79,242)	(15,809)
Add: charge/(reversal) for the year		<u>(190,263)</u>	<u>286,953</u>	<u>(63,433)</u>
		<u>17,448</u>	<u>207,711</u>	<u>(79,242)</u>
16 TRADE AND OTHER PAYABLES				
Creditors for sale of shares on behalf of clients	16.1	20,711,461	38,529,818	31,260,366
Accrued expense		109,291	319,263	127,125
Income tax payable		-	-	51,614
Other payable		<u>219,918</u>	<u>14,514</u>	<u>15,233</u>
		<u>21,040,670</u>	<u>38,863,595</u>	<u>31,454,338</u>
16.1 This includes amounting Rs.2,889,055 (2015: Rs.2,551,454) payable to related parties i.e. directors and shareholders of the company against sale of shares and commission earned includes amounting Rs.614,385 (2015: Rs.377,185) from the aforementioned parties as referred to note no. 18 to the financial statements.				
17 CONTINGENCIES AND COMMITMENTS				
Contingencies and commitments are Rs.nil (2015: Rs.nil)				
		2016 Rupees	2015 Rupees	2014 Rupees
18 BROKERAGE AND COMMISSION				
Commission income		<u>5,171,079</u>	<u>6,293,002</u>	<u>5,064,917</u>
19 DIRECT COST				
Commission paid		805,382	1,781,009	-
National Clearing Company trade fee		102,046	144,255	-
Central Depository Company charges		229,544	215,961	209,816
SECP fee		4,218	90	-
Pakistan Stock Exchange expense		18,262	-	-
Lahore Stock Exchange expenses		<u>15,301</u>	<u>2,891</u>	<u>-</u>
		<u>1,174,753</u>	<u>2,144,206</u>	<u>209,816</u>

17

	Note	2016 Rupees	2015 Rupees	2014 Rupees
20 OPERATING EXPENSES				
Directors' remuneration		1,500,000	1,500,000	1,500,000
Staff salaries and benefits		3,641,000	3,225,104	3,177,624
Rent, rates and taxes		33,074	32,909	-
Communication expenses		227,434	243,430	270,634
Utility charges		195,286	207,214	149,240
Postage and courier charges		34,713	28,798	-
Printing and stationery		96,126	38,558	50,831
Repair and maintenance		230,186	225,584	76,508
Insurance		84,316	104,117	127,330
Legal and professional charges		137,375	110,000	142,600
Fee and subscription		128,635	73,085	196,284
Charity and donation		1,300	1,200	1,200
Books and newspapers		5,012	25,113	36,452
Entertainment		129,263	172,528	187,824
Travelling expenses		249,880	446,228	391,341
Depreciation	5	528,829	574,593	669,351
Assets written off		-	-	69,873
Others		28,299	201,480	32,053
		<u>7,250,728</u>	<u>7,209,941</u>	<u>7,079,145</u>
21 OTHER OPERATING INCOME/(EXPENSES)				
Income from financial assets				
Dividend income		1,357,481	1,249,213	1,922,994
Profit/(loss) on future		(314,381)	1,746,665	-
Mark-up / Interest income		2,200,857	3,021,161	2,014,716
Surplus / (Deficit) on remeasurement of investment at fair value through profit or loss - Net		(1,230,608)	5,498,068	84,616
Income from assets other than financial assets				
Account opening fee		9,000	12,000	11,000
Account maintenance and custody fee		558,382	418,909	427,395
Balances written off		(1,202,965)	(10,887)	(33,402)
Balances written back		73,615	-	-
		<u>1,451,381</u>	<u>11,935,129</u>	<u>4,427,319</u>
22 FINANCE COST				
Bank charges		24,375	19,603	3,856
		<u>24,375</u>	<u>19,603</u>	<u>3,856</u>
23 TAXATION				
Income tax:				
-Current		251,607	453,461	481,121
-Prior year		6,502	77,642	-
-Deferred		(190,263)	286,953	(63,433)
		<u>67,846</u>	<u>818,056</u>	<u>417,688</u>

23.1 Income tax assessment of the Company have been finalized up to tax year 2015.

32 No numeric tax rate reconciliation is presented in these financial statements as the company is either liable to pay tax under final tax regime or minimum tax us 113 of Income Tax Ordinance 2001.

24 EARNING/(LOSS) PER SHARE- BASIC AND DILUTED

	2016	2015	2014
Profit/(Loss) for the year-Rupees	<u>(2,890,423)</u>	<u>(2,113,520)</u>	<u>3,992,520</u>
Weighted average number of ordinary shares outstanding during the year-Numbers	<u>45,300</u>	<u>45,300</u>	<u>45,300</u>
Earning/ (Loss) per share-Rupees	<u>(63.81)</u>	<u>(46.66)</u>	<u>88.14</u>

25 NUMBER OF EMPLOYEES

	2016	2015	2014
	(N u m b e r)		
Total number of employees at the end of year	<u>10</u>	<u>10</u>	<u>10</u>
Average number of employees at the year end	<u>10</u>	<u>10</u>	<u>10</u>

26 REMUNERATION TO CHIEF EXECUTIVE AND DIRECTORS

The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits to the chief executive and directors of the company is as follows:

	2016		
	-----Rupees-----		
	Chief Executive	Director	Total
Managerial Remuneration	<u>750,000</u>	<u>750,000</u>	<u>1,500,000</u>
Number of persons	<u>1</u>	<u>1</u>	<u>2</u>
	2015		
	-----Rupees-----		
	Chief Executive	Director	Total
Managerial Remuneration	<u>750,000</u>	<u>750,000</u>	<u>1,500,000</u>
Number of persons	<u>1</u>	<u>1</u>	<u>2</u>
	2014		
	-----Rupees-----		
	Chief Executive	Director	Total
Managerial Remuneration	<u>750,000</u>	<u>750,000</u>	<u>1,500,000</u>
Number of persons	<u>1</u>	<u>1</u>	<u>2</u>

12

27 FINANCIAL INSTRUMENTS BY CATEGORY

	2016 Rupees	2015 Rupees
Financial assets and financial liabilities		
Financial assets		
Financial instruments- available for sale		
Long term investment	<u>17,343,686</u>	<u>15,275,948</u>
Investment at fair value through profit and loss	<u>9,892,644</u>	<u>18,575,300</u>
Loans and receivables		
Long term deposits	941,000	2,341,000
Trade debts	1,838,795	13,104,309
Other receivables	102,215	-
Trade deposits and other receivables	560,462	-
Cash and bank balances	<u>34,823,738</u>	<u>34,930,741</u>
	<u>38,266,209</u>	<u>50,376,050</u>
Financial liabilities		
Financial liabilities at amortized cost		
Trade and other payables	<u>21,040,670</u>	<u>38,863,595</u>

28 FINANCIAL RISK MANAGEMENT

28.1 The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (interest/mark-up rate risk and price risk). The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Overall, risks arising from the company's financial assets and liabilities are limited. The Company consistently manages its exposure to financial risk without any material change from previous periods in the manner described in notes below.

The company's exposure to financial risks, the way these risks affect revenues, expenses, assets, liabilities and forecast transactions of the company and the manner in which each of these risks are managed is as follows:

a) 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.

Exposure to Credit Risk

Credit risk of the Company arises from deposits with banks and financial institutions, trade debts, short term loans, deposits, receivable / payable against sale of securities 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 net 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 management, as part of risk management policies and guidelines, reviews clients' financial position, considers past experience, obtain authorized approvals and arrange for necessary collaterals in the form of equity securities to reduce credit risks and other factors. Further, credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings.

The carrying amount of financial assets represent the maximum credit exposure at the reporting date,

A

which are detailed as follows:

	Note	2016 Rupees	2015 Rupees
Long term investment		17,343,686	15,275,948
Long term deposits		941,000	2,341,000
Trade debts	28.1.1	1,838,795	13,104,309
Short term deposits		560,462	-
Other Recievable		102,215	-
Bank balances	28.1.2	34,745,635	34,919,267
		<u>55,531,792</u>	<u>65,640,524</u>

28.1.1 The maximum exposure to credit risk for trade debts is due from local clients and the aging of trade debts at the reporting date was:

	2016 Rupees	2015 Rupees
The aging of trade debts at the reporting date was:		
Upto 1 month	1,576,615	11,235,864
1 to 6 months	254,454	1,813,385
More then 6 months	7,726	55,060
	<u>1,838,795</u>	<u>13,104,309</u>

28.1.2 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate exposure is significant in relation to the Company's total 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.

Geographically there is no concentration of credit risk.

The credit quality of Company's liquid funds can be assessed with reference to external credit ratings as follows:

	Note rating	2016 Rupees	2015 Rupees
Cash at banks	A1+	34,718,090	34,913,393
	A1	<u>27,545.00</u>	<u>5,874</u>
		<u>34,745,635</u>	<u>34,919,267</u>

b) Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. The following are the contractual maturities of financial liabilities, including expected interest payments and excluding the impact

of netting agreements:

2016			
Carrying Amount	Contractual Cash Flows	Maturity Upto One Year	Maturity After One Year

-----R u p e e s-----

Trade and other payables

21,040,670	21,040,670	21,040,670	-
------------	------------	------------	---

2015			
Carrying Amount	Contractual Cash Flows	Maturity Upto One Year	Maturity After One Year

-----R u p e e s-----

Trade and other payables

38,863,595	38,863,595	38,863,595	-
------------	------------	------------	---

Liquidity Risk Management

The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The company monitors cash flow requirements and produces cash flow projections for the short and long term. Typically, the company ensures that it has sufficient cash on demand to meet expected operational cash flows, including serving of financial obligations. This includes maintenance of balance sheet liquidity ratios, debtors and creditors concentration both in terms of overall funding mix and avoidance of undue reliance on large individual customer. Further, the company has the support of its sponsors in respect of any liquidity shortfalls.

c) Market Risk

Market risk means that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and equity prices. The objective is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises of three types of risk: foreign exchange or currency risk, interest / mark up rate risk and price risk. The market risks associated with the Company's business activities are discussed as under:

i) Foreign Currency Risk

Foreign currency risk arises mainly where receivables and payables exist due to transaction in foreign currency. Currently, the Company is not exposed to currency risk since there are no foreign currency transactions and balances at the reporting date.

ii) Price Risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest/ mark up 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 or similar financial instruments traded in the market. Presently, daily stock market fluctuation is controlled by government authorities with cap and floor of 5%. The restriction of floor prices reduces the volatility of prices of equity securities and the chances of market crash at any moment. The Company manages price risk by monitoring the exposure in quoted equity securities and implementing the strict discipline in internal risk management and investment policies, which includes disposing of its own equity investment and collateral held before it led the company to incur significant mark to market and credit losses. The Company is exposed to equity price risk since it has investments in quoted equity securities and also the company holds collaterals in the form of equity securities against their debtor balances at the reporting date.

Sensitivity Analysis

The table below summarizes Company's equity price risk as of 30 June 2016 and 2015 and shows the effects of a hypothetical 10% increase and a 10% decrease in market prices of investments through profit and loss as at the year end reporting dates. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Indeed, results could be worse because of the nature of equity markets and the aforementioned concentrations existing in Company's equity investment portfolio.

	Fair Value Rupees	Hypothetical Price Change	Estimated Fair Value After Hypothetical Change In Price Rupees	Hypothetical Increase/(De crease) in Share Holders' Equity Rupees
June 30, 2016	9,892,644	10% increase	10,881,908	989,264
		10% decrease	8,903,380	(989,264)
June 30, 2015	18,575,300	10% increase	20,432,830	1,857,530
		10% decrease	16,717,770	(1,857,530)

iii) Interest Rate Risk

Interest / mark-up rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest / mark-up rates. Sensitivity to interest / mark up rate risk arises from mismatches of financial assets and liabilities that mature or re-price in a given period. The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted.

Sensitivity Analysis

The company is exposed to interest rate risk in respect of its variable rate instruments. A 100 basis points increase in variable interest rates would have Increased profit by Rs. 336,957.(2015: Rs. 346,881.) A 100 basis points decrease in variable interest rate would have had an equal but opposite impact on profit. This sensitivity analysis is based on assumption that all variables, with the exception of interest rates, remain unchanged.

28.2 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The estimated fair value of all financial assets and liabilities is considered not significantly different from book values as the items are either short - term in nature or periodically reprised.

International Financial Reporting Standard 13, 'Financial Instruments : Disclosure' requires the company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used

in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- 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 2) ; and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

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 categorized:

		2016		
		Level 1	Level 2	Level 3
		-----Rupees-----		
Financial assets				
Investment at fair value through profit and loss		9,892,644	-	-
Investments available for sale		-	17,343,686	-
		<u>9,892,644</u>	<u>17,343,686</u>	<u>-</u>
		2015		
		Level 1	Level 2	Level 3
		-----Rupees-----		
Financial assets				
Investment at fair value through profit and loss		18,575,300	-	-
Investments available for sale		-	15,275,948	-
		<u>18,575,300</u>	<u>15,275,948</u>	<u>-</u>

28.2 Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to remain as a going concern and continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company has a gearing ratio of 0% (2015: 0%) as at the balance sheet date.

29 OPERATING SEGMENT

29.1 These financial statements have been prepared on the basis of a single reportable segment which is consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

29.2 All non-current assets of the Company as at June 30, 2016 are located in Pakistan.

30 CORRESPONDING FIGURES

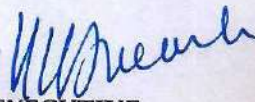
Corresponding figures have been rearranged/reclassified wherever needed for comparison purpose, however, there were no material rearrangements except that deposit against room with LSE Financial Services Limited amounting Rs. 2,192,320 for the year ended June 30, 2015 have been reclassified from long term deposits to capital work in progress for the purpose of better presentation.

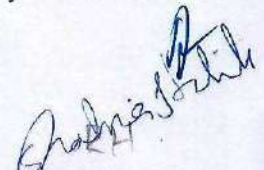
31 GENERAL

Figures have been rounded off to the nearest of rupee.

32 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on 07 SEP 2016 by the Board of Directors of the Company.


CHIEF EXECUTIVE


DIRECTOR

HANIF ULLAH SHEIKH (PVT) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

DIRECTORS' REPORT 2016

On behalf of the Board of Directors of Habib Ullah Sheikh (Pvt.) Limited, I am pleased to present the Company's Annual Report which includes the Audited Financial Statements of the Company together with the Auditor's report thereon for the year ended June 30, 2016.

Economic Review

The GDP growth increased to 4.71 percent in 2015-16 against the growth of 4.20 percent recorded in the same period last year. Some of the major industries driving the economic surge during the year under review were automobiles, fertilisers and non-metallic mineral products.

Capital Market Review

FY16 was another robust year for the KSE-100 Index, which rose 8.96% YoY. The market exhibited an impressive performance due to improving macros (fall in oil and commodity prices) with additional impetus from other key factors, such as CPEC.

Financial Review

The Financial results of the Company for the year ended June 30, 2016 are as under.

	June 30, 2016	June 30, 2015
	Rupees	Rupees
Operating (loss) / profit	(4,249,583)	(9,272,244)
Profit before taxation	(2,822,577)	(1,295,464)
Earnings per share of Rs.1,000 each	(63.81)	(46.66)
Earnings per share for every Rs.10	(0.63)	(0.46)

Future Outlook

At the time of writing this report the country is going through tough political times. It is hoped that the political impasse will be resolved in a manner which will be in the long term interest of Pakistan. Currently trading volumes have shrunk in the market. Hopefully once the political issues are resolved the trading volumes and index will increase. In view of the loss no dividend has been declared.

Auditors

The Auditors Messrs Amin, Mudassar & Co - Chartered Accountants retire and offer themselves for the reappointment. The directors of the company recommend the reappointment of Messrs Amin, Mudassar & Co- Chartered Accountants as auditors for the financial year ending June 30, 2017.

Acknowledgement

The Board appreciates the employees of the Company for their dedication and hard work.

Lahore

September 09, 2016

Chief Executive

Habib Ullah Sheikh (Pvt.) Limited

