

SETHI SECURITIES (SMC- PRIVATE) LIMITED

*NET CAPITAL BALANCE CERTIFICATE
FOR THE
YEAR ENDED 30 JUNE 2016*

Ref: TAGM20160910-06

The Secretary
Pakistan Stock Exchange Limited
Lahore

Dear Sir

PRACTICING MEMBERS' CERTIFICATE ON NET CAPITAL BALANCE AS REQUIRED BY CLAUSE 19.3.2 OF PAKISTAN STOCK EXCHANGE LIMITED REGULATIONS (HEREIN AFTER REFERRED AS "PSX REGULATIONS") AND DEFINED UNDER RULE 2(D) OF THIRD SCHEDULE OF THE SECURITIES AND EXCHANGE RULES, 1971.

We have been requested to provide you with a certificate on the annexed statement of Net Capital Balance of "Sethi Securities (SMC-Private) Limited" as at 30 June 2016, as defined under Rule 2(D) of Third Schedule of The Securities and Exchange Rules, 1971 and in line with the aforesaid clarification/guidelines issued by the Commission.

Scope of Certificate

Practicing members' Certificate on Net Capital Balance as required by clause 19.3.2 of PSX Regulations and defined under rule 2(d) of Third Schedule of The Securities and Exchange Rules, 1971 and in line with the aforesaid clarification/guidelines issued by the Commission.

Management Responsibility

It is the responsibility of the management to establish and maintain a system of internal controls and prepare and presents a statement for "Net Capital Balance" as at 30 June 2016 in compliance with the Rule 2(D) of Third Schedule of The Securities and Exchange Rules, 1971 and in line with the aforesaid clarification/guidelines issued by the Commission.

Practicing Member/ Auditor's Responsibility

Our responsibility is to certify the compliance of the requirement of Rule 2(D) of Third Schedule of The Securities and Exchange Rules, 1971 in accordance with the 'Guidelines for Issue of Certificates for Special Purpose by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to the procedures and verification of information/documents as mentioned below:

- a) We obtained bank statements, cash certificates, CDC reports for investments in listed securities, ledger accounts, other information, explanations and workings which to the best of our knowledge and belief, were necessary for the purpose of our verification.
- b) Appropriate verification procedures were performed to enable us to issue the required certificate.

Certificate

Based on procedures mentioned above, we certify that the Net Capital Balance of "Sethi Securities (SMC-Private) Limited", as defined under Rule 2(d) of Third Schedule of the Securities and Exchange Rules, 1971 amounted to Rs. 27,894,043/- (Rupees Twenty seven million, eight hundred and ninety four thousand, forty three only) as at 30 June 2016.

Restriction on use and distribution

This certificate is issued as required under clause 19.3.2 of the PSX Regulations and defined under Rule 2(D) of Third Schedule of The Securities and Exchange Rules, 1971 and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein and the attachments.

Truly Yours


Tariq Abdul Ghani Maqbool & Co.
Chartered Accountants
Shahid Mehmood

Lahore
10 September 2016



SETHI SECURITIES (SMC-PVT) LTD.

SETHI SECURITIES (SMC-PVT.) LIMITED

MEMBER PAKISTAN STOCK EXCHANGE LIMITED

STATEMENT OF NET CAPITAL BALANCE AS AT 30 JUNE 2016

(Excess of Current assets Over Current Liabilities determined in accordance with third schedule of Securities and Exchange Rules, 1971)

DESCRIPTION	VALUATION BASIS	AMOUNT RUPEES
CURRENT ASSETS		
Cash in hand		2,660
Cash at bank	As per Book Value	
- Pertaining to house account		1,171,261
- Pertaining to client account		6,918,928
Trade Receivable	Book Value	1,342,819
	Less Overdue For more than 14 days	857,789
Other Receivable	Book Value	Nil
Investment in Listed Securities/Commodity future	Securities/Contract on the exposure List marked on the market	31,001,737
Contracts in the name of broker	Less 15% Discount	4,650,261
Securities Purchased for clients	Securities Purchased for clients and held by the member where the payment has not been received within 14 days	793,474
Investment in Shares	As per book Value	
Securities Purchased under Resale obligation	Securities appearing and owned by brokerage	
Listed TFCs/Corporate Bonds/ other of not less than BBB grade assigned by a credit rating Company on Pakistan	Marked to Market Less 10% Discount	Nil
Pakistan Investment Bonds	Marked to Market Less 5% Discount	Nil
Total Current Assets		35,722,830
CURRENT LIABILITIES		
Securities sold under Repurchase Agreements	As per Book Value	Nil
Trade Payables	Book Value	7,503,491
	Less: More than 30 days payable	3,875,701
Other Liabilities	As Classified under the Generally Accepted Accounting principles	4,200,996
Total Current Liabilities		7,828,786
NET CAPITAL BALANCE AS AT 30 JUNE 2016		27,894,043

CHIEF EXECUTIVE

DIRECTOR



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TREC Holder (268) Pakistan Stock Exchange Ltd.

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SETHI SECURITIES (SMC-PRIVATE) LIMITED
MEMBER PAKISTAN STOCK EXCHANGE LIMITED
EXPLANATORY NOTES TO THE NET CAPITAL BALANCE AS AT 30 JUNE 2016

1 INVESTMENT IN LISTED SECURITIES

Sr. No.	Name of Security	No. of Shares	Rate	Amount Rs.
		A	B	C = A x B
1	Byco Petroleum Pakistan Limited	110,000	20.54	2,259,400
2	Fauji Cement Company Limited	755,000	35.80	27,029,000
3	Glaxosmithkline Pakistan Limited	8	207.11	1,657
4	Maple Leaf Cement Factory Limited	16,000	105.51	1,688,160
5	Worldcall Telecom Limited	12,000	1.96	23,520
				31,001,737

2 TRADE RECEIVABLES

Receivable from NCCPL	-
Sundry debtors	1,342,819
Less: over due more than 14 days	857,789
	485,030

3 TRADE PAYABLES

Payable to NCCPL	450,699
Sundry Creditors	7,052,792
Less: payable more than 30 days	3,875,701
	3,627,790

4 OTHER LIABILITIES

Audit fee	2,225
Federal Exise Duty	283,449
Capital value tax	8
Dividend of companies	39,613
Payable more than 30 days	3,875,701
	4,200,996

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