



**PERVEZ AHMED**

**Consultancy Services Limited.**

ANNUAL REPORT  
2021

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## COMPANY INFORMATION

Board of Directors	Mr. Pervez Ahmed Mrs. Rehana Pervez Ahmed Mr. Ali Pervez Ahmed Mrs. Ayesha Ahmed Mansoor Mr. Muhammad Khalid Khan Mr. Mazhar Pervaiz Malik Mian Basit Rasheed	Chief Executive
Audit Committee	Mr. Mazhar Pervaiz Malik Mrs. Ayesha Ahmed Mansoor Mr. Muhammad Khalid Khan	Chairman
Chief Financial Officer	Mr. Muhammad Yousuf	
Company Secretary	Mr. Rizwan Atta	
Auditors	M/s Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants	
Legal Advisor	Cornelius, Lane & Mufti Advocates & Solicitors	
Banks	Al Baraka Bank (Pakistan) Limited MCB Bank Limited Summit Bank Limited	
Registered Office	20-K, Gulberg II, Lahore.	
Share Registrars	THK Associates (Pvt.) Limited 32-C, Jami Commercial, Street 2, D.H.A. Phase VII, Karachi - 75500	
Website	<a href="http://www.pervezahmed.net">www.pervezahmed.net</a>	

### **VISION**

Being an investment and financial services organization whose principles are centered to the financial success of its shareholders and clients, we are devoted to holding the highest degree of service quality and reliability while using our specialized skills and judgments for the financial and operational growth of the Company.

### **MISSION**

To be an esteemed and prosperous Company, providing a diverse range of value added financial services to meet the growing demands of our clients and to earn a highest possible return for our shareholders, through dependable investment behavior and adhering to the best corporate governance standards.

### **PERVEZ AHMED CONSULTANCY SERVICES LIMITED NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given to the members that the Sixteenth Annual General Meeting of Pervez Ahmed Consultancy Services Limited will be held on Thursday, October 28, 2021, at 4:00 p.m. from Registered Office 20-K, Gulberg II, Lahore to transact the following business. Due to the need of required social distancing to avoid the spread of COVID-19 pandemic, shareholders are requested to attend the meeting through vide conference facility arranged by the Company as per the instructions given in the notes section.

1. To receive, consider and adopt the audited accounts of the Company for the year ended June 30, 2021 and the Directors' Report and Auditors' Reports thereon.
2. To appoint statutory auditors of the Company for the year ending June 30, 2022 and fix their remuneration. The present Auditors M/s Rahman Sarfaraz Rahim Iqbal Rafiq - Chartered Accountants, retire and being eligible offered themselves for the re-appointment.
3. To elect seven directors of the Company, as fixed by the Board of Directors, pursuant to Section 159 of the Companies Act 2017, for the period of three years with effect from October 31, 2021 in place of the following retiring Directors.

Mr. Pervez Ahmed

Mrs. Rehana Pervez Ahmed

Mr. Ali Pervez Ahmed

Mrs. Ayesha Ahmed Mansoor

Mr. Muhammad Khalid Khan

Mr. Mazhar Pervaiz Malik

Mian Basit Rasheed

Any member who seeks to contest an election to the office of director, whether he is retiring or otherwise, shall file with the Company not later than 14 (fourteen) days before the date of meeting, a notice of his/her intention to offer himself/herself for election as a director together with his/her consent to act as director as required under Section

By the order of the Board

Lahore: October 5, 2021

Rizwan Atta  
Company Secretary

#### **NOTES**

- I Due to prevailing COVID-19 pandemic, the AGM proceedings shall be held through Zoom application - a video link facility. Shareholders interested to participate in the meeting through Zoom are requested to email their Name, CNIC Number, Folio/CSD Number, Cell Number and Number of shares held in their name at ds@dsgpk.com up to October 27, 2021 by 5:00 p.m. Video link and login credentials will be shared to the interested shareholders
- II The Share Transfer Books of the Company will remain closed from October 23, 2021 to October 28, 2021 (both days inclusive) to establish the right to attend annual general meeting.
- III A member of the Company entitled to attend and vote may appoint another member as his/ her proxy to attend and vote instead of him /her.
- IV Proxies must be received at the Registered Office of the Company not less than 48 hours before the time of the meeting.

## DIRECTORS' REPORT

The Board of Directors of Pervez Ahmed Consultancy Services Limited is pleased to present the Annual Report for the year ended June 30, 2021 along-with the audited financial statements of the Company for the year ended June 30, 2021.

### Change in Memorandum & Articles of Association

During the last year, the Company has changed in its principle line of business from Brokerage to Consultancy & advisory services. In order to align the name with principle line of business, the Company has also changed its name from Pervez Ahmed Securities Limited to Pervez Ahmed Consultancy Services Limited.

### Financial Review

The Financial results of the Company for the year ended June 30, 2021 are as under;

	Year Ended	
	June 30,2021	June 30,2020
	Rupees	Rupees
Operating revenue	500,000	1,000,000
Operating expenses	(1,460,583)	(1,412,850)
Surplus / (Deficit) on remeasurement of investments	382,467	(216,346)
Share of profit/(loss) of associate	7,025,214	(1,978,402)
Profit/(loss) before taxation	6,961,716	(2,024,694)
Taxation	(40,000)	(80,000)
Profit/(loss) after taxation	6,921,716	(2,104,694)
Earnings/(loss) per share - Basic	0.037	(0.01)

### Financial Results of the Company

During the year under review, the Company earned profit of Rs. 6.92 million for the year ended June 30, 2021 as compared to loss of Rs. 2.1 million in last year. Profit for the year is mainly due to share of profit of associate. The basic and diluted earning per share is Rs. 0.037.

The auditor has expressed an adverse opinion in audit report with respect to going concern assumption, non recognition of mark-up on short term borrowings and litigations pending in different courts against the Company. However the management is making efforts for resolving these issues and regularizing operations of the Company

### Economic Outlook

Amid periodic waves of Covid-19 variants, the economy during the financial year 2020-2021, strolled towards getting an appropriate direction. With trade balance supported by an unprecedented foreign remittances and the gross domestic output by a fair harvest, the economy performed well in this pandemic situation relative to other main regional economies. On the downside, the rising inflation though has increased hardships for the common consumer creating a public resentment against the Government's economic team. The recent political and military developments on western borders have brought an element of economic uncertainty and, as an immediate side effect, weakened the local currency against US dollar. Due to its geo-strategic position the Country is facing big multifaceted challenges; particularly for its economy there are great opportunities as well as threats ahead. As always, by offering a strong resilience against these challenges the Nation appears to be focused on its vision and is upholding confidence in the future.

### Statement of Ethics & Business Practices

The Board has prepared and circulated the Statement of Ethics and Business Practices signed by every director of the Company as a token of acknowledgement of his/her understanding of the standards of conduct in relation to everybody associated or dealing with the Company.

# Annual Report June 30, 2021

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## Dividend

In view of current losses in the current year, negative cash flow and available accumulated losses, dividend can not be declared.

## Trading in the Shares of the Company

None of the Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, their spouses and minor children have traded in the shares of the Company during the year ended June 30, 2021

## Book Closure

The Share Transfer Books of the Company will remain closed and no transfer of shares will be accepted for registration from October 23, 2021 to October 28, 2021 (both days inclusive). Transfer received by our Shares Registrar, M/s THK Associates (Pvt.) Limited - 32-C, Jami Commercial, Street 2, Karachi 75500 at the close of business on October 22, 2021 will be considered to attend and vote at the meeting.

## Operating and Financial Data

Operating and financial data with key ratios for the six years is annexed.

## Number of Board Meetings Held

Five meetings of the Board of Directors were held during the year ended June 30, 2021 and the attendance of the directors is as follows.

Mr. Pervez Ahmed	Chief Executive	5 attendance
Mrs. Rehana Pervez Ahmed	Director	5 attendance
Mr. Ali Pervez Ahmed	Director	5 attendance
Mrs. Ayesha Ahmed Mansoor	Director	4 attendance
Mr. Muhammad Khalid Khan	Director	5 attendance
Mr. Mazhar Pervaiz Malik	Director	5 attendance
Mian Basit Rasheed	Director	5 attendance

## Auditors

The Auditors Messrs Rahman Sarfaraz Rahim Iqbal Rafiq - Chartered Accountants retire and being eligible offer themselves for reappointment. The Audit Committee recommends the reappointment of Messrs Rahman Sarfaraz Rahim Iqbal Rafiq - Chartered Accountants as auditors of the Company for the financial year ending June 30, 2022.

## Audit Committee

The Audit Committee of the Company is in place and comprises the following members as required under the Code of Corporate Governance.

Mr. Mazhar Pervaiz Malik	Chairman
Mrs. Ayesha Ahmed Mansoor	Member
Mr. Muhammad Khalid Khan	Member

Meetings of the Audit Committee were held during the year ended June 30, 2021 as required by the Code of Corporate Governance for review of quarterly & annual accounts and other related matters. The meeting was also attended by the Chief Financial Officer, head of Internal Audit and External Auditors as and when it was required.

## Statement in Compliance to the Code of Corporate Governance

The Board of Directors and the Company remain committed to the principles of good corporate management practices. The Board and management are cognizant of their responsibilities and monitor the performance of the Company to enhance the accuracy, comprehensiveness and transparency of financial and non-financial information. The Board is pleased to advise that the Company has complied, in all material respects, with the best practices contained in the Listed Companies (Code of Corporate Governance) Regulations 2019 as fully explained in the attached Statement of Compliance and there is no material departure from the best practices. Further, the following statements are being made:

- 1 Proper books of accounts of the Company have been maintained.
- 2 The financial statements prepared by the management of the Company present its state of affairs fairly, the result of its operations, cash flows and change in equity.
- 3 Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- 4 International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed and explained.
- 5 The system of internal control is sound in design and has been effectively implemented and monitored.
- 6 The Company recorded a net profit of Rs. 6.92 million during the year and has accumulated losses of Rs. 1,620.5 million as at the balance sheet date. The current liabilities of the Company exceeds its current assets by Rs. 640.5 million. These factors may cast doubt about the entity's ability to continue as going concern. However, the management is making continuous efforts to support the Company.
- 7 There has been no material departure from the best practices of corporate governance as defined in the listing regulations.
- 8 Financial highlights for the last six years are annexed.

## Pattern of Shareholding

The pattern of shareholding of the Company is annexed in the Annual Report

## Categories of Shareholding

The categories of shareholding of the Company is annexed in the Annual Report

## Acknowledgement

The Board is thankful to its valued shareholders for their confidence in the Company, the Securities & Exchange Commission of Pakistan and to the management of the Pakistan Stock Exchange Limited for their valuable support, assistance and guidance.

For & on behalf of the Board

Lahore  
October 5, 2021

  
Ayesha Ahmed Mansoor  
Director

  
Ali Pervez Ahmed  
Director

## **CHAIRMANS' REPORT**

It is my privilege to write to you once more and I welcome this opportunity to share with you our 2020-2021 performance. Due to rapid spread of COVID19 and lockdown in the country during the year, the activities of the Company remained limited. We are also facing challenges to explore new business.

The overall economic situation along with the outbreak of COVID-19 pandemic negatively impacted the Companys' performance

The Board also carried out the annual review of its effectiveness and performance on a self-assessment basis. The assessment is based on the basic principles of fairness, integrity and accountability with prime focus to enhance the Modaraba performance. For the Financial year ended June 30, 2021, the overall performance of the Board has been satisfactory. On behalf of the Board, it is a distinct pleasure for me to express my gratitude to you for the enduring trust and confidence reposed in us for many years.

I would like to express my gratitude to the shareholders of the Company.

Lahore  
October 5, 2021

**CHAIRMAN**

## FINANCIAL HIGHLIGHTS

Profit and Loss Account	2021 Rupees	2020 Rupees	2019 Rupees	2018 Rupees	2017 Rupees	2016 Rupees
Operating revenue	500,000	1,000,000	-	50,830	289,074	1,173,951
Administrative expenses	(1,460,583)	(1,412,468)	(1,724,412)	(1,668,450)	(1,415,796)	(1,778,176)
<b>Operating (Loss)</b>	(960,583)	(412,468)	(1,724,412)	(1,617,620)	(1,126,722)	(604,225)
- Finance cost	(790)	(382)	(2,117)	(3,557)	(7,083)	(1,250)
- Other operating charges	-	-	-	(6,487,204)	-	-
- Other operating income	-	353,600	-	-	-	-
	(790)	353,218	(2,117)	(6,490,761)	(7,083)	(1,250)
Changes in fair value of long term investments	515,408	229,304	(2,468,500)	-	-	-
Changes in fair value of short term investments	382,467	(216,346)	84,313	(30,709,117)	(246,546,090)	(231,332,431)
Excess liabilities written back	-	-	3,015,244			
Impairment loss on available for sale of financial assets	-	-	-	(9,000,000)	-	(3,824,350)
(Loss) / profit before Taxation & Share from Associated Undertaking	(63,498)	(46,292)	(1,095,472)	(47,817,498)	(247,679,895)	(235,762,256)
Share of profit/(loss) from Associated Undertaking	7,025,214	(1,978,402)	(14,721,085)	(12,365,029)	17,707,589	(830,399)
<b>Prifit/(Loss) before Taxation</b>	6,961,716	(2,024,694)	(15,816,557)	(60,182,527)	(229,972,306)	(236,592,655)
Taxation	(40,000)	(80,000)	-	(6,354)	(24,285)	(65,116)
<b>Profit/(Loss) after Taxation</b>	6,921,716	(2,104,694)	(15,816,557)	(60,188,881)	(229,996,591)	(236,657,771)
Payouts						
- Cash dividend	Nil	Nil	Nil	Nil	Nil	Nil
- Stock dividend	Nil	Nil	Nil	Nil	Nil	Nil
<b>Balance Sheet</b>						
Share capital	1,865,684,870	1,865,684,870	1,865,684,870	1,865,684,870	1,865,684,870	1,865,684,870
Share deposit money	20,622,850	20,622,850	20,622,850	20,622,850	20,622,850	20,622,850
Property, plant and equipment	37,319	49,569	137,740	178,744	233,282	306,382
Intangible assets	-	-	-	-	-	-
Long term investments	87,596,009	80,055,387	81,804,485	98,994,070	159,630,115	392,971,256
Short term investments	1,928,973	1,546,506	1,762,852	1,678,539	18,255,569	13,555,385
Total assets	98,372,901	89,931,353	91,969,141	112,832,467	187,381,926	425,414,913
Shareholders' equity	(573,137,436)	(580,059,151)	(577,954,457)	(562,137,900)	(501,949,019)	(271,952,428)
Earning /(Loss) per share	0.037	(0.01)	(0.08)	(0.32)	(1.23)	(1.27)
Current ratio	0.016 : 1	0.0146 : 1	0.0149 : 1	0.0204 : 1	0.0408 : 1	0.046 : 1

## Statement of Compliance With Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company: PERVEZ AHMED CONSULTANCY SERVICES LIMITED

Year ending: JUNE 30, 2021

The Company has complied with the requirements of the Regulations in the following manner:-

1. The total number of directors are seven as per the following:

Male : **Five**

Female : **Two**

2. The composition of the Board is as follows:

### **Name of Director and Category**

#### **Independent Directors**

- Mr. Mazhar Pervaiz Malik

- Mian Basit Rasheed

#### **Other Non-Executive Directors**

- Mrs. Rehana Pervez Ahmed

- Mrs. Ayesha Ahmed Mansoor

- Mr. Muhammad Khalid Khan

#### **Executive Directors**

- Mr. Pervez Ahmed

- Mr. Ali Pervez Ahmed

3. The Directors have confirmed that none of them is serving as a director on more than Seven listed companies, including this Company;
4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of the particulars of the significant policies along with their dates of approval or updating is maintained by the Company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / Shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedure for remuneration of directors in accordance with the Act and these Regulations;
9. Directors are well conversant with the Listing Regulations and legal requirements and as such are fully aware of their duties and responsibilities. However none of directors of the Company have obtained any certification in any Directors Training Program;

However, both Executive Directors, Mr. Pervez Ahmed and Mr. Ali Pervez Ahmed are exempt due to 14 years of education and 15 years of experience on the board of a listed company;

10. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief financial officer and two directors duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:-

**Audit Committee**

Mr. Mazhar Pervaiz Malik (Chairman)  
Mr. Muhammad Khalid Khan  
Mrs. Ayesha Ahmed Mansoor

**HR and Remuneration Committee**

Mr. Muhammad Khalid Khan (Chairman)  
Mrs. Ayesha Ahmed Mansoor  
Mian Basit Rasheed

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the Committee for compliance;
14. The frequency of meetings (quarterly/half yearly/yearly) of the committee were as per following:  
Audit Committee - Quarterly  
Human Resource and Remuneration Committee - Yearly
15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (Spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of the Regulations 3,6,7,8,27,32,33 and 36 of the Regulations have been complied with, except as explained at Sr. 19;
19. The Company, currently has two elected independent directors out of total seven directors on the Board. Both the independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently as per laws and regulations under which hereby fulfill the necessary requirements; therefore, not warrant the appointment of a third independent director. Accordingly, the fraction has not been rounded up as one under regulation 6(1).  
on behalf of the Board

Lahore.  
October 5, 2021

  
Ayesha Ahmed Mansoor  
Director

  
Ali Pervez Ahmed  
Director

**INDEPENDENT AUDITOR'S REVIEW REPORT**

**Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 ['the Regulations'] prepared by the Board of Directors of PERVEZ AHMED CONSULTANCY SERVICES LIMITED ['the Company'] for the year ended 30 June 2021 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2021.

  
**RAHMAN SARFARAZ RAHIM IQBAL RAFIQ**  
**Chartered Accountants**  
**Engagement Partner: ZUBAIR IRFAN MALIK**

**LAHORE: October 5, 2021**

## **INDEPENDENT AUDITOR'S REPORT**

### **Report on the Audit of the Financial Statements**

#### **Adverse Opinion**

We have audited the annexed financial statements of PERVEZ AHMED CONSULTANCY SERVICES LIMITED ['the Company'], which comprise the statement of financial position as at 30 June 2021, the statement of profit or loss, the statement of 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, because of the significance of the matters discussed in the 'Basis for Adverse Opinion' section of our report, the annexed statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at 30 June 2021 and of the loss, other comprehensive loss, the changes in equity and its cash flows for the year then ended.

#### **Basis for Adverse Opinion**

As referred to in note 2.2 to the financial statements, the Company has accumulated losses of Rs. 1,620.490 million. Its current liabilities exceed current assets by Rs. 640.498 million. Further, the Trading Rights Entitlement Certificate issued to the Company was inactive due to inadequate net capital balance and the same has been sold to another company. One of the bankers has filed a recovery suit against the Company. Further as referred to in note 20.1.3 to the financial statements, the Additional Registrar of Companies ['ARC'], Securities and Exchange Commission of Pakistan has filed a petition in the Lahore High Court against the Company and its directors whereby the ARC has prayed that the affairs of the Company be declared as being conducted in an unlawful manner which is prejudicial for the shareholders, that the Company and its Directors be ordered to buy back the shares of minority shareholders at a price to be determined in accordance with Rule Book of Pakistan Stock Exchange Limited and that the directors be held responsible for not conducting the brokerage business as envisaged in the memorandum of association of the Company. The Company also has overdue debt finances and interest thereon, as referred to note 13 and note 14 to the financial statements. One of the creditors has also filed a suit against the Company for recovery of its debts. These factors indicate existence of material uncertainty that raises doubts about the Company's ability to continue as a going concern and that the company may not be able to discharge its liabilities and realize its assets in the normal course of business. We consider that in the absence of any favourable settlement with the providers of debt finances/creditors, ability to obtain further financing and revival of its operations, the Company may not be able to settle its liabilities and realize its assets in the normal course of business. Consequently, the use of going concern assumption in the preparation of annexed financial statements is not appropriate and adjustments may be required to the recorded asset amounts and classification of liabilities. The financial statements do not disclose this fact.

The Company has not recognized interest on short term borrowings amounting to Rs. 104.711 million upto 30 June 2021. Had this interest been recognized, accumulated losses as at 30 June 2021 and loss for the year then ended would have been higher by Rs. 104.711 million and Rs. 8.174 million respectively. The financial statements do not disclose this fact.

As referred to note 20.1.1 to the financial statements, One of the creditors of the Company filed suit against the Company for the recovery of Rs. 36.57 million including late payment surcharge amounting to Rs. 17.45 million. The Company has not recognized provision for late payment surcharge of Rs. 17.45 million. Had the provision been recognized, accumulated losses as at 30 June 2021 and loss for the year then ended would have been higher by Rs. 17.45 million.

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 ['the Code'] 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.

### **Information other than the Financial Statements and Auditor's Report Thereon**

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **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 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 user 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.

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.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## Annual Report June 30, 2021

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From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

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

- a) except for the possible effects of matters explained in 'Basis of Adverse Opinion' section of our report:
  - i. proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
  - ii. the statement of financial position, the statement of profit or loss, the statement of 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;
- b) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- c) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is ZUBAIR IRFAN MALIK.

  
**RAHMAN SARFARAZ RAHIM IQBAL RAFIQ**  
*Chartered Accountants*  
Engagement Partner: **ZUBAIR IRFAN MALIK**

**LAHORE: October 5, 2021**

## Statement Of Financial Position

As At June 30, 2021

	Note	30-Jun-21 Rupees	30-Jun-20 Rupees
<b>NON CURRENT ASSETS</b>			
Property and equipment	6	37,319	49,569
Long term investments	7	87,596,009	80,055,387
Long term deposits	8	350,000	350,000
		<b>87,983,328</b>	<b>80,454,956</b>
<b>CURRENT ASSETS</b>			
Short term investments	9	1,928,973	1,546,506
Other receivables		580,000	-
Current taxation	10	6,406,133	6,446,133
Bank balances	11	1,474,467	1,483,758
		<b>10,389,573</b>	<b>9,476,397</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	(489,499,822)	(488,509,920)
Unclaimed dividend		(885,404)	(885,404)
Accrued interest	13	(21,757,327)	(21,757,327)
Short term borrowings	14	(89,839,551)	(89,839,551)
Due to related parties	15	(48,905,383)	(48,375,452)
		<b>(650,887,487)</b>	<b>(649,367,654)</b>
<b>NET CURRENT ASSETS</b>		<b>(640,497,914)</b>	<b>(639,891,257)</b>
<b>NON-CURRENT LIABILITIES</b>			
Employees retirement benefits	16	-	-
<b>NET ASSETS</b>		<b>(552,514,586)</b>	<b>(559,436,301)</b>
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized share capital</b>	17	<b>2,300,000,000</b>	<b>2,300,000,000</b>
Issued share capital	18	1,865,684,870	1,865,684,870
Discount on issue of shares	19	(818,331,810)	(818,331,810)
Retained earnings		(1,620,490,496)	(1,627,412,211)
		<b>(573,137,436)</b>	<b>(580,059,151)</b>
Advance against issue of ordinary shares	20	20,622,850	20,622,850
<b>TOTAL EQUITY</b>		<b>(552,514,586)</b>	<b>(559,436,301)</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	21	-	-
		<b>(552,514,586)</b>	<b>(559,436,301)</b>

The annexed notes from 1 to 38 form an integral part of these financial statements.

These financial statements have been signed by two Directors and Chief Financial Officer under section 232 of the Companies Act, 2017, as the Chief Executive is not available for the time being.

Lahore  
Date: October 5, 2021

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

## Annual Report June 30, 2021

### Statement of Profit or Loss for the year ended June 30, 2021

	Note	30-Jun-21 Rupees	30-Jun-20 Rupees
Revenue from contracts with customers	22	500,000	1,000,000
Administrative expenses	23	(1,460,583)	(1,412,468)
Bank and other charges		(790)	(382)
Gain on disposal of property and equipment		-	353,600
Changes in fair value of long term investments	7.2	515,408	229,304
Changes in fair value of short term investments	9	382,467	(216,346)
		(63,498)	(46,292)
Share of profit/(loss) of associate	7	7,025,214	(1,978,402)
<b>Profit/(loss) before taxation</b>		<b>6,961,716</b>	<b>(2,024,694)</b>
Provision for taxation	24	(40,000)	(80,000)
<b>Profit/(loss) after taxation</b>		<b>6,921,716</b>	<b>(2,104,694)</b>
<b>Earnings/(loss) per share - basic and diluted</b>	25	<b>0.037</b>	<b>(0.011)</b>

*The annexed notes from 1 to 38 form an integral part of these financial statements.*

These financial statements have been signed by two Directors and Chief Financial Officer under section 232 of the Companies Act, 2017, as the Chief Executive is not available for the time being.

Lahore  
Date: October 5, 2021

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

## Statement Of Comprehensive Income

for the year ended June 30, 2021

	30-Jun-21	30-Jun-20
	Rupees	Rupees
Profit/(loss) after taxation	6,921,716	(2,104,694)
Other comprehensive income	-	-
<b>Total comprehensive income/(loss)</b>	<b>6,921,716</b>	<b>(2,104,694)</b>

*The annexed notes from 1 to 38 form an integral part of these financial statements.*

These financial statements have been signed by two Directors and Chief Financial Officer under section 232 of the Companies Act, 2017, as the Chief Executive is not available for the time being.

Lahore  
Date: October 5, 2021

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

## Annual Report June 30, 2021

### Statement of Changes in Equity for the year ended June 30, 2021

	Share capital	Capital reserves		Revenue reserves	Total equity
	Issued share capital Rupees	Advance against issue of ordinary shares Rupees	Discount on issue of shares Rupees	Retained earnings Rupees	
<b>Balance as at 01 July 2019</b>	1,865,684,870	20,622,850	(818,331,810)	(1,625,307,517)	(557,331,607)
<b>Comprehensive loss</b>					
Loss after taxation	-	-	-	(2,104,694)	(2,104,694)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive loss</b>	-	-	-	(2,104,694)	(2,104,694)
<b>Balance as at 30 June 2020</b>	1,865,684,870	20,622,850	(818,331,810)	(1,627,412,211)	(559,436,301)
<b>Balance as at 01 July 2020</b>	1,865,684,870	20,622,850	(818,331,810)	(1,627,412,211)	(559,436,301)
<b>Comprehensive income</b>					
Profit after taxation	-	-	-	6,921,715	6,921,715
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	6,921,715	6,921,715
<b>Balance as at 30 June 2021</b>	1,865,684,870	20,622,850	(818,331,810)	(1,620,490,496)	(552,514,586)

*The annexed notes from 1 to 38 form an integral part of these financial statements.*

These financial statements have been signed by two Directors and Chief Financial Officer under section 232 of the Companies Act, 2017, as the Chief Executive is not available for the time being.

Lahore  
Date: October 5, 2021

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

## Statement of Cash Flows

for the year ended June 30, 2021

	Note	30-Jun-21	30-Jun-20
		Rupees	Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit/(loss) before taxation		6,961,716	(2,024,694)
<b>Adjustments for non-cash and other items</b>			
Changes in fair value of investments at fair value through profit or loss		(897,875)	(12,958)
Gain on disposal of property and equipment		-	(353,600)
Share of (profit)/loss of associate		(7,025,214)	1,978,402
Depreciation		12,250	16,771
		(7,910,839)	1,628,615
		(949,123)	(396,079)
<b>Changes in working capital</b>			
Trade and other payables		989,902	66,906
Other receivables		(580,000)	-
		409,902	66,906
<b>Cash used in operations</b>		(539,221)	(329,173)
Payments for:			
Income tax		-	(86,400)
<b>Net cash used in operating activities</b>		(539,221)	(415,573)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of property and equipment		-	425,000
<b>Net cash generated from investing activities</b>		-	425,000
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Borrowings from related parties		529,930	-
<b>Net cash generated from financing activities</b>		529,930	-
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		(9,291)	9,427
<b>CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR</b>		1,483,758	1,474,331
<b>CASH AND CASH EQUIVALENTS AS AT END OF THE YEAR</b>	26	1,474,467	1,483,758

The annexed notes from 1 to 38 form an integral part of these financial statements.

These financial statements have been signed by two Directors and Chief Financial Officer under section 232 of the Companies Act, 2017, as the Chief Executive is not available for the time being.

Lahore  
Date: October 5, 2021

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

## Notes to the Financial Statements

for the year ended June 30, 2021

### 1 LEGAL STATUS AND OPERATIONS

Pervez Ahmed Consultancy Services Limited [‘the Company’] was incorporated in Pakistan on 08 June 2005 as a Single Member Company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and was later converted to Public Limited Company and listed on Pakistan Stock Exchanges Limited. The Company was primarily a brokerage house engaged in the shares brokerage and trading, consultancy services and underwriting. However, the Company has amended its memorandum of association to change its principal activity to act as consultants and advisors to individual, corporations, financial institutions, Government bodies and departments, Companies, corporations and other entities. The registered office of the Company is situated at 20-K Gulberg II, Lahore.

#### 1.1 Placement on defaulters segment

The Company has been placed on defaulters segment by Pakistan Stock Exchange.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards [‘IFRS’] issued by the International Accounting Standards Board [‘IASB’] as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards [‘IFAS’] issued by Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS and IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

#### 2.2 Going concern assumption

The Company has accumulated losses of Rs. 1,620.229 million. Its current liabilities exceed current assets by Rs. 640.498 million. Further, the Trading Rights Entitlement Certificate issued to the Company was inactive due to inadequate net capital balance and the same has been transferred to third party. These factors indicates existense of material uncertainty that raise doubts about the Company’s ability to continue as a going concern and that the Company may not be able to discharge its liabilities and realize its assets in the normal course of bussiness. However, these financial statements have been prepared on a going concern basis based on the following:

- The Company has amended its memorandum of association and changed its principal activity to act as consultants and advisors to individual, corporations, financial institutions, Government bodies and departments, Companies, corporations and other entities.
- Negotiations with lenders regarding settlement of overdue debt finances.
- The Company has continued financial support of its sponsors and associated companies in the form of interest

#### 2.3 Basis of measurement

These financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis as at the reporting date.

Items	Measurement basis
Financial liabilities	Amortized cost
Financial assets	Fair value/amortized cost

#### 2.4 Critical accounting judgments and key sources of estimation uncertainty

The preparation of financial statements 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 and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Subsequently, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future

**2.4.1 Critical accounting judgments**

Judgments made by management in the application of accounting and reporting standards that have significant effect on the financial statements and estimates with a risk of material adjustment in subsequent years are as follows:

**(a) Business model assessment (see note 5.4.2)**

The Company classifies its financial assets on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The Company determines the business model at a level that reflects how financial assets are managed to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. The Company monitors financial assets measured at amortized cost or fair value that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a

**(b) Significant increase in credit risk (see note 31.1.1)**

As explained in note 31.1.1, expected credit losses ['ECL'] are measured, based on the Company's risk grading framework, as an allowance equal to 12-month/lifetime ECL for 'performing' assets, or lifetime ECL for assets categorized as 'doubtful' or 'in default'. An asset is categorized as 'doubtful' when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account

**2.4.2 Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

**(b) Fair value of investments in unquoted equity securities (see note 5.9)**

Fair value of investments in unquoted equity securities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis based on inputs from other than observable market.

**2.5 Functional currency**

These financial statements have been prepared in Pak Rupees which is the Company's functional currency. The amounts reported in these financial statements have been rounded to the nearest Rupees unless specified otherwise.

**2.6 Date of authorization for issue**

These financial statements were authorized for issue on 05 October 2021 by the Board of Directors of the Company.

**3 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS EFFECTIVE DURING THE YEAR.**

The following new and revised standards, interpretations and amendments are effective in the current year but are either not relevant to the Company or their application does not have any material impact on the interim financial statements of the Company other than presentation and disclosures, except as stated otherwise.

**3.1 Amendments to References to the Conceptual Framework in IFRS Standards**

Together with the revised Conceptual Framework published in March 2018, the IASB also issued Amendments to References to the Conceptual Framework in IFRS Standards. The document contains amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32. Not all amendments, however update those pronouncements with regard to references to and quotes from the framework so that they refer to the revised Conceptual Framework. Some pronouncements are only updated to indicate which version of the framework they are referencing to (the IASB framework adopted by the IASB in 2001, the IASB framework of 2010, or the new revised framework of 2018) or to indicate that definitions in the standard have not been updated with

**3.2 Definition of a Business (Amendments to IFRS 3 - Business Combinations)**

The amendments in Definition of a Business (Amendments to IFRS 3) are changes to Appendix A Defined terms, the application guidance, and the illustrative examples of IFRS 3 only. They:

- clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs;
- narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs;
- add guidance and illustrative examples to help entities assess whether a substantive process has been acquired;
- remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs; and
- add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

### 3.3 Definition of Material (Amendments to IAS 1 - Presentation of Financial Statements and IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors)

The amendments in Definition of Material (Amendments to IAS 1 and IAS 8) clarify the definition of 'material' and align the definition used in the Conceptual Framework and the standards.

### 3.4 Interest Rate Benchmark Reform (Amendments to IFRS 9 - Financial Instruments, IAS 39 - Financial Instruments: Recognition and Measurements, and IFRS 7 - Financial Instruments: Disclosures)

The amendments in Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7) clarify that entities would continue to apply certain hedge accounting requirements assuming that the interest rate benchmark on which the hedged cash flows and cash flows from the hedging instrument are based will not be altered as a result of interest

### 3.5 Covid-19 - Related Rent Concessions (Amendment to IFRS 16 - Leases)

The amendment provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.

## 4 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS NOT YET EFFECTIVE.

The following standards, interpretations and amendments are in issue which are not effective as at the reporting date and have not been early adopted by the Company.

	<b>Effective date (annual periods beginning on or after)</b>
IFRS 17 - Insurance contracts (2017)	01 January 2023
Sale or contribution of assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates and Joint Ventures).	Deferred Indefinitely
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 - Presentation of Financial Statements).	01 January 2023
Reference to the Conceptual Framework (Amendments to IFRS 3 - Business Combinations).	01 January 2022
Property, Plant and Equipment - Proceeds before Intended Use (Amendments to IAS 16 - Property, Plant and Equipment).	01 January 2022
Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37 - Impairment of Assets).	01 January 2022
Annual Improvements to IFRS Standards 2018–2020.	01 January 2022
Amendments to IFRS 17	01 January 2023
Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9 - Financial Instruments, IAS 39 - Financial Instruments: Recognition and Measurements, and IFRS 7 - Financial Instruments: Disclosures, IFRS 4 - Insurance Contracts, IFRS	01 January 2021
Disclosure of Accounting Policies (Amendments to IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2 - Making Materiality	01 January 2023
Definition of Accounting Estimates (Amendments to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors)	01 January 2023
Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16 - Leases)	01 April 2021
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 - Income Taxes)	01 January 2023

Other than afore mentioned standards, interpretations and amendments, IABS has also issued the following standards which have not been notified by the Securities and Exchange Commission of Pakistan ['SECP']:

IFRS 1 - First Time Adoption of International Financial Reporting Standards

IFRS 14 - Regulatory Deferral Accounts

The Company intends to adopt these new and revised standards, interpretations and amendments on their effective dates, subject to, where required, notification by Securities and Exchange Commission of Pakistan under section 225 of the Companies Act, 2017 regarding their adoption. The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will not have a material impact on the Company's

### 5 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial , except for the changes referred to in note "&A463&".

#### 5.1 Property and equipment

Property and equipment assets held for use in the production or supply of goods or services or for administrative purposes, are stated in the statement of financial position at their cost less accumulated depreciation and accumulated impairment losses, except for freehold land, which is not depreciated.

Assets in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognized impairment loss. Cost includes the cost of material, labour and appropriate overheads directly relating to the construction, erection and installation of the asset and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Depreciation of these assets, determined on the same basis as other assets of the same class, commences when the assets are ready for

Depreciation is recognized in profit or loss, using rates specified in note 6, so as to write off the cost of assets over their useful lives, using the reducing balance method. Depreciation commences from the month in which the item is ready for intended use and is discontinued from the month in which the asset is disposed or classified as held for

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

A property and equipment asset is derecognized upon disposal or when no future economic benefits are expected to arise from its continued use. The gain or loss arising on the disposal or retirement of such assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

#### 5.2 Ordinary share capital

Ordinary share capital is recognized as equity. Transaction costs directly attributable to the issue of ordinary shares are recognized as deduction from equity.

#### 5.3 Employees retirement benefits

##### 5.3.1 Short-term employee benefits

The Company recognizes the undiscounted amount of short term employee benefits to be paid in exchange for services rendered by employees as a liability after deducting amount already paid and as an expense in profit or loss unless it is included in the cost of inventories or property, plant and equipment as permitted or required by the accounting and reporting standards as applicable in Pakistan. If the amount paid exceeds the undiscounted amount of benefits, the excess is recognized as an asset to the extent that the prepayment would lead to a reduction in future

##### 5.3.2 Post-employment benefits

The Company operates an unfunded gratuity scheme (defined benefit plan) for all its employees who have completed the minimum qualifying service period. Liability is adjusted on each reporting date to cover the obligation and the adjustment is charged to profit or loss with the exception of remeasurements which are recognized in other comprehensive income. The amount recognized on statement of financial position represents the present value of

#### 5.4 Financial instruments

##### 5.4.1 Recognition

A financial instrument is recognized when the Company becomes a party to the contractual provisions of the

## 5.4.2 Classification

The Company classifies its financial assets on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. Financial liabilities are classified in accordance with the substance of contractual provisions. The Company determines the classification of its financial

### **(a) Financial assets at amortized cost**

These are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### **(b) Financial assets at fair value through profit or loss**

These are financial assets which have not been classified as 'financial assets at amortized cost' or as 'financial assets at fair value through other comprehensive income', are mandatorily measured at fair value through profit or loss or for which the Company makes an irrevocable election at initial recognition to designate as 'financial asset at fair value through profit or loss' if doing so eliminates or significantly reduces a measurement or recognition

### **(c) Financial liabilities at amortized cost**

These are financial liabilities which are not derivatives, financial guarantee contracts, commitments to provide loans at below-market interest rate, contingent consideration payable to an acquirer in a business combination or financial liabilities that arise when transfer of a financial asset does not qualify for derecognition.

## 5.4.3 Measurement

The particular measurement methods adopted are disclosed in individual policy statements associated with each

## 5.4.4 Derecognition

A financial asset is derecognized when the Company's contractual rights to the cash flows from the financial assets expire or when the Company transfers the financial asset to another party without retaining control of substantially all risks and rewards of the financial asset. A financial liability is derecognized when the Company's obligations specified in the contract expire or a discharged or cancelled.

## 5.4.5 Off-setting

A financial asset and financial liability is offset and the net amount reported in the statement of financial position if the Company has legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

## 5.4.6 Regular way purchases or sales of financial assets

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. Regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

## 5.5 Loans and borrowings

Loans and borrowings are classified as 'financial liabilities at amortized cost'. On initial recognition, these are measured at cost, being fair value at the date the liability is incurred, less attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost with any difference between cost and value at maturity recognized in the profit or loss over the period of the borrowings on an effective interest basis.

## 5.6 Trade and other payables

### 5.6.1 Financial liabilities

These are classified as 'financial liabilities at amortized cost'. On initial recognition, these are measured at fair value at the date the liability is incurred, less attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost using the effective interest method, with interest recognized in profit or loss.

### 5.6.2 Non-financial liabilities

These, on initial recognition and subsequently, are measured at cost.

**5.7 Provisions and contingencies**

Provisions are recognized when the Company has a legal and constructive obligation as a result of past events and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. The amount recognized as provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risk and uncertainties surrounding the obligation. Where a provision is measured using cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where outflow of resources embodying economic benefits is not probable, or where a reliable estimate of the amount of obligation cannot be

**5.8 Receivables**

**5.8.1 Financial assets**

These are classified as 'financial assets at amortized cost'. On initial recognition, these are measured at fair value at the date of transaction, plus attributable transaction costs, except for trade receivables that do not have a significant financing component, which are measured at undiscounted invoice price. Subsequent to initial recognition, these are measured at amortized cost using the effective interest method, with interest recognized in profit or loss.

**5.8.2 Non-financial assets**

These, both on initial recognition and subsequently, are measured at cost.

**5.9 Investments in listed equity securities**

Investments in listed equity securities are classified as 'financial assets at fair value through other comprehensive income'. On initial recognition, these are measured at fair value on the date of acquisition. Subsequent to initial recognition, these are measured at fair value. Changes in fair value are recognized in other comprehensive income. Cumulative gains and losses from changes in fair value recognized in other comprehensive income are transferred to retained earnings on derecognition. Dividend income is recognized in profit or loss when right to receive payment is

**5.10 Investment in associates**

Investments in associates are accounted for using the equity method of accounting. Under the equity method, an investment in an associate is recognized initially in the statement of financial position at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate, dividends received and impairment losses, if any. When the Company's share of losses of an associate exceeds the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on

**5.11 Contracts with Customers**

**5.11.1 Revenue**

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue from a contract with customer when the Company satisfies an obligation specified in that contract. The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Product/service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Consultancy and advisory services	The Company's contract performance obligations are fulfilled over the time as services are provided to customer.	Revenue is recognised at a point in time when the services are provided to the customers.

**5.11.2 Contract assets**

Contract assets represent work performed upto the reporting date which has not been invoiced to customers because the related performance obligations remain partially unsatisfied as at the reporting date.

**5.11.3 Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. A contract liability is recognized at earlier of when the payment is made or the payment is due if a customer pays consideration before the Company transfers goods or services to the customer.

## 5.12 Comprehensive income

Comprehensive income is the change in equity resulting from transactions and other events, other than changes resulting from transactions with shareholders in their capacity as shareholders. Total comprehensive income comprises all components of profit or loss and other comprehensive income ['OCI']. OCI comprises items of income and expense, including reclassification adjustments, that are not recognized in profit or loss as required or permitted by accounting and reporting standards as applicable in Pakistan, and is presented in 'statement of comprehensive

## 5.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss

## 5.14 Income tax

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income, in which case it is recognized in other comprehensive income.

### 5.14.1 Current taxation

Current tax is the amount of tax payable on taxable income for the year and any adjustment to the tax payable in respect of previous years. Provision for current tax is based on current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior

### 5.14.2 Deferred taxation

Deferred tax is accounted for using the 'balance sheet approach' providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. In this regard, the effects on deferred taxation of the portion of income that is subject to final tax regime is also considered in accordance with the treatment prescribed by The Institute of Chartered Accountants of Pakistan. Deferred tax is measured at rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date. A deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for deductible temporary differences to the extent that future taxable profits will be available against which temporary differences can be

## 5.15 Earnings per share ['EPS']

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 calculated by adjusting basic EPS by the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

## 5.16 Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand and cash at banks. Interest income on cash and cash equivalents is recognized using effective interest method.

## 5.17 Segment reporting

Segment reporting is based on the operating segments that are reported in the manner consistent with internal reporting of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. The Company is a single operating segment based on internal

## 5.18 Impairment

### 5.18.1 Financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets carried at amortized cost on date of initial recognition. The amount of expected credit losses is updated on each reporting date to reflect the changes in credit risk since initial recognition of the respective financial asset.

Impairment is recognized at an amount equal to lifetime expected credit losses for financial assets for which credit risk has increased significantly since initial recognition. For financial assets for which credit risk is low, impairment is recognized at an amount equal to twelve months' expected credit losses, with the exception of trade receivables, for which the Company recognises lifetime expected credit losses estimated using internal credit risk grading based on the Company's historical credit loss experience, adjusted for factors that are specific to debtors, general economic conditions, and an assessment for both the current as well as the forecast direction of conditions at the reporting

All impairment losses are recognized in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss is reversed only to the extent that the financial asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

The Company writes off a financial asset when there is information indicating that the counter-party is in severe financial condition and there is no realistic prospect of recovery. Any recoveries made post write-off are recognized in

### 5.18.2 Non-financial assets

The carrying amount of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present values 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 cash generating unit.

An impairment loss is recognized if the carrying amount of the asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash generating units are allocated to reduce the carrying amounts of the assets in a unit on a pro rata basis. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used in determining the recoverable amount. An impairment loss is reversed only to that extent that the asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of depreciation

6 PROPERTY AND EQUIPMENT

	30-Jun-21										Net book value as at 30-Jun-21 Rupees
	COST					DEPRECIATION					
	As at 01-Jul-20 Rupees	Additions Rupees	Disposals Rupees	As at 30-Jun-21 Rupees	Rate %	As at 01-Jul-20 Rupees	For the year Rupees	Adjustment Rupees	As at 30-Jun-21 Rupees		
Furniture and fittings	416,000	-	-	416,000	20	392,757	4,649	-	397,406	18,594	
Vehicles	166,690	-	-	166,690	20	157,888	1,760	-	159,648	7,042	
Office equipment	2,613,334	-	-	2,613,334	33.33	2,595,810	5,841	-	2,601,651	11,683	
	3,196,024	-	-	3,196,024		3,146,455	12,250	-	3,158,705	37,319	

	30-June-20										Net book value as at 30-Jun-20 Rupees
	COST					DEPRECIATION					
	As at 01-Jul-19 Rupees	Additions Rupees	Disposals Rupees	As at 30-Jun-20 Rupees	Rate %	As at 01-Jul-19 Rupees	For the year Rupees	Adjustment Rupees	As at 30-Jun-20 Rupees		
Furniture and fittings	416,000	-	-	416,000	20	386,946	5,811	-	392,757	23,243	
Vehicles	1,090,270	-	(923,580)	166,690	20	1,007,868	2,200	(852,180)	157,888	8,802	
Office equipment	2,613,334	-	-	2,613,334	33.33	2,587,050	8,760	-	2,595,810	17,524	
	4,119,604	-	(923,580)	3,196,024		3,981,864	16,771	(852,180)	3,146,455	49,569	

	Note	30-Jun-21 Rupees	30-Jun-20 Rupees
<b>7 LONG TERM INVESTMENTS</b>			
Investment in related parties	7.1	84,319,797	77,294,583
Other investments	7.2	3,276,212	2,760,804
		<b>87,596,009</b>	<b>80,055,387</b>

**7.1 Investment in related parties**

Pervez Ahmed Capital (Private) Limited	7.1.1	84,319,797	77,294,583
Origins Fabrics (Private) Limited	7.1.2	-	-
		<b>84,319,797</b>	<b>77,294,583</b>

**7.1.1 Pervez Ahmed Capital (Private) Limited**

This represents investment in ordinary shares of Pervez Ahmed Capital (Private) Limited ['PACPL'], an associate. PACPL is incorporated in Pakistan as a Private Limited Company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The principal activity of the Company is to carry on the business of stock brokerage, underwriting and investments. The registered office of the Company is situated at 1-A/565, Block – 3, Gulshan Iqbal,

The investment has been accounted for using the equity method. Particulars of investment are as follows:

	30-Jun-21 Rupees	30-Jun-20 Rupees
Cost of investment		
8,498,300 (2020: 8,498,300) fully paid ordinary shares of Rs. 10 each	84,983,000	84,983,000
Share of post acquisition (losses)/profits	(663,203)	(7,688,417)
	<b>84,319,797</b>	<b>77,294,583</b>

Percentage of ownership interest	<b>49.36%</b>	49.36%
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**Extracts of financial statements of associate**

The assets and liabilities of Pervez Ahmed Capital (Private) Limited as at the reporting date and related revenue and profit based on the associate's audited financial statements for the reporting period are as follows:

	30-Jun-21 Rupees	30-Jun-20 Rupees
Non-current assets	32,361,881	17,433,235
Current assets	138,620,483	139,309,925
Non-current liabilities	-	-
Current liabilities	153,260	146,661
Profit/(loss) for the year	14,232,605	(4,008,782)
Share of Profit/(loss)	7,025,214	(1,978,402)

**7.1.2 Origins Fabrics (Private) Limited**

Cost of investment	9,000,000	9,000,000
Changes in fair value	(9,000,000)	(9,000,000)
	-	-

This represents investment in 900,000 ordinary shares of Origins Fabric (Private) Limited ['OFPL']. OFPL was incorporated for the purpose of acquiring exclusive rights of ORIGINS LAWN, an extension of an already established and renowned retail brand ORIGINS READY TO WEAR. The Company's shareholding in OFPL comprises 10,000 voting ordinary shares of Rs. 10 each and 890,000 non-voting ordinary shares of Rs. 10 each. The voting power held by the Company does not constitute control or significant influence. Therefore the investment has been accounted for under IFRS 9 - 'Financial Instruments' and mandatorily classified as 'financial asset at fair value through profit or loss'.

The investment was made by the Company with a view to profit from total return of the investee in the form of dividends and changes in fair value. However, as the Company lacks future prospects, the management believes that the fair value of the investment is nil.

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### 7.2 Other investments

These represent investments in the following un-quoted equity securities.

	<i>Note</i>	<b>30-Jun-21</b>	30-Jun-20
		<i>Rupees</i>	<i>Rupees</i>
Dawood Family Takaful Limited	7.2.1	<b>5,000,000</b>	5,000,000
Changes in fair value		<b>(1,723,788)</b>	(2,239,196)
		<b>3,276,212</b>	2,760,804

7.2.1 These represent 500,000 (2020: 500,000) ordinary shares of Rs. 10 each. The investment is held for an indefinite period and has been mandatorily classified as 'financial asset at fair value through profit or loss'. The fair value of investment has been determined on the basis of break-up value per share based on most recent audited financial statements available of the investee for the year ended 31 December 2020.

### 8 LONG TERM DEPOSITS

These have been deposited with various regulatory authorities. These are classified as 'financial assets at amortized cost' under IFRS 9 which are required to be carried at amortized cost. However, these, being held for an indefinite period with no fixed maturity date, are carried at cost as their amortized cost is impracticable to determine.

### 9 SHORT TERM INVESTMENTS

This represents investment in listed equity securities mandatorily classified as "financial assets at fair value through profit or loss". Particulars of investments are as follows:

	<b>30-Jun-21</b>		<b>30-Jun-20</b>	
	<b>Carrying value</b>	<b>Fair value</b>	<b>Carrying value</b>	<b>Fair value</b>
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
<b>Other investments</b>				
Reliance Cotton Spinning Mills Limited 1,500 (2020: 1500) ordinary shares of Rs. 10 each. Market value: 193.7 (2020: Rs. 128) per share	<b>192,000</b>	<b>290,550</b>	219,000	192,000
Engro Corporation Limited 2,860 (2020: 2,860) ordinary shares of Rs. 10 each. Market value: 294.61 (2020: Rs. 292.92) per share	<b>837,751</b>	<b>842,585</b>	759,616	837,751
Engro Fertilizers Limited 260 (2020: 260) ordinary shares of Rs. 10 each. Market value: 70.27 (2020: Rs. 60.28) per share	<b>15,673</b>	<b>18,270</b>	16,632	15,673
Jahangir Siddiqui and Company Limited 48 (2020: 48) ordinary shares of Rs. 10 each. Market value: 22.56 (2020: Rs. 11.80) per share	<b>566</b>	<b>1,083</b>	519	566
BankIslami Pakistan Limited 399 (2020: 399) ordinary shares of Rs. 10 each. Market value: 11.24 (2020: Rs. 7.56) per share	<b>3,016</b>	<b>4,485</b>	4,585	3,016
Lotte Chemical Pakistan Limited 50,000 (2020: 50,000) ordinary shares of Rs. 10 each. Market value: 15.44 (2020: Rs. 9.95) per share	<b>497,500</b>	<b>772,000</b>	762,500	497,500
	<b>1,546,506</b>	<b>1,928,973</b>	1,762,852	1,546,506

	<i>Note</i>	<b>30-Jun-21</b>	30-Jun-20
		<i>Rupees</i>	<i>Rupees</i>
<b>10 CURRENT TAXATION</b>			
Advance income tax/income tax refundable		6,446,133	6,526,133
Provision for taxation		(40,000)	(80,000)
		<b>6,406,133</b>	6,446,133
<b>11 BANK BALANCES</b>			
Cash at banks			
Current accounts - <i>local currency</i>		1,474,387	1,483,678
Saving accounts - <i>local currency</i>		80	80
		<b>1,474,467</b>	1,483,758
<b>12 TRADE AND OTHER PAYABLES</b>			
Trade creditors		473,326,373	473,014,144
Accrued liabilities		2,228,561	2,153,581
Withholding tax payable		8,987,638	8,986,938
Payable against purchase of investment	12.1	4,086,600	4,086,600
Other payables		870,650	268,657
		<b>489,499,822</b>	488,509,920
<b>12.1</b>	This represents consideration for purchase of ordinary shares in Origins Fabrics (Private) Limited payable to an Ex-Director of the Company.		
<b>13 ACCRUED INTEREST</b>			
This represents over-due interest on borrowings.			
	<i>Note</i>	<b>30-Jun-21</b>	30-Jun-20
		<i>Rupees</i>	<i>Rupees</i>
<b>14 SHORT TERM BORROWINGS</b>			
These represent short term finances utilized under interest arrangements from banking companies			
Murabaha finance	14.1	87,137,771	87,137,771
Running finance	14.2	2,701,780	2,701,780
		<b>89,839,551</b>	89,839,551
<b>14.1</b>	This facility was obtained from Al Baraka Bank (Pakistan) Limited (formerly known as Burj Bank Limited) for trading in shariah compliant securities. These are secured against pledge of equity securities approved by the bank's Shariah Board with 40% margin. The facility carried profit at matching KIBOR plus 1.30% (2020: matching KIBOR plus 1.30%) per annum. The facility has expired and has not been renewed at the reporting date. Hence the entire amount outstanding is overdue. The management is in negotiations with the lender regarding settlement of this facility,		
<b>14.2</b>	This facility was obtained from Summit Bank Limited. During the year ended 30 June 2011, the bank accepted properties valued at Rs. 104 million and certain listed securities against settlement of outstanding liability with the remaining amount of Rs. 2.702 million to be waived off once the transfer of the above mentioned properties is		
	<i>Note</i>	<b>30-Jun-21</b>	30-Jun-20
		<i>Rupees</i>	<i>Rupees</i>
<b>15 DUE TO RELATED PARTIES</b>			
Associated companies	15.1	13,929,931	13,400,000
Directors	15.2	34,975,452	34,975,452
		<b>48,905,383</b>	48,375,452



- a) The Company is not being run in accordance with the law and the state of affairs of the Company are prejudicial to the interest of the minority shareholders as the some minority shareholders have filed a complaint to that effect.
- b) The Company has not declared any dividends 2008-09 and its does not have a bright future outlook as the directors have no concrete plan for the revival of business of the Company.
- c) The Company is principally a brokerage house and has sold its Trading Rights Entitlement Certificate ['TREC'] of Lahore Stock Exchange, without which the Company cannot operate as a brokerage house. (The TREC was sold without the authority of shareholders in general meeting for which the directors of the Company have already been fined Rs. 700,000 vide Securities and Exchange Commission of Pakistan's order dated 14 June 2016).
- d) The Company has not recognized any provision against debt owed to a creditor of Rs. 36.57 million including late payment surcharge amounting to Rs. 17.45 million.
- e) The Company has not recognized interest on short term borrowings amounting to Rs. 104.711 million upto 30 June 2021.
- f) The Company has failed to comply with the best practices of the Code of Corporate Governance.

The petition is pending adjudication. The outcome of the petition cannot be ascertained as at the reporting date with certainty.

### 21.2 Commitments

There are no material commitments as at the reporting date.

	<i>Note</i>	<b>30-Jun-21</b>	<b>30-Jun-20</b>
		<i>Rupees</i>	<i>Rupees</i>
<b>22</b>	<b>REVENUE FROM CONTRACTS WITH CUSTOMERS</b>		
	Advisory services	500,000	1,000,000
		<b>500,000</b>	<b>1,000,000</b>
<b>23</b>	<b>ADMINISTRATIVE EXPENSES</b>		
	Postage and communication	6,690	7,814
	Traveling, conveyance and entertainment	4,250	13,100
	Legal and professional	115,262	113,787
	Printing and stationery	8,900	6,400
	Fees and subscription	1,036,231	974,206
	Auditor's remuneration	23.1 75,000	75,000
	Advertisement	46,500	112,650
	Depreciation	6 12,250	16,771
	Others	155,500	92,740
		<b>1,460,583</b>	<b>1,412,468</b>
<b>23.1</b>	<b>Auditor's remuneration</b>		
	Annual statutory audit	50,000	50,000
	Limited scope reviews and certifications	25,000	25,000
		<b>75,000</b>	<b>75,000</b>
<b>24</b>	<b>PROVISION FOR TAXATION</b>		
	Current tax		
	current year	24.1 40,000	80,000
	prior year	-	-
		<b>40,000</b>	<b>80,000</b>
	Deferred tax	24.3 -	-
		<b>40,000</b>	<b>80,000</b>

**24.1** Provision for current tax has been made under section 153 (2020: section 153) of Income Tax Ordinance, 2001 ['the Ordinance']. There is no relationship between tax expense and accounting profit. Accordingly no numerical reconciliation has been presented.

**24.2** Assessments for and upto the tax years 2020 are deemed assessments in terms of Section 120 (1) of the Ordinance, as per returns filled by the Company.

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- 24.3 The Company has deferred tax asset of Rs. 5.675 million (2020: Rs. 4.264 million) which has not been recognized as future taxable profits are not expected to be available against which the asset could be utilized.

	<i>Unit</i>	<b>30-Jun-21</b>	30-Jun-20
		<i>Rupees</i>	<i>Rupees</i>
<b>25 EARNINGS/(LOSS) PER SHARE - BASIC AND DILUTED</b>			
Profit/(loss) attributable to ordinary shareholders	<i>Rupees</i>	<b>6,921,716</b>	(2,104,694)
Weighted average number of ordinary shares outstanding during the year	<i>Number of shares</i>	<b>186,568,487</b>	186,568,487
Earnings/(loss) per share - <i>Basic</i>	<i>Rupees</i>	<b>0.04</b>	(0.01)

There is no anti-dilutive effect on the basic loss per share of the Company.

	<b>30-Jun-21</b>	30-Jun-20
	<i>Rupees</i>	<i>Rupees</i>
<b>26 CASH AND CASH EQUIVALENTS</b>		
Bank balances	<b>1,474,467</b>	1,483,758
	<b>1,474,467</b>	1,483,758

### 27 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Company's perspective comprise associated companies, sponsors and directors, and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and includes the Chief Executive and Directors of the Company. Key management personnel do not draw any compensation from the Company. Transactions with sponsors, directors and associated companies are limited to provision of temporary interest free loans to the Company. The details of Company's related parties, with whom the Company had transactions during the

Name of related party	Nature of relationship	Basis of relationship	Aggregate %age of shareholding
D.S. Textile Limited	Associated company	Common directorship	0.60%
Pervez Ahmed	Key management personal	Chief executive officer	1.588%
Ali Pervez	Key management personal	Director	0.00%
Ayesha Ahmed Mansoor	Key management personal	Director	0.00%
Pervez Ahmed Capital (Private) Limited	Associated company	Common directorship	0.00%

Details of transactions and balances with related parties is as follows:

		<b>30-Jun-21</b>	30-Jun-20
		<i>Rupees</i>	<i>Rupees</i>
<b>27.1 Transactions with related parties</b>			
<b>Nature of relationship</b>	<b>Nature of transactions</b>		
Associated companies	Temporary loan obtained	<b>529,931</b>	-
	Share of profit/(loss) of an associate	<b>7,025,214</b>	(1,978,402)
		<b>30-Jun-21</b>	30-Jun-20
		<i>Rupees</i>	<i>Rupees</i>
<b>27.2 Balances with related parties</b>			
<b>Nature of relationship</b>	<b>Nature of balance</b>		
Associated companies	Borrowings	<b>13,929,931</b>	13,400,000
	Investment in equity securities	<b>84,319,797</b>	77,294,583
	Advance against issue of ordinary shares	<b>20,622,850</b>	20,622,850
Sponsors and directors	Borrowings	<b>34,975,452</b>	34,975,452

**28 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS, AND EXECUTIVES**

No amount was charged to profit or loss on account of remuneration of Chief Executive, Directors and Executives.

**29 CAPITAL MANAGEMENT**

All the efforts of the management is towards ensuring that the Company continues as a going concern. The measures include introduction of capital by directors and sponsors of the Company and settlement of debt finances. The Company monitors capital using the gearing ratio which is debt divided by total capital employed. Debt comprises total borrowings less cash and cash equivalents. Total capital comprises equity as shown in the balance sheet plus debt. Gearing ratio of the Company has not been presented as the Company has negative equity as at the reporting date.

There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

**30 FINANCIAL INSTRUMENTS**

The carrying amounts of the Company's financial instruments by class and category are as follows:

	<b>30-Jun-21</b>	30-Jun-20
	<i>Rupees</i>	<i>Rupees</i>
<b>30.1 Financial assets</b>		
<i>Financial assets at amortized cost</i>		
Long term deposits	<b>350,000</b>	350,000
Bank balances	<b>1,474,467</b>	1,483,758
<i>Financial assets mandatorily measured at fair value through profit or loss</i>		
Long term investments	<b>3,276,212</b>	2,760,804
Short term investments	<b>1,928,973</b>	1,546,506
	<b>7,029,652</b>	6,141,068
<b>30.2 Financial liabilities</b>		
<i>Financial liabilities at amortized cost</i>		
Short term borrowings	<b>89,839,551</b>	89,839,551
Accrued interest	<b>21,757,327</b>	21,757,327
Trade creditors	<b>473,326,373</b>	473,014,144
Accrued liabilities	<b>2,228,561</b>	2,153,581
Payable against purchase of investment	<b>4,086,600</b>	4,086,600
Other payables	<b>870,650</b>	268,657
	<b>592,109,062</b>	591,119,860

**31 FINANCIAL RISK EXPOSURE AND MANAGEMENT**

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rate risk and price risk). These risks affect revenues, expenses and assets and liabilities of the

The Board of Directors has the overall responsibility for establishment and oversight of risk management framework. The Board of Directors has developed a risk policy that sets out fundamentals of risk management framework. The risk policy focuses on unpredictability of financial markets, the Company's exposure to risk of adverse effects thereof and objectives, policies and processes for measuring and managing such risks. The management team of the Company is responsible for administering and monitoring the financial and operational financial risk management

The Company's exposure to financial risks, the way these risks affect the financial position and performance, and forecast transactions of the Company and the manner in which such risks are managed is as follows:

**31.1 Credit risk**

Credit risk is the risk of financial loss to the Company, if the counterparty to a financial instrument fails to meet its

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## 31.1.1 Credit risk management practices

In order to minimize credit risk, the Company has adopted a policy of only dealing with creditworthy counterparties and limiting significant exposure to any single counterparty. The Company only transacts with counterparties that have reasonably high external credit ratings. Where an external rating is not available, the Company uses an internal credit risk grading mechanism. The ageing profile of counterparties and individually significant balances, along with

The Company reviews the recoverable amount of each financial asset on an individual basis at each reporting date to ensure that adequate loss allowance is made in accordance with the assessment of credit risk for each financial

The Company considers a financial asset to have low credit risk when the asset has reasonably high external credit rating or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has no past due amounts or otherwise there is no significant increase in credit risk if the amounts are past due in the normal course of business based on history with the counterparty.

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial asset at the reporting date with the risk of a default occurring on the financial asset at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant

The Company considers 'default' to have occurred when the financial asset is credit-impaired. A financial asset is considered to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

The Company writes off a financial asset when there is information indicating that the counter-party is in severe financial condition and there is no realistic prospect of recovery.

The Company's credit risk grading framework comprises the following categories:

Category	Description	Basis for recognizing ECL
Performing	The counterparty has low credit risk	12-month ECL
Doubtful	Credit risk has increased significantly since initial recognition	Lifetime ECL
In default	There is evidence indicating the assets is credit-impaired	Lifetime ECL
Write-off	There is no realistic prospect of recovery	Amount is written-off

## 31.1.2 Exposure to credit risk

Credit risk principally arises from debt instruments held by the Company as at the reporting date. The maximum exposure to credit risk as at the reporting date is as follows:

	30-Jun-21	30-Jun-20
	Rupees	Rupees
<b>Financial assets at amortized cost</b>		
Long term deposits	350,000	350,000
Bank balances	1,474,467	1,483,758
	<b>1,824,467</b>	<b>1,833,758</b>

## 31.1.3 Credit quality and impairment

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or to internal credit risk grading. The credit quality of the Company's financial assets exposed to credit risk is as follows:

	Note	Ex ra	Internal credit risk grading	12-month or life-time ECL	Gross carrying amount	Loss allowance
Long term deposits	8	N/A	Performing	12-month ECL	350,000	-
Bank balances	11	A 1+ to A 1	N/A	12-month ECL	1,474,467	-
					<b>1,824,467</b>	<b>-</b>

**(a) Long term deposits**

Long term deposits comprise security deposits placed with various regulatory authorities. These deposits are substantially perpetual in nature and have no fixed maturity. Therefore, no credit risk has been associated with these financial assets and accordingly no loss allowance has been made.

**(b) Bank balances**

The bankers of the Company have reasonably high credit ratings as determined by various independent credit rating agencies. Due to long standing business relationships with these counterparties and considering their strong financial standing, management does not expect any credit loss.

**31.1.4 Concentrations of credit risk**

There are no significant concentrations of credit risk.

**31.1.5 Collateral held**

The Company does not hold any collateral to secure its financial assets.

**31.2 Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

**31.2.1 Liquidity risk management**

The Company's approach to managing liquidity risk 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 is facing liquidity shortfall due which its current liabilities exceed current assets by Rs. 640.498 million (2020: Rs. 639.891 million) as at the reporting date. The Company has overdue debt finances and interest thereon which have not been settled. Further, the Trading Rights Entitlement Certificate issued to the Company being inactive due to inadequate net capital balance has been sold by the Company to a third party. However, the Company has continued support of its directors and associated

**31.2.2 Exposure to liquidity risk**

The following presents the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The analysis have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay and includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from

	30-Jun-21				
	Carrying amount Rupees	Contractual cash flows Rupees	One year or less Rupees	One to five years Rupees	More than five years Rupees
Short term borrowings	##	89,839,551	89,839,551	-	-
Accrued interest	##	21,757,327	21,757,327	-	-
Trade creditors	##	473,326,373	473,326,373	-	-
Accrued liabilities	##	2,228,561	2,228,561	-	-
Payable against purchase of investment	##	4,086,600	4,086,600	-	-
Other payables	##	870,650	870,650	-	-
	##	592,109,062	592,109,062	-	-
	30-Jun-20				
	Carrying amount Rupees	Contractual cash flows Rupees	One year or less Rupees	One to five years Rupees	More than five years Rupees
Short term borrowings	##	89,839,551	89,839,551	-	-
Accrued interest	##	21,757,327	21,757,327	-	-
Trade creditors	##	473,014,144	473,014,144	-	-
Accrued liabilities	##	2,153,581	2,153,581	-	-
Payable against purchase of investment	##	4,086,600	4,086,600	-	-
Other payables	##	268,657	268,657	-	-
	##	591,119,860	591,119,860	-	-

# Annual Report June 30, 2021

## 31.3 Market risk

### 31.3.1 Currency risk

Currency risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises from sales, purchases and resulting balances that are denominated in a currency other than functional currency. The Company is not exposed to currency risk as at the reporting date.

### 31.3.2 Interest rate risk

Interest rate risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in interest rates. The Company is not exposed interest rate risk, except to the extent of risk arising from settlement overdue debt finances and interest thereon.

### 31.3.3 Other price risk

Other price risk represents the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market prices, other than those arising from interest 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 similar financial instruments. The Company is exposed to price risk due to changes in active market prices of investment in listed equity securities. A ten percent increase in market prices would have increased profit for the year by Rs. 192,897 (2020: Rs. 154,651). A ten percent decrease in market prices would have had an equal but opposite

## 32 FAIR VALUE MEASUREMENTS

### 32.1 Financial Instruments

#### 32.1.1 Financial instruments measured at fair value

The Company measures some of its financial assets at fair value. Fair value measurements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements and has the following

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
Level 3	Inputs for the asset or liability that are not based on observable market data (that is,

The fair value hierarchy of assets measured at fair value and the information about how the fair values of these financial instruments are determined are as follows:

#### a) *Recurring fair value measurements*

<u>Nature of asset</u>	<u>Hi</u>	<u>Valuation technique and key</u>	<u>30-Jun-21</u>	<u>30-Jun-20</u>
			<i>Rupees</i>	<i>Rupees</i>
Investment in unquoted equity securities (see note 7.2)		Break-up value	<b>3,276,212</b>	2,760,804
Investment in listed equity securities (see note 9)		Quoted bid prices in active	<b>1,928,973</b>	1,546,506

#### b) *Non-recurring fair value measurements*

There are no non-recurring fair value measurements as at the reporting date.

#### 32.1.2 Financial instruments not measured at fair value

The management considers the carrying amount of all financial instruments not measured at fair value to approximate their carrying values.

### 32.2 Assets and liabilities other than financial instruments.

None of the assets and liabilities other than financial instruments are measured at fair value.

## 33 SHARES IN THE COMPANY HELD BY RELATED PARTIES

Ordinary shares in the Company held by related parties, other than chief executive and directors, are as follows:

	30-Jun-21	30-Jun-20
	<i>Rupees</i>	<i>Rupees</i>
D.S. Industries Limited	61,550	61,550
D.S. Textiles Limited	1,119,395	1,119,395
D.S. Apparel (Private) Limited	69,375	69,375
	<b>1,250,320</b>	<b>1,250,320</b>

## 34 OPERATING SEGMENTS

The Company operates as single reportable segment only.

## 35 ASSETS PLEDGED AS SECURITY

Listed securities valued at Rs. 1.351 million (2020: Rs. 1.351 million) are pledged with banks as security against debt finances.

## 36 NUMBER OF EMPLOYEES

	30-Jun-21	30-Jun-20
Total number of employees	-	-
Average number of employees	-	-

## 37 RECOVERABLE AMOUNTS AND IMPAIRMENT

As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in these financial statements.

## 38 GENERAL

Comparative figures have been rearranged and reclassified, where necessary, for the purpose of comparison. Significant reclassifications are referred to in relevant notes to the financial statements.

These financial statements have been signed by two Directors and Chief Financial Officer under section 232 of the Companies Act, 2017, as the Chief Executive is not available for the time being.

Lahore  
Date: October 5, 2021

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

**Pervez Ahmed Consultancy Services Limited**  
**Categories of Shareholders**  
**As At June 30, 2021**

Categories	Number	Shares Held	%age
<b>Associated Companies &amp; Related Parties</b>			
D.S.Industries Limited	1	61,550	0.033
D.S.Textiles Limited	1	1,119,395	0.600
D.S.Apparel (Private) Limited	1	69,375	0.037
<b>Chief Executive &amp; Directors</b>			
Mr. Pervez Ahmed - Chief Executive	1	2,962,398	1.588
Mrs. Rehana Pervez Ahmed	1	735,140	0.394
Mr. Ali Pervez Ahmed	1	762	0.000
Mrs. Ayesha Ahmed Mansoor	1	735,866	0.394
Mr. Muhammad Khalid Khan	1	646	0.000
Mr. Mazhar Pervaiz Malik	1	500	0.000
Mian Basit Rasheed	1	1,000	0.001
Banks, DFI and NBFIs	4	72,947	0.039
Joint Stock Companies	27	2,968,953	1.591
General Public (Local)	6,726	172,685,575	92.559
General Public (Foreign)	133	5,074,380	2.720
Others	2	80,000	0.043
<b>Total</b>	<b>6902</b>	<b>186,568,487</b>	<b>100.000</b>

**Detail of Shareholding of 5% and above.**

Shares Held	Percentage
N/A	0.000

Number of Shareholders	Pattern of Shareholding As At June 30, 2021		Total Number of Shares Held	%age
	Shareholding			
	From	To		
577	1	100	29,272	0.016
734	101	500	290,199	0.156
1,426	501	1,000	1,115,184	0.598
1,724	1,001	5,000	5,026,474	2.694
729	5,001	10,000	5,996,580	3.214
290	10,001	15,000	3,807,794	2.041
238	15,001	20,000	4,487,117	2.405
152	20,001	25,000	3,585,683	1.922
111	25,001	30,000	3,167,531	1.698
62	30,001	35,000	2,062,223	1.105
58	35,001	40,000	2,256,151	1.209
38	40,001	45,000	1,637,870	0.878
110	45,001	50,000	5,443,483	2.918
34	50,001	55,000	1,798,757	0.964
46	55,001	60,000	2,690,909	1.442
24	60,001	65,000	1,516,775	0.813
40	65,001	70,000	2,734,537	1.466
19	70,001	75,000	1,397,858	0.749
20	75,001	80,000	1,564,500	0.839
14	80,001	85,000	1,175,500	0.635
18	85,001	90,000	1,588,890	0.852
11	90,001	95,000	1,024,700	0.549
96	95,001	100,000	9,570,300	5.130
22	100,001	105,000	2,259,983	1.211
18	105,001	110,000	1,957,800	1.049
13	110,001	115,000	1,471,000	0.788
10	115,001	120,000	1,195,430	0.641
10	120,001	125,000	1,235,500	0.662
9	125,001	130,000	1,153,001	0.618
3	130,001	135,000	402,500	0.216
6	135,001	140,000	832,500	0.446
5	140,001	145,000	720,620	0.386
23	145,001	150,000	3,443,500	1.846
4	150,001	155,000	608,001	0.326
7	155,001	160,000	1,111,000	0.595
3	160,001	165,000	493,500	0.265
1	165,001	170,000	166,559	0.089
2	170,001	175,000	350,000	0.188
2	175,001	180,000	356,500	0.191
3	180,001	185,000	551,000	0.295
5	185,001	190,000	943,000	0.505
4	190,001	195,000	774,000	0.415
23	195,001	200,000	4,593,000	2.462
7	200,001	205,000	1,423,500	0.763
4	205,001	210,000	838,500	0.449
4	215,001	220,000	873,500	0.468
2	225,001	230,000	456,000	0.244
3	235,001	240,000	712,500	0.382
1	240,001	245,000	243,500	0.131
6	245,001	250,000	1,496,000	0.802
4	250,001	255,000	1,014,000	0.544
2	255,001	260,000	513,227	0.275
2	260,001	265,000	527,000	0.282
5	275,001	280,000	1,395,500	0.748
2	280,001	285,000	565,500	0.303
2	285,001	290,000	577,500	0.310
1	290,001	295,000	291,000	0.156
7	295,001	300,000	2,100,000	1.126
3	300,001	305,000	905,000	0.485
1	305,001	310,000	308,500	0.165
3	310,001	315,000	940,000	0.504
1	325,001	330,000	327,000	0.175
2	330,001	335,000	666,000	0.357
1	340,001	345,000	340,500	0.183
1	345,001	350,000	350,000	0.188
2	355,001	360,000	718,000	0.385
1	370,001	375,000	370,499	0.199
1	385,001	390,000	388,000	0.208
3	395,001	400,000	1,200,000	0.643
1	400,001	405,000	401,000	0.215
1	410,001	415,000	415,000	0.222
3	415,001	420,000	1,253,500	0.672
1	420,001	425,000	424,000	0.227
2	425,001	430,000	853,794	0.458
1	430,001	435,000	433,000	0.232
5	445,001	450,000	2,249,000	1.205
1	450,001	455,000	451,000	0.242
2	455,001	460,000	914,500	0.490
3	460,001	465,000	1,388,000	0.744
2	465,001	470,000	934,742	0.501
1	470,001	475,000	473,500	0.254
1	480,001	485,000	485,000	0.260
1	485,001	490,000	490,000	0.263
1	490,001	495,000	490,500	0.263
10	495,001	500,000	4,998,500	2.679
1	500,001	505,000	503,000	0.270
1	505,001	510,000	509,500	0.273
1	520,001	525,000	525,000	0.281
2	525,001	530,000	1,055,500	0.566
1	530,001	535,000	532,500	0.285
1	540,001	545,000	545,000	0.292
1	550,001	555,000	550,601	0.295
1	595,001	600,000	596,000	0.319
2	600,001	605,000	1,207,000	0.647
1	645,001	650,000	646,250	0.346
1	670,001	675,000	672,500	0.360
1	695,001	700,000	700,000	0.375
1	725,001	730,000	730,000	0.391
2	730,001	735,000	1,463,050	0.784
1	735,001	740,000	738,500	0.396
1	745,001	750,000	750,000	0.402
1	770,001	775,000	775,000	0.415
1	780,001	785,000	780,500	0.418
1	785,001	790,000	789,500	0.423
1	795,001	800,000	800,000	0.429
1	800,001	805,000	802,000	0.430
1	825,001	830,000	827,000	0.443
1	870,001	875,000	872,000	0.467
1	895,001	900,000	900,000	0.482
1	910,001	915,000	911,000	0.488
1	965,001	970,000	970,000	0.520
3	995,001	1,000,000	3,000,000	1.608
1	1,000,001	1,005,000	1,000,500	0.536
1	1,030,001	1,035,000	1,031,500	0.553
1	1,035,001	1,040,000	1,040,000	0.557
1	1,080,001	1,085,000	1,082,000	0.580
1	1,115,001	1,120,000	1,119,395	0.600
1	1,195,001	1,200,000	1,200,000	0.643
1	1,225,001	1,230,000	1,226,000	0.657
1	1,295,001	1,300,000	1,297,500	0.695
1	1,345,001	1,350,000	1,346,500	0.722
1	1,495,001	1,500,000	1,500,000	0.804
1	1,530,001	1,535,000	1,532,000	0.821
1	1,620,001	1,625,000	1,620,500	0.869
1	1,895,001	1,900,000	1,900,000	1.018
3	1,995,001	2,000,000	6,000,000	3.216
1	2,900,001	2,905,000	2,902,548	1.556
1	6,410,001	6,415,000	6,413,000	3.437
1	6,420,001	6,425,000	6,423,500	3.443
<b>6902</b>			<b>186,568,487</b>	<b>100.000</b>

## چیرمین کی جائزہ رپورٹ

آپ سے ایک بار پھر مخاطب ہونا میرے لئے اعزاز کی بات ہے اور میں آپ کو اپنی 2020-2021 کی کارکردگی بتاتے ہوئے خوشی محسوس کر رہا ہوں۔ سال کے دوران ملک میں COVID-19 کے تیزی سے پھیلاؤ اور لاک ڈاؤن کی وجہ سے، کمپنی کی سرگرمیاں محدود رہیں۔ ہمیں نئے کاروبار کی تلاش کے لیے چیلنجز کا بھی سامنا رہا ہے۔

COVID-19 وبائی بیماری کے پھیلنے کے ساتھ ساتھ مجموعی معاشی صورتحال نے کمپنی کی کارکردگی کو منفی طور پر متاثر کیا۔

بورڈ نے خود تشخیص کی بنیاد پر اپنی صلاحیتوں اور کارکردگی کا سالانہ جائزہ بھی لیا۔ کارکردگی کو بڑھانے کے لیے بنیادی توجہ کے ساتھ انصاف، سالمیت اور احتساب کے بنیادی اصولوں پر مبنی ہے۔ 30 جون 2021 کو ختم ہونے والے مالی سال کے لیے بورڈ کی مجموعی کارکردگی تسلی بخش رہی ہے۔ بورڈ کی جانب سے، یہ میرے لیے ایک خاص خوشی کی بات ہے کہ کئی سالوں سے ہم پر بھروسہ یقین اور اعتماد کے لیے آپ کا شکریہ ادا کروں۔

میں کمپنی کے شیئر ہولڈرز کا شکریہ گزار ہوں۔

لاہور: 15 اکتوبر 2021ء

## مجلسِ نظماء کی رپورٹ

پرویز احمد کنسلٹنسی سروسز لمیٹڈ کی مجلسِ نظماء 30 جون 2021ء کو ختم ہونے والے مالی سال کے لئے کمپنی کے نظر ثانی شدہ حسابات معہ سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتی ہے۔

### میورنٹم اینڈ آرٹیکلز آف ایسوسی ایشن میں تبدیلی

پچھلے سال کے دوران کمپنی نے اپنی اصل کاروباری لائن بروکریج سے کنسلٹنسی اینڈ ایڈوائزری سروسز میں تبدیل کر لی ہے۔ نام کے ساتھ اصل کاروباری لائن کو منسلک کرنے کے لئے کمپنی نے اپنا نام بھی پرویز احمد سیکورٹیز لمیٹڈ سے تبدیل کر کے پرویز احمد کنسلٹنسی سروسز لمیٹڈ رکھ لیا ہے۔

### مالیاتی جائزہ

30 جون 2021ء کو ختم ہونے والے سال کے لئے کمپنی کے مالی نتائج حسب ذیل ہیں:

تفصیل	مختتمہ سال 30 جون 2021ء (روپے)	مختتمہ سال 30 جون 2020ء (روپے)
آپریٹنگ آمدنی	500,000	1,000,000
آپریٹنگ اخراجات	(1,460,583)	(1,412,850)
سرمایہ کاری کی بحالی پر سرپلس / (خسارہ)	382,467	(216,346)
شراکت کے نقصان کا حصہ	7,025,214	(1,978,402)
(نقصان) ٹیکس سے پہلے	6,961,716	(2,024,694)
ٹیکسیشن	(40,000)	(80,000)
(نقصان) ٹیکس کے بعد	6,921,716	(2,104,694)
آمدنی / (نقصان) فی شیئر - بنیادی	0.037	(0.01)

### کمپنی کے مالیاتی نتائج

زیر جائزہ سال کے دوران، 30 جون 2021ء کو ختم ہونے والے مالی سال کے لئے کمپنی نے 6.92 ملین روپے منافع ہوا جبکہ گزشتہ سال 2.1 ملین روپے نقصان ہوا تھا۔ سال کے نقصان کی بنیادی وجہ ایسوسی ایٹ کے منافع کا حصہ ہے۔ فی شیئر بنیادی اور معتدل منافع 0.037 روپے ہے۔

آڈیٹرز نے سال کے دوران گونگ کنسرن مفروضہ، کمپنی کے خلاف قرض دہندگان کی طرف سے مختلف عدالتوں میں زیر التوا مقدمات کی بابت اپنی رپورٹ میں متضاد رائے کا اظہار کیا ہے۔ تاہم انتظامیہ کاروبار کی بحالی اور قرض دہندگان کے ساتھ معاملات کو باقاعدہ کرنے کے لئے کوششیں کر رہی ہے۔

### اقتصادی نقطہ نظر

کوویڈ 19 کی متواتر لہروں کے درمیان، مالی سال 2020-2021 کے دوران معیشت موزوں سمت حاصل کرنے کی طرف گامزن رہی۔ غیر معمولی غیر ملکی ترسیلات زر کے تعاون سے تجارتی توازن اور مناسب پیداوار کے ذریعے مجموعی مقامی پیداوار کے ساتھ، دیگر اہم علاقائی معیشتوں کے مقابلے میں معیشت نے اس وبائی بیماری کی صورتحال میں اچھی کارکردگی کا مظاہرہ کیا۔ منفی پہلو پر، بڑھتی ہوئی مہنگائی نے اگرچہ عام صارفین کی مشکلات میں اضافہ کیا ہے جو کہ حکومت کی معاشی ٹیم کے خلاف عوامی ناراضگی پیدا کر رہی ہے۔ مغربی سرحدوں پر حالیہ سیاسی اور عسکری پیش رفتوں کے باعث معاشی غیر یقینی پیدا کر دی ہے اور فوری ضمنی اثر کے طور پر امریکی ڈالر کے مقابلے میں مقامی کرنسی کو کمزور کر دیا ہے۔ اپنی جیوا سٹریٹجک پوزیشن کی وجہ سے ملک کو بڑے کثیرالجہتی چیلنجز کا سامنا ہے۔ خاص طور پر اس کی معیشت کے لیے بہت سارے مواقع اور خطرات موجود ہیں۔ ہمیشہ کی طرح، ان چیلنجوں کے خلاف مضبوط پلک پیش کرتے ہوئے قوم اپنے وزن پر توجہ مرکوز اور مستقبل میں اعتماد کو برقرار رکھتی دکھائی دیتی ہے۔

## اخلاقیات اور کاروباری طریقوں کا بیان

بورڈ نے کمپنی کے ساتھ منسلک یا کاروبار کرنے والے ہر ایک شخص سے متعلقہ ضابطہء اخلاق کے معیارات کو پیشگی سمجھنے کے اعتراف کے طور پر کمپنی کے ہر ایک ڈائریکٹر اور ملازم کی طرف سے دستخط شدہ اخلاقیات اور کاروباری طریقوں کا بیان تیار اور جاری کیا ہے۔

### منافع منقسمہ

منفی نقد بہاؤ اور دستیاب مجموعی نقصانات کے باعث موجودہ سال میں حالیہ نقصانات کے مد نظر منافع منقسمہ کا اعلان نہیں کیا جا سکا ہے۔

### کمپنی کے حصص میں تجارت

کسی ڈائریکٹر، چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، کمپنی سیکرٹری اور ان کے شریک حیات اور نابالغ بچوں کی طرف سے 30 جون 2021 کو ختم ہونے والے سال کے دوران کمپنی کے حصص میں کوئی تجارت نہیں کی گئی ہے۔

### کتابوں کی بندش

کمپنی کی حصص منتقلی کتابیں 23 اکتوبر 2021ء تا 28 اکتوبر 2021ء (بشمول دونوں ایام) بند رہیں گی اور اس دوران رجسٹریشن کے لئے حصص کی کوئی منتقلی قابل قبول نہیں ہوگی۔ 22 اکتوبر 2021ء کو کاروبار کے اختتام تک ہمارے شیئر رجسٹرار، میسرز THK ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، جامی کرسٹل، C-32، گلی نمبر-2، کراچی کو موصول ہونے والی منتقلیاں اجلاس میں شرکت اور حق رائے دہی کے لئے قابل قبول ہوگی۔

### آپریٹنگ اور مالیاتی اعداد و شمار

گزشتہ چھ سالوں کے لئے آپریٹنگ اور مالیاتی اعداد و شمار مع کلیدی تناسب منسلک ہیں۔

### بورڈ کے منعقدہ اجلاسوں کی تعداد

30 جون 2021ء کو ختم ہونے والے سال کے دوران بورڈ آف ڈائریکٹرز کے پانچ اجلاس منعقد ہوئے اور ڈائریکٹرز کی حاضری مندرجہ ذیل ہے:

تعداد حاضری	عہدہ	نام
5	چیف ایگزیکٹو	جناب پرویز احمد
5	ڈائریکٹر	محترمہ ریحانہ پرویز احمد
5	ڈائریکٹر	جناب علی پرویز احمد
4	ڈائریکٹر	محترمہ عائشہ احمد منصور
5	ڈائریکٹر	جناب محمد خالد خان
5	ڈائریکٹر	جناب مظہر پرویز ملک
5	ڈائریکٹر	میاں باسط رشید

### آڈیٹرز

موجودہ آڈیٹرز میسرز رحمان سرفراز رحیم اقبال رفیق، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو گئے ہیں اور اہل ہونے کی بناء پر دوبارہ تقرری کے لئے خود کو پیش کرتے ہیں۔ بورڈ کی آڈٹ کمیٹی نے 30 جون 2022ء کو ختم ہونے والے مالی سال کے لئے بطور آڈیٹرز میسرز رحمان سرفراز رحیم اقبال رفیق، چارٹرڈ اکاؤنٹنٹس کو دوبارہ مقرر کرنے کی سفارش کی ہے۔

### آڈٹ کمیٹی

کارپوریٹ گورننس کے ضابطہء اخلاق کی تعمیل میں آڈٹ کمیٹی تشکیل دی گئی ہے اور مندرجہ ذیل اراکین پر مشتمل ہے:

عہدہ	نام
چیئرمین	جناب مظہر پرویز ملک
رکن	محترمہ عائشہ احمد منصور
رکن	جناب محمد خالد خان

سہ ماہی اور سالانہ حسابات کے جائزہ اور دیگر متعلقہ معاملات کے لئے کارپوریٹ ضابطہء اخلاق کے تحت درکار 30 جون 2021ء تختہ سال کے دوران آڈٹ کمیٹی کے اجلاس منعقد ہوئے۔ اجلاس میں چیف فنانشل آفیسر، داخلی آڈٹ کے سربراہ اور جب ضرورت پیش آئی بیرونی آڈیٹرز نے بھی شرکت کی۔

### کارپوریٹ گورننس کے ضابطہء اخلاق کی تعمیل میں بیان

بورڈ آف ڈائریکٹرز اور کمپنی کارپوریٹ گورننس کے اچھے طریقوں کے اصولوں پر کاربند ہیں۔ بورڈ اور انتظامیہ اپنی ذمہ داریوں سے آگاہ ہیں اور مالی اور غیر مالی معلومات کی درستگی، جامعیت اور شفافیت کو بڑھانے کے لئے کمپنی کی کارکردگی کی نگرانی کرتے ہیں۔ بورڈ بخوشی تصدیق کرتے ہیں کہ کمپنی نے ہر مادی معاملات میں، لسٹڈ کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 میں شامل بہترین طریقوں جن کی تعمیل کے ساتھ منسلک بیان میں مکمل طور پر وضاحت کی گئی ہے کے مطابق تعمیل کی ہے اور بہترین طریقوں سے کوئی مادی انحراف نہیں کیا گیا ہے۔ مزید، درج ذیل بیان کرتے ہیں کہ:

- 1- کمپنی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔
- 2- کمپنی کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور ایکویٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔
- 3- مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور انٹرنڈائز فیصلوں پر مبنی ہیں۔
- 4- مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی اکاؤنٹنگ معیارات کی پیروی کی گئی ہے اور کسی انحراف کا واضح انکشاف کیا گیا ہے۔
- 5- اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی مؤثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- 6- سال کے دوران کمپنی نے 6.92 ملین روپے کا خالص منافع درج کیا اور بیلنس شیٹ کی تاریخ تک 1,620.5 ملین روپے کا مجموعی نقصان اٹھایا ہے۔ کمپنی کی موجودہ واجب ادائیگیاں اسکے موجودہ اثاثوں سے 640.5 ملین روپے تک تجاوز کر گئی ہیں۔ یہ عناصر کمپنی کی رواں دواں رہنے کی اہلیت کے بارے میں شکوک پیدا کر سکتے ہیں۔ تاہم انتظامیہ کمپنی کی مدد کے لئے مسلسل کوششیں کر رہی ہے۔
- 7- فہرستی ضابطوں میں تفصیلی کارپوریٹ گورننس کے بہترین طریقوں میں سے کسی خاطر خواہ شق سے مادی انحراف نہیں ہو رہا ہے۔
- 8- گزشتہ چھ سالوں کی مالیاتی جھلکیاں منسلک ہیں۔

### نمونہ حصص داری

کمپنی کا نمونہ حصص داری سالانہ رپورٹ سے منسلک ہے۔

### حصص داری کی اقسام

کمپنی کے شیئرز ہولڈنگ کی اقسام سالانہ رپورٹ سے منسلک ہیں۔

### اظہار تشکر

بورڈ کمپنی میں اپنے قابل قدر حصص یافتگان کے اعتماد، بھرپور حمایت، مدد اور ہنمائی کے لئے سیکورٹیز اینڈ ایکسچینج کمیشن پاکستان اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کی شکرگزار ہے۔ بورڈ کمپنی کے ملازمین کی لگن اور سخت محنت کا بھی شکر یہ ادا کرتا ہے۔

عائشہ احمد منصور

منجانب بورڈ علی پرویز احمد

Anusha Ahmad Manzoor

UPM

ڈائریکٹر

ڈائریکٹر

لاہور،

تاریخ: 15 اکتوبر 2021ء

## FORM OF PROXY Annual General Meeting

**The Company Secretary**  
**Pervez Ahmed Consultancy Services Limited**  
**20-K, Gulberg II,**  
**Lahore.**

**Dear Sir,**

I/We ----- of (full address) ----- being a member(s) of Pervez Ahmed Consultancy Services Limited holding ----- Ordinary Shares as per Registered Folio No. / CDC A/c No ----- hereby appoint Mr./ Mrs./ Miss ----- of (full address) ----- or failing him / her Mr./ Mrs./ Miss ----- of (full address) ----- being member of the Company as my/our Proxy to attend, act and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on October 28, 2021

Signed this ----- day of -----2021

Witnesses:

Signature

\_\_\_\_\_

Name

\_\_\_\_\_

Address

\_\_\_\_\_

CNIC No

\_\_\_\_\_



Signature should be agreed with the  
Specimen Signatures with the  
Company

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting of the Company is entitled to appoint a proxy to attend and vote instead of him/her.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or his constituted attorney or if such appointer is a corporation or company under the common seal of such corporation or company.
3. The proxy shall produce his original CNIC or original passport at the time of the Meeting.
4. The Proxy Form, duly completed, must be deposited with the Company Secretary of Pervez Ahmed Consultancy Services Limited, 20 – K Gulberg II Lahore not less than 48 hours before the time for holding the meeting.

**Registered Office:** | 20-K Gulberg II, Lahore.

| Ph: (042) 3575 9621, 3575 9464, 3571 4810

| Fax: (042) 3571 0312