



JS Global Capital Limited

Condensed Interim Financial Information  
for the Fifteen Months Period Ended September 30, 2012  
(Un-audited)

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## Company Information

<b>Board of Directors</b>	<b>Mr. Basir Shamsie</b> <b>Mr. Shahid Hameed</b> <b>Mr. Kashif Shafi Khan</b> <b>Mr. Naief Abdullatif S A Mohammad</b> <b>Mr. Aslam Khaliq</b> <b>Mr. Khurshid Hadi</b> <b>Mr. Muhammad Yousuf Amanullah</b> <b>Mr. Muhammad Kamran Nasir</b>	Chairman, Non-Executive Director Vice Chairman, Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Chief Executive Officer
<b>Audit Committee</b>	<b>Mr. Muhammad Yousuf Amanullah</b> <b>Mr. Shahid Hameed</b> <b>Mr. Basir Shamsie</b> <b>Mr. Ilyas Ahmed</b>	Chairman Member Member Secretary
<b>Executive Committee</b>	<b>Mr. Muhammad Kamran Nasir</b> <b>Mr. Shahid Hameed</b> <b>Mr. Basir Shamsie</b>	Chairman Member Member
<b>Compensation Committee</b>	<b>Mr. Aslam Khaliq</b> <b>Mr. Muhammad Kamran Nasir</b> <b>Mr. Shahid Hameed</b>	Chairman Member Member
<b>CFO &amp; Company Secretary</b>	<b>Mr. Jamal Rehmat Ali</b>	
<b>Auditor</b>	<b>M. Yousaf Adil Saleem &amp; Co.</b> Chartered Accountants Cavish Court, A-35, Block 7 & 8, KCHSU, Shahrah-e-Faisal, Karachi	
<b>Internal Auditor</b>	<b>Ernst &amp; Young Fords Rhodes Sidat Hyder &amp; Co.</b> Chartered Accountants	
<b>Bankers</b>	<b>JS Bank Limited</b> <b>MCB Bank Limited</b> <b>Habib Bank Limited</b> <b>Habib Metropolitan Bank Limited</b> <b>NIB Bank Limited</b> <b>Bank Alfalah Limited</b> <b>United Bank Limited</b>	
<b>Legal Advisers</b>	<b>Bawaney &amp; Partners</b> , 4th Floor, Beaumont Plaza, Civil Lines, Karachi	
<b>Share Registrar</b>	<b>Technology Trade (Pvt) Limited</b> , 241-C, Block-2, P.E.C.H.S., Karachi	
<b>Registered Office</b>	6th Floor, Faysal House, Main Shahra – e – Faisal , Karachi Telephone: 92-21-111574111, Fax: 92-21-32800163, 32800167	

## Director's Report to the Members

The Board of Directors of JS Global Capital Limited (the "Company") are pleased to present the unaudited interim financial statements for the fifteen months period ended September 30, 2012 together with comparative figures for the corresponding period of last year. Summarized results are set out below:

	<b>Fifteen months period ended</b>	
	<b>30 September 2012</b>	30 September 2011
	----- <b>(Rupees)</b> -----	
Profit before tax	323,910,881	181,913,434
Profit after tax	251,577,406	132,046,692
Earnings per share	5.03	2.64

### **ECONOMIC REVIEW**

Macroeconomic activity in Pakistan has been slow over July 2011 – September 2012, on the back of severe power and gas shortages, troubled law and order in the country and limited investment. FY12 GDP growth was recorded at 3.7%, lower than the target of 4.2% while Large Scale Manufacturing (LSM) growth was also limited to 1.3%YoY. Trade deficit surged by 36%YoY in FY12 to USD 21.3bn where (1) higher international oil prices drove up Pakistan's import bill (imports rose by 11%YoY to USD 44.9bn) while (2) exports during the year declined by 5%YoY to USD 23.6bn as cotton prices softened. Resultantly, current account recorded a deficit of USD 4.5bn compared to FY11 surplus of USD 542mn.

On a positive note, however, some economic indicators have started to show improvement, particularly in 1QFY13. Inflation tapered off to 11% in FY12 (13.7% in FY11) and eased further in 1QFY13 to 9.15% compared to 11.48% in the corresponding period last year. On the external account front, Current Account (C/A) surplus for 2MFY13 was recorded at USD 919mn vis-à-vis a deficit of USD 261mn in 2M FY12. The improvement in the C/A balance was largely owed to the receipt of USD 1.18bn from the US under the Coalition Support Fund (CSF). Moreover, remittances have been a major stabilizing factor on the external account front. Inwards remittances increased to USD 13.2bn in FY12 against USD 11.2bn in FY11. Likewise in 2M FY13, remittances increased to USD 2.5bn, a rise of 2% from the corresponding period last year. The period under review also witnessed a reduction of 350 bp in the discount rate by the State Bank of Pakistan, the Central Bank of the Country, which is likely to bode well for the economic activity going forward. Nevertheless, acute energy shortage continues to hamper the capacity utilization within the country.

### **EQUITY MARKET REVIEW**

During July 2011- September 2012, the KSE-100 recorded an increase of 24% compared to an average increase of 3% in the regional markets. KSE gains during the period were concentrated in the January – September 2012 period. Note that over July – December 2011, the market contracted by 9% on the back of concerns on the domestic political scenario, complicated ties with the US and weak global economic outlook. The gains were largely owed to:

- (1) positive developments on Capital Gains Tax (CGT) and the amnesty scheme offered by the government,
- (2) improvement in economic outlook in 1Q FY13 coupled with improvement in Pak-US relations; and
- (3) monetary easing by the Central Bank.

Average daily volumes during the period improved to 130 mn shares compared to 88 mn shares in July 2010 – September 2011. Improvement on the domestic political front and further monetary easing by the Central Bank is expected to provide further support to the market going forward.

#### **Money Market / FX Overview**

The short term money market rates remained in the higher range during most part of the quarter owing to relatively tight liquidity position in the system with few exceptions where the market witnessed floors also. During this quarter, the SBP continued to inject sizeable amounts through Open Market Operations. Since the last decision of policy discount rate cut of 150 bps was higher than the general market expectations, Government bond market is likely to remain active going along with the need to rejuvenate economic growth and private investments.

In FY 13 first quarter USD vs. PKR parity started from 94.67 and closed at 94.80. The lowest USD vs. PKR outright was traded at 94.00 in August 2012 and the highest USD vs. PKR outright was traded at 94.95 in the same month. In August 2012 SBP cut down the discount rate by 150 basis point to 10.50%. The lowest 6 month premium traded at 355 paisa during September 2012 and the highest 6 month premium traded at 405 paisa during July 2012. Lowest country FX Reserves during FY13 hit USD 14.57 bn during July 2012 and highest country FX Reserves touched USD 15.54 bn during August 2012.

#### **Commodity Overview**

PMEX Volume have shown exponential growth during the 1st quarter of 2012-13. During this period, PMEX has also achieved the highest ever daily Trade volume of Rs.16 billion as of 13th of September 2012. Trade value during the quarter was Rs 385 Billion as compared to 274 Billion during last quarter. The exchange also successfully launched the silver SL10 contract on 16th July 2012. The introduction of new contract along side phenomenal growth and rising investor penetration resulted in unprecedented activity level in the market.

JS Global Capital Limited nearly doubled its traded volume and crossed Rs.43 billion mark representing Rs.33 Billion of Gold Rs.4 Billion of Silver and Rs.5 Billion for Crude Oil. The figures for the last quarter were Rs.22 Billion of Gold Rs.2 Billion of Silver and Rs.4 Billion for Crude Oil adding to Rs.28 Billion.

#### **COMPANY PERFORMANCE REVIEW**

The Company profitability has risen by 91% during the fifteen months under review. Its after tax profit was Rs. 252 million for the period as compared Rs. 132 million for the comparative period last year. This has resulted mainly due to capital gain on the investments realized. Operating revenue declined by 3.6% due to lower brokerage revenue in comparison to the corresponding period last year. Further, cost controls measures have reduced the administrative expenses by 9.3% despite significant surge in business activity and revenues.

Despite current market-related challenges and the country's economic condition, the Company is focused on maintaining its growth momentum in the long run. Management is acutely monitoring its resources to reap the maximum benefits for its shareholders. This involves optimizing revenue generation from treasury management, core brokerage and fee-based operations whilst at the same time rationalizing our cost base, despite high inflation being experienced by the country over the last few years.

During the period, Mr. Adil Matcheswala, Mr. Ahsen Ahmed and Syed Nadir Shah resigned from the Board of Directors and Mr. Basir Shamsie, Mr. Yousuf Amanullah and Mr. Khurshid Hadi were appointed as Directors in their place.

In order to align its financial year with its parent company and to facilitate preparation of financial statements, the Company changed its financial year from July-June to January- December and has been accorded the necessary approval by the SECP.

#### **MATERIAL INFORMATION:**

##### **Appointment of Director**

The Board of Directors in their meeting held on October 22, 2012 have accepted the resignation of Mr. Kashif Shafi Khan and approved the appointment of Mr. Abdul Hamid Mihrez as Director of the Company (Subject to approval of Regulatory Authorities) to fill the casual vacancy in accordance with provisions of the Companies Ordinance, 1984 and the Company's Articles of Association.

##### **Restructuring and Consequent Conversion of the redemption proceeds of the Preference Shares of Azgard Nine Limited (ANL)**

The Board of Directors has approved the restructuring and consequent conversion of the redemption proceeds of the Preference Shares of Azgard Nine Limited (ANL) amounting to Rs. 326,456,184 held by the Company into Privately Placed Term Finance Certificates of Azgard Nine Limited subject to passing of special resolution by the shareholders of the Company under Section 208 of the Companies Ordinance, 1984 and requisite regulatory and other approvals.

##### **To Act as the Market Maker for the 7th listed, rated and secured TFC issue by Jahangir Siddiqui & Co. Ltd.**

The Board of Directors have decided, subject to shareholders' approval, that the Company will act as the market maker for the 7th listed, rated and secured TFC issue by Jahangir Siddiqui & Company Limited, an associated company and for this purpose to hold TFCs of up to the maximum amount of Rs.20 million.

**ACKNOWLEDGEMENT**

The Board expresses its most sincere appreciation towards the Company's employees for their dedication and hard work and its clientele, business partners and shareholders for their support and confidence.

We would like to acknowledge the role of Securities and Exchange Commission of Pakistan and the State Bank of Pakistan for their efforts to strengthen the Capital Markets and measures to protect investor rights.

On behalf of the Board

**Basir Shamsie**  
Chairman

**Karachi: October 22, 2012**

**CONDENSED INTERIM  
FINANCIAL STATEMENTS**



## Condensed Interim Balance Sheet

### As at 30 September 2012

	Note	30 September 2012 (Un-audited)	30 June 2011 (Audited)
------(Rupees)-----			
<b>CAPITAL AND RESERVES</b>			
Share capital			
Authorised:			
150,000,000 (June 30, 2011: 150,000,000)			
ordinary shares of Rs. 10 each		<u>1,500,000,000</u>	<u>1,500,000,000</u>
Issued, subscribed and paid-up share capital		<b>500,000,000</b>	500,000,000
Share premium		<b>1,810,104,900</b>	1,810,104,900
Unappropriated profit		<b>361,805,413</b>	285,228,007
Unrealised gain / (loss) on remeasurement of available-for-sale investments at fair value		-	(69,493)
		<u><b>2,671,910,313</b></u>	<u>2,595,263,414</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Creditors, accrued expenses and other liabilities	5	<b>346,887,043</b>	194,892,528
Borrowing	6	<b>530,088,000</b>	-
Proposed Dividend	7	<b>75,000,000</b>	-
Provision for taxation		<b>133,800,910</b>	65,962,451
Contingencies and Commitments	8	<b>1,085,775,953</b>	260,854,979
		<u><b>3,757,686,266</b></u>	<u>2,856,118,393</u>

The annexed notes 1 to 23 form an integral part of this condensed interim financial information

## Condensed Interim Balance Sheet

### As at 30 September 2012

	Note	30 September 2012 (Un-audited)	30 June 2011 (Audited)
----- (Rupees) -----			
<b>ASSETS:</b>			
<b>Non Current assets</b>			
Property and equipment	9	17,858,066	24,941,067
Intangible assets	10	23,743,747	23,500,000
Long term loans, advances and deposits		5,780,447	8,223,874
Deferred taxation-net	11	137,091,203	141,586,220
		<u>184,473,463</u>	<u>198,251,161</u>
<b>Current assets</b>			
Short term investments	12	2,245,232,909	1,868,315,625
Trade debts - unsecured, considered good	13	620,828,499	157,221,996
Loans and advances - considered good		10,090,482	7,701,435
Deposits and short-term prepayments		21,867,322	9,756,565
Interest and markup accrued	14	6,498,197	19,313,483
Other receivables		4,522,999	10,525,803
Advance tax		132,119,932	63,944,065
Cash and bank balances	15	532,052,463	521,088,260
		<u>3,573,212,803</u>	<u>2,657,867,232</u>
		<u>3,757,686,266</u>	<u>2,856,118,393</u>

The annexed notes 1 to 23 form an integral part of this condensed interim financial information

**Basir Shamsie**  
Chairman / Director

**Muhammad Kamran Nasir**  
Chief Executive

 JS Global

## CONDENSED INTERIM PROFIT & LOSS ACCOUNT (Unaudited)

For the fifteen months period ended September 30, 2012

	Note	Fifteen Months Period ended		Three Months Period ended	
		30 September 2012 (Un-audited) (Rupees)	30 September 2011 (Un-audited) (Rupees)	30 September 2012 (Un-audited) (Rupees)	30 September 2011 (Un-audited) (Rupees)
Operating revenue	16	247,281,227	256,605,697	52,416,097	40,304,355
Income from reverse repurchase transactions		223,994	-	-	-
Capital gain on sale of investments		120,802,525	64,702,957	65,683,974	4,019,041
Gain / (Loss) on remeasurement of investments at fair value through profit or loss - net		48,517,864	84,006,389	(20,270,594)	23,998,701
		416,825,610	405,315,043	97,829,477	68,322,097
Administrative and operating expenses		(361,688,216)	(398,739,464)	(77,942,984)	(69,678,761)
(Provision) / reversal for doubtful debts-net		22,843,411	(6,815,799)	-	-
Impairment of investment in preference shares		(20,000,000)	(78,417,906)	-	-
Impairment of dividend receivable		-	(8,592,669)	-	-
		57,980,805	(87,250,795)	19,886,493	(1,356,664)
Other operating income	17	291,331,906	278,530,031	60,975,282	59,353,681
		349,312,711	191,279,236	80,861,775	57,997,017
Provision for Workers' Welfare Fund		(6,476,511)	(3,777,884)	(965,957)	(1,113,749)
Finance Cost	18	(18,925,319)	(5,587,918)	(4,063,753)	(1,201,215)
Profit before taxation		323,910,881	181,913,434	75,832,065	55,682,053
Taxation - current		(67,838,458)	(76,961,712)	(12,407,126)	(12,756,162)
- prior		-	(153,663)	-	-
- deferred		(4,495,017)	27,248,633	3,288,634	-
		(72,333,475)	(49,866,742)	(9,118,492)	(12,756,162)
Profit after taxation		251,577,406	132,046,692	66,713,573	42,925,891
Earnings per share - basic and diluted	19	5.03	2.64	1.33	0.86

The annexed notes 1 to 23 form an integral part of this condensed interim financial information

 JS Global

**Basir Shamsie**  
Chairman / Director

**Muhammad Kamran Nasir**  
Chief Executive

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

### For the fifteen months period ended September 30, 2012

	Fifteen Months Period ended		Three Months Period ended	
	30 September 2012 (Un-audited)	30 September 2011 (Un-audited)	30 September 2012 (Un-audited)	30 September 2011 (Un-audited)
	------(Rupees)-----		------(Rupees)-----	
<b>Net profit for the period</b>	<b>251,577,406</b>	132,046,692	<b>66,713,573</b>	42,925,891
<b>Other comprehensive income:</b>				
Unrealised gain / (loss) on remeasurement of available for sale investments at fair value	<b>69,493</b>	(11,118,912)	-	(6,949,320)
	<b>69,493</b>	(11,118,912)	-	(6,949,320)
<b>Total comprehensive income for the period</b>	<b>251,646,899</b>	120,927,780	<b>66,713,573</b>	35,976,571

The annexed notes 1 to 23 form an integral part of this condensed interim financial information

**Basir Shamsie**  
Chairman / Director

**Muhammad Kamran Nasir**  
Chief Executive

 **JS Global**

## CONDENSED INTERIM CASH FLOW STATEMENT (Unaudited)

For the fifteen months period ended September 30, 2012

	<b>30 September 2012</b>	<b>30 September 2011</b>
	<b>(Un-audited)</b>	<b>(Un-audited)</b>
	----- <b>(Rupees)</b> -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	<b>323,910,881</b>	181,913,434
Adjustments for:		
Depreciation	<b>10,239,758</b>	17,643,052
Amortization of intangible assets	<b>81,252</b>	-
(Gain) / loss on sale of property and equipment	<b>(5,658,580)</b>	(2,005,247)
(Gain) / loss on remeasurement of investments carried at fair value through profit or loss - net	<b>(48,517,864)</b>	(84,006,389)
(Reversal)/provision for doubtful debts	<b>(22,843,411)</b>	6,815,799
Provision for Workers' Welfare Fund	<b>6,476,511</b>	3,777,884
Impairment of investment in preference shares	<b>20,000,000</b>	78,417,906
Impairment of dividend receivable	<b>-</b>	8,592,669
Finance cost	<b>18,925,319</b>	5,587,918
	<b>(21,297,015)</b>	34,823,592
Cash generated from operating activities before working capital changes	<b>302,613,866</b>	216,737,026
<i>(Increase) / decrease in current assets</i>		
Trade debts - considered good	<b>(440,763,092)</b>	(57,853,728)
Loans and Advances - unsecured considered good	<b>(2,389,048)</b>	(1,082,125)
Deposits and short term prepayments	<b>(12,110,757)</b>	32,557,235
Interest and markup accrued	<b>12,815,286</b>	(7,240,123)
Other receivables	<b>6,002,804</b>	11,892,950
	<b>(436,444,807)</b>	(21,725,791)
<i>Increase / (decrease) in current liabilities</i>		
Creditors, accrued expenses and other liabilities	<b>148,021,233</b>	271,167,721
Cash generated from operations	<b>14,190,292</b>	466,178,956
Finance cost paid	<b>(18,925,319)</b>	(5,587,918)
Taxes paid	<b>(68,175,867)</b>	(81,041,479)
Payment to workers' welfare fund	<b>(2,647,214)</b>	(7,293,206)
Net cash (used in) / from operating activities	<b>(75,558,108)</b>	372,256,353
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	<b>(4,144,399)</b>	(8,479,740)
Capital Expenditure Incurred on Software	<b>(325,000)</b>	-
Proceeds from disposal of property and equipment	<b>6,646,226</b>	13,966,148
Long term loans, advances and deposits	<b>2,443,427</b>	(2,308,499)
Short term investments	<b>(348,329,927)</b>	(594,560,400)
Net cash (used in) investing activities	<b>(343,709,673)</b>	(591,382,491)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payable under reverse repurchase transactions	<b>530,088,000</b>	-
Dividend paid	<b>(99,856,016)</b>	(249,723,559)
Net cash from / (used in) financing activities	<b>430,231,984</b>	(249,723,559)
Increase / (decrease) in cash and cash equivalents during the period	<b>10,964,203</b>	(468,849,697)
Cash and cash equivalents at the beginning of the period	<b>521,088,260</b>	562,958,485
Cash and cash equivalents at the end of the period	<b>532,052,463</b>	94,108,788

The annexed notes 1 to 23 form an integral part of this condensed interim financial information

 **JS Global**

**Basir Shamsie**  
Chairman / Director

**Muhammad Kamran Nasir**  
Chief Executive

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Unaudited)

### For the fifteen months period ended September 30, 2012

	Issued, subscribed and paid up share capital	Capital reserves Share premium	Revenue reserves		Total
			Unrealized gain / (loss) on remeasurement of available for sale investment at fair value (Rupees)	Unappropriated profit	
<b>Balance as at July 1, 2010</b>	500,000,000	1,810,104,900	4,100,099	446,107,206	2,760,312,205
<b>Total comprehensive income for the period</b>					
Profit for the twelve months period ended June 30, 2011	-	-	-	89,120,801	89,120,801
<b>Other comprehensive income</b>					
Un realized loss on remeasurement of available for sale investments at fair value	-	-	(4,169,592)	-	(4,169,592)
Total comprehensive income for the period	-	-	(4,169,592)	89,120,801	84,951,209
<b>Transactions with owners of the Company, recognised directly in equity</b>					
- Final dividend for the year ended June 30, 2010 @ Rs.5 per ordinary share	-	-	-	(250,000,000)	(250,000,000)
<b>Balance as at June 30, 2011 (Audited)</b>	<b>500,000,000</b>	<b>1,810,104,900</b>	<b>(69,493)</b>	<b>285,228,007</b>	<b>2,595,263,414</b>
<b>Balance as at July 01, 2011</b>	<b>500,000,000</b>	<b>1,810,104,900</b>	<b>(69,493)</b>	<b>285,228,007</b>	<b>2,595,263,414</b>
<b>Total comprehensive income for the period</b>					
Profit for the three months period ended September 30, 2011	-	-	-	42,925,891	42,925,891
<b>Other comprehensive income</b>					
Un realized gain on remeasurement of available for sale investments at fair value	-	-	(6,949,320)	-	(6,949,320)
Total comprehensive income for the period	-	-	(6,949,320)	42,925,891	35,976,571
<b>Balance as at September 30, 2011</b>	<b>500,000,000</b>	<b>1,810,104,900</b>	<b>(7,018,813)</b>	<b>328,153,898</b>	<b>2,631,239,985</b>
<b>Balance as at 01 July 2011</b>	<b>500,000,000</b>	<b>1,810,104,900</b>	<b>(69,493)</b>	<b>285,228,007</b>	<b>2,595,263,414</b>
<b>Total comprehensive income for the period</b>					
Profit for the twelve months period ended June 30, 2012	-	-	-	184,863,833	184,863,833
<b>Other comprehensive income</b>					
Un realized gain on remeasurement of available for sale investments at fair value	-	-	69,493	-	69,493
Total comprehensive income for the period	-	-	69,493	184,863,833	184,933,326
<b>Transactions with owners of the Company, recognised directly in equity</b>					
- Interim dividend for the six months period ended December 31, 2011 @ Rs.2 per ordinary share	-	-	-	(100,000,000)	(100,000,000)
<b>Balance as at June 30, 2012</b>	<b>500,000,000</b>	<b>1,810,104,900</b>	<b>-</b>	<b>370,091,840</b>	<b>2,680,196,740</b>
<b>Balance as at July 01, 2012</b>	<b>500,000,000</b>	<b>1,810,104,900</b>	<b>-</b>	<b>370,091,840</b>	<b>2,680,196,740</b>
<b>Total comprehensive income for the period</b>					
Profit for the three months period ended September 30, 2012	-	-	-	66,713,573	66,713,573
<b>Other comprehensive income</b>					
Un realized (loss)/gain on remeasurement of available for sale investments at fair value	-	-	-	-	-
Total comprehensive income for the period	-	-	-	66,713,573	66,713,573
<b>Transactions with owners of the Company, recognised directly in equity</b>					
Second Interim dividend for the twelve months period ended June 30, 2012 - Proposed dividend @ Rs.1.5/- per ordinary share	-	-	-	(75,000,000)	(75,000,000)
<b>Balance as at September 30, 2012</b>	<b>500,000,000</b>	<b>1,810,104,900</b>	<b>-</b>	<b>361,805,413</b>	<b>2,671,910,313</b>

The annexed notes 1 to 23 form an integral part of this condensed interim financial information

**Basir Shamsie**  
Chairman / Director

**Muhammad Kamran Nasir**  
Chief Executive

**JS Global**

## Notes To The Condensed Interim Financial Information (Un-audited) For the fifteen months period ended September 30, 2012

### 1. THE COMPANY AND ITS OPERATIONS

JS Global Capital Limited ('the Company') was incorporated as a private limited company on June 28, 2000. However, the Company commenced operations in May 2003 and name of the Company was changed from JSCL Direct (Private) Limited to Jahangir Siddiqui Capital Markets (Private) Limited. Subsequently, the Company was converted into a public unquoted company and the holding company Jahangir Siddiqui and Company Limited (JSCL) offered its 25% shareholding to the general public for subscription in December 2004 and the Company obtained listing on Karachi Stock Exchange Limited and Islamabad Stock Exchange Limited on February 7, 2005. During 2006-07 the Company issued 10,009,700 shares to Global Investment House K.S.C.C Kuwait, ('Global'). The shares were issued to Global without offering right shares on the basis of a special resolution passed on July 11, 2006. Securities and Exchange Commission of Pakistan vide its letter No. EMD/CI/49/2006-458 dated July 19, 2006 gave its approval in principle to the scheme of the transaction.

During the current period, JS Bank Limited (the Bank), a subsidiary of JSCL, acquired 25,525,169 shares of the Company from JSCL and other shareholders of the Company against issuance of 185,321,546 shares of the Bank in lieu thereof. As a result the principle ownership of the Company was transferred to the Bank. Now, the Company is subsidiary of JS Bank Limited and JSCL has become the ultimate parent of the Company.

JS Global Capital Limited is a corporate member of Karachi Stock Exchange Limited (formerly Karachi Stock Exchange (Guarantee) Limited) and member of Pakistan Merchantile Exchange Limited (formerly National Commodity Exchange Limited). The principal activities of the Company are share brokerage, money market, forex and commodity brokerage, advisory and consultancy services. Other activities include investment in a mix of listed and unlisted equity and debt securities and reverse repurchase transactions. The registered office of the Company is situated at 6th floor, Faysal House, Shakra-e-Faisal, Karachi, Pakistan.

#### 1.1 Change in accounting year

The Company has changed its financial year from June 30 to December 31 to align its year-end with JS Bank Limited. In this respect the Company has been granted approval by SECP through letter No.EMD/233/667/2005-1576 dated June 05, 2012 to change its financial year from July-June to January-December in accordance with the provisions of the section 238 of the Companies Ordinance 1984. The Company has also been allowed the following approvals/permissions:

- Waiver of the requirement for laying accounts for the calendar year 2012
- Preparation of accounts for a period eighteen (18) months period starting from July 01, 2011 to December 31, 2012

- Waiver from holding of annual general meeting for the calendar year 2012
- Extension for holding of annual general meeting of the company for the calendar year 2012 upto April 30 2013 i.e. beyond fifteen months from last preceding annual general meeting.

In view of above, complete set of financial statements of the Company will be prepared for eighteen months starting from July 01, 2011 to December 31, 2012. Therefore, management has prepared condensed financial information for the fifteen months period ended starting from July 1, 2011 to September 30, 2012 instead of complete set of financial statements.

## **2. BASIS OF PREPARATION**

### **2.1 Statement of compliance**

This condensed interim financial information of the Company for the fifteen months period ended September 30, 2012 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

The disclosures made in this condensed interim financial information has been limited based on requirements of International Accounting Standard 34, 'Interim Financial Reporting' and do not include all the disclosures required in the annual financial statements. Accordingly, this condensed interim financial information should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2011.

### **2.2 Use of estimates and judgments**

The preparation of condensed interim financial information requires the Company to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by the Company in applying accounting policies and the key sources of estimating uncertainty are the same as those that applied to annual financial statements as at and for the year ended June 30, 2011

## **3. ACCOUNTING POLICIES**

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are same as those applied in the preparation of the financial statements of the Company for the year ended June 30, 2011.

## **4. FINANCIAL RISK MANAGEMENT**

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended 30 June 2011.



**5. CREDITORS, ACCRUED EXPENSES AND OTHER LIABILITIES**

	<b>30 September 2012 (Un-audited)</b>	30 June 2011 (Audited)
	----- (Rupees) -----	
Creditors for sale of commodities and shares on behalf of clients	<b>275,710,594</b>	155,408,663
Accrued expenses	<b>35,636,325</b>	22,411,990
Provision for staff bonus	<b>4,000,000</b>	2,000,000
Unclaimed dividend	<b>2,656,586</b>	2,512,602
Retention money	<b>40,600</b>	40,600
Advance fee from client	<b>5,883,963</b>	3,276,971
Provision for Workers' Welfare Fund	<b>6,336,255</b>	2,506,958
Others	<b>16,622,720</b>	6,734,744
	<b><u>346,887,043</u></b>	<u>194,892,528</u>

**6. BORROWINGS**

Repurchase agreements	<b><u>530,088,000</u></b>	<u>-</u>
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**6.1** This includes Rs. 75 million (June 30, 2011 : Nil) borrowed from JS Bank Limited (a holding company) against repurchase agreement carrying markup of 10.50%, which is due to mature on October 01, 2012. The borrowing is secured against Pakistan Investment Bonds.

**7. PROPOSED DIVIDEND**

**7.1** The Board of Directors have approved second interim dividend of 15% amounting to Rs. 75 million in their meeting held on August 27, 2012 for the period ended June 30, 2012, which is in addition to the interim dividend of 20% amounting to Rs. 100 million approved by the Board of Directors for the half year ended in their meeting held on February 27, 2012.

**8. CONTINGENCIES AND COMMITMENTS**

**Contingencies:**

A recovery suit has been filed against the Company by the lessor of the previous Islamabad office. The lessor has demanded Rs. 6.5 million. Management considers that no amount would become payable under the said claim. Accordingly, provision has not been made against the claim.

	<b>30 September 2012 (Un-audited)</b>	30 June 2011 (Audited)
<b>Commitments:</b>	<b>Note</b>	<b>(Rupees)</b>
Future Sale transactions of equity entered into by the Company in respect of which the sale transactions have not been settled as at 30 September 2012		<u>220,721,400</u> <u>-</u>
Bank guarantee in favour of Karachi Stock Exchange Limited from JS Bank Limited (holding company). - Rs. 200 million expires on August 03, 2013 - Rs. 200 million expires on March 19, 2013 Both guarantees are secured against pledge of T-Bills		<u>400,000,000</u> <u>400,000,000</u>

## 9. PROPERTY AND EQUIPMENT

Following is the cost of property and equipment that have been purchased / disposed off during the fifteen months period ended September 30, 2012:

<b>Additions (at cost):</b>		
Office Equipments	<b>1,021,946</b>	1,281,260
Office Furniture	<b>416,000</b>	-
Motor Vehicles	<b>2,706,453</b>	6,512,080
	<u><b>4,144,399</b></u>	<u>7,793,340</u>
 <b>Disposals (at WDV):</b>		
Office Equipments	<b>(213,110)</b>	(153,407)
Office Furniture	-	(5,938,498)
Motor Vehicles	<b>(774,536)</b>	(5,258,035)
	<u><b>(987,646)</b></u>	<u>(11,349,940)</u>

## 10. INTANGIBLE ASSETS

Membership Cards

- Karachi Stock Exchange Limited	10.1	<b>21,000,000</b>	21,000,000
- Pakistan Merchantile Exchange Limited		<b>2,500,000</b>	2,500,000
		<b>23,500,000</b>	23,500,000
- Software		<b>243,747</b>	-
		<u><b>23,743,747</b></u>	<u>23,500,000</u>

**10.1** In accordance with the requirements of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012 (The Act), the Company was entitled to receive equity Shares of Karachi Stock Exchange (KSE) and a Trading Right Entitlement in lieu of its Membership card of KSE. The said process of demutualization has been finalized during the period whereby the Company has been allotted 4,007,383 shares of KSE. Rs. 10/- each based on the revaluation of their assets and liabilities as approved by SECP. The Company has received 40% equity shares i.e. 1,602,953 shares of KSE. The remaining 60% shares are transferred to blocked CDC account maintained by KSE. The valuation of Trading Right Entitlement and the accounting treatment of shares received from Stock Exchange are under discussion and will be finalized in due course.

	30 September 2012 (Un-audited)	30 June 2011 (Audited)
Note	----- (Rupees) -----	
<b>11. DEFERRED TAXATION</b>		
<b>Taxable temporary difference</b>		
Accelerated depreciation for tax purposes	2,307,832	(43,362)
Revaluation of investments	<u>(4,851,786)</u>	<u>(6,000,769)</u>
	<b>(2,543,954)</b>	<b>(6,044,131)</b>
<b>Deductible temporary difference</b>		
Provision for doubtful debts	<u>139,635,158</u>	147,630,351
	<b><u>137,091,203</u></b>	<b><u>141,586,220</u></b>

**12. SHORT TERM INVESTMENTS**

**Investments in marketable securities 'at fair value through profit or loss -held for trading'**

Quoted equity securities	12.1	224,292,000	-
Units of mutual funds	12.2	801,236,118	708,570,947
Term finance certificates and sukuk bonds	12.3	73,732,630	305,046,849
Government securities	12.4	1,052,511,000	651,259,087
Engro Rupaiyya Certificates		<u>30,446,126</u>	<u>15,000,000</u>
		<b>2,182,217,874</b>	<b>1,679,876,883</b>
<b>Available for sale</b>			
Unlisted term finance certificates	12.5	20,000,000	56,000,000
Quoted preference shares	12.6	<u>43,015,035</u>	<u>132,438,742</u>
		<b><u>2,245,232,909</u></b>	<b><u>1,868,315,625</u></b>

**12.1 Quoted equity securities**

Number of shares		Name of Company	30 September 2012 (Unaudited)		30 June 2011 (Audited)	
30 September 2012 (Unaudited)	30 June 2011 (Audited)		Average Cost	-----Fair Value----- ----- (Rupees) -----		
4,200,000	-	D.G.Khan Cement Limited	200,570,055	211,260,000	-	
60,000	-	Pakistan State Oil	12,887,719	13,032,000	-	
			<u>213,457,774</u>	<u>224,292,000</u>	-	
		Unrealized gain on remeasurement at fair value	<u>10,834,226</u>	<u>224,292,000</u>	-	
			<b><u>224,292,000</u></b>	<b><u>224,292,000</u></b>	-	

**12.1.1** These securities were purchased in the ready "T+2" market and sold in the future market.

**12.2 Units of mutual funds**

Number of units		Name of funds	30 September 2012 (Unaudited)		30 June 2011 (Audited)
30 September 2012 (Unaudited)	30 June 2011 (Audited)		Average Cost	Fair Value (Rupees)	
-	385,514	MCB-Cash Management Optimizer fund	-	-	38,633,171
-	4,001,284	ABL Cash Fund	-	-	40,088,065
<b>276,915</b>	-	UBL Government Securities Fund	<b>25,000,000</b>	<b>28,800,425</b>	-
<b>2,762,076</b>	1,899,335	JS Cash Fund- related party	<b>250,215,945</b>	<b>282,891,790</b>	200,000,000
-	1,078,760	Lakson Money Market Fund	-	-	108,932,332
<b>316,839</b>	285,018	UBL Liquidity Plus Fund	<b>28,562,283</b>	<b>32,658,515</b>	28,562,283
-	2,491,521	JS Principal Secure Fund I - related party	-	-	292,355,095
<b>2,605,997</b>	-	NAFA Government Securities Liquid Fund	<b>25,000,000</b>	<b>26,201,218</b>	-
<b>500,000</b>	-	PRIMUS Cash Fund	<b>50,000,000</b>	<b>50,762,100</b>	-
<b>1,000,000</b>	-	UBL Islamic Cash Fund	<b>100,000,000</b>	<b>100,209,400</b>	-
<b>3,141,780</b>	-	JS Income Fund - related party	<b>275,000,000</b>	<b>279,712,670</b>	-
			<b>753,778,228</b>	<b>801,236,118</b>	708,570,947
		Un realised gain on remeasurement at fair value	<b>47,457,890</b>		
			<b>801,236,118</b>	<b>801,236,118</b>	<b>708,570,947</b>

**12.3 Term finance certificates and sukuk bonds**

Number of certificates		Name of Term Finance Certificates	30 September 2012 (Unaudited)		30 June 2011 (Audited)
30 September 2012 (Unaudited)	30 June 2011 (Audited)		Average Cost	Fair Value (Rupees)	
		<b>Listed</b>			
-	1,600	Bank Al Habib Limited AA	-	-	8,209,236
-	2,000	Engro Fertilizers Pakistan Limited III AA	-	-	9,616,768
<b>1,000</b>	-	Bank Al Habib Limited II AA	<b>5,101,252</b>	<b>5,049,517</b>	-
<b>1,001</b>	500	Orix Leasing Pakistan Limited AA	<b>7,000,000</b>	<b>6,986,903</b>	50,000,000
<b>6,001</b>	-	Faysal Bank Limited AA-	<b>30,400,256</b>	<b>30,347,213</b>	-
<b>200</b>	6,900	Pakistan Mobile Communication Limited AA-	<b>19,500,000</b>	<b>19,509,750</b>	32,479,749
-	3,000	United Bank Limited III AA	-	-	15,159,444
-	10,000	United Bank Limited IV AA	-	-	49,298,121
<b>1,500</b>	-	Engro Fertilizers Pakistan Limited IV A	<b>6,750,000</b>	<b>6,750,000</b>	-
			<b>68,751,508</b>	<b>68,643,383</b>	164,763,318
		<b>Un-Listed</b>			
-	10,000	Bank Al Habib Limited IV AA	-	-	50,000,000
-	13,000	Engro Fertilizers Pakistan Limited II AA	-	-	65,919,880
-	510	Engro Fertilizers Pakistan Limited Sukuk AA	-	-	2,550,000
-	4,300	Faysal Bank Limited AA-	-	-	21,495,700
-	190	Orix Leasing Pakistan Limited Sukuk AA	-	-	317,952
<b>9,500</b>	-	Bank Al Falah - Fixed AA-	<b>5,029,965</b>	<b>5,089,247</b>	-
			<b>5,029,965</b>	<b>5,089,247</b>	140,283,532
		Un realised (loss) on remeasurement at fair value	<b>(48,843)</b>		
			<b>73,732,630</b>	<b>73,732,630</b>	<b>305,046,849</b>

**12.4 Government Securities****Note**

Treasury Bills	12.4.1	<b>950,415,560</b>	<b>950,896,000</b>	555,338,687
Pakistan Investment Bonds	12.4.2	<b>101,408,900</b>	<b>101,615,000</b>	95,740,400
National Saving Bonds		-	-	180,000
		<b>1,051,824,460</b>	<b>1,052,511,000</b>	651,259,087
Un realised gain on remeasurement at fair value		<b>686,540</b>		
		<b>1,052,511,000</b>	<b>1,052,511,000</b>	<b>651,259,087</b>

**12.4.1** These treasury bills have a tenor of one year with maturity on November 01, 2012 and September 19, 2013 respectively and carry an effective yield ranging from 10.26% to 11.75% per annum (June 30, 2011: 13.75% to 13.83%).

**12.4.2** These Pakistan Investment Bonds have a tenor of three years with maturity on August 11, 2014 and carry an effective yield at 10.40% per annum (June 30, 2011: 11.75%).

**12.5** These unlisted term finance certificates were issued by TPL Trakker Limited that were due to mature on October 31, 2009. However, owing to the financial difficulties being faced by the issuer and the pending initial public offering (IPO) of its shares which was due for SECP clearance, the investee company was unable to fully redeem the said certificates. However, during current period, the IPO of investee's shares is complete. Uptill September 30, 2012 a total of Rs. 106 million has been received against the principal in various installments (June 30, 2011: 50 million). Markup at the rate of 17.95% per annum (30 June 2011: 17.95%) has been paid on a monthly basis. The Company also holds 23.6 million ordinary shares of TPL Direct Insurance Limited as a security against the exposure having market value of Rs. 236 million as at September 30, 2012.

#### 12.6 Quoted Preference Shares of related parties

Number of shares		Name of Company		30 September 2012 (Unaudited)		30 June 2011 (Audited)
30 September 2012 (Unaudited)	30 June 2011 (Audited)		Note	Average Cost Rs.	Fair Value (Rupees)	
-	6,949,320	Pakistan International Containers Terminal Limited - related party		-	-	69,423,707
		Unrealized gain / (loss) on remeasurement		-	-	-
				-	-	69,423,707
<b>25,601,986</b>	25,601,986	Azgard Nine Limited - related party	12.6.1	<b>229,178,138</b>	<b>229,178,138</b>	229,178,138
		Provision for impairment		<b>(186,163,103)</b>	<b>(186,163,103)</b>	(166,163,103)
				<b>43,015,035</b>	<b>43,015,035</b>	63,015,035
				<b>43,015,035</b>	<b>43,015,035</b>	132,438,742

**12.6.1** These are partly convertible preference shares having issue price of Rs.10 each and carrying dividend @ 8.95% per annum payable annually in arrears on the issue price with a term of 6 years from the issue date of September 24, 2004. As per the original terms of the issue, 50% of the preference shares were due for redemption at the end of the fifth year whereas remaining 50% were due for redemption at the end of the sixth year (September 24, 2010). As per the terms of the issue, if the issuer fails to redeem the shares in the said manner, the entire amount of the face value of the shares together with the dividend accrued will be converted into ordinary shares of the Azgard Nine Limited at the option of the shareholder at the end of the sixth year (completed on September 24, 2010).

Azgard Nine Limited did not comply with the original terms of the issue and issued draft revised terms last year as per which 50% of the outstanding amount would be converted into ordinary shares of Agritech Limited and the balance of 50% would be converted into ordinary shares of Azgard Nine Limited. Azgard Nine Limited failed to comply with the revised terms also subsequently. Management is currently considering various recourses at its disposal and on prudent basis determined provision for impairment against these preference shares. 21,200,000 preference shares have been pledged with JS Bank Limited against bank guarantee.

	Note	30 September 2012 (Unaudited)	30 June 2011 (Audited)
------(Rupees)-----			
<b>13. TRADE DEBTS -unsecured, considered good</b>			
Purchase of shares on behalf of clients		<b>534,346,704</b>	116,763,777
Advisory services		<b>4,000,000</b>	152,295
Forex and fixed income commission		<b>21,548,126</b>	9,639,487
Commodity		<b>60,933,669</b>	30,666,437
		<b>620,828,499</b>	157,221,996
Considered doubtful or bad	13.1	<b>398,957,593</b>	421,801,004
		<b>1,019,786,092</b>	579,023,000
Provision for doubtful debts		<b>(398,957,593)</b>	(421,801,004)
		<b>620,828,499</b>	157,221,996
<b>13.1 Provision for doubtful debts</b>			
Opening balance		<b>421,801,004</b>	414,985,205
Provision during the year		-	21,723,650
Reversals	13.2	<b>(22,843,411)</b>	(14,907,851)
		-	6,815,799
Closing Balance		<b>398,957,593</b>	421,801,004
<b>13.2</b> This includes Rs. 21,723,650 received from Azgard Nine Limited - a related party (June 30, 2011: Nil).			
<b>14. INTEREST AND MARK-UP RECEIVABLE</b>			
Accrued mark-up on Pakistan Investment Bonds		<b>1,386,984</b>	4,931,507
Accrued markup Term Finance Certificates		<b>3,983,274</b>	12,406,599
Profit receivable on bank deposits	14.1	<b>1,127,939</b>	1,975,377
		<b>6,498,197</b>	19,313,483
<b>14.1</b> It includes profit receivable from JS Bank Limited (holding company) amounting to Rs. 1,103,801 (June 30, 2011: Rs. 865,267)			
<b>15. CASH AND BANK BALANCES</b>			
Cash with banks:			
- Current accounts	15.1	<b>3,105,863</b>	4,943,407
- Profit and loss / deposit accounts	15.2	<b>174,110,097</b>	505,621,754
- Foreign currency deposit accounts	15.3	<b>4,742,503</b>	10,429,099
- TDR with JS Bank Limited	15.4	<b>350,000,000</b>	-
		<b>531,958,463</b>	520,994,260
Cash in hand		<b>94,000</b>	94,000
		<b>532,052,463</b>	521,088,260

- 15.1** Included in the current accounts is the amount kept with JS Bank Limited (holding company) amounting to Rs. 0.24 million (June 30, 2011: Rs. 3.26 million)
- 15.2** Profit and loss / deposit accounts carry profit ranging from 5% to 11.50% per annum (30 June 2011: 5% to 11.5% per annum). Included in these balances is the amount kept with JS Bank Limited (holding company) amounting to Rs. 160.33 million (June 30, 2011: Rs. 358.37).
- 15.3** Included in the foreign currency deposit accounts is the amount kept with JS Bank Limited (holding company) amounting to Rs. 4.64 million (June 30, 2011: Rs. 4.47 million).
- 15.4** This represents term deposit receipt with JS Bank Limited (a holding company) at the rate of 10.5% per annum maturing on October 01, 2012.

	<b>30 September 2012</b>	30 September 2011
<b>Note</b>	<b>(Un-audited)</b>	(Un-audited)
	----- <b>(Rupees)</b> -----	
<b>16. OPERATING REVENUE</b>		
Brokerage and operating income	<b>229,608,665</b>	248,819,352
Advisory and consultancy fee	<b>17,672,562</b>	7,786,345
	<b><u>247,281,227</u></b>	<u>256,605,697</u>
<b>17. OTHER OPERATING INCOME</b>		
<b>Income from financial assets:</b>		
Dividend income on preference shares from related parties	<b>6,949,320</b>	8,686,650
Dividend income on shares	<b>760,127</b>	18,424,360
Markup on term finance certificates, Pakistan Investment Bonds and National Saving Bonds	<b>204,753,869</b>	170,202,518
Mark-up on Term Deposit Receipts	<b>2,356,849</b>	819,726
Mark-up / income on reverse repurchase transaction	<b>1,035,625</b>	-
Mark-up on Pre-IPO investments and management fee	<b>24,323</b>	186,476
Profit on PLS account	<b>53,141,709</b>	67,448,663
Return on cash margin on future contracts	<b>629,219</b>	488,573
Exchange gain / (loss) on foreign currency deposits accounts	<b>729,051</b>	53,013
Late payment charges	<b>10,449,326</b>	8,512,327
	<b><u>280,829,418</u></b>	<u>274,822,306</u>
<b>Income from non-financial assets</b>		
Profit On Sale Of Vehicles	<b>5,658,580</b>	3,153,094
Miscellaneous Income / Other Income	<b>4,843,908</b>	554,631
	<b><u>10,502,488</u></b>	<u>3,707,725</u>
	<b><u>291,331,906</u></b>	<u>278,530,031</u>

	<b>30 September 2012</b>	30 September 2011
<b>Note</b>	<b>(Un-audited)</b>	(Un-audited)
	----- <b>(Rupees)</b> -----	
<b>18. FINANCE COST</b>		
Mark-up on running finance	18.1 <b>108,917</b>	-
Mark-up on repurchase transactions	<b>14,980,390</b>	1,212,565
Bank and other charges	<b>3,836,012</b>	4,375,353
	<u><b>18,925,319</b></u>	<u>5,587,918</u>

**18.1** This represents mark-up accrued on running finance facility availed from JS Bank Limited (holding company). The running finance facility is of Rs. 400 million (June 30, 2011: Rs. 400 million). The facility carries mark-up at the rate of 3 Months KIBOR plus 2% and is secured by hypothecation charge over institutional trade receivables with 30% margin. At the period end, no amount were due by the company under the above arrangements.

	<b>30 September 2012</b>	30 September 2011
	<b>(Un-audited)</b>	(Un-audited)
	----- <b>(Rupees)</b> -----	
<b>19. EARNINGS PER SHARE -basic and diluted</b>		
Profit after taxation	<u><b>251,577,406</b></u>	<u>132,046,692</u>
	----- <b>(Number)</b> -----	
Weighted average number of shares	<u><b>50,000,000</b></u>	<u>50,000,000</u>
	----- <b>(Rupees)</b> -----	
Earnings per share - basic and diluted	<u><b>5.03</b></u>	<u>2.64</u>

## 20. RELATED PARTY TRANSACTIONS

Related parties comprise of major shareholders, associated companies with or without common directors, other companies with common directors, retirement benefit fund, directors, key management personnel and their close family members. Contribution to defined contribution plan (provident fund) are made as per the terms of employment. Remuneration of key management personnel are in accordance with their terms of engagements. Transactions with other related parties are entered into at rates negotiated with them.

Details of transactions and balances at period end with related parties, other than those which have been disclosed elsewhere in these condensed interim financial information, are as follows:



	30 September, 2012 (Unaudited)		30 June, 2011 (Audited)	
	Key management personnel	Other related parties	Key management personnel	Other related parties
----- (Rupees) -----				
<b>Loans to employees</b>				
Opening balance	564,099	-	217,441	-
Disbursements	1,892,314	-	739,006	-
Repayments	(2,143,903)	-	(392,348)	-
Closing balance	<u>312,510</u>	<u>-</u>	<u>564,099</u>	<u>-</u>
Mark-up / return / interest earned	<u>297,864</u>	<u>-</u>	<u>66,528</u>	<u>-</u>
<b>Receivable from related parties</b>				
Opening balance	-	2,089,142	-	-
Paid during the period	-	6,437,967	-	2,089,142
Received during the period	-	(2,089,142)	-	-
Closing balance	<u>-</u>	<u>6,437,967</u>	<u>-</u>	<u>2,089,142</u>
<b>Payable to related parties</b>				
Opening balance	95,886	12,727,619	21,251	1,087,048
Received during the period	-	-	74,635	12,104,439
Paid during the period	(95,886)	(12,727,619)	-	(463,868)
Closing balance	<u>-</u>	<u>-</u>	<u>95,886</u>	<u>12,727,619</u>
<b>30 September 2012 (Unaudited) (Rupees)</b>				
<b>Balances with parent company</b>				
Repurchase borrowing	<u>75,000,000</u>		<u>-</u>	
Bank deposits	<u>165,201,833</u>		<u>366,098,142</u>	
Term Deposit Receipt	<u>350,000,000</u>		<u>-</u>	
<b>30 June 2011 (Audited) (Rupees)</b>				
<b>Nature of transactions</b>				
	Fifteen Months Period ended		Quarter Ended	
	30 September 2012 (Un-audited)	30 September 2011 (Un-audited)	30 September 2012 (Un-audited)	30 September 2011 (Un-audited)
----- (Rupees) -----				
Sale of units of JS Cash Fund	25,000,000	25,000,000	-	25,000,000
Rent received from related Parties	992,604	1,067,654	44,096	100,401
Director's remuneration	3,574,999	3,939,996	474,999	774,999
Purchase of units of JS Cash Fund	75,000,000	200,000,000	-	-
Purchase of units of JS Income Fund	275,000,000	-	275,000,000	-
Royalty Expenses	12,500,000	12,500,000	2,500,000	2,500,000
Brokerage - Others	12,172,293	22,734,267	1,958,932	2,073,023
Contributions to staff provident fund	5,203,089	4,560,535	970,261	1,132,734
Payment on account of expenses to associated companies	49,383,272	49,151,555	9,780,920	9,974,310
Dividend income on preference shares	6,949,320	8,686,685	-	1,737,365
Capital gain on sale of units of - JS Cash Fund	215,945	215,945	-	215,945

	Fifteen Months Period ended		Quarter Ended	
	30 September 2012 (Un-audited)	30 September 2011 (Un-audited)	30 September 2012 (Un-audited)	30 September 2011 (Un-audited)
	------(Rupees)-----		------(Rupees)-----	
<b>Transactions with Parent Company</b>				
<b>Nature of transactions</b>				
Purchase of term finance certificates	3,101,925,667	109,046,763	1,105,900,000	3,291,667
Sale of term finance certificates	3,761,587,514	573,754,692	513,713,392	15,122,730
Purchase of treasury bills	23,296,838,371	21,862,320,518	9,664,163,832	1,581,301,722
Sale of treasury bills	24,047,648,403	14,342,819,924	8,794,690,288	2,127,013,534
Purchase of Pakistan Investment bonds	4,076,320,639	2,229,938,933	793,920,853	210,153,083
Sale of Pakistan investment bonds	3,957,753,856	1,866,099,699	975,498,759	112,690,328
Brokerage income	5,961,979	2,635,731	1,250,734	408,183
Payment for rent and utilities	1,843,905	375,125	543,414	375,125
Rent received	846,253	1,820,984	-	143,876
Bank guarantee charges	3,450,600	3,700,000	1,200,000	500,000
Bank charges	447,549	375,567	24,107	61,895
Profit on term deposit receipt	2,356,849	-	302,054	-
Profit on PLS account	50,585,516	58,498,366	14,378,132	5,398,326
Exchange gain on foreign currency deposit accounts	431,609	90,262	24,604	68,299

## 21. OPERATING SEGMENT

30 September 2012 (Unaudited)

	Brokerage	Investment and Treasury	Other	Total
	----- (Rupees) -----			
<b>Segment revenues</b>				
- Operating Revenue	228,703,626	172,209,422	15,912,562	416,825,610
- Other Operating Income	-	291,331,906	-	291,331,906
	228,703,626	463,541,328	15,912,562	708,157,516
Intersegment revenue	-	-	-	-
Total Segment revenue	228,703,626	463,541,328	15,912,562	708,157,516
Administrative and operating expenses	(182,692,363)	(36,118,514)	(132,556,329)	(351,367,206)
Depreciation	(5,192,960)	(856,550)	(4,190,248)	(10,239,758)
Amortization of intangible assets	-	-	(81,252)	(81,252)
Reversal for doubtful debts	-	1,119,761	21,723,650	22,843,411
Impairment of investments in preference shares	-	(20,000,000)	-	(20,000,000)
Finance cost	-	(14,980,390)	(3,944,929)	(18,925,319)
	40,818,303	392,705,635	(103,136,546)	330,387,392
Provision for workers' welfare fund				(6,476,511)
Taxation				(72,333,475)
Profit after tax				<u>251,577,406</u>
<b>Other information</b>				
Segment assets	627,506,849	3,080,195,688	49,983,729	3,757,686,266
Segment liabilities	275,710,594	605,088,000	204,977,359	1,085,775,953

### 22.1 Information about major customers

There were no major customer of the Company which formed part of 10 per cent or more of the Company's revenue.

**30 September 2011 (Unaudited)**

	<b>Brokerage</b>	<b>Investment and Treasury</b>	<b>Other Operations</b>	<b>Total</b>
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----- (Rupees) -----

Segment revenues

- Operating Revenue	248,819,352	420,228,237	14,797,485	683,845,074
- Other Operating Income	248,819,352	420,228,237	14,797,485	683,845,074

Intersegment revenue	-	-	-	-
Total Segment revenue	248,819,352	420,228,237	14,797,485	683,845,074
Administrative and operating expenses	(194,183,275)	(35,267,137)	(151,646,000)	(381,096,412)
Depreciation	(8,707,284)	(502,755)	(8,433,013)	(17,643,052)
Amortization of intangible assets	-	-	-	-
(Provision) for doubtful debts-net	-	(6,815,799)	-	(6,815,799)
Impairment of investments in preference shares	-	(78,417,906)	-	(78,417,906)
Impairment of dividend receivable	-	(8,592,669)	-	(8,592,669)
Finance cost	(5,587,919)	-	-	(5,587,919)
	40,340,874	290,631,971	(145,281,528)	185,691,318

Provision for workers' welfare fund  
Taxation  
Profit after tax

(3,777,884)  
(49,866,742)  
132,046,692

Other information

30 June 2011 (Audited)

Segment assets	170,409,977	2,675,712,756	9,995,660	2,856,118,393
Segment liabilities	257,578,008	-	3,276,971	260,854,979

**Information about major customers**

There were no major customer of the Company which formed part of 10 per cent or more of the Company's revenue.



**22. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE**

The Board of directors of the Company have approved Cash dividend of Nil (30 June 2011 : Nil) for the fifteen months ended 30 September 2012, amounting to Rs. Nil million (30 June 2011 : Nil) in their meeting held on October 22, 2012.

**23. DATE OF AUTHORISATION**

These condensed interim financial information were authorised for issue on October 22, 2012 by the Board of Directors of the Company.



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