



Securities

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Ref: Fin-138/2016

October 15, 2016

Mr. Haroon Askari
Head of Operations
Pakistan Stock Exchange Limited (PSX)
Pakistan Stock Exchange Road
Karachi.

Re: Mandatory Requirement for Submission of Monthly Net Capital Balance (NCB) and Liquid Capital (LC) Statements to the Pakistan Stock Exchange (PSX)

Dear Sir,

This is with reference to your notice # PSX/N-4523 dated August 15, 2016, whereby you have required every TREC Certificate holder of Pakistan Stock Exchange (PSX) to submit the details of Net Capital Balance (NCB) and Liquid Capital (LC) statements.

In this regard, we enclose herewith the details of Net Capital Balance (NCB) and Liquid Capital (LC) Statements as at September 30, 2016 in accordance with prescribed format to ensure compliance of regulatory requirement of PSX.

We expect that above will suffice the requirement of PSX. Please feel free to contact in case any further query / information is required.

Yours truly,

Adil Ali Abbasi
CFO & Company Secretary

CC: The Director/HOD- SMD, Market Surveillance and Special Initiative Dept. - SECP

IGI Finex Securities Limited
Trading Rights Entitlement Certificate (TREC) Holder of Pakistan Stock Exchange Limited
Corporate member of Pakistan Mercantile Exchange Limited (BRC-020)

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IGI FINEX SECURITIES LIMITED
STATEMENT OF NET CAPITAL BALANCE
AS AT SEPTEMBER 30, 2016

A- Current Assets

Rupees

| | | |
|---|--------------|-------------|
| 1 Cash in hand | | 148,572 |
| 2 Cash deposit as margin with Karachi Stock Exchange | | 159,000,000 |
| 3 Cash at bank | | |
| Bank balance pertaining to brokerage house | 10,740,287 | |
| Bank balance pertaining to clients | 387,174,192 | |
| Total bank balances | | 397,914,479 |
| 4 Trade Receivables | | |
| Total receivables | 88,393,901 | |
| Outstanding for more than fourteen days | (16,640,138) | |
| Balance generated within fourteen days and not yet due | | 71,753,763 |
| 5 Investments in listed securities in the name of broker. (Securities on the exposure list marked to market less 15% discount) | | - |
| 6 Securities purchased for client | | - |
| 7 Listed TFCs / Corporate Bonds (Marked to market less 10% discount) | | - |
| 8 FIBs (Marked to market less 10% discount) | | - |
| 9 Treasury Bill (At market value) (At market value) | | - |
| | | 628,816,814 |

B- Current Liabilities

| | | |
|--|---------------|-------------|
| 1 Trade Payables | | |
| Book Value | 549,983,820 | |
| Less: Overdue for more than 30 days | (410,981,867) | 139,001,953 |
| 2 Other liabilities (including trade payables overdue for more than 30 days) | | 455,793,933 |
| | | 594,795,886 |

NET CAPITAL BALANCE (A-B)

34,020,928



[Handwritten Signature]

IGI FINEX SECURITIES LIMITED

Monthly statements of liquid capital with the Commission and the securities exchange

Computation of Liquid Capital

As on 30-01-2016

| S. No. | Head of Account | Value in Pak Rupees | Hair Cut / Adjustments | Net Adjusted Value |
|--------|---|---------------------|------------------------|--------------------|
| 1 | Assets | | | |
| 1.1 | Property & Equipment | 18,978,193 | 100.00% | - |
| 1.2 | Intangible Assets | 15,338,142 | 100.00% | - |
| 1.3 | Investment in Govt Securities (50,000,994) | | | |
| | Investment in Debt Securities | | | |
| | If listed than: | | | |
| | i) 5% of the balance sheet value in the case of tenure upto 1 year | - | 5.00% | - |
| | ii) 7.5% of the balance sheet value in the case of tenure from 1-3 years | - | 7.50% | - |
| | iii) 10% of the balance sheet value in the case of tenure of more than 3 years. | - | 10.00% | - |
| | If unlisted than: | | | |
| | i) 10% of the balance sheet value in the case of tenure upto 1 year | - | 10.00% | - |
| | ii) 12.5% of the balance sheet value, in the case of tenure from 1-3 years | - | 12.50% | - |
| | iii) 15% of the balance sheet value, in the case of tenure of more than 3 years. | - | 15.00% | - |
| 1.5 | Investment in Equity Securities | | | |
| | i) If listed 15% or VAR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher | - | - | - |
| | ii) If unlisted 100% of carrying value | 9,883,822 | 100.00% | - |
| 1.6 | Investment in Subsidiaries | | | |
| | Investment in associated companies/undertaking | | | |
| | i) If listed 15% or VAR of each securities as computed by the Securities Exchange for respective securities whichever is higher | - | - | - |
| | ii) If unlisted 100% of carrying value | - | 100.00% | - |
| 1.8 | Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity | 4,439,473 | 100.00% | - |
| 1.9 | Margin deposits with exchange and clearing house | 159,000,000 | - | 159,000,000 |
| 1.10 | Deposit with authorized intermediary against borrowed securities under SLB. | | | |
| 1.11 | Other deposits and prepayments | 10,262,924 | 100.00% | - |
| 1.12 | Accrued interest / profit or mark up on amounts placed with financial institutions or debt securities etc (Nil) | 5,901,684 | - | 5,901,684 |
| | 100% in respect of markup accrued on loans to directors, subsidiaries and other related parties | 8,015,909 | 100.00% | - |
| 1.13 | Dividends receivables | | | |
| | Amounts receivable against Repo financing | | | |
| 1.4 | Amount paid as purchaser under the REPO agreement (Securities purchased under repo arrangement shall not be included in the investments) | | | |
| 1.5 | Receivables other than trade receivable | 115,052,590 | 100.00% | - |
| 1.16 | Receivables from clearing house or securities exchange(s) | | | |
| | 100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains | - | 0.00% | - |
| | Receivables from customers | | | |
| | i) In case receivables are against margin financing, the aggregate of (i) value of securities held in the blocked account after applying VAR based Haircut (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VAR based haircut | - | - | - |
| | ii) Lower of net balance sheet value or value determined through adjustments. | - | - | - |
| | iii) In case receivables are against margin trading, 5% of the net balance sheet value. | - | 5.00% | - |
| | iv) Net amount after deducting haircut | - | - | - |
| | i) In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract | - | 130,000 | - |
| | ii) Net amount after deducting haircut | - | - | - |
| | v) In case of the trade receivables not more than 7 days overdue, 0% of the net balance sheet value | 69,188,239 | - | 69,188,239 |
| | vi) Balance sheet value | - | - | - |
| | v) In case of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VAR based haircuts. | 3,722,748 | 956,697.491 | 3,722,748 |
| | vi) Lower of net balance sheet value or value determined through adjustments | - | - | - |
| | vii) 100% haircut in the case of amount receivable from related parties. | - | 100.00% | - |
| 1.14 | Cash and Bank balances | | | |
| | i) Bank Balance proprietary accounts | 10,740,287 | - | 10,740,287 |
| | ii) Bank Balance customer accounts | 387,174,192 | - | 387,174,192 |
| | iii) Cash in hand | 148,572 | - | 148,572 |
| 1.19 | Total Assets | 817,846,775 | | 635,875,722 |



J.C.

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| S. No. | Head of Account | Value in Pak Rupees | Hair Cut / Adjustments | Net Adjusted Value | |
|---|---|---------------------|------------------------|--------------------|--|
| 2. Liabilities | | | | | |
| 2.1 | Trade Payables | | | | |
| | (i) Payable to exchanges and clearing house | | | | |
| | (ii) Payable against leveraged market products | | | | |
| | (iii) Payable to customers | 549,983,820 | | 549,983,820 | |
| Current Liabilities | | | | | |
| 2.2 | (i) Statutory and regulatory dues | | | | |
| | (ii) Accruals and other payables | 44,812,066 | | 44,812,066 | |
| | (iii) Short-term borrowings | | | | |
| | (iv) Current portion of subordinated loans | | | | |
| | (v) Current portion of long term liabilities | | | | |
| | (vi) Deferred liabilities | | | | |
| | (vii) Provision for bad debts | | | | |
| | (viii) Provision for taxation | | | | |
| | <i>(ix) Other liabilities as per accounting principles and included in the financial statements</i> | | | | |
| | Non-Current Liabilities | | | | |
| 2.3 | (i) Long Term financing | | | | |
| | (ii) Staff retirement benefits | | | | |
| | <i>(iii) Other liabilities as per accounting principles and included in the financial statements</i> | | | | |
| 2.4 | Subordinated Loans | | | | |
| <i>100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted</i> | | | | | |
| 2.5 | Total Liabilities | 594,795,886 | | 594,795,886 | |
| 3. Ranking Liabilities Relating to: | | | | | |
| 3.1 | Concentration in Margin Financing | | | | |
| | (i) The amount calculated client to client basis, by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total financees | | | | |
| 3.2 | (ii) Concentration in securities lending and borrowing | | | | |
| | (i) The amount to which the aggregate of | | | | |
| | (ii) Amount deposited by the borrower with NCFPL | | | | |
| | (iii) Cash margins paid and | | | | |
| (iv) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed | | | | | |
| 3.3 | Net underwriting Commitments | | | | |
| | (a) <u>In the case of right issue</u> , if the market value of securities is less than or equal to the subscription price; the aggregate of | | | | |
| | (i) the 50% of Haircut multiplied by the underwriting commitments; and | | | | |
| (ii) the value by which the underwriting commitments exceeds the market price of the securities | | | | | |
| <i>In the case of rights issue where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting</i> | | | | | |
| <u>(b) In any other case</u> , 12.5% of the net underwriting commitments | | | | | |
| 3.4 | Negative equity of subsidiary | | | | |
| <i>The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary</i> | | | | | |
| 3.5 | Foreign exchange agreements and foreign currency positions | | | | |
| <i>5% of the net position in foreign currency Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency</i> | | | | | |
| 3.6 | Amount Payable under REPO | | | | |
| 3.7 | Repo adjustment | | | | |
| | <i>In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securities</i> | | | | |
| <i>In the case of financee/seller the market value of underlying securities after applying haircut less the total amount received less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser</i> | | | | | |
| 3.8 | Concentrated proprietary positions | | | | |
| <i>If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security. If the market of a security exceed 51% of the proprietary position, then 10% of the value of such security</i> | | | | | |
| 3.9 | Opening Positions in futures and options | | | | |
| | <i>In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applying VaR haircuts</i> | | | | |
| <i>In case of proprietary positions, the total margin requirements in respect of open positions to the extent not already met</i> | | | | | |
| 3.10 | Short sell positions | | | | |
| | <i>In case of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VaR based Haircut.</i> | | | | |
| | <i>In case of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VaR based haircut less the value of securities pledged as collateral after applying haircuts.</i> | | | | |
| 3.11 | Total Ranking Liabilities | 223,050,889 | Liquid Capital | 41,079,836 | |

Calculation: Summary of Liquid Capital

- (i) Adjusted value of Assets (serial number 1.19)
- (ii) Less: Adjusted value of liabilities (serial number 2.5)
- (iii) Less: Total ranking liabilities (series number 3.11)

