

Ref: TAGM20160908-02

The Secretary
Pakistan Stock Exchange Limited
Lahore

Dear Sir

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

We have been requested to provide you with a certificate on the annexed statement of Net Capital Balance of "128 SECURITIES (PRIVATE) LIMITED" as at 30 June 2016, as defined under Rule 2(D) of Third Schedule of The Securities and Exchange Rules, 1971 and in line with the aforesaid clarification/guidelines issued by the Commission.

Scope of Certificate

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

Management Responsibility

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

Practicing Member/ Auditor's Responsibility

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

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

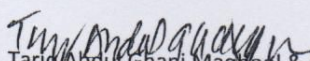
Certificate

Based on procedures mentioned above, we certify that the Net Capital Balance of "128 SECURITIES (PRIVATE) LIMITED", as defined under Rule 2(d) of Third Schedule of the Securities and Exchange Rules, 1971 amounted to Rs. 6,653,459 /- (Rupees Six million, six hundred fifty three thousand, four hundred and fifty nine only) as at 30 June 2016.

Restriction on use and distribution

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

Truly Yours


Tariq Abdul Ghani Maqbool & Co.
Chartered Accountants
Shahid Mehmood

Lahore
08 September 2016

**128 SECURITIES (PRIVATE) LIMITED
MEMBER PAKISTAN STOCK EXCHANGE LIMITED**

STATEMENT OF NET CAPITAL BALANCE AS AT 30 JUNE 2016

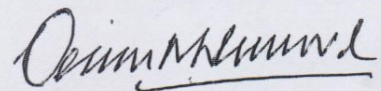

(Excess of Current assets Over Current Liabilities determined in accordance with third schedule of Securities and Exchange Rules, 1971)

<u>DESCRIPTION</u>	<u>VALUATION BASIS</u>	<u>AMOUNT RUPEES</u>
<u>CURRENT ASSETS</u>		
Cash in hand		100,806
Cash at bank	As per Book Value	
- Pertaining to house account		223,952
- Pertaining to client account		<u>16,024,275</u>
		16,248,227
Deposit against Exposure		4,995,000
Trade Receivable	Book Value	16,007,210
	Less Overdue For more than 14 days	<u>6,103,905</u>
		9,903,305
Other Receivable	Book Value	Nil
Investment in Listed Securities/Commodity future Contracts in the name of broker	Securities/Contract on the exposure List marked on the market Less 15% Discount	983,425
		<u>147,514</u>
		835,911
Securities Purchased for clients	Securities Purchased for clients and held by the member where the payment has not been received within 14 days	
	As per book Value	
Investment in Shares	Securities appearing and owned by brokerage	
Securities Purchased under Resale obligation		
Listed TFCs/Corporate Bonds/ other of not less than BBB grade assigned by a credit rating Company on Pakistan	Marked to Market Less 10% Discount	Nil
Pakistan Investment Bonds	Marked to Market Less 5% Discount	Nil
Total Current Assets		32,083,249
<u>CURRENT LIABILITIES</u>		
Securities sold under Repurchase Agreements	As per Book Value	Nil
Trade Payables	Book Value	25,183,263
	Less: More than 30 days payable	<u>12,908,291</u>
		12,274,972
Other Liabilities	As Classified under the Generally Accepted Accounting principles	13,154,818
Total Current Liabilities		25,429,790
NET CAPITAL BALANCE AS AT 30 JUNE 2016		6,653,459

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 CHIEF EXECUTIVE


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 DIRECTOR


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

1 INVESTMENT IN LISTED SECURITIES

Sr. No.	Name of Security	No. of Shares	Rate	Amount
				<i>Rupees</i>
1	Frontier Ceramics Limited	1,000	6.68	6,680
2	IGI Investment Bank Limited	769,000	1.25	961,250
5	Jubilee Spining & Weaving Mills Limited	112	4.26	477
6	Pak Modarba 1st	254	1.70	432
7	Premium Textile Mills Limited	115	82.38	9,474
8	The Searle Company Limited	5	536.15	2,681
9	Shadman Cotton Mills Limited	66	11.20	739
10	Security Investment Bank Limited	872	1.94	1,692
				983,425

2 TRADE RECEIVABLES

Receivable from NCCPL	2,727,656
Sundry debtors	13,279,554
Less: over due more than 14 days	6,103,905
	9,903,305

3 TRADE PAYABLES

Payable to NCCPL	
Sundry Creditors	25,183,263
Less: payable more than 30 days	12,908,291
	12,274,972

4 OTHER LIABILITIES

Tax Payable	53,185
Commision Payable	12,865
Client Taxes	174,772
Other Advances	5,705
Payable more than 30 days	12,908,291
	13,154,818

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