



PAKISTAN
STOCK EXCHANGE
LIMITED



Ode to Service





PAKISTAN
STOCK EXCHANGE

Ode to Service



In Pakistan's ever-evolving economic landscape, the Pakistan Stock Exchange (PSX) stands as a beacon of unwavering service and dedication. Like a seasoned steward of financial well-being, it tirelessly offers its expertise to brokers, listed companies, and investors alike. PSX is not merely a marketplace; it is an institution where capital meets opportunity, where the dreams of individuals and the ambitions of corporations converge. It serves its stakeholders with an almost selfless zeal, constantly refining its processes to ensure that transparency and fairness remain at the heart of every transaction. The Exchange's commitment to continuous improvement is unwavering, a testament to its desire to serve better with each passing day. For PSX, service is not just a duty; it is an ethos, a guiding principle that breathes life into Pakistan's financial aspirations. That is why we present an Ode to Service to all our stakeholders.



TABLE OF CONTENTS

07

Corporate Information

63

Organizational Structure

09

Vision & Mission

72

Board of Directors' Profiles

11

About PSX

84

Senior Management Profiles

14

PSX Developments & Activities

91

Gender Pay Gap Statement Under SECP's Circular 10 of 2024

31

Products and Services

95

Notice of Annual General Meeting

39

Market Performance
(Performance of Top 10 Sectors by Market Cap)

99

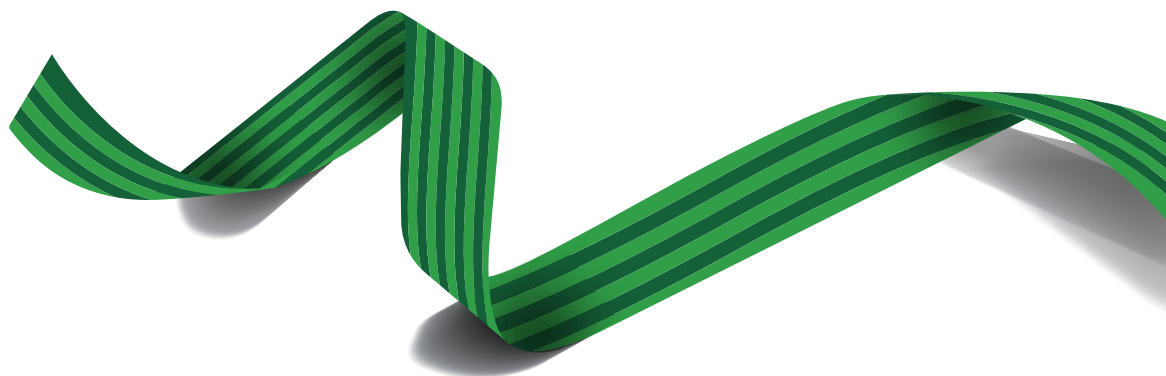
Chairperson's Review Report

43

Market Highlights

105

ESG Report



127 Directors' Report
(English)

241 Pattern of Shareholding

140 Review Report on
Statement of Compliance
Contained in Listed Companies
(Code of Corporate
Governance) Regulations, 2019

243 Categories of
Shareholders

141 Statement of Compliance
with Listed Companies (Code
of Corporate Governance)
Regulations, 2019

244 Auditors' Report on
Operations & IT
Systems

148 Independent Auditor's Report
on the Unconsolidated
Financial Statements

252 Auditors' Report on
Regulatory Functions

153 Unconsolidated
Financial Statements

255 Form of Proxy

195 Independent Auditor's Report
on the Consolidated
Financial Statements

270 Directors' Report
(Urdu)

199 Consolidated
Financial Statements

Ode to Trust



*** March 10, 1949:**

- . Incorporated as a company Limited by Guarantee.
- . Began with 5 listed companies having a paid up capital of PKR 37 million.
- . Trading was conducted through an open out-cry system.
- . Banks, airlines, shipping lines and insurance companies were identified for growth to lead to economic stability.

* Reference: <https://www.psx.com.pk/psx/exchange/profile/about-us>



Karachi Stock Exchange



Corporate Information

Board of Directors

Dr. Shamshad Akhtar (Chairperson of the Board)	Independent Director
Mr. Nadeem Naqvi (Acting Chief Executive Officer)	Executive Director
Mr. Adnan Asad	Independent Director
Mr. Nihal Cassim	Non-Executive Director
Mr. Fu Chaoqing	Non-Executive Director
Mr. Ahmed Chinoy, H.I., S.I.	Non-Executive Director
Mr. You Hang	Non-Executive Director
Dr. FU Hao	Non-Executive Director
Ms. Gu Junmei	Non-Executive Director
Mr. Ruhail Muhammad	Independent Director

Audit Committee

Mr. Ruhail Muhammad (Chairman)
 Mr. Ahmed Chinoy, H.I., S.I. (Member)
 Mr. You Hang (Member)

Nomination Committee

Dr. Shamshad Akhtar (Chairperson)
 Mr. Nihal Cassim (Member)
 Mr. You Hang (Member)
 Mr. Ruhail Muhammad (Member)

Human Resources & Remuneration Committee

Dr. Shamshad Akhtar (Chairperson)
 Mr. Adnan Asad (Member)
 Mr. Nihal Cassim (Member)
 Mr. Fu Chaoqing (Member)
 Mr. Ahmed Chinoy, H.I., S.I. (Member)
 Mr. You Hang (Member)
 Mr. Nadeem Naqvi (Member)

Regulatory Affairs Committee

Dr. Shamshad Akhtar (Chairperson)
 Mr. Adnan Asad (Member)
 Mr. Nihal Cassim (Member)

Note:

Subsequent to year-end, Mr. Nadeem Naqvi assumed charge as Acting Chief Executive Officer (CEO) of PSX with effect from September 3, 2024, in place of Mr. Farrukh H. Khan who served as CEO of PSX till September 2, 2024.

Company Secretary

Dr. Fakhara Rizwan

Chief Financial Officer

Mr. Ahmed Ali Mitha

Head of Internal Audit

Mr. Farhan Ansari

Chief Regulatory Officer

Mr. Ajeet Kumar

Auditors

Grant Thornton Anjum Rahman, Chartered Accountants

Legal Advisor

Mohsin Tayebaly & Co., Corporate Legal Consultants

Shariah Advisor

Alhamd Shariah Advisory Services (Private) Limited

Bankers

Allied Bank Limited
 Bank Alfalah Limited
 Bank Al Habib Limited
 Habib Bank Limited
 Habib Metropolitan Bank Limited
 Industrial & Commercial Bank of China Limited (Karachi Branch)
 JS Bank Limited
 MCB Bank Limited
 Meezan Bank Limited
 United Bank Limited

Share Registrar

FAMCO Share Registration Services (Private) Limited
 8-F, Near Hotel Faran, Nursery, Block-6
 P.E.C.H.S, Shara-e-Faisal, Karachi
 Phone: (92 21) 34380101-5, 34384621-3
 Email: info.shares@famcosrs.com
 Website: www.famcosrs.com

Registered Office

Stock Exchange Building
 Stock Exchange Road
 Karachi 74000
 Phone: (92 21) 35205528-29
 UAN: (92 21) 111 00 11 22
 Fax: (92 21) 32410825

Regional Offices**Lahore Office**

LSE Plaza, South Tower Ground Floor,
 19-Khayaban-e-Aiwan-e-Iqbal,
 Lahore 54000
 Phone: (92 42) 36316974

Islamabad Office

Office # 712-713, 7th Floor, ISE Towers
 55-B, Jinnah Avenue, Blue Area,
 Islamabad, Pakistan.
 Phone: (92 51) 2894500

Email

info@psx.com.pk

Website

www.psx.com.pk

Our Vision

A world class Exchange for Pakistan.

Our Mission

PSX contributes to the economic development of Pakistan by providing a fair, transparent, and efficient marketplace to facilitate capital formation for the benefit of investors, issuers and all stakeholders.





**PAKISTAN
STOCK EXCHANGE**

About PSX

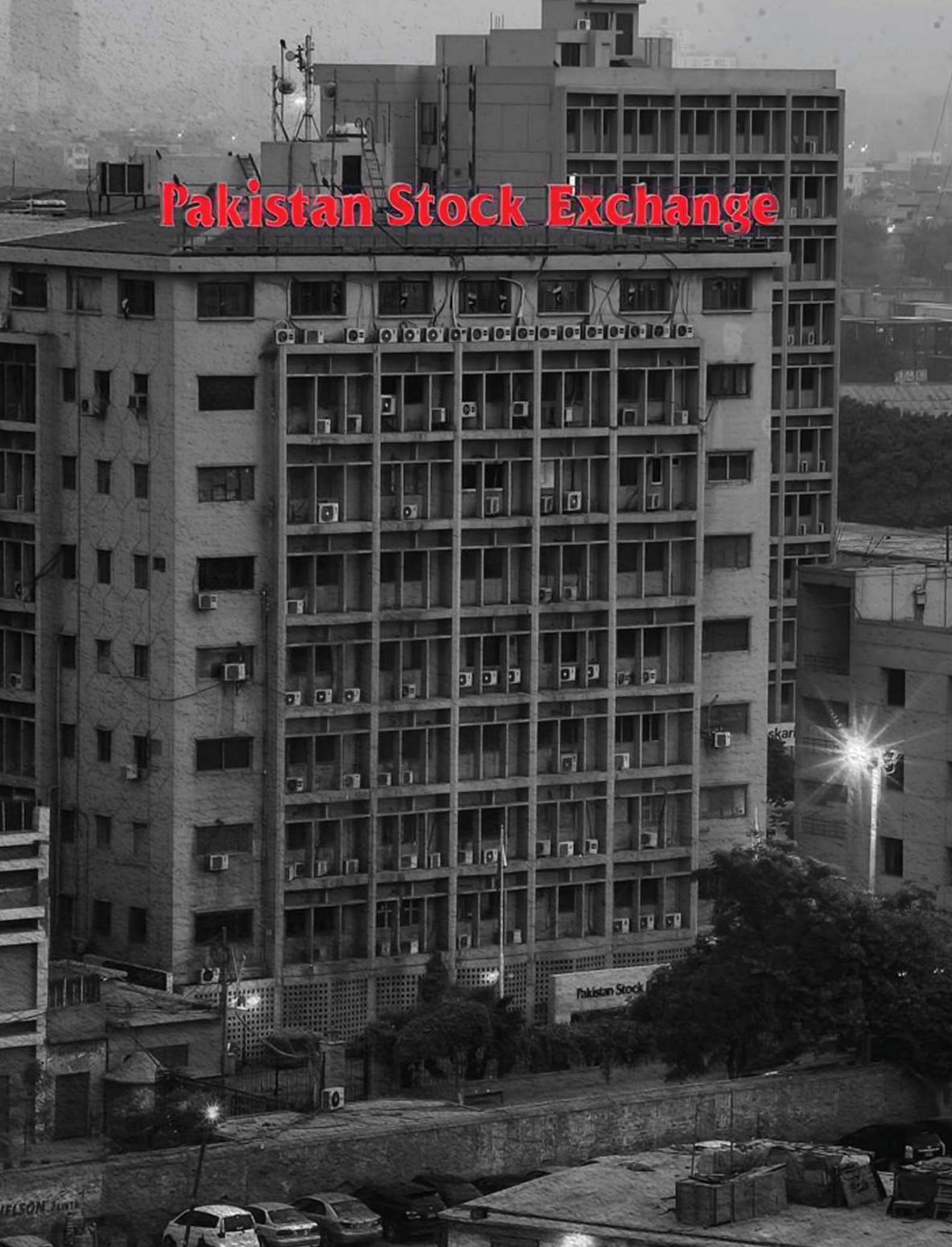
Pakistan Stock Exchange Limited (PSX) was incorporated in the year 1949 under the name Karachi Stock Exchange (Guarantee) Limited, as a company limited by Guarantee without having share capital.

In the year 2012, in pursuance of Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012, the Exchange was corporatized, i.e. it was converted into a 'public company limited by shares' and, accordingly, its name was changed to Karachi Stock Exchange Limited (KSE). With the corporatization, the ownership rights in the Exchange were segregated from trading rights.

In the year 2015-16, the Karachi Stock Exchange, Lahore Stock Exchange and Islamabad Stock Exchange were integrated to form a single national entity, Pakistan Stock Exchange Limited.

Pakistan Stock Exchange has now progressed as an Exchange that provides best in-class services and offerings to all our stakeholders, investors, issuers and market participants.

Pakistan Stock Exchange



PSX FY 2024 at a Glance

FY 2024 has been a great year for stock market investors, with the restoration in economic confidence on account of GOP's successful completion of the IMF's 9-month Stand-By Arrangement (SBA) program, reduction in inflationary pressures, improvement in foreign exchange reserves, and curtailment in current account deficit, resulting in moderate economic growth as compared to a contraction in FY 2023.

Pakistan Stock Exchange (PSX) serves as the national bourse and is extensively relied upon by investors to gauge the country's economic strength. The broad market flagship index, KSE 100, experienced a significant bull-run, closing at 78,445, in contrast to 41,453 on June 27, 2023. This surge resulted in a remarkable return of 89.24% in the outgoing fiscal year.

By the end of the financial year, the market capitalization of 524 companies listed on the local bourse was PKR 10.37 Trillion, rebounding to preceding highest level earlier seen in May 2017.

During FY 2024, PSX approved five listing applications and prospectuses / offer for sale document of equity securities namely; Symmetry Group Limited, Secure Logistics Group Limited, TPL REIT Fund – I, International Packaging Films Limited, and Fast Cables Limited. Moreover, six listings took place pursuant to the Scheme of Arrangement, which include B. R. R. Guardian Limited, Treet Battery Limited, Stylers International Limited, LSE Capital Limited, PIA Holding Company Limited - Class - "A" & Class - "B" shares, and LSE Financial Services Limited. These eleven companies were listed on the Main Board having a total paid up capital of PKR 103.30 Billion. Additionally, Mughal Energy Limited was also listed on the GEM Board having a total paid up capital of PKR 1.94 Billion.

PSX closely worked with Ministry of Finance (MoF), Securities and Exchange Commission of Pakistan (SECP) and other SROs to design and implement a highly sophisticated and automated Auction System for the primary market auction of five different GOP Ijarah Sukuk (GIS) instruments, in line with agency agreement executed with MoF. A total of 22 GIS with an issue size of PKR 687.81 Billion were issued. This initiative will certainly help to enhance the participation of retail investors, reinforcing PSX's commitment towards the development of financial markets in the country.

Furthermore, three Privately Placed Debt Securities with a total issue size of PKR 7,558 Million, one Publicly Issued Debt Security with an issue size of PKR 1,000 Million, nine Open End Mutual Funds with a total fund size of PKR 19,600 Million, and two Exchange Traded Funds (ETFs) were also listed in the outgoing fiscal year.

A snapshot of the major capital market indicators is presented hereunder:

	June 30, 2024	June 30, 2023
No. of Listed Companies	524	524
Listed Capital (PKR in Million)	1,706,197	1,627,167
Traded Volume – Ready Mkt + DFC (No. in Million)*	151,427	67,199
Traded Value – Ready Mkt + DFC (PKR in Million)*	5,390,030	2,344,555
Market Capitalization (PKR in Million)	10,374,799	6,369,473
KSE 100 Index	78,444.96	41,452.69
KSE 30 Index	25,282.04	14,636.72

* The figures of Traded Volume and Value are for FY 2024 (July 2023 to June 2024).

PSX Developments and Activities

Key Achievements Organization Wide

As a frontline regulator, Pakistan Stock Exchange (PSX) continues to perform robustly for the development of the capital market in line with global standards and to bring innovative products and services for the benefit of investors, issuers, market participants, and other stakeholders. In FY 2024, PSX continued to make headway in technology, listings, regulatory, and other areas with new offerings, products, and infrastructure brought to the market.

Most importantly, PSX closely worked with Ministry of Finance (MoF), Securities and Exchange Commission of Pakistan (SECP), and other SROs to design and implement the state-of-the-art Primary Market Auction System and secondary market trading platform for five different Shariah-compliant Government Debt Securities (GDS), which include 1-year GOP Discounted Ijarah Sukuk, 3 and 5 Years Fixed Rental Rate GOP Ijarah Sukuk, and 3 and 5 Years Variable Rental Rate GOP Ijarah Sukuk. This is a testament to PSX's commitment to upgrading and enhancing its technological capacity for the development of capital market by introducing new products and platforms. With the launch of trading platform for GDS, PSX has taken a significant step towards enhancing the participation of retail investors by providing a seamless and efficient trading experience.

Additionally, PSX in collaboration with MoF and four Joint Financial Advisors has also developed a new debt instrument, 1-year GOP Discounted Ijarah Sukuk, previously not available in our financial markets, to provide an opportunity to Shariah-compliant investors to diversify their portfolios by investing in a well-structured short-term discounted debt security.

PSX has successfully transitioned to a one-share lot system in the Regular market of equity segment aligning with global market standards. Moreover, PSX has gradually increased the circuit breakers from 7.5 % to 10 % for securities trading in the Regular, Futures, and SIFC markets of equity segment. These initiatives are to improve investor convenience, especially for retail market participants, and streamline stock market transactions.

Furthermore, PSX introduced JS Global Banking Sector Exchange Traded Fund (JSGBETF), which is Pakistan's first ETF launched by a TREC holder, JS Global Capital, as per the SECP's Sandbox Guidelines, 2019. JSGBETF tracks the JS Global Banking Sector Index (JSGBKTI) exclusively designed by PSX for the respective ETF. PSX also introduced a Shariah-compliant ETF, Mahaana Islamic Index Exchange Traded Fund (MIIETF), in collaboration with the first digital AMC of Pakistan, Mahaana Wealth Management, which aims to track the performance of thirty Shariah-compliant stocks in Mahaana Islamic Index (MII30) created by PSX.

During the year, PSX approved eleven listing applications in the equity segment on the Main Board raising an aggregate of PKR 103.30 Billion, out of which five new companies were successfully listed having a total paid-up capital of PKR 34.66 Billion, namely: Symmetry Group Limited, Secure Logistics Group Limited, TPL REIT Fund – I, International Packaging Films Limited, and Fast Cables Limited. Moreover, six listings took place as per the Scheme of Arrangement with a total paid-up capital of PKR 68.64 Billion, which include B. R. R. Guardian Limited, Treet Battery Limited, Stylers International Limited, LSE Capital Limited, PIA Holding Company Limited - Class - "A" & Class - "B" shares, and LSE Financial Services Limited.

In addition, on the innovative GEM Board of PSX, Mughal Energy Limited was listed, raising a total paid-up capital of PKR 1.94 Billion.

On the debt side, a total of PKR 696.36 Billion was raised through public issuance at the Exchange, out of which approximately PKR 687.81 Billion was raised through the primary market auction of twenty-two GOP Ijarah Sukuks at the PSX's platform.

PSX had a great year in terms of trading activity; the bourse witnessed Average Daily Traded Volume (Ready + Futures) of 620.6 Million shares with the Average Daily Traded Value (Ready + Futures) of PKR 22.10 Billion in FY 2024. This is primarily on account of bull-run in the stock market in the outgoing fiscal year i.e., broad market flagship index, KSE 100, delivered a remarkable return of 89.24%. By the end of FY 2024, the market capitalization of 524 companies listed on the PSX was PKR 10.37 Trillion, rebounding to preceding highest level earlier seen in May 2017.

From Market Data Vending segment's perspective, PSX has successfully transitioned multiple international market data clients to Deutsche Borse AG (DBAG), a sole licensor of PSX market data for international clients. PSX has also increased its data outreach by onboarding ten international and four local clients to market data license in the outgoing fiscal year. As a result of these significant developments, the contribution of Market Data Vending segment in the overall revenue of PSX has almost increased threefold.

As a frontline regulator, PSX is also playing its role towards the implementation of Shariah Governance Regulations, 2023. PSX has conducted Shariah sessions and obtained SECP certificate on the Shariah compliance of its Shariah Indices. Furthermore, the Shariah-compliant way of trading is being evaluated at PSX's Focus Group.

PSX is committed towards the promotion of responsible investment in sustainable development and has accordingly issued an Environmental, Social, and Governance (ESG) primer to guide listed companies for improving corporate performance on ESG issues. The respective initiative was acknowledged by Sustainable Stock Exchanges (SSE) Initiative of UN, which included PSX in the list of global exchanges that have issued such guidelines. Furthermore, a collaboration agreement has been executed between PSX and London Stock Exchange Group (LSEG) for reporting ESG-related data on LSEG, which will improve the ESG visibility of local companies globally.

Other notable achievements include prestigious accolade of Best Islamic Stock Exchange Award 2023 by Global Islamic Finance Awards (GIFA) for the third consecutive year, introduction of PSX WhatsApp Service to make the information readily available to capital market customers, and the introduction of new Text-to-Speech feature on PSX's website, specifically tailored for blogs and articles section, to improve accessibility and convenience for users browsing variety of content available on the PSX website.

Product Management & Research

After the implementation of the New Trading & Surveillance System, PSX has been working towards the relaunch of Cash Settled Futures (CSF) along with new features which are in line with the global practices and aligned with demands of the investors. Furthermore, PSX plans to launch the Single Stock Options in the near future as the regulatory framework has already been approved by the Securities and Exchange Commission of Pakistan (SECP).

In the outgoing fiscal year, PSX onboarded and transitioned multiple international and local clients to Market Data license. A good professional relationship was maintained with PSX's partner, Deutsche Borse AG (DBAG), resulting in successful transition of our international clients to DBAG to manage data vendors efficiently. A significant revenue contribution was made by the Market Data Vending segment.

PSX has successfully launched the state-of-the-art Primary Market Auction System and secondary market trading platform for five different Shariah-compliant Government Debt Securities (GDS), which include 1-year GOP Discounted Ijarah Sukuk, 3 and 5 Years Fixed Rental Rate GOP Ijarah Sukuk, and 3 and 5 Years Variable Rental Rate GOP Ijarah Sukuk. The 1-year GOP Discounted Ijarah Sukuk, previously not available in our financial markets, is a new debt instrument developed by PSX in collaboration with MoF and four Joint Financial Advisors, which serves as an alternative of conventional T-bills for Shariah-compliant investors.

PSX introduced two new Exchange Traded Funds (ETFs) and their respective indices. PSX partnered with JS Global Capital, to introduce JS Global Banking Sector Exchange Traded Fund (JSGBETF), which is Pakistan's first ETF launched by a TREC holder as per the SECP's Sandbox Guidelines, 2019. JSGBETF tracks a total-return, equally weighted index, JS Global Banking Sector Index (JSGBKTI), comprising of stocks within the commercial banking sector. Additionally, a Shariah-compliant ETF, Mahaana Islamic Index Exchange Traded Fund (MIETF), was introduced in collaboration with the first digital AMC of Pakistan, Mahaana Wealth Management, which aims to track the performance of Mahaana Islamic Index (MI30), representing top thirty Shariah-compliant companies selected from KMI All share index based on the free float market capitalization, with an average daily value traded of at least PKR 10 Million in last twelve months. PSX is also working with different asset management companies to develop and introduce additional ETFs with unique investment strategies.

Additionally, efforts were made towards implementing the Shariah Governance Regulations, 2023. This included organizing Shariah sessions and obtaining SECP certificate on the Shariah compliance of PSX's Shariah Indices. Furthermore, the Shariah-compliant way of trading is being evaluated at PSX's Focus Group.

PSX is also committed towards the promotion of responsible investment in sustainable development, with the aim of improving corporate performance on Environmental, Social, and Governance (ESG) issues. Accordingly, PSX issued an ESG primer to guide listed companies and other stakeholders regarding ESG risks and opportunities, global ESG practices, and key elements of good ESG / sustainability reports. The respective initiative was acknowledged by Sustainable Stock Exchanges (SSE) Initiative of UN, which included PSX in the list of global exchanges that have issued such guidelines.

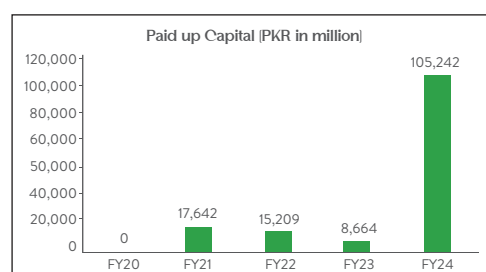
Furthermore, a collaboration agreement has been executed between PSX and London Stock Exchange Group (LSEG) to provide capacity-building and ESG Contribution Tools for listed companies to report ESG-related data on LSEG, which will improve the ESG visibility of local companies globally. In addition, PSX is working closely with SECP for the implementation of the ESG Action Plan.

Listing

Equity Listings

During Financial Year 2023-24, Pakistan Stock Exchange Limited (PSX) successfully listed the following twelve (12) new companies having a total listed capital of PKR 105,242 million, out of which five (5) companies were listed through initial public offering / offer for sale, six (6) companies were listed through court orders / scheme of arrangement and one (1) company was listed on the GEM Board.

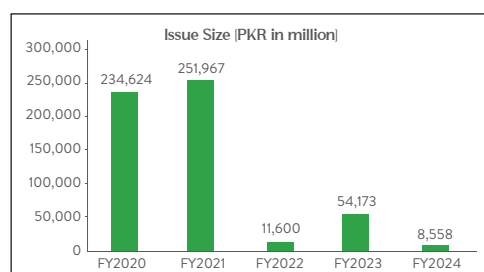
- | | |
|----------------------------------|--|
| 1 B. R. R. Guardian Limited | 2 Symmetry Group Limited |
| 3 Treet Battery Limited | 4 Stylers International Limited |
| 5 Secure Logistics Group Limited | 6 TPL REIT Fund – I |
| 7 LSE Capital Limited | 8 PIA Holding Company Limited (Class – “A”) |
| | PIA Holding Company Limited (Class – “B”) |
| 9 LSE Financial Services Limited | 10 International Packaging Films Limited |
| 11 Fast Cables Limited | 12 Mughal Energy Limited (listed on the GEM Board) |



Debt Security Listings

Pakistan Stock Exchange Limited successfully listed the following three (3) Privately Placed Debt Instruments and one (1) Publicly Issued Debt Security during FY 2023-24. The debt securities had a combined issue size of PKR 8,558 million.

- 1 JS Bank Limited (Privately Placed TFC)
- 2 TPL Properties Limited (Privately Placed TFC)
- 3 BankIslami Pakistan Limited – Ehad Sukuk II (Publicly Issued Sukuk)
- 4 Kashf Foundation (Privately Placed TFC)



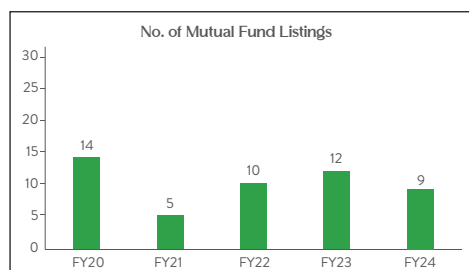
Exchange Traded Funds (ETFs)

The Exchange listed two (2) ETFs, namely JS Global Banking Sector Exchange Traded Fund and Mahaana Islamic Index Exchange Traded Fund during FY 2023-24.

Open-end Mutual Funds

The Exchange successfully listed the following nine (9) Open-end Mutual Funds during FY 2023-24. The funds listed during the year constituted a total fund size of PKR 19,600 million.

- | | |
|--|-------------------------------------|
| 1 Alhamra Cash Management Optimizer Fund | 2 Alfalah Islamic Money Market Fund |
| 3 JS Islamic Premium Fund | 4 ABL Financial Sector Fund |
| 5 NBP Islamic Government Securities Fund – I | 6 Alhamra Opportunity Fund |
| 7 JS Fixed Term Munafa Fund | 8 ABL Money Market Fund |
| 9 ABL Islamic Money Market Fund | |



Revised IPO Timelines: IPO Application and Time to Market

To simplify and streamline the IPO and listing processes, SECP, on November 08, 2023, notified the revised IPO timelines for immediate adoption by all stakeholders. Pursuant to the revised timelines, the time to market was reduced to 29 working days from the receipt of listing application. Out of 29 workings days, PSX had to review and approve an IPO listing application within 12 working days.

Since the implementation of the revised timelines, PSX approved 3 IPO applications within the specified time-span of 12 working days which is unprecedented.

Listing Guide

In FY 2023-24, PSX prepared and launched a comprehensive guide on listing in line with international best practices. The purpose of the Guide was to consolidate the listing products, requirements pertaining to listing, platforms offered by PSX and benefits of listing in a single comprehensive document which is easy to understand for potential listing aspirants.

Proposal to Increase Market Liquidity and Free Float

PSX prepared a proposal for increase in market liquidity and free float and submitted it to SECP. The said proposal entailed enhancing post issue paid up capital of listed companies that are below the threshold of PKR 200 Million and also maintaining the free float requirements mandatory at all times. The implementation of the said proposal may result in increased trading activity and liquidity in the market.

Amendments to GEM Regulations

In order to attract more listings on the GEM Board, PSX also proposed amendments in the Regulatory Framework such as change in the definition of accredited investors and allowing the general public to participate in the secondary market in the GEM Board listed companies. SECP reviewed the proposal of PSX and advised certain amendments in the GEM Board Regulatory Framework, which are under process.

Top 25 Companies Awards

In recognition of the outstanding performance of the leading listed companies, PSX provides a springboard by holding the Top 25 Companies Awards Ceremony after going through a rigorous process based on stringent criteria. In FY 2023-24, PSX held a grand ceremony after a hiatus of 4 years to celebrate these companies which proved to be an excellent source of promoting PSX as a national institution.

Moreover, PSX has initiated the Automation of Selection Process of Top 25 Companies, from data import to data validation, selection of companies and dissemination of letters to the selected companies. The successful automation of the process would result in added benefits for both PSX and the companies.

Human Resource

Employer Branding & Sourcing:

The HR department continued to extensively work towards placing the Exchange as an Employer of Choice in the market. The reflection of these efforts was replicated when PSX won its very first Global Diversity, Equity & Inclusion Benchmark Award in the category of Work-life Integration, Flexibility & Benefits. This award was a testament to our commitment to UN Women Empower Principles (WEP) for gender equality and women empowerment, where PSX is listed as a signatory and portrays a progressive image of the company.

Furthermore, in the quest for excellence, PSX has always sought out exceptional talent from prestigious universities such as IBA, LUMS, NED and FAST, fortifying the organisation with a remarkable pool of candidates. Additionally, PSX wholeheartedly believes in fostering a culture of collaboration and ideation. Hence, our exceptional high-potential staff was accorded the privilege of engaging in profound and thought-provoking sessions through the esteemed “Partners in Progress”. This was led by the CEO, who served as a channel for the exchange of visionary ideas and insightful perspectives, igniting the spark of innovation and propelling our collective growth towards a brighter future. Also, PSX consistently extended a helping hand to fresh recruits through its Mentorship/Buddy Program. It provided invaluable coaching and guidance during the crucial initial days of each new hire.

The permanent placements of the very first batch of the “Capital Market Future Leaders Program” (CMFLP) were completed in March 2024. This was after a rigorous training of 18 months with rotations within the three key players of the Capital Market i.e. Pakistan Stock Exchange (PSX), Central Depository Company of Pakistan Limited (CDC) and National Clearing Company of Pakistan Limited (NCCPL). This program was a testament to PSX’s commitment to nurturing the next generation, as it not only imparts a comprehensive understanding of the dynamic Capital Market but also paves a definitive path for career growth within Pakistan’s financial realm.

Learning & Development:

Dedicated to nurturing the professional development of our valued employees, PSX kept its focus on organizing a series of comprehensive training programs. These programs were designed to equip our workforce with the latest industry knowledge, skills, and best practices. Covering a diverse range of topics, from technical expertise to leadership and innovation, these training sessions aimed to empower our team members for success in their roles and beyond.

Over the past year, more than 200 nominations were made for operational as well as developmental trainings that included a workshop on ‘Risk-based Internal Auditing’, a seminar on ‘Environmental, Social & Governance (ESG) Reporting’, courses on ‘MS Excel for Advanced Reports & Dashboard Development’ and ‘Data Analytics’; the developmental sessions on ‘Becoming a Transformational Leader’, a Certification Program on Diversity, Equity & Inclusion and an Executive Program on ‘Advancing Women’s Leadership at Board & Top Management’ were few among them.

We implemented a structured learning series like ‘Expanding Horizons’ to benefit employees by enhancing their skills and knowledge. This initiative shows our commitment to employee development and career advancement within the organisation. By providing opportunities for continuous learning and growth, we are not only investing in our employees’ professional development but also nurturing a culture of excellence and innovation. These sessions were led by subject matter experts, and an encouraging response was received from our employees.

The ‘Capital Market Orientation Program’ is also a regular program at the Exchange where HR conducts a three-day orientation program for the new hires. By means of this program, not only core business areas but SECP, CDC and NCCPL also participated and shared their overall working and its linkage with Capital Market growth. Last but not least, by diligently following UNDP’s Sustainable Development Goals, we consistently strived towards sustainable progress and took impactful steps to achieve success.

Workplace Health and Well-being:

In our quest to prioritise emotional well-being and foster healthy living, we nominated our employees for various captivating webinars/sessions. These sessions were based on topics such as “Wellbeing Workout” and “Personal Productivity Program,” which focused on stress, time, sleep, and energy management and further aimed to empower our employees to nurture their emotional well-being.

In a dedicated effort for the well-being of our female workforce, a specialised ‘Breast Cancer Awareness Session’ was organized. It was carefully crafted to address unique aspects of women’s health, particularly focusing on breast cancer awareness, prevention, and adopting healthy lifestyles.

Additionally, in a display of compassion and community spirit, our employees rallied together for a meaningful cause during the Blood Donation Campaign by Indus Hospital. Numerous staff members generously participated and made a significant impact, potentially saving lives and contributing to the well-being of those in need. This successful Blood Donation Campaign not only reflects our organisation's ethos of caring for the community but also serves as a powerful reminder of the impact we can make collectively.

Furthermore, we have the "Sehat Kahani Corporate Application" in place, a free online 24/7 medical service. This tool extended its support not only to our employees but also to their families, including parents, in times of emergency or for routine consultations. By providing accessible and reliable healthcare, we strived to create an environment where our employees can thrive physically and lead fulfilling lives.

Fostering Engagement:

In a strategic move to elevate team dynamics and nurture a culture of collaboration, HR orchestrated invigorating session on "Success through Synergy." This session aimed to instill the importance of cohesive teamwork, emphasizing that the collective efforts of a team often yield greater success than individual pursuits. This session delved into the principles of effective collaboration, communication, and leveraging individual strengths for the entire team's benefit. As the spirit of synergy becomes ingrained in our organisational culture, we anticipate witnessing enhanced team performance and a positive ripple effect on overall productivity and success.

In a bid to promote harmony and amity among our talented workforce, PSX organised an Employee Table Tennis Tournament that proved to be an absolute delight. The tournament, held as part of our ongoing commitment to employee engagement, showcased the incredible sporting expertise and competitive spirit within our organisation. Employees enthusiastically participated, creating an energetic and supportive environment that resonated with the company's vibrant culture. The tournament's climax unfolded at our Annual Employee Dinner, where the winners and runners-up were honoured with well-deserved trophies. This initiative provided a platform for friendly competition and underscored our dedication to adopting a balanced and engaging workplace.

To create a thriving and connected community, PSX introduced the very first edition of the HR's Newsletter. The purpose was to make this newsletter a platform for celebrating our collective success and fostering a sense of unity and camaraderie within our workplace. The edition highlighted various activities, achievements, recognition of the exceptional talents, their accomplishments, and the achieved milestones by PSX's team members. It also provided updates on HR initiatives and internal events which made our workplace vibrant and dynamic.

DEI Initiatives:

Over the past few years, PSX has made significant strides in Diversity, Equity, and Inclusion (DEI) initiatives, positioning itself as a pioneer in fostering a workplace that values equality, flexibility, and the support of diverse life experiences. Central to achieving these goals is PSX's implementation of a robust Diversity and Inclusion policy. This policy not only mandates a minimum gender diversity ratio throughout the fiscal year but also lays the foundation for an inclusive work environment. Complementing this policy is a recruitment strategy that underlines PSX's commitment to being an equal opportunity employer. The positive results of these initiatives are evident in the steady increase of the diversity ratio, rising from 15.7% to an admirable 19.3% in a year.

Acknowledging the changing dynamics of the modern workplace, PSX has proactively introduced a progressive remote working policy. This initiative not only enhances overall workplace flexibility but is specifically tailored to cater to the diverse needs of all employees, with a particular focus on supporting women. Additionally, the introduction of a reimbursement scheme for daycare expenses demonstrates PSX's dedication to facilitating the professional growth of female employees by removing potential obstacles to their active participation in the workforce.

To support the well-being and work-life balance of its employees, PSX has significantly extended its maternity leave policy to 180 calendar days. This extension reflects PSX's deep understanding of the unique needs of new mothers and their families. Moreover, the exchange goes above and beyond by offering an additional three months of work-from-home (WFH) or flexible working hours to new mothers, ensuring a seamless transition into parenthood while maintaining a connection to their professional responsibilities.

In a move that recognizes the important role fathers play in family dynamics, PSX has doubled the duration of paternity leave from 7 to 14 calendar days. This adjustment underscores the exchange's commitment to promote an inclusive workplace that accommodates diverse family structures and provides support during critical family moments.

In conclusion, PSX's holistic approach to DEI initiatives encompasses areas such as recruitment, gender diversity, flexible work arrangements, and family support. These initiatives not only establish the exchange as a beacon of equality but also set a benchmark for other organisations looking to create inclusive and supportive workplaces in Pakistan's dynamic business landscape. PSX's commitment to going above and beyond industry standards, with extended maternity leave and additional flexibility for new parents, showcases its dedication to creating an environment where every employee can flourish both personally and professionally.

Information Technology

Government Debt Securities (GDS) - Primary Market Auction Platform Development & Launch

PSX ITD has successfully developed and rolled-out GDS Primary Market Auction Platform for participants and investors to take part in 1-Year GOP IJARA SUKUK auction through PSX. Newly architecture platform supports number of functional enhancements such as multiple instruments and multiple roles serving both business users as well as investors.

GDS platform has been built in-house to strengthen the operational and support capability of the platform. With several advancements from PSX's Book Building system, GSD platform is expected to enhance the technical & business capabilities of all market participants.

Government Debt Securities (GDS) - Primary Market Auction Platform – Phase II Enhancements

PSX ITD has successfully developed and rolled-out GDS Primary Market Auction Platform for participants and investors to take part in auction through PSX. New architecture platform supports number of functional enhancements such as multiple instruments and multiple roles serving both business users as well as investors.

GDS platform has been built in-house to strengthen the operational and support capability of the platform. With several advancements from PSX's Book Building system, GSD platform has enhanced the technical & business capabilities of all market participants. Following major components of the GDS Auction System were completed

1. Complete functional support for Fixed Rental Rate and Variable Rental Rate instruments in addition to the GIS-Discounted Sukuks.
2. Re-opening of FRR and VRR instruments, automated with requisite calculation.
3. Development of the Yield Calculator and incorporation within the GDS Auction System.
4. Automation of Allocation Process with inclusion of Realized Value and Price Premium.
5. System enhanced with two additional participant categories of Professional Clearing Member and Others and one additional investor category of Non Resident Pakistanis.
6. Inclusion of Price Premium and total Realized Value in the email communication with successful investors.
7. Availability of Successful Bidders Report with details of investor wise data allocation.

Implementation of JS Global ETF (JSGBETF), JS Global Index (JSGBKTI) and Mahaana Islamic Index ETF

The JS Global ETF, the eighth Exchange-Traded Fund (ETF) comprising of a basket of companies traded on PSX like a single stock was launched on September 11, 2023. To support this launch, a number of IT systems were enhanced to accommodate the new ETF and the index that it is tracking.

The JS Global Banking Sector ETF tracks the performance of the JS Global Banking Sector Index as its benchmark which is a total-return, equally weighted index. JSGBKTI will be replicating stock selection criteria of PSX's Banking Tradable Index (BKTI).

Mahaana Islamic Index ETF (MIETF) is the second Islamic Equity ETF which will give Shariah conscious investors ability to invest in top 30 most liquid Shariah compliant companies. The ETF aims to track the performance of Mahaana Islamic Index (MI30) which is designed to measure the performance of top 30 Shariah compliant companies selected from KMI All share index constituents based on the free float market capitalisation, having at least average daily value traded of PKR 10 million in last 12 months.

This was enabled through definition of new symbols in the trading system as tradeable securities. A number of IT systems including the PSX Corporate website, the PSX Data Portal, internal MIS applications and Reporting platforms were subjected to changes to allow the dissemination of trading information for the new ETFs and its associated index. The Quotation System that produces the Daily Quotation Report also underwent a change to make visible the trading information of the new ETFs and the performance of the related index. The index is reflected in the Trading System and any trades performed in the underlying symbols of this index should have an impact in the Indices window of the Trading interfaces.

All impacted systems were enhanced in a timely manner to ensure that the product launch adhered to the projected business plan.

e-IPOs of Symmetry Group Limited, Fast Cables Ltd, Secure Logistics Group Limited, TPL REIT Fund I, BankIslami Ehad Sukuk II & International Packaging Films Limited

Four companies, a fund and a sukuk ceremoniously entered the Pakistan Stock Exchange through a successful e-IPO powered by the PSX e-IPO System (PES) and were listed for trading during FY 23-24.

The IPOs were in the wake of productive price discovery exercise through the standard book building process that PSX enables for potential listed companies through its well established Book Building System.

PSX IT team worked closely with the book runner and conducted system familiarization sessions for them prior to commencement of the book building. The IT team also worked in close collaboration with 1Link that provide the framework for automated payments by investors during the IPOs. Full IT support was also extended to the Listing team ensuring timely reporting of the transactions and uninterrupted availability of the systems throughout the book building and subscription activities.

Disaster Recovery (DR) Drill

PSX ITD conducted a successful DR drill for the failover activity that helped validate the RTO and RPO and application ensuring smooth backup and recovery of PSX's core systems and services. Both PSX's internal business users and market participants including TRECHs, NCCPL, EClear and CDC have participated in the drill. PSX ITD also reviewed DR Runbook of the complete DR drill as SOP for reference in the event of disaster recovery. The Runbook charts out a well-defined DR drill process and acts as a clear-cut guide for triggering the failover process during an actual disaster.

Cold DR Site in Islamabad

PSX ITD initiated first phase of setting up Cold DR in Islamabad Office. Scope included replicating critical data to the Cold DR site to be available for recovery in case of city-wide disaster at primary site in Karachi. Cold DR site will host data and information required to recover core systems & services such as Trading and Surveillance, in an event where PSX will not be able to provide services from its Head Office in Karachi. Team deputed in Islamabad, will be able to provide necessary assistance to both business teams as well as third party vendors, during recovery operations.

TRECHs and Vendors Awareness Sessions

PSX ITD conducted several awareness sessions for the TRECHs as well as back-office and OMS vendors.

Business Continuity and Disaster Recovery sessions were conducted to bring awareness on best practices to ensure TRECHs business continuity in an event of disaster without any interruption. Several scenarios were discussed in interactive sessions where minimum requirements were discussed with TRECHs.

A session on Master FIX was also conducted to highlight the benefits of a centralized FIX connection which provides consolidated activities records to the TRECHs on single OMS. Master FIX allows routing of all the trading activities performed by multiple traders & investors of a single house to a single OMS, allowing central monitoring and reporting.

After the launch of primary GDS auction system, a session was held by ITD to guide OMS and back-office vendors sharing guidelines on development of GDS trading in secondary market through OMSs developed by vendors.

Telephony & Recording System Upgrade

PSX ITD successfully upgraded outdated legacy telephony system. PSX Telephony System (PABX) was procured in 2015. Due to end of support from Avaya, and complexities with maintaining outdated system without principal support, PSX ITD acquired Avaya IP Office solution. Unlike its predecessor, the new solution is software-based, eliminating the need to maintain hardware components. Avaya is a global leader in communication systems, applications and services. AVAYA products and solutions are preferred and pioneered financial sector worldwide.

Avaya IP Office delivers a full-featured unified communications platform implemented and managed on PSX premises, improving both customer and employee interactions and experiences. New PABX Supports advanced features like centralized web-based administration.

Marketing & Business Development

The Marketing & Business Development (MBD) Team continued its efforts with added momentum to build business for the Stock Exchange through educating investors and potential issuers, increasing digital outreach, and propagating a positive image of the Stock Exchange. Events were held, digital marketing efforts were enhanced, press releases issued, interviews conducted, business development activities augmented, and webinars on Sustainability & ESG were convened to promote the presence of the Stock Exchange throughout the year as a viable source of raising capital and building wealth.

Business Development:

The Business Development team made significant efforts to support building issuer pipeline. Specifically, efforts were made to reach out to potential issuers and SMEs for listing on Main Board and GEM Board of the Exchange. More than 200 companies were approached for listing on Main Board and more than 100 companies were reached out to for listing on GEM Board. Meetings were held with companies such as Bismillah Rice Pvt. Limited, Wavetech Pvt. Limited, and Khaadi Corporation, among others, for listing on Main Board.

Meetings were held with various Chambers of Commerce & Industry to promote capital formation through the Stock Exchange. PSX collaborated with various Chambers such as Lahore Chamber of Commerce & Industry, Federation of Pakistan Chambers of Commerce & Industry, Pak China Chamber of Commerce & Industry, and Women Chamber of Commerce & Industry, Lahore. As many as 22 Industry Awareness Sessions were held throughout the country to create and promote awareness for listing on the Exchange.

Furthermore, various meetings were organized with companies and SMEs to promote the GEM Board. Four Microfinance Banks were approached and five unlisted companies were tapped for listing. A Video Case Study of Engro Corporation Limited was prepared and communicated to promote the Stock Exchange as a viable option for raising capital. Video Case Studies of other companies, prepared earlier, such as those of Interloop Limited and Systems Limited were also continuously promoted to highlight the benefits of listing to other industry entities, enterprises and companies.

Investor Education & Awareness:

The Marketing team made all out efforts to enhance and augment investor awareness and education amongst the general public. As part of its Financial Literacy Initiative, the Marketing team disseminated awareness about the capital market ecosystem, functions of the stock exchange, and the role played by the stock exchange in capital formation. Moreover, the participants of the in-person and online sessions were guided on how to select a securities broker, how to open an account, pros and cons of various investment options available at PSX, and investor protection, among other topics. 162 investor awareness sessions were held throughout the country. 13 webinars were held on investor awareness and education.

The Stock Markets Basics Course was also held twice in the outgoing year under review. The course was attended by 964 participants who took significant interest in the presentations and briefings given in the course.

The 'Knowledge Center' available at the PSX website is an important resource for investor education and awareness. The PSX Knowledge Center has more than 8800 registered users currently; up from 2080 users in the last fiscal year. Furthermore, the PSX Glossary, accessible through the PSX website, which is a veritable repository of concepts, meanings and definitions related to the financial markets, has also been enhanced in the current period under review. It has now been expanded to 600 words and definitions.

The 'My Portfolio' web-based application that is part of the Financial Literacy effort whereby users learn the ropes of investing by investing in the stock market in real time using virtual cash, has been highly successful in generating interest from the general public. Since its launch, it has seen traffic of 91,544 hits and has more than 31,500 registered users in the current period under review, up from 16,000 users in the corresponding period last year. Moreover, a competition for general public including students, housewives and others was held on the My Portfolio web-app in July 2023. This competition, the 'PSX Virtual Trading & Investment Portfolio Contest' was an innovative competition spanning 14 weeks and was open to 1000 participants. The winners of the competition were presented with prizes to showcase this competition and attract investors for future competitions as well.

A useful service of Text-to-Speech feature for articles and blogs on PSX website was introduced to facilitate the visually impaired and those with reading disabilities to be able to listen to the articles and blogs through the audio feature now available. This aligns well with PSX's commitment to ESG and its D&I component. Since its launch in June 2024, this facility has been used by 3,667 visitors.

Brand Communication & Events:

The PSX brand was promoted and efforts were made for increased visibility of PSX on local and international stage. Simultaneously, efforts were made to strengthen brand equity and to present in a positive way throughout the year.

The Annual Report FY 2023 was published with the innovative theme of 'Time'. The annual calendar for 2024 also incorporated new design and concept. The bi-annual PSX Newsletter, 'At Pakistan Stock Market', was also created and uploaded on the PSX website in the current period under review.

A flagship event, the IPO Summit 2024 was held in January 2024 with the theme of 'Empowering the Capital Markets'. The aim of the Summit was to emphasize on the importance of IPO as an engine for the capital markets and a crucial instrument for raising capital, fuel growth and contribute to the overall strength of the economy. Key stakeholders involved in the IPO process including executives from companies, investment bankers, venture capitalists, legal advisors, and regulatory experts participated in the event. The summit provided a platform for networking, knowledge sharing, briefings, presentations, keynote speeches, and discussions around various aspects of the IPO process.

The PSX Top 25 Companies Awards ceremony was held in December 2023 which was a resounding success. The Caretaker Prime Minister of Pakistan was the Chief Guest at the grand ceremony whereas other senior government functionaries including the Governor of Sindh and the Chief Minister of Sindh also graced the occasion with their presence. Other guests included senior business leaders, diplomats and dignitaries. The awards were distributed to the winning companies for the year 2022. The PSX Top 25 Companies Awards ceremony presents a unique opportunity to various companies of our business, industrial and corporate landscape to showcase their image which is viewed widely by both local and foreign visitors, apart from the media attention that this event attracts.

The World Investor Week (WIW) was held in October 2023 under the aegis of the World Federation of Exchanges (WFE) to promote financial literacy and awareness amongst the general public. The WIW consisted of week-long activities such as workshops, webinars and other financial literacy events to foster investor awareness and education amongst the general public including students with particular focus on women for their financial growth and awareness.

International Women's Day was also celebrated by PSX whereby women leaders, entrepreneurs, and others from different walks of life participated in the event. This event held along with numerous other exchanges all over the world highlighted PSX's advocacy for gender equality and inclusivity.

Gong ceremonies were held to mark numerous events such as new listings on the Main and GEM Boards of PSX including those of Symmetry Group Limited, JS Global Banking Sector ETF, International Packaging Films Limited, and Mughal Energy Limited (GEM Board). These ceremonies highlight the importance of such events & activities to the general public and encourage unlisted companies to list. Gong ceremonies were held on the visit to PSX of the Federal Finance Minister and that of the Canadian High Commissioner to Pakistan in the outgoing financial year. A landmark event was the gong ceremony to mark the launch the first GoP Ijarah Sukuk auction held at PSX in December 2023. The Caretaker Prime Minister of Pakistan graced the occasion with his presence and struck the gong at the event.

The Sahulat Account marketing campaign was launched in the fiscal year FY2023-24. This campaign included encouraging brokers and emphasizing upon them to facilitate investors in opening Sahulat Accounts. This involved providing awareness to brokerage houses to promote the Sahulat Account to their (potential) customers.

In September 2023, PSX won the 'Best Islamic Stock Exchange Award' presented by Global Islamic Finance Awards (GIFA) for the third consecutive year. This award showcases PSX as an outstanding platform providing excellent Islamic financial products, offerings and regulatory enhancements.

Public Relations & Media:

Pakistan Stock Exchange and its developments, activities and events were presented positively through 26 press releases published in print and electronic media throughout the year. More than 300 media appearances were leveraged to disseminate these media releases. To promote awareness about the capital market, investments, and offerings by the Stock Exchange, 11 articles and blogs were published in print media and uploaded in electronic media. To promote the capital market and to highlight its products or other activities, 20 interviews of PSX spokesperson(s) were published, streamed or aired across different media platforms.

Digital Marketing:

Digital media was leveraged to promote investor education, awareness, the capital market and the PSX brand. Social media activities continued throughout the year which included more than 20 videos, 10 infographics and 13 webinars to explain investment concepts and market trends. Along with other social media accounts of PSX such as Facebook, Instagram, Twitter (X), and You Tube, a PSX account has also been created on Tik Tok. The number of followers of these social media accounts have increased substantially with an overall increase of 100% followers in the current period under review as compared to the previous fiscal year.

The PSX WhatsApp Service which is an exciting development leveraging technology has been introduced in the current period under review. It is a useful facility offered to the general public whereby investors, issuers, media and general public can access information on market movement with daily market reports and summaries available; they can also access information on the Investing 101 course offered by PSX and for investor education sessions. Through this service, issuers can learn about Main Board & GEM Board for raising capital and listing their company. This PSX WhatsApp Service was frequented by more than 3,950 users since its launch in November 2023.

The PSX website attracted continuous flow of visitors in FY24. The number of visitors to the PSX website & Data Portal rose from 3.3 million in FY23 to 3.5 million in FY24.

ESG:

Environmental, Social and Governance concerns have great significance now in the financial world. Sustainable finance and responsible investment have taken the front seat in financial markets worldwide. Pakistan Stock Exchange, as a frontline regulator, is striving to play its due role in encouraging listed companies to report on ESG.

A Primer on ESG for listed companies has been reported and shared in FY2023-24. The PSX Primer enables listed companies to understand ESG opportunities and risks and educates stakeholders on the usage of ESG data while providing guidance to listed companies on producing a Sustainability Report. The ESG Primer was rolled out through social media and by placing a notice for the introductory session on PSX's website. The ESG Primer introductory session for listed companies was held on April 16, 2024.

PSX signed a collaborative understanding with (London Stock Exchange Group's) Refinitiv on ESG in FY24. Under this mutual agreement, Refinitiv's ESG Contribution Tool will be available to the listed companies for their ESG data reporting. PSX & Refinitiv jointly launched an ESG Contribution Tool on 18th April 2024 in an online session to the listed companies in Pakistan.

Overall, 11 webinars have been held till-date with five webinars held in FY24 on ESG, bringing together professionals who explained the concept of ESG taking into consideration the different dynamics at play in the corporate world, the environment and society. These webinars included two sessions held in collaboration with Unilever Pakistan and one in collaboration with Lucky Core Industries.

CSR & Sustainability Update:

In CSR Activities, PSX contributed to the Patients' Behbud Society for AKUH (Aga Khan University Hospital). PSX also supported treatment and care of patients at the Bait Ul Sukoon Cancer Hospital & Hospice. Requisite funds were provided by PSX to the cancer hospital for the purpose of treatment of cancer for needy patients. Furthermore, in healthcare as well, PSX supported Indus Hospital & Health Network for their Family Medicine Clinic whereby substantial funds were provided to aid patient treatment at the Family Medicine Clinic. Where healthcare of mother and child is important, PSX also provided support in the form of financial aid to Lady Dufferin Hospital for treatment and healthcare needs of mothers and children. PSX contributed to the healthcare needs of patients at Kutiyana Memon Hospital, as well, for providing medical services like 24/7 emergency services, clinical lab, X Rays, CT Scans, and other services. In order to help fulfil life changing wishes of terminally ill children and to motivate them in their fight against cancer, PSX contributed funds to Make A Wish Foundation towards bringing smiles to cancer-stricken children.

To support the growth and welfare of society as a whole through education which lays the foundation of an enlightened society, PSX provided sufficient financial aid to Fortify Education Foundation towards catering of meals to school children for one month. For supporting education of deaf children, PSX granted donation to Family Educational Services Foundation for its Deaf Reach Initiative. A cycling event, 'Cycle for Change', was held whereby sponsorship proceeds were donated to The Citizens Foundation (TCF) for educating a classroom of 35 students for the entire year. Moreover, PSX provided financial support to TCF for educating 12 deserving students for the year. PSX also extended considerable financial support to Habib University to enable them to provide scholarship and financial assistance to deserving students. Moreover, for uplifting the socio-economic condition of talented adults through their training in various skills and trades, PSX supported The Hunar Foundation with a financial grant through its Education CSR efforts. The Hunar Foundation is a Not-for-Profit Organization offering vocational, technological, and digital training to create skilled citizens of Pakistan. PSX extended financial support under its CSR initiative to Orange Tree Foundation for higher education scholarships for female students. For an NGO called Million Smiles, PSX contributed to their four-day leadership training boot camp for female youth from flood affected areas of remote valleys and rural villages. PSX also collaborated with Million Smiles for financial inclusion and digital literacy focused on women.

Initiatives by Regulatory Affairs Division (RAD)

The core functions of RAD are to frame and update PSX Regulations, devise policies, monitor compliance, take enforcement actions against non-compliant securities brokers and listed companies, and ensure investor education and advocacy. Moreover, RAD provides a platform for investors to lodge their complaints for efficient redressal. The Chief Regulatory Officer heads the RAD.

During the year 2023-24, RAD took various reform measures taking into account the international best practices and with an aim to promote ease of doing business, enhance transparency and protect interests of securities market investors. The significant measures taken by RAD are described below:

Introduction of an Appellant Forum for Hearing and Deciding Appeals Filed by the Listed Companies:

As a front-line regulator, PSX is mandated under the Securities Act, 2015 to frame regulations and enforce them with an aim to ensure market discipline, transparency and fairness. At times, PSX receives applications from the concerned listed companies for review of penal action taken against them as a result of disciplinary proceedings. Such applications are then reviewed and decided at the relevant forums of PSX.

In order to formalize and standardize the above practice, RAD has introduced the appellant forum along with the criteria and procedures for filing of appeal by the listed companies against the enforcement order passed under PSX Regulations.

Migration to One Share Trading Unit for Securities Traded in Ready Market and Growth Enterprise Market (GEM):

In light of trading data analysis of ETF constituents, which were already trading in lot size of 1 share, and as per the practices of various international exchanges, RAD has made amendments to change the lot size for all listed equity securities traded in the Ready Market and on the GEM Board to one (01) share. This transition aims to increase liquidity in market and eliminate difference in price ranges between the Ready and Odd Lots Market.

Improvements in the Procedures for Holding Corporate Briefing Session (CBS):

PSX has updated the Guidelines/ Procedures for holding Corporate Briefing Session and Frequently Asked Questions and notified the same for compliance by listed companies on November 02, 2023 in order to provide ease to the listed companies and ensure meticulous compliance therewith in light of feedback received from the listed companies.

Empowering PSX to Conduct Auction of CDS Eligible Government Debt Securities (GDS) and its Trading at PSX:

The Ministry of Finance (MoF) notified amendments in the 'Government of Pakistan Market Treasury Bills, 1998' and 'Government of Pakistan Ijara Sukuk Rules 2008', whereby, issuing, registering, trading and transferring of GDS can be done through PSX, NCCPL and CDC, collectively referred as Capital Market Infrastructure Institutions (CMIIs).

In order to give effect to the above, RAD introduced provisions in Chapter 6 governing GDS Market Regulations of PSX Regulations to enable the following:

- I. Empowering PSX to conduct the auction, on behalf of Government of Pakistan, of CDS Eligible GoP Ijara Sukuk or any other CDS Eligible GDS through the Auction System provided by PSX; and
- II. Trading and dealings in such GDS at PSX to be done exclusively in accordance with such terms, conditions and the procedures as jointly agreed and notified by the CMIIs from time to time under intimation to the SECP.

Adoption of Apostille Convention and Abolishment of The Requirement of Legalization of Foreign Public Document:

In order to facilitate the process of authentication of public documents abroad and vice versa, the Government of Pakistan has acceded to the Hague Convention Abolishing the Requirement of Legalization for Foreign Public Documents ("Apostille Convention"). The Apostille Convention abolishes the legalization process and replaces it with single point formality of issuance of a certificate called an 'Apostille' issued by the 'Competent Authority' of the state of origin of the public document, designated by the 'Contracting Party'. Thus, Foreign Public Documents, authenticated by the Apostille, can be directly presented to the concerned authorities in Pakistan eliminating the requirement of prior attestation from concerned Pakistan Mission abroad and Ministry of Foreign Affairs of Pakistan.

In order to give effect of the above, RAD amended the PSX Regulations giving non-resident/ foreigner, belonging to a country or state which has acceded to the Apostille Convention, an option to submit the Apostille issued by the Competent Authority under the Apostille Convention.

Suspending a Securities Broker, Instead of Declaring it as Defaulter, Upon Passing of its Members' Voluntary Winding-up Resolution without the Consent of PSX:

With an aim to ensure maximum protection of the rights and interests of investors and taking into account the international practices, RAD has made certain key procedural requirements in PSX Regulations in relation to passing of the members' resolution for voluntary winding-up by introducing a new Clause 4.9A [Passing of Members' Resolution for Voluntary Winding-up].

As per newly introduced clause, a securities broker is required to apply to PSX for voluntary relinquishment/ surrender of its TRE Certificate in the manner as prescribed in Clause 4.9 [Relinquishment/Surrender as a TRE Certificate Holder] of PSX Regulations and comply with the related requirements.

However, in case the securities broker passes a resolution for members' voluntary winding-up without following the procedural requirements, PSX, instead of declaring such securities broker a defaulter as per Clause 21.4.2 of PSX Regulations, shall suspend the trading terminals of such securities broker until further notice as per Clause 20.15A of PSX Regulations.

Enhancement of Investor Protection Measures Relating to Client-titled Bank Account(s) Maintained by the Securities Broker:

In furtherance of PSX objective to ensure maximum protection of the rights of investors, RAD has introduced following measures in PSX Regulations:

- I. Securities brokers shall be required to submit to PSX the details of all business bank account(s) opened for holding funds as and when required by PSX. The Securities Broker shall be required to inform PSX within five (05) working days of opening of new bank account or closure of existing bank account. Such information shall be submitted in the manner notified by the PSX.
- II. Cash withdrawals from the client-titled bank accounts maintained by the securities brokers shall be prohibited and all payments to customers must be made through cross-cheques or other banking channels.
- III. PSX shall be empowered to obtain balance confirmation of any one or more of the client-titled bank accounts maintained by the securities broker, with the written authority of the concerned securities broker. Such power shall only be utilized by PSX where it deems appropriate to obtain such information and after complying the internal approval process. For this purpose, the securities broker may be required to authorize on its letterhead the relevant officials of PSX for obtaining balance confirmation of the client-titled bank account(s) maintained by the broker from the concerned bank branch.
- IV. PSX shall inform the SECP and the banks, as per the latest list of bank accounts maintained with PSX by the concerned securities broker, regarding suspension, cancellation or forfeiture of TRE Certificate of such TRE Certificate Holder. Further, in case of cancellation, forfeiture or declaration of a securities broker as defaulter, PSX, while referring its case to the SECP, shall request it to take appropriate action(s).
- V. The funds available in the proprietary account of the defaulted securities broker should vest with PSX, as in the case of securities available in the House Account. These funds shall only be utilized by PSX for the settlement of verified claims against the concerned defaulted brokers.

Opening Online Account of Individual Local Customers Through the Centralized Gateway Portal (CGP):

CGP is an electronic and centralized information database portal established for digital onboarding of customers of Capital Market, NBFCs, Insurance or any other financial intermediary. The CGP has been developed to eliminate the need for opening and maintaining separate accounts with the securities brokers, AMCs, Insurance Companies, etc. The CGP would facilitate prospective investors of one asset class to connect with other asset classes through a standardized, centralized customer information database. The account opening forms have accordingly been updated in PSX Rulebook to enable onboarding of clients through CGP.

Deployment of Automated New Surveillance System ("NSS"):

Pursuant to deployment of state-of-the-art surveillance system, the market vigilance through surveillance activities have strengthened due to automated alerts and reports generated based on real-time market trades. As a result, the unusual movements in price and volume of securities are timely detected for assessments internally as well as through enquiries made with the relevant brokers, listed companies and/ or relevant persons to ascertain whether any potential market misconduct has been committed. RAD is working closely with SECP on ongoing assessments and enquiries, exchange of data information to facilitate investigations of SECP in determining the cases of market abuse.

Inspection, Reviews, Supervision and Monitoring:

- I. RAD conducted surveillance activities in the areas including but not limited to blank sale in ready market, blank sale through normal sale order window in futures market, unusual deals in NDM and Market Misconducts etc. During the year, RAD referred potential cases of Market Misconduct to SECP for further actions as per the relevant laws.
- II. RAD in Audit and Inspection performed the following activities:
 - (i) Performed on-site inspections through the following sources and took appropriate enforcement actions against non-compliant securities brokers:
 - (a) System Audit;
 - (b) Joint Inspection; and
 - (c) Internet-Based Trading Services (IBTS) Audit.

- (ii) Performed thematic reviews to ascertain the compliance status of the securities brokers in the following high-priority areas of PSX Regulations and Securities Broker (Licensing and Operations) Regulations, 2016:
 - (a) Assessment of Net Worth; [Clause 6(7) of Securities Brokers (Licensing and Operations) Regulations, 2016],
 - (a) Distribution of profits to customers on unutilized funds; [PSX Regulation 4.17],
 - (b) Clients Assets Segregation; [Clause 4.17 of PSX Regulations],
 - (c) Execution of Customer Orders; [Clause 19 of Securities Brokers (Licensing and Operations) Regulations, 2016],
 - (d) Mandatory Requirement of ICM Certification; [Clause 4(k) of Securities Brokers (Licensing and Operations) Regulations, 2016].
- (iii) Performed off-site inspections to monitor compliance with segregation of clients' assets by the securities brokers.
- (iv) Performed off-site monitoring of the following periodic reports filed by the Securities brokers:
 - (a) Annual Verified Clients Assets Segregation Statements (CASS);
 - (b) Monthly and Reviewed Liquid Capital Statements;
 - (c) Fortnightly CASS Reporting;
 - (d) Monthly net worth statements;
 - (e) Quarterly compliance report of the functional and accessible website;
 - (f) Quarterly customer grievances details; and
 - (g) Mandatory submission of financial statements.

Joint Inspection:

As per the Annual Inspection Plan of Inspections to be conducted by Joint Inspection Team (JIT) during the year 2023-24, the JIT completed the inspections of 63 brokers and submitted finding reports to the SECP and SROs within the stipulated timeline for taking enforcement actions.

The brief of the Inspections performed by JIT as per the Annual Inspection Plan for the year 2023-24 is mentioned hereunder:

S. #	Inspection Type	Inspections Completed	Inspections in Process
		No. of Securities Brokers	
I	Joint Inspection of Securities Brokers	42	1
II	Thematic Review on key areas of AML/ CFT Regulations	21	-
	Total	63	1

Investor Education and Regulatory Awareness:

As part of RAD's efforts to enhance investor education and regulatory awareness, various market notifications have been issued to educate the listed companies and others concerned to ensure meticulous compliance with the disclosure and reporting requirements under the PSX Regulations. RAD also issued investors bulletins to educate investors on "manner of order placement through securities brokers" and "distribution of profit by the securities brokers earned on unutilized funds of the customers".

Besides issuing regular notifications on regulatory developments, RAD has issued the following important notices for the listed companies and other concerned during the period:

- Guidance Notes for listed companies on continuous disclosure and reporting obligations under the PSX Regulations
- Enhancement of PUCARS availability time for posting of announcements
- Payment of annual listing fee and supervisory fee of SECP for the year 2023-24
- Holding of Corporate Briefing Session (CBS) with revised Guidelines
- Compliance with continuous disclosure and reporting obligations
- Timely compliance with the reporting & disclosure obligations under PSX Regulations
- Launch of PSX Primer on ESG and Webinar on ESG Primer & Reporting Guidance
- Webinar on ESG Contribution Tool for Listed Companies

RAD also conducted regulatory awareness session for the market participants on important area of Market Misconduct/ Abuses prescribed under Chapter 7A of PSX Regulations. Detailed insight was provided on the legal frameworks governing market abuses and the various forms of market abuses which are prohibited and tantamount to criminal offenses if committed by any person. Besides, the powers of PSX and SECP were explained in market surveillance and related enquiries and investigations as well as the strengthening of surveillance activities post deployment of state-of-the-art surveillance system at PSX.

Additionally, webinars for investors were also conducted to apprise them of their fundamental rights and obligations of trading in securities market. Besides, as part of public consultation process, RAD regularly conducts sessions with PSBA and securities brokers on regulatory amendments notified for seeking public comments to demonstrate the objectives and market impact of such amendments.

Trading & TREC Affairs Department

In a major move forward, the Pakistan Stock Exchange (PSX) has successfully implemented the first primary market auction of the Government of Pakistan one-year Ijarah Sukuk at the Pakistan Stock Exchange (PSX). This is for the first time in Pakistan's history that an auction of a Government Debt Security (GDS) took place through a state-of-the-art, fully automated and efficient system of the Exchange with settlement and custodial services being provided by the other capital market institutions. Building on this successful launch and a seamless process, GoP Ijarah Sukuk (GIS) amounting to PKR 652 Bn have been issued through the primary auctions held on the Exchange and are traded in the secondary market smoothly. So far, 05 types of instruments have been listed through the auction system, which include 1-Year Discounted GoP Ijarah Sukuk, 3 Year Fixed Rental Rate (FRR), 5 Year Fixed Rental Rate (FRR), 3 Year Variable Rental Rate (VRR) and 5 Year Variable Rental Rate (VRR).

Moreover, PSX has taken a significant step forward in offering innovative products and investment opportunities to investors by facilitating the launch of JS Global Banking Sector Exchange Traded Fund (JSGBETF). JSGBETF is a sector-specific ETF that tracks a total-return, equally weighted index, JS Global Banking Sector Index (JSGBKTI), which replicates the stock selection criteria of PSX's Banking Tradable Index (BKTI). This is the first ETF launched by a Securities Broker at PSX under the SECP's Sandbox Guidelines, 2019. PSX has also launched second Islamic Equity ETF i.e. Mahaana Islamic Index Exchange Traded Fund (MIIETF) to track the performance of Mahaana Islamic Index (MII30), which is designed to measure the performance of the top 30 Shariah compliant companies selected from KMI All share index. MIIETF will give Shariah conscious investors the ability to invest in the top 30 most liquid Shariah complaint companies through this ETF.

SECP in collaboration with PSX implemented significant amendments to the Securities Brokers Regulations, paving the way for Shariah-compliant brokerage services in Pakistan. This strategic move offered brokerage houses the flexibility to operate in accordance with Shariah principles, enhancing ethical investment opportunities. In a landmark achievement, first fully Shariah-compliant brokerage house has been licensed, setting a precedent for the industry. This initiative not only promoted financial inclusion but will also support sustainable growth in economy in Islamic way.

PSX has introduced Monthly Brokers Rankings based on brokers' performance in different categories. These rankings are issued every month based on new UINs, brokers with the most active accounts, traded value, traded volume, Investments in GIS and IPOs/CTIs. The initiative will help Trading Rights Entitlement Certificate (TREC) holders track their performance actively and make efforts to further expand their client base and market activity. These rankings are solely based on quantitative and objective criteria. Further, Annual Capital Market Awards will also be announced to acknowledge and celebrate the contribution by brokerage firms and CTIs.

PSX has implemented a gradual enhancement of security-wise circuit breakers (CBs) from 7.5% to 10% as approved by the Securities and Exchange Commission of Pakistan (SECP). The decision to increase these limits stems from a regulatory objective to provide a more resilient and dynamic trading environment.

PSX also successfully implemented a One-Share Lot system for investor transactions, enhancing accessibility and aligning with international best practices. This significant change would simplify trading by allowing retail investors to purchase high-priced stocks more affordably, thereby increasing liquidity and trading volumes. Further, investors who previously trade in the odd lots market where share prices are traded at a discount can now trade in the regular market. The new system will promote balanced portfolio building and reduce operational complexities for both investors and brokers.

Furthermore, PSX has made efforts to expand its outreach and become more accessible to retail investors by implementing simplified account opening procedures, significant reduction in required data fields for onboarding and ease of documentation for Sahulat accounts along with enhanced exposure limit to PKR 1 million. These initiatives are expected to contribute to the growth and development of the capital market in Pakistan.

Legal & Corporate Affairs Department

- The legal and corporate affairs department of the Exchange regulated & facilitated the efficient conduct of meetings of the Board, relevant Committees and the General Body in a timely basis; completed necessary filings; and ensured compliance with all legal and regulatory requirements. Moreover, the shareholders of PSX were served on various matters related to their shareholding in a timely manner. In addition, the department submitted significant comments for various changes proposed and/or notified by SECP in the applicable regulatory framework.
- With the guidance of the Board, the corporate affairs department prudently concluded the process of election of shareholder directors, followed by nomination of independent directors to the Securities and Exchange Commission of Pakistan (SECP), in compliance with applicable requirements. The size of the new Board was kept at 10 directors (excluding the CEO), which comprised of 7 shareholder directors (with 1 seat reserved for a female director) and 3 Independent Directors. The Extraordinary General Meeting for conducting the election was convened in April 2024, wherein, the contesting candidates were elected un-opposed for a term of 3 years, with requisite clearance of SECP. Moreover, subsequent to the election, SECP, upon recommendation of the Board, approved the appointment of 3 independent directors on the Board, effective April 19, 2024. The overall process of Board election, together with evaluation of contested and/or nominated candidates in the light of applicable 'Fit & Proper Criteria', was judiciously carried out by the department, in a timely manner. After the reconstitution of the Board, Dr. Shamshad Akhtar (Independent Director) was elected as Chairperson on the Board of the Exchange for a term of 3 years.
- The department ensured that PSX's interests are safeguarded from a legal perspective when it enters into business relationships with outsiders or takes any action having legal consequences through the timely provision of legal opinions to the Board, its Committee(s) or any department of the Exchange. The department managed a significant proportion of the legal work internally (in-house) to save the organisation cost. All legal documents were vetted properly, and suggestions/comments thereon were conveyed to the concerned departments within a reasonable period.

Products and Services

PSX Products

- Equity Segments (Main Board & GEM Board)
 - Ready / Regular Market (T+2)
 - Odd lot Market
 - Square up Market
- Bills & Bonds Market
 - Government Debt Securities (Primary Market Auction of GOP Ijarah Sukuk)
 - Corporate Debt Securities
- Futures Counter
 - Deliverable Futures Contract (DFC)
 - Stock Index Futures Contract (SIFC)
- Negotiated Deal Market
- Exchange Traded Funds (ETFs)
- Real Estate Investment Trust (REIT)

Investor Services

- Automated Trading (through TRECHs)
- EIPO
- PSX Corporate Website (www.psx.com.pk)
- PSX Data Portal (dps.psx.com.pk)
- Market Data (through Data Vendors)
- Book Building (through Book Runners)
- GDS Auction System (through TRECHs and Banks)

Upcoming Products and Services

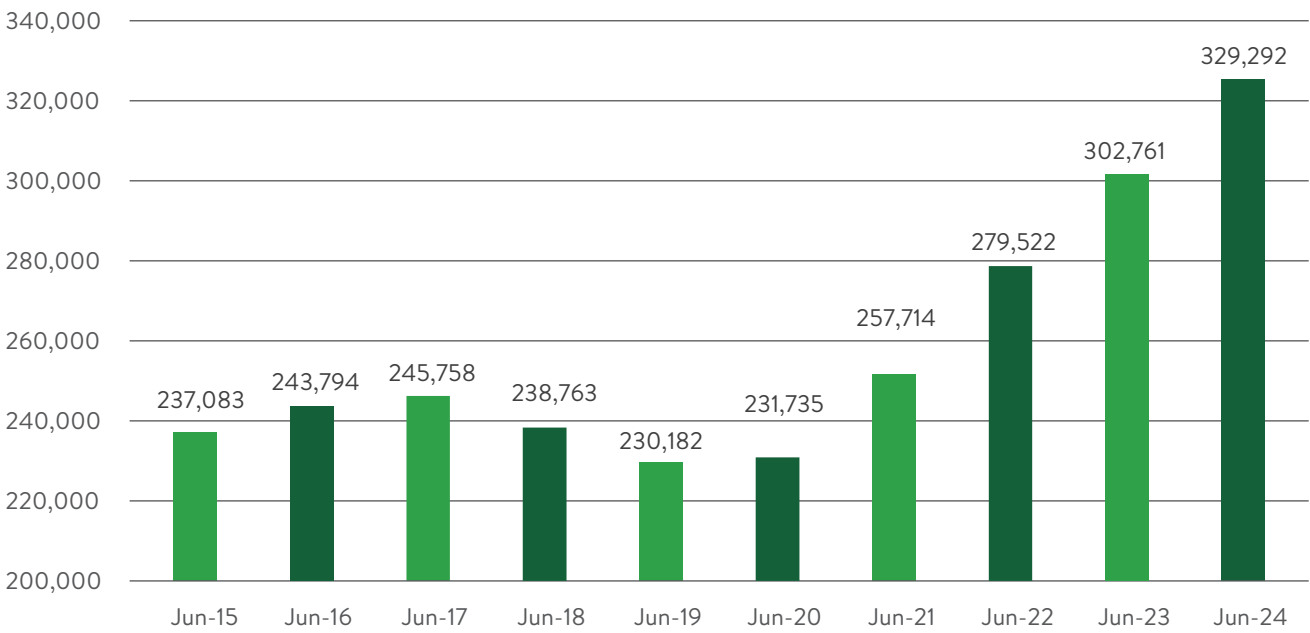
- Additional ETFs / Indices
- Revival of Cash Settled Futures (CSF)
- Single Stock Options

Highlights

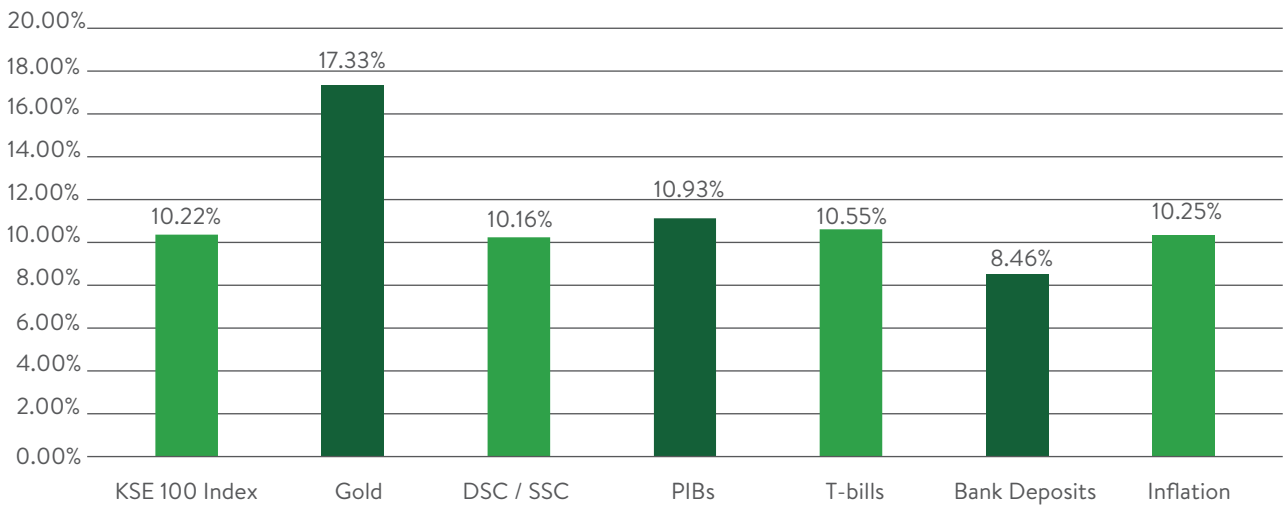
Key Financial Highlights (Six Years at a Glance)

	2019	2020	2021	2022	2023	2024
------(Rupees in millions)-----						
Share Capital	8,015	8,015	8,015	8,015	8,015	8,015
Reserves	61	232	954	1,217	1,448	2,523
Surplus on Revaluation of Assets - Net of Tax	815	815	762	968	933	901
Total Equity	8,891	9,062	9,731	10,200	10,396	11,439
Long Term Liabilities	301	640	578	836	604	509
Current Liabilities	1,104	1,610	1,685	1,613	2,036	2,241
Liabilities related to assets held for distribution to shareholders / disposal	323	323	-	-	-	-
Total Liabilities	1,728	2,573	2,263	2,449	2,640	2,750
Fixed Asset	411	1,000	4,987	5,861	5,823	6,008
Other Long Term Assets	2,758	3,139	3,942	3,531	3,707	4,437
Current Assets	2,753	2,767	3,064	3,257	3,506	3,744
Assets held for distribution to shareholders / disposal	4,697	4,729	-	-	-	-
Total Assets	10,619	11,634	11,993	12,648	13,036	14,189
Operational Results						
Total Income	1,280	1,373	2,095	1,887	1,824	3,114
Total Expenses	1,188	1,182	1,372	1,427	1,574	2,004
Profit Before Tax	92	191	723	460	250	1,110
Profit After Tax	88	194	696	399	220	1,028
Ratios						
Current Ratio	2.53	1.49	1.81	2.02	1.72	1.67
Quick Ratio	0.42	1.12	1.80	2.01	1.71	1.66
Net Profit Margin	7%	14%	33%	21%	12%	33%
Expenses as a percentage of Revenue	93%	86%	66%	76%	86%	64%
Profit Before Tax as a percentage of Revenue	7%	14%	34%	24%	14%	36%

Total UINs



Historical Asset Class Returns in Pakistan - FY 2015 - 2024*



*Compounded Annualized Returns (Estimated)

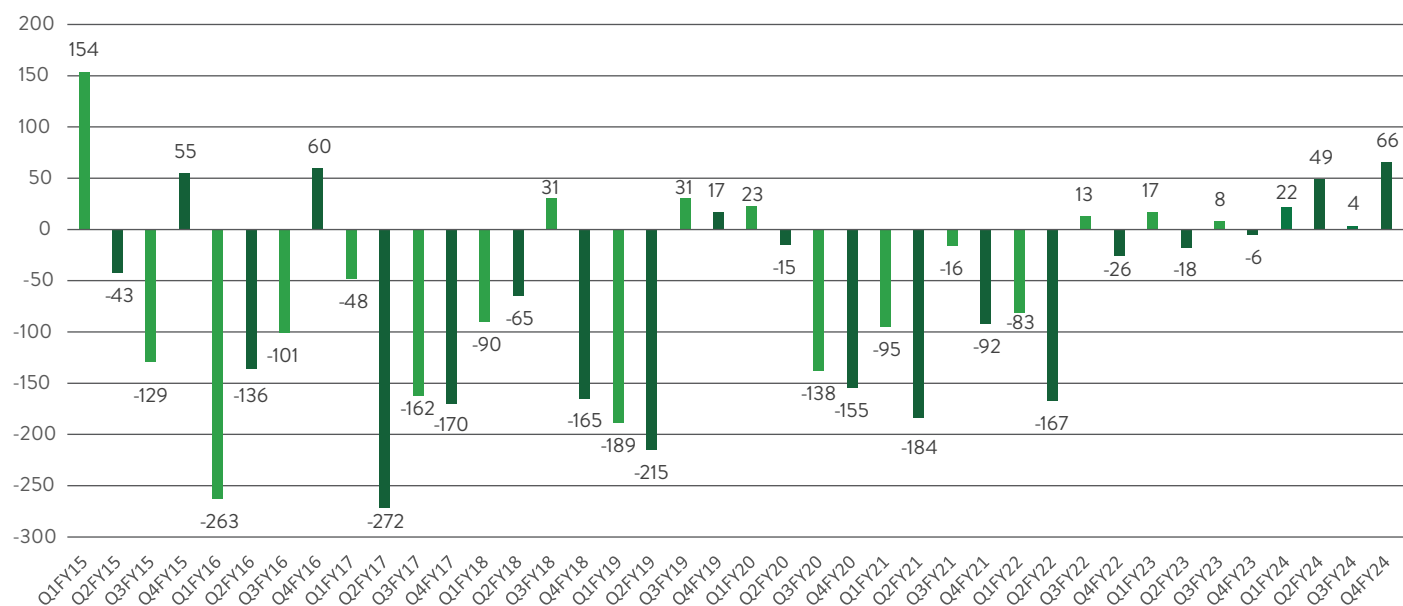
Summary of Trading Right Entitlement (TRE) Certificate Holders of Pakistan Stock Exchange Limited (PSX)

Deletion of TRE Certificate During the Period from July 01, 2023 to June 30, 2024						
Location	TREC Holders as of July 01, 2023	Issued TRE Certificate	Forfeited / Expelled/Cancelled	Lapsed	Relinquished /Surrendered	TREC Holders as of June 30, 2024
Karachi	149	2	0	0	3	148
Lahore	78	0	0	0	0	78
Islamabad	44	0	0	0	1	43
Total	271	2	0	0	4	269

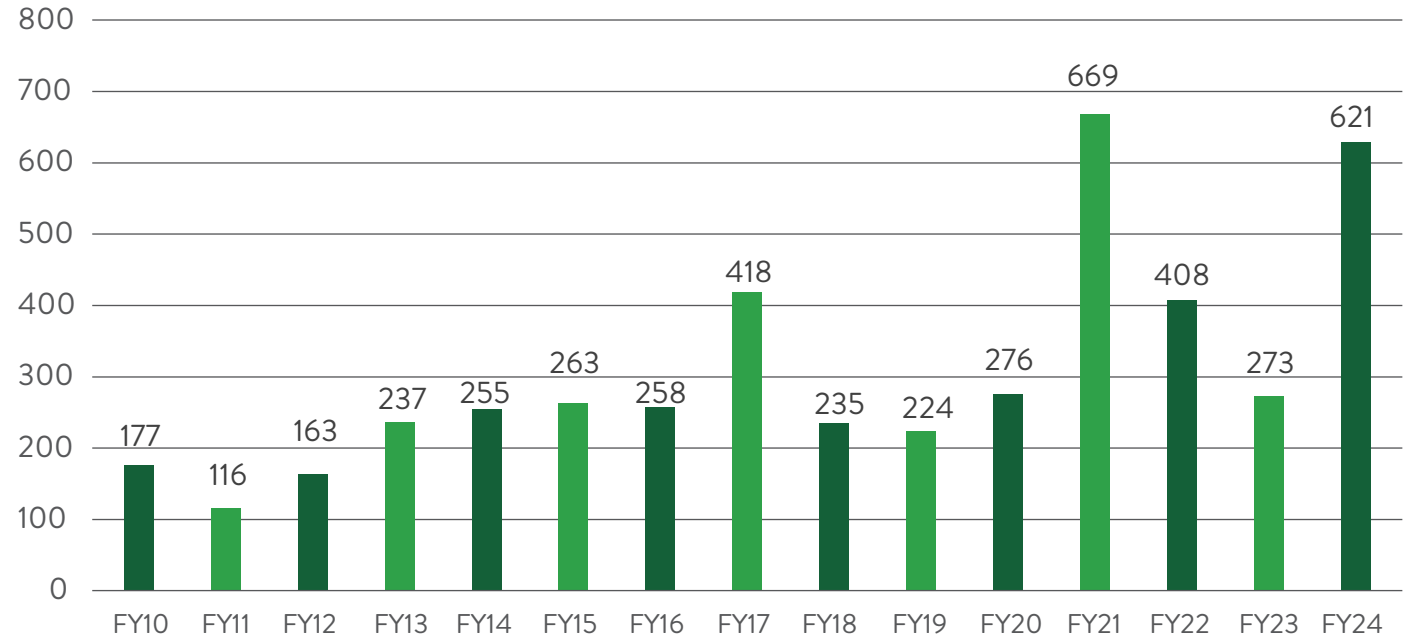
Month-wise Traded Volumes & Value in Each Market Segment

Month	Traded Volume (No. Mn)		Traded Value (PKR Mn)		No. of Trading Days	Avg. Daily Traded Volumes (Mn)		Avg. Daily Traded Value (PKR Mn)	
	DFC	Ready	DFC	Ready		DFC	Ready	DFC	Ready
Jul-23	2,510	7,732	101,133	235,415	20	126	387	5,057	11,771
Aug-23	2,521	6,586	120,059	255,443	22	115	299	5,457	11,611
Sep-23	1,627	3,214	66,655	110,806	20	81	161	3,333	5,540
Oct-23	2,541	7,976	112,242	248,086	22	116	363	5,102	11,277
Nov-23	3,698	13,816	152,652	443,238	21	176	658	7,269	21,107
Dec-23	5,368	20,739	182,940	525,255	20	268	1,037	9,147	26,263
Jan-24	4,185	11,354	157,908	386,110	23	182	494	6,866	16,787
Feb-24	2,894	6,672	123,038	261,183	19	152	351	6,476	13,746
Mar-24	3,093	7,331	128,093	268,996	21	147	349	6,100	12,809
Apr-24	3,104	8,895	132,176	371,237	18	172	494	7,343	20,624
May-24	3,786	11,906	155,522	437,489	21	180	567	7,406	20,833
Jun-24	2,690	7,190	119,654	294,699	17	158	423	7,038	17,335
Total	38,017	113,410	1,552,071	3,837,959	244				

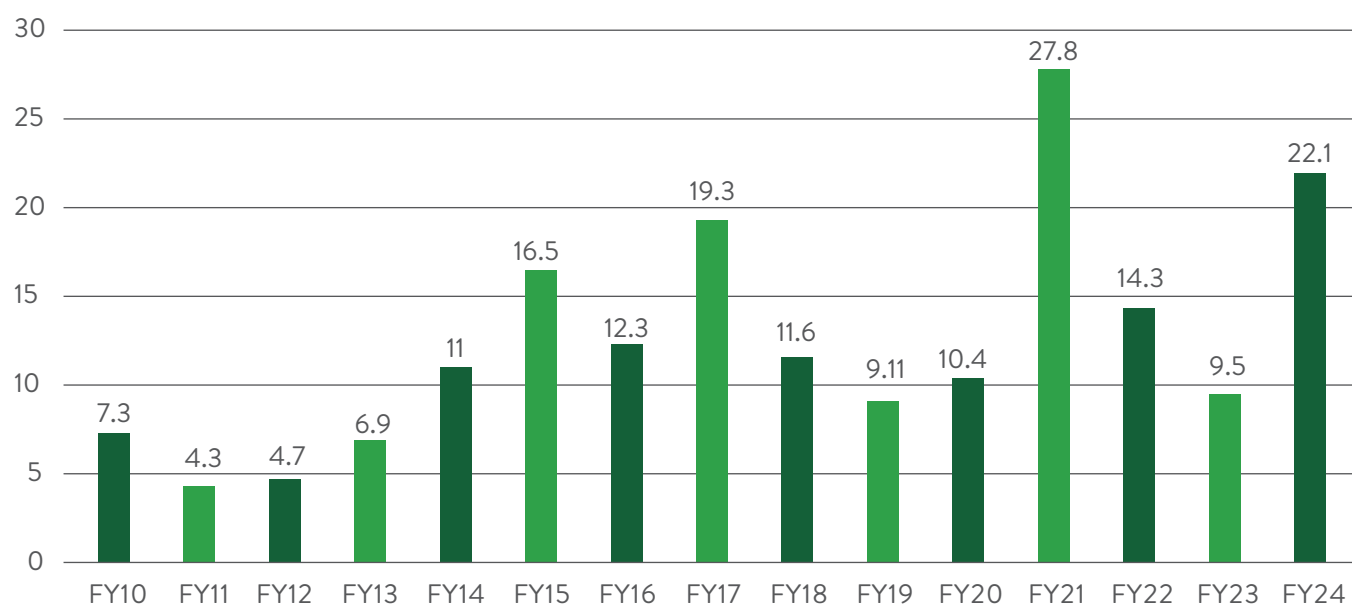
Foreign Investors Net Inflows / Outflows (USD in Million)



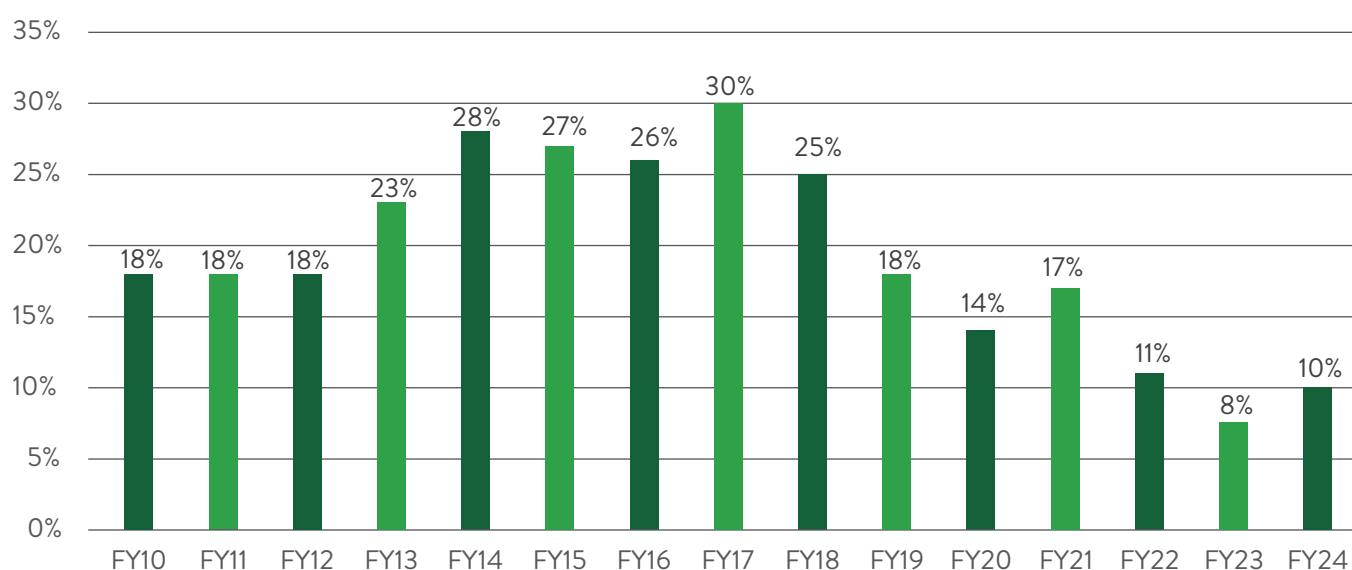
Average Daily Traded Volume (Ready + Futures) - No. of Shares in Million



Average Daily Traded Value (Ready + Futures) - PKR in Billion



Market Capitalization to GDP Ratio [%]



Summary of Customer Compensation Fund

"Summary of Centralized Customers Protection Compensation Fund As at June 30, 2024 [unaudited]"	
Particulars	Amount (Rupees)
Opening Balance July , 2023	5,575,831,100
Contribution during the year	1,286,201,701
Audit Fee	(432,000)
Others	(56,500)
Fund position as at June 30, 2024	6,861,544,301

Summary of Enforcement Actions Taken During the Year 2023-24

Enforcement Actions Against Non-Compliant Securities Brokers:

A summary of enforcement actions taken against the non-compliant securities brokers during the year is tabulated below:

Summary of Enforcement Actions Taken During Year 2023-2024						
Sr.#	Activities	No. of Hearings/ Explanation	No. of Actions	Type of Enforcement Action		
				No. of Warning/ Advice	No. of Fine Imposed	Restriction Imposed/ Trading Terminals Suspended
i	System Audit	20	18	17	1	0
ii	IBTS Audit	3	4	4	0	0
iii	JIT/ AML CFT Thematic	24	14	11	3	0
iv	Thematic Reviews	37	41	30	10	1
v	Off-Site Monitoring	38	43	37	0	6
vi	CASS	6	7	4	3	0
vii	Blank Sale under Ready Market	6	6	0	6	0
	Total	134	133	103	26	7

Notes:

1. The trading terminals of 06 securities brokers were suspended due to non-submission of reviewed LC, the shortfall in LC and NW.
2. Restriction on proprietary trading was imposed on 01 securities broker due to non-provision of information required to conduct the thematic review.

Enforcement Actions Against Non-Compliant Listed Companies:

A summary of enforcement actions taken against the non-compliant listed companies during the year is tabulated below:

S.#	Description	No. of Companies
i	Placement of listed companies in the Defaulters' Segment	8
ii	Freezing of shareholdings of Sponsors, Directors and Senior Management of listed companies placed on the Defaulters' Segment as well as restriction in transfer of shares in physical form	8
iii	Suspension of trading in shares	2
iv	Shifted to Normal Counter upon rectification of default(s)	7
v	Restoration of trading in the shares of listed companies quoted in the Defaulters' Segment	22
vi	Delisted from the Exchange	1
vii	Issuance of Continuous Suspension Notices	76
viii	Addition or rectification of non-compliances in listed companies already Quoted in Defaulters' Segment	33
ix	Compulsory buy-back direction issued	4

Claims Received & Verified Against Former TRECO Holders

RAD made a significant contribution to protect the rights and interests of the claimants of one (01) forfeited TRE Certificate Holder.

RAD is fully committed to continue its endeavor to complete settlement of old cases of defaulted TRE Certificate Holders, provided the requisite clearances are received from the relevant competent authorities.

Complaints Against Securities Brokers and Listed Companies

(i) A summary of the number of complaints registered against active securities brokers during the aforesaid period is given below:

Opening No. of Complaints	Complaints Received During the Year	Resolved Through Mediation	Complaints Settled Through Arbitration	Complaints Outstanding
167	123	272	05	13

(ii) A summary of complaints received on the PMDU Portal and resolved during the review period is given below:

Opening	Received	Resolved	Dropped	Complaints Outstanding
0	23	23	0	0

(iii) RAD also addressed 22 complaints received from different sources regarding various matters of the listed companies placed in the Defaulters' Segment.

Summary of Penalties Imposed and Recovered During the Year 2023-2024

Fine imposed on securities brokers	PKR 7,396,850
Fine recovered from securities brokers during the year	PKR 6,241,241
Fine imposed on listed companies	PKR 8,586,800
Fine recovered from listed companies during the year	PKR 5,051,200

Market Performance

Performance of Top 10 Sectors by Market Cap

Sectors	Market Capitalization (PKR)				No. of Companies in KSE 100
	30-Jun-24	% of Total MCAP	30-Jun-23	Growth (%)	
Commercial Banks	2,173,352,889,025	20.95%	1,011,875,795,345	114.78%	14
Oil & Gas Exploration Companies	1,401,774,093,558	13.51%	812,491,663,723	72.53%	4
Food & Personal Care Products	1,107,522,119,298	10.68%	690,461,107,536	60.40%	8
Fertilizer	782,365,732,825	7.54%	473,148,687,360	65.35%	5
Cement	708,467,100,092	6.83%	444,827,535,612	59.27%	8
Power Generation & Distribution	472,302,072,021	4.55%	215,713,456,733	118.95%	7
Automobile Assembler	452,137,166,100	4.36%	231,338,306,257	95.44%	2
Textile Composite	349,451,132,268	3.37%	248,139,002,489	40.83%	3
Tobacco	319,850,968,180	3.08%	212,220,933,135	50.72%	1
Technology & Communication	311,295,537,711	3.00%	246,081,604,167	26.50%	4

THIS PAGE IS LEFT INTENTIONALLY BLANK

Ode to Investment



*** October 1970:**

Under the Securities and Exchange Ordinance of 1969 by the Government of Pakistan, a second stock exchange was established in Lahore.

* Reference: <https://www.psx.com.pk/psx/exchange/profile/about-us>



Market Highlights

Description	2020	2021	2022	2023	2024
Total Listed Companies	530	532	530	524	524
Total Listed Capital (PKR in million)	1,391,478	1,442,639	1,525,899	1,627,167	1,706,197
Total Market Capitalization (PKR in million)	6,529,707	8,297,305	6,956,508	6,369,473	10,374,799
New Companies Listed	-	5	5	4	11
Listed Capital of New Companies (PKR in million)	-	17,642	15,209	8,664	103,301
New GEM Companies Listed	-	-	3	-	1
Listed Capital of New Companies (PKR in million)	-	-	1,597	-	1,941
New Debt Instruments Listed	7	6	4	10	4
Total Issue Size of New Debt Instruments (PKR in million)	234,624	251,967	11,600	54,173	8,558
Total Shares Volume – Ready Market (shares in million)	52,382	137,341	76,908	51,806	117,589
Average Daily Share Volume – Ready Market (shares in million)	211	552	309	211	482
Average Daily Trade Value – Ready Market (PKR in million)	7,214	19,201	9,662	6,117	15,729
KSE Indices					
KSE – 100 Index					
Year End	34421.92	47356.02	41540.83	41452.69	78444.96
High	43218.67	48726.08	48112.21	43888.23	80059.87
Low	27228.80	34889.41	40879.93	38135.53	41452.68
KSE – All Share Index					
Year End	24660.31	32479.82	28582.29	28111.03	49683.75
High	30058.44	33103.22	32821.75	30102.48	50468.50
Low	20043.89	24959.44	28110.70	25881.24	28111.03
KSE – 30 Index					
Year End	14862.25	18961.90	15805.04	14636.72	25282.04
High	20032.51	19731.43	19365.90	16646.37	25918.60
Low	11833.83	15121.75	15567.96	14029.75	14636.72
KMI – 30 Index					
Year End	54995.25	76621.54	68766.37	70748.13	126424.27
High	70790.23	80168.03	78521.49	73985.43	128465.34
Low	41364.54	56459.32	66851.15	64519.84	70748.12

Notes:

- (i) The figures are from July to June.
- (ii) The total number of listed companies have been stated after 14 companies delisted in 2020, 2 companies delisted in 2021, 3 companies delisted in 2022, 5 companies delisted in 2023 and 3 companies delisted in 2024 and 1 company merged in 2021, 4 companies merged in 2022, 5 companies merged in 2023 and 8 companies merged in 2024.
- (iii) The total listed capital has been stated after adjustment of capital of companies by way of merger, bifurcation and de-listing, etc.
- (iv) The KSE 100 Index was started in November 1991 with a base of 1000 points and it is recomposed semi-annually and was last re-composed on February 29, 2024 closing statistics.
- (v) The KSE All Share Index based on the prices of August 29, 1995 = 1000, commenced w.e.f. September 18, 1995.
- (vi) The KSE – 30 Index based on the prices of June 30, 2005 = 10000, introduced w.e.f. September 01, 2006.
- (vii) The KMI – 30 Index introduced w.e.f. September 01, 2008.

Indices Performance

KSE 100 INDEX 2014 TO 2024



KSE 30 INDEX 2014 TO 2024*



*KSE 30 is a price return index

KMI 30 INDEX 2014 TO 2024

NBPPGI - NBP Pakistan Growth Index



UPP9 - UBL Pakistan Enterprise Index

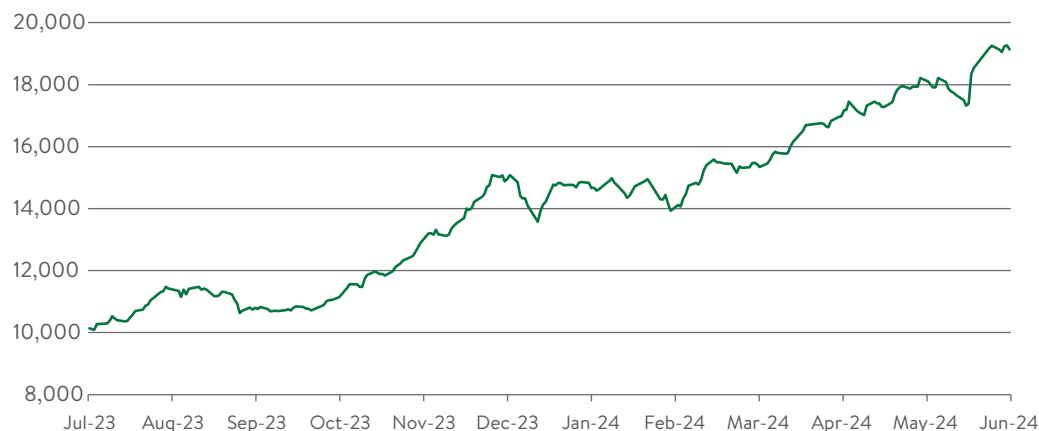


BKTI - Banking Tradable Index*



*BKTI is a price return index

NITPGI - NIT Pakistan Gateway Index



MZNPI - Meezan Pakistan Index



OGTI - Oil & Gas Tradable Index*



*OGTI is a price return index

PSXDIV20 - PSX Dividend 20 Index



JSMFI - JS Momentum Factor Index



ACI - Alfalah Consumer Index



JSGBKTI - JS Global Banking Sector Index



MII30 - Mahaana Islamic Index



Statistics

(Since July 2023 to June 2024)

Listing of New Companies – Equity

PKR in million

Sr.No.	Name of Company	Date of Listing	Paid up Capital	Total Amount Offered (Including Premium)		Subscription Received (Including Premium)	
				Book Building	General Public	Book Building	General Public
1	B.R.R. Guardian Limited	04-Aug-2023	950	-	-	-	-
2	Symmetry Group Limited (At a premium of PKR 3.30 per share)	01-Sep-2023	285	327	109	678	88
3	Treet Battery Limited	15-Dec-2023	8,823	-	-	-	-
4	Stylers International Limited	22-Jan-2024	4,353	-	-	-	-
5	Secure Logistics Group Limited (At a premium of PKR 2 per share)	22-Apr-2024	2,736	450	150	611	34
6	TPL REIT Fund – I (At a premium of PKR 7.59 per share)	20-May-2024	18,350	-	589	-	589
7	LSE Capital Limited	24-May-2024	1,812	-	-	-	-
8	PIA Holding Company Limited – “Class A”	27-May-2024	52,338	-	-	-	-
	PIA Holding Company Limited – “Class B”	27-May-2024	8	-	-	-	-
9	LSE Financial Services Limited	31-May-2024	357	-	-	-	-
10	International Packaging Films Limited (At a premium of PKR 15.20 per share)	03-Jun-2024	7,002	1,325	442	2,540	440
11	Fast Cables Limited (At a premium of PKR 14.45 per share)	10-Jun-2024	6,289	2,347	782	4,702	347
	TOTAL		103,303	4,449	2,072	8,531	1,498

B.R.R. Guardian Limited (BRRG): The Company was listed without Public Offering pursuant to the Scheme of Arrangement for merger/amalgamation of B.R.R. Guardian Modaraba (BRR) with swap ratio of 1 share of BRRG against 1 certificate of BRR.

Symmetry Group Limited (SYM): The issue consists of 101.240 million ordinary shares of face value of PKR 1.00 each, out of total issue size, 88.235 million shares were issued by Symmetry Group Limited as new issue and 13.005 million shares were offered by sponsors of Symmetry Group Limited i.e. Mr. Sarocsh Ahmed and Mr. Adil Ahmed from their current shareholding.

Treet Battery Limited (TBL): The Company was listed without Public Offering pursuant to de-merger/bifurcation of Battery Division of First Treet Manufacturing Modaraba (FTMM) through scheme of Arrangement with swap ratio of 0.9984 share of TBL against 1 certificate of FTMM.

Stylers International Limited (STYLERS): The Company was listed without Public Offering pursuant to Scheme of Arrangement for merger/amalgamation of AEL Textiles Limited (AEL) with swap ratio of 0.60 share of STYLERS against 1 share of AEL.

TPL REIT Fund – I (TPLRF1): The Fund also had a Green Shoe Option for 22,387,000 units which was oversubscribed by 10,535,795 Units.

LSE Capital Limited (LSECL): The Company was listed without Public Offering pursuant to Scheme of Arrangement for merger/amalgamation of LSE Proptech Limited (LSEPL) and Modaraba Al-Mali (MODAM) with swap ratio of 0.83 share of LSECL against each 1 share/certificate.

PIA Holding Company Limited (PIAHCLA & PIAHCLB): The companies were listed without Public Offering pursuant to Scheme of Arrangement between Pakistan International Airlines Corporation Limited (PIAA) & (PIAB) with and in to PIA Holding Company Limited with swap ratio of 1 share of PIAHCLA and PIAHCLB against 1 share of PIAA and PIAB.

LSE Financial Services Limited (LSEFSL): The Company was listed without Public Offering pursuant to Scheme of Arrangement for transfer of listing status of Modaraba Al-Mali (MODAM) with swap ratio of 65.03 shares of LSEFSL against 1,000 certificates of MODAM.

International Packaging Films Limited (IPAK): The Company had offered shares to the General Public at PKR 24.00 per share (4.76% discount to strike price of PKR 25.20) against subscription of 500, 1,000, 1,500 and 2,000 shares. Subscription above 2,000 shares was issued at the Strike Price of PKR 25.20.

Listing of Growth Enterprise Market (GEM)

PKR in million

Sr.No.	Name of Company	Date of Listing	Paid up Capital	Total Amount Offered (Including Premium)		Subscription Received (Including Premium)	
				Book Building	General Public	Book Building	General Public
1	Mughal Energy Limited (At a premium of PKR 6.74 per share)	13-Jun-2024	1,941	-	325	-	330
	TOTAL		1,941	-	325	-	330

Listing of New Debt Instruments

Privately Placed

PKR in million

Sr. No.	Name of Securities	Type of Issue	Date of Listing	Amount Listed
1	JS Bank Limited – Tier II	TFC	08-Jan-2024	3,500
2	TPL Properties Limited	TFC	01-Apr-2024	1,575
3	Kashf Foundation	TFC	27-Jun-2024	2,483
	TOTAL			7,558

Publicly Issued

PKR in million

Sr.No.	Name	Date of Listing	Amount Offered			Subscription Received			
			General Public	Others	Total	General Public	Others	Total	Amount Listed
1	BankIslami Pakistan Limited (Ehad Sukuk – II)	08-Mar-2024	150	850	1,000	234	850	1,084	1,000
	TOTAL		150	850	1,000	234	850	1,084	1,000

Listing of Open-end Mutual Fund

PKR in million

Sr. No.	Name of Fund	Date of Listing	Total Fund Size
1	Alhamra Cash Management Optimizer Fund	18-Aug-23	5,066
2	Alfalsh Islamic Money Market Fund	17-Nov-23	3,324
3	JS Islamic Premium Fund	08-Jan-24	430
4	ABL Financial Sector Fund	07-Feb-24	1,259
5	NBP Islamic Government Securities Fund - I	21-Mar-24	50
6	Alhamra Opportunity Fund	10-May-24	131
7	JS Fixed Term Munafa Fund	16-May-24	1,812
8	ABL Money Market Fund	05-Jun-24	3,246
9	ABL Islamic Money Market Fund	05-Jun-24	4,281

Listing of Exchange Traded Funds (ETFs)

Sr. No.	Name of Fund	Date of Listing
1	JS Global Banking Sector Exchange Traded Fund	11-Sep-2023
2	Mahaana Islamic Index Exchange Traded Fund	11-Mar-2024

Delisting of Companies

PKR in million

Sr. No.	Name of Company	Date of De-Listing	Paid up Capital
1	Prudential Discount & Guarantee House Limited	04-Aug-2023	100
2	Ghani Chemical Industries Limited – Class “B” Shares	06-Dec-2023	220
3	Johnsons & Phillips (Pakistan) Limited	17-Apr-2024	55
4	Pak Suzuki Motor Company Limited	26-Apr-2024	823

Merger of Companies

PKR in million

Sr. No.	Name of Company	Merged with	Date of Merger	Paid up Capital
1	Awwal Modaraba	Awwal Corporate Restructuring Company Limited	03-Jul-2023	1,000
2	B.R.R. Guardian Modaraba	B.R.R. Guardian Limited	04-Aug-2023	950
3	AEL Textiles Limited	Stylers International Limited	22-Jan-2024	80
4	Modaraba Al-Mali	LSE Financial Services Limited and LSE Capital Limited	24-May-2024	908
5	LSE PropTech Limited	LSE Capital Limited	24-May-2024	901
6	Pakistan International Airlines Corporation – “A”	PIA Holding Company Limited – “A”	27-May-2024	52,338
	Pakistan International Airlines Corporation – “B”	PIA Holding Company Limited – “B”	27-May-2024	8
7	Allied Rental Modaraba	Allied Transport & Logistics Limited and Allied Rental Services Limited	26-Jun-2024	2,200
8	First UDL Modaraba	UDL International Limited	27-Jun-2024	351

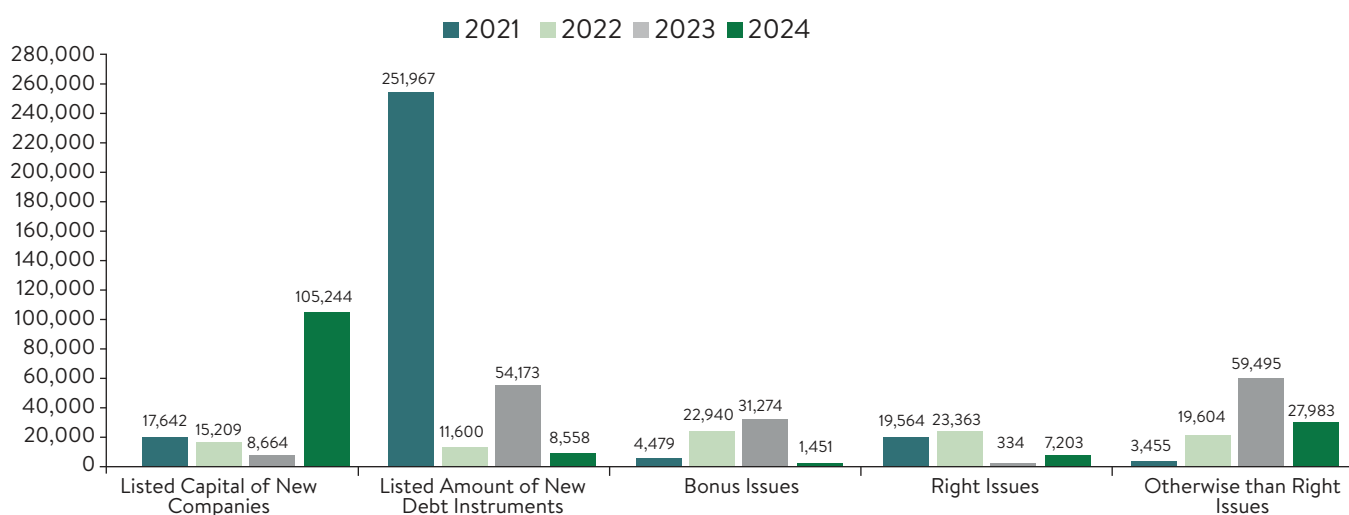
Delisting of Debt Securities

Sr. No.	Name of Security	Date of De-Listing
1	Soneri Bank Limited – TFC (SNBLTFC2)	03-Jul-2023
2	Engro Polymer & Chemicals Limited – Sukuk (EPCLSC)	27-Jul-2023
3	JS Bank Limited – TFC (JSBLTFC1)	06-Oct-2023
4	Jahangir Siddiqui & Co. Limited – TFC (JSTFC11)	26-Oct-2023
5	Kashf Foundation – TFC (KFTFC1)	01-Jan-2024
6	Agha Steel Industries Limited – Sukuk (AGSILSC)	11-Jan-2024
7	Bank Alfalah Limited – TFC (BAFLTFC7)	26-Mar-2024
8	The Hub Power Company Limited – Sukuk (HUBCSC2)	23-Apr-2024
9	The Hub Power Company Limited – Sukuk (HUBCSC4)	24-Apr-2024

Change of Name of Companies

Sr. No.	Old Name	New Name	Effective Date
1	MCB – Arif Habib Savings and Investments Limited	MCB Investment Management Limited	04-Sep-2023
2	Sanofi – Avantis Pakistan Limited	Hoechst Pakistan Limited	30-Oct-2023
3	Summit Bank Limited	Bank Makramah Limited	27-Nov-2023
4	Universal Network Systems Limited (GEM)	Blue – Ex Limited (GEM)	22-Jan-2024
5	First Dawood Investment Bank Limited	First Dawood Properties Limited	25-Mar-2024

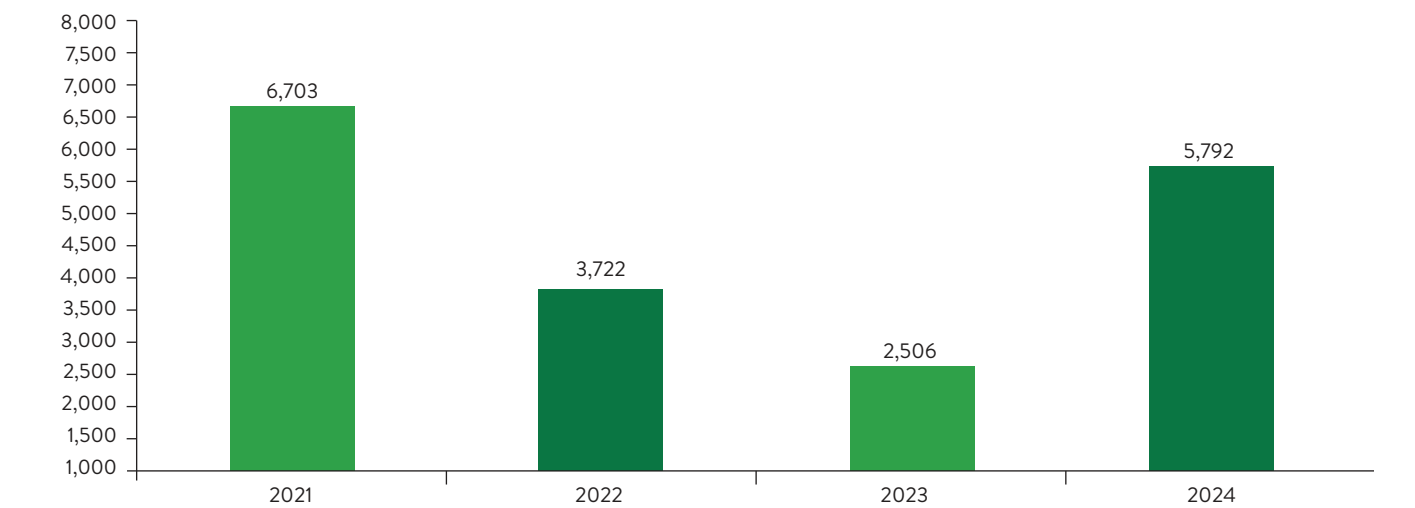
Break-up of Listed Capital



Average Monthly Turnover of Shares (Ready)

(Shares in million)

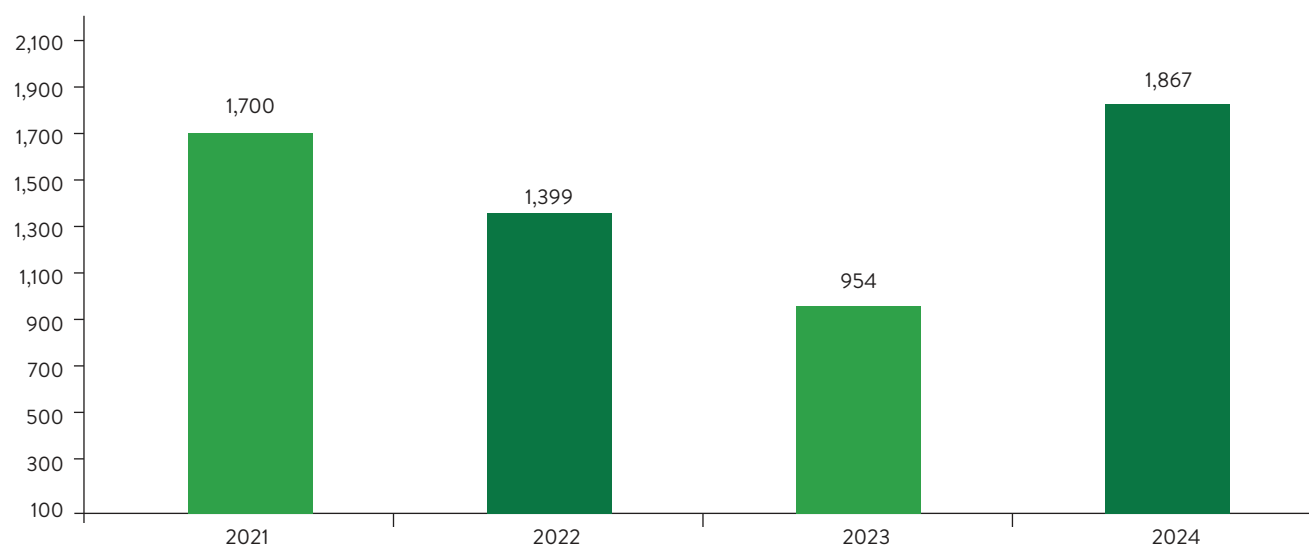
	2021	2022	2023	2024
July	405.599	497.379	151.866	399.242
August	529.083	372.137	338.810	309.751
September	620.488	435.700	188.634	172.387
October	411.234	288.461	285.805	382.037
November	311.126	326.320	224.024	669.354
December	523.495	254.120	208.761	1,058.283
January	640.820	277.336	194.357	510.323
February	630.161	233.048	190.306	378.426
March	481.310	221.488	189.067	365.390
April	368.259	312.570	145.681	509.847
May	831.043	264.487	183.314	577.556
June	950.552	239.400	205.412	459.336
Total	6,703.171	3,722.448	2,506.036	5,791.930



Average Monthly Turnover of Shares (Futures Counter)

(Shares in million)

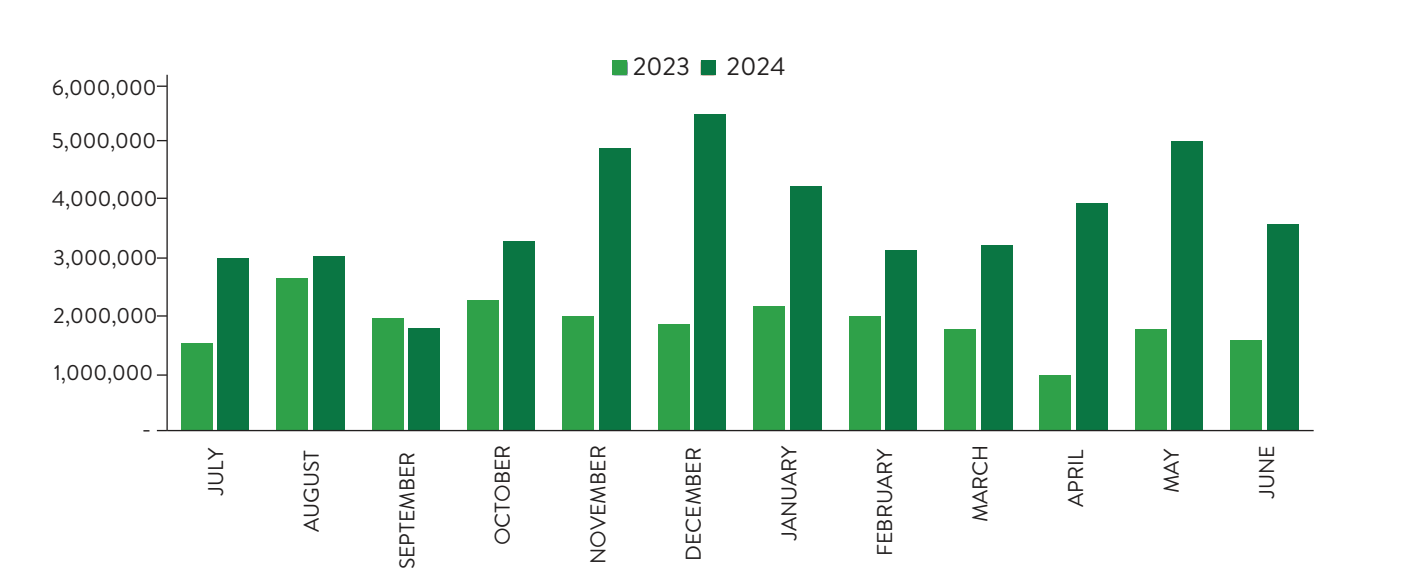
	2021	2022	2023	2024
July	106.995	129.406	78.035	125.064
August	123.913	147.176	112.743	114.142
September	144.911	166.610	80.024	81.096
October	142.649	120.564	103.179	115.081
November	113.066	118.387	83.208	175.555
December	152.998	106.438	60.146	267.365
January	148.512	104.313	75.639	181.199
February	156.456	101.648	76.945	151.808
March	159.089	91.096	68.706	146.684
April	117.275	118.226	62.514	172.055
May	156.195	107.500	70.299	179.847
June	177.726	87.198	82.405	157.554
Total	1,699.786	1,398.561	953.844	1,867.451



Ready Market Trades

Month	2023		2024	
	No. of Trades	Daily Average	No. of Trades	Daily Average
July	1,515,247	84,180	3,006,773	150,339
August	2,688,336	128,016	3,048,803	138,582
September	1,989,806	90,446	1,814,145	90,707
October	2,266,263	107,917	3,313,130	150,597
November	2,006,811	95,562	4,924,803	234,514
December	1,849,414	84,064	5,495,995	274,800
January	2,173,616	98,801	4,269,146	185,615
February	2,029,548	101,477	3,122,828	164,359
March	1,763,290	80,150	3,220,039	153,335
April	966,423	60,401	3,966,041	220,336
May	1,740,434	79,111	5,051,912	240,567
June	1,581,921	83,259	3,589,174	211,128
TOTAL	22,571,109		44,822,789	
Average Daily		91,115		184,573

Ready Market Trades



Sector-wise Capital Listed on the Exchange

PKR in million

Sector Name	June 30, 2024	
	No. of Companies	Paid up Capital
Close-End Mutual Fund	5	5,886.250
Modarabas	22	16,055.660
Leasing Companies	7	2,430.800
Inv. Banks / Inv. Cos / Securities Cos	35	115,213.810
Commercial Banks	20	449,187.080
Insurance	29	41,988.910
Real Estate Investment Trust	3	41,987.000
Textile Spinning	62	23,310.060
Textile Weaving	9	3,237.100
Textile Composite	50	57,037.330
Woollen	1	95.060
Synthetic & Rayon	10	13,174.350
Jute	2	280.960
Sugar & Allied Industries	28	11,807.610
Cement	19	94,991.770
Property	5	13,264.580
Tobacco	3	3,239.970
Refinery	4	63,100.310
Power Generation & Distribution	15	146,237.170
Oil & Gas Marketing Companies	9	35,088.620
Oil & Gas Exploration Companies	4	74,391.680
Engineering	16	36,929.250
Automobile Assembler	10	8,898.620
Automobile Parts & Accessories	11	15,652.940
Cable & Electrical Goods	7	21,718.690
Transport	5	23,730.540
Technology & Communication	16	131,026.710
Fertilizer	6	69,437.920
Pharmaceuticals	12	18,030.610
Chemical	25	51,108.240
Paper, Board & Packaging	11	17,564.700
Vanaspati & Allied Industries	3	143.790
Leather & Tanneries	6	2,718.650
Food & Personal Care Products	25	65,181.330
Glass & Ceramics	9	20,028.070
Miscellaneous	20	10,803.820
Growth Enterprise Market (GEM)	4	3,773.200
Exchange Traded Funds (ETFs)	9	1,216.627
TOTAL	537	1,709,969.787

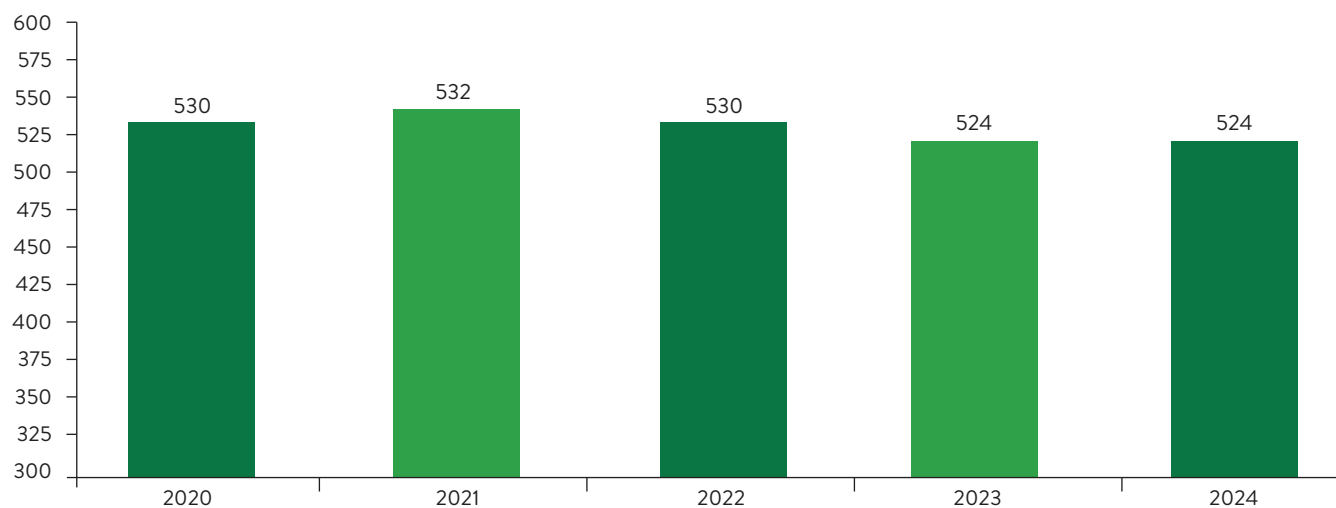
Sector-wise Performance of Companies Listed on the Exchange - 2023

Name of Sector	2023					
	Number of Companies	Companies that Announced Annual Results	Dividend Paying Companies	Profit Making Companies that Omitted Dividend	Profit Making Companies	Loss Making Companies
Close-End Mutual Fund	5	1	2	-	-	1
Modarabas	25	23	8	4	12	11
Leasing Companies	7	5	1	2	3	2
Inv. Banks / Inv. Cos / Securities Cos	32	29	7	12	19	10
Commercial Banks	20	19	15	3	18	1
Insurance	29	26	17	6	23	3
Real Estate Investment Trust	2	2	2	-	2	-
Textile Spinning	62	52	8	13	21	31
Textile Weaving	9	6	2	1	3	3
Textile Composite	51	44	20	11	31	13
Woollen	1	1	-	-	-	1
Synthetic & Rayon	10	9	3	2	5	4
Jute	2	2	-	-	-	2
Sugar & Allied Industries	28	27	17	5	22	5
Cement	19	18	4	10	14	4
Property	4	4	3	-	3	1
Tobacco	3	3	2	1	3	-
Refinery	4	4	1	1	2	2
Power Generation & Distribution	15	15	9	1	10	5
Oil & Gas Marketing Companies	9	7	3	-	3	4
Oil & Gas Exploration Companies	4	4	4	-	4	-
Engineering	16	14	3	3	6	8
Automobile Assembler	11	11	4	5	9	2
Automobile Parts & Accessories	11	10	5	-	5	5
Cable & Electrical Goods	7	7	2	4	6	1
Transport	5	5	2	2	4	1
Technology & Communication	17	17	6	4	10	7
Fertilizer	6	6	5	-	5	1
Pharmaceuticals	12	12	7	4	11	1
Chemical	26	26	15	10	25	1
Paper & Board	9	8	6	-	6	2
Vanaspati & Allied Industries	3	2	1	1	2	-
Leather & Tanneries	6	6	3	-	3	3
Food & Personal Care Products	24	23	11	8	19	4
Glass & Ceramics	9	8	3	2	5	3
Miscellaneous	21	19	7	5	12	7
Growth Enterprise Market (GEM)	3	3	1	2	3	-
TOTAL	527	478	209	120	329	149
PERCENTAGE		90.70%	39.66%	22.77%	62.43%	28.27%
2022						
TOTAL	534	489	224	141	365	124
PERCENTAGE		91.57%	41.95%	26.40%	68.35%	23.22%

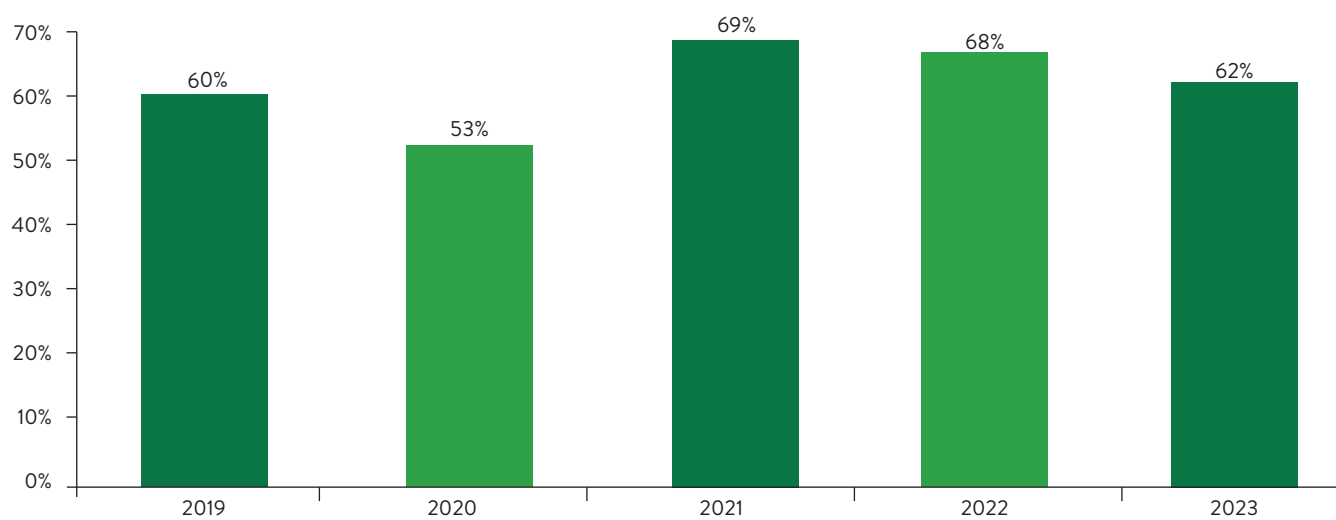
Notes:

- 1 Based on the financial results of the companies up to December 31, 2023.
- 2 Companies omitted dividends are those companies, which have shown profit during the year but not declared dividend.
- 3 Dividend includes Cash / Stock Dividend.

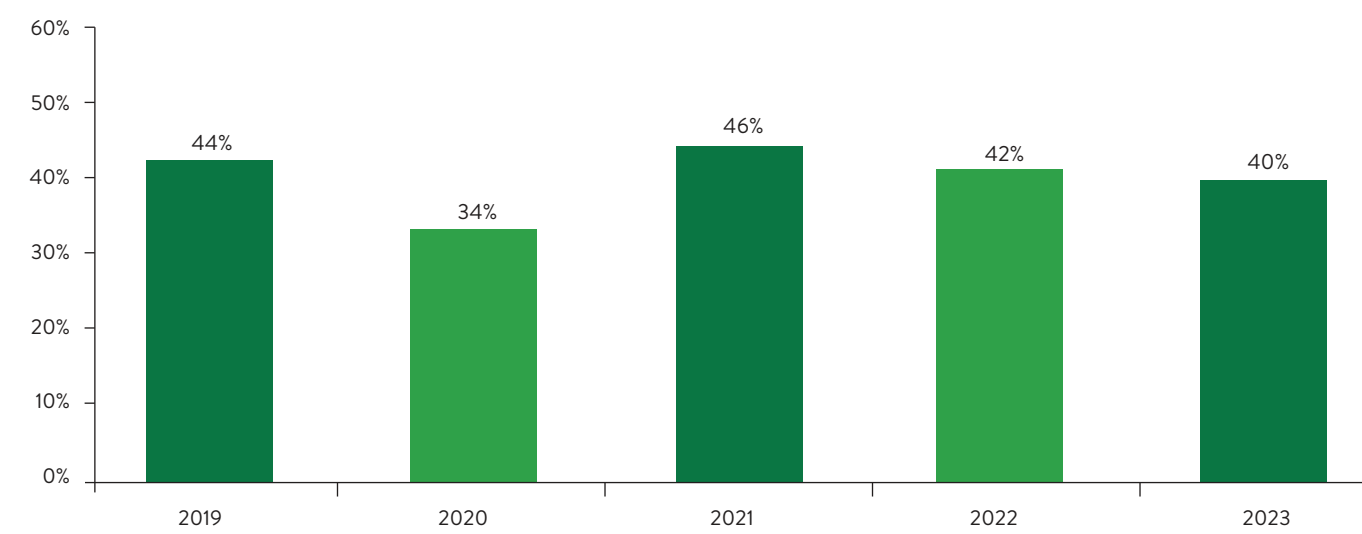
Number of Listed Companies



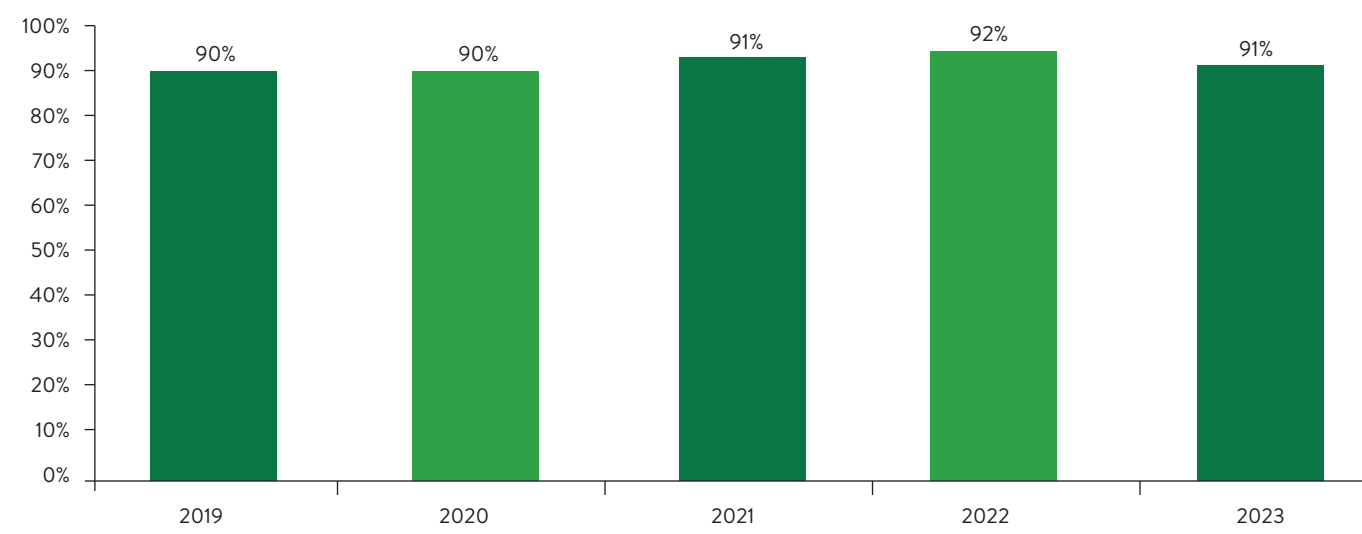
Percentage of Companies Making Profit

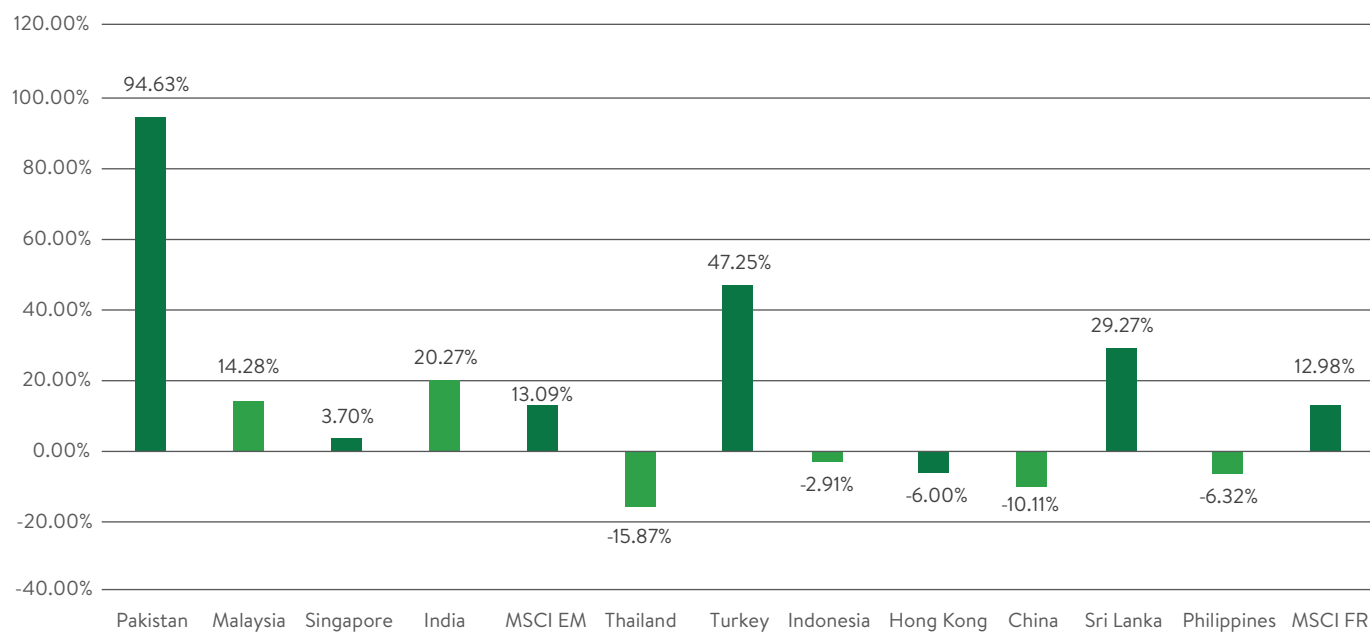


Percentage of Companies Paying Dividends

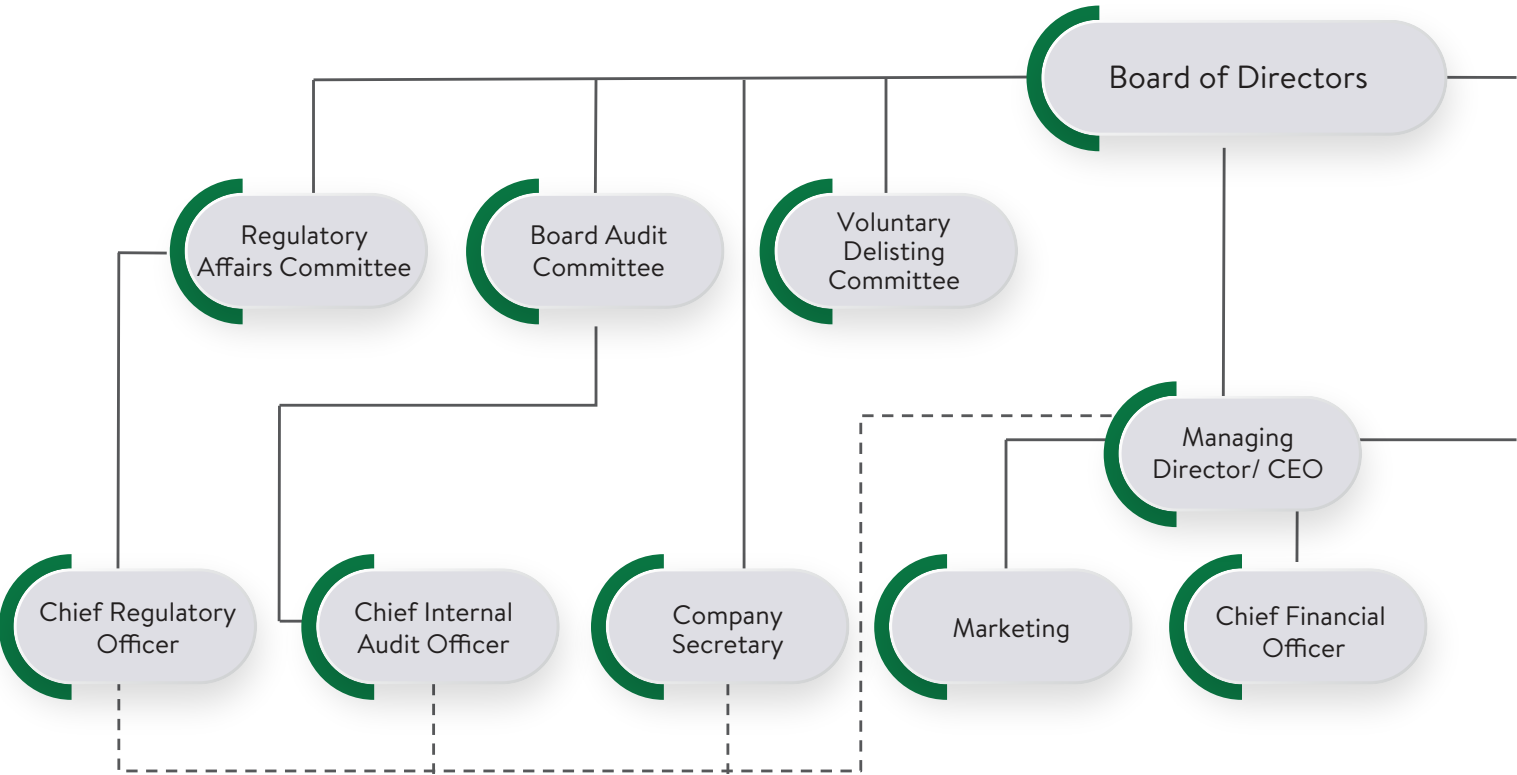


Percentage of Companies that Announced Annual Results

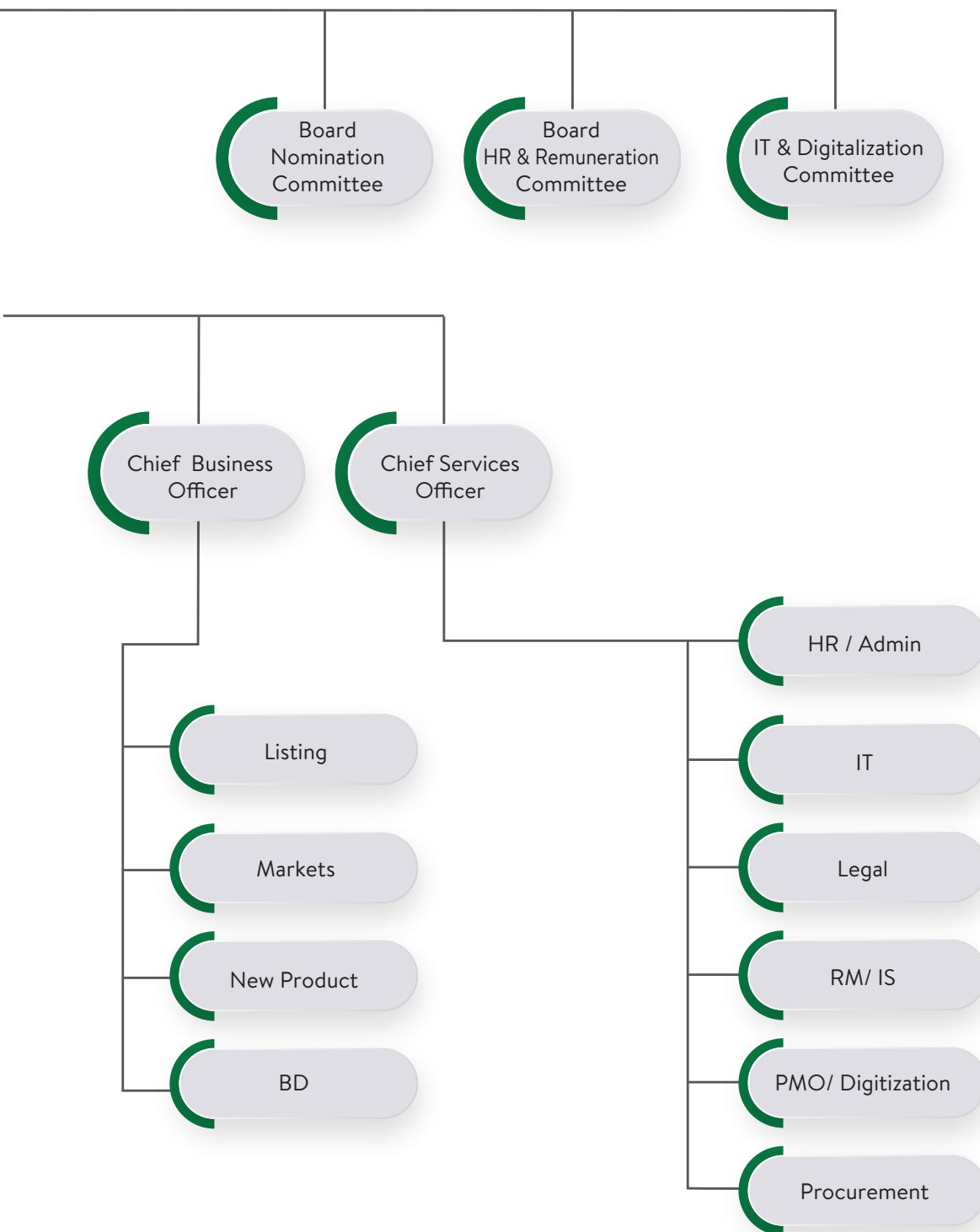


Performance of Global Stock Indices in USD during July 2023 - June 2024

Organizational Structure



* Individual Group Heads can be younger/more junior.



Ode to Pride



*** October 1989:**

Islamabad Stock Exchange was established

* Reference: <https://www.psx.com.pk/psx/exchange/profile/about-us>

*** September 1997:**

Computerized trading system called Karachi Automated Trading System (KATS) was introduced with the ability to provide connectivity to an unlimited number of users.

* Reference: KSE Annual Report 1997



Board of Directors



From Left to Right

▼ **DR. FU HAO**
Non-Executive Director

▼ **MR. NADEEM NAQVI**
Acting Chief Executive Officer

▼ **MR. AHMED CHINOY H.I., S.I.**
Non-Executive Director

▼ **DR. SHAMSHAD AKHTAR**
Chairperson & Independent Director



Note: The above group photo of PSX's Board excludes the photograph of Mr. Adnan Asad - Independent Director

From Left to Right

▼ **MR. YOU HANG**
Non-Executive Director

▼ **MR. FU CHAOQING**
Non-Executive Director

▼ **MS. GU JUNMEI**
Non-Executive Director

▼ **MR. RUHAIL MUHAMMAD**
Independent Director

▼ **MR. NIHAL CASSIM**
Non-Executive Director



THIS PAGE IS LEFT INTENTIONALLY BLANK

Board of Directors' Profiles



DR. SHAMSHAD AKHTAR

Chairperson &
Independent Director

Dr. Shamshad Akhtar served twice as the Federal Finance Minister of Pakistan (2018 and 2023 - 2024) holding multiple economic portfolios in the caretaker governments. She served as the Governor, State Bank of Pakistan.

At global level, Dr. Akhtar served as the Under-Secretary General of the Economic and Social Commission of the Asia and Pacific (UNESCAP) and prior to that as the United Nations (UN) Secretary General's Senior Special Advisor on Economics and Finance/UN DESA and UN Secretary General's G20 Sherpa for the Development track, while pursuing Finance and Central Bank tracks. During her term at UN, among others, she was closely involved in the development and implementation of the 2030 Sustainable Development Agenda (SDG), the Addis Ababa Financing frameworks and work on the Paris Climate Accord and ensured closer alignment of G20 development agenda with the 2030 SDG agenda.

Dr. Akhtar served as the Vice President, Middle East and North Africa at the World Bank, the Director General of Asian Development Bank (ADB) and served as the Special Sr. Advisor to the President of ADB.

She has done Ph.D. from University of Sussex and Completed Post Doctorate (Fulbright) from Harvard University.

On 23rd March, 2024 she has been awarded the Nishan-e-Imtiaz (Highest Civil Award of Pakistan).

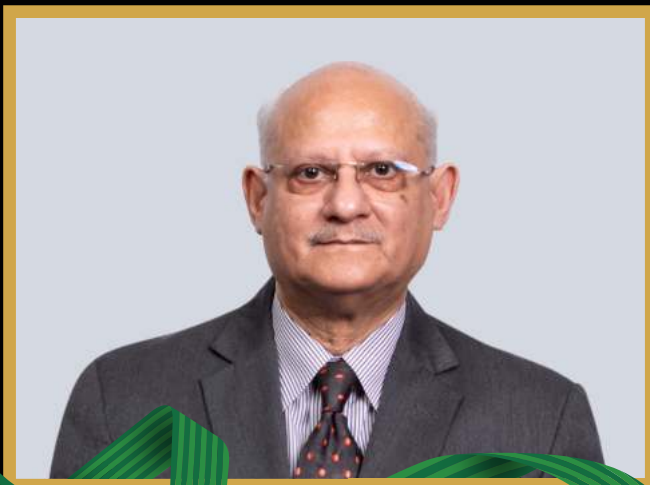
Dr. Akhtar is recipient of Asia's Best Central Bank Governor from Emerging Markets and the Banker's Trust. In 2008, The WALL STREET JOURNAL ASIA recognized her as one of Asia's top ten

professional women. She is recipient of Medals from the President of Kazakhstan and Turkmenistan. She has been awarded the HUM Women's Leadership Global Award.

Dr. Akhtar is now serving as the Chairperson of few Boards in Pakistan: the Pakistan Stock Exchange Limited, the Board of Sui Southern Gas Transmission and Distribution company, the Pakistan Institute of Corporate Governance, Advisor on Pakistan Environment Trust Fund, Director Board of Governors Karachi Grammar School and the National University for Medical Sciences. Earlier she served as the Chairperson of the Karandaaz and as an Independent Director at the Engro Fertilizer Company.

Since 2019, She has served as one of the 12 Global Advisors to the Ministry of Foreign Affairs on China on Belt and Road and Policy Sherpa at the Boao Forum for Asia, while is now the Council of Advisor for this. Dr. Akhtar is Member of the Advisory Council of the Sustainable Finance Centre at the SOAS at London University, Member of UN Global Women Leaders Group, served on G20 Task Force member of the Think Tank on Infrastructure during the Presidency of Japan, Saudi and Italian Government and as an Advisor of SG Food Security and Financing for Development Group.

She has conducted analytical work on Pakistan economy on different subjects as Chair of the Pakistan Reform Insurance Committee, Capital Markets reforms and the Special Economic Zones etc.



MR. NADEEM NAQVI

Acting Chief Executive Officer

Mr. Nadeem Naqvi was the CEO of Habib University Foundation, Karachi from September 2022 to September 2024. Mr. Naqvi holds the degrees of MBA in Finance and B.Sc. with Honours in Banking and International Finance from the City University Business School in London, United Kingdom and completed his High School (GCE A Levels) from Dover College, Dover, England. He has passed CFA Level II Exams. He brings with him over 40 years of work experience in global financial services, operating in diverse environments of North America, Europe and the Middle East, besides that of Pakistan.

Mr. Naqvi was Managing Director of Pakistan Stock Exchange Limited (PSX) from 2011 till 2017, when he took early retirement and resettled in Toronto, Canada. During his tenure at PSX he oversaw and guided massive transformation of the stock exchange and Pakistan's Capital Market. Some of his key accomplishments included: implementation of demutualization of the stock exchange; integration of three stock exchanges of Karachi, Lahore and Islamabad and emergence of the Pakistan Stock Exchange Limited as the single capital market in the country; launch of internet/wireless trading platform; advocating with MSCI and international portfolio investors for Pakistan inclusion into MSCI Emerging Market Index and successfully managing the process; playing a key role in divestment of 40% equity stake of PSX to institutional foreign investors. Under his tenure the revenue and profits of the Exchange grew from Rs.692 million and Rs.50 million respectively in 2011, to Rs.1,477 million and Rs.277 million in 2017.

During this period, he was also the Chairman of the National Clearing Company of Pakistan Limited (NCCPL) and guided the transformation of NCCPL into a full Central Counter Party (CCP) with its own risk management capability as well as introduction of electronic capital gains tax calculation and recovery for the Federal Board of Revenue of the Government.

Prior to joining PSX, Mr. Naqvi was the Chief Executive Officer of an asset management company. Earlier, he served as CEO of AKD Securities Ltd., a leading corporate stock brokerage firm in Pakistan which he helped transform from a proprietary business into a

full-scale investment banking and brokerage firm. The Company gained recognition by the CFA Association of Pakistan as the best domestic brokerage firm for two consecutive years in 2006 and 2007 under his tenure. Mr. Naqvi also served as Chairman of the first technology venture capital fund of Pakistan (TMT Ventures) and oversaw the completion of several ventures by successful exits at I.R.R. ranging from 35-40%

Economic & market analysis and research have been the hallmark of Mr. Naqvi's career. He led an independent investment research firm in USA/Canada, Investology Inc., which was ranked by 'Business Week' in 2004 as the third best out of 300 independent research firms in North America. Before that, he headed the Merrill Lynch Pakistan research team. He was also the Head of Research of the investment advisory company of Morgan Stanley Asset Management's Pakistan Investment Fund for four years from 1996 – 2000. More recently, from 2017 – 2022, Mr. Naqvi was involved in financial and real estate advisory business in Canada.

Mr. Naqvi has participated in landmark investment banking transactions in Pakistan, including the privatizations of Kot Addu Power Plant, National Refinery and United Bank Limited. He was a member of the Capital Markets Committee, Economic Advisory Council of the President of Pakistan in late 1990's and has served as Vice-Chairman, South Asian Federation of Exchanges (SAFE); Director, Institute of Financial Markets; and Director, JCR-VIS Credit Rating Agency, besides NCCPL and CDC.

Other Directorships/Offices:

- Nominee Director of PSX, National Clearing Company of Pakistan Limited
- Nominee Director of PSX, Central Depository Company of Pakistan Limited
- Nominee Director of PSX, Pakistan Mercantile Exchange Limited
- Nominee Director of PSX, VIS Credit Rating Company Limited
- CEO & Director, Capital Markets International Advisors Inc. (Financial Consultancy)



MR. ADNAN ASAD
Independent Director

Adnan Asad is the CEO of the Venus group of companies. Educated from Aitchison College he has a Bachelors and Masters from Florida USA . He is also the President of the Sind Squash Association.

Venus Group operates in 6 countries namely USA, Pakistan, Sri Lanka, Bangladesh, Afghanistan and UAE. The Group is involved in several fully integrated activities from Consolidation and Freight Forwarding in USA, clearing and Forwarding in Pakistan, Bonded Warehouse, Intercity Logistics Warehouses in 7 major Cities, and Direct Distribution to end users in the Food Service Sector.

Venus Group is also the exclusive logistic partners of McDonald's Pakistan and manufactures desserts, creams, produces both dairy and non-dairy ice cream, tissue products, packaged ice cubes, paper cups, jams and chocolate coating. The Group has franchisees for Cold Stone and Texas Chicken.

The Group is also constructing a resort/convention centre on Shimla Hill Abbottabad. Future plans include having a gold Private jet service centre in Karachi. The company has a licensee for Eclipse Jets in the region.



MR. NIHAL CASSIM
Non-Executive Director

Nihal is an MBA (Finance & MIS) from McGill University. He takes particular interest in facilitating the development of the capital market, governance of public companies and building shareholder value.

He is currently a Director on the Boards of Pakistan Stock Exchange Limited, International Steels Limited, Crescent Steel & Allied Products Limited, The Organic Meat Company Limited, National Clearing Company of Pakistan Limited, NIFT and Ubiquity Trading Limited. He has also served on the Boards of Pakistan Oilfields Limited (for 9 years) and Ferozsons Laboratories Limited (for 15 years). Nihal has served two terms as a director on the Board of the Mutual Funds Association of Pakistan (MUFAP).

Nihal's focus has expanded to philanthropic activities as a donor and as a member/trustee of The Citizens Foundation, the Patient Aid Foundation and The Jinnah Foundation.



MR. FU CHAOQING
Non-Executive Director

Mr. Fu Chaoqing has been serving at Pak China Investment Company Limited (PCICL) since August 2021. He has 18 years of work experience in financial sector, including his employment at China Development Bank (CDB) since 2007. His last assignment at CDB was Divisional Head, Assets Quality Management Division, International Credit Management Department and as Deputy Division Chief of Assets Quality Management Division. Mr. Fu holds degree of Master of Management from Fudan University and Bachelor of Management from Hefei University of Technology.



MR. AHMED CHINOY H.I., S.I.

Non-Executive Director

Mr. Ahmed Chinoy, H.I., S.I. is an elected Director on the Board of Pakistan Stock Exchange Limited (PSX). He is the Managing Partner of Arch Group of Companies and is engaged in overseeing various businesses such as security investments, textiles, real estate and poultry farming.

Mr. Chinoy is qualified from Institute of Cost & Management Accountants of Pakistan (ICMAP) and holds a graduate degree in Commerce from University of Karachi. He is also a certified director from Pakistan Institute of Corporate Governance.

Mr. Chinoy is a prominent business and social figure in Pakistan. He has served the society in different capacities in the areas of business, education, health, crime prevention and other social services and has rendered invaluable services to the nation in these fields. He has successfully served as Chief of Citizen Police Liaison Committee, Sindh (a citizens' body for prevention of crimes) from the year 2010 to 2015. He has also been actively serving on the Boards of various hospitals and educational institutions and has been heading the Memon Community as the President of All Pakistan Memon Federation. He has also served several times on the Managing Committee of Federation of Pakistan Chamber of Commerce & Industry and has also remained as Chairman of Pakistan Cloth Merchants' Association (the apex body of textile exporters). For his services to the people of Pakistan, he has been awarded prestigious national awards of Hilal-e-Imtiaz (H.I.) and Sitara-e-Imtiaz (S.I.).

Mr. Chinoy is nominated by PSX to serve as Director on the Boards of Central Depository Company of Pakistan Limited, National Clearing Company of Pakistan Limited and Pakistan Mercantile Exchange Limited.

Other Directorships:

- Nominee Director of PSX, National Clearing Company of Pakistan Limited
- Nominee Director of PSX, Central Depository Company of Pakistan Limited
- Nominee Director of PSX, Pakistan Mercantile Exchange Limited
- Director, Creek Developers (Private) Limited
- Director, AKD REIT Management Company Limited
- Director, Sir Adamjee Institute
- Director, Sui Northern Gas Pipeline Limited
- Director, CDC Share Registrar Services Limited
- Director, I.T Minds Limited
- Chairman, GCTP
- Chairman, Kutiyana Memon Hospital
- Member M.C, Federation of Pakistan Chambers of Commerce & Industry
- Managing Trustee, COMDMECS Educational trust
- Managing Partner, Arch Sons
- Managing Partner, Arch Industries
- Managing Partner, Lotus Properties
- Partner, Golden Livestocks
- Partner, Al-Karam Builders & Developers
- Partner, Al-Karam Lagoons



MR. YOU HANG
Non-Executive Director

Mr. You Hang is serving as Non-Executive Director on the Board of Pakistan Stock Exchange Limited (PSX), being a nominee of China Financial Futures Exchange (CFFEX).

Mr. You, being one of the inaugurators of CFFEX, is currently serving as the Chief Representative of CFFEX in Pakistan. He also held the position of Deputy Managing Director of PSX from August 2017 to August 2018. He is a seasoned expert who has strategically fulfilled the responsibility of domestic and international financials, marketing and operational functions. He is specialized in Exchange operations, designing/management of financial derivatives as well as data marketing. He has solid experience in equity, fixed income, and FX derivatives and possess strong quantitative and analytical skills. He also has a diplomat experience with superior communication, organizational and interpersonal skills with fluency in English as well as in his mother tongue Mandarin.

Mr. You Hang has completed his Master of Public Policy concentrated in Finance on Dean's Fellowship from The University of Chicago, USA and Bachelor of Engineering from East China University of Technology, Shanghai, from where he graduated with honors.

Mr. You Hang is currently associated with CFFEX for last 18 years and has served it in the capacity of Chief Representative in Pakistan, Managing Director, International Business Development Department/Executive officer/Equity Index

Derivatives Department/FX Derivatives Department and Executive Director- Market Data Department.

Other Directorships:

- Managing Director of Executive Office, China Financial Futures Exchange (CFFEX)
- Nominee Director of PSX, National Clearing Company of Pakistan Limited
- Nominee Director of PSX, Central Depository Company of Pakistan Limited



DR. FU HAO

Non-Executive Director

Dr. FU is Vice Chair of Global Business Committee and Managing Director of Market Development Department, Shanghai Stock Exchange. He is responsible for overseeing SSE's international cooperation, global market promotion and overseas projects. Prior to joining Shanghai Stock Exchange, Dr. FU worked in Jun An Securities Co. and Orient Securities Co. He graduated from Fudan University in 1998, where he earned a Ph.D Degree in Finance. Dr. FU published a lot of papers and articles in major Chinese finance journals. He has served as the Chairman of Working Committee of Asia Oceanic Stock Exchange Federation from 2014 to 2016. He was awarded as "Shanghai Financial Innovative Figure" in 2014, "Shanghai Financial Leading Talent" in 2017. Under his leadership, Global Business Development Department was honored as "Shanghai May 1st Labor Medal Collective Award" in 2017 and "National Worker Pioneer" in 2019.



MS. GU JUNMEI

Non-Executive Director

Ms. Gu Junmei possesses over 20 years of experience in financial information technology, and she is an expert in trading system development, testing and quality control.

Ms. Junmei is currently serving as Deputy Director in the information technology department of Shenzhen Stock Exchange (SZSE). She has held position of Executive Manager in SZSE's technology strategy and planning department, and in the said role, she oversaw the information technology system quality management, and managed information technology team of 170 people.

Ms. Junmei is also serving as Senior Management Member of SZSE's Technology Management Committee which outlines SZSE's information technology development strategy. Moreover, she is an Expert Member of China Securities Industry Standardization Technical Committee. Ms. Junmei received her Masters' degree from Wuhan University in 2003.



MR. RUHAIL MUHAMMAD

Independent Director

Mr. Ruhail Muhammad's career spans over 35 years in General Management, Business Development, Strategy, Financial Planning and People Development. He has held various C-suite positions in companies focused on a diverse range of activities from Chemicals to Energy. He is currently CEO of Lucky Electric Power Company. Prior to joining Lucky Electric, he was the CEO of Hub Power Holdings Ltd, a subsidiary of HUBCO and Pakistan's largest IPP. He was responsible for managing the growth portfolio of HUBCO, His responsibilities included evaluating onshore & offshore acquisitions, project financing, economic evaluation of all growth projects and financial re-engineering to support the growth vision of the company. Previously, he was the CEO of Engro Fertilizers from 2012-2018. He has served on the Boards of Engro Corp and various Engro subsidiaries including as Chairman of Engro Vopak and Engro LNG Terminal. In addition, he has also served on the Boards of Pakistan Institute of Corporate Governance, British Overseas School, K. Electric, KP Energy Board (PEDO) and as Chairman of Pakistan Mercantile Exchange Limited. He is currently on the Boards of NBP Funds, EFU Life, Dawood Lawrencepur Ltd & NOW PDP (NGO). He is a CFA Charter Holder and holds an MBA degree from Institute of Business Administration, Pakistan. He has attended the Advance Management Program at INSEAD and has an Agri-Business certification from the Harvard Business School.

PSX Management Team



Sitting (From left to right)

Mr. Jawad Haider Hashmi

Chief Market Operations Officer

Mr. Naveed Qazi

Advisor, Digital Transformation & Strategic Initiatives

Mr. Ahmed Ali Mitha

Chief Financial Officer

Mr. Farrukh H. Khan

Chief Executive Officer/Managing Director*

Dr. Fakhara Rizwan

Co. Secretary/ Chief Legal & Corporate Affairs Officer/
Acting Head of HR

Ms. Raeda Latif

Chief Marketing & Business Development Officer

Standing (From left to right)

Mr. Hassan Raza

Advisor, Product Strategy

Mr. Aamir Mushtaq Kanju

Departmental Lead, Product Management and Research

Mr. Syed Adeel Javaid

Chief Information Officer

Mr. Farhan Ansari

Chief Internal Audit Officer

Syed Ahmad Abbas

Chief Listing Officer

Syed Abbas Haider Zaidi

Chief Risk Management Officer

Mr. Nisar Ahmed Qazi

Chief Administrative Officer

Mr. Ajeet Kumar

Chief Regulatory Officer

*Farrukh H Khan served PSX till September 2, 2024.

Senior Management Profiles



DR. FAKHARA RIZWAN

Co. Secretary/Chief Legal &
Corporate Affairs Officer/
Acting Head of HR

Dr. Fakhara Rizwan is an accomplished professional, uniquely bridging the worlds of law, corporate governance and financial crime compliance. She is a scholar, author, corporate lawyer and certified director. Commanding a rare expertise as the only academician with a PhD in corporate laws governing takeovers and merger activity in Pakistan, she offers invaluable insights into her field. Her seminal work, 'Corporate Takeovers and Mergers – A Study on the Bank Role as Adviser', serves as a founding work on the subject, having been published in two editions so far.

Her ongoing projects, including notable books on 'Financial Crimes' and 'Effectiveness of Board of Directors,' underscore her prolific contributions to contemporary legal scholarship. Beyond her books, she regularly writes articles for law journals and newspapers, covering topics ranging from corporate laws and governance to social issues, with a keen focus on gender diversity.

As a Certified Financial Crime Specialist, she aligns with the global community as a part of the esteemed Association of Certified Financial Crime Specialists. Additionally, her Diversity, Equity & Inclusion Professional Certification reflects her dedication to fostering diversity and inclusion. This commitment also extends to ESG practices. After extensive training at the Singapore International Mediation Centre and comprehensive assessment, she became the SIMC Qualified International Mediator. She actively advocates mediation for corporate disputes.

As a director of the Pakistan Institute of Corporate Governance, Dr. Fakhara actively contributes to developing and promoting good governance practices in Pakistan. Her expertise spans across corporate governance, shariah governance and ESG. With a strong foundation in these three key pillars, she brings a holistic and comprehensive understanding of effective governance practices. She is recognised by the Higher Education Commission of Pakistan as an approved supervisor, enabling her to supervise PhD candidates on their research journey. Through her teaching roles, she educates aspiring professionals and contributes to the development of future leaders.

Dr. Fakhara's international exposure includes her practice in Malaysia, marking her as the first Pakistani member of the Malaysian Corporate Counsels Association. Her advisory roles, including contributions to the Pakistani High Commission and pro bono practice for the welfare of destitute Pakistanis, further showcase her global perspective and diverse experience.

In 2014, she returned to Pakistan from Malaysia and joined AlBaraka Bank, where she served as the Company Secretary and head of the Legal Department. In 2017, she joined ORIX Leasing Pakistan Limited in the same role. Additionally, she was Vice-Chairperson of the Non-Banking Financial Institutions & Modaraba Association and served as a representative for the Leasing Industry in FPCCI.

Since January 2020, as the Company Secretary and Chief Legal & Corporate Affairs Officer (General Manager) for the Pakistan Stock Exchange Limited (PSX), she has played a transformative role in reforming PSX's governance structure. Her commitment extends through her involvement with various committees and panels, reflecting a broad influence across the regulatory and arbitration realms.

She assumed additional responsibilities as the acting Chief Human Resource Officer in January 2024. Her dedication to cultural evolution within the PSX is epitomised by her initiatives to encourage collective decision-making and align policies with contemporary governance principles.

Beyond her professional achievements, her pursuits as a black-belted martial artist and a poet, along with her book Adhuri Takmeel, which has three editions, highlight a holistic persona dedicated to both intellectual and personal excellence. Her diverse accomplishments make her an invaluable asset and an inspiring figure in the fields of law, corporate governance and financial crime compliance.



MR. AHMED ALI MITHA

Chief Financial Officer

Mr. Ahmed Ali Mitha brings with him a rich and diverse background from the financial sector and is the key strategic resource skilled in leadership and finance. He holds the position of Secretary PSX Centralized Customers Protection Compensation Fund (PSX CCPCF) and PSX Clearing House Protection Fund (PSX CHPF), Trustee PSX Employees Gratuity Fund and also a member of various other senior management committees at PSX. He is also member of the Consultative Committee on Capital Markets Tax Reforms as appointed by Federal Board of Revenue, Government of Pakistan in January 2021. His areas of responsibility, besides managing the Finance department as Chief Financial Officer, also include strategic & corporate planning and medium-term financial projection for the development of the Exchange, preparation of PSX tax proposals for annual Federal Budget, budgeting and revenue remodeling and treasury and funds management. As the top financial officer of PSX, he is responsible for forecasting the organisation's financial standing and advising the CEO and the Board on strategic direction. Mr. Mitha's role as CFO underscores the strategic importance of his contribution for Pakistan Stock Exchange.

Mr. Mitha started his career in the year 1994 from PWC and joined PSX in 2006 as Chief Financial Officer. He brings with him over 28 years of rich & diverse leadership experience in the field of Audit and Finance, in both public and private sectors, including insurance, cement and textile industries. He has previously held the position of Executive Director Finance and Company Secretary of National Insurance Company Limited (NICL).

Mr. Mitha is a Fellow member of the Institute of Chartered Accountants of Pakistan (ICAP) and completed his Articleship from one of the Big four firms, AF Fergusons, a member firm of Price Water House Coopers (PWC) International. He is also an Associate member of Institute of Cost and Management Accountants of Pakistan (ICMAP).



MR. AJEET KUMAR

Chief Regulatory Officer

Mr. Ajeet Kumar is a capital market regulatory expert with 15 years of progressive and impactful experience and has been a core member of Regulatory Affairs Division (RAD) of PSX since corporatization and demutualization of the stock exchange. Mr. Ajeet leads RAD and also acts as Secretary to the Regulatory Affairs Committee of the Board of Directors, Member of Oversight Committee constituted by SECP under the Joint Inspection Regulations, 2015 and member of Risk Committee of NCCPL. Prior to joining PSX, he was associated with SECP for over 4 years in Securities Market Division.

Mr. Ajeet is well versed with the local capital market dynamics and global practices governing securities market and is considered as dedicated professional who is analytical, detail and target oriented with strong abilities to manage large teams to fulfil diverse responsibilities in a fair and transparent manner. He has expertise in advisory, policy making, research, compliance and enforcement and has been instrumental in formulating effective regulations and strategies for the development of capital market of Pakistan. During his tenure as CRO, Mr. Kumar has transformed to risk based supervision and enforcement regime with emphasis to enhance compliance culture for ensuring investor confidence and trust.

He has played key role in various PSX projects where major ones on his credit include deployment of a robust surveillance system as part of new trading system, digital onboarding of customers, migration to e-filings of reports by regulated entities, implementation of new broker categorization and financial resources regime, integration and self-listing of PSX; framing of regulations for Market Makers, Index Options, ETF, SLB, GEM Listing, Index/ Market Halts, Privately Placed Debt Instruments, risk management regime etc. Mr. Ajeet was actively involved in establishment of first-ever on-site joint inspection regime for brokers, introduction of first-ever Rulebook of PSX and its re-introduction pursuant to promulgation of Securities Act, 2015 and Futures Market Act, 2016 and implementation of clients' assets segregation reporting framework as a landmark breakthrough.

Mr. Kumar is an MBA in Finance from IBA Karachi and has cleared Level II of CFA program. Besides, he has also been awarded relevant certifications from the Institute of Financial Markets of Pakistan. Mr. Kumar is also a Certified Director from PICG.



MR. FARHAN ANSARI

Chief Internal Audit Officer

Mr. Farhan Ansari is a Fellow member of the Institute of Chartered Accountants of Pakistan. He is also a Certified Internal Auditor from the Institute of Internal Auditors-USA. He has with him around 25 years of experience in the field of Audit and Accounts.

Mr. Farhan completed his CA training from EY Ford Rhodes Chartered Accountants and has been associated with the Exchange since 2006. Currently, he heads the Internal Audit function of the Exchange. Prior to joining the Exchange, Mr. Farhan was associated with Dadex Eternit Limited.



MR. SYED ADEEL JAVAID

Chief Information Officer

Mr. Syed Adeel Javaid has over 25 years of corporate experience and is well versed with the local and international technology and capital market dynamics. He has extensive experience of managing business critical systems & services involving multifunctional teams and large-scale project portfolios through strategic technology planning and change management with special focus on digital transformation. He contributed and was key member of the teams at PSX (2023) and Bahrain Bourse (2014) who successfully upgraded and migrated Exchanges' Trading Engines. He also led PSX ITD Team who successfully developed and launched PSX's Government Debt Securities (GDS) Auction System in 2023.

His last appointment was with Kounteq Limited (UK & PK) for 3 years as Chief Technology Officer. Prior to that he has served Bahrain Stock Exchange (Bahrain Bourse) for 15 years where he was serving as IT Director. Earlier, he remained associated with Wavetec Pakistan and APS

Control Systems (The Netherlands) for 5 years in middle management roles.

Mr. Javaid holds a Bachelor's degree in Electrical Engineering from NED University, Karachi and had also attained PRINCE2 Practitioner accreditation.

THIS PAGE IS LEFT INTENTIONALLY BLANK

Gender Pay Gap Statement

Gender pay gap statement under SECP's Circular 10 of 2024

Following is gender pay gap calculated for the year ended June 30, 2024;

- (i) Mean Gender Pay Gap: 11.37%
- (ii) Median Gender Pay Gap: 13.29%



Acting Chief Executive Officer

Date: September 18, 2024

Ode to Partners



* January 2016:

- . Demutualization Act was promulgated by the Government.
- . The three exchanges were merged together to form a new combined exchange called Pakistan Stock Exchange Limited (PSX).

* Reference: https://www.psx.com.pk/psx/themes/psx/documents/legal-framework/SECP/orders/IntegrationOrder_SECP.pdf

* December 2016:

40% shares of PSX were divested to the Anchor Investor comprising of Consortium of China Financial Futures Exchange(CFFEX), Shanghai Stock Exchange, Shenzhen Stock Exchange, Pak-China Investment Company and HBL.

* Reference: <https://www.psx.com.pk/psx/themes/psx/documents/Annual-report/annualRpt2017.zip>





Notice of Annual General Meeting

NOTICE is hereby given that the seventy-seventh (77th) Annual General Meeting (AGM) of Pakistan Stock Exchange Limited (PSX or the Company) will be held on Monday, October 28, 2024, at 4:00 p.m. at the Registered Office of the Company, Stock Exchange Building, Stock Exchange Road, Karachi and through video-conferencing facility, to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2024, together with the Directors' and Auditors' Reports thereon.
2. To approve, as recommended by the Board of Directors, payment of Final Cash Dividend at Re. 1 per share, i.e. 10% for the financial year ended June 30, 2024.
3. To appoint auditors of the Company for the year ending June 30, 2025, till the conclusion of the next AGM and fix their remuneration. The Board of Directors, based on the recommendation of Audit Committee, has recommended the appointment of M/s. A.F. Ferguson & Co., Chartered Accountants (a member firm of the PWC network) as auditors of the Company, for the year ending June 30, 2025 till conclusion of the next AGM.

By Order of the Board of Directors
Dr. Fakhara Rizwan
Company Secretary

Karachi
Dated: October 04, 2024

Note:

1. *The Annual Report containing the Annual Audited Financial Statements for the year ended June 30, 2024 is accessible on below QR-enabled code:*



<https://www.psx.com.pk/psx/exchange/psx-shareholder-information#financial-reports>

2. *A member may submit a request at the registered office of the Company for certified copies of the minutes of previously held general meetings.*

NOTES

1. The Register of Members will remain closed from October 22, 2024, to October 28, 2024 (both days inclusive). The Members whose names appear on the Register of Members as on October 21, 2024, shall be entitled to attend and vote at the AGM.
2. A member entitled to attend, speak and vote at the meeting shall also be entitled to appoint any person as his/her proxy to attend, speak and vote instead of him/her. A proxy so appointed shall have such rights with respect to attending, speaking and voting at the meeting as are available to the respective member. The Company must receive the instrument of proxy and the power of attorney (POA) under which it is signed or a notarised certified copy of that POA at least 48 hours before the meeting. A proxy need not be a member of the Company. The form of proxy is annexed to this notice, and also available in the Annual Report and on the Company's website.

3. Any legal person which is a member of the Company may authorise any person to act as its representative at the meeting by providing a resolution of its board of directors, or a proxy duly signed by the authorized person. The person so authorised shall be entitled to exercise the powers of an individual member of the Company.
4. Since all shares issued to members are in a dematerialised format in their respective Central Depository Company of Pakistan Limited (CDC) accounts, the individual members desiring to attend the meeting in person, are requested to bring their original Computerized National Identity Cards (CNICs) along with the Investor Account or Participant ID and House Account/Sub-Account numbers, for identification purposes. In the case of corporate members, the resolution of board of directors/POA with specimen signature of the nominee may preferably be provided to the Company well in advance or otherwise produced at the time of the meeting.

5. **Participation in AGM through Video-Conferencing Facility**

Pursuant to the clarification bearing reference no. SMD/SE/2(20)/2021/117 issued by the Securities & Exchange Commission of Pakistan (SECP) on December 15, 2021, the Company is facilitating the shareholders to attend the AGM via video-link, in addition to physical arrangements for the meeting. Therefore, the shareholders are encouraged to participate in the AGM through video-conferencing facility. Accordingly, they are requested to get themselves registered with the Company Secretariat by providing the requisite details at their earliest but not later than 5:00 p.m. on Friday, October 25, 2024.

The shareholders can register themselves via e-mail (shareholders.affairs@psx.com.pk), by providing the following particulars, along with the scanned copy of their CNIC/Passport and that of their proxies, if so appointed. Moreover, in case of a corporate member, the scanned copy of the resolution of the board of directors/POA with a specimen signature of the nominee must also be provided.

Name of Shareholder*	CNIC/NTN No./Passport No.	CDC Account No.	Cell No.	E-mail Address
----------------------	---------------------------	-----------------	----------	----------------

* Where applicable, please also give the above particulars of the proxy-holder or nominee of the shareholder.

Upon receipt of the above information from the interested shareholders, the Company will send the relevant video-link and the login credentials to their e-mail addresses, to enable the shareholders participate in the proceedings of the AGM through their smartphones or computer devices. The shareholders can also provide their comments or suggestions in connection with the agenda of the meeting by using the same email.

The above arrangement would also cover the requirement of Section 134(1)(b) of the Companies Act, 2017 (the Companies Act), in relation to providing video-link facility to the members holding 10% or more shareholding (in aggregate) in the Company, residing at a geographical location.

6. **E-Dividend**

Pursuant to Section 242 of the Companies Act, to be read with relevant provisions of the Companies (Distribution of Dividends) Regulations, 2017 (the Regulations), all listed companies are required to pay the dividend only by way of electronic mode, directly into the bank accounts of entitled shareholders designated by them. Accordingly, all shareholders of the Company who have not yet updated their bank account details (including IBAN) under their participant/CDC Investor Account Services which maintains their CDC account, are requested to update the same at the earliest but prior to the commencement of book closure. The Company would be constrained to withhold the amount of dividend, in accordance with the requirements of the Companies Act and for the circumstances stated under the Regulations.

7. **Tax Implication on Dividend**

The deduction of income tax from dividend payments shall be made in pursuance of the applicable provisions of Income Tax Ordinance, 2001. In case of joint shareholdings, the tax will be deducted as per shareholding proportions intimated by the shareholders to the Company's Share Registrar, M/s. FAMCO Share Registration Services (Private) Limited, latest by the first day of book closure, otherwise the shareholding will be treated in equal proportion. In addition, the withholding tax exemption from dividend income shall only be allowed if a copy of valid tax exemption certificate or stay order from a competent court of law is made available to the Company's Share Registrar, by the first day of book closure.

Ode to Performance



*** June 2017:**

- . PSX conducted an Initial Public Offering (IPO) and got listed as a public listed company.
- . 20% of the shares were disseminated to the general public and the remaining 40% to the Broker community.

*Reference: <https://www.psx.com.pk/psx/themes/psx/documents/Annual-report/annualRpt2017.zip>





Chairperson's Review Report

Dr. Shamshad
Akhtar

Chairperson &
Independent Director

Dear Shareholders,

Despite the challenging international economic scenario, Pakistan Stock Exchange (PSX) performed well and consolidated its gains exhibiting substantial resilience to emerging macro and micro adversities. The impetus to financial markets is triggered by optimism generated from agreements reached to access IMF program that led to approval of 3 years Extended Fund Facility for FY2027-28. IMF program is underpinned by conditionalities and phased reforms with supportive short term performance criteria and structural benchmarks.

IMF program will help country finance the external resource gap of \$25 billion stemming from current account deficit and repayments of principal amounts. Structural reforms over the next three years will help finance external and domestic debt servicing by fostering export earnings and foreign exchange reserves to generate a surplus of \$6-9 billion by FY28.

Government is gearing itself to harness macroeconomic and exchange rate stability. Among others, tariff rationalization would enable the exporters to enhance its value addition and integrate with the global supply chain. Furthermore, the export incentive framework is being strengthened to offer timely tax refunds, competitive energy prices, tax incentives, supplier and buyer's credit etc. to promote textile exports and its diversification as well as offering IT and other service exporters through reliable fast connectivity and skilled manpower.

Investment in Reko Diq and special economic zones is being geared up to generate export revenues, to among others, attract the Chinese companies planning to relocate their labor-intensive export industries as well as investors from Gulf Cooperation Council (GCC) countries. These regional initiatives would enhance exports, increase their competitiveness and productivity in international markets. Economy is also benefiting from increase in remittances that are growing at 10.7 percent and may reach \$45 billion as the number of workers abroad is expanding fast through the provision of performance-linked incentives to the banks and the exchange companies. Foreign Direct Investment and disbursements from the existing pipeline of multilateral and bilateral loans on a conservative basis could be \$6bn. Together with other flows in the financial account (e.g. Naya Pakistan Certificate, portfolio investment, purchases from the market), it would build foreign exchange reserves to \$20bn by FY28 as projected by the IMF.

Financial sector performance benefited from diversified initiatives taken by PSX both across the public and private sector that facilitates and promoted Sustainability and Environmental, Social & Governance (ESG) standards. PSX remains committed to harnessing Global ESG paradigms to augment the future of investments and business growth, while mainstreaming it in Pakistani businesses. Value proposition of investments requires broadening and deepening of financial markets, while at the same time augmenting ESG by safeguarding investment from the climate change risks. Pakistan's financial markets potential is being further leveraged by engaging and synergizing stakeholder engagement, most of all by getting regulators, investors and businesses themselves to devise an amicable strategy and future roadmap.

Listed companies in particular are encouraged to report on Sustainability and ESG to enhance their governance structures and poise themselves for further growth to help sustain the environmental challenges, while fostering positive externalities for climate change. Financial market regulators have been vigilant to ensure ESG proposition is mainstreamed and leverage long-term value for both issuers and investors. Front line policy makers and regulators have played an instrumental role in positioning and recommending that PSX join the league of Sustainable Stock Exchanges. This strategy has helped PSX become an active member of the Sustainable Stock Exchanges Initiative (SSEI) improving prospects, opportunity and capitalize on SDG 17 'Partnerships' along with other paradigms of sustainable development.

ESG journey at PSX is helping evolution of innovative and responsible securities exchange that shall pride itself on being transparent and efficient, cater to risks and allow for opportunities for future technology advancement for business continuity with a net positive environmental and social impact. PSX after extensive advocacy and deliberations, managed to introduce the **PSX ESG Primer and Reporting Guidance** document. This is the beginning of a new journey with promising partnership opportunities across economy, sectors and industry.

PSX is nurturing listed companies to embrace and deploy ESG Guidance to foster culture of responsible and sustainable business practices which support our listed companies' potential to generate and use ESG data effectively, navigate through the complexity of ESG assessment, accounting and estimation and associated risks and opportunities. Efforts will be enhanced to harness and exploit the potential of ESG innovation across companies to deepen domestic and external competitiveness, with PSX in the lead to integrate Sustainability along its own platform and to guide market cap companies by introducing ESG disclosure requirements, associated risks and opportunities.

PSX and Refinitiv, a London Stock Exchange Group (LSEG) company, signed a collaborative understanding and jointly launched an ESG Contribution Tool on 18th April 2024. Under this mutual agreement, an ESG Contribution Tool by LSEG's subsidiary, Refinitiv, will be available to listed companies for their ESG data reporting. This Contribution Tool will not only enable offering a standardized ESG scoring by Refinitiv for PSX listed companies but will also enhance the visibility of Pakistan's companies on the international ESG radar. The front line regulator has positioned itself to attract foreign inflows, by among others, promoting alliance with the Pakistan Institute of Corporate Governance, engagement of KPMG as lead knowledge partner for their positive and valuable inputs. PSX clients are benefiting from training programs for ESG investors and issuers engaging CFA Society Pakistan (CFASP) and adapting to European directives with support of ICAP, ACCA and other platforms. PSX will continue to work towards promoting enhancement of ESG products and indices in the near future.

Among some of the key developments at the Exchange during the past year, PSX listed twelve (12) new companies having a total listed capital of PKR 105,242 million. PSX also listed three (3) Privately Placed Debt Instruments and one (1) Publicly Issued Debt Security during FY 2023-24 having a combined issue size of PKR 8,558 million.

Promoting listings and IPOs is providing additional impetus to capital market growth, PSX convened the IPO Summit 2024 for business leaders, corporate executives, and regulatory experts, among others, delivered technical briefings and disseminated knowledge to concretely and materially advance the cause of listings and IPOs in the capital market.

During the outgoing year, PSX held its Top 25 Companies Award, to recognize the achievements of the top listed companies. The Top 25 Companies Awards are presented to those top performing 25 companies who have met certain pre-requisites and have excelled in several quantitative and qualitative criteria. These companies form the best of the best of Pakistan's corporate world in terms of financial performance, operational excellence, governance and Sustainability/ ESG related criteria.

On the international front, PSX is a proud signatory of the UN's Women's Empowerment Principles (WEPs). This allows PSX's to enhance its advocacy towards gender equality, inclusivity and promoting gender-responsive policies. PSX has been awarded the Best Islamic Stock Exchange Award 2023, by the Global Islamic Finance Awards (GIFA). This was the third consecutive year in which PSX has been awarded this accolade in recognition of PSX's commitment to presenting Islamic products, offerings and regulatory enhancements in the Islamic financial sector.

In the outgoing year under review, PSX management and board have held consultations with the Ministry of Finance, SECP, SBP, and capital market stakeholders to enable policy enhancements and provisions for the capital market to benefit all stakeholders and market participants.

With attractive valuations and P/E ratios, PSX offers promising option for investors, whereby they can create their portfolios across numerous sectors of trade and industry in the economy. PSX's platform is also available for IT and ITES companies to raise capital, which will help augment momentum in the e-commerce and IT sectors of the economy.

The capital market, a fully documented platform, offers enormous opportunities to capitalize on the demographic dividend, educate our masses towards investing in the capital market, and make our businesses aware that they can grow and list their businesses on the Exchange. PSX has and will consolidate issuer pipeline and generate heightened interest among investors to invest in the Stock Exchange by promoting financial literacy for saving and investment products, among others.

PSX Board is working towards advancing transparency and strengthening governance of PSX.

Economic Review & Outlook: Chairperson's Review Report Annual Report FY24

Post-COVID recovery in Pakistan, driven by timely domestic economic and financial stimulus, bilateral and multilateral quick disbursing inflows and debt service suspension helped swiftly lift country's economic growth. The economic revival was however disrupted by the widening of macroeconomic imbalances in the wake of consecutive domestic and external shocks stemming from, among others, 2022 summer floods, the rising global commodity prices, tightening financial conditions and disruptions to global supply chains.

In midst of these challenges, Pakistan's imminent election cycle necessitated political transition. A Caretaker Government, was established on 17 August 2023 and was mandated to convene election and empowered to stabilize economy with focus on steering macroeconomic management, pursuing multilateral and bilateral agreements and critical reforms including the privatization of State Owned Enterprises etc. This Government was quick to steer the economy ably and swiftly that paved way for improvement in short term economic management and launched economy wide initiatives to lay framework for long term institutional and reforms.

Recognizing the urgency of instituting macroeconomic stability, the Government has effectively and smoothly implemented the quantitative and structural benchmarks that Pakistan in the last two quarters of FY24 which paved way for compliance with the International Monetary Fund's second and third final tranche conditions of IMF Standby Arrangement (SBA). The Government is working diligently with the development partners to fast-track the project and program loans from the multilateral institutions (WB, ADB, IsDB, AIIB). Pakistan now looks forward to an extended stabilization and home-grown growth program.

Government measures taken in first three quarters restored market and investor confidence. From negative growth of 0.2% in FY23, Pakistan's economy has grown by 2.38% in FY24. Key driver has been agriculture which grew by 6.25% in FY24 and positive growth in large scale manufacturing sector (after last year's contraction) and better performance of services sector. Agriculture sector growth target is set at 2 percent for FY25. Due to a high base in the previous year, other crops are expected to show a reasonable good pace of growth in 2024-25.

In wake of growing demand pressures over FY23 and accompanying unprecedented high inflation (that rose from 8.9% in FY21 to 29.2% in FY23) SBP has pursued contractionary monetary stance keeping the policy rate at 22 percent from July to June of FY24. Besides cumulative increase in SBP policy rate by 1500 basis points since September 2021, to contain domestic and import demand additional measures such as import restriction and improved exchange rate management were pursued. SBP considering that underlying inflationary pressures are subsiding amidst tight monetary policy stance, supported by fiscal consolidation, reduced its Policy Rate by 1.5% in mid-June FY24 to 20.5% and then by another 1% in July 2024 to 19.5%. Although inflation remained stubborn, the headline CPI eventually dropped to 12.57% in June 2024 from 29.4% in June 2023.

Tight demand management including combination of import restriction and monetary policy stance helped curb trade deficit to 4.2% (Jul-Mar 2024) from last year's 7.3% of GDP. In FY24, the current account deficit shrank to US\$0.7 billion compared to US\$3.3 billion last year. Exports and remittances were late to recover but gained momentum. Incentives have been provided to attract higher remittances through the banking channels and have launched the Sohni Dharti initiative, providing PKR 80 billion budget allocation to banks to increase remittances, of which PKR 20 billion has been disbursed.

Most instrumental have been actions to stabilize the volatility and speculation in the exchange rate market. Besides crackdown on currency and commodity smuggling, SBP launched consolidation of exchange companies and that helped to reduce the spreads between interbank and open market.

The Government pursued fiscal restraints prioritizing the public expenditures, reduced power and gas subsidies through tariff adjustments, and encouraged provinces to finance their own expenditures including development outlays. Tax revenues fared well despite slowdown in imports, improved valuation and anti-smuggling drive and increase in domestic tax collections. The Government approved a far-reaching State-Owned Enterprise policy framework and has set up a Central Monitoring Unit to offer an oversight mechanism to strengthen the governance of SOEs. Government will continue to pursue fiscal discipline and enhance revenue mobilization through broadening of base and digitalization. Safeguarding fiscal sustainability will be key to promoting economic stability.

Coordinated efforts to launch prudent policy management and associated reforms stabilized the economy and build investor confidence. Foreign inflows resumed and met financing requirements despite uncertain external environment. Most forthcoming was substantial policy based quick disbursing multilateral development banks financing and project disbursements also improved. Besides the release of the first tranche of US\$ 1.2 billion disbursements on signing of the SBA in July 2023, Pakistan was also able to secure US\$ 700 million by 11 January 2024 and early compliance with the third and final tranche led within early March 2024 facilitated swift Staff level agreement for access to US\$ 1.1 billion. Bilateral deposits were adequately rolled over too. Resumption of inflows coupled with improvements in external account helped SBP double its FX from US\$ 4.44 billion to over US\$ 9.3 billion as at June 28, 2024.

Pakistan is committed to pursuing macroeconomic stabilization package over the medium term by promoting fiscal consolidation. Besides reducing unproductive expenditure by removing untargeted subsidies, Government is committed to broadening and digitalization of tax base and privatization of the loss making SOEs. Over its short stint Caretaker Government during the last five months managed to lower government borrowings compared to the preceding period; bulk of these borrowings were to meet debt repayment obligations including principal and interest expense liabilities. Furthermore, the Government managed to improve domestic debt profile by: (i) extending maturity of government securities; and (ii) raising debt on margin below the policy rate, by among others, allowing the non-bank and retail investors to participate directly in government securities auction.

The Government is focused on creating an enabling environment for growth and new job opportunities for the youth. Reforms have been initiated for ease of doing business and enhancing financial inclusion, especially for women, through rolling out a comprehensive digital infrastructure and digital payments gateway. SBP has issued approvals for 5 Digital Banks in and RAAST person to merchant (P2M) online payment system in September 2023.

To strengthen the balance of payments position, Pakistan is liberalizing the trade and investment regime, attracting new investment in agriculture, minerals and IT. The Caretaker Government has removed the import ban that restrained the availability of raw materials for the industry and allowed L/Cs opening for imports to clear the backlog of import payments. Foreign investors were able to repatriate pending profits and dividends payments, up to March 2024 there was a substantial increase in the repatriation of profits and dividends to US\$ 830.5 million during July-March FY24 compared to just US\$ 233.1 million for the same period last year. Over the same period, the total foreign investment recorded an inflow of US\$ 1,264 million as against an outflow of US\$ 799.9 million last year and there was a net inflow of US\$ 165.0 million in the Foreign Portfolio Investment (FPI), compared to an outflow of US\$ 1014.7 million in the corresponding period of the previous year. There has been an increase in recent months due to the positive performance of the stock market.

These measures have helped to stabilize the economy and bring back confidence in the markets. The bond markets have started to rally, with expectations of a sharp decline in inflation in the year ahead. Expectation of higher growth is evident as the stock market has gained about 89% since the start of FY24, making it one of the top performers globally. In addition to this, the nation's dollar bonds have handed investors a gain of about 30% this year, again making them one of the top performers in emerging markets.



Dr. Shamshad Akhtar
Chairperson of the Board

THIS PAGE IS LEFT INTENTIONALLY BLANK

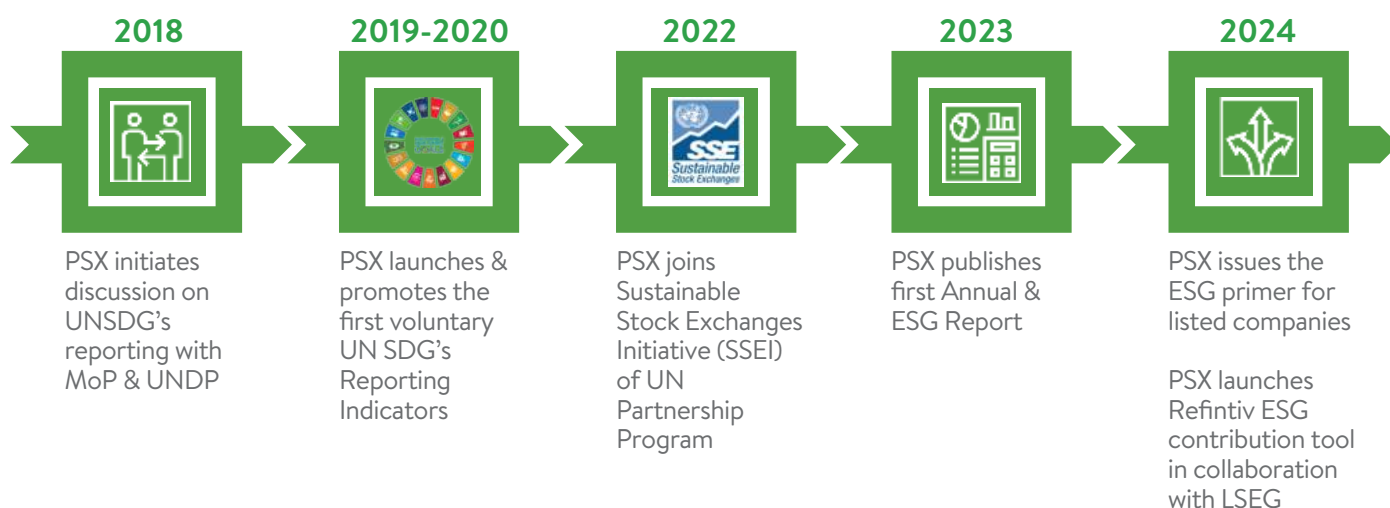
ESG Report



Our Journey Towards Sustainability

At Pakistan Stock Exchange (PSX), we are committed to facilitate and promote sustainable development as a front-line regulator as well as a responsible business partner to our stakeholders. Our leadership firmly believes in ensuring our own impacts on Environment and Society with customized governance parameters have a positive outlook. The mainstreaming of these within our stakeholders as a front-line regulator as well as a facilitator is our prime priority. We aim to deliver long-term value, enhance investor confidence, build trust, and encourage transparency for all our stakeholders on both financial as well as non-financial aspects of the business.

As Pakistan's only securities exchange, a country at the forefront of the disastrous effects and impacts of climate change, we are determined as a front-line regulator to educate and enhance the capacity of our stakeholders to play their due role in developing mitigation measures and appropriate safeguards from the risks posed to them from climate change and capitalize on the vast business opportunities that these mitigation measures and safeguards will usher. We issued our own ESG primer and also launched the 'Refinitiv ESG Contribution Tool' in the current financial year to augment this approach.



Key Highlights

Deployment of Automated New Surveillance System

Engaged & educated more than 4,700 Participants in ESG orientation and awareness sessions

Rs. 3,137 million of Economic Value Generated by PSX

Launched Pakistan's 1st ESG Primer for listed companies

Launched WhatsApp service for general public to access PSX services

Launch of Refinitiv ESG Contribution Tool

Won award by GDEIB, in the category of Work-Life integration, flexibility and benefits.

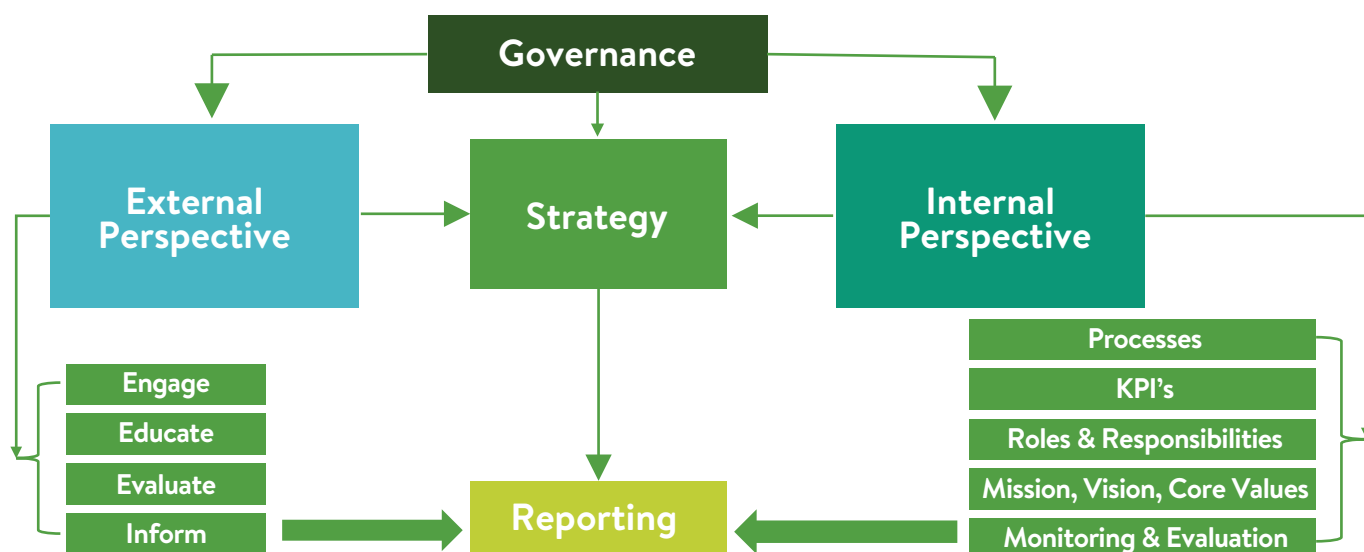
Our prioritized SDGs and their objectives

	SDGs	Objective
	SDG 5 Boardroom Diversity and Gender Equality	Increase the representation of women and ethnic minority on the board and in senior management roles through targeted recruitment and leadership development programs.
	SDG 8 Growth and Sustainable Development	Encourage listed companies to adopt sustainable business practices, corporate governance principles, and ESG reporting standards to create long-term value for shareholders and society.
	SDG 10 Security Market Regulation	Strengthen market surveillance capabilities, regulatory enforcement mechanisms, and compliance oversight to detect and deter market manipulation, fraud, and insider trading.
	SDG 12 Reporting on ESG	Facilitate the issuance and trading of green bonds, sustainable investment products, and financing solutions for climate-resilient infrastructure projects and renewable energy ventures.
	SDG 13 Climate Action and Green Finance	Increase the representation of women and ethnic minority on the board and in senior management roles through targeted recruitment and leadership development programs.
	SDG 17 Partnerships for Sustainable and Transparent Capital Markets	Collaborate with industry associations, sustainability initiatives, academic institutions, and civil society organizations to share best practices, develop standards, and advocate for policy reforms that promote sustainable and transparent capital markets.

Sustainability at PSX

The fast-changing landscape of sustainability has led to the adoption of global standards for sustainable business practices and reporting globally. The adoption of the Corporate Sustainability Reporting Directive (CSRD) by the EU, along with the European Sustainability Reporting Standards (ESRS) and the International Sustainability Standards Board (ISSB) S1 and S2 standards, has set new benchmarks for corporate sustainability globally and sustainability as a mere function delegated as another CSR related activity has functionally transformed in to a standardized business imperative linked with core aspects of business operations such as governance, strategy, risk management and mandatory reporting parameters. This standards shall soon be part and parcel of the corporate governance and mandatory reporting requirements and hence a great responsibility lies on PSX to engage, educate, evaluate and inform our stakeholders with the current future business paradigms on sustainability and sustainable development including preparing them to navigate through the treacherous and dangerous climate change impacts.

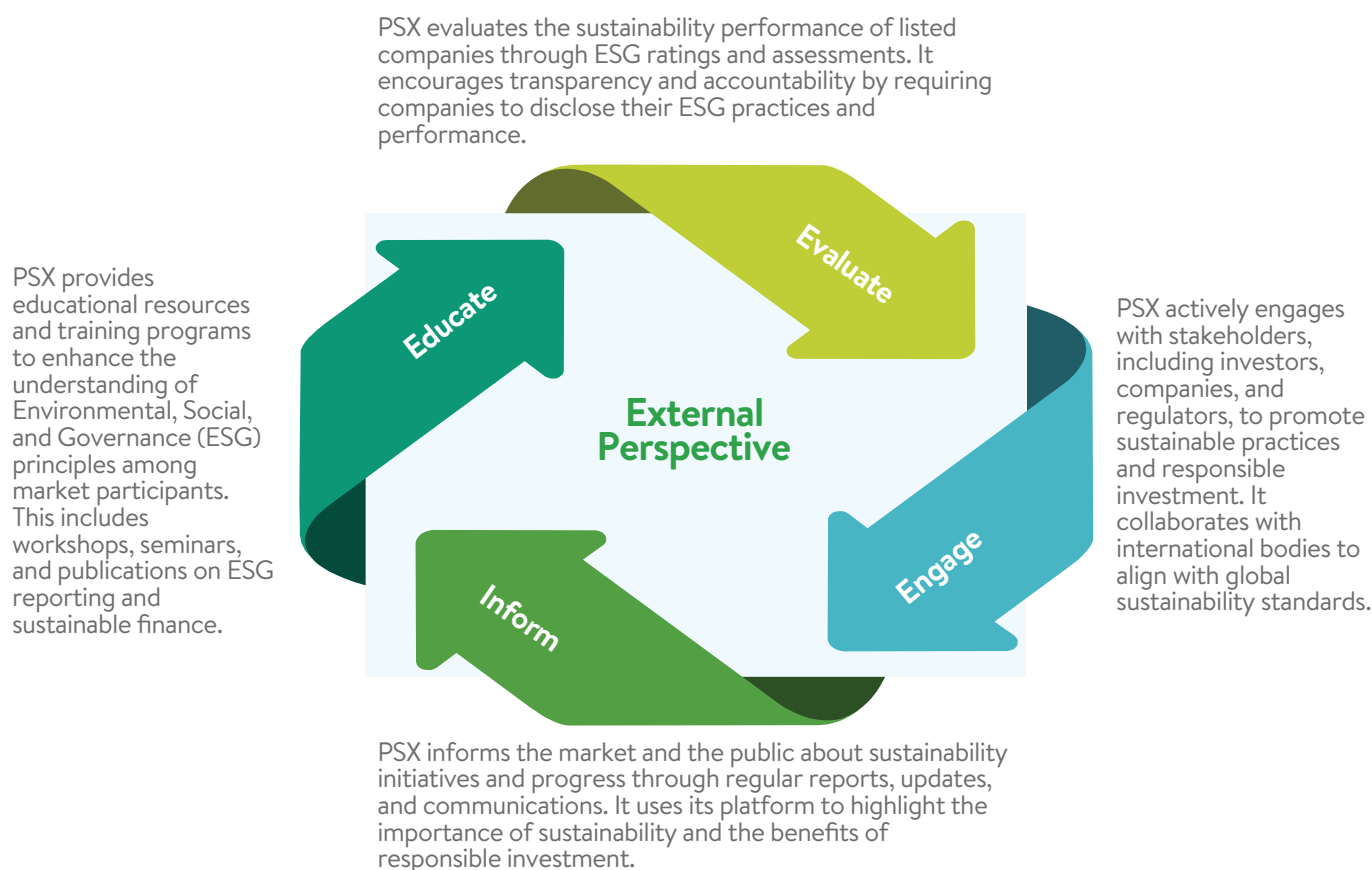
Our Sustainability Ecosystem



At Pakistan Stock Exchange (PSX), we have prioritized integrating sustainability related matter into our core business strategy. Embedding environmental, social, and governance (sustainability) attributes throughout has been key to our operations. Our focus is on adapting to both external and internal factors that influence global sustainability paradigms that includes mandatory regulatory reporting requirements for the businesses and their value chains coupled with sustainability related matters that have both a financial and non-financial bearing. This may include a number of transformative and other actions required to adopt to these internal and external material factors such as refining systems, processes, and controls to effectively incorporate sustainability. We are committed to creating a transparent, understandable, accurate, and verifiable organizational ecosystem.

As the only leader in the capital markets, we are dedicated to ensuring that our operations are transparent, technologically advanced, and sustainable from both environmental and social perspectives. This commitment helps us address and mitigate risks that could impact our core operations and support business continuity.

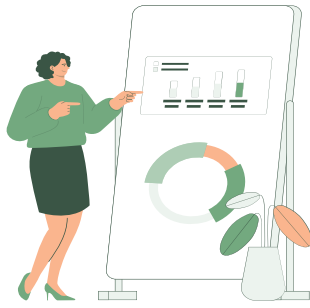
External Perspective



We Synergize to ENGAGE

Investor awareness & Education sessions

Our Marketing & Business Development Team held Investor Awareness Sessions throughout the year for various members of the public including students, academics, faculty members of universities, corporate employees, self-employed persons, and businesspersons. These sessions are focused on women as well for their financial awareness. The objective of the Investor Awareness Sessions is to foster financial awareness and education amongst the public with the aim to educate the public on importance of investing, the functions of the stock exchange and the role it plays in capital formation.



162 Awareness Sessions



9558 Participants



13 webinars Awareness Sessions

To promote investor awareness amongst the public particularly students and college/ university faculty, 162 Investor Awareness Sessions were conducted throughout the country which were attended by 9,558 participants. Additionally, 13 webinars were specifically held for investor awareness and education. Articles and blogs were published to reach out to investors and prospective investors for their financial education and awareness. These blogs covered various topics related to the capital market including Sahulat Account, PSX's Dividend 20 Index, and KYC Sharing to facilitate brokerage account holders, among other subjects.

An important course on the basics of stock market, Stock Market Basics Course, was held twice in the outgoing year. This course helps PSX's efforts to make deeper inroads to disseminate financial literacy and awareness amongst the public particularly students. 964 participants attended this course in the current period under review.

Corporate investor awareness sessions

Pakistan Stock Exchange undertaking its responsibility to inculcate knowledge and advance the cause of financial literacy, held investor awareness sessions for listed companies during the year.

Corporate Investor Awareness Session are organized by PSX to inform and educate current & potential investors who are employees of leading organizations.

During FY 2023-24, Corporate Investor Awareness Sessions were held at:

1. Lucky Core Industries: Four-part series webinar sessions were held for employees of LCI.
2. Engro Corporation: Investor Awareness Session was held for Engro Corporation employees.
3. Lucky Motor Corporation: Investor Awareness Session was held for LMC employees.
4. Tata Pakistan: Two separate Investor Awareness Sessions were held for Tata Pakistan employees.

My portfolio

The My Portfolio virtual trading web-application enables users to learn the ropes of trading through real time investment using virtual cash. My Portfolio also enables users to build several portfolios for an enhanced learning experience. My Portfolio, available on the PSX website, has attracted substantial interest from the public including students and professionals. Since its launch, it has seen traffic of 91,544 hits and has more than 31,500 registered users in the current period under review, up from 16,000 users in the corresponding period last year.

PSX ESG webinar sessions

PSX, in FY23-24, held five webinar sessions to inculcate the concept and significance of ESG bringing together ESG professionals who shed light on ESG and its importance for the corporate world.

Five webinars on ESG were conducted by PSX in collaboration with Unilever and Lucky Core regarding climate change and sustainability matter, highlighting how these entities take concrete steps to integrate sustainability into their operations.



We Disseminate to EDUCATE

ESG primer

Pakistan Stock Exchange (PSX) has taken yet another major step in realizing its vision of ESG readiness for listed companies by issuing the PSX Primer on Environmental, Social & Governance (ESG). The PSX ESG Primer was promoted and disseminated amongst stakeholders by the Marketing team.

The sector-agnostic Primer on ESG is a detailed booklet and the first of a series of publications meant to guide listed companies on reporting on ESG.

The PSX Primer enables listed companies to understand ESG opportunities and risks and educates stakeholders on the usage of ESG data while providing guidance to listed companies on producing a Sustainability Report. This is in line with the roadmap and guidance framework of the SECP to promote and encourage ESG reporting among listed companies.

"Pakistan Stock Exchange has taken a tremendous leap forward in its efforts to materialize its vision on ESG reporting by listed companies. After several steps taken by PSX on the ESG front such as the establishment of the ESG Taskforce, among others, PSX has now issued guidelines in the shape of the PSX Primer on ESG for listed companies. This is the first of a series of guidelines which will go a long way to help listed companies understand and report on ESG, as well as comprehend its risks and opportunities, whilst helping investors obtain information on ESG to make informed decisions in the context of their present and future investments".

Speaking at the occasion of the launch of the PSX Primer on ESG, the MD & CEO PSX, Mr. Farrukh H. Khan, stated

"It is a proud moment for PSX and for me that after extensive advocacy and deliberations, the Exchange has managed to introduce the PSX ESG Primer and Reporting Guidance document. It is the beginning of a new journey in partnership with our industry. I count on our listed companies to embrace and deploy it. ESG Guidance has potential to foster a culture of responsible and sustainable business practices which support our listed companies' potential to generate and use ESG data effectively and navigate through the complexity of accounting and estimation of ESG, assessment of ESG risks and opportunities. It will also help harness and exploit the potential of ESG innovation to enhance companies' domestic and external competitiveness".

Delivering the keynote address on the launch of the PSX Primer on ESG, Dr. Shamshad Akhtar, Chairperson PSX, stated

Knowledge center

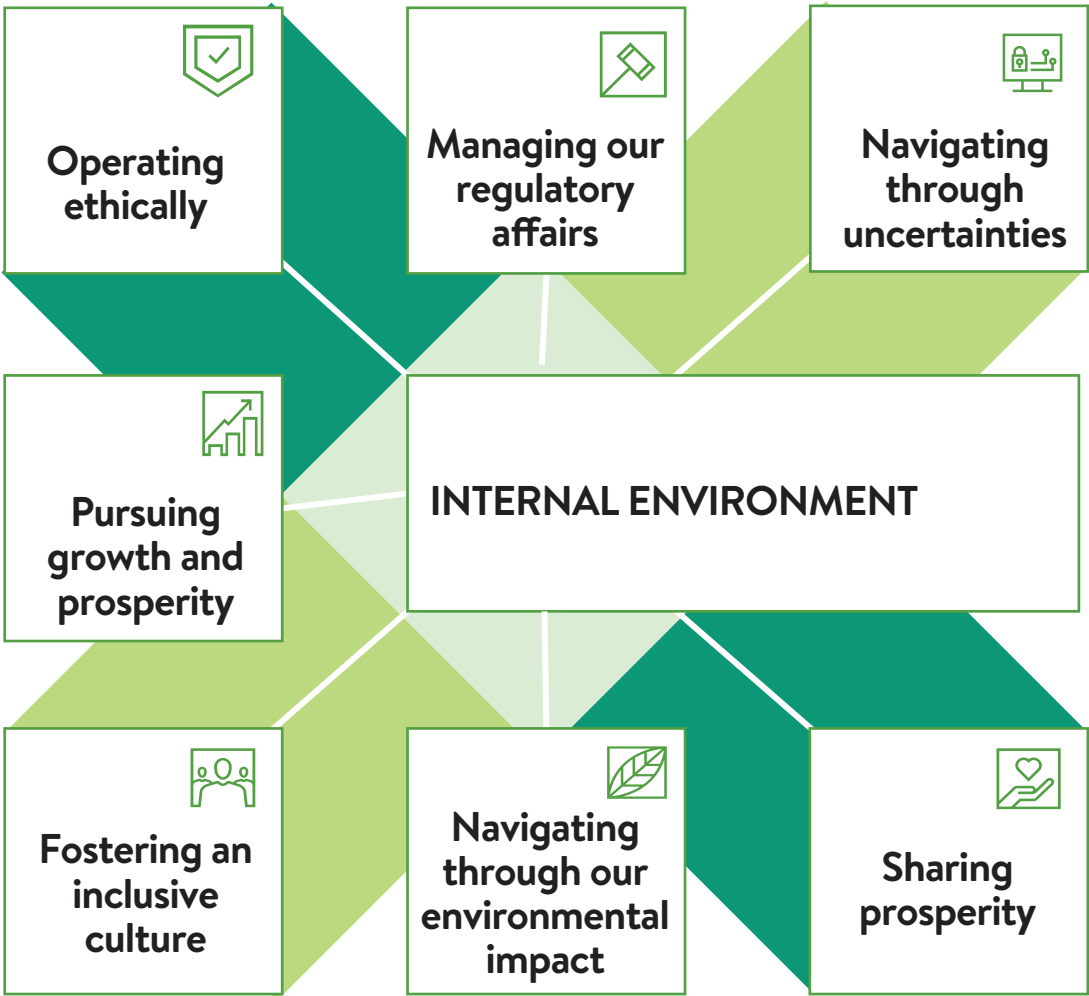
To raise the level of financial literacy and awareness of the capital market, a comprehensive resource of articles, blogs, and financial calculators is the ‘PSX Knowledge Center’ which is an additional tool available at PSX website. The Knowledge Center is accessible for all and is particularly useful for novice and savvy investors. The number of registered users of the Knowledge Center has increased to 8800, up from 2080 users in the corresponding period last year.

We collaborate to EVALUATE

Refinitiv ESG Contribution Tool

Given the present-day significance and importance of ESG concerns, it is now imperative and imminent to adhere to and report on ESG linked data crucial for sustainability assessment of the businesses and informed investment decision making. In this context, PSX had signed a collaborative understanding with (London Stock Exchange Group’s) Refinitiv on ESG. Under this mutual agreement, Refinitiv’s ESG Contribution Tool is available to the listed companies for their ESG data reporting. This Contribution Tool will not only enable presenting a standardized ESG scoring by Refinitiv for contributing PSX listed companies but will also enhance the visibility of Pakistan’s companies on the international ESG radar. Following that, PSX and Refinitiv, a London Stock Exchange Group (LSEG) company, jointly launched an ESG Contribution Tool on 18th April 2024 in an online session to the listed companies in Pakistan. During the session, PSX announced the availability of the LSEG (Refinitiv) ESG Scoring for the listed companies. Through the Refinitiv ESG Contribution Tool, PSX’s collaboration with LSEG stands as a testament to our commitment to fostering sustainable practices within the financial sector. Through this collaborative effort, PSX aims to provide the listed companies with a robust platform designed to enhance ESG performance. By leveraging this tool, listed companies can effectively demonstrate their dedication to sustainable business practices, thereby enhancing their attractiveness to investors and stakeholders.

Internal Organizational Perspective



Operating Ethically

Code of Conduct & Business Practices Ethics

PSX is committed to high standards of ethical, moral and legal business conduct. Our success as a Securities Exchange is based on integrity, honesty and trust in everything we do.

Privacy of information

While information is the cornerstone of the Exchange's ability to provide transparency, a very important aspect is the trust of stakeholders, particularly towards companies listed on the Exchange. Keeping information secure is our top priority. Every Employee is required to safeguard, according to strict standards of security and confidentiality.

Trading

All Employees are prohibited to do trading in products/instruments listed on the Exchange (excluding the products managed by AMC i.e., Mutual Funds and ETFs), directly or indirectly (via dependents) while under the employment of PSX with adequate checks and balances on their and their families financial and other transactions as per our defined policy.

Conflict of Interest

The Employees are prohibited to not use his/her position, designation and employment with the Exchange to take undue benefit for him/herself or his/her dependent family members.

Anti-harassment

PSX prohibits all forms of harassment or intimidation, whether committed by or against a staff member, existing or potential members, investors, vendors, or visitors. In order to enhance awareness regarding this crucial matter, PSX's HR department, in collaboration with the Legal team, has successfully conducted in-house sessions on the subject of 'Workplace Harassment'. These sessions were made obligatory for all employees across various levels, ranging from Senior to Officer positions. We are pleased to share that these sessions have garnered positive feedback and have been greatly appreciated by our employees.

Grievance management

PSX recognizes that workplace challenges may arise from time to time and have found that the best way of maintaining job satisfaction and good working relationship, is to follow a procedure for solving problems and grievances. For this purpose, we have grievance management system in place which assists in resolving workplace issues and problems.

Whistle Blowing

PSX encourages all its employees and external affiliates, shareholders, vendors and investors to act responsibly at all times and protect themselves and the Exchange against any

illegal or immoral acts by immediately reporting any such actions.

Our commitment to open communication, the whistle blowing program provides an avenue to raise concerns. We encourage all employees at PSX, and outside parties such as Shareholders, Vendors, Investors, etc. to report their concerns against irregularities, financial malpractice, fraud and forgeries, personnel harassment, improper conduct, or any wrongdoing without fear of reprisal, adverse consequences and/or retribution. We assure the whistle blower that they will be protected from victimization. Any serious concerns raised about any aspect of the operations of the Exchange and those who work in the Exchange can be reported through email and physically as well.

In order to ensure a transparent, fair and impartial whistle blowing policy and process, a Whistle Blowing Committee (WBC) is formed with at least 3 members comprising of CEO, Head of Human Resources Department and Head of Internal Audit Department.

Health & Safety

PSX ensures adequate health and safety practices within its operations. These include availability of fire protective and extinguishing equipment at all locations/premises and emergency preparedness exercises along with educational awareness campaigns aimed at enabling our staff to better manage and cope with similar situations in future. We are up to date with the external environment and media reports for new information and updates that would allow us to efficiently mobilize appropriate resources to ensure our employees' wellbeing and safety. We also maintain a dispensary facility with a doctor & dispenser for all occupants at PSX premises in Karachi.

Navigating Through Uncertainties

PSX recognizes the importance of developing a robust strategy and risk management framework for PSX's sustainability journey. PSX integrates risk management in core business activities including key decision-making, operations and processes related to our long-term strategy. The Exchange has continued to commit significant resources to implement, maintain, monitor, and regularly upgrade its systems and networks.

PSX understands the critical need for a strong strategy and risk management framework to support its sustainability efforts. The Exchange incorporates risk management into essential business activities, including key decision-making, operations, and processes aligned with our long-term strategy. PSX remains dedicated to investing substantial resources to implement, sustain, monitor, and continually enhance its systems and networks.

The Risk Management department successfully conducted the annual risk assessment exercise with all the departments of PSX. The exercise helped the department to closely reassess the risk assessments in the current economic scenario and make necessary changes where required

including the action plans to mitigate any residual risk to align it with our risk appetite. The new joiners of the Risk Champions team were also provided training on Risk Management Framework of PSX and procedures to update the Risk Registers in line with related objectives of the exchange.

Information Security Management System

We had started the process for achieving International ISO27001 Information Security Management System Certification. The Stage 1 Audit of Information Security Management System (ISMS) ISO/IEC 27001:2022 was successfully completed in April 2024, and the Stage 2 Audit in scheduled in the month of September 2024 to achieve ISO/IEC 27001:2022 Certification for PSX. In this regard, Information Security policy was updated to align it with ISO 27001:2022 which was subsequently approved by the PSX Board. Multiple internal information security standards were also updated for alignment with the ISO 27001/27002:2022 in preparation of certification audit during the year.

A Security Awareness Campaign was executed through the newly implemented Learning Management Solution which also provided option to run phishing campaigns to assess the awareness level of our staff. The campaign provided with insights on improvement areas and planned security trainings were given to staff members to further raise their awareness relating to information security.

Security Assessment & VAPT

We have taken proactive measures to strengthen the cybersecurity defenses by conducting thorough vulnerability and penetration testing on its core business applications. The Information Security team at PSX also conducted security assessment of multiple applications running in PSX environment to enhance the security posture of PSX.

SDLC Training

To ensure continuous implementation of Secure Development Lifecycle Cycle, a training was conducted on 2nd May 2024 for PSX IT Development and Information Security team by external experts. The Training covered key topics such as importance of SDLC, Stages and Processes in SDLC, Code Review, OWASP top 10 Risks, Open-source intelligence (OSINT), Social Engineering, etc.



PAM Implementation

Considering continuous evolution of cyber security and many reports of international incidents due to insider threats, PSX is

in the process of upgrading to a Privileged Access Management Solution for the purpose of securing privilege access and monitoring privileged users and critical assets. The benefits of PAM include enhanced security for critical assets through reduced attack surface and granular access control, risk mitigation through least privilege principle and real time monitoring, incident response by session recording and rapid deactivation, etc.

Business Continuity Management (BCMS) Certification

As part of the efforts to ensure business continuity in case of any disaster, we have managed to successfully complete the surveillance audit to maintain its Business Continuity Management (BCMS) Certification of PSX Head Office (Administration Building) to the latest international standard i.e. ISO/IEC 22301:2019.

Business continuity plan awareness sessions

The Risk Management Department successfully conducted a BCP drill from PSX Alternate Processing Site, where all the designated alternates of the critical staff were invited to perform their day-to-day tasks during the business working hours to ensure readiness of staff and systems in case of emergency where access to PSX premises is not available. A BCP awareness session was also conducted before the drill and all critical staff members and their designated alternates were briefed about their responsibilities, location of the alternate processing site and point of contact.



Managing our Regulatory Affairs

The Regulatory Affairs Department (RAD) is responsible for framing and updating the PSX Regulations, devising policies, monitoring compliance, taking enforcement actions against non-compliant securities brokers and listed companies, and ensuring investor education and advocacy. Moreover, it also provides a platform to the investors for lodging their complaints for efficient redressal. The RAD is headed by the Chief Regulatory Officer appointed with the approval of the SECP heads the RAD.

During the year 2023-2024, RAD took major steps in line with international best practices, which aim to promote ease of doing business for market participants, protect interests of investing public, enhance customer base and liquidity and develop capital market, this includes enhancement of per-claimant disbursement limit and introduction of broker limit under Centralized Customers Compensation Fund Regulations of PSX, enhancement of scrip based circuit breakers, revamping of defaulter's segment, migration to one share trading unit for securities traded in Ready Market and Growth Enterprise Market, introduction of an Appellant Forum for hearing and deciding appeals filed by the listed companies, empowering PSX to conduct auction of CDS eligible government debt securities and its trading at PSX, enhancement of investor measures relating to client-titled bank accounts maintained by brokers, adoption of apostille convention and abolishment of the requirement of legalization of foreign public document, additional relaxations granted for trading only brokers and revision of minimum information security standards. In addition to above, RAD proposed amendments to PSX Regulations in respect of various reforms measures which includes proposed introduction of a robust enforcement policy for violation of regulatory requirements relating to segregation of clients' assets, revised policy and procedures in relation to unusual or significant movement in price and/ or volume of a security, requiring the listed companies on the main board and GEM to ensure shariah disclosures in their half-yearly and annual accounts, to be implemented with the approval of SECP.

Deployment of Automated New Surveillance System:

Pursuant to deployment of state-of-the-art surveillance system, the market vigilance through surveillance activities have strengthened due to automated alerts and reports generated based on real-time market trades. As a result, the unusual movements in price and volume of securities stocks are timely detected for assessments internally as well as through enquiries made with the relevant brokers, listed companies and/ or relevant persons to ascertain whether any potential market misconduct has been committed. RAD works closely with SECP on ongoing assessments and enquiries, exchange of data information to facilitate investigations of SECP in determining the cases of market abuse.

Investor Education and Regulatory Awareness:

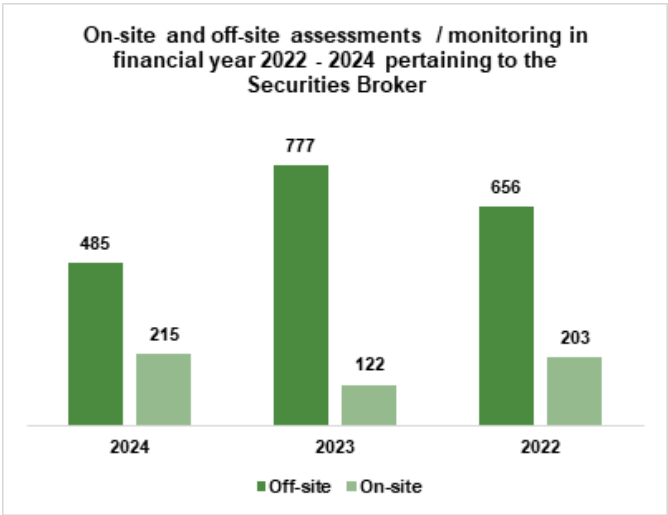
RAD has always been taking various regulatory measures to protect the integrity and fairness of the securities market. As

part of these efforts, RAD regularly conducts awareness sessions and webinars for the market participants with an aim to impart knowledge of the core regulatory requirements and ensure strong compliance culture. As part of RAD's mandate to safeguard the rights and interest of investors, RAD initiated investor literacy and regulatory awareness drive. In this regard, webinars, sessions, regular notifications, clarifications, interpretations, and investor bulletins were issued from time to time. RAD has ensured creation of dedicated space on PSX website where relevant information is displayed.

In this regard, RAD conducted regulatory awareness session for the market participants on important area of Market Misconducts/ Abuses prescribed under Chapter 7A of PSX Rulebook. RAD provided detailed insight on the legal frameworks governing market abuses and the various forms of market abuses which are prohibited and tantamount to criminal offenses if committed by any person.



Besides, RAD also enlightened about the powers of PSX and SECP in market surveillance and related enquiries and investigations as well as the strengthening of surveillance activities post deployment of state-of-the-art surveillance system at PSX. Targeted Thematic Reviews in High-Priority Areas To enhance regulatory awareness and promote compliance culture among brokers, RAD shortlisted high priority areas which directly affect the customers of securities brokers. The areas included maintenance of minimum net worth requirements of brokers, distribution of profits to customers against unutilized funds, mandatory requirement of ICM certification, execution of customer orders and clients’ asset segregation. Further RAD conducted thematic reviews of brokers in the above areas and took enforcement actions against the non-compliant brokers.



Fostering an Inclusive Culture

At PSX, we believe that our employees are key material drivers to our long-term business success. We are committed to developing and supporting our employees by creating strong connections, building trust and appreciating the impact we make as a whole and as individuals.

We seek to create an inclusive and diverse work culture. We are also engaged in developing and upskilling our employees in order to make them thrive personally and professionally. We actively promote open communication and engagement with our employees in order to ensure that their needs become part and parcel of our present and future policy drivers.



Diversity, Inclusion & Culture:

PSX is committed to provide a diverse workplace and work environment with equal opportunities and consistent policies for employees of all genders, backgrounds, ethnicities and beliefs such that a diverse work population can thrive and prosper in an encouraging environment.

Policies pertaining to Recruitment and Onboarding, Talent Management, Rewards and Performance Management, Employee Relations, Work Ethics, etc. remain consistent for all employees and provide a fair system for everyone forming a diverse workforce.

Current percentage of female staff within management cadre is 17% with a target of increasing the same in upcoming years. There is 23% women representation in Management Committee, consisting of HoDs and CEO. Along with that we have 20% women representation in Board which is steered and chaired by a woman. We are also a signatory to WEPs (Women Empowerment Principles) which is a UN Women charter by virtue of which PSX commits to uphold and make efforts for gender empowerment, equality and support.

Diversity Award

In the year 2024, Pakistan Stock Exchange has achieved winning award by Global Diversity, Equity & Inclusion Benchmarks (GDEIB), in the category of Work-Life integration, flexibility and benefits.

Global Diversity, Equity & Inclusion Benchmarks (GDEIB) are the standards for organizations around the world. The GDEIB helps organizations determine strategy and measure progress in managing diversity and fostering inclusion. It has been written by 3 authors – Nene Molefi, Julie O'Mara and Alan Richter, PhD, with extensive input from 112 Expert Panelists around the world. It is designed to be used by any organization, in any industry or sector, and any world region.



PSX Celebrates International Women's Day 2024

Pakistan Stock Exchange (PSX) celebrated International Women's Day 2024 with an elaborate and memorable gong ceremony event. This year's theme for the event was 'Invest in

Women: Accelerate Progress'. The event was organized by PSX in collaboration with UN Women, International Finance Corporation (IFC), CFA Society Pakistan (CFASP) and Women On Board (WOB). PSX joined more than a hundred stock exchanges all over the world under the aegis of World Federation of Exchanges (WFE), of which PSX is an Affiliate Exchange, to mark this important day this year. The gong was struck by prominent women leaders in their respective professions & businesses and by distinguished male champions of women empowerment.



Eminent women leaders and professionals from the business and corporate sectors, as well as distinguished women from the media, arts, and academics participated in the celebration. This year's celebrations included ringing the bell and speeches by the distinguished women leaders and by men championing the cause of gender equality & inclusivity. A seminar was also conducted as part of the event celebrations. The seminar included industry experts and representatives from CFA Institute of Pakistan delivering insights into professional excellence and resilience of women leaders. Moreover, an Investor Awareness Session for women was also held by PSX as part of the Women's Day activities. This year, ConnectHear collaborated as the accessibility partner for the event. Connect Hear provides services of interpreting spoken words into sign language. This aligned well with PSX's and its collaborating partners' efforts on inclusivity and positive consideration for differently abled people.



Talent Acquisition

PSX sources the talent entirely on merit through various sourcing channels that include advertisement, head hunting and universities job portals.

Equal Opportunity

We are equal opportunity employer without any discrimination and have kept our focus on building and promoting PSX as a preferred brand in the market. Recruitment drives in top tier universities are conducted annually. Diverse batch of fresh graduates and interns are handpicked through recruitment drives to nurture and strengthen our talent pipeline. We have attracted a great talent pool, and we are keen on making this even better in the coming years.

Additionally, for the fresh recruits, Mentorship/ Buddy Program is running as a regular feature which helps our new recruits in their initial days and provides them with coaching for personal growth as well as their self-development.

Fair Employment Practices

PSX believes that diversity in our staff is critical to our success as a leading financial institution, and we seek to recruit, develop, and retain the most talented people from a diverse candidate pool. Every Employee can advance at PSX, based on his/her talent and performance and without regard for race, origin, gender, or religion. We are fully committed to equal employment opportunity and compliance in letter and spirit of the full range of fair employment practices and nondiscrimination laws. PSX does not tolerate discrimination of any kind against any employee or applicant for employment, for any prescribed reason.

Learning & development

PSX is dedicated to nurturing the professional development of our valued employees, PSX kept its focus on organizing a series of comprehensive training programs. These programs were designed to equip our workforce with the latest industry knowledge, skills, and best practices. Covering a diverse range of topics, from technical expertise to leadership and innovation, these training sessions aimed to empower our team members for success in their roles and beyond.

Over 100 employees were nominated in the trainings which were conducted by seasoned experts and industry leaders and provided valuable insights along with hands-on experiences. This commitment to continuous learning reflects PSX's dedication to maintaining a dynamic and well-informed workforce. As we invest in our employees' growth, we believe that their enhanced skills and knowledge will contribute to the overall success and innovation of our organization.

Succession plan

A complete and robust succession plan has been devised for all positions including the senior management and same has been approved by the Board. This has provided thorough career

planning to the high potential staff and has brought in cross functional synergies.

Partners in Progress

In line with the employee development initiatives, this program offers our new joiners as well as our high potential staff get an opportunity to indulge themselves in a meaningful dialogue with the CEO on future growth of the Exchange, general outlook of the capital market and the opportunities and challenges therein.



Capital Market Future Leaders Program

The Capital Market Future Leaders Program is PSX's brainchild to build a robust talent and future leaders' pipeline to cater to the growing needs of Pakistan Capital Market. It is a joint initiative of PSX, CDC and NCCPL. It is a management trainee program of 18 months with equal rotations in the three organizations, leading to permanent placements. The trainees are undergoing equal rotations for a period of 06 months within each organization.



Buddy Program

PSX HR has a program in place called 'Buddy Program' which is specifically designed for our new hires. This program was launched with the objective to serve as an effective way for our new joiners to be introduced to PSX, its people and the work environment. By means of this Buddy Program, every new hire is assigned a 'Buddy' from within the PSX Management Team, who acts as a mentor and guardian for the initial 03 months of the new hire's service. The Buddies or the Mentors help their mentees settle into their new roles and help them understand the organization while HR remains involved throughout this period to help the mentors and the mentees engage in a fruitful equation. To give it a little

structure, HR would send calendar invites for this initial meeting as well as following two sessions. The Mentor and Mentee may decide to reschedule any of their meetings at their discretion based on their schedules (if necessary) and are advised to converse with one another accordingly keeping HR informed.

Compensation & benefits

All employees are entitled to life insurance, Health care, Disability and invalidity coverage, Parental leave and Retirement provision. Furthermore, our rewards and remuneration packages are fair and consistent without any gender discrimination.

Performance management

PSX adopts pay-for-performance methodology to ensure that rewards are linked to performance and merit. To bring in more objectivity, transparency and efficiency performance is measured through performance management process that has been recently automated for all staff. The Performance Management Process starts with objective settings, self-assessment and then manager's assessment.

Performance improvement plan

PSX introduced Performance Improvement Plan (PIP) for those staff who were not able to meet the expected level of performance in the previous financial year and were rated "Developing Performance – DP" or "Improvement Required Now – IN". The underlying objective of this exercise is to ensure that our low performers are counselled, guided and coached on their shortfalls and how to overcome them.

Employee health & wellbeing

PSX is dedicated to nurturing the professional development of our valued employees, PSX kept its focus on organizing a series of comprehensive training programs. These programs were designed to equip our workforce with the latest industry knowledge, skills, and best practices. Covering a diverse range of topics, from technical expertise to leadership and innovation, these training sessions aimed to empower our team members for success in their roles and beyond. Over 100 employees were nominated in the trainings which were conducted by seasoned experts and industry leaders and provided valuable insights along with hands-on experiences. This commitment to continuous learning reflects PSX's dedication to maintaining a dynamic and well-informed workforce. As we invest in our employees' growth, we believe that their enhanced skills and knowledge will contribute to the overall success and innovation of our organization.

Session on breast cancer

In a dedicated effort to prioritize the well-being of our female workforce, PSX organized a specialized 'Breast Cancer Awareness Session'. This session was carefully crafted to address unique aspects of women's health, particularly focusing on breast cancer awareness and prevention. Led by Dr. Zubaida Qazi (Founder of Pink Pakistan) as our esteemed

guest speaker, with expertise in women's health, the session provided female employees with crucial information on early detection, self-examination practices, and the importance of regular screenings. The interactive nature of the session encouraged open dialogue, creating a supportive environment for sharing experiences and concerns.



PSX HR invites
All female employees at PSX
to attend a session on
Breast Cancer Awareness

hosted by
Dr. Zubaida Qazi
Founder President – Pink Pakistan

Pointers:

- Breast Cancer Prevention - how to reduce your risk
- Early signs of breast cancer and how to detect them
- Adopting a healthy lifestyle for the prevention

On October 23rd, 2023 | 3:00 pm
at Pakistan Stock Exchange, Karachi.

Zoom Link:
[https://us02web.zoom.us/j/88176989468?](https://us02web.zoom.us/j/88176989468?pwd=THZibnlwVVNQaE0ybVUdEY5YmlkQ)
[pwd=THZibnlwVVNQaE0ybVUdEY5YmlkQ](https://us02web.zoom.us/j/88176989468?pwd=THZibnlwVVNQaE0ybVUdEY5YmlkQ)

Zoom ID: 881 7698 9468
Passcode: 483536

Success through synergy

In a strategic move to elevate team dynamics and foster a culture of collaboration, PSX once again orchestrated invigorating sessions on "Success through Synergy." These sessions aimed to instill the importance of cohesive teamwork, emphasizing that the collective efforts of a team often yield greater success than individual pursuits. These sessions delved into the principles of effective collaboration, communication, and leveraging individual strengths for the benefit of the entire team. The enthusiastic participation from our teams showcased a collective eagerness to embrace and apply these principles in their day-to-day operations. As the spirit of synergy becomes ingrained in our organizational culture, we anticipate witnessing not only enhanced team performance but also a positive ripple effect on overall productivity and success.



Transformational Leadership

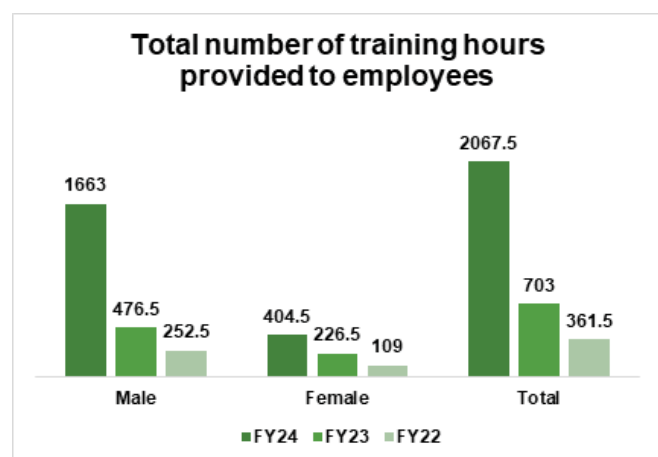
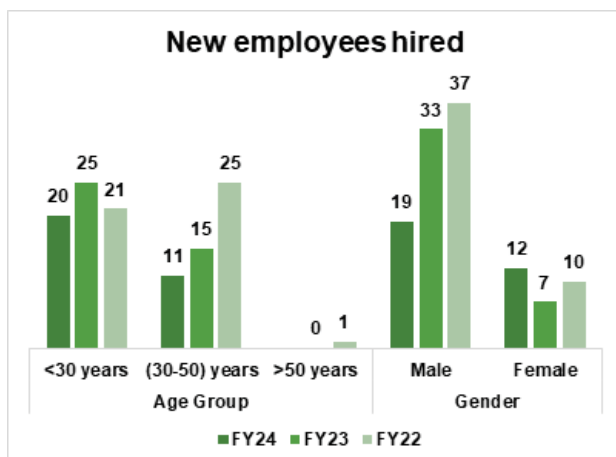
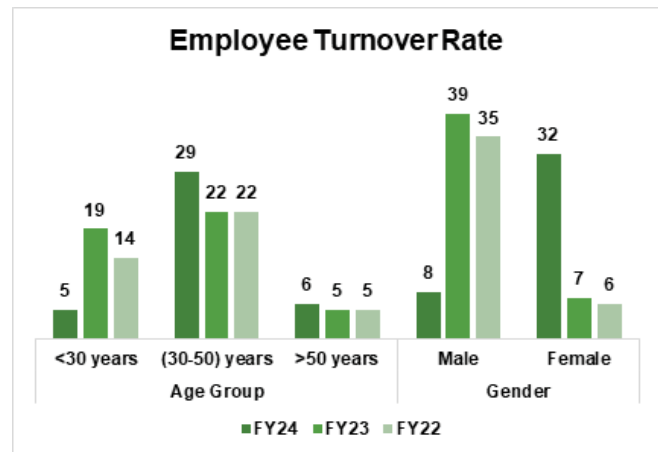
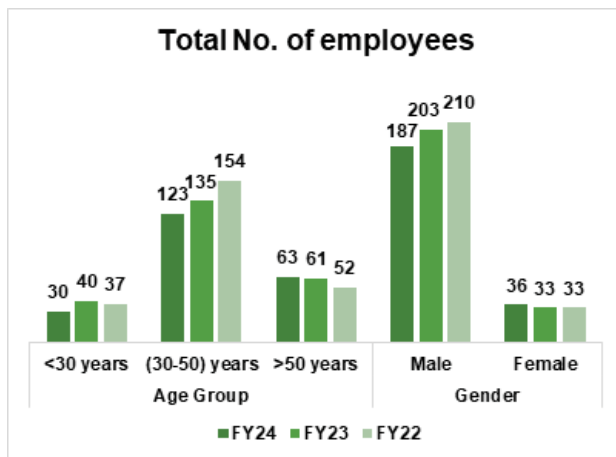
PSX curated an impactful leadership session tailored for our high potential senior-level managers, aiming to further enhance their leadership capabilities and strategic vision. This exclusive session, led by seasoned leadership expert, provided a platform for our potential successors to delve into advanced leadership strategies, decision-making, and effective team management. The engagement and participation from our talented senior leaders were commendable, showcasing their commitment to continuous growth and leadership excellence. As we invest in developing the leadership prowess of our senior managers, we anticipate a positive cascading effect throughout the organization. This initiative reinforces PSX's dedication to nurturing leadership talent and ensuring our organization remains at the forefront of innovation and success.

Communication for Success

PSX HR had launched an in-house functional learning series to give our employees with opportunity to expand their knowledge and abilities in a variety of areas. We had previously arranged two workshops as part of this series, and the third one was organized this time, It was a coaching session on Communication for Success. The response from our employees was nothing short of exceptional.



Employee related Metrics



Navigating Through Our Environmental Impact

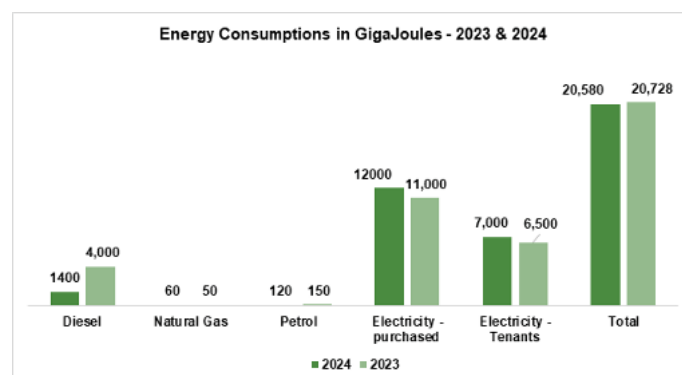
PSX is a service-oriented company that does not produce or deliver items. The organization's environmental footprint is derived from the energy consumed in PSX offices and consumables such as paper. Although smaller than many organizations, PSX seeks to reduce its environmental impact. We have a focused approach on recording our environmental metrics and we are looking forward to continuing this practice for the future.

Energy Management

Energy management is an essential consideration for the operations of PSX, through using our energy efficiently we can cut on our operational costs and reduce significant impact on the environment.

We have accounted for our energy consumption in the current and previous financial year i.e., 2024 & 2023. We have estimated our total energy consumptions in Gigajoules.

To reduce our energy footprint, we have replaced all lights with LEDs, we have also designated a team of 5 people who have been instructed to spot and make sure that no lighting stays on without any use on each floor of the entire PSX premise after working hours.

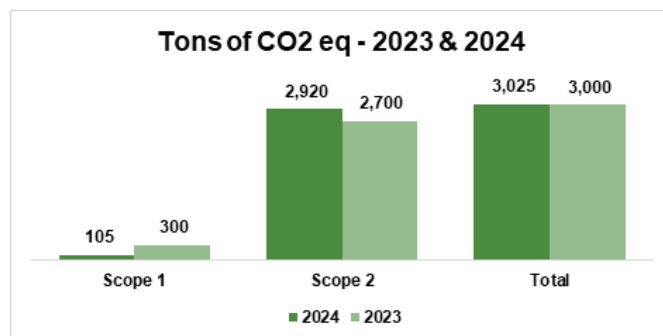


GHG Emissions (Scope 1 & 2 at PSX)

Even though PSX operations are smaller than most organizations, PSX aims to set itself as an example for all organizations across Pakistan and is doing its part to battle climate change.

To report on GHG emission, PSX has identified its fuel sources and have categorized its emissions as per the GHG protocol that are Scope 1 for emissions from stationary & mobile combustion and Scope 2 for emissions related to purchased electricity.

We see a great opportunity in reducing our scope 2 emissions by introducing renewable energy share in our total energy consumption going forward.



Water Management

PSX recognizes water as a scarce and important resource although PSX uses water only for domestic purposes throughout its facilities. We have managed to record our water consumption along with its water discharge.

We aim to promote reuse of water; In this effort one of our initiatives to promote an environmentally friendly culture, we store water coming from ablution area and use it for watering our gardens.

Waste Management

PSX has targeted to define a waste management system in future having standardized methods for collection, handling, storage, and disposal methods that will ensure reduced environmental impact as each category of waste shall be managed according to the SOPs developed. We have an internal policy which addresses our employees to conservatively use paper for office work. We recycle and reuse paper for printing. Most of our communications are conveyed through email and are paperless.

Pursuing Growth and Prosperity

PSX is a vital component of Pakistan's economy. Where we provide a platform for companies to raise capital for expansion, equipment upgrades, and hiring, thereby promoting economic growth. We serve as a marketplace for investors, offering them a chance to grow their wealth, which in turn stimulates further economic activity. The regulatory role of PSX helps to maintain order and reduce fraud, providing a secure environment for investment.

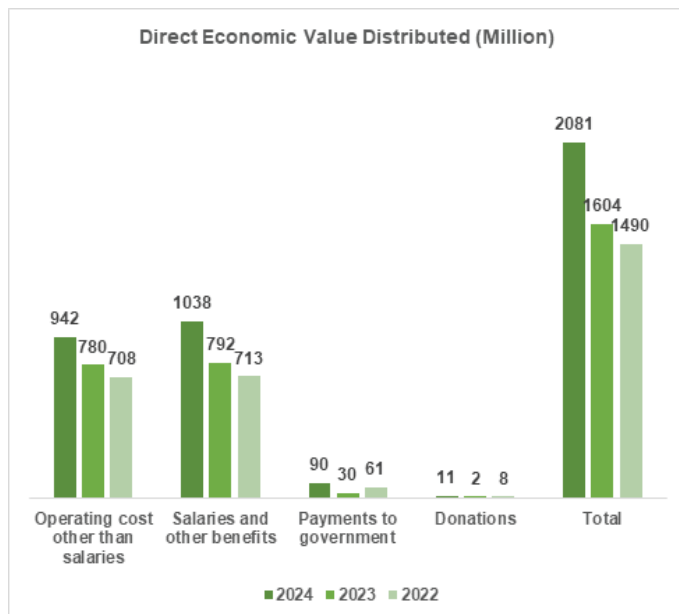
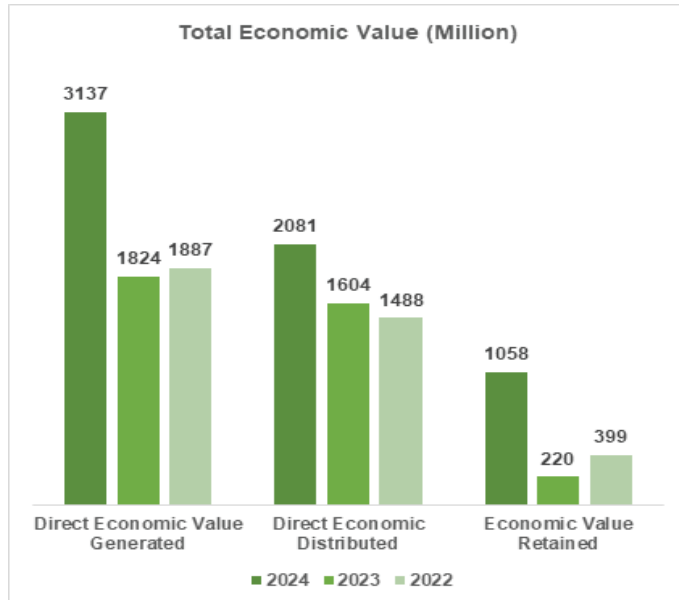
Furthermore, our performance reflects the health of our national economy. In financial year 2024, PSX executed 55.84 million trades in all markets with zero halts and pauses during the market operations.

Based on the product class, PSX recorded following daily average number of trades in financial year 2023-2024:

Product Class	Number of trades executed	
	2024	2023
Equity	185,315	93,022.22
Futures	43,553	23,543.49
REIT	140	61.57
Govt. Debt	3	0.15
Debt ETF	5	2.89
Equity ETF	49	17.59
Corporate Debt	1	1.37

Based on the product class, PSX recorded following daily average volume of trades in financial year 2023-2024.

Product Class	Daily average volume traded	
	2024	2023
Equity	483,199,851	209,341,870
Futures	155,264,645	79,657,711
REIT	622,989	805,261
Govt. Debt	30,613,401	731,707
Debt ETF	282,698	351,754
Equity ETF	421,216	157,372
Corporate Debt	6,932	7,711



Sharing Prosperity

Corporate Social Responsibility (CSR) activities focused on SDG activities in terms of contributions for the betterment of the society in spheres of environment, health and education. We have a total budgetary commitment of 2% of the net profit before tax towards CSR.

Corporate Social Responsibility activities focused on Sustainability activities for the benefit of the society and the environment, particularly in health and education.

Blood Donation

In a display of compassion and community spirit, our employees rallied together for a meaningful cause during the recent Blood Donation Campaign. The turnout was inspiring, with numerous staff members generously participating in this act of kindness. Each donation made a significant impact, potentially saving lives and contributing to the well-being of those in need. The sense of unity and shared purpose was palpable as employees selflessly gave of themselves for the greater good. It's heartening to witness our team's commitment to making a positive difference in the lives of others. This successful Blood Donation Campaign not only reflects our organization's ethos of caring for the community but also serves as a powerful reminder of the impact we can collectively achieve.



Patients' Behbud Society for AKUH:

In order to support the health infrastructure for the benefit of the society, PSX contributed to the Patients' Behbud Society for AKUH (Aga Khan University Hospital). This was specifically directed towards support for paediatric fund.

Cycle for Change

To support the education and literacy activities for the benefit of citizens, a cycling event, 'Cycle for Change', was held whereby sponsorship proceeds were donated to The Citizens Foundation (TCF) for educating a classroom of 35 students for the entire year.

Leadership Training Boot Camp for Female Youth

For an NGO called Million Smiles, PSX contributed to their four-day leadership training boot camp for female youth from flood affected areas of remote valleys and rural villages. PSX also collaborated with Million Smiles for financial inclusion and digital literacy focused on women.

Way Forward

We are actively implementing a forward-looking sustainability strategy to manage current challenges and complexities. Our organizational-wide self-assessment aligns us with global sustainability standards and facilitates our transition toward a sustainable future. This transformation involves collaboration with our business partners and leveraging internal resources.

In this pursuit PSX is committed to establish itself as frontrunner in mainstreaming sustainable business practices across the business landscape of Pakistan. Our continuous liaison with both regulators and other stakeholders such as Securities and Exchange Commission of Pakistan (SECP)'s, SSEI and WFE will remain an active part of our business strategy.

We are actively engaged to align our Governance, Business Strategy and general practices with updated requirements of the listed Companies (Code of Corporate Governance) Regulations, 2019 that came into immediate effect on 12th June 2024. Our particular focus will be to develop our corporate governance in line with the newly introduced regulation 10A. The overarching role of the board and its committees to develop appropriate policies and necessary safeguards through adequate monitoring and evaluation mechanisms along with achievable targets shall be our top priority. This includes topics like promoting diversity, equity and inclusion (DE&I), Environmental and Social considerations as well as other sustainability related risks and opportunities and their operational and financial impacts.

In the upcoming year the primary focus shall remain on both on external and internal environments that are shaping global thought process on sustainable development, mainstreaming sustainability and promotion of adopting standardized sustainability reporting pathway. This means we shall have to prepare, develop and support this global transformation and localize it to our own business eco system.

SASB Index

Sustainability Disclosure Topics and Accounting Metrics			
SASB Topic	Code	Accounting Metrics	Details
Promoting transparent & efficient capital markets	FN-EX-410a.1	(1) Number and (2) average duration of (a) halts related to public release of information and (b) pauses related to volatility.	(a) Halt related to public release of information is not applicable as per PSX regulations. However, Market halt/pause related to volatility is applicable on index in case of KSE-30 index moves 5% either way from its last day closing index value. (b) During the Financial Year 2024, pause related to volatility known as market halt at PSX was observed on July 03, 2023, for duration of 60 minutes from 09:37 am to 10:37 am, triggered at the rate 5.38%.
	FN-EX-410a.2	Percentage of trades generated from automated trading systems.	55.84 million trades executed in all markets at PSX. However, automatic / algorithmic trading is not applicable/allowed as per PSX.
	FN-EX-410a.4	Description of policy to encourage or require listed companies to publicly disclose environmental, social, and governance (ESG) Information.	<ul style="list-style-type: none"> Publication of sector-agnostic Primer on ESG to guide listed companies on reporting on ESG. Signed a collaborative understanding with (London Stock Exchange Group's) under which Refinitiv's ESG Contribution Tool will be available to the listed companies for their ESG data reporting. Regular webinars by sustainability specialists on the importance of ESG disclosure. Established 'PSX Knowledge Center' to raise the level of financial literacy and awareness of the capital market, a comprehensive resource of articles and blogs on the importance of ESG reporting.

Managing conflict of interest	FN-EX-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations.	PSX did not sustain any monetary losses in the reporting period as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other relevant financial industry laws or regulations related to fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, or malpractice.
	FN-EX-510a.2	Discussion of processes for identifying and assessing conflicts of interest.	<p>PSX maintains a Conflicts of Interest Policy approved by the Board with following key features:</p> <ul style="list-style-type: none"> Each director on the Board present at any meeting, shall declare that either he/she does not have any personal interest in any of the agenda item of the meeting of the Board or otherwise he/ she has properly disclosed his/her interest (if any) in any such agenda item and would accordingly abstain from participating in the relevant discussion or voting there-upon. All directors, members of PSX, employees, and agents, including a consultant engaged by PSX who participate in the selection or acceptance of a contract for procurement of equipments, materials, supplies, or services to the Exchange must comply with the PSX's conflict of interest policy. No director, member of PSX, employee, or agent of the Exchange will participate in the process of selection or acceptance of a contract on behalf of the Exchange, which involve a conflict-of-interest situation, without the approval of the Board.
Managing business Continuity & technology risks	FN-EX-550a.1	(1) Number of significant market disruptions and (2) duration of downtime.	There was no downtime of the Trading platforms in FY 2024.
	FN-EX-550a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected.	In FY 2024, PSX did not record any loss of PII or data where customers were directly impacted.
	FN-EX-550a.3	Description of efforts to prevent technology errors, security breaches, and market disruptions.	PSX actively prevents tech errors and security breaches to protect data and minimize business disruption. Defenses include Network Segmentation, Encryption, Role-Based Access Control, and Vulnerability Assessment and Penetration Testing, safeguarding both external and internal networks.
Activity Metrics			
Average daily number of trades executed, by product or asset class	FN-EX-000.A	Average daily number of trades executed, by product or asset class.	<p>Average daily number of trades executed:</p> <ul style="list-style-type: none"> Equity: 185,315 Futures: 43,553 REIT: 140 Govt. Debt: 3 Debt ETF: 5 Equity ETF: 49 Corporate Debt: 1
Average daily volume traded by product or asset class	FN-EX-000.B	Average daily volume traded by product or asset class.	<p>Average daily number of trades executed:</p> <ul style="list-style-type: none"> Equity: 483,199,851 Futures: 155,264,645 REIT: 622,989 Govt. Debt: 30,613,401 Debt ETF: 282,698 Equity ETF: 421,216 Corporate Debt: 6,932

THIS PAGE IS LEFT INTENTIONALLY BLANK

Ode to Transformation



November 2022:

Segregation of operational company and
property company of PSX

A black and white photograph of the Pakistan Stock Exchange building. The building features a prominent facade with a honeycomb pattern of hexagonal tiles. A rectangular window with a decorative metal grille is set into the upper part of the wall. Below the window, the words "Pakistan Stock Exchange" are inscribed in a large, bold, sans-serif font. The entrance is a dark, rectangular doorway. Several people are visible: two are walking through the entrance, and one person stands to the right of the entrance, leaning against a wall. A small potted plant is visible on the left side of the entrance.

Pakistan Stock Exchange

Directors' Report

The Board of Directors of Pakistan Stock Exchange Limited (PSX) are pleased to present the financial statements of PSX for the year ended June 30, 2024.

Economic Review & Outlook

The 2023-24 financial year witnessed a significant improvement in the macro-economic environment with major indicators such as inflation, current account, foreign exchange reserves, tax collection all depicting positive progress, particularly in the second half of the financial year. At the same time, the cost of stabilising the economy meant depressed GDP growth during the period under discussion and considerable pressure on real incomes for the general public. It is hoped that the belt tightening in the previous period will create necessary conditions for a more balanced and sustained economic growth going forward especially if the various structural reforms being considered by the government, including privatisations and right sizing of several ministries, are implemented.

Market Performance During 2023-24

The performance of Pakistan's capital market is driven to a great extent by the macro-economic environment. In tandem with improvement in the macro picture as noted above the market also began to get re-rated, with the KSE-100 depicting a rise of eighty-nine percent in the last financial year. This put the Pakistan stock market into the top 10 best performing markets in the world. An important point to note is that despite this great performance, the forward valuation of the market is still between 4X to 5X future earnings, indicating two things. First, the underlying earnings growth of the corporate sector remains largely robust and second, the current market valuation is still below the historic average of around 7X to 8X future earnings. As such, continued improvement in the macro environment and real GDP growth is likely to provide a tail wind to future market performance. Key performance metrics of the market in FY 2024 are noted below:

Particulars	Year Ended	
	June 30, 2024	June 30, 2023
KSE-100 Index	78,445	41,453
Market Capitalization (PKR in billion)	10,375	6,369
Average daily value traded – Ready (PKR in billion)	16.3	6.7
Average daily value traded – Futures (PKR in billion)	6.4	3.4
Average daily volume traded – Ready (million)	481	213
Average daily volume traded – Futures (million)	156	80

PSX Financial Performance During the Year

PSX recorded a **record pre-tax profit** of PKR 1,110 million for the year ended June 30, 2024, which was 344% higher than PKR 250 million for the year ended June 30, 2023. Total revenue of the Exchange in FY24 was PKR 3,113 million versus PKR 1,824 in FY23, showing a growth of 71%. Key revenue drivers during the period under review included:

- Revenue earned from trading activities was PKR 396 million as against 180 million last year, mainly due to higher average daily traded value i.e. PKR 22.7 billion in FY24 vs PKR 10.1 billion in FY23.
- Initial listing fees rose by 46% to PKR 202 million in FY24 versus PKR 139 million last year due greater number of companies listed on the Exchange – 12 in FY24 versus 5 in FY23.
- In a significant development, management's effort in diversifying revenue stream is beginning to payoff, with data vending income driving the income from non-trading activities to increase by PKR 216 million to PKR 320 million in FY24 versus PKR 104 million in FY23.
- Judicious cash and investment management allowed management to take advantage of higher interest rates and led to mark-up / interest income rising by 53% to PKR 268 million.
- Last and most important, PSX's investments in its Associated companies paid off well as share of profits from associates reached PKR 944 million in FY24 versus PKR 461 million last year, over 100% growth.

Management is conscious of the difficult business environment remained focused on effective cost management. However, given the record level of inflation and the financial hardship faced by middle and junior level staff, the Board stepped in to provide a degree of relief by raising compensations levels to the lower income employee cadre. Along with inflation driven cost pressures as well significant increase in depreciation & amortisation charges related to IT systems upgrade through the new state-of-the-art trading system, expenses increased by circa 27% over FY2023. Thus total administrative expenses in FY2024 were PKR 2,004 million versus PKR 1,574 in the previous period. The company's cash flows also remain strong compared to recent past years.

Overall, PSX delivered a **post-tax profit** of PKR 1,028 million for the FY2024, versus PKR 220 million in the FY2023, showing an increase of 374%.

By the nature of its business, PSX remains heavily dependent on trading volumes. However, concerted effort has been made to gradually reduce dependence on trading volumes by developing other revenue streams such as data vending and a strong focus on listings. Despite the challenging macro environment, PSX has continued to invest in and improve the capital market infrastructure, and introduce new products for both investors and listed companies. We are confident that these initiatives will bear fruit going forward for the benefit of all stakeholders of PSX and for the growth of capital markets in Pakistan. Efforts also continue to be underway to increase the number of investors and provide greater ease of participation through introduction of Government Debt Securities Primary Market Auction Platform, Sahulat accounts for retail investors, online account opening, One-Share Lot Size, and enhancement of security wise Circuit Breakers. Looking to the future, PSX has introduced an ESG Primer and signed a collaboration agreement between PSX and Refinitive Limited (LSEG) to generate awareness and facilitate listed companies in adopting global ESG related standards as some will likely become mandatory in Pakistan also in a year or two.

Earnings Per Share (EPS)

The basic and diluted earnings per share is PKR 1.28 for the FY2023-24 vs. PKR 0.27 for the FY2022-23.

Dividend

The Board of the Directors recommended cash dividend of PKR 1.00 for the financial year ended June 30, 2024.

Changes During the Financial Year

The Board of Directors in its meeting held on February 20, 2023 regarding the proposed demerger of PSX's real estate from its operations, authorized PSX to enter into an agreement with PSX Financial Services (Private) Limited (PSX Financial), a wholly owned subsidiary of PSX formed for this purpose, in terms of which, inter alia, the business / undertaking of PSX shall be separated / demerged into 2 (two) separate segments / undertakings i.e. the Demerged Undertaking and the Continuing Undertaking, and simultaneously, the Demerged Undertaking shall be merged, by way of amalgamation, with and into PSX Financial, while the Continuing Undertaking shall be retained by PSX, in consideration of which ordinary shares of PSX Financial shall be allotted and issued to PSX (as a consequence of which PSX Financial shall remain a wholly owned subsidiary of PSX). The said arrangement shall be effectuated and carried out in accordance with the terms of a Scheme of Arrangement prepared under the provisions of Sections 279 to 283 and 285 the Companies Act, 2017, the draft of which has been approved by the PSX Board, subject to finalization of the same by the authorized representatives of PSX, obtaining the approval of the Securities and Exchange Commission of Pakistan (SECP), the approval of the requisite majority of the respective members of the companies (as may be applicable), and the sanction of the Scheme of Arrangement by the High Court of Sindh at Karachi, along with fulfilment of related legal formalities. The Scheme of Arrangement shall be circulated to PSX and the members in due course, subject to directions / order of the High Court of Sindh at Karachi, and in accordance with applicable laws.

Material Changes and Commitments Affecting Financial Position of PSX

There have been no material changes and commitments affecting the financial position of PSX which have occurred between the end of the financial year to which the financial statements relate to and the date of the report.

Trends and Factors Likely to Affect the Future Development, Performance, and Position of the Company's Business

Information Technology Initiatives

- Changes in Quotation System to reflect information of new ETFs and performance of underlying index / basket.
- Government Ijarah Sukuk (IGS) listing model configuration in record time to the satisfaction of Ministry of Finance
- Work initiated in book building system in close collaboration with 1Link to provide the framework for automated payments by investors during the IPOs.
- Conducted successful DR drill for the failover activity that helped validate the RTO and RPO and application, ensuring smooth backup and recovery of PSX's core systems and services.
- Initiated first phase of setting up Cold DR outside Karachi. The ITD conducted several awareness sessions for the TRECHs as well as back-office and OMS vendors. Business Continuity and Disaster Recovery sessions were conducted to bring awareness on best practices to ensure TRECHs business continuity in an event of disaster without any interruption.
- Session Master FIX conducted to highlight the benefits of a centralized FIX connection that provides consolidated activities records to the TRECHs on single, allowing central monitoring and reporting.
- Successfully upgraded outdated legacy telephony system and acquired a software-based IP Office solution

Listing Achievements and Activities

- During FY 2023-24, PSX successfully listed twelve new companies having a total listed capital of PKR 105,242 million. Five were listed through initial public offering / offer for sale, six companies were listed through court orders / scheme of arrangement and one company was listed on the GEM Board.
- Three Privately Placed Debt Instruments and one Publicly Issued Debt Security were listed during FY 2023-24. The debt securities had a combined issue size of PKR 8,558 million.
- The Exchange listed two ETFs during FY 2023-24.
- The Exchange successfully listed nine Open-end Mutual Funds during FY 2023-24. The funds listed during the year constituted a total fund size of PKR 19,600 million.
- To simplify and streamline the IPO and listing processes, under guidance of the SECP, time to market was reduced to 29 working days where PSX had to review and approve an IPO listing application within 12 working days. PSX approved three IPO applications within the specified time-span of 12 working days, which is unprecedented.
- PSX prepared and launched a comprehensive guide on listing in line with international best practices.
- In order to attract more listings on the GEM Board, PSX also proposed amendments in the Regulatory Framework such as change in the definition of accredited investors and allowing the general public to participate in the secondary market in the GEM Board listed companies.
- PSX has initiated automation of Selection Process of Top 25 Companies for its annual award, from data import to data validation, selection of companies and dissemination of letters to the selected companies. Successful implementation will result in increased efficiency and accuracy.

Trading and Investor Developments

- In a major move forward, PSX has successfully implemented the first primary market auction of the Government of Pakistan one-year Ijarah Sukuk at PSX. This is for the first time in Pakistan's history that an auction of a Government Debt Security (GDS) took place through a state-of-the-art, fully automated and efficient system of the Exchange with settlement and custodial services being provided by the other capital market institutions. GoP Ijaarah Sukuk (GIS) amounting to PKR 652 Bn has been issued by primary auctions held on the Exchange and is traded in the secondary market smoothly. So far, five (5) types of instruments have been listed through the auction system, which includes 1-Year Discounted GoP Ijarah Sukuk, 3 Year Fixed Rental Rate (FRR), 5 Year Fixed Rental Rate (FRR), 3 Year Variable Rental Rate (VRR) and 5 Year Variable Rental Rate (VRR).

- GDS platform has been built in-house by PSX ITD and will enhance the technical & business capabilities of all market participants. The GDS Auction System major components include complete functional support for Fixed Rental Rate and Variable Rental Rate instruments and their re-openings in addition to the GIS-Discounted Sukuks, development of the Yield Calculator and incorporation within the GDS Auction System, automation of Allocation Process with inclusion of Realized Value and Price Premium, addition of participant categories of Professional Clearing Member and Others and investor category of Non Resident Pakistanis and inclusion of Price Premium and total Realized Value in the email communication with successful investors.
- PSX continues to support and facilitate launch of ETF products including sector specific ones such as JSGBETF; Similarly, JSGBKTI replicates the stock selection criteria of PSX's Banking Tradable Index (BKTI). This is the first ETF launched by a Securities Broker at PSX under the SECP's Sandbox Guidelines, 2019. PSX has also facilitated launch of Mahaana Islamic Index Exchange Traded Fund (MIETF) to track the performance of Mahaana Islamic Index (MI30), which is designed to measure the performance of the top 30 Shariah compliant companies selected from KMI All share index.
- A monthly Brokers Rankings has been introduced based on brokers' performance in different categories, such as new UINs, brokers with the most active accounts, traded value, traded volume, Investments in GIS and IPOs/CTIs. The initiative will help Trading Rights Entitlement Certificate (TREC) holders track their performance actively and make efforts to further expand their client base. These rankings are solely based on quantitative and objective criteria. Further, Annual Capital Market Awards will also be announced to acknowledge and celebrate the contribution by brokerage firms and CTIs.
- The Exchange has implemented a progressive enhancement of security-wise circuit breakers (CBs) as approved by the SECP, in order to provide a more resilient and dynamic trading environment.
- PSX has also implemented One Share Lot Size for all regular market symbols closer to the practices of global markets, which has eliminated the difference in price range between the ready and odd-lots markets, i.e. 7.5%, 10% respectively. Investors who previously traded in the odd lots market where share prices are traded at a discount can now trade in the regular market.
- PSX continues to expand outreach and become more accessible to retail investors by implementing simplified account opening procedures, significant reduction in required data fields and ease of documentation for Sahulat accounts along with enhanced exposure limit of PKR 1 million. These initiatives are expected to contribute to the growth and development of the capital market in Pakistan.

Developments in Product Management & Research

- Data Vending business has been a major focus and success. In the outgoing fiscal year, PSX onboarded and transitioned 10 international and 4 local clients to Market Data license. Data Feed connectivity arrangements were formalized for international clients, generating additional annual recurring revenue. A good working relationship was maintained with PSX's partner, Deutsche Börse AG, ensuring complete revenue realization due to the transitioning of clients. As a result, Data Vending Revenue increased from PKR 100 million (FY2023) to PKR 315 million (from 10% to 21.36% of the total core revenue last year).
- PSX finalized the GDS IPS-based refined secondary market flow, providing NCCPL with the clearing and settlement services of GDS IPS trades.
- An ESG primer was issued along with associated awareness session to help listed companies and other ESG stakeholders understand ESG risks and opportunities, ESG frameworks available across the globe, and key elements of good ESG/sustainability reports. This initiative was acknowledged by UN SSEI, who added PSX to the list of global exchanges that have issued such guidance, making PSX eligible for a higher category of recognition and membership at SSE. The Exchange is also working closely with SECP for the implementation of the ESG Action Plan.
- Efforts continue to be made towards implementing the Shariah Governance Regulations, 2023. This include organizing Shariah sessions, participating in apex committee meetings for possible Shariah conversion, and obtaining an SECP certificate on the Shariah compliance of PSX's Shariah Indices. The Shariah-compliant way of trading is being evaluated at PSX's Focus Group. System and regulatory changes will be evaluated once proposed changes in the process are finalized.

Marketing and Business Development Initiatives

- Marketing and Business Development activities continued vigorously in FY2024, positioning PSX as the premier resource for investment and capital raising. Efforts included press releases, digital marketing, gong ceremonies, events, investor and issuer education sessions, and extensive branding activities to enhance the PSX brand image.
- In FY 2023-24, PSX received the Best Islamic Stock Exchange Award 2023 from the Global Islamic Finance Awards for the third consecutive year.
- In Business Development, over 200 companies were approached to list on the Main Board, and more than 100 companies were contacted for the GEM Board. Increased interest of companies was elicited and they were connected with Consultants for facilitation and conversion. A video case study of Engro Corporation Limited was shared to demonstrate the benefits of listing. The PSX MBD team including the PSX board members visited Federation of Pakistan Chambers of Commerce & Industry (FPCCI) Lahore, Lahore Chambers of Commerce and Industry and Sialkot Chamber of Commerce & Industry, met their delegates & executive members and carried out 22 listing awareness sessions.
- The IPO Summit 2024, held in January 2024, with the theme, "Empowering the Capital Markets", served as a flagship event. Executives, investment bankers, venture capitalists, legal advisors, and regulatory experts networked, shared knowledge, and held discussions to promote and facilitate the IPO process.
- For investor awareness and education, the 'PSX Knowledge Center' was effectively promoted through the PSX website. Registered users rose to over 8,800 in FY2024 from 2,080 in FY2023. The Knowledge Center offers valuable tools like financial calculators and educational articles and blogs to enhance financial literacy and investor awareness.
- The 'My Portfolio' virtual trading web-app also saw significant growth, with registered users increasing to over 31,500 from 16,000 in the same period last year.
- The PSX WhatsApp service was introduced, leveraging technology to access the information on market movement and other activities of the Exchange such as Investing 101 course and investor education sessions. Through this service, issuers can learn about Main Board & GEM Board for raising capital and listing their company. A useful Text-to-Speech service was launched in FY 2023-24, enabling audio access to articles and blogs on the PSX website, benefiting those with visual impairments or reading disabilities.
- In digital marketing, the PSX TikTok account was launched, adding to PSX's presence on Facebook, Instagram, Twitter (X), and YouTube. Through vigorous and effective promotion, these accounts have successfully doubled their followers in the current period.
- The Sahulat Account marketing campaign was launched in FY 2023-24, raising awareness among brokerage houses to promote the Sahulat Account to their potential customers. This led to an increase interest and queries from customers enabling an uptick in accounts during year under review.

Risk Management & Information Security

- The Exchange continues to commit significant resources to implement, maintain, monitor and regularly upgrade its systems and networks. Information Security was further enhanced during the year with the update and implementation of comprehensive information security program including information security policy framework, security operations, business continuity plan, risk management, security assessments, training & awareness programs, deployment of Extended Detection & Response (XDR) solution and Advance Threat Protection system in PSX environment that provide greater visibility and monitoring of suspicious activities.
- A comprehensive cybersecurity awareness program was conducted for PSX staff and new joiners to improve the PSX's Cybersecurity Posture. Completion of security awareness courses is a mandatory requirement for all new joiners for confirmation in PSX. The Exchange also executed Security Awareness Campaigns through the newly implemented Learning Management Solution.
- For the purpose of Secure Development Lifecycle Cycle implementation, a training was conducted for PSX IT Development and Information Security teams by an external cybersecurity consultant. The Training covered the Importance of SDLC, SDLC Stages and Processes, Code Review, OWASP top 10 Risks, OSINT and Social Engineering.
- PSX Information Security team also conducted security assessment of multiple applications running in PSX environment to enhance the security posture of PSX.

- PSX is in the process of upgrading to a Privileged Access Management (PAM) Solution for the purpose of securing privilege access and monitoring privileged users and critical assets. The benefits of PAM include enhanced security for critical assets through reduced attack surface and granular access control, risk mitigation through least privilege principle and real time monitoring, incident response by session recording and rapid deactivation, etc.
- Cybersecurity controls were assessed against Cybersecurity Framework to evaluate PSX adherence to essential cybersecurity practices.
- PSX had started the process for achieving International ISO27001 Information Security Management System Certification. The Stage 1 Audit of Information Security Management System (ISMS) ISO/IEC 27001:2022 was successfully completed in April 2024, and the Stage 2 Audit is scheduled in September 2024.
- As part of its efforts to ensure business continuity in case of any disaster, PSX conducted a successful drill on 14th March 2024 to test its ability to carry out essential operations from its alternate processing site. In addition, the Exchange managed to successfully complete the surveillance audit to maintain its Business Continuity Management (BCMS) Certification of PSX Head Office to the latest international standard i.e. ISO 22301:2019.
- The Risk Management team conducted annual risk assessment exercise with coordination with all departments of PSX in line with internal Risk Management policy and procedures to ensure proactive planning and informed decision making at PSX. Multiple new members of PSX Risk Champion team were given trainings on Risk Management Framework as implemented in PSX. The Risk Management team also conducted risk assessments relating to multiple new projects initiated by PSX and for outsourced activities in compliance of PSX policies.

Risk of Broad Market Trends and Macroeconomic Factors

The business, financial condition and results of operations of PSX are highly dependent upon the volume of financial assets traded, the number of listed securities, the number of new listings and subsequent issuances, liquidity and similar factors. A significant portion of PSX's revenue depends, either directly or indirectly, on trading and listing-based fees. All of these variables are influenced by economic, political and market conditions in Pakistan as well as rest of the world which are beyond PSX's control. While volatile markets may generate increased transaction volumes, prolonged weak economic conditions may materially and adversely affect listing and trading volumes.

Other factors that may materially adversely affect our business, financial condition and results of operations and are beyond our control include:

- Broad trends in business and finance, including industry-specific circumstances, capital market trends and the mergers and acquisitions environment;
- Social and civil unrest, terrorism and war;
- Concerns over inflation and the level of institutional or retail confidence;
- Changes in government monetary policy and foreign currency exchange rates;
- The availability of short-term and long-term funding and capital;
- The availability of alternative investment opportunities;
- Changes and volatility in the prices of securities;
- Changes in tax policy (including transaction tax) and tax treaties between Pakistani and other countries;
- The level and volatility of interest rates;
- Legislative and regulatory changes, including the potential for regulatory arbitrage among regulated and unregulated markets if significant policy differences emerge among markets;
- The perceived attractiveness, or lack of attractiveness, of Pakistani capital markets; and
- Unforeseen market closures or other disruptions in trading.

If levels of activity of PSX are materially adversely affected by any of the factors described above or other factors beyond its control, our business, financial condition and results of operations could also be materially adversely affected.

Risk of Future Initiatives

Factors that may have an effect on our business strategy include, among others:

- Our ability to successfully introduce new services and products in a timely manner;
- The general condition of the Pakistani, Asian and global economies;
- Regulatory restrictions.

Several of these factors are beyond our control. As a result, there can be no assurance that we will be successful in implementing our current and future strategic plans and any failure to do so may have a material adverse effect on our prospects and future financial condition and results of operations.

Risk of Market Fluctuations

As PSX total revenue is dependent in part on equities, a historically volatile asset class, as well as on a number of external factors, such as trading activity and price levels in our markets, our total revenue and profitability may fluctuate from one period to another.

Risk of Interest Rate Variation

We are exposed to the effects of fluctuations in the prevailing levels of market interest rates, which impact trading volumes, investment flows in the stock market and cash flows. Thus changes in interest rates may materially adversely affect our financial position and value of our investments and the return on them. Interest rates are sensitive to many factors, including governmental, monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond our control.

Regulatory Risk

PSX operates in a highly regulated industry and is subject to extensive regulation. PSX is licensed and regulated by the Securities and Exchange Commission of Pakistan (Commission) which has broad powers. PSX exercises by way of its regulations, rules and bye-laws a host of regulatory functions, including monitoring of compliance of certain securities laws by entities listed on our platform and the TREC holders as well. Additionally, PSX as front line regulator is also empowered to propose regulatory amendments, promulgate regulations and take disciplinary actions.

Any increase in the levels of monitoring that we are required to perform, including on account of regulatory changes, may impose or result in increased or excessive regulatory burden on and compliance costs for us.

PSX may also expect increased operational costs or sustain losses or financial consequences, where:

- recognition by overseas regulators is required,
- contracts must be renegotiated,
- Contract terms must be altered as a result of new or newly applied laws, regulations or court decisions whether due to the extraterritorial effect of overseas regulations or otherwise,

Risk of Changes in Government Policies

Trading volumes on our markets could be affected by changes in:

- Policies of the Government of Pakistan,
- Tax law or policy,
- Regulatory changes regarding foreign portfolio investors,
- Other regulations or policies that affect PSX businesses, including its listed companies, such as changes that make offerings of Pakistani securities outside Pakistan easier,
- The ability of investors to freely trade on our exchanges,
- The taxation or repatriation of profits from such trading,
- The manner in which securities are traded, cleared and settled on our exchanges and clearing corporation.

The above may have a material adverse effect on our business, financial condition, results of operations and prospects.

Board of Directors

The term of the previous Board of Directors of PSX was set to expire in April 2024. At a meeting held on February 24, 2024, the Board decided to have a new Board consisting of 10 Directors (excluding the Chief Executive Officer), which comprised of 7 Shareholder Directors (with 1 seat reserved for a female director) and 3 Independent Directors.

The election of Shareholder Directors took place on April 3, 2024, at an Extraordinary General Meeting (EGM) of PSX, in accordance with the requirements of the Companies Act, 2017 and the Securities and Exchange (Licensing and Operations) Regulations, 2016. With necessary clearance of the Securities and Exchange Commission of Pakistan (SECP), 7 Shareholder Directors were elected unopposed at the EGM for a term of 3 years commencing from April 19, 2024.

Following the election of Shareholder Directors, the SECP approved the appointment of 3 Independent Directors on the Board of PSX with effect from April 19, 2024, based on recommendation of the Board. Additionally, Dr. Shamshad Akhtar, an Independent Director, was elected as the Chairperson of the Board on June 11, 2024 for new Board's term.

The Board places its appreciation on record for the contributions made by the outgoing directors and wishes them the best in their future endeavors.

As at the end of financial year 2023-24, the Board of Directors of PSX consisted of eleven (11) Directors which included:

Male Directors 9

Female Directors 2

Additionally, the composition of the Board was as follows:

Shareholder Directors (Non-Executive)

- | | |
|----------------------------------|----------------------|
| (i) Mr. Nihal Cassim | (ii) Mr. FU Chaoqing |
| (iii) Mr. Ahmed Chinoy, H.I, S.I | (iv) Mr. You Hang |
| (v) Dr. FU Hao | (vi) Ms. Gu Junmei |
| (vii) Mr. Nadeem Naqvi | |

Independent Directors (Non-Executive)

- (i) Dr. Shamshad Akhtar
- (ii) Mr. Adnan Asad
- (iii) Mr. Ruhail Muhammad

Chief Executive Officer (Executive)

- (i) Mr. Farrukh H. Khan

During the financial year, 11 meetings of the Board (6 scheduled and 5 emergent) were held, for which the Directors' attendance is enclosed as Annexure I to this report.

Subsequent to year end Mr. Farrukh H. Khan tendered his resignation and the Board with the utmost respect for Mr. Khan's decision to pursue other opportunities, accepted his resignation and acknowledged his contribution to the progress that PSX and Pakistan's capital markets have achieved during his tenure.

Board Committees

In compliance with the 'Plan for Segregation of Commercial and Regulatory Functions of Stock Exchanges', approved by SECP, the Securities Exchanges (Licensing and Operations) Regulations, 2016 and the Listed Companies (Code of Corporate Governance) Regulations, 2019 and in order to meet the specific requirements of the business of PSX as a frontline regulator and a commercial entity, the Board has constituted a number of committees out of which, the main statutory committees are Audit Committee, Human Resources & Remuneration Committee, Nomination Committee and Regulatory Affairs Committee. Subsequent to the commencement of term of the new Board on April 19, 2024, the Committees of the Board were reconstituted by the Board.

The attendance of members at the meetings of aforementioned Committees is enclosed as Annexure II to the Directors' Report.

Auditors

The present auditors, M/s. Grant Thornton Anjum Rahman, Chartered Accountants, have retired. The Board as suggested by the Audit Committee in recognition of the fact that the present auditors have been engaged with the company for 5 years, has recommended the appointment of A.F Ferguson and Co. Chartered Accountants as statutory auditors of the company at an overall fee of Rs. 23 million (excluding out of pocket expenses and government levies) for the year ending June 30, 2025 for the approval of the members.

The Audit Firm have been given a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP). They have confirmed that their firm is fully compliant with the Code as promulgated by the SECP and the International Federation of Accountants (IFAC) Guidelines on Code of Ethics, as adopted by the ICAP. The Auditors have provided their consent to act as Auditors.

The external auditors have not been appointed to provide any other service which may impair their independence and they have confirmed that they have observed IFAC guidelines in this respect.

Revised Content of the Independent Auditor's Report

There has been no change in the International Auditing and Assurance Standards Board (IAASB) set of auditing standards dealing with the auditors reporting requirements adopted by the SECP in its regulations on auditors reporting obligations issued in April 2018.

Corporate Governance

The Board of Directors of PSX is dedicated to upholding good corporate governance practices, focusing on transparency and disclosure. The Board and the Management are aware of their responsibilities and oversee capital market operations to improve the accuracy, comprehensiveness, and transparency of financial and non-financial information.

The Board is pleased to apprise that PSX has adopted the best corporate governance practices and complied with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019, as fully explained in the Statement of Compliance annexed to the Annual Report.

Board Performance Evaluation

The PSX Board has established a formal and effective process for conducting annual performance evaluation of the Board, its Committees, and Individual Directors. As per the decision of the Board, the evaluation is carried out internally each year with external evaluation conducted at least once every three years to adhere to SECP's guidelines. During the financial year, internal evaluation was conducted for the Board, its Committees and Individual Directors, including the CEO.

Directors' Remuneration

During the last quarter of the financial year, the Board updated the remuneration policy for Directors, effective June 11, 2024. According to the new policy, each Non-Executive Director of PSX shall be entitled to sum of PKR 150,000 and PKR 100,000 on account of meeting fees (subject to applicable tax) respectively for attending each meeting of the Board of Directors and the Board-level Committee(s), of which such Director is a member. The Independent Directors of PSX shall also be entitled to honorarium for hearing appeals of PSX's TRE Certificate Holders and Listed Companies against the enforcement orders of PSX's Chief Regulatory Officer at PKR 25,000/- per hearing (subject to applicable tax). Additionally, the Chairperson is entitled to 1800cc Company maintained car, along with driver and 200 liters of fuel per month. This revision in director's remuneration was made at the start of the new Board's term after a gap of 3 years.

For more information on remuneration derived by the Directors and the CEO in FY2023-24, please refer note 29 to the financial statements of PSX, annexed to the Annual Report.

Adequacy of Internal Financial Controls and Risk Management

Internal controls and risk management policies are designed to provide reasonable assurance regarding the effectiveness and efficiency of the PSX's operations, reliability of financial information and compliance with applicable laws and regulations. Management ensures an efficient and effective Internal Controls and Risk Management System by carrying out risk assessment, identifying controls, reviewing pertinent policies/ procedures, and establishing relevant control procedures and monitoring systems. The Internal Control and Risk Management System has been designed to provide reasonable assurance to the shareholders and Board of Directors. The Management considers that the existing Internal Control and Risk Management System is adequate and has been effectively implemented and monitored.

Directors' Responsibility in Respect of Adequacy of Internal Financial Controls and Risk Management

It is the duty of the Board of Directors to ensure that a system of sound internal control and risk management is established, which is effectively implemented and maintained at all levels within the company.

Moreover, the Audit Committee constituted by and reporting to the Board, among other matters, is also mandated to ascertain that the internal control systems, including financial and operational controls, with due consideration of the relevant risks for that area, accounting systems for timely and appropriate recording of revenue and expenditure, receipts and payments, as well as assets and liabilities, along with the reporting structure, are adequate and effective. These are also mentioned in detail under the Management Assertions and Description along with the Auditors' Reports thereon as required under Securities Exchanges (Licensing and Operations) Regulations, 2016 annexed in the Annual Report.

Environmental Impact

The business of Exchange has no material negative impact on the environment.

Corporate Social Responsibility

Pakistan Stock Exchange, being a national institution and a responsible corporate citizen, strongly realizes its duty towards society. In view of this, the Exchange has a defined policy with respect to Corporate Social Responsibility (CSR), whereby, an amount equivalent to 2% of the net profit before tax may be utilized for such activities.

In CSR Activities, PSX contributed to the Patients' Behbud Society for AKUH (Aga Khan University Hospital). A cycling event, 'Cycle for Change', was held whereby sponsorship proceeds were donated to The Citizens Foundation (TCF) for educating a classroom of 35 students for the entire year. For an NGO called Million Smiles, PSX contributed to their four-day leadership training boot camp for female youth from flood affected areas of remote valleys and rural villages. PSX also collaborated with Million Smiles for financial inclusion and digital literacy focused on women.

Pattern of Shareholding

The pattern of shareholding of PSX is annexed in the Annual Report.

Categories of Shareholding

The categories of shareholding are annexed in the Annual Report.

Acknowledgement

The Board wishes to express its deep appreciation to all stakeholders of the Exchange for their ongoing commitment and enormous support to PSX, as well as the capital market. The Board places on record its gratitude to the Securities and Exchange Commission of Pakistan, the State Bank of Pakistan, the Federal Board of Revenue and the Ministry of Finance, Revenue & Economic Affairs, Government of Pakistan, for their active collaboration, support and guidance to the Exchange throughout the year.

The Board would also like to thank all the Directors for their guidance and support, and acknowledges and appreciates the contribution and dedication of all staff members of PSX in performing their tasks with diligence and commitment, particularly in the recent unprecedented challenging work environment.

For and on behalf of the Board of Directors



DR. SHAMSHAD AKHTAR

Chairperson

Karachi

Dated: September 18, 2024



NADEEM NAQVI

Acting Chief Executive Officer

Board of Directors - Attendance at Meetings

Annexure I

Name of Director	From July 01, 2023 to April 19, 2024		From April 19, 2024 to June 30, 2024	
	Meetings entitled	Meetings attended	Meetings entitled	Meetings attended
Dr. Shamshad Akhtar (Chairperson) [1]	09	09	01	01
Mr. Farrukh H. Khan (CEO)	09	09	02	02
Mr. Ahmed Chinoy, H.I, S.I [2]	09	09	02	02
Mr. You Hang [2]	09	09	02	02
Dr. FU Hao [2]	09	08	02	02
Mr. Nadeem Naqvi [2]	09	09	02	02
Ms. Yu Huali [3]	09	03	-	-
Mr. Jiang Ketao [3]	09	05	-	-
Mr. Javed Kureishi [3]	09	09	-	-
Mr. M. Salahuddin Manzoor [3]	09	09	-	-
Mr. Zubair Razzak Palwala [3]	09	08	-	-
Mr. Nihal Cassim [4]	-	-	02	02
Mr. FU Chaoqing [4]	-	-	02	02
Ms. Gu Junmei [4]	-	-	02	02
Mr. Adnan Asad [5]	-	-	01	01
Mr. Ruhail Muhammad [5]	-	-	01	01

- [1] Re-appointed as Independent Director on the Board with approval of SECP, subsequent to the Election of Shareholder Directors, effective April 19, 2024. Moreover, Dr. Akhtar was appointed as Chairperson of the Board on June 11, 2024.
- [2] Re-elected as Shareholder Director, effective April 19, 2024, at an Extraordinary General Meeting held on April 03, 2024.
- [3] Retired upon expiry of the previous Board's term, effective April 19, 2024.
- [4] Elected as Shareholder Director effective April 19, 2024, at an Extraordinary General Meeting held on April 03, 2024.
- [5] Appointed as Independent Director on the Board with approval of SECP, subsequent to the Election of Shareholder Directors, effective April 19, 2024.

Leaves of absence were granted to the Directors who could not attend some of the Board meetings.

Regulatory Affairs Committee

Name of Committee Member	Meetings Entitled	Meetings Attended
	From July 01, 2023 to April 19, 2024	
Dr. Shamshad Akhtar (Chairperson) [1]	02	02
Mr. Javed Kureishi [1]	05	05
Mr. Mohammad Salahuddin Manzoor	07	07
Mr. Nadeem Naqvi	07	07
	From April 19, 2024 to June 30, 2024	
Dr. Shamshad Akhtar (Chairperson)	-	-
Mr. Adnan Asad	-	-
Mr. Nadeem Naqvi	-	-

[1] For some part of the financial year, Mr. Kureishi served as RAC's Chair, in place of Dr. Akhtar.

Audit Committee

Name of Committee Member	Meetings Entitled	Meetings Attended
	From July 01, 2023 to April 19, 2024	
Mr. Javed Kureishi (Chairman)	05	05
Mr. Ahmed Chinoy, H.I, S.I	05	05
Mr. You Hang	05	04
	From April 19, 2024 to June 30, 2024	
Mr. Ruhail Muhammad (Chairman)	-	-
Mr. Ahmed Chinoy, H.I, S.I	-	-
Mr. Nadeem Naqvi	-	-

Human Resources & Remuneration Committee

Name of Committee Member	Meetings Entitled	Meetings Attended
	From July 01, 2023 to April 19, 2024	
Dr. Shamshad Akhtar (Chairperson)	02	02
Mr. You Hang	02	02
Mr. Mohammad Salahuddin Manzoor	02	02
Mr. Zubair Razzak Palwala	02	02
Mr. Farrukh H. Khan	02	02
	From April 19, 2024 to June 30, 2024	
Dr. Shamshad Akhtar (Chairperson)	-	-
Mr. Adnan Asad	-	-
Mr. Nihal Cassim	-	-
Mr. FU Chaoqing	-	-
Mr. Ahmed Chinoy, H.I, S.I	-	-
Mr. You Hang	-	-
Mr. Farrukh H. Khan	-	-

Notes:

- Subsequent to commencement of new Board's term on April 19, 2024, the Committees of the Board were reconstituted on June 11, 2024. The latest compositions of the Board Committees are available at 'Corporate Information' section of the Annual Report.
- Leaves of absence was granted to the committee member, who could not attend the meeting.
- No meeting of Nomination Committee was held during the financial year.

Review Report on Statement of Compliance Contained in Listed Companies [Code of Corporate Governance] Regulations, 2019



Grant Thornton Anjum Rahman

1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

INDEPENDENT AUDITOR'S REVIEW REPORT

T +92 21 35672951-56

TO THE MEMBERS OF PAKISTAN STOCK EXCHANGE LIMITED

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 Pakistan Stock Exchange Limited (the Company) for the year ended 30 June 2024 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 transactions. 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 2024.

Grant Thornton Anjum Rahman
Chartered Accountants
Karachi

Date: 23 September 2024
UDIN: CR202410093LBpD2t9o

Statement of Compliance with Listed Companies [Code of Corporate Governance] Regulations, 2019

For the year ended June 30, 2024

Pakistan Stock Exchange Limited (the Exchange) has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) in the following manner:

1. The Board of Directors of the Exchange (the Board) consisted of eleven (11) directors as on June 30, 2024, as per the following categories:

Category	Number of Directors
Male Directors	09
Female Directors	02

2. The composition of the Board as on June 30, 2024, was as follows:

Category	Names
Independent Directors	(i) Dr. Shamshad Akhtar (Chairperson) (ii) Mr. Adnan Asad (iii) Mr. Ruhail Muhammad
Other Non-Executive / Shareholder Directors	(i) Mr. Nihal Cassim (ii) Mr. Fu Chaoqing (iii) Mr. Ahmed Chinoy (iv) Mr. You Hang (v) Dr. FU Hao (vi) Ms. Gu Junmei (vii) Mr. Nadeem Naqvi
Executive Director	(i) Mr. Farrukh H. Khan (Chief Executive Officer)

Note: The 'Female Directors' category includes Dr. Shamshad Akhtar and Ms. Gu Junmei.

The best practices of corporate governance entail having an optimal number and mix of Board members with core competencies, adequate skills and experience; and the current Board of the Exchange adequately meets the requirements. The fraction (2:3) was not rounded up for appointment of independent directors, to reflect true representation of the shareholders on the Board by having seven (7) shareholder directors, and three (3) independent directors, thereby keeping an overall size of the Board at 10 directors, excluding Chief Executive Officer of the Exchange.

3. The directors have confirmed that none of them is serving as a director on more than seven (7) listed companies, including the Exchange;
4. The Exchange has prepared a 'Code of Conduct' and has ensured that appropriate steps have been taken to disseminate it throughout the Exchange along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Exchange. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Exchange;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/Shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Companies Act) and the Regulations;

7. All meetings of the Board were presided over by the Chairperson, except for a meeting where the Chairman was elected by the Board. The Board has complied with the requirements of the Companies Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board of Directors have a formal policy and transparent procedures for remuneration of directors, in accordance with the Companies Act and the Regulations;
9. As at the end of financial year, 5 out of 11 directors are already in possession of the prescribed certification under Directors' Training Program (DTP). Additionally, the newly elected or appointed directors endeavour to obtain the said certification within the timeframe allowable under the Regulations;
10. The Board approves the appointment of Chief Financial Officer (CFO), Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment in compliance with relevant requirements of the Regulations. Nevertheless, during the financial year, there was no new appointment of CFO, Head of Internal Audit and the Company Secretary;
11. The CFO and the Chief Executive Officer (CEO) duly endorsed the financial statements before approval of the Board;
12. Pursuant to the provisions of the Regulations, the Board formed committees comprising of members given below, as on June 30, 2024:

Name of Committee**Audit Committee****Composition**

- (i) Mr. Ruhail Muhammad (Chairman)
- (ii) Mr. Ahmed Chinoy (Member)
- (iii) Mr. Nadeem Naqvi (Member)

**Human Resources and
Remuneration Committee**

- (i) Dr. Shamshad Akhtar (Chairperson)
- (ii) Mr. Adnan Asad (Member)
- (iii) Mr. Nihal Cassim (Member)
- (iv) Mr. Fu Chaoqing (Member)
- (v) Mr. Ahmed Chinoy (Member)
- (vi) Mr. You Hang (Member)
- (vii) Mr. Farrukh H. Khan (Member)

Nomination Committee

- (i) Dr. Shamshad Akhtar (Chairperson)
- (ii) Mr. Nihal Cassim (Member)
- (iii) Mr. You Hang (Member)
- (iv) Mr. Ruhail Muhammad (Member)

In addition to above, the Board has formed the Regulatory Affairs Committee as required under the Securities Exchanges (Licensing and Operations) Regulations, 2016, the composition of which, as at the end of financial year, was as follows:

Name of Committee**Regulatory Affairs Committee****Composition**

- (i) Dr. Shamshad Akhtar (Chairperson)
- (ii) Mr. Adnan Asad (Member)
- (iii) Mr. Nadeem Naqvi (Member)

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance;

14. The frequency of meetings of the committees held during the financial year, were as follows:

Name of Committee	Number of Meetings
Audit Committee	5
Human Resources and Remuneration Committee	2
Nomination Committee	-
Regulatory Affairs Committee	7

15. The Board has set up an effective internal audit function consisting of suitably qualified and experienced personnel. The internal auditors are conversant with policies and procedures of the Exchange.

16. The statutory auditors of the Exchange have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan (ICAP) 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 ICAP 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 CEO, CFO, Head of Internal Audit, Company Secretary or Directors of the Exchange;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Companies Act, the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard; and

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

On behalf of the Board of Directors



DR. SHAMSHAD AKHTAR
Chairperson of the Board

Karachi

Dated: September 18, 2024



NADEEM NAQVI
Acting Chief Executive Officer

THIS PAGE IS LEFT INTENTIONALLY BLANK

Ode to Innovation



* May 2023

Launch and installation of the cutting edge, state-of-the-art, high-performance and future-ready New Trading & Surveillance System

* Reference: <https://www.psx.com.pk/psx/files/?file=208875-1.pdf>

* October 2023

First ESG Report published by PSX in its Annual Report for the year 2022-23

* Reference: <https://www.psx.com.pk/psx/themes/psx/uploads/Annual-Report-2023.pdf>



Unconsolidated Financial Statements

Independent Auditor's Report on the Unconsolidated Financial Statements



Grant Thornton Anjum Rahman

1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

T +92 21 35672951-56

INDEPENDENT AUDITOR'S REPORT

To the members of Pakistan Stock Exchange Limited

Report on the Audit of Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Pakistan Stock Exchange Limited (the Company), which comprise the unconsolidated statement of financial position as at 30 June 2024, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows for the year then ended, and notes to the financial statements, including material 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 and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof confirm with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2024 and of the profit, total comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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.



Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Following are the key audit matters:

Key audit matter	How the matter was addressed in our audit
IT Systems and controls over revenue recognition	
<p>Trading fee generated from the transactions processed is the key driver of the Company's revenue. Therefore, revenue recognition on trading fees relies on the NTS trading data processing which involves automated controls, system generated information and system interfaces, which are underpinned by the design and operating effectiveness of the IT general controls over the key IT systems and the automated application controls over the processes.</p> <p>Due to the significance of IT systems and controls over revenue process, we have identified this as a key audit matter.</p>	<p>Our audit procedures among others included:</p> <ul style="list-style-type: none"> we obtained a front-to-end understanding of the revenue recognition and reporting processes and identified the automated controls and the corresponding key IT systems that support the processes. we assessed the IT controls environment, reviewed the IT governance framework and tested the IT general controls of the key IT application that support the revenue recognition and reporting to evaluate whether the system dependent controls and information could be relied on throughout the period. we tested the identified automated application controls, which are critical to the revenue recognition processes.
Contingencies	
<p>As disclosed in note 22 to the unconsolidated financial statements, the Company is exposed to certain tax and operations related contingencies amounting to Rs. 362.77 million as of 30 June 2024.</p> <p>Contingencies require management to make judgements and estimates in relation to the interpretation of laws and regulations and the probability of outcome and financial impact, if any, on the Company for disclosure and recognition of provision that may be required against such contingencies.</p> <p>Due to significance of the contingencies in relation to the unconsolidated financial statements of the Company, we have identified this as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We obtained and reviewed details of the pending tax and operational matters and discussed the same with the Company's management. Circularised confirmations to the Company's external legal and tax counsels for their views. Reviewed correspondence of the Company with the relevant authorities including judgements or orders passed by the competent authorities in relation to the issues involved or matters which have similarities with the issues involved. Assessed the adequacy and appropriateness of disclosures for compliance with the requirements of applicable financial reporting framework.



Information Other than the Unconsolidated 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 for the year ended 30 June 2024, but does not include the unconsolidated financial statements and our auditor's report thereon.

Our opinion on the unconsolidated 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 unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated 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 in 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 unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated 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 unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated 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 are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated 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 users taken on the basis of these unconsolidated 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 unconsolidated 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 unconsolidated financial statements, including the disclosures, and whether the unconsolidated 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.

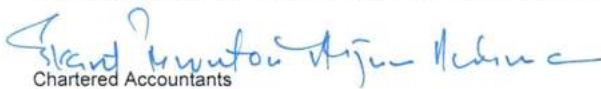
From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation 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:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- 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;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- 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 **Khurram Jameel**.


Chartered Accountants
Karachi

Date: 26 September 2024
UDIN: AR202410093AIE92yHGJ

THIS PAGE IS LEFT INTENTIONALLY BLANK

Unconsolidated Statement of Financial Position

As at June 30, 2024

	Note	2024	2023
		----- (Rupees in '000) -----	
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	6	4,284,524	4,344,561
Intangible assets	7	1,127,027	896,613
Investment property	8	596,086	581,733
Long term investments	9	4,377,324	3,644,421
Long term deposits		41,832	42,411
Long term loans	10	17,940	20,497
		10,444,733	9,530,236
CURRENT ASSETS			
Trade debts	11	448,628	165,901
Loans and advances	12	68,867	58,095
Prepayments		27,824	23,299
Other receivables	13	95,915	89,714
Short term investments	14	2,224,310	2,181,645
Taxation – net		680,580	630,112
Cash and bank balances	15	198,220	357,280
		3,744,344	3,506,046
TOTAL ASSETS		14,189,077	13,036,282
EQUITY AND LIABILITIES			
Authorized capital	16	10,000,000	10,000,000
Share capital	16	8,014,766	8,014,766
Reserves		2,523,618	1,448,534
Revaluation surplus on property and equipment - net	17	900,796	932,862
		11,439,180	10,396,162
NON-CURRENT LIABILITIES			
Dara F. Dastoor scholarship fund		2,005	2,005
Long term deposits	18	469,981	448,673
Long term payable	19	-	89,131
Deferred tax liability	20	36,851	64,705
		508,837	604,514
CURRENT LIABILITIES			
Unclaimed dividend		1,429	1,429
Current portion of long term payable	19	157,601	308,469
Trade and other payables	21	2,082,030	1,725,708
		2,241,060	2,035,606
CONTINGENCIES AND COMMITMENTS	22		
TOTAL EQUITY AND LIABILITIES		14,189,077	13,036,282

The annexed notes from 1 to 35 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Chairperson

Unconsolidated Statement of Profit or Loss

For the Year Ended June 30, 2024

	Note	2024	2023
		----- (Rupees in '000) -----	
Revenue			
Listing fee	23	762,306	713,935
Income from exchange operations	24	1,015,650	510,152
Mark-up / interest income	25	268,093	175,121
Rental income from investment property		70,571	65,329
		2,116,620	1,464,537
Operating cost			
Administrative expenses	26	(2,003,775)	(1,574,399)
		112,845	(109,862)
Operating profit / (loss)			
Other income / (expenses)	27	53,222	(101,029)
Share of profit from associates	9.2.1	943,683	460,637
		996,905	359,608
Profit before income tax, minimum tax differential and final tax		1,109,750	249,746
Minimum tax differential		(58,546)	(33,602)
Final taxes		(5,123)	(2,938)
		(63,669)	(36,540)
Profit before income tax		1,046,081	213,206
Income tax			
- Current		(42,210)	(43,044)
- Deferred		23,932	49,627
		(18,278)	6,583
Net profit for the year		1,027,803	219,789
Basic and diluted earnings per share	28	1.28	0.27

The annexed notes from 1 to 35 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Chairperson

Unconsolidated Statement of Comprehensive Income

For the Year Ended June 30, 2024

	2024	2023
	----- (Rupees in '000) -----	
Net profit for the year	1,027,803	219,789
Other comprehensive income		
<i>Items not to be reclassified to statement of profit and loss in subsequent periods:</i>		
Actuarial loss on employees' gratuity fund		
- Company	(59,327)	(32,608)
- Associates	(16,038)	(17,937)
	(75,365)	(50,545)
Effect of deferred tax		
- Company	19,578	10,761
- Associates	4,256	4,677
	23,834	15,438
	(51,531)	(35,107)
Unrealized gain on revaluation of investment at FVOCI	82,402	13,978
Effect of deferred tax	(15,656)	(2,656)
	66,746	11,322
Total comprehensive income for the year	1,043,018	196,004

The annexed notes from 1 to 35 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Chairperson

Unconsolidated Statement of Cash Flows

For the Year Ended June 30, 2024

	2024	2023
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,109,750	249,746
Non-cash adjustments		
Depreciation	170,199	178,537
Amortisation	150,031	58,976
Provision for gratuity	65,636	45,708
Mark-up / interest income	(268,093)	(175,121)
Allowance for ECL	15,460	7,500
Write-off during the year	5,565	-
Gain on disposal of fixed assets	(10,794)	(878)
Share of profit of associates	(943,683)	(460,637)
	(815,679)	(345,915)
	294,071	(96,169)
Working capital adjustments:		
Trade debts	(298,187)	(75,262)
Loans and advances	(10,772)	(7,875)
Prepayments	(4,525)	(4,225)
Other receivables	(6,201)	(9,909)
Trade and other payables	284,053	191,449
	(35,632)	94,178
Income tax paid	(156,347)	(119,178)
Gratuity paid	(52,694)	(45,116)
Mark-up / interest received	256,570	170,835
Long term deposit - net	21,887	(26,905)
Long term loans	2,557	(2,415)
Long term payable	(239,999)	51,399
	(168,026)	28,620
Net cash generated from operating activities	90,413	26,629

Unconsolidated Statement of Cash Flows

For the Year Ended June 30, 2024

CASH FLOWS FROM INVESTING ACTIVITIES

Capital expenditure
Proceeds from sale of fixed assets
Dividend received
Proceeds from sale of investments
Investments purchased
Net cash (used in) / generating from investing activities
Net (decrease) / increase in cash and cash equivalents

Cash and cash equivalents at the beginning of the year

CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR

The annexed notes from 1 to 35 form an integral part of these financial statements.

2024	2023
----- (Rupees in '000) -----	
(516,319)	(247,034)
16,588	1,797
281,400	288,584
6,431,351	4,759,904
(6,462,493)	(4,751,224)
(249,473)	52,027
(159,060)	78,656
357,280	278,624
198,220	357,280



Chief Financial Officer



Chief Executive Officer



Chairperson

Unconsolidated Statement of Changes in Equity

For the Year Ended June 30, 2024

		Reserves					
	Share Capital	Un-appropriated profit	Revaluation surplus on investments at FVOCI	Share of associates	Total	Revaluation surplus on property and equipment	Total
	----- (Rupees in '000) -----						
Balance as at 01 July 2022	8,014,766	1,261,391	17,578	(61,592)	1,217,377	968,015	10,200,158
Net profit for the year	-	219,789	-	-	219,789	-	219,789
Other comprehensive income / (loss)	-	(21,847)	11,322	(13,260)	(23,785)	-	(23,785)
Total comprehensive income for the year	-	197,942	11,322	(13,260)	196,004	-	196,004
Transfer from revaluation surplus on property and equipment incremental depreciation - net of tax	-	35,153	-	-	35,153	(35,153)	-
Balance as at 30 June 2023	8,014,766	1,494,486	28,900	(74,852)	1,448,534	932,862	10,396,162
Net profit for the year	-	1,027,803	-	-	1,027,803	-	1,027,803
Other comprehensive income / (loss)	-	(39,749)	66,746	(11,782)	15,215	-	15,215
Total comprehensive income for the year	-	988,054	66,746	(11,782)	1,043,018	-	1,043,018
Transfer from revaluation surplus on property and equipment incremental depreciation - net of tax	-	32,066	-	-	32,066	(32,066)	-
Balance as at 30 June 2024	8,014,766	2,514,606	95,646	(86,634)	2,523,618	900,796	11,439,180

The annexed notes from 1 to 35 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Chairperson

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

1 LEGAL STATUS AND NATURE OF OPERATIONS

- 1.1** Pakistan Stock Exchange Limited [the Company or PSX] was incorporated under the Companies Act, 1913 (now Companies Act, 2017) on 10 March 1949 as a Company Limited by Guarantee. However, on 27 August 2012 the Company was re-registered as public company limited by shares under the Stock Exchanges (Corporatisation, Demutualisation and Integration) Act 2012 (XV of 2012). The Company is listed on PSX with effect from 29 June 2017.

The Company is engaged in conducting, regulating and controlling the trade or business of buying, selling and dealing in shares, scripts, participation term certificates, modaraba certificates, stocks, bonds, debentures stock, government papers, loans, and any other instruments and securities of like nature including, but not limited to, special national fund bonds, bearer national fund bonds, foreign exchange bearer certificates and documents of similar nature, issued by the Government of Pakistan or any other agency authorised by the Government of Pakistan.

The registered office of the Company is situated at Stock Exchange Building, Stock Exchange Road, Karachi. Area of land belongs to the Company is 9,408 Sq. yards out of which occupied space by the buildings are 4,050 Sq. yards and open area is 5,358 Sq. yards.

- 1.2** Shareholders of the Company include the following foreign shareholders:

China Financial Futures Exchange Company Limited

Legal Status Limited by Shares

Owners CFFEX was setup jointly by Shanghai Futures Exchange, Zhengzhou Commodity Exchange, Dalian Commodity Exchange, Shanghai Stock Exchange and Shenzhen Stock Exchange, each accounting for 20% of total shares.

Chief Executive Officer Mr. Zhang Xiaogang

Shanghai Stock Exchange limited

Legal Status Non-profit organization directly governed by the China Securities Regulatory Commission.

Owners Membership-based exchange

Chief Executive Officer Mr. CAI Jianchun

Shenzhen Stock Exchange Limited

Legal Status Non-profit organization directly governed by the China Securities Regulatory Commission.

Owners Membership-based exchange

Chief Executive Officer Mr. Li Jizun

2 STATEMENT OF COMPLIANCE

- 2.1** 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 Standards) issued by the International Accounting Standard Board (IASB) 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 Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2** These are separate financial statements of the Company in which investment in subsidiaries and associates are carried at equity accounting less accumulated impairment losses, if any.

3 BASIS OF MEASUREMENT

- 3.1** These financial statements have been prepared under the historical cost convention except as mentioned in note 5.
- 3.2** These financial statements are presented in Pakistani Rupees which is the Company's functional and presentation currency.

4 NEW ACCOUNTING STANDARDS

4.1 Accounting standards effective for the year

There are certain new standards and amendments that are mandatory for the Company's accounting period beginning on 01 July 2023, but are considered either to be not relevant or to not have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements.

4.2 Accounting standards not yet effective

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the Company's accounting periods beginning on / after 01 July 2024. However, the Company expects that these standards will not have any material impact on the future financial statements of the Company.

5 MATERIAL ACCOUNTING POLICIES

5.1 Operating fixed assets

Leasehold land is carried at revalued amount less subsequent accumulated impairment losses, if any. Buildings on leasehold land and lift, generators and electric installation are carried at revalued amount, less subsequent accumulated depreciation and accumulated impairment losses. All other fixed assets are carried at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is charged to statement of profit or loss applying the diminishing balance method over the estimated useful life of respective assets, except for "Computers and related accessories" which are depreciated using straight-line method. The assets' residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year end. In respect of additions and disposals of assets, depreciation is charged from the month in which asset is available to use and continue depreciating it until it is derecognised i.e. up to the month preceding the disposal, even if during that period the asset is idle. Useful lives are determined by the management based on expected usage of asset, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of assets and other similar factors.

Maintenance and repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired. Gains and losses on disposal of assets, if any, are included in statement of profit or loss.

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss in the year the asset is derecognised.

5.2 Capital work-in-progress

These are stated at cost less any subsequent accumulated impairment losses, if any. It consists of expenditure incurred and advances made in respect of tangible and intangible assets in the course of their construction and installation.

5.3 Surplus on revaluation of property and equipment

Surplus on revaluation is recognised in other comprehensive income as surplus on revaluation of property and equipment which is presented as separate component within equity. Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value.

Cost / revalued amount at the date of the revaluation is adjusted / eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. To the extent of the incremental depreciation charged on the revalued assets, the related surplus on revaluation of property, plant and equipment (net of deferred taxation) is transferred directly to un-appropriated profit.

If an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in statement of comprehensive income and accumulated in equity under the heading of revaluation surplus. If an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in the statement of profit or loss. However, the decrease is recognised in the statement of other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognised in the statement of comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus. However, the increase is recognised in the statement of profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in the statement of profit or loss. The revaluation reserve is not available for distribution to the Company's shareholders.

5.4 Intangible assets

These are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is charged to statement of profit or loss using the straight-line method.

Gains or losses on disposal of intangible assets, if any, are included in statement of profit or loss.

5.5 Investment property

Investment property is stated at fair value, which reflects market conditions at the each reporting date. Gain or loss on remeasurement of investment property at fair value is recognized in statement of profit or loss. Fair value is evaluated annually by an independent professional valuer. Investment property is derecognized when either it has been disposed off or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized as income in the period of derecognition.

5.6 Long terms investments

Investment in subsidiary and associates are accounted for using the equity method, whereby the investment is initially recorded at cost and adjusted thereafter for the post acquisition change in the Company's share of the net assets of the investee. The statement of profit or loss reflects the Company's share of the results of the operations of the investee. Where there has been a change recognised in other comprehensive income, the Company recognises its share in its comprehensive income. The Company determines at each reporting date whether there is any objective evidence that the investment is impaired. If this is the case the Company calculates the amount of impairment as the difference between the recoverable amount and its carrying value and recognises the same in the statement of profit or loss.

5.7 Financial Instruments

5.7.1 Initial recognition and measurement

Financial assets and liabilities are initially recognised on the date the Company becomes a party to the contractual provisions of the instrument.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss.

5.7.2 Classification and subsequent measurement

The Company classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

Financial assets

The Company classifies its financial assets as subsequently measured at amortised cost or measured at Fair Value Through other comprehensive Income (FVOCI) on the basis of both, the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

- Debt instruments at FVOCI

These assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and foreign exchange gains and losses are recognised in profit or loss. On de-recognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss. Debt instruments are subject to impairment under Expected Credit Loss model. The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon de-recognition of the assets.

- Equity instruments at FVOCI

Upon initial recognition, the Company elects to classify irrevocably its equity investments as equity instruments at FVOCI when they meet the definition of Equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The Company's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. Such classification is determined on an instrument by instrument basis.

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

- Financial assets at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortized cost are subject to impairment under Expected Credit Loss model.

Financial liabilities

All financial liabilities of the Company are subsequently measured at amortised cost using effective interest method.

5.7.3 De-recognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Company has:

- a) Transferred substantially all of the risks and rewards of the asset; or
- b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

5.7.4 Impairment of financial assets

Loss allowances for trade debts and other receivables are always measured applying simplified approach at an amount equal to lifetime ECLs.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Company uses the provision matrix as a practical expedient to measuring ECLs on trade debts and other receivables, based on days past due for groupings of receivables with similar loss patterns. Receivables are grouped based on their nature.

The default rates are benchmarked and adjusted for forward looking information and the rates in provision matrix are based on days past due for various customer segments that have similar loss patterns. The provision matrix is initially based on the Company's historical observed default rates which is then adjusted for forward looking information.

5.7.5 Offsetting of financial assets and financial liabilities

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

5.8 Cash and cash equivalents

Cash in hand and at banks are carried at cost. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and at bank and short term investments that are highly liquid in nature and are readily convertible into known amounts of cash, which are subject to insignificant risks of changes in value.

5.9 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

5.10 Revenue recognition

- The Company recognises revenue from initial listing and further issues over a period the Company discharges its performance obligation in relation to listing services. The Company recognises revenue from annual listing fee on a straight-line basis over the period to which the fee relates, as this reflects the extent of the Company's progress towards completion of the performance obligation under the contract.
- Income pertaining to trading by members is recognized at the trade date to which the transaction pertains when the obligation to provide trading services has been fulfilled.
- Income pertaining to non-trading fee and facilities and equipment services are recognized over the period of use as the Company satisfies obligation to provide services, which are provided both at a point in time and over a period of time.
- Income from regulatory fee is recognized on accrual basis.
- Income from membership fee is recognized over a period of twelve months on straight line basis.
- Rental income is recognized over a period of twelve months on straight line basis.
- Return on investments and bank balances is recognised on time proportionate basis.

5.11 Taxation

Current

The charge for current taxation is based on taxable income at the current rates in accordance with Income tax ordinance, 2001.

Pursuant to the release of circular 7/2024 by the Institute of Chartered Accountants of Pakistan, the Company has elected to change the method of accounting for minimum taxes and final taxes.

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

Minimum tax

The Company has elected to designate the amount calculated on taxable income using the enacted tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax, will then be recognized as a levy falling under the scope of IFRIC 21 / IAS 37.

Final tax

As computation of final taxes under provisions of ITO, 2001 is not based on taxable income, therefore, final taxes fall under levy within the scope of IFRIC 21/IAS 37 and not income tax in the statement of profit or loss.

The numerical reconciliation is not provided as the tax charge of the Company comprise of minimum and final tax under the relevant sections of Income Tax Ordinance, 2001.

Deferred

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which these can be utilized. The carrying amount of deferred tax assets is reviewed at each statement of financial position date and adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantially enacted by the statement of financial position date.

5.12 Staff retirement benefit

The Company operates an approved gratuity fund (defined benefit plan) for all its permanent employees who attain the minimum qualification period for entitlement to gratuity. The Company's costs and contributions are determined based on actuarial valuation carried out at each year end using Projected Unit Credit Actuarial Method. All actuarial gains and losses are recognised in 'other comprehensive income' as they occur and are not reclassified to statement of profit or loss in subsequent periods.

5.13 Impairment

The carrying amounts of non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment of any asset or a group of assets. If any such indication exists, the recoverable amount of that asset is estimated and impairment losses are recognised in the statement of profit or loss.

5.14 Foreign currency translation

Foreign currency transactions during the year are recorded at the exchange rates approximating those ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange which approximate those prevailing on the balance sheet date. Gains and losses on translation are taken to income currently. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

5.15 Accounting estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

The estimates and judgments that have a significant effect on the financial statements are in respect of the following:

	Notes
- Determination of useful lives of property and equipment and intangible assets	6, 6.1, 6.1.1, 6.1.2, 7, 7.1, 7.2
- Classification and valuation of investments	5.7.2 and 9
- Valuation of investment property	8
- Provisions and contingencies	5.9 and 22
- Impairment of financial assets (ECL)	5.7.4
- Provision for taxation and deferred tax	5.11
- Provision for gratuity	5.12
- Revenue recognition	5.10

6. PROPERTY AND EQUIPMENT

	Note	June 30, 2024	June 30, 2023
----- (Rupees in '000) -----			
Operating fixed assets	6.1	4,284,095	4,329,943
Capital work-in-progress		429	14,618
		<u>4,284,524</u>	<u>4,344,561</u>

6.1 Operating Fixed Assets – Tangible

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

June 30, 2024									
	Cost			Rate / period	Accumulated depreciation			Written Down Value	
	As at July 01, 2023	Additions / (Disposals)	Transfer to Investment Property		As at June 30, 2024	Charge for the year / (deletions)	Transfer to Investment Property	As at June 30, 2024	As at June 30, 2024
Leasehold land	2,724,387	-	-	2,724,387	99 years	-	-	-	2,724,387
Building on leasehold land	1,596,755	8,221	(12,990)	1,591,986	5%	259,692	67,138	(2,650)	1,267,806
Lift, generators and electric installation	111,889	3,272 (11,467)	-	103,694	25%	61,609	12,578 (7,319)	-	36,826
Furniture and fixtures	23,670	153 (707)	-	23,116	20%	15,490	1,654 (631)	-	6,603
Office equipment	133,442	18,037 (9,865)	-	141,614	20%	94,627	10,089 (8,410)	-	45,308
Computers and related accessories	756,323	110,789 (2,900)	-	864,212	20% & 33.33%	603,718	75,027 (2,868)	-	188,335
Vehicles	31,150	13 (288)	-	30,875	20%	12,537	3,713 (205)	-	14,830
	5,377,616	140,485 (25,227)	(12,990)	5,479,884		1,047,673	170,199 (19,433)	(2,650)	4,284,095

June 30, 2023									
	Cost			Accumulated depreciation			Written Down Value		
	As at July 01, 2022	Additions / (Disposals)	Transfer to Investment Property	As at June 30, 2023	Rate / period	Charge for the year / (deletions)	Transfer to Investment Property	As at June 30, 2023	As at June 30, 2023
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Leasehold land	2,724,387	-	-	2,724,387	99 years	-	-	-	2,724,387
Building on leasehold land	1,594,169	20,976	(18,390)	1,596,755	5%	71,052	(2,990)	259,692	1,337,063
Lift, generators and electric installation	109,652	2,237	-	111,889	25%	16,473	-	61,609	50,280
Furniture and fixtures	20,758	2,912	-	23,670	20%	1,970	-	15,490	8,180
Office equipment	126,638	8,581 (1,777)	-	133,442	20%	9,373 (1,461)	-	94,627	38,815
Computers and related accessories	742,667	17,066 (3,410)	-	756,323	20% & 33.33%	77,584 (3,128)	-	603,718	152,605
Vehicles	20,506	11,204 (560)	-	31,150	20%	2,085 (240)	-	12,537	18,613
	5,338,777	62,976 (5,747)	(18,390)	5,377,616		178,537 (4,829)	(2,990)	1,047,673	4,329,943
6.1.1 Cost of fully depreciated assets amounts to Rs.453.810 (2023: Rs. 421.579) million.									
6.1.2 The forced sale value of the above mentioned assets which were subject to revaluation determined on the basis of latest revaluation carried out as at 30 June 2024 amounting to Rs. 3,334.314 millions.									
6.1.3 Details of operating fixed assets disposed off:									
	Cost	Accumulated depreciation	Written down value	Sale Proceeds	Gain on disposal	Mode of disposal	Particulars of purchasers	Relationship with purchaser	
(Rupees in '000)									
Caterpillar Diesel Generator Sets and Electric Infrastructure	10,120	6,425	3,695	4,200	505	Insurance claim	TPL Insurance Limited	None	

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

	Note	June 30, 2024	June 30, 2023
7 INTANGIBLE ASSETS		----- (Rupees in '000) -----	
Operating intangibles	7.1	990,001	877,497
Intangibles under development (CWIP)	7.2	137,026	19,116
		<u>1,127,027</u>	<u>896,613</u>

7.1 Operating intangibles

June 30, 2024								
	COST			Rate	ACCUMULATED AMORTISATION		WRITTEN DOWN VALUE	
	As at July 01, 2023	Additions / Transfers	As at June 30, 2024		As at July 01, 2023	Charge for the year	As at June 30, 2024	As at June 30, 2024
	----- (Rupees in '000) -----			%	----- (Rupees in '000) -----			
Computer software	965,821	212,486	1,178,307	10-25	422,107	86,864	508,971	669,336
Internally developed software and market products	709,924	50,049	759,973	25	376,141	63,167	439,308	320,665
	<u>1,675,745</u>	<u>262,535</u>	<u>1,938,280</u>		<u>798,248</u>	<u>150,031</u>	<u>948,279</u>	<u>990,001</u>
June 30, 2023								
	COST			Rate	ACCUMULATED AMORTISATION		WRITTEN DOWN VALUE	
	As at July 01, 2022	Additions / Transfers	As at June 30, 2023		As at July 01, 2022	Charge for the year	As at June 30, 2023	As at June 30, 2023
	----- (Rupees in '000) -----			%	----- (Rupees in '000) -----			
Computer software	422,976	542,845	965,821	25	398,964	23,143	422,107	543,714
Internally developed software and market products	398,376	311,548	709,924	25	340,292	35,833	376,141	333,783
	<u>821,352</u>	<u>854,393</u>	<u>1,675,745</u>		<u>739,256</u>	<u>58,976</u>	<u>798,248</u>	<u>877,497</u>

7.1.1 Cost of fully amortised assets amounts to Rs.751.383 (2023: Rs. 676.934) million.

		June 30, 2024	June 30, 2023
7.2	Intangibles under development (CWIP) - Softwares	----- (Rupees in '000) -----	
	Opening balance	19,116	716,981
	Additions during the year	221,997	129,161
	Transfers to operating intangibles	(98,522)	(827,026)
	Provision for the year	(5,565)	-
	Closing balance	137,026	19,116

8 INVESTMENT PROPERTY

This represents office spaces in PSX's buildings. The Company carries the investment property at fair value and the latest fair valuation was carried out by Iqbal A.Nanjee & Company (Private) Limited at 30 June 2024, which resulted in fair value gain of Rs. 4.01 million. The forced sales value of the property as at 30 June 2024 is Rs. 476.869 million.

	Note	June 30, 2024	June 30, 2023
9	LONG TERM INVESTMENTS	----- (Rupees in '000) -----	
	Subsidiary	9.1	1
	Associate	9.2	4,182,758
	FVOCI	9.3	194,565
			4,377,324
			3,644,421

9.1 Investment in Subsidiary

PSX Financial Centre (Private) Limited			
100 shares having face value of Rs. 10/- each		1	1

9.2 Investment in Associates

Central Depository Company of Pakistan Limited (CDC)			
139,328,000 shares having face value of Rs. 10/- each	9.2.1	2,766,410	2,357,362
National Clearing Company of Pakistan Limited (NCCPL)			
50,131,809 shares having face value of Rs. 10/- each	9.2.1	1,328,661	1,096,443
EClear Services Limited			
7,500,000 shares having face value of Rs. 10/- each	9.2.1	87,687	78,452
		4,182,758	3,532,257

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

9.2.1 Reconciliation of changes in carrying value of investment in associates

	June 30, 2024			
	CDC	NCCPL	E-Clear Services	Total
	----- (Rupees in '000) -----			
Opening balance	2,357,362	1,096,443	78,452	3,532,257
Share of profit for the year	620,660	313,788	9,235	943,683
Actuarial loss on employees' gratuity fund	(4,807)	(6,976)	-	(11,783)
Dividend received during the year	(206,805)	(74,594)	-	(281,399)
Closing balance	2,766,410	1,328,661	87,687	4,182,758

	June 30, 2023			
	CDC	NCCPL	E-Clear Services	Total
	----- (Rupees in '000) -----			
Opening balance	2,217,063	1,079,606	75,170	3,371,839
Share of profit for the year	338,147	119,208	3,282	460,637
Actuarial loss on employees' gratuity fund	(6,939)	(6,321)	-	(13,260)
Dividend received during the year	(190,909)	(96,050)	-	(286,959)
Closing balance	2,357,362	1,096,443	78,452	3,532,257

- 9.2.2** As of 30 June 2024, the carrying value of Company's investment in NCCPL amounts to Rs 1,329 million against the break up value of Rs.1,299 million. However, in accordance with its accounting policy, the Company has assessed the recoverable amount of investment in NCCPL using the income approach and determined that the recoverable amount is higher than its carrying value. Accordingly, no impairment is required in this respect.

9.2.3 Summarised financial information of the associates of the Company are as follows:

Name of associate	Country of incorporation	June 30, 2024				
		Total assets	Total liabilities	Profit	Revenue	Interest held %
		----- (Rupees in '000) -----				
CDC Break-up value of each ordinary share of Rs. 10/- is Rs.21.77 based on the financial statements for the year ended 30 June 2024.	Pakistan	9,117,645	1,498,336	1,559,056	3,131,348	39.81
NCCPL Break-up value of each ordinary share of Rs. 10/- is Rs. 25.91 based on the financial statements for the year ended 30 June 2024.	Pakistan	27,538,324	24,925,184	631,238	2,207,048	49.71
E-Clear Services Break-up value of each ordinary share of Rs. 10/- is Rs. 11.53 based on the unaudited financial statements for the year ended 30 June 2024.	Pakistan	1,601,566	1,255,762	36,940	51,324	25.00
		38,257,535	27,679,282	2,227,234	5,389,720	

Name of associate	June 30, 2023					Interest held %
	Country of incorporation	Total assets	Total liabilities	Profit	Revenue	
	----- (Rupees in '000) -----					
CDC Break-up value of each ordinary share of Rs.10 is Rs.18.83 based on the financial statements available for the year ended 30 June 2023.	Pakistan	7,925,327	1,333,494	849,401	2,473,564	39.81
NCCPL Break-up value of each ordinary share of Rs.10 is Rs 21.28 based on the financial statements for the year ended 30 June 2023.	Pakistan	16,933,776	14,787,770	239,807	1,220,540	49.71
E-Clear Services Break-up value of each ordinary share of Rs.10 is Rs 10.30 based on the unaudited financial statements for the year ended 30 June 2023.	Pakistan	622,451	313,587	13,129	19,349	25.00
		25,481,554	16,434,851	1,102,337	3,713,453	

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

9.3 At FVOCI - related parties

Note	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
VIS Credit Rating Company Limited		
250,000 ordinary shares of Rs. 10/- each, representing, 12.50% shareholding.	26,741	25,266
Pakistan Mercantile Exchange Limited (PMEX)		
8,909,052 ordinary shares of Rs.10 each, representing 28.41% shareholding.	167,824	86,897
	<u>194,565</u>	<u>112,163</u>

- 9.3.1** As PMEX operates under close regulatory supervision, the Company believes that it cannot exercise significant influence in the affairs of PMEX solely on the basis of shareholding / voting rights as investor in PMEX hence, the investment is not accounted for as an associate investment.

Note	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
10 LONG TERM LOANS		
Employees - Considered good, secured	10.1 31,943	33,890
Current portion of long term loans to employees	12 (14,003)	(13,393)
	<u>17,940</u>	<u>20,497</u>

- 10.1** These personal loans are sanctioned for the purchase of motorcycles and other domestic purposes. These are secured against the outstanding balances in the Employees' Gratuity Fund. These are recoverable in monthly instalments over a period, with original maturity between 3 and 5 years and are interest free.

11 TRADE DEBTS

Considered good

Due from members
Due from companies
Others

60,194	68,367
362,210	97,534
26,224	-
<u>448,628</u>	<u>165,901</u>

Considered doubtful

Due from companies

78,835	63,375
--------	--------

Allowance for ECL

11.1	527,463	229,276
	(78,835)	(63,375)
	<u>448,628</u>	<u>165,901</u>

		Note	June 30, 2024	June 30, 2023
			----- (Rupees in '000) -----	
11.1	Allowance for ECL			
	Opening balance		63,375	55,875
	Charge for the year	26	15,460	7,500
	Closing balance		<u>78,835</u>	<u>63,375</u>
12	LOANS AND ADVANCES			
	Loans - secured, considered good			
	- Current portion of long term loans to employees	10	14,003	13,393
	Advances, considered good			
	- Employees		54,052	43,562
	- Suppliers		812	1,140
			<u>54,864</u>	<u>44,702</u>
			<u>68,867</u>	<u>58,095</u>
13	OTHER RECEIVABLES			
	Due from Non-members		34,675	35,272
	Due from an ex-member	13.1	6,574	6,574
	Rent receivable		17,064	26,450
	Others		37,602	21,418
			<u>95,915</u>	<u>89,714</u>
13.1	This represents amount due from an ex-member upon the cancellation of his membership and declaration as a defaulter. As a result thereof, certain shares of the ex-member were taken over by the Company in order to square up the ex-member's position and are held pending the outcome of a law suit brought against the Company by him in the Honourable High Court of Sindh. The market value of these shares (including bonus shares) as at 30 June 2024 amounted to Rs. 55.27 (2023: Rs.17.73) million. Further, as disclosed in note 15.2, bank balances include dividend/bank profit of Rs.17.83 and Rs.28.66 (2023: 15.62 and 21.48) million respectively.			
14	SHORT TERM INVESTMENTS			
	These represent Market Treasury Bills having cost of Rs. 2,112.343 (2023: Rs. 2,181.645) million and interest accrued thereon of Rs. 111.967 (2023: Rs. 100.45) million. The effective rate of return is 19.98% (2023: 20.54%) per annum. These will mature latest by 26 June 2025. These include Rs. 856.62 (2023: Rs. 695.67) million from defaulter / expelled / suspended members and Rs. 438.69 (2023: Rs. 423.450) million pertaining to base minimum capital.			

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

	Note	June 30, 2024	June 30, 2023			
		----- (Rupees in '000) -----				
15	CASH AND BANK BALANCES					
With banks:						
Current accounts		157	151			
PLS accounts in:						
foreign currency	15.1 & 15.2	33,355	93,267			
local currency		164,651	263,846			
		198,006	357,113			
In hand		57	16			
		198,220	357,280			
15.1	Rate of return on PLS accounts varies from 20.50% to 20.75% (2023: 12.25% to 19.75%) per annum. However, the effective rate for the period is 20.57% (2023: 15.2%).					
	Note	June 30, 2024	June 30, 2023			
		----- (Rupees in '000) -----				
15.2	These include the following balances:					
Dividend / bank profit	13.1	46,487	37,099			
Members basic deposits		41,268	34,129			
Deposits against arbitration		2,478	2,443			
Proceeds from divestments/ Membership card	21.1	38,943	143,573			
Dara F. Dastoor scholarship fund		2,005	2,005			
Unclaimed dividend		1,429	1,429			
16	SHARE CAPITAL					
		June 30, 2024	June 30, 2023			
		----- (Number of Shares) -----				
			June 30, 2024	June 30, 2023		
			----- (Rupees in '000) -----			
	Authorised capital					
		1,000,000,000	1,000,000,000	Ordinary shares of Rs.10/- each	10,000,000	10,000,000
	Issued, subscribed and paid-up capital					
		801,476,600	801,476,600	Ordinary shares of Rs. 10/- each- (other than cash)	8,014,766	8,014,766

- 16.1** This includes shares issued against surplus on revaluation of the assets of the Company of Rs.3.288 million (net of tax) in accordance with the requirements of Stock Exchanges (Corporatization, Demutualization and Integration) Act 2012. This treatment regarding the surplus has also been approved by the Securities and Exchange Commission of Pakistan.
- 16.2** The shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. All shares carry one vote per share without restriction.

	Note	June 30, 2024	June 30, 2023
----- (Rupees in '000) -----			
17 REVALUATION SURPLUS ON PROPERTY AND EQUIPMENT - net			
Balance as of 01 July 2023		1,223,505	1,275,972
Transferred to unappropriated profit on account of incremental depreciation charged thereon		(47,860)	(52,467)
		1,175,645	1,223,505
Related deferred tax liability:			
Opening balance		(290,643)	(307,957)
Tax effect of incremental depreciation charged during the year on related assets transferred to statement of profit or loss		15,794	17,314
Closing balance		(274,849)	(290,643)
Balance as of 30 June 2024		900,796	932,862
18 LONG TERM DEPOSITS			
Clearing house deposits from members	18.1	469,981	448,673
18.1 These include Rs. 457.421 million (2023: Rs. 436.113 million) cash deposit placed by TREC holders against the Base Minimum Capital requirement with the Exchange in accordance with the Rule Book of PSX.			
19 LONG TERM PAYABLE			
Long term payable	19.1	157,601	397,600
Less: current portion of long term payable		(157,601)	(308,469)
		-	89,131
19.1 It represents USD 0.565 million (2023: USD 1.385 million) including tax against the purchase of Trading and Surveillance System from Shenzhen Stock Exchange (a related party). The amount is payable in 4 yearly installments latest by December 2024.			

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

	Note	June 30, 2024	June 30, 2023
----- (Rupees in '000) -----			
20 DEFERRED TAX LIABILITY			
Taxable temporary differences arising from:			
Accelerated tax depreciation		386,133	414,263
Unrealised gain on revaluation of investment property		102,005	100,681
Unrealised gain on revaluation of investment at FVOCI		22,277	6,623
Investment in associates		46,258	12,408
		556,673	533,975
Deductible temporary differences arising from:			
Carry forward tax losses		(369,533)	(336,062)
Provisions		(122,796)	(98,116)
Unrealised exchange loss		(27,493)	(35,092)
		(519,822)	(469,270)
		36,851	64,705
20.1 Movement of deferred tax liability			
Opening balance		64,705	122,437
Charged to statement of profit or loss		(23,932)	(49,627)
Charged to statement of comprehensive income		(3,922)	(8,105)
Closing balance		36,851	64,705
21 TRADE AND OTHER PAYABLES			
Creditors - capital expenditure		102,483	28,788
Accrued expenses		350,078	263,142
Payable to Shenzhen Stock Exchange - related party		55,345	-
Unclaimed dividend (defaulter)		13,945	19,179
Payable to directors against board meeting fee		11,885	8,685
Deposits against arbitration		2,478	2,443
Provision for staff bonus		156,358	44,475
Fees and rent received in advance		35,889	162,862
Amount held against defaulter / expelled / suspended members	21.1	895,558	839,242
Interest payable on BMC deposits	21.2	25,976	22,975
Provision for Wealth Tax		1,684	1,684
Employees' Gratuity Fund	21.3	318,356	246,087
Sales tax payable		9,593	26,749
SECP supervision / transaction fee		31,750	21,450
RDA Campaign		14,956	14,956
Centralized Customer Protection Fund (CCPF) 0.1% / 1% of total revenue		3,993	452
Others		51,703	22,539
		2,082,030	1,725,708

21.1 This represents amount obtained on disposal of membership cards and sale proceeds received from sale of 40% divestment and 20% from public offering of PSX shares of defaulter / expelled / suspended members, from LSE Financial Services Limited and ISE tower REIT Management Company Limited including profit accrued thereon, deposited in a separate bank account amounting to Rs 38.943 million to be utilised for the settlement of dues of the defaulter members, including investors claim, if any. The remaining amount of 856.62 millions is invested in Market Treasury Bills.

21.2 This represents interest payable on amount deposited with the Company on account of Base Minimum Deposits by TREC holders.

	Note	June 30, 2024	June 30, 2023
		----- (Rupees in '000) -----	
21.3 Employees' Gratuity Fund	21.3.2	318,356	246,087
21.3.1 Principal actuarial assumptions		----- (% Per annum) -----	
Discount rate		14.75%	17.80%
Increase in salaries		9.75%	12.50%
Expected return on plan assets		14.75%	17.80%
Mortality rates		SLIC 2001-05	SLIC 2001-05
Rate of employee turnover		Heavy	Moderate
21.3.2 Liability recognised in the statement of financial position:			
Present value of obligations	21.3.6	383,574	311,053
Fair value of plan assets	21.3.7	(65,218)	(64,966)
		318,356	246,087
21.3.3 Expense recognised in statement of profit or loss			
Current service cost		21,832	20,489
Interest cost		55,367	32,349
Expected return on plan assets		(11,563)	(7,130)
		65,636	45,708
21.3.4 Movement in the liability recognised in the statement of financial position:			
Opening balance		246,087	212,887
Charge for the year		65,636	45,708
Actuarial loss recognised in other comprehensive income		59,327	32,608
Contribution		(52,694)	(45,116)
Closing balance		318,356	246,087

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

	June 30, 2024	June 30, 2023
	----- (% Per annum) -----	
21.3.5 Actual return on plan assets	17.80%	27.33%
21.3.5.1 The expected return on plan assets was determined by considering the market expectations and depends upon the assets portfolio of the fund, at the beginning of the year, for returns over the entire life of the related obligation.		
	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
21.3.6 Movement of present value of defined benefit obligations		
Opening balance	311,053	271,584
Current service cost	21,832	20,489
Interest cost	55,367	32,349
Total benefits paid	(51,342)	(54,886)
Actuarial loss on obligation	46,664	41,517
Closing balance	383,574	311,053
21.3.7 Movement of fair value of plan assets		
Opening balance	64,966	58,697
Return on plan assets	11,563	7,130
Contributions	52,694	45,116
Benefits paid by the fund	(51,342)	(54,886)
Actuarial (loss) / gain on assets	(12,663)	8,909
Closing balance	65,218	64,966
21.3.8 Remeasurements recognised in Other Comprehensive Income during the year		
Actuarial loss on obligation	(46,664)	(41,517)
Actuarial (loss) / gain on assets	(12,663)	8,909
	(59,327)	(32,608)
21.3.9 Constituents of plan assets		
	Fair Value as at June 30, 2024	Fair Value as at June 30, 2023
	(Rupees in '000)	(Rupees in '000)
Government securities	61,390	49,919
Cash and net current assets	3,828	15,047
	65,218	64,966
	94.13%	76.84%
	5.87%	23.16%
	100%	100%

Historical information	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
	----- (Rupees in '000) -----				
Present value of defined benefit obligation	383,574	311,053	271,584	273,051	246,890
Fair value of plan assets	(65,218)	(64,966)	(58,697)	(63,742)	(74,056)
Funding surplus	318,356	246,087	212,887	209,309	172,834
Experience adjustment on plan liabilities	(46,664)	(41,517)	4,731	(42,811)	(56,562)
Experience adjustment on plan assets	(12,663)	8,909	(6,218)	984	16,256

21.3.10 Maturity profile of the defined benefit obligation

	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
Distribution of timing of benefit payments		
within the next 12 months (next annual reporting period)	46,236	9,237
between 2 and 5 years	346,548	103,431
between 6 and 10 years	483,690	247,152
Beyond 10 years	1,553,486	779,306

21.3.11 Sensitivity Analysis on significant actuarial assumptions: Actuarial Liability

	Present value of Defined Benefit Obligation	Percentage change
	(Rupees in '000)	%
Discount Rate +0.5%	374,602	-2.34%
Discount Rate -0.5%	392,941	2.44%
Long Term Salary Increases +0.5%	394,227	2.78%
Long Term Salary Increases -0.5%	373,307	-2.68%

21.3.12 Investments out of gratuity fund have been made in accordance with the provisions of Section 218 to the Act and the rules formulated for this purpose.

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

22 CONTINGENCIES AND COMMITMENTS

22.1 Contingencies

- i) During the years ended 2018 and 2019, Sindh Revenue Board (SRB) issued show cause notices in respect of tax years 2012, 2013, 2014, 2017 and 2018 claiming Sindh Sales Tax (SST) aggregating to Rs. 193 million along with default surcharge. SRB served these notices on the understanding that the Company had provided/rendered taxable services covered under tariff heading 9825.0000 and 98.13 of the Second Schedule to the Sindh Sales Tax Act, 2011 and therefore such services should be taxed and deposited accordingly. The Company filed cases against the above notices, however, Sindh High Court dismissed the petitions filed. The Company challenged the referred dismissal orders in the Supreme Court of Pakistan, which are still pending.
- ii) During the year ended 1997, certain investors filed a suit against the Company and its ex-member for declaration, injunction and recovery of damages, aggregating to Rs.70 million together with interest thereon. The Company filed an appeal before the Sindh High Court against the suit, which is still pending.
- iii) During the year ended 2008, the Islamabad Stock Exchange (Guarantee) Limited filed a complaint with the Competition Commission of Pakistan (CCP) against the Company alleging abuse of its dominant position in securities market in contravention of Section 3 of the Competition Ordinance, 2007. The CCP directed the Company to take corrective measures along with the other exchanges of Pakistan and in case of failure to comply with the direction of the CCP, the Company will be liable to pay a penalty of Rs. 50 million and additional penalty of Rs.250,000 per day for each day of non-compliance. The Company filed an appeal before the Supreme Court of Pakistan against the CCP's order, which is still pending.
- iv) During the year ended 2003, M/s. Shafi Chemical Industries (the Plaintiff) filed suit for declaration, injunction and damages of about Rs. 1,700 million alleging unlawful and mala fide acts of the Company and other defendants in which a decree for only Rs. 49.77 million has been sought against the Company. The securities deposited by the Plaintiff with his brokers were made worthless and they suffered losses. The written statement prepared by Company's counsel on behalf of former directors and the Company filed in the Sindh High Court. The case fixed for hearing of application is being adjourned from time to time on the request of the Plaintiff's advocate.

22.1.1 The total cumulative impact of contingencies stated in the above cases amounts to Rs 362.77 million. However, the management, based on legal advisors opinions, believes that the Company has reasonable position in respect of these litigations. Accordingly, no provision for any liability which may arise in this regard has been made in the financial statements of the Company.

22.1.2 In addition, there are certain other cases relating to ex-member's default filed against other defendants and the Company, wherein, the chances of decision going against the Company are remote.

22.2 Commitments

	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
IT maintenance charges	174,250	179,438

23 LISTING FEE

Annual fee	534,095	575,123
Initial / first year fee	228,211	138,812
	762,306	713,935

	Note	June 30, 2024	June 30, 2023
		----- (Rupees in '000) -----	
24 INCOME FROM EXCHANGE OPERATIONS			
Trading fee		395,964	180,467
Facilities and equipment fee		234,693	179,213
Income from non-trading facilities		320,352	104,013
Regulatory fee		56,481	33,534
Membership fee		2,720	2,790
Other fee		5,440	10,135
		<u>1,015,650</u>	<u>510,152</u>
25 MARK-UP / INTEREST INCOME			
Government securities		234,461	147,247
PLS saving accounts		33,632	27,874
		<u>268,093</u>	<u>175,121</u>
26 ADMINISTRATIVE EXPENSES			
Salaries and other benefits	26.1	1,033,072	792,304
Rent, rates and taxes		19,701	20,178
Fuel and power		66,875	79,804
Repairs and maintenance		89,848	82,107
Computer maintenance and related expenses		235,606	170,233
Insurance		23,883	20,708
Printing and stationery		6,266	7,416
Donations	26.2	11,050	1,733
Auditors' remuneration	26.3	3,958	3,396
Legal and professional charges		30,942	22,660
Depreciation	6.1	170,199	178,537
Amortisation	7.1	150,031	58,976
Travelling and conveyance		10,640	6,049
General office expense		8,177	9,272
Receptions, meetings and functions		15,728	16,986
Contribution to IPF 0.1% / 1%		5,526	1,824
Advertisement, marketing and development		31,691	27,203
SECP supervision fee		17,780	12,241
Allowance for ECL	11.1	15,460	7,500
Security expenses		30,776	25,267
Subscription fee		20,247	18,580
Training and development		4,462	2,031
Other expenses		1,857	9,394
		<u>2,003,775</u>	<u>1,574,399</u>

26.1 Included herein is a sum of Rs.65.636 (2023: Rs.45.708) million in respect of retirement benefits.

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

- 26.2** Donations are paid to Lady Dufferin Hospital, Indus Hospital Make a Wish, Kutiyana Memon Hospital Million Smiles Foundation, The Patients Behbud Society, The Citizen Foundation, Deaf Reach and Bait - UI - Sukoon Cancer Hospital & HOSPICE as per the policy approved by Board of Directors, in which none of the directors of the Company is interested in any capacity.

**June 30,
2024** **June 30,
2023**

----- (Rupees in '000) -----

26.3 Auditors' remuneration

Audit fee	1,930	1,600
Fee for review of interim financial information	500	395
Special audit fee	700	750
Fee for review of Code of Corporate Governance	70	55
Other certifications	350	299
Out of pocket expenses	408	297
	3,958	3,396

27 OTHER INCOME / (EXPENSES)

Exchange gain / (loss)	23,027	(106,340)
Gain on revaluation of investment property	4,013	-
Gain on sale of fixed assets	10,794	878
Dividend income	1,600	1,625
Others	13,788	2,808
	53,222	(101,029)

28 BASIC AND DILUTED EARNINGS PER SHARE

Profit after taxation	1,027,803	219,789
Weighted average number of ordinary shares outstanding during the year	801,476	801,476
Basic and diluted earnings per share	1.28	0.27

29 REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

June 30, 2024				
	Chief Executive Officer	Directors	Executives	Total
	(Rupees in '000)			
Managerial Remuneration	62,848	-	581,396	644,244
Annual performance payout	44,390	-	-	44,390
Gratuity	-	-	45,627	45,627
Fees	-	13,925	-	13,925
	107,238	13,925	627,023	748,186
Number	1	10	180	

June 30, 2023				
	Chief Executive Officer	Directors	Executives	Total
	(Rupees in '000)			
Managerial Remuneration	58,177	-	528,916	587,093
Annual performance payout	19,500	-	16,720	36,220
Gratuity	-	-	32,919	32,919
Fees	-	14,325	-	14,325
	77,677	14,325	578,555	670,557
Number	1	10	114	

- 29.1 The Chief Executive Officer (CEO) of the Company has also been provided with the free use of Company owned and maintained car.

30 RELATED PARTY TRANSACTIONS

The related parties comprise of subsidiary, associates, staff gratuity fund, directors and key management personnel.

- 30.1 Following are the details of transactions with related parties:

Listing Fee

Common Directorship

	June 30, 2024	June 30, 2023
	(Rupees in '000)	
Power Cement Limited	1,605	2,105
Fauji Foods Limited	1,955	20,905
Samba Bank Limited	2,118	2,269
Sui Southern Gas Company Limited	1,603	1,599
Engro Fertilizers Ltd.	-	3,219
The Searle Company Limited	2,248	6,599
United Brands Limited	521	676

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
IBL Healthcare Limited	1,044	1,234
The Searle Pakistan Limited	-	1,500
Sui Northern Gas Pipeline Limited	2,252	-
EFU Life Assurance Limited	2,264	-
Dawood Lawrencepur Mills Limited	1,785	-
The Organic Meat Company Limited	1,043	-
Crescent Steel & Allied Products Limited	764	-
International Steel Limited	2,195	-
Associate		
Habib Bank Limited	4,716	4,593
	26,113	44,699
Facilities and Equipment Fee		
Common Directorship		
Power Cement Limited	12	12
Fauji Foods Limited	12	12
Samba Bank Limited	12	24
Arch Sons	158	168
Sui Southern Gas Company Limited	12	12
Engro Fertilizers Ltd.	-	12
The Searle Company Limited	12	12
United Brands Limited	12	12
IBL Healthcare Limited	12	12
Sui Northern Gas Pipeline Limited	12	-
EFU Life Assurance Limited	12	-
Dawood Lawrencepur Mills Limited	12	-
The Organic Meat Company Limited	12	-
Crescent Steel & Allied Products Limited	12	-
International Steel Limited	12	-
Associate		
Habib Bank Limited	450	527
	764	803
LAN Connectivity Charges		
Associate		
National Clearing Company of Pakistan Limited	4,233	4,887
Miscellaneous Income		
Fauji Foods Limited	55	55
Power Cement Limited	55	55
Sui Southern gas Company Limited	-	55
National Clearing Company of Pakistan Limited	125	-
	235	165

	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
Dividend income		
Associate		
Central Depository Company of Pakistan Limited	206,805	190,909
National Clearing Company of Pakistan Limited	74,594	96,050
VIS Credit Rating Company Limited	1,600	1,625
	<u>282,999</u>	<u>288,584</u>
Rental Income from investment property		
Associate Company		
Central Depository Company of Pakistan Limited	6,417	6,417
National Clearing Company of Pakistan Limited	18,707	18,707
Habib Bank Limited	21,553	19,594
	<u>46,677</u>	<u>44,718</u>
CDC Fee		
Associate Company		
CDC fee - Central Depository Company of Pakistan Limited	3,294	3,503
	<u>481</u>	<u>602</u>
Annual Subscription Fee & Board Evaluation		
Pakistan Institute of Corporate Governance (PICG)	481	602
	<u>52,694</u>	<u>45,116</u>
Retirement benefit plan		
Payment made to gratuity fund during the year	52,694	45,116
	<u>20</u>	<u>13</u>
Profit bank accounts		
Associate Company		
Habib Bank Limited	20	13
	<u>5,526</u>	<u>1,824</u>
Contribution		
Common directorship		
Centralized Customer Protection Fund (CCPF) 0.1% of total revenue	5,526	1,824
	<u>2,600</u>	<u>2,591</u>
Reimbursement of Expenses		
Associate Company		
China Financial Futures Exchange	2,600	2,591

Name	Designation
Farrukh H. Khan	Chief Executive Officer
Ahmed Ali Mitha	Chief Financial Officer
Fakhara Rizwan	Chief Legal and Corporate Affairs Officer
Ajeet Kumar	Chief Regulatory Officer
Syed Adeel Javaid	Chief Information Officer
Farhan Ansari	Chief Internal Audit Officer
Syed Abbas Haider Zaidi	Chief Risk Management Officer

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

June 30,
2024 June 30,
2023

----- (Rupees in '000) -----

30.2 Following are the details of outstanding balances with related parties:

Listing Fee Receivable

Common Directorship

IBL Healthcare Limited

Samba Bank Limited

The Searle Company Limited

130 130

750 -

- 2,429

880 2,559

Facilities and Equipment Receivable

Common Directorship

Samba Bank Limited

United Brands Limited

The Searle Company Limited

Crescent Steel & Allied Products Limited

24 24

48 36

12 -

12 -

96 60

Miscellaneous Income Receivable

Fauji Foods Limited

Sui Southern Gas Company Limited

57 55

35 35

92 90

LAN Connectivity Charges Receivable

Associate Company

National Clearing Company of Pakistan Limited

2,397 10,062

Electric charges payable

National Clearing Company of Pakistan Limited

583 548

Retirement benefit plan

Payable to gratuity fund

22,127 9,185

Contribution payable 0.1% / 1% of Revenue

Common Directorship

Centralized Customer Protection Fund (CCPF) 0.1% / 1% of total revenue

3,993 452

Receivable against Expenses

Associate Company

China Financial Futures Exchange

2,649 5,659

31 FINANCIAL INSTRUMENTS BY CATEGORY

2024				
	Financial assets at amortized cost	Financial assets FVOCI	Financial liabilities at amortized cost	Total
----- (Rupees in '000) -----				
Financial assets				
Investments	2,224,310	194,565	-	2,418,875
Loans and advances	86,807	-	-	86,807
Trade debts	448,628	-	-	448,628
Other receivables	95,915	-	-	95,915
Cash and bank balances	198,220	-	-	198,220
Financial liabilities				
Long term deposits	-	-	469,981	469,981
Long term payable	-	-	-	-
Unclaimed dividend	-	-	1,429	1,429
Current portion of long term payable	-	-	157,601	157,601
Trade and other payables	-	-	2,070,753	2,070,753
2023				
	Financial assets at amortized cost	Financial assets FVOCI	Financial liabilities at amortized cost	Total
----- (Rupees in '000) -----				
Financial assets				
Investments	2,181,645	112,163	-	2,293,808
Loans and advances	78,592	-	-	78,592
Trade debts	165,901	-	-	165,901
Other receivables	89,714	-	-	89,714
Cash and bank balances	357,280	-	-	357,280
Financial liabilities				
Long term deposits	-	-	448,673	448,673
Long term payable	-	-	89,131	89,131
Unclaimed dividend	-	-	1,429	1,429
Current portion of long term payable	-	-	308,469	308,469
Trade and other payables	-	-	1,697,275	1,697,275

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

32 FINANCIAL RISK MANAGEMENT

The Company is exposed to the following risks:

32.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise of interest rate risk, equity price risk and currency risk. The Company is exposed to market risk as a result of mismatches or gaps in the amounts of financial assets and financial liabilities that mature or reprice in a given period. The Company manages this risk by matching the repricing of financial assets and liabilities through risk management strategies.

32.1.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term investments and bank deposits in saving accounts. At the statement of financial position date, the interest rate profile of the Company's interest-bearing financial instruments is as follows:

		June 30, 2024			
		Interest / mark-up bearing			
		Effective yield / mark-up rate %	Upto six months	More than six months	Total
Financial assets		----- (Rupees in '000) -----			
Market Treasury Bills	20.53	2,224,310	-	2,224,310	
Bank balances	20.50 - 20.75	198,006	-	198,006	
		2,422,316	-	2,422,316	
		June 30, 2023			
		Interest / mark-up bearing			
		Effective yield / mark-up rate %	Upto six months	More than six months	Total
Financial assets		----- (Rupees in '000) -----			
Market Treasury Bills	15.88 - 22.48	2,181,645	-	2,181,645	
Cash and bank balances	12.25 - 19.75	357,113	-	357,113	
		2,538,758	-	2,538,758	

The following table demonstrates the sensitivity of Company's income for the year to a reasonably possible change in interest rates, with all other variables held constant.

	Effect on profit	
	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
Change in basis point		
+ 100	24,223	25,388
- 100	(24,223)	(25,388)

32.1.2 Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of change in foreign exchange rates mainly relates to long term payable to Shenzhen Stock Exchange amounting to Rs. 157.601 million (USD 0.565 million) and the bank balance in saving accounts maintained in US dollars amounting to Rs. 33.355 million (USD 0.118 million).

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate, with all other variables held constant, of the Company's income before tax and reserves.

	Change in US dollar rate	Effect on profit before tax	Effect on reserves
	----- (Rupees in '000) -----		
Assets as at 30 June 2024	10%	3,335	3,335
	-10%	(3,335)	(3,335)
Liabilities as at 30 June 2024	10%	15,760	15,760
	-10%	(15,760)	(15,760)

32.2 Credit risk

32.2.1 Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The table below shows the maximum exposure to credit risk:

	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
Long term deposits	41,832	42,411
Trade debts	448,628	165,901
Loans and advances	86,807	78,592
Other receivables	95,915	89,714
Short term investments	2,224,310	2,181,645
Bank balances	198,163	357,280
	<u>3,095,655</u>	<u>2,915,543</u>

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

32.2.2 Concentration of credit risk exists when changes in economic or industry factors affect the group of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. The Company's portfolio of financial assets is broadly diversified and transactions are entered into with diverse credit worthy counterparties thereby mitigating any significant concentration of credit risk. The table below analyses the credit quality of Company's exposure with respect to cash at bank:

Ratings *	June 30, 2024	June 30, 2023
	----- (%) -----	
AAA	78.66	85.03
AA+	21.09	14.96
AA-	0.25	0.01
	100.00	100.00

* Ratings are Performed by PACRA and V/S Crediting Rating Co.

32.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in releasing funds to meet commitments associated with financial liabilities. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value.

The Company's approach to managing liquidity 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 losses or risking damage to the Company's reputation. The table below summarizes the maturity profile of Company's financial liability:

	June 30, 2024				Total
	On demand	Upto three months	Upto 12 months	More than one year	
	----- (Rupees in '000) -----				
Long term deposits	466,521	-	-	3,460	469,981
Trade and other liabilities	2,082,030	-	-	-	2,082,030
Long term payable	-	-	157,601	-	157,601
Total	2,548,551	-	157,601	3,460	2,709,612

	June 30, 2023				Total
	On demand	Upto three months	Upto 12 months	More than one year	
	----- (Rupees in '000) -----				
Long term deposits	445,213	-	-	3,460	448,673
Trade and other liabilities	1,725,709	-	-	-	1,725,709
Long term payable	-	-	308,469	89,131	397,600
Total	2,170,922	-	308,469	92,591	2,571,982

32.4 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

32.5 Fair value hierarchy

The Company uses the following hierarchy for disclosure of the fair value of financial instruments by valuation technique:

Level 1: quoted prices in active markets for identical assets.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The table analyses financial and non-financial assets measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

Financial and non-financial assets measured at fair value	June 30, 2024		
	Level 1	Level 2	Level 3
	Total		
	(Rupees in '000)		
Financial assets at 'fair value through OCI	-	-	194,565
			194,565

As at 30 June 2024, the Company's long term investments are in unquoted securities (see note 9), which are carried at fair value. The fair value of such investments is determined by using level 3 techniques. The Company has used income approach (i.e. a present value technique) to value its investment in (PMEX). For this purpose, the financial projections have been derived from the business plans prepared by the management and duly approved by PMEX Board of Directors. The fair value of investment in VIS Credit Rating Company has been determined based on the net asset value due to limited financial information available.

Notes to the Unconsolidated Financial Statements

For the Year Ended June 30, 2024

33 NUMBER OF EMPLOYEES

33.1 The number of employees as at 30 June 2024 were 224 (30 June 2023: 231).

33.2 Average number of employee during the year as at 30 June 2024 were 228 (30 June 2023: 238).

34 GENERAL

34.1 The Board of Directors in its meeting held 18 September 2024 proposed a find cash divided at the rate of 10% i.e. Re 1 per share, for the year ended 30 June 2024 amounting to Rs 801.48 million for the approval of the shareholders in the Annual General Meeting to be held on 28 October 2024.

34.2 The figures have been rounded off to nearest thousand Rupees unless otherwise stated.

34.3 Corresponding figures have been re-arranged and re-classified for the purpose of better presentation. However, there are no material reclassification to report.

35 DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorised for issue on 18 September 2024 by the Board of Directors of the Company.



Chief Financial Officer



Chief Executive Officer



Chairperson

Consolidated Financial Statements

Independent Auditor's Report on the Consolidated Financial Statements



Grant Thornton Anjum Rahman

1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

T +92 21 35672951-56

INDEPENDENT AUDITOR'S REPORT

To the members of Pakistan Stock Exchange Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Pakistan Stock Exchange Limited (the Holding Company) and its subsidiary (together, the Group), which comprise the consolidated statement of financial position as at 30 June 2024, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2024, and of its consolidated financial performance and its consolidated cashflows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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 Consolidated Financial Statements section of our report. We are independent of the Group 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Following are the key audit matters:



Key audit matter	How the matter was addressed in our audit
IT Systems and controls over revenue recognition	
<p>Trading fee generated from the transactions processed is the key driver of the Group's revenue. Therefore, revenue recognition on trading fees relies on the NTS trading data processing which involves automated controls, system generated information and system interfaces, which are underpinned by the design and operating effectiveness of the IT general controls over the key IT systems and the automated application controls over the processes.</p> <p>Due to the significance of IT systems and controls over revenue process, we have identified this as a key audit matter.</p>	<p>Our audit procedures among others included:</p> <ul style="list-style-type: none"> ▪ we obtained a front-to-end understanding of the revenue recognition and reporting processes and identified the automated controls and the corresponding key IT systems that support the processes. ▪ we assessed the IT controls environment, reviewed the IT governance framework and tested the IT general controls of the key IT application that support the revenue recognition and reporting to evaluate whether the system dependent controls and information could be relied on throughout the period. ▪ we tested the identified automated application controls, which are critical to the revenue recognition processes.
Contingencies	
<p>As disclosed in note 22 to the consolidated financial statements, the Group is exposed to certain tax and operations related contingencies amounting to Rs. 362.77 million as of 30 June 2024.</p> <p>Contingencies require management to make judgements and estimates in relation to the interpretation of laws and regulations and the probability of outcome and financial impact, if any, on the Group for disclosure and recognition of provision that may be required against such contingencies.</p> <p>Due to significance of the contingencies in relation to the consolidated financial statements of the Group, we have identified this as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ▪ We obtained and reviewed details of the pending tax and operational matters and discussed the same with the Group's management. ▪ Circularised confirmations to the Group's external legal and tax counsels for their views. ▪ Reviewed correspondence of the Group with the relevant authorities including judgements or orders passed by the competent authorities in relation to the issues involved or matters which have similarities with the issues involved. ▪ Assessed the adequacy and appropriateness of disclosures for compliance with the requirements of applicable financial reporting framework.

Information Other than the Consolidated Financial Statements and Auditor's Reports Thereon

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 users taken on the basis of these consolidated 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 consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and the performance of the group audit. We remain solely responsible for our audit opinion.

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.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated 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.

The engagement partner on the audit resulting in this independent auditor's report is **Khurram Jameel**.


 Chartered Accountants
 Karachi
 Date: 26 September 2024
 UDIN: AR202410093JaoFyZciu

Consolidated Statement of Financial Position

As at June 30, 2024

	Note	2024	2023
		----- (Rupees in '000) -----	
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	6	4,284,524	4,344,561
Intangible assets	7	1,127,027	896,613
Investment property	8	596,086	581,733
Long term investments	9	4,377,323	3,644,420
Long term deposits		41,832	42,411
Long term loans	10	17,940	20,497
		10,444,732	9,530,235
CURRENT ASSETS			
Trade debts	11	448,628	165,901
Loans and advances	12	68,867	58,095
Prepayments		27,824	23,299
Other receivables	13	95,699	89,714
Short term investments	14	2,224,310	2,181,645
Taxation – net		680,580	630,112
Cash and bank balances	15	198,221	357,281
		3,744,129	3,506,047
TOTAL ASSETS		14,188,861	13,036,282
EQUITY AND LIABILITIES			
Authorized capital	16	10,000,000	10,000,000
Share capital	16	8,014,766	8,014,766
Reserves		2,523,224	1,448,334
Revaluation surplus on property and equipment - net	17	900,796	932,862
		11,438,786	10,395,962
NON-CURRENT LIABILITIES			
Dara F. Dastoor scholarship fund		2,005	2,005
Long term deposits	18	469,981	448,673
Long term payable	19	-	89,131
Deferred tax liability	20	36,851	64,705
		508,837	604,514
CURRENT LIABILITIES			
Unclaimed dividend		1,429	1,429
Current portion of long term payable	19	157,601	308,469
Trade and other payables	21	2,082,208	1,725,908
		2,241,238	2,035,806
CONTINGENCIES AND COMMITMENTS	22		
TOTAL EQUITY AND LIABILITIES		14,188,861	13,036,282

The annexed notes from 1 to 35 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Chairperson

Consolidated Statement of Profit or Loss

For the Year Ended June 30, 2024

	Note	2024	2023
		----- (Rupees in '000) -----	
Revenue			
Listing fee	23	762,306	713,935
Income from exchange operations	24	1,015,650	510,152
Mark-up / interest income	25	268,093	175,121
Rental income from investment property		70,571	65,329
		2,116,620	1,464,537
Operating cost			
Administrative expenses	26	(2,003,969)	(1,574,599)
		112,651	(110,062)
Operating profit / (loss)			
Other income / (expenses)	27	53,222	(101,029)
Share of profit from associates	9.2.1	943,683	460,637
		996,905	359,608
Profit before income tax, minimum tax differential and final tax		1,109,556	249,546
Minimum tax differential		(58,546)	(33,602)
Final taxes		(5,123)	(2,938)
		(63,669)	(36,540)
Profit before income tax		1,045,887	213,006
Income tax			
- Current		(42,210)	(43,044)
- Deferred		23,932	49,627
		(18,278)	6,583
Net profit for the year		1,027,609	219,589
Attributable to:			
Equity holders of the Holding Company		1,027,609	219,589
Basic and diluted earnings per share	28	1.28	0.27

The annexed notes from 1 to 35 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Chairperson

Consolidated Statement of Comprehensive Income

For the Year Ended June 30, 2024

	2024	2023
	----- (Rupees in '000) -----	
Net profit for the year	1,027,609	219,589
Other comprehensive income		
<i>Items not to be reclassified to statement of profit and loss in subsequent periods:</i>		
Actuarial loss on employees' gratuity fund		
- Company	(59,327)	(32,608)
- Associates	(16,038)	(17,937)
	(75,365)	(50,545)
Effect of deferred tax		
- Company	19,578	10,761
- Associates	4,256	4,677
	23,834	15,438
	(51,531)	(135,107)
Unrealized gain on revaluation of investment at FVOCI	82,402	13,978
Effect of deferred tax	(15,656)	(2,656)
	66,746	11,322
Total comprehensive income for the year	<u>1,042,824</u>	<u>195,804</u>

The annexed notes from 1 to 35 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Chairperson

Consolidated Statement of Cash Flows

For the Year Ended June 30, 2024

	2024	2023
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,109,556	249,546
Non-cash adjustments		
Depreciation	170,199	178,537
Amortisation	150,031	58,976
Provision for gratuity	65,636	45,708
Mark-up / interest income	(268,093)	(175,121)
Allowance for ECL	15,460	7,500
Write-off during the year	5,565	-
Gain on disposal of fixed assets	(10,794)	(878)
Share of profit of associates	(943,683)	(460,637)
	(815,679)	(345,915)
	293,877	(96,369)
Working capital adjustments:		
Trade debts	(298,187)	(75,262)
Loans and advances	(10,772)	(7,875)
Prepayments	(4,525)	(4,225)
Other receivables	(5,985)	(9,909)
Trade and other payables	284,031	191,649
	(35,438)	94,378
Income tax paid	(156,347)	(119,178)
Gratuity paid	(52,694)	(45,116)
Mark-up / interest received	256,570	170,835
Long term deposit - net	21,887	(26,905)
Long term loans	2,557	(2,415)
Long term payable	(239,999)	51,399
	(168,026)	28,620
Net cash generated from operating activities	90,413	26,629

Consolidated Statement of Cash Flows

For the Year Ended June 30, 2024

CASH FLOWS FROM INVESTING ACTIVITIES

Capital expenditure
Proceeds from sale of fixed assets
Dividend received
Proceeds from sale of investments
Investments purchased
Net cash (used in) / generated from investing activities
Net (decrease) / increase in cash and cash equivalents

Cash and cash equivalents at the beginning of the year

CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR

The annexed notes from 1 to 35 form an integral part of these financial statements.

2024	2023
----- (Rupees in '000) -----	
(516,319)	(247,034)
16,588	1,797
281,400	288,584
6,431,351	4,759,904
(6,462,493)	(4,751,223)
(249,473)	52,028
(159,060)	78,657
357,281	278,624
198,221	357,281



Chief Financial Officer



Chief Executive Officer



Chairperson

Consolidated Statement of Changes In Equity

For the Year Ended June 30, 2024

		Reserves					
	Share Capital	Un-appropriated profit	Revaluation surplus on investments at FVOCI	Share of associates	Total	Revaluation surplus on property and equipment	Total
	----- (Rupees in '000) -----						
Balance as at 01 July 2022	8,014,766	1,261,391	17,578	(61,592)	1,217,377	968,015	10,200,158
Net profit for the year	-	219,589	-	-	219,589	-	219,589
Other comprehensive income / (loss)	-	(21,847)	11,322	(13,260)	(23,785)	-	(23,785)
Total comprehensive income for the year	-	197,742	11,322	(13,260)	195,804	-	195,804
Transfer from revaluation surplus on property and equipment incremental depreciation - net of tax	-	35,153	-	-	35,153	(35,153)	-
Balance as at 30 June 2023	8,014,766	1,494,286	28,900	(74,852)	1,448,334	932,862	10,395,962
Net profit for the year	-	1,027,609	-	-	1,027,609	-	1,027,609
Other comprehensive income / (loss)	-	(39,749)	66,746	(11,782)	15,215	-	15,215
Total comprehensive income for the year	-	987,860	66,746	(11,782)	1,042,824	-	1,042,824
Transfer from revaluation surplus on property and equipment incremental depreciation - net of tax	-	32,066	-	-	32,066	(32,066)	-
Balance as at 30 June 2024	8,014,766	2,514,212	95,646	(86,634)	2,523,224	900,796	11,438,786

The annexed notes from 1 to 35 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Chairperson

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

1 THE GROUP AND ITS OPERATIONS

- 1.1** Pakistan Stock Exchange Limited (the Holding Company) was incorporated under the Companies Act, 1913 (now Companies Act, 2017) on 10 March 1949 as a Company Limited by Guarantee. However, on 27 August 2012 the Holding Company was re-registered as public company limited by shares under the Stock Exchanges (Corporatisation, Demutualisation and Integration) Act 2012 (XV of 2012). The Holding Company is listed on PSX with effect from 29 June 2017.

The Holding Company is engaged in conducting, regulating and controlling the trade or business of buying, selling and dealing in shares, scripts, participation term certificates, modaraba certificates, stocks, bonds, debentures stock, government papers, loans, and any other instruments and securities of like nature including, but not limited to, special national fund bonds, bearer national fund bonds, foreign exchange bearer certificates and documents of similar nature, issued by the Government of Pakistan or any other agency authorised by the Government of Pakistan.

The registered office of the Holding Company is situated at Stock Exchange Building, Stock Exchange Road, Karachi. Area of land belongs to the Holding Company is 9,408 Sq. yards out of which occupied space by the buildings are 4,050 Sq. yards and open area is 5,358 Sq. yards.

The group consists of:

Holding Company

- Pakistan Stock Exchange Limited

Subsidiary Company

- Pakistan Financial Center (Private) Limited

Associates

- Central Depository Company of Pakistan Limited (CDC)
- National Clearing Company of Pakistan Limited (NCCPL)
- EClear Services Limited

Percentage of shareholding

	2024	2023
Pakistan Financial Center (Private) Limited	100%	100%
Central Depository Company of Pakistan Limited (CDC)	39.81%	39.81%
National Clearing Company of Pakistan Limited (NCCPL)	49.71%	49.71%
EClear Services Limited	25.00%	25.00%

a) Pakistan Financial Center (Private) Limited

PSX Financial Centre (Private) Limited (the Subsidiary) was incorporated in Pakistan on November 2, 2022 as Private Limited Company under the Companies Act, 2017. The registered office of the Subsidiary is situated in Stock Exchange Building, Stock Exchange Road, Karachi. The Subsidiary is principally engaged under business to carry on Real Estate operations.

- 1.2** Shareholders of the Holding Company include the following foreign shareholders:

China Financial Futures Exchange Company Limited

Legal Status

Limited by Shares

Owners

CFFEX was setup jointly by Shanghai Futures Exchange, Zhengzhou Commodity Exchange, Dalian Commodity Exchange, Shanghai Stock Exchange and Shenzhen Stock Exchange, each accounting for 20% of total shares.

Chief Executive Officer

Mr. Zhang Xiaogang

Shanghai Stock Exchange limited

Legal Status

Non-profit organization directly governed by the China Securities Regulatory Commission.

Owners

Membership-based exchange

Chief Executive Officer

Mr. CAI Jianchun

Shenzhen Stock Exchange Limited

Legal Status

Non-profit organization directly governed by the China Securities Regulatory Commission.

Owners

Membership-based exchange

Chief Executive Officer

Mr. Li Jizun

2 STATEMENT OF COMPLIANCE

2.1 These consolidated 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 Standards) issued by the International Accounting Standard Board (IASB) 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 Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3 BASIS OF MEASUREMENT

3.1 These consolidated financial statements have been prepared under the historical cost convention except as mentioned in note 5.

3.2 These consolidated financial statements are presented in Pakistani Rupees which is the Group's functional and presentation currency.

3.3 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiary as at 30 June 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement(s) with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

4 NEW ACCOUNTING STANDARDS

4.1 Accounting standards effective for the year

There are certain new standards and amendments that are mandatory for the Group's accounting period beginning on 01 July 2023, but are considered either to be not relevant or to not have any significant effect on the Group's operations and are, therefore, not detailed in these consolidated financial statements.

4.2 Accounting standards not yet effective

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the Group's accounting periods beginning on / after 01 July 2024. However, the Group expects that these standards will not have any material impact on the future consolidated financial statements of the Group.

5 MATERIAL ACCOUNTING POLICIES

5.1 Operating fixed assets

Leasehold land is carried at revalued amount less subsequent accumulated impairment losses, if any. Buildings on leasehold land and lift, generators and electric installation are carried at revalued amount, less subsequent accumulated depreciation and accumulated impairment losses. All other fixed assets are carried at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is charged to consolidated statement of profit or loss applying the diminishing balance method over the estimated useful life of respective assets, except for "Computers and related accessories" which are depreciated using straight-line method. The assets' residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year end. In respect of additions and disposals of assets, depreciation is charged from the month in which asset is available to use and continue depreciating it until it is derecognised i.e. up to the month preceding the disposal, even if during that period the asset is idle. Useful lives are determined by the management based on expected usage of asset, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of assets and other similar factors.

Maintenance and repairs are charged to consolidated statement of profit or loss as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired. Gains and losses on disposal of assets, if any, are included in statement of profit or loss.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss in the year the asset is derecognised.

5.2 Capital work-in-progress

These are stated at cost less any subsequent accumulated impairment losses, if any. It consists of expenditure incurred and advances made in respect of tangible and intangible assets in the course of their construction and installation.

5.3 Surplus on revaluation of property and equipment

Surplus on revaluation is recognised in other comprehensive income as surplus on revaluation of property and equipment which is presented as separate component within equity. Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value.

Cost / revalued amount at the date of the revaluation is adjusted / eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. To the extent of the incremental depreciation charged on the revalued assets, the related surplus on revaluation of property, plant and equipment (net of deferred taxation) is transferred directly to un-appropriated profit.

If an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in consolidated statement of comprehensive income and accumulated in equity under the heading of revaluation surplus. If an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in the consolidated statement of profit or loss. However, the decrease is recognised in the consolidated statement of other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognised in the consolidated statement of comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus. However, the increase is recognised in the consolidated statement of profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in the consolidated statement of profit or loss. The revaluation reserve is not available for distribution to the Group's shareholders.

5.4 Intangible assets

These are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is charged to statement of consolidated statement of profit or loss using the straight-line method.

Gains or losses on disposal of intangible assets, if any, are included in consolidated statement of profit or loss.

5.5 Investment property

Investment property is stated at fair value, which reflects market conditions at the each reporting date. Gain or loss on remeasurement of investment property at fair value is recognized in consolidated statement of profit or loss. Fair value is evaluated annually by an independent professional valuer. Investment property is derecognized when either it has been disposed off or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized as income in the period of derecognition.

5.6 Long terms investments

Investment in associates are accounted for using the equity method, whereby the investment is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the net assets of the investee. The consolidated statement of profit or loss reflects the Group's share of the results of the operations of the investee. Where there has been a change recognised in other comprehensive income, the Group recognises its share in its comprehensive income. The Group determines at each reporting date whether there is any objective evidence that the investment is impaired. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount and its carrying value and recognises the same in the consolidated statement of profit or loss.

5.7 Financial Instruments

5.7.1 Initial recognition and measurement

Financial assets and liabilities are initially recognised on the date the Group becomes a party to the contractual provisions of the instrument.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss.

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

5.7.2 Classification and subsequent measurement

The Group classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

Financial assets

The Group classifies its financial assets as subsequently measured at amortised cost or measured at Fair Value Through other comprehensive Income (FVOCI) on the basis of both, the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

- Debt instruments at FVOCI

These assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and foreign exchange gains and losses are recognised in profit or loss. On de-recognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss. Debt instruments are subject to impairment under Expected Credit Loss model. The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon de-recognition of the assets.

- Equity instruments at FVOCI

Upon initial recognition, the Group elects to classify irrevocably its equity investments as equity instruments at FVOCI when they meet the definition of Equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The Group's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. Such classification is determined on an instrument by instrument basis.

- Financial assets at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortized cost are subject to impairment under Expected Credit Loss model.

Financial liabilities

All financial liabilities of the Group are subsequently measured at amortised cost using effective interest method.

5.7.3 De-recognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Group has:

- a) Transferred substantially all of the risks and rewards of the asset; or
- b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

The Group derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

5.7.4 Impairment of financial assets

Loss allowances for trade debts and other receivables are always measured applying simplified approach at an amount equal to lifetime ECLs.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group uses the provision matrix as a practical expedient to measuring ECLs on trade debts and other receivables, based on days past due for groupings of receivables with similar loss patterns. Receivables are grouped based on their nature.

The default rates are benchmarked and adjusted for forward looking information and the rates in provision matrix are based on days past due for various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates which is then adjusted for forward looking information.

5.7.5 Offsetting of financial assets and financial liabilities

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

5.8 Cash and cash equivalents

Cash in hand and at banks are carried at cost. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and at bank and short term investments that are highly liquid in nature and are readily convertible into known amounts of cash, which are subject to insignificant risks of changes in value.

5.9 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

5.10 Revenue recognition

- The Group recognises revenue from initial listing and further issues over a period the Group discharges its performance obligation in relation to listing services. The Group recognises revenue from annual listing fee on a straight-line basis over the period to which the fee relates, as this reflects the extent of the Group's progress towards completion of the performance obligation under the contract.
- Income pertaining to trading by members is recognized at the trade date to which the transaction pertains when the obligation to provide trading services has been fulfilled.

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

- Income pertaining to non-trading fee and facilities and equipment services are recognized over the period of use as the Group satisfies obligation to provide services, which are provided both at a point in time and over a period of time.
- Income from regulatory fee is recognized on accrual basis.
- Income from membership fee is recognized over a period of twelve months on straight line basis.
- Rental income is recognized over a period of twelve months on straight line basis.
- Return on investments and bank balances is recognised on time proportionate basis.

5.11 Taxation

Current

The charge for current taxation is based on taxable income at the current rates in accordance with Income Tax Ordinance, 2001

Pursuant to the release of circular 7/2024 by the Institute of Chartered Accountants of Pakistan, the Group has elected to change the method of accounting for minimum taxes and final taxes.

Minimum tax

The Group has elected to designate the amount calculated on taxable income using the enacted tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax, will then be recognized as a levy falling under the scope of IFRIC 21 / IAS 37.

Final tax

As computation of final taxes under provisions of ITO, 2001 is not based on taxable income, therefore, final taxes fall under levy within the scope of IFRIC 21/IAS 37 and not income tax in the consolidated statement of profit or loss.

The numerical reconciliation is not provided as the tax charge of the Group mainly comprise of minimum and final tax under the relevant sections of Income Tax Ordinance, 2001.

Deferred

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which these can be utilized. The carrying amount of deferred tax assets is reviewed at each consolidated statement of financial position date and adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantially enacted by the statement of financial position date.

5.12 Staff retirement benefit

The Group operates an approved gratuity fund (defined benefit plan) for all its permanent employees who attain the minimum qualification period for entitlement to gratuity. The Group's costs and contributions are determined based on actuarial valuation carried out at each year end using Projected Unit Credit Actuarial Method. All actuarial gains and losses are recognised in 'other comprehensive income' as they occur and are not reclassified to statement of profit or loss in subsequent periods.

5.13 Impairment

The carrying amounts of non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment of any asset or a group of assets. If any such indication exists, the recoverable amount of that asset is estimated and impairment losses are recognised in the statement of profit or loss.

5.14 Foreign currency translation

Foreign currency transactions during the year are recorded at the exchange rates approximating those ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange which approximate those prevailing on the balance sheet date. Gains and losses on translation are taken to income currently. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

5.15 Accounting estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

The estimates and judgments that have a significant effect on the financial statements are in respect of the following:

	Notes
- Determination of useful lives of property and equipment and intangible assets	6, 6.1, 6.1.1, 6.1.2, 7, 7.1, 7.2
- Classification and valuation of investments	5.7.2 and 9
- Valuation of investment property	8
- Provisions and contingencies	5.9 and 22
- Impairment of financial assets (ECL)	5.7.4
- Provision for taxation and deferred tax	5.11
- Provision for gratuity	5.12
- Revenue recognition	5.10

6. PROPERTY AND EQUIPMENT

	Note	June 30, 2024	June 30, 2023
----- (Rupees in '000) -----			
Operating fixed assets	6.1	4,284,095	4,329,943
Capital work-in-progress		429	14,618
		<u>4,284,524</u>	<u>4,344,561</u>

6.1 Operating Fixed Assets – Tangible

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

June 30, 2024										
	Cost			Rate / period	Accumulated depreciation			Written Down Value		
	As at July 01, 2023	Additions / (Disposals)	Transfer to Investment Property		As at June 30, 2024	As at July 01, 2023	Charge for the year / (deletions)	Transfer to Investment Property	As at June 30, 2024	As at June 30, 2024
Leasehold land	2,724,387	-	-	2,724,387	99 years	-	-	-	-	2,724,387
Building on leasehold land	1,596,755	8,221	(12,990)	1,591,986	5%	259,692	67,138	(2,650)	324,180	1,267,806
Lift, generators and electric installation	111,889	3,272 (11,467)	-	103,694	25%	61,609	12,578 (7,319)	-	66,868	36,826
Furniture and fixtures	23,670	153 (707)	-	23,116	20%	15,490	1,654 (631)	-	16,513	6,603
Office equipment	133,442	18,037 (9,865)	-	141,614	20%	94,627	10,089 (8,410)	-	96,306	45,308
Computers and related accessories	756,323	110,789 (2,900)	-	864,212	20% & 33.33%	603,718	75,027 (2,868)	-	675,877	188,335
Vehicles	31,150	13 (288)	-	30,875	20%	12,537	3,713 (205)	-	16,045	14,830
	5,377,616	140,485 (25,227)	(12,990)	5,479,884		1,047,673	170,199 (19,433)	(2,650)	1,195,789	4,284,095

June 30, 2023									
	Cost			Accumulated depreciation			Written Down Value		
	As at July 01, 2022	Additions / (Disposals)	Transfer to Investment Property	As at June 30, 2023	Rate / period	Charge for the year / (deletions)	Transfer to Investment Property	As at July 01, 2022	As at June 30, 2023
	(Rupees in '000)								
Leasehold land	2,724,387	-	-	2,724,387	99 years	-	-	-	2,724,387
Building on leasehold land	1,594,169	20,976	(18,390)	1,596,755	5%	71,052	(2,990)	191,630	259,692
Lift, generators and electric installation	109,652	2,237	-	111,889	25%	16,473	-	45,136	61,609
Furniture and fixtures	20,758	2,912	-	23,670	20%	1,970	-	13,520	15,490
Office equipment	126,638	8,581 (1,777)	-	133,442	20%	9,373 (1,461)	-	86,715	94,627
Computers and related accessories	742,667	17,066 (3,410)	-	756,323	20% & 33.33%	77,584 (3,128)	-	529,262	603,718
Vehicles	20,506	11,204 (560)	-	31,150	20%	2,085 (240)	-	10,692	12,537
	5,338,777	62,976 (5,747)	(18,390)	5,377,616		178,537 (4,829)	(2,990)	876,955	1,047,673
6.1.1	Cost of fully depreciated assets amounts to Rs.453.810 (2023: Rs. 421.579) million.								
6.1.2	The forced sale value of the above mentioned assets which were subject to revaluation determined on the basis of latest revaluation carried out as at 30 June 2024 amounting to Rs. 3,334.314 millions.								
6.1.3	Details of operating fixed assets disposed off:								
	Cost	Accumulated depreciation	Written down value	Sale Proceeds	Gain on disposal	Mode of disposal	Particulars of purchasers	Relationship with purchaser	
	(Rupees in '000)								
Caterpillar Diesel Generator Sets and Electric Infrastructure	10,120	6,425	3,695	4,200	505	Insurance claim	TPL Insurance Limited	None	

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

	Note	June 30, 2024	June 30, 2023
7 INTANGIBLE ASSETS		----- (Rupees in '000) -----	
Operating intangibles	7.1	990,001	877,497
Intangibles under development (CWIP)	7.2	137,026	19,116
		<u>1,127,027</u>	<u>896,613</u>

7.1 Operating intangibles

June 30, 2024								
	COST			Rate	ACCUMULATED AMORTISATION		WRITTEN DOWN VALUE	
	As at July 01, 2023	Additions / Transfers	As at June 30, 2024		As at July 01, 2023	Charge for the year	As at June 30, 2024	As at June 30, 2024
	----- (Rupees in '000) -----			%	----- (Rupees in '000) -----			
Computer software	965,821	212,486	1,178,307	10-25	422,107	86,864	508,971	669,336
Internally developed software and market products	709,924	50,049	759,973	25	376,141	63,167	439,308	320,665
	<u>1,675,745</u>	<u>262,535</u>	<u>1,938,280</u>		<u>798,248</u>	<u>150,031</u>	<u>948,279</u>	<u>990,001</u>
June 30, 2023								
	COST			Rate	ACCUMULATED AMORTISATION		WRITTEN DOWN VALUE	
	As at July 01, 2022	Additions / Transfers	As at June 30, 2023		As at July 01, 2022	Charge for the year	As at June 30, 2023	As at June 30, 2023
	----- (Rupees in '000) -----			%	----- (Rupees in '000) -----			
Computer software	422,976	542,845	965,821	10 - 25	398,964	23,143	422,107	543,714
Internally developed software and market products	398,376	311,532	709,908	25	340,292	35,833	376,125	333,783
	<u>821,352</u>	<u>854,377</u>	<u>1,675,729</u>		<u>739,256</u>	<u>58,976</u>	<u>798,232</u>	<u>877,497</u>

7.1.1 Cost of fully amortised assets amounts to Rs.751.383 (2023: Rs. 676.934) million.

	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
7.2 Intangibles under development (CWIP) - Softwares		
Opening balance	19,116	716,981
Additions during the year	221,997	129,161
Transfers to operating intangibles	(98,522)	(827,026)
Provision for the year	(5,565)	-
Closing balance	<u>137,026</u>	<u>19,116</u>

8 INVESTMENT PROPERTY

This represents office spaces in PSX's buildings. The Group carries the investment property at fair value and the latest fair valuation was carried out by Iqbal A.Nanjee & Group (Private) Limited at 30 June 2024, which resulted in fair value gain of Rs. 4.01 million. The forced sales value of the property as at 30 June 2024 is Rs. 476.869 million.

	Note	June 30, 2024	June 30, 2023
		----- (Rupees in '000) -----	
9 LONG TERM INVESTMENTS			
Associate	9.1	4,182,758	3,532,257
FVOCI	9.2	194,565	112,163
		<u>4,377,323</u>	<u>3,644,420</u>

9.1 Investment in Associates

Central Depository Company of Pakistan Limited (CDC) 139,328,000 shares having face value of Rs. 10/- each	9.1.1	2,766,410	2,357,362
National Clearing Company of Pakistan Limited (NCCPL) 50,131,809 shares having face value of Rs. 10/- each	9.1.1	1,328,661	1,096,443
EClear Services Limited 7,500,000 shares having face value of Rs. 10/- each	9.1.1	87,687	78,452
		<u>4,182,758</u>	<u>3,532,257</u>

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

9.1.1 Reconciliation of changes in carrying value of investment in associate

	June 30, 2024			
	CDC	NCCPL	E-Clear Services	Total
	----- (Rupees in '000) -----			
Opening balance	2,357,362	1,096,443	78,452	3,532,257
Share of profit for the year	620,660	313,788	9,235	943,683
Actuarial loss on employees' gratuity fund	(4,807)	(6,976)	-	(11,783)
Dividend received during the year	(206,805)	(74,594)	-	(281,399)
Closing balance	2,766,410	1,328,661	87,687	4,182,758

	June 30, 2023			
	CDC	NCCPL	E-Clear Services	Total
	----- (Rupees in '000) -----			
Opening balance	2,217,063	1,079,606	75,170	3,371,839
Share of profit for the year	338,147	119,208	3,282	460,637
Actuarial loss on employees' gratuity fund	(6,939)	(6,321)	-	(13,260)
Dividend received during the year	(190,909)	(96,050)	-	(286,959)
Closing balance	2,357,362	1,096,443	78,452	3,532,257

- 9.1.2** As of 30 June 2024, the carrying value of Group's investment in NCCPL amounts to Rs 1,329 million against the break up value of Rs.1,299 million. However, in accordance with its accounting policy, the Group has assessed the recoverable amount of investment in NCCPL using the income approach and determined that the recoverable amount is higher than its carrying value. Accordingly, no impairment is required in this respect.

9.1.3 Summarised financial information of the associates of the Group are as follows:

Name of associate	Country of incorporation	June 30, 2024				
		Total assets	Total liabilities	Profit	Revenue	Interest held %
----- (Rupees in '000) -----						
CDC Break-up value of each ordinary share of Rs. 10/- is Rs.21.77 based on the financial statements for the year ended 30 June 2024.	Pakistan	9,117,645	1,498,336	1,559,056	3,131,348	39.81
NCCPL Break-up value of each ordinary share of Rs. 10/- is Rs. 25.91 based on the financial statements for the year ended 30 June 2024.	Pakistan	27,538,324	24,925,184	631,238	2,207,048	49.71
E-Clear Services Break-up value of each ordinary share of Rs. 10/- is Rs. 11.53 based on the unaudited financial statements for the year ended 30 June 2024.	Pakistan	1,601,566	1,255,762	36,940	51,324	25.00
		38,257,535	27,679,282	2,227,234	5,389,720	

Name of associate	June 30, 2023					
	Country of incorporation	Total assets	Total liabilities	Profit	Revenue	Interest held %
	----- (Rupees in '000) -----					
CDC Break-up value of each ordinary share of Rs.10 is Rs.18.83 based on the financial statements available for the year ended 30 June 2024.	Pakistan	7,925,327	1,333,494	849,401	2,473,564	39.81
NCCPL Break-up value of each ordinary share of Rs.10 is Rs 21.28 based on the financial statements for the year ended 30 June 2024.	Pakistan	16,933,776	14,787,770	239,807	1,220,540	49.71
E-Clear Services Break-up value of each ordinary share of Rs.10 is Rs 10.30 based on the unaudited financial statements for the year ended 30 June 2024.	Pakistan	622,451	313,587	13,129	19,349	25.00
		25,481,554	16,434,851	1,102,337	3,713,453	

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

9.2 At FVOCI - related parties

Note	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
VIS Credit Rating Company Limited, a related party		
250,000 ordinary shares of Rs. 10/- each, representing, 12.50% shareholding.	26,741	25,266
Pakistan Mercantile Exchange Limited (PMEX)		
8,909,052 ordinary shares of Rs.10 each, representing 28.41% shareholding.	167,824	86,897
	<u>194,565</u>	<u>112,163</u>

- 9.2.1** As PMEX operates under close regulatory supervision, the Group believes that it cannot exercise significant influence in the affairs of PMEX solely on the basis of shareholding / voting rights as investor in PMEX hence, the investment is not accounted for as an associate investment.

Note	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
10 LONG TERM LOANS		
Employees - Considered good, secured	10.1 31,943	33,890
Current portion of long term loans to employees	12 (14,003)	(13,393)
	<u>17,940</u>	<u>20,497</u>

- 10.1** These personal loans are sanctioned for the purchase of motorcycles and other domestic purposes. These are secured against the outstanding balances in the Employees' Gratuity Fund. These are recoverable in monthly instalments over a period, with original maturity between 3 and 5 years and are interest free.

11 TRADE DEBTS

Considered good

Due from members
Due from companies
Others

60,194	68,367
362,210	97,534
26,224	-
<u>448,628</u>	<u>165,901</u>

Considered doubtful

Due from companies

78,835	63,375
--------	--------

Allowance for ECL

527,463	229,276
(78,835)	(63,375)
<u>448,628</u>	<u>165,901</u>

		Note	June 30, 2024	June 30, 2023
			----- (Rupees in '000) -----	
11.1	Allowance for ECL			
	Opening balance		63,375	55,875
	Charge for the year	26	15,460	7,500
	Closing balance		<u>78,835</u>	<u>63,375</u>
12	LOANS AND ADVANCES			
	Loans - secured, considered good			
	- Current portion of long term loans to employees	10	14,003	13,393
	Advances, considered good			
	- Employees		54,052	43,562
	- Suppliers		812	1,140
			<u>54,864</u>	<u>44,702</u>
			<u>68,867</u>	<u>58,095</u>
13	OTHER RECEIVABLES			
	Due from Non-members		34,675	35,272
	Due from an ex-member		6,574	6,574
	Rent receivable		17,064	26,450
	Others		37,386	21,418
			<u>95,699</u>	<u>89,714</u>
13.1	This represents amount due from an ex-member upon the cancellation of his membership and declaration as a defaulter. As a result thereof, certain shares of the ex-member were taken over by the Group in order to square up the ex-member's position and are held pending the outcome of a law suit brought against the Group by him in the Honourable High Court of Sindh. The market value of these shares (including bonus shares) as at 30 June 2024 amounted to Rs. 55.27 (2023: Rs.17.73) million. Further, as disclosed in note 15.2, bank balances include dividend/bank profit of Rs.17.83 and Rs.28.66 (2023: 15.62 and 21.48) million respectively.			
14	SHORT TERM INVESTMENTS			
	These represent Market Treasury Bills having cost of Rs. 2,112.343 (2023: Rs. 2,181.645) million and interest accrued thereon of Rs. 111.967 (2023: Rs. 100.45) million. The effective rate of return is 19.98% (2023: 20.54%) per annum. These will mature latest by 26 June 2025. These include Rs. 856.62 (2023: Rs. 695.67) million from defaulter / expelled / suspended members and Rs. 438.69 (2023: Rs. 423.450) million pertaining to base minimum capital.			

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

	Note	June 30, 2024	June 30, 2023	
		----- (Rupees in '000) -----		
15	CASH AND BANK BALANCES			
With banks:				
Current accounts		157	151	
PLS accounts in:				
foreign currency	15.1 & 15.2	33,355	93,267	
local currency		164,651	263,846	
		198,006	357,113	
In hand		58	17	
		198,221	357,281	
15.1	Rate of return on PLS accounts varies from 20.50% to 20.75% (2023: 12.25% to 19.75%) per annum. However, the effective rate for the period is 20.57% (2023: 15.2%).			
	Note	June 30, 2024	June 30, 2023	
15.2		----- (Rupees in '000) -----		
These include the following balances:				
Dividend / bank profit	13.1	46,487	37,099	
Members basic deposits		41,268	34,129	
Deposits against arbitration		2,478	2,443	
Proceeds from divestments/ Membership card	21.1	38,943	143,573	
Dara F. Dastoor scholarship fund		2,005	2,005	
Unclaimed dividend		1,429	1,429	
16	SHARE CAPITAL			
		June 30, 2024	June 30, 2023	
		----- (Number of Shares) -----		
		June 30, 2024	June 30, 2023	
		----- (Rupees in '000) -----		
	Authorised capital			
1,000,000,000	1,000,000,000	Ordinary shares of Rs.10/- each	10,000,000	
			10,000,000	
	Issued, subscribed and paid-up capital			
801,476,600	801,476,600	Ordinary shares of Rs. 10/- each- (other than cash)	8,014,766	
			8,014,766	
16.1	This includes shares issued against surplus on revaluation of the assets of the Group of Rs.3.288 million (net of tax) in accordance with the requirements of Stock Exchanges (Corporatization, Demutualization and Integration) Act 2012. This treatment regarding the surplus has also been approved by the Securities and Exchange Commission of Pakistan.			
16.2	The shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Group. All shares carry one vote per share without restriction.			

	Note	June 30, 2024	June 30, 2023
		----- (Rupees in '000) -----	
17 REVALUATION SURPLUS ON PROPERTY AND EQUIPMENT - net			
Balance as of 01 July 2023		1,223,505	1,275,972
Transferred to unappropriated profit on account of incremental depreciation charged thereon		(47,860)	(52,467)
		1,175,645	1,223,505
Related deferred tax liability:			
Opening balance		(290,643)	(307,957)
Tax effect of incremental depreciation charged during the year on related assets transferred to statement of profit or loss		15,794	17,314
Closing balance		(274,849)	(290,643)
Balance as of 30 June 2024		900,796	932,862
18 LONG TERM DEPOSITS			
Clearing house deposits from members	18.1	469,981	448,673
18.1 These include Rs. 457.421 million (2023: Rs. 436.113 million) cash deposit placed by TREC holders against the Base Minimum Capital requirement with the Exchange in accordance with the Rule Book of PSX.			
19 LONG TERM PAYABLE			
Long term payable	19.1	157,601	397,600
Less: current portion of long term payable		(157,601)	(308,469)
		-	89,131
19.1 It represents USD 0.565 million (2023: USD 1.385 million) including tax against the purchase of Trading and Surveillance System from Shenzhen Stock Exchange (a related party). The amount is payable in 4 yearly installments latest by December 2024.			

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

	Note	June 30, 2024	June 30, 2023
----- (Rupees in '000) -----			
20 DEFERRED TAX LIABILITY			
Taxable temporary differences arising from:			
Accelerated tax depreciation		386,133	414,263
Unrealised gain on revaluation of investment property		102,005	100,681
Unrealised gain on revaluation of investment at FVOCI		22,277	6,623
Investment in associates		46,258	12,408
		556,673	533,975
Deductible temporary differences arising from:			
Carry forward tax losses		(369,533)	(336,062)
Provisions		(122,796)	(98,116)
Unrealised exchange loss		(27,493)	(35,092)
		(519,822)	(469,270)
		36,851	64,705
20.1 Movement of deferred tax liability			
Opening balance		64,705	122,437
Charged to statement of profit or loss		(23,932)	(49,627)
Charged to statement of comprehensive income		(3,922)	(8,105)
Closing balance		36,851	64,705
21 TRADE AND OTHER PAYABLES			
Creditors - capital expenditure		102,483	28,788
Accrued expenses		350,256	263,342
Payable to Shenzhen Stock Exchange - related party		55,345	-
Unclaimed dividend (defaulter)		13,945	19,179
Payable to directors against board meeting fee		11,885	8,685
Deposits against arbitration		2,478	2,443
Provision for staff bonus		156,358	44,475
Fees and rent received in advance		35,889	162,862
Amount held against defaulter / expelled / suspended members	21.1	895,558	839,242
Interest payable on BMC deposits	21.2	25,976	22,975
Provision for Wealth Tax		1,684	1,684
Employees' Gratuity Fund	21.3	318,356	246,087
Sales tax payable		9,593	26,749
Various taxes collected from members		-	-
SECP supervision / transaction fee		31,750	21,450
RDA Campaign		14,956	14,956
Centralized Customer Protection Fund (CCPF) 0.1% / 1% of total revenue		3,993	452
Others		51,703	22,539
		2,082,208	1,725,908

21.1 This represents amount obtained on disposal of membership cards and sale proceeds received from sale of 40% divestment and 20% from public offering of PSX shares of defaulter / expelled / suspended members, from LSE Financial Services Limited and ISE tower REIT Management Company Limited including profit accrued thereon, deposited in a separate bank account amounting to Rs 38.943 million to be utilised for the settlement of dues of the defaulter members, including investors claim, if any. The remaining amount of 856.62 millions is invested in Market Treasury Bills.

21.2 This represents interest payable on amount deposited with the Group on account of Base Minimum Deposits by TREC holders.

	Note	June 30, 2024	June 30, 2023
		----- (Rupees in '000) -----	
21.3 Employees' Gratuity Fund	21.3.2	318,356	246,087
21.3.1 Principal actuarial assumptions		----- (% Per annum) -----	
Discount rate		14.75%	17.80%
Increase in salaries		9.75%	12.50%
Expected return on plan assets		14.75%	17.80%
Mortality rates		SLIC 2001-05	SLIC 2001-05
Rate of employee turnover		Heavy	Moderate
21.3.2 Liability recognised in the statement of financial position:			
Present value of obligations	21.3.6	383,574	311,053
Fair value of plan assets	21.3.7	(65,218)	(64,966)
		318,356	246,087
21.3.3 Expense recognised in statement of profit or loss			
Current service cost		21,832	20,489
Interest cost		55,367	32,349
Expected return on plan assets		(11,563)	(7,130)
		65,636	45,708
21.3.4 Movement in the liability recognised in the statement of financial position:			
Opening balance		246,087	212,887
Charge for the year		65,636	45,708
Actuarial loss recognised in other comprehensive income		59,327	32,608
Contribution		(52,694)	(45,116)
Closing balance		318,356	246,087

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

	June 30, 2024	June 30, 2023
	----- (% Per annum) -----	
21.3.5 Actual return on plan assets	17.80%	27.33%

21.3.5.1 The expected return on plan assets was determined by considering the market expectations and depends upon the assets portfolio of the fund, at the beginning of the year, for returns over the entire life of the related obligation.

	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
21.3.6 Movement of present value of defined benefit obligations		
Opening balance	311,053	271,584
Current service cost	21,832	20,489
Interest cost	55,367	32,349
Total benefits paid	(51,342)	(54,886)
Actuarial loss on obligation	46,664	41,517
Closing balance	383,574	311,053

21.3.7 Movement of fair value of plan assets

Opening balance	64,966	58,697
Return on plan assets	11,563	7,130
Contributions	52,694	45,116
Benefits paid by the fund	(51,342)	(54,886)
Actuarial (loss) / gain on assets	(12,663)	8,909
Closing balance	65,218	64,966

21.3.8 Remeasurements recognised in Other Comprehensive Income during the year

Actuarial loss on obligation	(46,664)	(41,517)
Actuarial (loss) / gain on assets	(12,663)	8,909
	(59,327)	(32,608)

21.3.9 Constituents of plan assets

	Fair Value as at June 30, 2024		Fair Value as at June 30, 2023	
	(Rupees in '000)	%	(Rupees in '000)	%
Government securities	61,390	94.13%	49,919	76.84%
Cash and net current assets	3,828	5.87%	15,047	23.16%
	65,218	100%	64,966	100%

Historical information	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
	----- (Rupees in '000) -----				
Present value of defined benefit obligation	383,574	311,053	271,584	273,051	246,890
Fair value of plan assets	(65,218)	(64,966)	(58,697)	(63,742)	(74,056)
Funding surplus	318,356	246,087	212,887	209,309	172,834
Experience adjustment on plan liabilities	(46,664)	(41,517)	4,731	(42,811)	(56,562)
Experience adjustment on plan assets	(12,663)	8,909	(6,218)	984	16,256

21.3.10 Maturity profile of the defined benefit obligation

	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
Distribution of timing of benefit payments within the next 12 months (next annual reporting period)	46,236	9,237
between 2 and 5 years	346,548	103,431
between 6 and 10 years	483,690	247,152
Beyond 10 years	1,553,486	779,306

21.3.11 Sensitivity Analysis on significant actuarial assumptions: Actuarial Liability

	Present value of Defined Benefit Obligation (Rupees in '000)	Percentage change
Discount Rate +0.5%	374,602	-2.34%
Discount Rate -0.5%	392,941	2.44%
Long Term Salary Increases +0.5%	394,227	2.78%
Long Term Salary Increases -0.5%	373,307	-2.68%

21.3.12 Investments out of gratuity fund have been made in accordance with the provisions of Section 218 to the Act and the rules formulated for this purpose.

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

22 CONTINGENCIES AND COMMITMENTS

22.1 Contingencies

- i) During the years ended 2018 and 2019, Sindh Revenue Board (SRB) issued show cause notices in respect of tax years 2012, 2013, 2014, 2017 and 2018 claiming Sindh Sales Tax (SST) aggregating to Rs. 193 million along with default surcharge. SRB served these notices on the understanding that the Group had provided/rendered taxable services covered under tariff heading 9825.0000 and 98.13 of the Second Schedule to the Sindh Sales Tax Act, 2011 and therefore such services should be taxed and deposited accordingly. The Group filed cases against the above notices, however, Sindh High Court dismissed the petitions filed. The Group challenged the referred dismissal orders in the Supreme Court of Pakistan, which are still pending.
- ii) During the year ended 1997, certain investors filed a suit against the Group and its ex-member for declaration, injunction and recovery of damages, aggregating to Rs.70 million together with interest thereon. The Group filed an appeal before the Sindh High Court against the suit, which is still pending.
- iii) During the year ended 2008, the Islamabad Stock Exchange (Guarantee) Limited filed a complaint with the Competition Commission of Pakistan (CCP) against the Group alleging abuse of its dominant position in securities market in contravention of Section 3 of the Competition Ordinance, 2007. The CCP directed the Group to take corrective measures along with the other exchanges of Pakistan and in case of failure to comply with the direction of the CCP, the Group will be liable to pay a penalty of Rs. 50 million and additional penalty of Rs.250,000 per day for each day of non-compliance. The Group filed an appeal before the Supreme Court of Pakistan against the CCP's order, which is still pending.
- iv) During the year ended 2003, M/s. Shafi Chemical Industries (the Plaintiff) filed suit for declaration, injunction and damages of about Rs. 1,700 million alleging unlawful and malafide acts of the Group and other defendants in which a decree for only Rs. 49.77 million has been sought against the Group. The securities deposited by the Plaintiff with his brokers were made worthless and they suffered losses. The written statement prepared by Group's counsel on behalf of former directors and the Group filed in the Sindh High Court. The case fixed for hearing of application is being adjourned from time to time on the request of the Plaintiff's advocate.

22.1.1 The total cumulative impact of contingencies stated in the above cases amounts to Rs 362.77 million. However, the management, based on legal advisors opinions, believes that the Group has reasonable position in respect of these litigations. Accordingly, no provision for any liability which may arise in this regard has been made in the financial statements of the Group.

22.1.2 In addition, there are certain other cases relating to ex-member's default filed against other defendants and the Group, wherein, the chances of decision going against the Group are remote.

22.2	Commitments	June 30, 2024	June 30, 2023
		----- (Rupees in '000) -----	
	IT maintenance charges	174,250	179,438
23	LISTING FEE		
	Annual fee	534,095	575,123
	Initial / first year fee	228,211	138,812
		762,306	713,935
24	INCOME FROM EXCHANGE OPERATIONS		
	Trading fee	395,964	180,467
	Facilities and equipment fee	234,693	179,213
	Income from non-trading facilities	320,352	104,013
	Regulatory fee	56,481	33,534
	Membership fee	2,720	2,790
	Other fee	5,440	10,135
		1,015,650	510,152
25	MARK-UP / INTEREST INCOME		
	Government securities	234,461	147,247
	PLS saving accounts	33,632	27,874
		268,093	175,121

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

26	ADMINISTRATIVE EXPENSES	Note	June 30, 2024	June 30, 2023
			----- (Rupees in '000) -----	
	Salaries and other benefits	26.1	1,033,072	792,304
	Rent, rates and taxes		19,730	20,178
	Fuel and power		66,875	79,804
	Repairs and maintenance		89,848	82,107
	Computer maintenance and related expenses		235,606	170,233
	Insurance		23,883	20,708
	Printing and stationery		6,266	7,416
	Donations	26.2	11,050	1,733
	Auditors' remuneration	26.3	4,123	3,596
	Legal and professional charges		30,942	22,660
	Depreciation	6.1	170,199	178,537
	Amortisation	7.1	150,031	58,976
	Travelling and conveyance		10,640	6,049
	General office expense		8,177	9,272
	Receptions, meetings and functions		15,728	16,986
	Contribution to IPF 0.1% / 1%		5,526	1,824
	Advertisement, marketing and development		31,691	27,203
	SECP supervision fee		17,780	12,241
	Allowance for ECL	11.1	15,460	7,500
	Penalty and fine		-	-
	Security expenses		30,776	25,267
	Subscription fee		20,247	18,580
	Training and development		4,462	2,031
	Other expenses		1,857	9,394
			<u>2,003,969</u>	<u>1,574,599</u>

26.1 Included herein is a sum of Rs.65.636 (2023: Rs.45.708) million in respect of retirement benefits.

26.2 Donations are paid to Lady Dufferin Hospital, Indus Hospital Make a Wish, Kutiyana Memon Hospital Million Smiles Foundation, The Patients Behbud Society, The Citizen Foundation, Deaf Reach and Bait - UI - Sukoon Cancer Hospital & HOSPICE as per the policy approved by Board of Directors, in which none of the directors of the Group is interested in any capacity.

26.3 Auditors' remuneration

	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
Audit fee	2,095	1,800
Fee for review of interim financial information	500	395
Special audit fee	700	750
Fee for review of Code of Corporate Governance	70	55
Other certifications	350	299
Out of pocket expenses	408	297
	<u>4,123</u>	<u>3,596</u>

27 OTHER INCOME / (EXPENSES)

Exchange gain / (loss)	23,027	(106,340)
Gain on revaluation of investment property	4,013	-
Gain on sale of fixed assets	10,794	878
Dividend income	1,600	1,625
Others	13,788	2,808
	<u>53,222</u>	<u>(101,029)</u>

28 BASIC AND DILUTED EARNINGS PER SHARE

Profit after taxation	<u>1,027,609</u>	<u>219,589</u>
Weighted average number of ordinary shares outstanding during the year	<u>801,476</u>	<u>801,476</u>
Basic and diluted earnings per share	<u>1.28</u>	<u>0.27</u>

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

29 REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

June 30, 2024				
	Chief Executive Officer	Directors	Executives	Total
	(Rupees in '000)			
Managerial Remuneration	62,848	-	581,396	644,244
Annual performance payout	44,382	-	-	44,382
Gratuity	-	-	45,627	45,627
Fees	-	13,925	-	13,925
	107,230	13,925	627,023	748,178
Number	1	10	180	

June 30, 2023				
	Chief Executive Officer	Directors	Executives	Total
	(Rupees in '000)			
Managerial Remuneration	58,177	-	528,916	587,093
Annual performance payout	19,500	-	16,720	36,220
Gratuity	-	-	32,919	32,919
Fees	-	14,325	-	14,325
	77,677	14,325	578,555	670,557
Number	1	10	114	

29.1 The Chief Executive Officer (CEO) of the Group has also been provided with the free use of Group owned and maintained car.

30 RELATED PARTY TRANSACTIONS

The related parties comprise of subsidiary, associates, staff gratuity fund, directors and key management personnel.

30.1 Following are the details of transactions with related parties:

Listing Fee

Common Directorship

	June 30, 2024	June 30, 2023
----- (Rupees in '000) -----		
Power Cement Limited	1,605	2,105
Fauji Foods Limited	1,955	20,905
Samba Bank Limited	2,118	2,269
Sui Southern Gas Company Limited	1,603	1,599
Engro Fertilizers Ltd.	-	3,219
The Searle Company Limited	2,248	6,599
United Brands Limited	521	676
IBL Healthcare Limited	1,044	1,234
The Searle Pakistan Limited	-	1,500
Sui Northern Gas Pipeline Limited	2,252	-
EFU Life Assurance Limited	2,264	-
Dawood Lawrencepur Mills Limited	1,785	-
The Organic Meat Company Limited	1,043	-
Crescent Steel & Allied Products Limited	764	-
International Steel Limited	2,195	-
Associate		
Habib Bank Limited	4,716	4,593
	<u>26,113</u>	<u>44,699</u>

Facilities and Equipment Fee

Common Directorship

Power Cement Limited	12	12
Fauji Foods Limited	12	12
Samba Bank Limited	12	24
Arch Sons	158	168
Sui Southern Gas Company Limited	12	12
Engro Fertilizers Ltd.	-	12
The Searle Company Limited	12	12
United Brands Limited	12	12
IBL Healthcare Limited	12	12
Sui Northern Gas Pipeline Limited	12	-
EFU Life Assurance Limited	12	-
Dawood Lawrencepur Mills Limited	12	-
The Organic Meat Company Limited	12	-
Crescent Steel & Allied Products Limited	12	-
International Steel Limited	12	-

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
Associate		
Habib Bank Limited	450	527
	764	803
LAN Connectivity Charges		
Associate		
National Clearing Company of Pakistan Limited	4,233	4,887
Miscellaneous Income		
Fauji Foods Limited	55	55
Power Cement Limited	55	55
Sui Southern Gas Company Limited	-	55
National Clearing Company of Pakistan Limited	125	-
	235	165
Dividend income		
Associate		
Central Depository Company of Pakistan Limited	206,805	190,909
National Clearing Company of Pakistan Limited	74,594	96,050
VIS Credit Rating Company Limited	1,600	1,625
	282,999	288,584
Rental Income from investment property		
Associate Company		
Central Depository Company of Pakistan Limited	6,417	6,417
National Clearing Company of Pakistan Limited	18,707	18,707
Habib Bank Limited	21,553	19,594
	46,677	44,718
CDC Fee		
Associate Company		
CDC fee - Central Depository Company of Pakistan Limited	3,294	3,503
Annual Subscription Fee & Board Evaluation		
Pakistan Institute of Corporate Governance (PICG)	481	602
Retirement benefit plan		
Payment made to gratuity fund during the year	52,694	45,116
Profit bank accounts		
Associate Company		
Habib Bank Limited	20	13

		June 30, 2024	June 30, 2023
		----- (Rupees in '000) -----	
Contribution			
Common directorship			
Centralized Customer Protection Fund (CCPF) 0.1% of total revenue		5,526	1,824
Reimbursement of Expenses			
Associate Company			
China Financial Futures Exchange		2,600	2,591
Name	Designation		
Farrukh H. Khan	Chief Executive Officer		
Ahmed Ali Mitha	Chief Financial Officer		
Fakhara Rizwan	Chief Legal and Corporate Affairs Officer		
Ajeet Kumar	Chief Regulatory Officer		
Syed Adeel Javaid	Chief Information Officer		
Farhan Ansari	Chief Internal Audit Officer		
Syed Abbas Haider Zaidi	Chief Risk Management Officer		
30.2 Following are the details of outstanding balances with related parties:			
Listing Fee Receivable			
Common Directorship			
IBL Healthcare Limited		130	130
Samba Bank Limited		750	-
The Searle Company Limited		-	2,429
		880	2,559
Facilities and Equipment Receivable			
Common Directorship			
Samba Bank Limited		24	24
United Brands Limited		48	36
The Searle Company Limited		12	-
Crescent Steel & Allied Products Limited		12	-
		96	60
Miscellaneous Income Receivable			
Fauji Foods Limited		57	55
Sui Southern Gas Company Limited		35	35
		92	90

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
LAN Connectivity Charges Receivable		
Associate Company		
National Clearing Company of Pakistan Limited	2,397	10,062
Electric charges payable		
National Clearing Company of Pakistan Limited	583	548
Retirement benefit plan		
Payable to Gratuity Fund	22,127	9,185
Contribution payable 0.1% / 1% of Revenue		
Common Directorship		
Centralized Customer Protection Fund (CCPF) 0.1% / 1% of total revenue	3,993	452
Receivable against Expenses		
Associate Company		
China Financial Futures Exchange	2,649	5,659

31 FINANCIAL INSTRUMENTS BY CATEGORY

	2024			
	Financial assets at amortized cost	Financial assets FVOCI	Financial liabilities at amortized cost	Total
	----- (Rupees in '000) -----			
Financial assets				
Investments	2,224,310	194,565	-	2,418,875
Loans and advances	86,807	-	-	86,807
Trade debts	448,628	-	-	448,628
Other receivables	95,699	-	-	95,699
Cash and bank balances	198,221	-	-	198,221
Financial liabilities				
Long term deposits	-	-	469,981	469,981
Long term payable	-	-	-	-
Unclaimed dividend	-	-	1,429	1,429
Current portion of long term payable	-	-	157,601	157,601
Trade and other payables	-	-	2,070,931	2,070,931

	2023			
	Financial assets at amortized cost	Financial assets FVOCI	Financial liabilities at amortized cost	Total
	(Rupees in '000)			
Financial assets				
Investments	2,181,645	112,163	-	2,293,808
Loans and advances	78,592	-	-	78,592
Trade debts	165,901	-	-	165,901
Other receivables	89,714	-	-	89,714
Cash and bank balances	357,281	-	-	357,281
Financial liabilities				
Long term deposits	-	-	448,673	448,673
Long term payable	-	-	89,131	89,131
Unclaimed dividend	-	-	1,429	1,429
Current portion of long term payable	-	-	308,469	308,469
Trade and other payables	-	-	1,697,475	1,697,475

32 FINANCIAL RISK MANAGEMENT

The Group is exposed to the following risks:

32.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise of interest rate risk, equity price risk and currency risk. The Group is exposed to market risk as a result of mismatches or gaps in the amounts of financial assets and financial liabilities that mature or reprice in a given period. The Group manages this risk by matching the repricing of financial assets and liabilities through risk management strategies.

32.1.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short term investments and bank deposits in saving accounts. At the statement of financial position date, the interest rate profile of the Group's interest-bearing financial instruments is as follows:

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

	June 30, 2024			
	Interest / mark-up bearing			Total
	Effective yield / mark-up rate %	Upto six months	More than six months	
Financial assets	----- (Rupees in '000) -----			
Market Treasury Bills	20.53	2,224,310	-	2,224,310
Bank balances	20.50 - 20.75	198,006	-	198,006
		2,422,316	-	2,422,316

	June 30, 2023			
	Interest / mark-up bearing			
	Effective yield / mark-up rate %	Upto six months	More than six months	Total
Financial assets	----- (Rupees in '000) -----			
Market Treasury Bills	15.88 - 22.48	2,181,645	-	2,181,645
Cash and bank balances	12.25 - 19.75	357,113	-	357,113
		2,538,758	-	2,538,758

The following table demonstrates the sensitivity of Company's income for the year to a reasonably possible change in interest rates, with all other variables held constant.

	Effect on profit	
	June 30, 2024	June 30, 2023
Change in basis point	----- (Rupees in '000) -----	
+ 100	24,223	25,388
- 100	(24,223)	(25,388)

32.1.2 Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of change in foreign exchange rates mainly relates to long term payable to Shenzhen Stock Exchange amounting to Rs. 157.601 million (USD 0.565 million) and the bank balance in saving accounts maintained in US dollars amounting to Rs. 33.355 million (USD 0.118 million).

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate, with all other variables held constant, of the Group's income before tax and reserves.

	Change in US dollar rate	Effect on profit before tax	Effect on reserves
		----- (Rupees in '000) -----	
Assets as at 30 June 2024	10%	3,335	3,335
	-10%	(3,335)	(3,335)
Liabilities as at 30 June 2024	10%	15,760	15,760
	-10%	(15,760)	(15,760)

32.2 Credit risk

32.2.1 Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The table below shows the maximum exposure to credit risk:

	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
Long term deposits	41,832	42,411
Trade debts	448,628	165,901
Loans and advances	86,807	78,592
Other receivables	95,699	89,714
Short term investments	2,224,310	2,181,645
Bank balances	198,163	357,281
	<u>3,095,439</u>	<u>2,915,544</u>

32.2.2 Concentration of credit risk exists when changes in economic or industry factors affect the group of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group's portfolio of financial assets is broadly diversified and transactions are entered into with diverse credit worthy counterparties thereby mitigating any significant concentration of credit risk. The table below analyses the credit quality of Group's exposure with respect to cash at bank:

Ratings *	June 30, 2024	June 30, 2023
	----- (%) -----	
AAA	78.66	85.03
AA+	21.09	14.96
AA-	0.25	0.01
	<u>100.00</u>	<u>100.00</u>

* Ratings are performed by PACRA and VIS Credit Rating Co.

Notes to the Consolidated Financial Statements

For the Year Ended June 30, 2024

32.3 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in releasing funds to meet commitments associated with financial liabilities. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value.

The Group's approach to managing liquidity 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 losses or risking damage to the Group's reputation. The table below summarizes the maturity profile of Group's financial liability:

	June 30, 2024				
	On demand	Upto three months	Upto 12 months	More than one year	Total
	----- (Rupees in '000) -----				
Long term deposits	466,521	-	-	3,460	469,981
Trade and other liabilities	2,082,208	-	-	-	2,082,208
Long term payable	-	-	157,601	-	157,601
Total	2,548,729	-	157,601	3,460	2,709,790

	June 30, 2023				
	On demand	Upto three months	Upto 12 months	More than one year	Total
	----- (Rupees in '000) -----				
Long term deposits	445,213	-	-	3,460	448,673
Trade and other liabilities	1,725,709	-	-	-	1,725,709
Long term payable	-	-	308,469	89,131	397,600
Total	2,170,922	-	308,469	92,591	2,571,982

32.4 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

32.5 Fair value hierarchy

The Company uses the following hierarchy for disclosure of the fair value of financial instruments by valuation technique:

Level 1: quoted prices in active markets for identical assets.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The table analyzes financial and non-financial assets measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

Financial and non-financial assets measured at fair value	June 30, 2024			Total
	Level 1	Level 2	Level 3	
	----- (Rupees in '000) -----			
Financial assets at 'fair value through OCI	-	-	194,565	194,565

As at 30 June 2024, the Company's long term investments are in unquoted securities (see note 9), which are carried at fair value. The fair value of such investments is determined by using level 3 techniques. The Company has used income approach (i.e. a present value technique) to value its investment in (PMEX). For this purpose, the financial projections have been derived from the business plans prepared by the management and duly approved by PMEX Board of Directors. The fair value of investment in VIS Credit Rating Company has been determined based on the net asset value due to limited financial information available.

33 NUMBER OF EMPLOYEES

33.1 The number of employees as at 30 June 2024 were 224 (30 June 2023: 231).

33.2 Average number of employee during the year as at 30 June 2024 were 228 (30 June 2023: 238).

34 GENERAL

34.1 The Board of Directors in its meeting held 18 September 2024 proposed a find cash divided at the rate of 10% i.e. Re 1 per share, for the year ended 30 June 2024 amounting to Rs 801.48 million for the approval of the shareholders in the Annual General Meeting to be held on 28 October 2024.

34.2 The figures have been rounded off to nearest thousand Rupees unless otherwise stated.

34.3 Corresponding figures have been re-arranged and re-classified for the purpose of better presentation. However, there are no material reclassification to report.

35 DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorised for issue on 18 September 2024 by the Board of Directors of the Group.

Chief Financial Officer

Chief Executive Officer

Chairperson

Pattern of Shareholding

As at June 30, 2024

Number of Shareholders	Shareholdings	Total Shares Held	Number of Shareholders	Shareholdings	Total Shares Held
285	1 to 100	6,086	2	225001 to 230000	456,476
416	101 to 500	187,386	4	230001 to 235000	936,528
349	501 to 1000	338,270	8	245001 to 250000	1,996,347
672	1001 to 5000	1,998,663	2	255001 to 260000	517,073
252	5001 to 10000	2,099,395	1	260001 to 265000	263,591
92	10001 to 15000	1,228,458	2	270001 to 275000	547,872
76	15001 to 20000	1,429,578	1	275001 to 280000	280,000
55	20001 to 25000	1,324,263	1	285001 to 290000	287,500
31	25001 to 30000	882,228	10	295001 to 300000	2,997,000
17	30001 to 35000	568,840	2	310001 to 315000	626,000
22	35001 to 40000	846,417	1	315001 to 320000	315,500
15	40001 to 45000	663,028	2	320001 to 325000	650,000
38	45001 to 50000	1,882,601	1	330001 to 335000	330,058
11	50001 to 55000	586,011	4	345001 to 350000	1,396,856
10	55001 to 60000	587,599	2	350001 to 355000	704,465
5	60001 to 65000	318,500	2	375001 to 380000	755,083
6	65001 to 70000	409,050	1	385001 to 390000	390,000
11	70001 to 75000	813,230	4	395001 to 400000	1,600,000
8	75001 to 80000	624,500	1	400001 to 405000	400,500
3	80001 to 85000	248,000	1	435001 to 440000	438,921
7	85001 to 90000	623,304	2	440001 to 445000	886,500
1	90001 to 95000	94,500	1	445001 to 450000	450,000
47	95001 to 100000	4,687,201	1	450001 to 455000	450,087
10	100001 to 105000	1,030,190	1	475001 to 480000	478,238
13	105001 to 110000	1,402,918	10	495001 to 500000	4,991,166
5	110001 to 115000	571,493	1	505001 to 510000	508,476
4	115001 to 120000	470,646	2	510001 to 515000	1,025,953
6	120001 to 125000	742,500	1	520001 to 525000	520,818
2	125001 to 130000	255,730	1	525001 to 530000	527,000
2	130001 to 135000	265,117	1	550001 to 555000	552,953
4	140001 to 145000	567,912	1	560001 to 565000	565,000
9	145001 to 150000	1,350,000	1	580001 to 585000	581,194
6	150001 to 155000	918,500	1	595001 to 600000	600,000
2	155001 to 160000	315,500	1	600001 to 605000	601,500
2	160001 to 165000	327,000	1	610001 to 615000	611,844
2	165001 to 170000	337,500	1	615001 to 620000	616,000
1	170001 to 175000	175,000	1	675001 to 680000	680,000
3	175001 to 180000	533,494	3	695001 to 700000	2,100,000
1	180001 to 185000	182,000	1	720001 to 725000	725,000
18	195001 to 200000	3,596,000	2	725001 to 730000	1,457,000
3	200001 to 205000	609,959	1	735001 to 740000	736,001
4	205001 to 210000	832,908	1	760001 to 765000	765,000
1	210001 to 215000	213,000	1	795001 to 800000	800,000
2	215001 to 220000	435,500	2	800001 to 805000	1,602,993
3	220001 to 225000	668,369	1	815001 to 820000	817,000

Number of Shareholders	Shareholdings	Total Shares Held	Number of Shareholders	Shareholdings	Total Shares Held
1	825001 to 830000	828,649	1	1895001 to 1900000	1,900,000
1	835001 to 840000	839,855	17	1900001 to 1905000	32,350,201
3	895001 to 900000	2,700,000	1	1905001 to 1910000	1,907,953
2	915001 to 920000	1,838,906	1	1915001 to 1920000	1,919,000
1	930001 to 935000	930,953	1	1990001 to 1995000	1,993,500
2	940001 to 945000	1,889,953	2	1995001 to 2000000	4,000,000
1	990001 to 995000	991,166	1	2000001 to 2005000	2,002,953
6	995001 to 1000000	6,000,000	1	2045001 to 2050000	2,050,000
1	1000001 to 1005000	1,001,953	1	2060001 to 2065000	2,061,500
3	1080001 to 1085000	3,243,850	1	2125001 to 2130000	2,130,000
3	1100001 to 1105000	3,310,453	1	2155001 to 2160000	2,160,000
2	1145001 to 1150000	2,291,136	1	2185001 to 2190000	2,188,911
1	1150001 to 1155000	1,152,953	2	2195001 to 2200000	4,397,000
1	1160001 to 1165000	1,164,000	1	2200001 to 2205000	2,202,953
1	1175001 to 1180000	1,180,000	1	2345001 to 2350000	2,350,000
2	1195001 to 1200000	2,398,553	1	2395001 to 2400000	2,400,000
1	1200001 to 1205000	1,202,953	1	2495001 to 2500000	2,500,000
2	1325001 to 1330000	2,654,453	1	2795001 to 2800000	2,800,000
1	1335001 to 1340000	1,335,953	1	2845001 to 2850000	2,850,000
1	1360001 to 1365000	1,365,000	1	2955001 to 2960000	2,955,906
1	1380001 to 1385000	1,381,194	1	2995001 to 3000000	3,000,000
2	1395001 to 1400000	2,797,000	1	3060001 to 3065000	3,064,453
1	1400001 to 1405000	1,402,953	1	3345001 to 3350000	3,350,000
2	1430001 to 1435000	2,863,000	1	3560001 to 3565000	3,563,777
1	1445001 to 1450000	1,446,953	1	3715001 to 3720000	3,718,000
1	1485001 to 1490000	1,486,500	1	3980001 to 3985000	3,980,500
1	1490001 to 1495000	1,495,000	1	4095001 to 4100000	4,100,000
1	1500001 to 1505000	1,502,953	1	4105001 to 4110000	4,105,906
1	1550001 to 1555000	1,552,953	1	5565001 to 5570000	5,569,965
6	1585001 to 1590000	9,539,718	1	5845001 to 5850000	5,850,000
1	1595001 to 1600000	1,598,000	1	7000001 to 7005000	7,000,500
32	1600001 to 1605000	51,293,996	1	7340001 to 7345000	7,343,500
1	1640001 to 1645000	1,644,500	1	7995001 to 8000000	7,999,906
1	1645001 to 1650000	1,647,953	1	9595001 to 9600000	9,600,000
1	1650001 to 1655000	1,652,694	1	11780001 to 11785000	11,782,223
2	1670001 to 1675000	3,345,729	1	13885001 to 13890000	13,890,000
1	1675001 to 1680000	1,678,500	1	16910001 to 16915000	16,915,000
1	1700001 to 1705000	1,703,000	1	28240001 to 28245000	28,241,000
1	1765001 to 1770000	1,769,940	1	39805001 to 39810000	39,805,018
1	1795001 to 1800000	1,800,000	3	40070001 to 40075000	120,221,490
1	1800001 to 1805000	1,802,953	1	64115001 to 64120000	64,118,128
1	1805001 to 1810000	1,807,853	1	136250001 to 136255000	136,251,022
1	1825001 to 1830000	1,825,920			
1	1865001 to 1870000	1,865,500			
1	1870001 to 1875000	1,872,997			
			2786		801,476,600

Categories of Shareholders

As at June 30, 2024

Categories of Shareholders	No. of Shareholders /Folios	Shares Held	Percentage
Directors, Chief Executive Officer, their spouse(s) and minor children(s)			
Mr. Nihal Cassim	1	817,000	0.10%
Mr. Ahmed Chinoy	1	1,500	0.00%
Mr. Nadeem Naqvi	1	1,000	0.00%
Associated Companies, Undertakings and Related Parties			
Habib Bank Limited	1	40,073,830	5.00%
Ubiquity Trading Limited	1	200,000	0.02%
NIT and ICP	-	-	0.00%
Banks, Development Financial Institutions, Non-Banking Financial Institutions	2	45,643,795	5.69%
Insurance Companies	1	206,908	0.03%
Modarabas and Mutual Funds	7	28,747,953	3.59%
General Public			
Local	2576	133,452,605	16.65%
Foreign	3	143,197	0.02%
Others			
Joint Stock Companies & Trusts	179	195,649,814	24.41%
Foreign Companies	13	356,538,998	44.49%
Total	2786	801,476,600	100.00%
Shareholders holding 10% or more			
China Financial Futures Exchange Company Limited		136,251,022	17.00%
Total		136,251,022	17.00%

Auditors' Report on Operations and IT Systems



Yousuf Adil
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
KCHSU, Shahrah-e-Faisal
Karachi-75350
Pakistan

Tel: +92 (0) 21 3454 6494-7
Fax: +92 (0) 21- 3454 1314
www.yousufadil.com

INDEPENDENT REASONABLE ASSURANCE REPORT ON THE OPERATIONS AND IT SYSTEMS

To the Board of Directors of Pakistan Stock Exchange Limited

1. Introduction

We were engaged by Pakistan Stock Exchange (the Exchange or PSX) through engagement agreement dated July 08, 2024, in pursuance to the requirements of Regulation 16 of the Securities Exchanges (Licensing & Operations) Regulations, 2016 (the Regulations), to carry out independent assurance engagement under ISAE 3000 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' (ISAE 3000), in respect of Regulatory Functions and ISAE 3402 "Assurance Reports on Controls at a Service Organization", in respect of Operations and Information Technology (IT) Systems of the Exchange for the year ended June 30, 2024.

We are pleased to submit our reasonable assurance report under ISAE 3402. This report describes the design and operating effectiveness of the internal controls placed on Exchange's Operations and Information Technology (IT) Systems for the year ended June 30, 2024, in accordance with the criteria stipulated in the Regulations.

2. Scope

Our scope of services was to report on the design and operating effectiveness of controls related to the control objectives stated in the 'descriptions of the Operations and IT Systems of the Exchange for electronic trading services throughout the period' (the Description) (annexed herewith in Section 2). The Description indicates that certain control objectives specified therein are only be achieved if complementary Participant Controls, contemplated in the design of the controls of the Exchange, are suitably designed and operating effectively, along with related controls at the Exchange.

We have not evaluated the suitability of the design and/or operating effectiveness of such Participant Controls.

3. Management's Responsibilities

The management of the Exchange is responsible for:

- Preparing the Description (Section 2) and accompanying Management Assertions (Section 1), including the completeness, accuracy and method of presentation of the Description;
- Providing the services covered by the Description;
- Developing and maintaining the Control Objectives;
- Designing, implementing and effectively operating controls to achieve the stated Control Objectives; and
- Ensuring that the staff involved in managing the compliance of the applicable statutory and regulatory requirements are adequately trained to prevent and detect fraud(s) at the Exchange.



Yousuf Adil
Chartered Accountants

4. Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is based on fundamental principles of integrity, objectivity, professional competence, due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our Responsibilities

Our responsibility is to express an opinion on the Description providing management statements on the design, operating efficacy of controls and the control objectives stated in the Description and accompanying Management Assertions, based on our procedures.

We conducted our engagement in accordance with International Standard on Assurance Engagements 3402 "Assurance Reports on Controls at a Service Organization". The standard requires that we plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the description is fairly presented and the controls are suitably designed and operating effectively.

A Type II assurance engagement as defined in ISAE 3402 reports on the description, design and operating effectiveness of controls at a service organization which involves performing procedures to obtain evidence about the disclosures in the service organization's description of its system, and the design and operating effectiveness of controls. The procedures selected depend on our judgment, including the assessment of the risks that the description is not fairly presented, and that controls are not suitably designed or operating effectively.

Our procedures included testing the operating effectiveness of those controls, on a sample basis which we consider necessary to provide reasonable assurance that the control objectives stated in the description were achieved. We evaluated the overall presentation of the description, the suitability of the objectives stated therein, and the suitability of the criteria specified by the Exchange (Section 1).

Our procedures included (but were not limited to) the following:

- inquiry, inspection and observation based on our professional judgment;
- review of the description and accompanying assertions for completeness, accuracy and method of presentation as prepared by management of the Exchange;
- review of control objectives and control activities as prepared by management of the exchange for the design, implementation and operating effectiveness;
- review of the policies and procedures relevant to the controls prepared by management of the exchange;
- walkthrough of the processes where the design was complex and identified the controls to be tested for the effectiveness;
- the test of controls on the basis of test of one for the technical, automated and governance level controls;
- the test of controls on sample basis for procedural controls; and
- review of the exceptions identified, discussed the exceptions with the management and finalized the exception for reporting.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Yousuf Adil
Chartered Accountants

6. Inherent limitations

The Description of the Exchange is prepared to meet the common needs of a broad range of customers and their auditors and may not, therefore, include every aspect of the system that each individual customer may consider important in its own particular environment. Also, because of their nature, controls at the Exchange may not prevent or detect all errors or omissions in processing or reporting transactions. Also, the projection of any evaluation of effectiveness to future periods is subject to the risk that controls at the Exchange may become inadequate or fail.

Certain controls in the Description with accompanying Management Assertions can be achieved if complementary Participant Controls at National Clearing Company (NCCPL), Central Depository Company (CDC) and Clearing Member Controls, contemplated in the design of the controls of the Company, are suitably designed and operating effectively, along with related controls at the Exchange. We have not evaluated the suitability of the design and/or operating effectiveness of such NCCPL, CDC, and Clearing Member Controls.

Further, no responsibility is taken for changes in the PSX Rule Book, Systems and Operations, and no obligation is assumed to revise this report to reflect these or any other changes, which have occurred subsequent to June 30, 2024, i.e. after the engagement period.

7. Opinion

Our opinion has been formed on the basis of criteria defined by the management in section 1 and audit procedures performed as defined in section 5 of this report.

In our opinion, in all material respects:

- i. the description fairly presents the Operations and IT systems as designed and implemented throughout the period from 1 July 2023 to 30 June 2024;
- ii. the control objectives were suitably designed throughout the period from 1 July 2023 to 30 June 2024; and
- iii. the controls tested, which were necessary to provide reasonable assurance that the control objectives stated in the description were achieved, operated effectively throughout the period from 1 July 2023 to 30 June 2024.

8. Intended Users and Purpose

This report and the contents appended herein, are intended only for customers who have used the Exchange's Operations and IT systems, and their auditors, who have a sufficient understanding to consider it, along with other information including information about controls operated by customers themselves, when assessing the risks of material misstatements of customers' financial statements.

Yousuf Adil
Chartered Accountants

Engagement Partner: Zafar Hussain Memon

Date: September 18, 2024

Place: Karachi



PAKISTAN STOCK EXCHANGE LIMITED

(Formerly Karachi Stock Exchange Limited)

Stock Exchange Building, Stock Exchange Road, Karachi - 74000, Pakistan.

UAN: 111-001-122 Fax: 32410825

Website: www.psx.com.pk Email: info@psx.com.pk

Ref. No. PSX/ _____

Section 1

Management Assertions – Independent Reasonable Assurance Report on the Operations and IT Systems.

Dear Sir,

We have prepared the description of Pakistan Stock Exchange Limited ("the Exchange") Control Framework referred to in this assertion statement as the 'system' including controls operated by the Exchange for user entities of the system during the period from 1 July 2023 to 30 June 2024. We confirm, to the best of our knowledge and belief, that;

- A. The description fairly presents the system made available to user entities of the system during some or all of the period under review for processing their transactions and management of their service. The criteria we used in making this assertion were that the accompanying description:
 1. Presents how the systems made available to user entities were designed and implemented to process relevant transactions, including:
 - The types of services provided and classes of transactions processed;
 - The procedures, within both automated and manual systems, by which those transactions are initiated, authorized, recorded, processed, corrected as necessary, and transferred to the reports presented to user entities of the system.
 - The related records, supporting information, and specific accounts that are used to initiate, authorize, record, process, and report transactions; this includes the correction of incorrect information and how information is transferred to the reports presented to user entities of the system.
 - How the system captures significant events and conditions, other than transactions
 - The process used to prepare reports provided to user entities of the system.
 - Specified control objectives and controls apart from where identified in this report are designed to achieve those objectives.
 - The process used to prepare reports or other information provided to the user entities;
 - Other aspects of our control environment, risk assessment process, information and communication systems (including the related business processes), control activities, and monitoring controls other than those requiring further improvement based on the observations identified in this report that are relevant to processing and reporting transactions of user entities of the system.
 2. Does not omit or distort information relevant to the scope of the Systems being described, while acknowledging that the controls related to the control objectives were suitably designed and operated effectively throughout the period under review to achieve those control objectives except for those matters within the service auditor's assurance report.
- B. The description of Operations and IT Systems includes relevant details of changes to the Exchange's system during the audit period covered.
- C. The controls related to the control objectives stated in the accompanying description were suitably designed and operated effectively throughout the period under review to achieve those control objectives.

Handwritten signature



PAKISTAN STOCK EXCHANGE LIMITED

(Formerly Karachi Stock Exchange Limited)

Stock Exchange Building, Stock Exchange Road, Karachi - 74000, Pakistan.

UAN: 111-001-122 Fax: 32410825

Website: www.psx.com.pk Email: info@psx.com.pk

Ref. No. PSX/ _____

Criteria used in making assertions

- The risks that threatened achievement of the control objectives stated in the description have been identified by the Exchange;
- The controls identified in the description would, if operating as described, provide reasonable assurance that those risks would not prevent the control objectives stated in the description from being achieved; and
- The controls were consistently applied as designed, including whether manual controls were applied by individuals who have the appropriate competence and authority.

Managing Director

Pakistan Stock Exchange Limited



PAKISTAN STOCK EXCHANGE LIMITED

(Formerly Karachi Stock Exchange Limited)
 Stock Exchange Building, Stock Exchange Road, Karachi - 74000, Pakistan.
 UAN: 111-001-122 Fax: 32410825
 Website: www.psx.com.pk Email: info@psx.com.pk

Ref. No. PSX/ _____

Section 2

Description of Operations and IT Systems of Pakistan Stock Exchange Limited (the Exchange)

The control environment within which the Exchange operates is not restricted to the control objectives and procedures outlined in this description.

The Exchange maintains a high standard of good governance and has implemented governance arrangements which are consistent with the Code of Corporate Governance, 2019. An overview of those components of the Exchange's Code of corporate governance which are relevant to the operation of securities exchange is set out below.

The Exchange was incorporated in 1949 as a company Limited by Guarantee. As a result of demutualization, the Exchange was corporatized and demutualized as a public company limited by shares under the name of 'Karachi Stock Exchange Limited', with effect from August 27, 2012. Subsequently, the three stock exchanges of the country - Karachi Stock Exchange, Lahore Stock Exchange and Islamabad Stock Exchange - were integrated into Pakistan Stock Exchange Limited (the Exchange) on January 11, 2016.

The Exchange provides a reliable, orderly, liquid and efficient digitized market place where investors can buy and sell listed companies' common stocks and other securities. For over 60 years, the Exchange has facilitated capital formation, serving a wide spectrum of participants, including individual and institutional investors, the trading community and listed companies.

The following Committees also form an integral part of the overall control environment in which the Exchange operates:

- 1 Nomination Committee
- 2 Regulatory Affairs Committee
- 3 Audit Committee
- 4 Human Resource & Remuneration Committee
- 5 Voluntary De-Listing Committee
- 6 IT & Digitisation Committee

Internal Audit, co-sourced with an audit firm, reports to the Audit Committee. Internal audits of all operational areas of the Exchange are individually scoped with due consideration of the relevant risks for that area, and approved by the Audit Committee. The Board relies on the inputs and recommendations of the Internal Audit function through its Audit Committee on the adequacy and effectiveness of internal controls in the organization and take appropriate measures.

The Exchange is also required by SECP to go through a regulatory audit by independent auditors.

Operational Governance

The primary departments/divisions that have direct control over the operations and systems of securities exchange are Trading & TREC Affairs Department, Listing Department, and Information Technology Division. The Operations are led by Chief Market Operations Officer (CMOO) who heads the Trading & TREC Affairs Department and Chief Listing Officer (CLO) who heads the Listing department. Both CMOO and CLO report to the Chief Executive Officer (CEO).

Information Technology Division is headed by Chief Information Officer (CIO) who reports to Chief Executive Officer (CEO) and is responsible for application development, software quality assurance, network, infrastructure management, system management, databases, IT Support & Services and IT Audit coordination & compliance. ITD also provides support to both business teams and external market participants for operational activities related to trading, post trade reporting, management information systems, risk management of trading, data dissemination, indices calculation, publication of data and connectivity.



PAKISTAN STOCK EXCHANGE LIMITED

(Formerly Karachi Stock Exchange Limited)

Stock Exchange Building, Stock Exchange Road, Karachi - 74000, Pakistan.

UAN: 111-001-122 Fax: 32410825

Website: www.psx.com.pk Email: info@psx.com.pk

Ref. No. PSX/ _____

Operational resilience

The Exchange operates using a dual site model for key functions, with main operational site is located at the Exchange Buildings in Karachi. Disaster recovery site is maintained for its technology systems where disaster recovery plans are tested periodically in accordance with a centrally managed testing schedule.

Control Objectives

Set out in this document are the control objectives implemented over Operations of the Exchange by the management. The specific controls that we tested have been designed to achieve each of the control objectives.

Management has prepared a design of controls comprising of the control objectives supported by control activities which provides reasonable assurance that:

- initiatives are taken to maintain adequate structure of IT department. Emphasis is given to maintain IT strategy, a forum is maintained for supporting key IT decisions and required documentation is maintained for efficient and effective functioning of information systems.
- information security office has been established, measures have been taken to strengthen security of information systems and underlined policies & procedures have been developed based on the risk assessment performed.
- adequate documentation is maintained for IT department, information systems, information systems management and architecture.
- measures related to service delivery have been taken which includes establishment of helpdesk, implementation of helpdesk application, turnaround time of services, implementation of problem management processes and measures for continuous improvement of information systems & related services.
- adequate measures are in place to review and monitor the IT systems on timely basis, perform periodic assessments, security reviews / compliance, audit from independent individuals and adequate measures have been taken to maintain cybersecurity.
- changes to information systems are subject to a controlled process including formal requests, approvals, authorizations, analysis, development in segregated environments by developers (not involved in administration of systems), testing for Quality Assurance (QA), User Acceptance Testing (UAT) in testing environment, changes to production and logging.
- changes to access are logged, approved and authorized for creation, modification / privilege assignment and revocation of users along with periodic review of users' access rights.
- operating systems, databases, virtual machines, network devices, security devices are configured to restrict access, provide required services and security parameters are configured to maintain confidentiality, integrity and availability of information systems.
- physical access is restricted to prevent unauthorized access to the Exchange data centres and environmental controls facilitate continued operation of information systems.
- backup and restoration procedures are established which include media management, periodic testing and real-time data replication to support the business continuity and recovery from disaster during adverse events.
- in case of Broker's default, it is restricted from taking new position in any market.
- trades cannot take place on suspended shares.
- the trades are tagged with relevant clients and that the trades are not processed in excess of buying capacity of the Broker.
- the trading fee is charged homogenously.
- the transactions taking place via trading system cannot be cancelled once processed except under the provision of PSX Regulation 8.18.7.
- the orders cannot be executed / modified / cancelled during the pre-open session, previous day closing prices are utilized when orders are not processed during the trading session and that the tick size will be 1 (one) paisa for orders.
- the trading limits and broker exposures are controlled.
- the securities cannot be traded in negative ticks.

7-2 2



PAKISTAN STOCK EXCHANGE LIMITED

(Formerly Karachi Stock Exchange Limited)

Stock Exchange Building, Stock Exchange Road, Karachi - 74000, Pakistan.

UAN: 111-001-122 Fax: 32410825

Website: www.psx.com.pk Email: info@psx.com.pk

Ref. No. PSX/ _____

- blank sales cannot be made unless marked at the time of order placement and that the blank sale amounts are allowed in a specified threshold.
- the closing price of securities is determined as volume weighted average.
- activity logs of brokers are maintained.

Participant Controls

Achievement of each of the control objectives set out above is also dependent on participants maintaining an effective control environment and implementing controls such as:

- Documenting policies and procedures (including transaction processing procedures, risk management Policies such as conditions and restrictions for system use, good password practices, software copyright, Restrictions and virus protection, licensed Operating System & Anti-virus and its latest patches/updates, firewall, two factor token security and communication link)
- Restricting access to operating systems, applications, databases and underlying records (including role Based security mechanisms)
- Documenting cyber security strategy that includes appropriate tools and techniques to prevent, detect, responding to and recover from security incidents
- Transaction processing, monitoring and reporting mechanisms
- Reconciliation of transactions and holdings
- Physical security of system infrastructure
- Provisioning of data backup and restoration and other computer operations
- Business continuity and disaster recovery planning
- Complying with and control compliance with the Exchange 's terms and conditions of activities. Information provided by the user entities is in compliance with the contracts for rendering services, as well as with other contractual obligations between the Exchange and the user entities.
- Properly control the process of sending and receiving of messages by electronic communication channels, ensuring appropriate protection of the information and the systems from any unauthorized access or intervention.
- Reporting on services rendered by the Exchange, are reviewed by the user entities in a timely manner. Upon detection of any discrepancies, the User Organizations are expected to duly inform the Exchange to this effect in written form.
- Understanding and complying with their contractual obligations to the Exchange.
- Changing password.
- Immediately notifying the Exchange of any information security breaches they become aware of.
- Periodically review of access permissions on applications to ensure system access is appropriately restricted.
- Reviewing transactions and communicating inaccuracies or discrepancies to the Exchange in a timely manner.
- Determining the user profiles necessary to support their business processes, including the design of system required functional segregation of duties.
- Establishing policies and procedures for ensuring that good practice in relation to password security is maintained. This should include prohibiting the use of shared user names and passwords, and educating users on their information security related responsibilities;
- Maintaining and communicating changes to user access privileges on their managed systems, including the timely removal of terminated users.

Managing Director
Pakistan Stock Exchange Limited

Auditors' Report on Regulatory Functions



Yousuf Adil
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
KCHSU, Shahrah-e-Faisal
Karachi-75350
Pakistan

Tel: +92 (0) 21 3454 6494-7
Fax: +92 (0) 21- 3454 1314
www.yousufadil.com

INDEPENDENT LIMITED ASSURANCE REPORT ON THE STATUTORY AND REGULATORY COMPLIANCE

To the Board of Directors of Pakistan Stock Exchange Limited

1. Introduction

We were engaged by the Pakistan Stock Exchange (the Exchange or PSX) through engagement agreement dated July 08, 2024, in pursuance to the requirements of Regulation 16 of the Securities Exchanges (Licensing & Operations) Regulations, 2016 (the Regulations), to carry out independent assurance engagement under ISAE 3000 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' (ISAE 3000), in respect of Regulatory Functions and ISAE 3402 "Assurance Reports on Controls at a Service Organization", in respect of Operations and Information Technology (IT) Systems of the Exchange for the year ended June 30, 2024.

We are pleased to submit our limited assurance report under ISAE 3000. The report describes the Exchange's compliance with the applicable statutory and regulatory requirements for the year ended June 30, 2024, in accordance with the criteria stipulated in Annexure III of the Regulations.

2. Applicable Criteria

The criteria for the limited assurance engagement to assess the Exchange's compliance with the applicable statutory and regulatory requirements for the year ended June 30, 2024, comprises of the following, as stipulated in the Annexure III of the Regulations:

- i. Securities Act, 2015;
- ii. Companies Act, 2017;
- iii. Securities Exchanges (Licensing and Operations) Regulations, 2016;
- iv. Regulations of the Exchange as approved by the Commission under the Securities Act 2016;
- v. Policies, procedures, directives, guidelines, circulars, issued/approved by the commission or the board of directors of PSX;
- vi. Memorandum of Association and Articles of Association of PSX;
- vii. Standard Operating Procedures relating to all major operational processes;
- viii. Policies and procedures formulated to identify and prevent conflict of interests of directors with the interest of the capital market, investors and securities exchange; and
- ix. PSX's systems and related functionalities operate in compliance as per the requirements of approved regulations and procedures of the Exchange.
- x. Adequacy and effectiveness of scope, resources including human resource, procedures and reporting mechanism of the regulatory function including entity level compliance to ensure compliance with relevant legal requirements and to detect and report any non-compliance in a timely manner.



Yousuf Adil
Chartered Accountants

3. Management's Responsibilities

Management is responsible:

- To ensure that the Exchange complies with all the applicable statutory and regulatory requirements and relevant internal controls that management considers are essential to achieve compliance in relation to the Regulatory Functions;
- To prevent and detect fraud at the Exchange; and
- To ensure that the staff involved in managing the compliance activity are properly trained.

4. Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility is to carry out procedures primarily with a view to assess the Exchange's compliance with the applicable statutory and regulatory requirements and relevant requirements, as mentioned under the heading 'Applicable Criteria' above, and to report thereon in the form of an independent limited assurance conclusion.

In this regard, we conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' (ISAE 3000), issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform the engagement to obtain limited assurance on the Exchange's compliance with applicable statutory and regulatory requirements, in all material aspects.

The procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Because of the inherent limitations of an assurance engagement, together with the inherent limitations of internal control system, there is an unavoidable risk that some non-compliances, in relation to the applicable statutory and regulatory requirements, may not be detected, even though the engagement is properly planned and performed in accordance with the ISAE 3000.

Accordingly, the procedures selected were based on the assurance practitioner's professional judgment, including the assessment of the risks of material non-compliance with the applicable statutory and regulatory requirements due to omissions, misrepresentation and errors. Within the scope of our work, we performed amongst others the following procedures:

- Reviewed existing policies and procedures to check that the Exchange's operations are in compliance with the Memorandum of Association, the Articles of Association and the relevant regulatory framework.
- Performed inquiries and walkthroughs on a sample basis to check the existence of and compliance with policies and procedures relating to Regulatory Functions.
- Reviewed policies and procedures to check that policies and procedures are formulated to identify and prevent conflict of interest of directors with the interest of the capital market, investors, and the Exchange.
- Reviewed relevant requirements of applicable laws as mentioned in applicable criteria (in section 2 of this report) and checked compliance with them.



Yousuf Adil
Chartered Accountants

6. Inherent Limitations

Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the selected information and the methods used for determining and ascertaining such information. Qualitative interpretations of relevance, materiality, and the accuracy of data are subject to individual assumptions and judgments. Further, nature and methods used to determine such information, as well as the evaluation criteria and the precision thereof, may change over time.

Certain controls specified in PSX Rule Book could only be achieved if complementary Pakistan Stock Exchange (PSX), National Clearing Company (NCCPL), Central Depository Company (CDC) and Clearing Member Controls, contemplated in the design of the controls of the Company, are suitably designed and operating effectively, along with related controls at the Exchange. We have not evaluated the suitability of the design and/or operating effectiveness of such NCCPL, CDC, and Clearing Member Controls.

Further, no responsibility is taken for changes in the PSX Rule Book, Systems and operations, and no obligation is assumed to revise this report to reflect these or any other changes, which have occurred subsequent to June 30, 2024, i.e. after the engagement period.

7. Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Exchange is not in compliance with the applicable statutory and regulatory requirements in all material respects.

Yousuf Adil
Chartered Accountants

Engagement Partner: Zafar Hussain Memon

Place: Karachi

Date: September 18, 2024

Form of Proxy

77th Annual General Meeting

I/We, _____ of _____, holding Computerized National Identity Card (CNIC)/Passport No. _____ and being a member of Pakistan Stock Exchange Limited (the Company), hereby appoint _____ of _____, holding CNIC/Passport No. _____, or failing him/her hereby appoint _____ of _____, holding CNIC/Passport No. _____, as my/our proxy to vote for me/us and on my/our behalf at the 77th Annual General Meeting of the Company, to be held on the 28th day of October 2024 and at any adjournment thereof.

As witness my/our hand/seal this _____ day of _____, 2024.

Witnesses:

1. Signature _____
 Name _____
 Address _____
 CNIC/Passport No. _____

2. Signature _____
 Name _____
 Address _____
 CNIC/Passport No. _____

CDC Account No.

Revenue Stamp of
PKR 5/-

To be signed by the above named shareholder

Notes:

1. This Proxy Form, duly completed and signed, must be received at the Registered Office of the Company, not less than 48 hours before the time of the meeting. A proxy need not be a member of the Company.
2. The Proxy Form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
3. Attested copies of CNIC of the appointer and the proxy-holder shall be furnished with the Proxy Form.
4. The proxy-holder shall produce his/her original CNIC at the time of the meeting.
5. In case of corporate entity, the Board of Directors' Resolution/Power of Attorney with specimen signature shall be submitted along with Proxy Form.

پراکسی فارم

77 واں سالانہ اجلاس عام

میں / ہم _____ ساکن _____ حامل کمپیوٹرائزڈ شناختی کارڈ (CNIC) / پاسپورٹ نمبر _____
 اور بطور رکن پاکستان اسٹاک ایکسچینج لمیٹڈ (کمپنی) _____ حامل CNIC / پاسپورٹ نمبر _____ یا اس کی عدم موجودگی میں
 _____ حامل CNIC / پاسپورٹ نمبر _____ کو مورخہ 28 اکتوبر 2024 کو کمپنی کے منعقد ہونے والے 77 ویں
 سالانہ اجلاس عام اور اس کے کسی ملتوی شدہ اجلاس کے لیے میری / ہماری جانب سے ووٹ ڈالنے کے لیے بطور نمائندہ (پراکسی) تقرر کرتا ہوں / کرتی ہوں / کرتے ہیں۔
 گواہان کی موجودگی میں میرے / ہمارے دستخط / مہر بروز _____ 2024 کو ثبت کیے گئے / کی گئی۔

گواہان:

1- دستخط _____

نام _____

پتہ _____

CNIC / پاسپورٹ نمبر _____

2- دستخط _____

نام _____

پتہ _____

CNIC / پاسپورٹ نمبر _____

سی ڈی سی اکاؤنٹ نمبر _____

پانچ روپے کارپوریٹ اسٹمپ

حصص یافتہ کے دستخط

نوٹس:

- 1- یہ پراکسی فارم، مکمل اور دستخط شدہ، کمپنی کے رجسٹرڈ دفتر میں اجلاس کے انعقاد سے کم از کم 48 گھنٹے پہلے موصول ہونا ضروری ہے۔ پراکسی کا ممبر ہونا لازمی نہیں۔
- 2- پراکسی فارم پر دو گواہان کے نام، پتہ اور CNIC نمبر درج ہونے چاہیے۔
- 3- پراکسی فارم کے ساتھ تقرر کرنے والے اور پراکسی کے حامل فرد کے CNIC کی تصدیق شدہ نقول جمع کی جائیں گی۔
- 4- پراکسی کا حامل شخص اجلاس کے وقت اپنا اصل CNIC پیش کرے گا۔
- 5- کارپوریٹ ادارے کی صورت میں، ادارے کے بورڈ آف ڈائریکٹرز کی منظور شدہ قرارداد / پاور آف اٹارنی بشمول نمونہ دستخط پراکسی فارم کے ساتھ جمع ہوں گی۔

کمیٹی ممبر کا نام	اجلاس کا استحقاق	اجلاس میں شرکت
یکم جولائی 2023 سے 19 اپریل 2024 تک		
ڈاکٹر شمشاد اختر (چیئر پرسن)	02	02
جناب یو بینگ	02	02
جناب محمد صلاح الدین منظور	02	02
جناب زبیر رزاق پلوالا	02	02
جناب فرخ ایچ خان	02	02
19 اپریل 2024 سے 30 جون 2024 تک		
ڈاکٹر شمشاد اختر (چیئر پرسن)	-	-
جناب عدنان اسد	-	-
جناب نہال قاسم	-	-
جناب فوجاؤ چنگ	-	-
جناب احمد چنائے، ایچ. آئی، ایس. آئی	-	-
جناب یو بینگ	-	-
جناب فرخ ایچ خان	-	-

نوٹ:

- 19 اپریل 2024 کو بورڈ کی نئی میعاد کا آغاز ہوا جس کے بعد، 11 جون 2024 کو بورڈ کی کمیٹیوں کی تشکیل نو کا عمل انجام دیا گیا، جن کی ترتیب، سالانہ رپورٹ کے کارپوریٹ انفارمیشن سیکشن میں بھی دستیاب ہیں۔
- کمیٹی کے ان اراکین کو غیر حاضری کی چھٹیاں دی گئیں، جو اجلاسوں میں شرکت نہ کر سکے۔
- مالی سال کے دوران نامزدگی کمیٹی کا کوئی اجلاس نہیں بلایا گیا۔

ضمیمہ نمبر II

ریگولیٹری افیئرز کمیٹی

کمیٹی ممبر کا نام	اجلاس کا استحقاق	اجلاس میں شرکت
یکم جولائی 2023 سے 19 اپریل 2024 تک		
ڈاکٹر شمشاد اختر (چیئر پرسن) [1]	02	02
جاوید قریشی [1]	05	05
جناب محمد صلاح الدین منظور	07	07
جناب ندیم نقوی	07	07
19 اپریل 2024 سے 30 جون 2024 تک		
ڈاکٹر شمشاد اختر (چیئر پرسن)	-	-
جناب عدنان اسد	-	-
جناب ندیم نقوی	-	-

[1] مالی سال کے کچھ عرصے کے دوران، جناب جاوید قریشی نے ڈاکٹر شمشاد اختر کی جگہ آر اے سی کے چیئر پرسن کے طور پر خدمات سر انجام دیں۔

آڈٹ کمیٹی

کمیٹی ممبر کا نام	اجلاس کا استحقاق	اجلاس میں شرکت
یکم جولائی 2023 سے 19 اپریل 2024 تک		
جناب جاوید قریشی (چیئر مین)	05	05
جناب احمد چنائے، ایچ. آئی، ایس. آئی	05	05
جناب یو بینگ	05	04
19 اپریل 2024 سے 30 جون 2024 تک		
جناب روہیل محمد (چیئر مین)	-	-
جناب احمد چنائے، ایچ. آئی، ایس. آئی	-	-
جناب ندیم نقوی	-	-

بورڈ آف ڈائریکٹرز - اجلاسوں کے دوران حاضری

ڈائریکٹر کا نام	یکم جولائی 2023 سے 19 اپریل 2024 تک		19 اپریل 2024 سے 30 جون 2024 تک	
	اجلاس کا استحقاق	اجلاس میں شرکت	اجلاس کا استحقاق	اجلاس میں شرکت
ڈاکٹر شمشاد اختر (چیئر پرسن) [1]	09	09	01	01
جناب فرخ ایچ خان (سی ای او)	09	09	02	02
جناب احمد چنائے، ایچ. آئی، ایس. آئی [2]	09	09	02	02
جناب یو بینگ [2]	09	09	02	02
ڈاکٹر ایف یو ہاؤ [2]	09	08	02	02
جناب ندیم نقوی [2]	09	09	02	02
محترمہ یو ہانولی [3]	09	03	-	-
جناب جیانگ کیتانو [3]	09	05	-	-
جناب جاوید قریشی [3]	09	09	-	-
جناب محمد صلاح الدین منظور [3]	09	09	-	-
جناب زبیر رزاق پلوالا [3]	09	08	-	-
جناب نہال قاسم [4]	-	-	02	02
جناب فو چاؤ چنگ [4]	-	-	02	02
محترمہ گو جنسے [4]	-	-	02	02
جناب عدنان اسد [5]	-	-	01	01
جناب روحیل محمد [5]	-	-	01	01

- [1] شیئر ہولڈر ڈائریکٹرز کے انتخاب کے بعد، ایس ای سی پی کی منظوری سے بورڈ میں غیر جانبدار ڈائریکٹر کے طور پر دوبارہ ان کی تعیناتی عمل میں لائی گئی، جس کا اطلاق 19 اپریل 2024 سے ہوا، اس کے علاوہ یہ کہ ڈاکٹر شمشاد اختر کو 11 جون 2024 کو بورڈ کا چیئر پرسن مقرر کیا گیا۔
- [2] 03 اپریل 2024 کو منعقدہ ایک غیر معمولی اجلاس عام میں شیئر ہولڈر ڈائریکٹر کے طور پر انھیں دوبارہ منتخب کیا گیا، جس کا اطلاق 19 اپریل 2024 سے ہوا۔
- [3] بورڈ کی سابقہ میعاد ختم ہونے پر ریٹائر ہوئے، یہ 19 اپریل 2024 سے قابل اطلاق ہوا۔
- [4] 03 اپریل 2024 کو منعقدہ ایک غیر معمولی اجلاس عام میں شیئر ہولڈر ڈائریکٹر کے طور پر انھیں منتخب کیا گیا، جس کا اطلاق 19 اپریل 2024 سے ہوا۔
- [5] شیئر ہولڈر ڈائریکٹرز کے انتخاب کے بعد، ایس ای سی پی کی منظوری سے بورڈ میں غیر جانبدار ڈائریکٹر کے طور پر ان کی تعیناتی عمل میں لائی گئی، جس کا اطلاق 19 اپریل 2024 سے ہوا۔
- ان ڈائریکٹرز کو غیر حاضری کی چھٹیاں دی گئیں جو بورڈ کے کچھ اجلاسوں میں شرکت نہ کر سکے تھے۔

تسلیمات

بورڈ ایکسیجنگ کے تمام اسٹیک ہولڈرز سے ان کی مسلسل استقامت اور پی ایس ایکس کے ساتھ ساتھ کیپٹل مارکیٹ کے سلسلے میں بھی بے پناہ تعاون کے لیے انتہائی اظہار تشکر کرتا ہے۔ بورڈ سیکورٹیز اینڈ ایکسیجنگ کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، فیڈرل بورڈ آف ریونیو اور وزارت خزانہ، ریونیو اینڈ اکائونٹ آفیسرز اور حکومت پاکستان کا بھی شکریہ ادا کرتا ہے جنہوں نے ایکسیجنگ کو سارا سال فعال تعاون، مدد اور رہنمائی فراہم کی۔

بورڈ تمام ڈائریکٹرز کی رہنمائی اور تعاون کے لیے ان کا بھی شکریہ ادا کرتا ہے، اور پی ایس ایکس کے تمام اسٹاف ممبران کو اپنے فرائض مستعدی اور وابستگی کے ساتھ انجام دینے، خاص طور پر حالیہ غیر معمولی مشکل ماحول میں ان کی شرکت اور لگن کے اعتراف میں انکی کاوشوں کو سراہتا ہے۔

بورڈ آف ڈائریکٹرز کے لیے اور ان کی جانب سے



ندیم نقوی

قائم مقام چیف ایگزیکٹو آفیسر



ڈاکٹر شمشاد اختر

چیرپرسن

کراچی

تاریخ: 18 ستمبر، 2024

مالی سال 2023-24 میں ڈائریکٹرز اور سی ای او کو ملنے والے معاوضے کے بارے میں مزید معلومات کے لیے، برائے مہربانی سالانہ رپورٹ سے منسلک پی ایس ایکس کے مالی گوشوارے میں موجود نوٹ 29 کو ملاحظہ کریں۔

داخلی مالیاتی کنٹرول اور رسک مینجمنٹ کی موزونیت

اندرونی کنٹرول اور رسک مینجمنٹ پالیسیاں پی ایس ایکس کے آپریشنز کی افادیت اور کارکردگی، مالی معلومات کے معتبر ہونے اور قابل اطلاق قوانین اور قواعد و ضوابط کی تعمیل کے حوالے سے معقول یقین دہانی کی فراہمی کے لیے بنائی گئی ہیں۔ مینجمنٹ کی جانب سے ایک موثر اور کارگر داخلی کنٹرول اور رسک مینجمنٹ سسٹم کو یقینی بنایا گیا ہے جو خطرے کی تشخیص، کنٹرول کی شناخت، متعلقہ پالیسیوں / طریقہ کار کا جائزہ لے کر، اور متعلقہ کنٹرول کے طریقہ کار اور نگرانی کے نظام کو قائم کر کے موثر کارکردگی کو یقینی بناتا ہے۔ اندرونی کنٹرول اور رسک مینجمنٹ سسٹم حصص یافتگان اور بورڈ آف ڈائریکٹرز کو معقول یقین دہانی فراہم کرنے کے لیے بنایا گیا ہے۔ مینجمنٹ سمجھتی ہے کہ موجودہ اندرونی کنٹرول اور رسک مینجمنٹ سسٹم کافی ہے، جسے موثر طریقے سے نافذ کرنے کے ساتھ ساتھ اس کی نگرانی بھی کی گئی ہے۔

داخلی مالیاتی کنٹرول اور رسک مینجمنٹ کی موزونیت کے سلسلے میں ڈائریکٹرز کی ذمہ داری

بورڈ آف ڈائریکٹرز کی یہ ذمہ داری ہے کہ وہ اس بات کو یقینی بنائیں کہ مستحکم داخلی کنٹرول اور رسک مینجمنٹ کا ایک نظام قائم کیا جائے، جسے موثر طریقے سے کمپنی کے اندر ہر سطح پر نافذ اور برقرار رکھا جائے۔

مزید برآں، بورڈ کی جانب سے تشکیل دی جانے والی آڈٹ کمیٹی جو کہ دیگر معاملات میں بھی اسے رپورٹ کرتی ہے، اسے یہ بھی یقینی بنانے کا پابند بنایا گیا ہے کہ داخلی کنٹرول سسٹم بشمول مالیاتی اور آپریشنل کنٹرولز، اس کی حدود کے متعلقہ خطرات، بروقت اور مناسب طریقے سے آمدنی اور اخراجات، رسیدوں اور ادائیگیوں کے ساتھ ساتھ اثاثوں اور واجبات کی مناسب ریکارڈنگ کے لیے اکاؤنٹنگ سسٹم، جو کہ رپورٹنگ کے ڈھانچے کے ساتھ ہو، یہ مناسب اور موثر ہیں۔ سالانہ رپورٹ میں ضم شدہ سیکیورٹیز ایکچینجز (لائسنسنگ اور آپریشنز) ریگولیشنز، 2016 کے تحت ضرورت کے مطابق ان کا، آڈیٹرز رپورٹس کے ساتھ مینجمنٹ لیسرسٹنز اینڈ ڈسکرپشن (Management Assertions and Description) میں تفصیل سے ذکر کیا گیا ہے۔

ماحول پر اثرات

ایکسچینج کے کاروبار کا ماحول پر کوئی مادی (material) منفی اثر مرتب نہیں ہوتا۔

کارپوریٹ سماجی ذمہ داری

پاکستان اسٹاک ایکسچینج، بحیثیت ایک قومی ادارہ اور ذمہ دار کارپوریٹ شہری ہونے کے ناطے، معاشرے کے حوالے سے اپنے فرائض سے بخوبی آگاہ ہے۔ اس کے پیش نظر، ایکسچینج کی کارپوریٹ سماجی ذمہ داری (CSR) کے حوالے سے ایک متعین پالیسی ہے، جس کے تحت، ٹیکس سے قبل خالص منافع کے 2 فیصد کے برابر رقم ان سرگرمیوں کے لیے استعمال کی جا سکتی ہے۔

سی ایس آر سرگرمیوں کے تحت، پی ایس ایکس کی جانب سے مریضوں کی بہبود سوسائٹی برائے اے کے یو ایچ (آغا خان یونیورسٹی اسپتال) کے لیے تعاون فراہم کیا گیا۔ ایک سائیکلنگ ایونٹ، 'سائیکل فار چینج' کا انعقاد کیا گیا جس کے تحت اسپانسر شپ کی رقم دی سٹیزن فاؤنڈیشن (ڈی سی ایف) کو عطیہ کی گئی تاکہ پورے سال کے لیے 35 طلبہ کے ایک کلاس روم کو تعلیم دی جاسکے۔ ملین اسمگلر نامی ایک این جی او کے لیے، پی ایس ایکس نے دور دراز وادیوں اور سیلاب سے متاثرہ دیہی علاقوں کی نوجوان خواتین کے لیے ان کے چار روزہ لیڈر شپ ٹریننگ بوٹ کیمپ میں تعاون فراہم کیا۔ اس کے علاوہ پی ایس ایکس نے مالی شمولیت اور خواتین پر توجہ مرکوز کرنے والی ڈیجیٹل خواندگی کے سلسلے میں بھی ملین اسمگلر کے ساتھ تعاون کیا۔

شیر ہولڈنگ کا نمونہ

پی ایس ایکس کے شیر ہولڈنگ کا نمونہ سالانہ رپورٹ میں ضم کیا گیا ہے۔

شیر ہولڈنگ کی اقسام

شیر ہولڈنگ کی اقسام سالانہ رپورٹ میں ضم کی گئی ہیں۔

بورڈ کمیٹیاں

ایس ای سی پی کی طرف سے منظور کردہ اسٹاک ایکسچینجز کے تجارتی اور ریگولیٹری افعال کو الگ کرنے کے منصوبے کی تعمیل میں، سیکیورٹیز ایکسچینجز (لائسنسنگ اور آپریشنز) ریگولیشنز، 2016 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 اور فرنٹ لائن ریگولیٹر اور تجارتی ادارے کے طور پر پی ایس ایکس کے کاروبار کی مخصوص ضروریات کو پورا کرنے کے لیے، بورڈ نے متعدد کمیٹیاں تشکیل دی ہیں جن میں سے اہم قانونی کمیٹیاں آڈٹ کمیٹی، ہیومن ریسورسز اینڈ ریمونیویشن (اجرتی) کمیٹی، نامزدگی (نومینیشن) کمیٹی اور ریگولیٹری افیئرز کمیٹی ہیں۔ 19 اپریل 2024 کو نئے بورڈ کی میعاد کے آغاز کے بعد بورڈ کی کمیٹیوں کی تشکیل نو کا عمل انجام دیا گیا۔

مذکورہ کمیٹیوں کے اجلاسوں میں اراکین کی حاضری ڈائریکٹرز رپورٹ کے ساتھ ضمیمہ II کے طور پر منسلک ہے۔

آڈیٹرز

موجودہ آڈیٹرز گرانٹ تھورنٹن انجمن رحمان، چارٹرڈ اکاؤنٹنٹس رٹائر ہو گئے ہیں۔ آڈٹ کمیٹی کی تجویز پر کہ موجودہ آڈیٹرز کمپنی کے ساتھ پانچ سال سے منسلک ہیں۔ ممبر کی منظوری کے لیے بورڈ نے اے ایف فرگوسن اینڈ کو چارٹرڈ اکاؤنٹنٹس کو 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے مجموعی طور پر دو کروڑ تیس لاکھ روپے فیس (سوائے آڈٹ آف پاکٹ اخراجات اور اور حکومتی محصولات) کے ساتھ کمپنی کے قانونی آڈیٹرز کی تقرری کی سفارش کی ہے۔

چارٹرڈ اکاؤنٹنٹس آف پاکستان (آئی سی اے پی) کے کوالٹی کنٹرول ریویو پروگرام کے تحت آڈٹ فرم کو تسلی بخش درجہ بندی دی گئی ہے۔ کمپنی نے اس بات کی تصدیق کی ہے کہ یہ ایس ای سی پی کے کوڈ اور انٹرنیشنل فیڈریشن آف اکاؤنٹنٹس (آئی ایف اے سی) کے جاری کردہ کوڈ آف آئٹھس پر گائیڈ لائنز جسے آئی سی اے پی نے اپنایا ہے اس پر مکمل طور پر عمل درآمد کرتی ہے۔ آڈیٹرز نے بطور آڈیٹر کام کرنے کے لیے اپنی رضامندی ظاہر کی ہے۔

بیرونی آڈیٹرز کو کوئی دوسری خدمت فراہم کرنے کے لیے مقرر نہیں کیا گیا ہے جو ان کی آزادانہ حیثیت کو نقصان پہنچا سکتا ہے اور انہوں نے تصدیق کی ہے کہ انہوں نے اس سلسلے میں آئی ایف اے سی کے رہنما اصولوں کا جائزہ لیا ہے

خود مختار آڈیٹر کی رپورٹ کا نظر ثانی شدہ مواد

انٹرنیشنل آڈیٹنگ اینڈ لیٹورنس اسٹینڈرڈز بورڈ (IAASB) کے آڈیٹنگ کے معیارات کے سیٹ میں کوئی تبدیلی نہیں ہوئی ہے جو کہ آڈیٹرز کی رپورٹنگ کی ضروریات سے متعلق ہیں جنہیں ایس ای سی پی نے اپریل 2018 میں جاری کردہ آڈیٹرز کی رپورٹنگ کی ذمہ داریوں کے حوالے سے اپنے ضابطوں میں اپنایا تھا۔

کارپوریٹ گورننس

پی ایس ایکس کے بورڈ آف ڈائریکٹرز شفافیت اور تشہیر پر زور دیتے ہوئے کارپوریٹ مینجمنٹ کے عمدہ طریقوں کو برقرار رکھنے کے پابند ہیں۔ بورڈ اور مینجمنٹ اپنی ذمہ داریوں سے آگاہ ہیں اور مالیاتی اور غیر مالیاتی معلومات کی درستگی، جامعیت اور شفافیت کو مزید بہتر بنانے کے لیے کیپٹل مارکیٹ کے آپریشنز کی نگرانی کرتے ہیں۔

بورڈ کو اس بات سے آگاہ کرتے ہوئے خوش محسوس ہو رہی ہے کہ ایکسچینجز نے کارپوریٹ گورننس کے بہترین طریقوں کو اپنایا ہے اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی ضروریات کی تعمیل کی ہے، جیسا کہ سالانہ رپورٹ سے منسلک تعمیل کے بیان میں مکمل طور پر وضاحت کی گئی ہے۔

بورڈ کی کارکردگی کا جائزہ

پی ایس ایکس بورڈ کی جانب سے یہ بات یقینی بنائی گئی ہے کہ بورڈ، اس کی کمیٹیوں اور انفرادی ڈائریکٹرز کی سالانہ کارکردگی کو جانچنے کے لیے ایک باضابطہ اور موثر طریقہ کو قائم کیا جائے۔ بورڈ کے فیصلے کے مطابق ایس ای سی پی کے جاری کردہ رہنما اصولوں کی تعمیل کرنے کے لیے ہر سال کارکردگی کی جانچ اندرونی طور پر کی جاتی ہے جبکہ ہر تین سال میں کم از کم ایک بار بیرونی جائزے کے ذریعے یہ عمل انجام دیا جاتا ہے۔ مالی سال کے دوران، بورڈ، اس کی کمیٹیوں اور انفرادی ڈائریکٹرز، بشمول سی ای او، کی کارکردگی کا داخلی طور پر جائزہ لیا گیا۔

ڈائریکٹرز کا معاوضہ

مالی سال کی آخری سہ ماہی کے دوران، بورڈ نے ڈائریکٹرز کے لیے معاوضے کی پالیسی کو اپ ڈیٹ کیا، جس کا اطلاق 11 جون 2024 سے ہو گا۔ نئی پالیسی کے مطابق، ہر نان-ایگزیکٹو ڈائریکٹر، بورڈ آف ڈائریکٹرز اور بورڈ-لیول کمیٹی (ز) کے ہر اجلاس میں شرکت کے سلسلے میں بالترتیب 150,000 روپے اور 100,000 روپے (قابل اطلاق ٹیکس کی کٹوتی سے مشروط) اجلاس کی فیس کی مد میں حاصل کرنے کا حقدار ہے، جن میں ایسے ڈائریکٹر ممبر ہیں۔ پی ایس ایکس کے خود مختار ڈائریکٹرز، پی ایس ایکس کے چیف ریگولیٹری آفیسر کے نفاذ کے احکامات کے تحت پی ایس ایکس کے TRE سٹریٹجک ہولڈرز اور لسٹڈ کمپنیوں کی پبلیوں کی ساعت کے لیے 25,000/- روپے فی ساعت (قابل اطلاق ٹیکس سے مشروط) اعزازیہ (honorarium) کے بھی حقدار ہیں۔ اس کے علاوہ یہ کہ، چیئر پرسن کو 1800 سی سی، کار فراہم کی جائیگی جس کی دیکھ بھال کمپنی کی ذمہ داری ہوگی جبکہ وہ ڈرائیور اور 200 لیٹر فیول فی ماہ کا بھی حقدار ہو گا۔ ڈائریکٹرز کے معاوضے میں یہ نظر ثانی 3 سال کے وقفے کے بعد بورڈ کی نئی مدت کے آغاز پر کی گئی تھی۔

بورڈ آف ڈائریکٹرز

پی ایس ایکس کے سابقہ بورڈ آف ڈائریکٹرز کی میعاد کا اختتام اپریل 2024 میں ہونا تھا۔ اسی تناظر میں 24 فروری 2024 کو ہونے والے ایک اجلاس میں بورڈ نے 10 ڈائریکٹرز (چیف ایگزیکٹو آفیسر کو چھوڑ کر) پر مشتمل ایک نیا بورڈ تشکیل دینے کا فیصلہ کیا، جو کہ 7 شیئر ہولڈر ڈائریکٹرز (جس میں ایک سیٹ ایک خاتون ڈائریکٹر کے لیے مختص ہے) اور 3 غیر جانبدار ڈائریکٹرز پر مشتمل تھا۔

3 اپریل 2024 کو پی ایس ایکس کے ایک غیر معمولی اجلاس عام میں (ای او جی ایم) میں، کمپنیز ایکٹ 2017 اور سیکیورٹیز اینڈ ایکسچینج (لائسنسنگ اور آپریشنز) ریگولیشنز، 2016 کے تقاضوں کے مطابق شیئر ہولڈر ڈائریکٹرز کا انتخاب ہوا۔ سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کی ضروری منظوری کے ساتھ، 7 شیئر ہولڈر ڈائریکٹرز 19 اپریل 2024 سے شروع ہونے والی 3 سالہ مدت کے لیے ای جی ایم میں بلا مقابلہ منتخب ہوئے۔

شیئر ہولڈر ڈائریکٹرز کے انتخاب کے بعد، ایس ای سی پی نے بورڈ کی سفارش کی بنیاد پر 19 اپریل 2024 سے پی ایس ایکس کے بورڈ میں 3 خود مختار ڈائریکٹرز کی تقرری کی منظوری دی۔ اس کے علاوہ، ایک خود مختار ڈائریکٹر ڈاکٹر شمشاد اختر کو 11 جون 2024 کو بورڈ کی نئی میعاد کے لیے بورڈ کی چیئر پرسن منتخب کیا گیا۔

بورڈ سبکدوش ہونے والے ڈائریکٹرز کے تعاون کے لیے ان کی تعریف کو ریکارڈ پر لانا چاہتا ہے اور ان کے مستقبل کے لیے نیک تمنائوں کا اظہار کرتا ہے۔

مالی سال 2023-24 کے اختتام پر، پی ایس ایکس کا بورڈ آف ڈائریکٹرز گیارہ (11) ڈائریکٹرز پر مشتمل تھا جن میں شامل ہیں:

مرد ڈائریکٹرز 9
خاتون ڈائریکٹر 2

مزید یہ کہ بورڈ کی تشکیل مندرجہ ذیل طور پر کی گئی:

شیئر ہولڈر ڈائریکٹرز (نان-ایگزیکٹو)

- | | |
|---|--------------------|
| (i) جناب نہال قاسم | (ii) جناب فواد چنگ |
| (iii) جناب احمد چنائے، ایچ۔ آئی، ایس۔ آئی | (iv) جناب یوہنگ |
| (v) ڈاکٹر ایف یو ہاؤ | (vi) محترمہ گو جسے |
| (vii) جناب ندیم نقوی | |

غیر جانبدار ڈائریکٹرز (نان-ایگزیکٹو)

- (i) ڈاکٹر شمشاد اختر
(ii) جناب عدنان اسد
(iii) جناب روہیل محمد

چیف ایگزیکٹو آفیسر (ایگزیکٹو)

- (i) جناب فرخ ایچ خان

مالی سال کے دوران، بورڈ کے 11 اجلاس (6 شیڈول اور 5 ہنگامی) منعقد ہوئے، جن کے لیے ڈائریکٹرز کی حاضری اس رپورٹ کے ضمیمہ I کے طور پر منسلک ہے۔

سال کے اختتام کے بعد جناب فرخ ایچ خان نے اپنا استعفیٰ پیش کر دیا اور بورڈ نے جناب فرخ خان کے دوسرے مواقعوں کو حاصل کرنے کے فیصلے کا انتہائی احترام کرتے ہوئے ان کا استعفیٰ قبول کر لیا جبکہ پی ایس ایکس اور پاکستان کی کیپٹل مارکیٹس نے ان کے دور میں جو پیشرفت حاصل کی بورڈ نے اس میں ان کی قابل تعریف اعانت کا اعتراف کیا۔

ان میں سے متعدد عوامل ہمارے قابو سے باہر ہیں۔ نتیجے کے طور پر، اس بات کی کوئی یقینی دہانی نہیں ہو سکتی کہ ہم اپنے موجودہ اور مستقبل کے سٹریٹجک منصوبوں کو عملی جامہ پہنانے میں کامیاب ہوں گے اور ایسا کرنے میں ناکامی ہمارے امکانات اور مستقبل کی مالی حالت اور آپریشن کے نتائج پر مادی منفی اثر ڈال سکتی ہے۔

مارکیٹ میں اتار چڑھاؤ کے خطرات

جیسا کہ پی ایس ایکس کی کل آمدنی جزوی طور پر لیکویڈٹی پر منحصر ہے، تاریخی طور پر غیر مستحکم اثاثہ کلاس، اور ساتھ ہی متعدد بیرونی عوامل، جیسے تجارتی سرگرمی اور ہماری مارکیٹوں میں قیمت کی سطح، ہماری کل آمدنی اور منافع ایک مدت سے دوسری مدت میں اتار چڑھاؤ کا شکار ہو سکتے ہیں۔

شرح سود میں تبدیلی کا خطرہ

ہم مارکیٹ کی شرح سود کی موجودہ سطح میں اتار چڑھاؤ کے اثرات سے دوچار ہیں، جو تجارتی حجم، اسٹاک مارکیٹ میں سرمایہ کاری کے بہاؤ اور کیش فلو پر اثر انداز ہوتے ہیں۔ اس طرح شرح سود میں تبدیلی مادی طور پر (materially) ہماری مالی پوزیشن اور ہماری سرمایہ کاری کی قدر اور ان کے ریٹرن پر منفی اثر مرتب کرنے کا سبب بن سکتی ہے۔ شرح سود بہت سے عوامل کی بنیاد پر حساس ہوتی ہے، بشمول حکومتی، مالیاتی اور ٹیکس کی پالیسیاں، ملکی اور بین الاقوامی معاشی اور سیاسی تحفظات، مالی خسارے، تجارتی سرپلس یا خسارے، ریگولیٹری تقاضے اور دیگر عوامل جو ہمارے قابو سے باہر ہیں۔

ریگولیٹری ریسک

پی ایس ایکس ایک انتہائی ریگولیٹڈ انڈسٹری میں کام کرتا ہے اور جامع ضابطے سے مشروط ہے۔ سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان [کمیشن] جس کے پاس وسیع تر اختیارات ہیں، پی ایس ایکس کو ریگولیٹ کرتا ہے اور پی ایس ایکس اس سے لائسنس یافتہ ہے۔ پی ایس ایکس اپنے ضابطے، قانون اور ضمنی قوانین کے تحت بہت سے ریگولیٹری افعال کے ذریعے مشق کرتا ہے، جس میں ہمارے پلیٹ فارم پر درج اداروں اور TREC ہولڈرز کے ذریعے بعض سیکیورٹیز قوانین کی تعمیل کے حوالے سے نگرانی بھی شامل ہے۔ مزید یہ کہ، پی ایس ایکس کو فرنٹ لائن ریگولیٹری کی حیثیت سے ریگولیٹری ترمیم تجویز کرنے، ضوابط کو جاری کرنے اور تادیبی کارروائیاں کرنے کا بھی اختیار حاصل ہے۔

نگرانی کی سطح میں کسی بھی طرح کا اضافہ جسے ہماری جانب سے انجام دینے کی ضرورت پیش آئے، بشمول ریگولیٹری تبدیلیوں کے سبب، عائد ہو سکتا ہے یا اس کے نتیجے میں ہمارے لیے اضافی یا ضرورت سے زیادہ ریگولیٹری بوجھ اور تعمیل کے اخراجات ہو سکتے ہیں۔

پی ایس ایکس آپریشنل اخراجات میں اضافے یا نقصانات اٹھانے یا مالی نتائج کو برقرار رکھنے کی توقع بھی کر سکتا ہے، جب:

- بیرون ملک مقیم ریگولیٹرز کی طرف سے تسلیم کیا جاندار کار ہو،
- معاہدوں پر دوبارہ بات چیت کی جائے،
- معاہدے کی شرائط کو نئے یا نئے لاگو قوانین، قواعد و ضوابط یا عدالتی فیصلوں کے نتیجے میں تبدیل کیا جائے، چاہے وہ بیرون ملک قواعد و ضوابط کے بیرونی اثر کی وجہ سے ہو یا کسی دوسری وجہ سے ہو۔

حکومتی پالیسیوں میں تبدیلیوں کا خطرہ

ہماری مارکیٹوں میں تجارتی حجم ان تبدیلیوں سے متاثر ہونے کا امکان ہے:

- حکومت پاکستان کی پالیسیاں،
- ٹیکس کا قانون یا پالیسی،
- غیر ملکی پورٹ فولیو سرمایہ کاروں کے حوالے سے ریگولیٹری تبدیلیاں،
- دیگر قواعد و ضوابط یا پالیسیاں جو پی ایس ایکس کے کاروبار کو متاثر کرتی ہیں، بشمول اس کی لسٹڈ کمپنیوں کے، ایسی تبدیلیاں جو پاکستان سے باہر پاکستانی سیکیورٹیز کی پیشکش کو سہل بناتی ہیں،
- سرمایہ کاروں کی ہمارے آپریشنز میں آزادانہ تجارت کرنے کی صلاحیت،
- اس طرح کی تجارت سے محاصل (ٹیکسیشن) یا منافع کی ملک میں واپسی،
- وہ طور طریقے جس کے تحت ہمارے آپریشنز اور کلیئرنگ کارپوریشن میں سیکیورٹیز کا تبادلہ کیا جاتا ہے، کلیئر کیا جاتا ہے اور طے کیا جاتا ہے۔

مذکورہ بالا وجوہات ہمارے کاروبار، مالی حالت، آپریشنز کے نتائج اور امکانات پر مادی طور پر منفی اثرات (material adverse) مرتب کرنے کا سبب بن سکتی ہیں۔

- سائبر سیکیورٹی فریم ورک کے مقابلے میں سائبر سیکیور کنٹرولز کا جائزہ لیا گیا تاکہ سائبر سیکیورٹی کی ضروری مشقوں کے حوالے سے پی ایس ایکس کی پابندی کا جائزہ لیا جاسکے۔
- پی ایس ایکس نے بین الاقوامی ISO 27001 انفارمیشن سیکیورٹی مینجمنٹ سسٹم سرٹیفیکیشن کے حصول کے لیے طریقہ کار پر عمل شروع کیا۔ انفارمیشن سیکیورٹی مینجمنٹ سسٹم (ISMS) ISO/IEC 27001:2022 کا پہلا آڈٹ مرحلہ اپریل 2024، میں کامیابی کے ساتھ مکمل ہوا، جبکہ ستمبر 2024 کے مہینے میں دوسرے مرحلے کا آڈٹ شیڈول ہے۔

- کسی بھی آفت کی صورت میں کاروباری تسلسل کو یقینی بنانے کے لیے اپنی کوششوں کے ایک حصے کے طور پر، پی ایس ایکس نے 14 مارچ 2024 کو اپنی متبادل پروسیسنگ سائٹ سے ضروری کارروائیاں کرنے کی صلاحیت کو جانچنے کے لیے ایک کامیاب مشق سرانجام دی۔ اس کے علاوہ، ایکسچینج نے پی ایس ایکس ہیڈ آفس کے اپنے بزنس کنٹینیوٹی مینجمنٹ (BCMS) سرٹیفیکیشن کو جدید ترین بین الاقوامی معیار یعنی ISO 22301:2019 کے مطابق برقرار رکھنے کے لیے نگرانی کے آڈٹ کو کامیابی سے مکمل کیا۔

- رسک مینجمنٹ ٹیم نے پی ایس ایکس کے تمام محکموں کے ساتھ ہم آہنگی کے ساتھ سالانہ رسک ایسیمنٹ مشق کا انعقاد کیا تاکہ اندرونی رسک مینجمنٹ پالیسی اور طریقہ کار کے مطابق پی ایس ایکس میں فعال منصوبہ بندی اور باخبر فیصلہ سازی کو یقینی بنایا جاسکے۔ پی ایس ایکس رسک چیمپین ٹیم کے متعدد نئے اراکین کو پاکستان اسٹاک ایکسچینج میں لاگو کیے گئے رسک مینجمنٹ فریم ورک کے حوالے سے تربیت فراہم کی گئی۔ رسک مینجمنٹ ٹیم نے پی ایس ایکس کی جانب سے شروع کیے گئے متعدد نئے پروجیکٹس اور پی ایس ایکس کی پالیسیوں کی تعمیل میں آڈٹ سروس سرگرمیوں سے متعلق خطرے کی تشخیص بھی کی۔

وسیع مارکیٹ کے رجحانات اور بڑے اقتصادی عوامل کے حوالے سے خطرات

پی ایس ایکس کے کاروبار، مالیاتی حالت اور آپریشنز کے نتائج تجارت کے مالیاتی اثاثوں کے حجم، لسٹڈ سیکیورٹیز کی تعداد، نئی لسٹنگ کی تعداد اور اس کے بعد اجراء، لیکویڈیٹی اور اسی طرح کے عوامل پر بہت زیادہ انحصار کرتے ہیں۔ پی ایس ایکس کی آمدنی کا ایک اہم حصہ، ٹریڈنگ اور لسٹنگ پر مبنی فیس پر براہ راست یا بالواسطہ طور پر انحصار کرتا ہے۔ یہ تمام تغیرات پاکستان کے ساتھ ساتھ باقی دنیا کے معاشی، سیاسی اور مارکیٹ کے حالات سے متاثر ہیں جو پی ایس ایکس کے کنٹرول سے باہر ہیں۔ اگرچہ غیر مستحکم مارکیٹیں لین دین کے حجم میں اضافہ کر سکتی ہیں، لیکن طویل کمزور معاشی حالات مادی اور منفی طور پر فہرست سازی اور تجارتی حجم کو متاثر کر سکتے ہیں۔

دوسرے عوامل جو مادی طور پر ہمارے کاروبار، مالیاتی حالت اور آپریشنز کے نتائج پر منفی اثرات ڈال سکتے ہیں اور ہمارے قابو سے باہر ہیں ان میں شامل ہیں:

- کاروبار اور فنانس میں وسیع رجحانات، بشمول صنعت کے مخصوص حالات، کیپٹل مارکیٹ کے رجحانات اور انضمام اور حصول کا ماحول؛

- سماجی اور شہری بد امنی، دہشت گردی اور حالات جنگ؛

- افراط زر اور ادارہ جاتی یا خوردہ اعتماد کی سطح کے حوالے سے تشویش؛

- حکومتی مالیاتی پالیسی اور غیر ملکی کرنسی کے تبادلے کی شرح میں ہونے والی تبدیلیاں؛

- قلیل مدتی اور طویل مدتی فنڈنگ اور سرمائے کی دستیابی؛

- متبادل سرمایہ کاری کے مواقع کی دستیابی؛

- سیکیورٹیز کی قیمتوں میں تبدیلی اور اتار چڑھاؤ

- ٹیکس پالیسی میں تبدیلی (بشمول ٹرانزیکشن ٹیکس) اور پاکستانی اور دوسرے ممالک کے درمیان ٹیکس معاہدے؛

- شرح سود کی سطح اور اتار چڑھاؤ

- قانون سازی اور ریگولیٹری تبدیلیاں، بشمول ریگولیٹڈ اور غیر ریگولیٹڈ مارکیٹوں میں ریگولیٹری ثالثی کے امکانات اگر مارکیٹس کے درمیان اہم پالیسی اختلافات سامنے آئیں۔

- پاکستانی کیپٹل مارکیٹس کے لیے محسوس کردہ کشش، یا کشش کی کمی؛ اور

- غیر متوقع طور پر مارکیٹ کی بندش یا تجارت میں دیگر رکاوٹیں۔

اگر پی ایس ایکس کی سرگرمیوں کی سطح اوپر بیان کردہ کسی بھی عوامل یا اس کے قابو سے باہر کے دیگر عوامل کے باعث مادی طور پر منفی (materially adversely) طرح سے متاثر ہوتی ہے تو ہمارا کاروبار، مالیاتی حالت اور آپریشنز کے نتائج بھی مادی طور پر منفی طرح سے متاثر ہو سکتے ہیں۔

مستقبل کے اقدامات کے حوالے سے خطرات

وہ عوامل جو ہماری کاروباری حکمت عملی پر اثر انداز ہو سکتے ہیں ان میں شامل ہیں:

- نئی خدمات اور مصنوعات کو کامیابی سے بروقت متعارف کرانے کی ہماری صلاحیت۔

- پاکستانی، ایشیائی اور عالمی معیشتوں کی عمومی حالت؛

- ریگولیٹری پابندیاں۔

میں اضافے کے لیے ایک اہم مقام کی حیثیت حاصل رہی۔ ان کوششوں میں پریس ریلیز، ڈیجیٹل مارکیٹنگ، گوگل کی تقریبات، مختلف ایونٹس، سرمایہ کار اور جاری کنندہ کے تعلیمی سیشنز، اور پی ایس ایس برانڈ ایچ کو مزید بہتر بنانے کے لیے وسیع برانڈنگ سرگرمیاں شامل تھیں۔

- مالی سال 2023-24 میں بھی، پی ایس ایس نے مسلسل تیسرے سال گلوبل اسلامک فنانس ایوارڈز سے بہترین اسلامک اسٹاک ایکسیچینج ایوارڈ 2023 کا اعزاز اپنے نام کیا۔
- بزنس ڈیولپمنٹ کے تناظر میں، مین بورڈ میں فہرست سازی کے حوالے سے 200 سے زائد کمپنیوں سے گفت و شنید کی گئی، اور 100 سے زیادہ کمپنیوں سے جی ای ایم بورڈ کے لیے رابطہ کیا گیا۔ اس دوران کمپنیوں کی دلچسپی میں اضافہ دیکھنے میں آیا جبکہ انہیں سہولت دینے اور تبدیلی کے لیے کنسلٹنٹس سے ملوایا گیا۔ لسٹنگ کے فوائد کو ظاہر کرنے کے لیے اینترو کارپوریشن لمیٹڈ کی ایک ویڈیو کیس اسٹڈی شیئر کی گئی۔ پی ایس ایس کی ایم بی ڈی ٹیم بشمول پی ایس ایس بورڈ کے اراکین نے فیڈریشن آف پاکستان جیمبرز آف کامرس اینڈ انڈسٹری (FPCCD) لاہور، لاہور جیمبرز آف کامرس اینڈ انڈسٹری اور سیالکوٹ جیمبرز آف کامرس اینڈ انڈسٹری کا دورہ کیا، اور ان کے مندوبین اور ایگزیکٹو ممبران سے ملاقات کی اور فہرست سازی سے متعلق 22 آگاہی سیشنز کا انعقاد کیا۔

- آئی پی او سمسٹ 2024، جنوری 2024 میں منعقد ہوا، جس کا موضوع تھا، "کپیٹل مارکیٹس کو بااختیار بنانا"، جس نے ایک فلیگ شپ ایونٹ کے طور پر کام کیا۔ ایگزیکٹو، انویسٹمنٹ مینجرز، وینچر کیپیٹلسٹ، قانونی مشیر، اور ریگولیٹری ماہرین نے آئی پی او کے عمل کو فروغ دینے اور سہولت فراہم کرنے کے لیے نیٹ ورک بنایا، معلومات کا اشتراک کیا اور گفت و شنید کا عمل انجام دیا۔
- سرمایہ کاروں کی آگاہی اور تعلیم کے حوالے سے، پی ایس ایس ویب سائٹ کے ذریعے، پی ایس ایس نائج سینٹر کو مؤثر طریقے سے فروغ دیا گیا۔ مالی سال 2024 میں رجسٹرڈ صارفین کی تعداد بڑھ کر 8,800 سے زیادہ ہو گئی جبکہ مالی سال 2023 میں یہ تعداد 2,080 تھی۔ نائج سینٹر مالیاتی خواندگی اور سرمایہ کاروں کی آگاہی کو بڑھانے کے لیے مالیاتی کیلکولیٹر اور تعلیمی مضامین اور بلاگز جیسے قیمتی ٹولز بھی پیش کرتا ہے۔

- 'مائی پورٹ فولیو' ورچوئل ٹریڈنگ ویب-ایپ میں بھی نمایاں اضافہ دیکھنے میں آیا، اس میں رجسٹرڈ صارفین کی تعداد بڑھ کر 31,500 تک پہنچ گئی جو کہ پچھلے سال اسی عرصے میں 16,000 تھی۔

- پی ایس ایس وائس ایپ سروس متعارف کرائی گئی، ٹیکنالوجی سے استفادہ کرتے ہوئے مارکیٹ کی نقل و حرکت اور ایکسیچینج کی دیگر سرگرمیوں جیسے انوسٹنگ 101 کورس اور سرمایہ کاروں کے تعلیمی سیشنز کے بارے میں معلومات تک رسائی کے لیے اس کا استعمال کیا گیا۔ اس سروس کے ذریعے، اجرا کنندگان مین بورڈ اور جی ای ایم بورڈ کے بارے میں جان سکتے ہیں تاکہ وہ سرمایہ اکٹھا کر سکیں اور اپنی کمپنی کی لسٹنگ کر سکیں۔ ایک مفید ٹیکسٹ-ٹو-اسپیج سروس مالی سال 2023-24 میں شروع کی گئی، جو پی ایس ایس کی ویب سائٹ پر مضامین اور بلاگز تک آڈیو رسائی کو فعال کرتی ہے، جس سے بصارت سے محروم افراد یا پڑھنے سے معذور افراد مستفید ہو سکتے ہیں۔

- ڈیجیٹل مارکیٹنگ میں، پی ایس ایس ٹاک ٹاک اکاؤنٹ لانچ کیا گیا، جس کے باعث پی ایس ایس کی فیس بک، انسٹاگرام، ٹویٹر (ایکس) اور یوٹیوب کے ساتھ دیگر ڈیجیٹل پلیٹ فارم میں موجودگی میں اضافہ ہوا۔ بھرپور اور موثر پرموشن کے ذریعے، ان اکاؤنٹس نے موجودہ عرصے میں کامیابی سے اپنے فالوورز کی تعداد کو دوگنا کیا۔

- سہولت اکاؤنٹ کے لیے مالی سال 2023-24 میں مارکیٹنگ مہم کا آغاز کیا گیا، جس نے بروکرئج ہاؤسز میں اپنے ممکنہ صارفین تک سہولت اکاؤنٹ کو فروغ دینے کے لیے آگاہی پیدا کی۔ اس کی وجہ سے صارفین کی طرف سے دلچسپی اور سوالات میں اضافہ دیکھنے میں آیا جس کے سبب زیر جائزہ سال کے دوران اکاؤنٹس میں اضافہ ہوا۔

رسک مینجمنٹ اور انفارمیشن سیکیورٹی

- ایکسیچینج اپنے سسٹمز اور نیٹ ورکس کے نفاذ کے لیے، انہیں برقرار رکھنے، نگرانی کرنے اور باقاعدگی سے اپ گریڈ کرنے کے لیے اہم وسائل بروئے کار لاتا رہتا ہے۔ سال کے دوران انفارمیشن سیکیورٹی کو مزید بہتر کیا گیا جس میں جامع انفارمیشن سیکیورٹی پروگرام کے اپ ڈیٹ اور نفاذ کے ساتھ انفارمیشن سیکیورٹی پالیسی فریم ورک، سیکیورٹی آپریشنز، کاروباری تسلسل کا منصوبہ، رسک مینجمنٹ، سیکیورٹی کی جانچ، تربیتی اور آگاہی پروگرام، پی ایس ایس کے ماحول میں ایکسٹینڈڈ ڈیٹیکشن اینڈ رسپانس (XDR) سلوشن اور ایڈوانس تھریٹ پروٹیکشن سسٹم جو مشکوک سرگرمیوں کی زیادہ وضاحت اور نگرانی فراہم کرتا ہے، ان کی تعیناتی شامل ہیں۔

- پی ایس ایس کی سائبر سیکیورٹی پوزیشن کو بہتر بنانے کے لیے پاکستان اسٹاک ایکسیچینج کے عملے اور نئے شامل ہونے والوں کے لیے ایک جامع سائبر سیکیورٹی آگاہی پروگرام کا انعقاد کیا گیا۔ پی ایس ایس ایکس میں کنفرمیشن کے لیے تمام نئے شامل ہونے والوں کے لیے سیکیورٹی سے متعلق آگاہی کورسز کی بحال ایک لازمی شرط ہے۔ نئے نافذ کردہ لرننگ مینجمنٹ سلوشن کے ذریعے ایکسیچینج نے سیکیورٹی سے متعلق آگاہی مہم بھی چلائی۔

- سیکیورٹی ڈیولپمنٹ لائف سائیکل سائیکل کے نفاذ کے مقصد کے لیے، ایک بیرونی سائبر سیکیورٹی کنسلٹنٹ کے ذریعے پی ایس ایس آئی ٹی ڈیولپمنٹ اور انفارمیشن سیکیورٹی ٹیموں کے لیے ایک ٹریننگ کا انعقاد کیا گیا۔ اس ٹریننگ میں SDLC کی اہمیت، SDLC مراحل اور طریقہ کار، کوڈ ریویو، OWASP ٹاپ 10 رسک، OSINT اور سوشل انجینئرنگ کا احاطہ کیا گیا۔

- پی ایس ایس کی انفارمیشن سیکیورٹی ٹیم نے پی ایس ایس کے ماحول میں چلنے والی متعدد اپیلی کیشنز کی سیکیورٹی جانچ بھی کی تاکہ پی ایس ایس کی سیکیورٹی کو بہتر بنایا جاسکے۔
- پی ایس ایس ایکس خاص حقوق (privilege) تک رسائی کو محفوظ بنانے اور مراعات یافتہ صارفین اور اہم اثاثوں کی نگرانی کے مقصد سے ایک پری ویلجڈ ایکسیس مینجمنٹ سلوشن {Privileged Access Management (PAM) Solution} میں اپ گریڈ کرنے کے عمل میں ہے۔ PAM کے فوائد میں اہم اثاثہ جات کی حفاظت میں بہتری کے لیے تحقیق کردہ حملے کی سطح اور گریڈولر ایکسس کنٹرول، کم از کم استحقاق کے اصول اور حقیقی وقت کی نگرانی کے ذریعے خطرے میں کمی، سیشن کی ریکارڈنگ کے ذریعے واقعے کا رد عمل اور تیزی سے غیر فعال ہونا وغیرہ شامل ہیں۔

- پی ایس ایکس آئی ٹی ڈی کی جانب سے GDS پلیٹ فارم کو ادارے کے اندر (ان ہائوس) بنایا گیا اور تمام مارکیٹ کے شرکا کی تکنیکی اور کاروباری صلاحیتوں میں اضافہ ہوا۔ جی ڈی ایس آکشن سسٹم کے اہم اجزاء میں فکسڈ ریٹل ریٹ اور ویری ایبل ریٹل ریٹ کے دستاویزات اور جی آئی ایس ڈسکاونٹ سکوک کے علاوہ ان کی دوبارہ اوپننگ کے لیے مکمل فنکشنل سپورٹ، بلڈ سیکولیٹر کی بہتری (ڈیولپمنٹ) اور جی ڈی ایس آکشن سسٹم کے اندر شمولیت، حقیقی قدر اور پرائس پریمیم کو شامل کرنے کے ساتھ مختص کرنے کے عمل کا آٹومیشن، پروفیشنل کلیئرنگ ممبر کے علاوہ دیگر اور غیر مقیم پاکستانیوں کے سرمایہ کار کیٹیگریز کے شرکا کی کیٹیگریز میں اضافہ اور کامیاب سرمایہ کاروں کے ساتھ ای میل کمیونیکیشن میں پرائس پریمیم اور کل حقیقی قدر کی شمولیت جیسے عوامل شامل ہیں۔

- پی ایس ایکس کی جانب سے ای ٹی ایف پی پروڈکٹس کے لانچ میں تعاون اور سہولت فراہم کرنے کا سلسلہ جاری ہے جس میں سیکٹر کی مخصوص مصنوعات جیسے JSGBETF شامل ہیں؛ اسی طرح، JSGBKTI پاکستان اسٹاک ایکسچینج کے بینکنگ ٹریڈ ایبل انڈیکس (BKTI) کے اسٹاک سلیکشن کے معیار کو نقل کرتا ہے۔ یہ ایس ای سی پی کی سینڈ باکس گائیڈ لائنز، 2019 کے تحت پاکستان اسٹاک ایکسچینج میں سیکورٹیز بروکر کے ذریعے شروع کیا جانے والا پہلا ای ٹی ایف ہے۔ ماہانا اسلامک انڈیکس (MIH30) کی کارکردگی کو ٹریک کرنے کے لیے پی ایس ایکس نے ماہانا اسلامک انڈیکس ایکسچینج ٹریڈ فنڈ (MIETF) کے آغاز کے حوالے سے بھی سہولت فراہم کی، جس کو KMI آل شیئر انڈیکس سے منتخب 30 شریعہ کپیلائنٹ کمپنیوں کی کارکردگی کو جانچنے کے لیے ڈیزائن کیا گیا ہے۔

- مختلف کیٹیگریز میں بروکرز کی کارکردگی کی بنیاد پر ماہانہ بروکرز رینٹنگ متعارف کرائی گئی، جیسے کہ نئے UINs، سب سے زیادہ فعال اکاؤنٹس والے بروکرز، تجارتی قدر، تجارتی حجم، GIS اور IPOs/CTIs میں سرمایہ کاری کے حوالے سے رینٹنگ متعارف کرائی گئی، اس اقدام سے ٹریڈنگ رائٹس انٹرنیشنل سرٹیفیکٹ (TREC) ہولڈرز کو اپنی کارکردگی کو فعال طور پر ٹریک کرنے اور اپنے کلائنٹس کو مزید وسعت دینے کی کوششوں میں مدد ملے گی۔ یہ درجہ بندی صرف اور صرف مقداری اور معروضی معیار پر مبنی ہے۔ اسی کے ساتھ ساتھ، بروکرز فرموں اور CTIs کے تعاون کو تسلیم کرنے اور انھیں اہمیت دینے کے لیے سالانہ کیپٹل مارکیٹ ایوارڈز کا بھی اعلان کیا جائے گا۔

- ایکسچینج نے زیادہ پلکار اور متحرک تجارتی ماحول فراہم کرنے کے لیے، ایس ای سی پی کی طرف سے منظور کیے گئے سیکورٹی کے لحاظ سے سرکٹ بریکرز (CBs) میں ترقی پسندانہ اضافہ نافذ کیا۔

- پی ایس ایکس نے عالمی مارکیٹ کے طریقوں کو مد نظر رکھتے ہوئے تمام ریگولر مارکیٹ علامتوں کے لیے ون شیئر لاث سائز کو بھی نافذ کیا ہے، جس نے ریڈی اور اوڈ لاث مارکیٹوں کے درمیان قیمت کی حد میں فرق کو ختم کر دیا ہے، یعنی بالترتیب یہ 7.5 فیصد، 10 فیصد ہے۔ وہ سرمایہ کار جو پہلے اوڈ لاث مارکیٹ میں تجارت کرتے تھے جہاں تھخص کی قیمتوں میں رعایت پر تجارت ہوتی ہے اب وہ ریگولر مارکیٹ میں تجارت کر سکتے ہیں۔

- پی ایس ایکس اکاؤنٹ کھولنے کے آسان طریقہ کار، مطلوبہ ڈیٹا فیلڈز میں نمایاں کمی اور سہولت اکاؤنٹس کے لیے دستاویزات میں آسانی کے ساتھ ساتھ 10 لاکھ روپے کی نمائش (ایکسپوژر) کی حد میں اضافہ کر کے اپنی رسائی کو بڑھانے اور خوردہ سرمایہ کاروں کے لیے مزید قابل رسائی بنانے کی کوششیں کر رہا ہے۔ توقع ہے کہ یہ اقدامات پاکستان میں کیپٹل مارکیٹ کی نشوونما اور ترقی میں معاون ثابت ہوں گے۔

پروڈکٹ مینجمنٹ اور تحقیق میں پیش رفت

- ڈیٹا اینڈنگ کا کاروبار بھرپور توجہ کا حامل اور کامیاب رہا ہے۔ رخصت ہونے والے مالی سال میں، پی ایس ایکس نے 10 بین الاقوامی اور 4 مقامی کلائنٹس کو آن بورڈ کیا اور مارکیٹ ڈیٹا لائسنس کی طرف منتقل کیا۔ بین الاقوامی کلائنٹس کے لیے ڈیٹا فیلڈ کنیکٹیویٹی کے انتظامات کو باقاعدہ بنایا گیا، جس سے اضافی سالانہ بار بار ریونیو (recurring revenue) حاصل ہو گا۔ پی ایس ایکس کے پارٹنر، ڈوئٹش بورس اے جی (Deutsche Börse AG) کے ساتھ ایک اچھا ورکنگ ریلیشن شپ برقرار رکھا گیا، جو کلائنٹس کی منتقلی کی وجہ سے مکمل ریونیو کی وصولی کو یقینی بناتا ہے۔ اس کے نتیجے میں، ڈیٹا اینڈنگ ریونیو 100 ملین روپے (مالی سال 2023) سے 315 ملین روپے تک بڑھ گیا (گزشتہ سال کی کل بنیادی آمدنی کے 10 فیصد سے 21.36 فیصد تک)۔

- پی ایس ایکس کی جانب سے جی ڈی ایس آئی ٹی ایف پی پر مبنی ریفائنڈ سیکنڈری مارکیٹ فلو کو حتمی شکل دی گئی، جس سے NCCPL کو GDS IPS ٹریڈز کی کلیئرنگ اور سیٹلمنٹ سروسز فراہم کی گئیں۔

فہرست شدہ کمپنیوں اور دیگر ای ایس جی اسٹیک ہولڈرز کو ای ایس جی رسک اور مواقعوں، دنیا بھر میں دستیاب ای ایس جی فریم ورکس، اور اچھی ای ایس جی / پائیداری رپورٹس کے اہم عناصر کو سمجھنے میں مدد فراہم کرنے کے لیے متعلقہ آگاہی سیشن کے ساتھ ESG پرائمر جاری کیا گیا۔ اس اقدام کو UN SSEI نے تسلیم کیا، جس نے پی ایس ایکس کو ان عالمی ایکسچینج کی فہرست میں شامل کیا جنہوں نے اس طرح کی گائیڈنس جاری کی ہے، جس نے پی ایس ایکس کو SSE میں اعلیٰ درجے کی شناخت اور رکنیت کا اہل بنا دیا ہے۔ ایکسچینج ESG ایکشن پلان کے نفاذ کے سلسلے میں ای ایس سی پی کے ساتھ قریبی طور پر مل کر کام کر رہا ہے۔

- شریعہ گورننس ریگولیشنز، 2023 کے نفاذ کے لیے کوششیں جاری ہیں۔ اس میں شرعی سیشنز کا انعقاد، ممکنہ شرعی تبدیلی کے لیے ہیکس کمیٹی کے اجلاسوں میں شرکت، اور پی ایس ایکس کے شرعی اشاریہ جات کی شرعی تعمیل پر ای ایس سی پی کی سرٹیفیکٹ حاصل کرنا شامل ہے۔ پی ایس ایکس کے فوکس گروپ میں شرعی تقاضوں کے عین مطابق تجارت کے طریقے کا جائزہ لیا جا رہا ہے۔ طریقہ کار میں مجوزہ تبدیلیوں کو حتمی شکل دینے کے بعد سسٹم اور ریگولیٹری تبدیلیوں کا جائزہ لیا جائے گا۔

مارکیٹنگ اور بزنس ڈیولپمنٹ کے حوالے سے اقدامات

- مالی سال 2024 کے دوران مارکیٹنگ اور کاروبار کو ترقی دینے (بزنس ڈیولپمنٹ) کی سرگرمیاں بھرپور طریقے سے جاری رہیں، جس کے باعث پی ایس ایکس کو سرمایہ کاری اور سرمائے

پی ایس ایکس کی مالی پوزیشن کو متاثر کرنے والی اہم تبدیلیاں اور وعدے
پی ایس ایکس کی مالی پوزیشن کو متاثر کرنے والی کوئی اہم تبدیلیاں اور وعدے نہیں ہوئے جو مالی سال کے اختتام، جس سے مالیاتی گوشواروں کا تعلق ہے، اور رپورٹ کی تاریخ کے درمیان واقع ہوئے ہیں۔
رجحانات اور عوامل جو مستقبل کی ترقی، کارکردگی اور کمپنی کی کاروباری پوزیشن کو متاثر کرنے کا سبب بن سکتے ہیں

انفارمیشن ٹیکنالوجی کے حوالے سے اقدامات

- کوٹیشن سسٹم میں ہونے والی تبدیلیاں نئے ETFs کی معلومات اور بنیادی انڈیکس / باسٹ کی کارکردگی کی عکاسی کرتی ہیں۔
- وزارت خزانہ کو مطمئن کرنے کے لیے ریکارڈ وقت میں حکومتی اجارہ سکوک (IGS) کی فہرست سازی ماڈل کی ترتیب
- آئی پی اوز کے دوران سرمایہ کاروں کی جانب سے خود کار ادا کیوں کا فریم ورک فراہم کرنے کے لیے ون لنک کے ساتھ قریبی تعاون کے ذریعے بک بلڈنگ سسٹم میں کام شروع کیا گیا۔
- فیل اور سرگرمی کے لیے کامیاب ڈی آر ڈرل کا انعقاد کیا گیا جس نے RTO اور RPO اور آپٹیکیشن کی توثیق کرنے میں مدد کی، پی ایس ایکس کے بنیادی سسٹمز اور خدمات کی ہموار
- ایک اپ اور بحالی کو یقینی بنایا۔
- کراچی سے باہر کولڈ ڈی آر کے قیام کے پہلے مرحلے کا آغاز کیا گیا۔ آئی ٹی ڈی نے TRECHs کے ساتھ ساتھ ایک - آفس اور ایم ایس وینڈرز کے لیے آگاہی کے کئی سیشنز کا انعقاد کیا۔ کاروباری تسلسل (Business Continuity) اور ڈیزاسٹر ریکوری سیشنز کا انعقاد بہترین طریقوں کے بارے میں آگاہی فراہم کرنے کے لیے کیا گیا تاکہ ناگہانی آفت کی صورت میں بغیر کسی رکاوٹ کے TRECHs کے کاروبار کے تسلسل کو یقینی بنایا جاسکے۔
- مرکزی ایف آئی ایکس کنکشن کے فوائد کو اجاگر کرنے کے لیے سیشن ماسٹر FIX کا انعقاد کیا گیا جو TRECHs کو تنہا (سنگل) اکٹھی سرگرمیوں کے ریکارڈ فراہم کرتا ہے، جس سے مرکزی نگرانی اور رپورٹنگ کی سہولت ملتی ہے۔
- فرسودہ روایتی ٹیلی فونی سسٹم کو کامیابی کے ساتھ اپ گریڈ کیا گیا اور سافٹ ویئر پر مبنی آئی پی آفس سلوشن سے استفادہ کیا گیا۔

لسٹنگ کی کامیابیاں اور سرگرمیاں

- پی ایس ایکس نے مالی سال 2023-24 کے دوران کامیابی کے ساتھ بارہ نئی کمپنیوں کی فہرست سازی کی، جن کا مجموعی لسٹڈ سرمایہ 105,242 ملین روپے ہے۔ پانچ کمپنیوں کو ابتدائی عوامی پیشکش / فروخت کی پیش کش کے ذریعے درج کیا گیا، جبکہ چھ کمپنیوں کا عدالتی احکامات / انتظامات کی اسکیم کے ذریعے اندراج کیا گیا اور ایک کمپنی کو جی ای ایم بورڈ میں درج کیا گیا۔
- مالی سال 2023-24 کے دوران تین نجی طور پر رکھے گئے ڈیٹڈ انسٹرومنٹ اور ایک عوامی طور پر جاری کردہ ڈیٹڈ سیکیورٹی کا اندراج کیا گیا۔ ڈیٹڈ سیکیورٹیز کا مشترکہ لٹشو سائز 8,558 ملین روپے تھا۔
- ایکسچینج کی جانب سے مالی سال 2023-24 کے دوران دو ETFs کا اندراج عمل میں لایا گیا۔
- ایکسچینج نے مالی سال 2023-24 کے دوران نو اوپن اینڈ میوچل فنڈز کا بھی کامیابی کے ساتھ اندراج کیا۔ سال کے دوران درج ہونے والے سرمائے کا فنڈ سائز 19,600 ملین روپے رہا۔
- آئی پی او اور لسٹنگ کے عمل کو آسان اور ہموار بنانے کے لیے، ایس ای سی پی کی رہنمائی کے تحت، مارکیٹ کے لیے وقت کو کم کر کے 29 کام کے دنوں تک کر دیا گیا جہاں پی ایس ایکس کو 12 کام کے دنوں کے اندر آئی پی او لسٹنگ کی درخواست کا جائزہ لینا اور اسے منظور کرنا ہوتا تھا۔ پی ایس ایکس نے 3 آئی پی او کی درخواستوں کو 12 کام کے دنوں کے مخصوص وقت کے اندر منظور کیا جو قابل تحسین ہے۔
- پی ایس ایکس کی جانب سے بین الاقوامی بہترین طریقوں کے مطابق فہرست سازی پر ایک جامع گائیڈ تیار کیا گیا اور اسے لانچ کیا گیا۔
- جی ای ایم بورڈ میں مزید فہرست سازی کو راغب کرنے کے لیے، پی ایس ایکس نے ریگولیٹری فریم ورک میں ترامیم کی تجویز بھی پیش کی جیسے کہ تسلیم شدہ سرمایہ کاروں کی تعریف میں تبدیلی اور عام لوگوں کو جی ای ایم بورڈ میں درج کمپنیوں میں سیکنڈری مارکیٹ میں حصہ لینے کی اجازت دی جائے۔
- پی ایس ایکس نے اپنے سالانہ ایوارڈ کے لیے ڈیٹا کی درآمد سے لے کر ڈیٹا کی توثیق، کمپنیوں کے انتخاب اور منتخب کمپنیوں کو خطوط کی ترسیل تک، ٹاپ 25 کمپنیوں کے انتخاب کے عمل کو خود کار طریقے (automation) سے شروع کیا ہے۔ اس کے کامیاب نفاذ کے نتیجے میں کارکردگی اور درستگی میں اضافہ ہوگا۔

ٹریڈنگ اور سرمایہ کاروں کے لیے ترقی کے مواقع

- ایک اہم پیش رفت کے طور پر، پی ایس ایکس کی جانب سے ایکسچینج میں حکومت پاکستان کی ایک سالہ اجارہ سکوک کی پہلی پرائمری مارکیٹ نیلامی کو کامیابی سے لاگو کیا گیا۔ یہ پاکستان کی تاریخ میں پہلی بار ہوا ہے کہ گورنمنٹ ڈیٹڈ سیکیورٹی (جی ڈی ایس) کی نیلامی ایکسچینج کے ایک جدید ترین، مکمل طور پر خود کار اور موثر نظام کے ذریعے انجام پائی، جس میں دوسرے کیپٹل مارکیٹ کے اداروں کی طرف سے سیٹلمنٹ اور کسٹوڈیل خدمات فراہم کی گئیں۔ گورنمنٹ آف پاکستان اجارہ سکوک (GIS) جس کی مالیت 652 ارب روپے ہے ایکسچینج میں ہونے والی ابتدائی نیلامیوں کے ذریعے جاری کیا گیا، جبکہ پرائمری مارکیٹ میں آسانی سے اس کی تجارت کی جاتی ہے۔ نیلامی کے نظام کے ذریعے اب تک پانچ (5) قسم کے دستاویزات کا اندراج کیا گیا ہے، جن میں 1 سالہ رعایتی GoP اجارہ سکوک، 3 سالہ فکسڈ ریٹل ریٹ (5)، 3 سالہ فکسڈ ریٹل ریٹ (3)، 3 سالہ ویری بہل ریٹل ریٹ (VRR) اور 5 سالہ ویری بہل ریٹل ریٹ (VRR) شامل ہیں۔

- معاملہ فہمی سے فیصلہ کرتے ہوئے کیش اینڈ انویسٹمنٹ مینجمنٹ نے انتظامیہ کو اعلیٰ شرح سود کا فائدہ اٹھانے کی اجازت دی اور مارک اپ / سود کی آمدنی 53 فیصد بڑھ کر 268 ملین روپے ہو گئی۔

- آخری اور سب سے اہم یہ کہ، پی ایس ایکس کی ایسوسی ایٹ کمپنیوں میں کی گئی سرمایہ کاری سے اچھا منافع حاصل ہوا، گزشتہ سال 461 ملین روپے کے مقابلے میں مالی سال 2024 میں 100 فیصد سے زیادہ اضافے کے ساتھ ایسوسی ایٹس کے منافع کا حصہ 944 ملین روپے تک پہنچ گیا۔

مینجمنٹ مشکل کاروباری ماحول سے پوری طرح واقف ہے اور لاگت کے موثر انتظام (effective cost management) پر توجہ مرکوز کیے ہوئے ہے۔ تاہم، مہنگائی میں ریکارڈ اضافے اور مڈل اور جونیئر سطح کے عملے کو درپیش مالی مشکلات کو دیکھتے ہوئے، بورڈ نے کم آمدنی والے ملازمین کے معاوضے کی سطح میں اضافہ کر کے انھیں کچھ حد تک ریلیف فراہم کرنے کے لیے اقدام کیا۔ مہنگائی کے سبب لاگت کے دباؤ کے علاوہ نئے جدید ترین تجارتی نظام کے ذریعے آئی ٹی سسٹمز کو اپ گریڈ کرنے سے متعلق فرسودگی اور امور ٹرانزیشن چارجز میں نمایاں اضافے کے ساتھ، مالی سال 2023 کے دوران اخراجات میں تقریباً 27 فیصد اضافہ ہوا۔ اس طرح مالی سال 2024 میں مجموعی انتظامی اخراجات 2,004 ملین روپے رہے جو کہ گزشتہ مدت میں 1,574 ملین روپے تھے۔ کمپنی کا کیش فلو بھی حالیہ گزرنے والے سالوں کے مقابلے میں کافی مضبوط ہے۔

مجموعی طور پر، پی ایس ایکس نے مالی سال 2023 میں حاصل ہونے والے 220 ملین روپے کے مقابلے میں مالی سال 2024 کے لیے 1,028 ملین روپے کا بعد از ٹیکس منافع حاصل کیا، جو کہ 374 فیصد کا اضافہ ظاہر کرتا ہے۔

پی ایس ایکس اپنے کاروبار کی نوعیت کے لحاظ سے تجارتی حجم پر بہت زیادہ انحصار کرتا ہے۔ تاہم، تجارتی حجم پر انحصار کو بتدریج کم کرنے کے سلسلے میں ٹھوس کوششیں کی گئی ہیں، دیگر ریونیو اسٹریٹجز کو تیار کر کے، ڈیٹا وینڈنگ اور فہرست سازی کے عمل پر خصوصی توجہ مرکوز کی گئی ہے، مشکل ترین میکرو صورتحال کے باوجود، پی ایس ایکس نے کیپیٹل مارکیٹ کے بنیادی ڈھانچے میں سرمایہ کاری اور بہتری کے عمل کو جاری رکھا ہوا ہے، اور سرمایہ کاروں اور لسٹڈ کمپنیوں دونوں کے لیے نئی مصنوعات متعارف کرائی ہیں۔ ہم پُر اعتماد ہیں کہ مذکورہ اقدامات پی ایس ایکس کے تمام اسٹیک ہولڈرز کے لیے فائدہ مند ہونے کے ساتھ ساتھ پاکستان میں کیپیٹل مارکیٹ کی ترقی کے لیے بھی شمر آور ثابت ہوں گے۔ سرمایہ کاروں کی تعداد میں اضافے اور گورنمنٹ ڈیٹ سیکورٹیز پرائمری مارکیٹ آکشن پلیٹ فارم، خوردہ سرمایہ کاروں کے لیے سہولت اکاؤنٹس، آن لائن اکاؤنٹ اوپننگ، ون شیئر لاٹ سائز، اور سیکیورٹی کے لحاظ سرکٹ بریکرز کو بڑھانے کے ذریعے زیادہ سے زیادہ شمولیت (participation) میں آسانی فراہم کرنے کی کوششیں جاری ہیں۔ مستقبل پر نظر رکھتے ہوئے، پی ایس ایکس نے ای ایس جی پرائمر متعارف کرایا ہے اور پی ایس ایکس اور (LSEG) Refinitive Limited کے درمیان تعاون کے معاہدے پر دستخط کیے گئے ہیں تاکہ لسٹڈ کمپنیوں کو ESG سے متعلق عالمی معیارات کو اپنانے کے سلسلے میں آگاہی دی جاسکے اور سہولت فراہم کی جاسکے کیونکہ کچھ معیارات ممکنہ طور پر پاکستان میں بھی ایک یا دو سال میں لازمی ہو جائیں گے۔

فی حصص آمدنی (ای پی ایس)

بنیادی اور ملاوٹ شدہ فی حصص آمدنی مالی سال 2022-23 میں 0.27 روپے کے مقابلے میں مالی سال 2023-24 میں 1.28 روپے رہی۔

ڈیویڈنڈ

بورڈ آف ڈائریکٹرز نے 30 جون 2024 کو اختتام پذیر ہونے والے مالی سال کے لیے 1.00 روپے کا نقد منافع (ڈیویڈنڈ) دینے کی سفارش کی۔

مالی سال کے دوران ہونے والی تبدیلیاں

پی ایس ایکس کی ریلی اسٹیٹ کو اس کے آپریشنز سے الگ (demerger) کرنے کے حوالے سے بورڈ آف ڈائریکٹرز کا اجلاس 20 فروری 2023 کو منعقد ہوا جس میں پی ایس ایکس کو پی ایس ایکس فنانشل سروسز (پرائیویٹ) لمیٹڈ (پی ایس ایکس فنانشل) کے ساتھ معاہدہ کرنے کا اختیار تفویض کیا گیا، اس مقصد کے لیے پی ایس ایکس کا ایک مکمل ملکیتی ذیلی ادارہ تشکیل دیا گیا ہے، جس کے لحاظ سے، پی ایس ایکس کے کاروبار / انڈر ٹیکنگ کو 2 (دو) الگ الگ حصوں / انڈر ٹیکنگز میں الگ / ڈیمرج کیا جائے گا، یعنی ڈیمرجڈ انڈر ٹیکنگ (Demerged Undertaking) اور کنٹینیوئنگ انڈر ٹیکنگ (Continuing Undertaking) کے طور پر، اور اس کے ساتھ ہی ڈیمرجڈ انڈر ٹیکنگ کو پی ایس ایکس فنانشل کے ساتھ انضمام کے ذریعے ضم کیا جائے گا، جبکہ کنٹینیوئنگ انڈر ٹیکنگ کو پی ایس ایکس کی جانب سے برقرار رکھا جائے گا، جس کے پیش نظر پی ایس ایکس فنانشل کے عام حصص پی ایس ایکس کو الاٹ اور جاری کیے جائیں گے (اس کے نتیجے میں پی ایس ایکس فنانشل پوری طرح سے پی ایس ایکس کا مکمل ملکیتی ذیلی ادارہ رہے گا)۔ مذکورہ انتظامات کو کمپنیز ایکٹ 2017 کی شق 279 تا 283 اور 285 کے تحت تیار کردہ اسکیم آف رینجمنٹ کی شرائط کے مطابق عمل میں لایا جائے گا، جس کا مسودہ پی ایس ایکس بورڈ کی جانب سے منظور کیا گیا ہے، پی ایس ایکس کے مجاز نمائندوں کی طرف سے اسے حتمی شکل دی جائے گی، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی منظوری حاصل کی جائے گی، کمپنیوں کے متعلقہ اراکین کی مطلوبہ اکثریت کی منظوری (جیسا کہ قابل اطلاق ہو) لی جائے گی، اور اس کی منظوری کراچی میں سندھ ہائی کورٹ کے ذریعے اسکیم آف رینجمنٹ، متعلقہ قانونی ضابطوں کی تکمیل کے ساتھ لی جائے گی۔ اسکیم آف رینجمنٹ کو مقررہ وقت میں پی ایس ایکس اور ممبران کو، کراچی میں سندھ ہائی کورٹ کی ہدایت / حکم کے تابع، اور قابل اطلاق قوانین کے مطابق ارسال کر دیا جائے گا۔

ڈائریکٹر رپورٹ

پاکستان اسٹاک ایکسچینج لمیٹڈ (پی ایس ایکس) کے بورڈ آف ڈائریکٹرز 30 جون، 2024 کو اختتام پذیر ہونے والے سال کے لیے پی ایس ایکس کے مالی گوشوارے پیش کرتے ہوئے نہایت خوشی محسوس کر رہے ہیں۔

معاشی جائزہ اور عمومی صورتحال

مالی سال 2023-24 کے دوران میکرو اکنامک صورتحال میں نمایاں بہتری دیکھنے میں آئی، اس عرصے میں افراط زر، کرنٹ اکاؤنٹ، غیر ملکی زرمبادلہ کے ذخائر، ٹیکس کی وصولی جیسے سبھی اہم اشاریوں میں مثبت پیش رفت دیکھنے میں آئی، خاص طور پر مالی سال کی دوسری ششماہی میں یہ پیش رفت کافی مثبت تھی۔ اسی عرصے میں، معیشت کو مستحکم کرنے کی لاگت کا مطلب زیر بحث مدت کے دوران جی ڈی پی میں کمی اور عام لوگوں کے لیے حقیقی آمدنی پر کافی دباؤ تھا۔ اس بات کے قوی امکانات ظاہر کیے جا رہے ہیں کہ پچھلی مدت میں سیٹ سخت ہونے کے سبب مزید متوازن اور پائیدار معاشی ترقی کے لیے ضروری حالات ظہور پذیر ہوں گے خاص طور پر اگر حکومت کی طرف سے مختلف اسٹرکچرل اصلاحات پر غور کیا جا رہا ہے، اور انہیں نافذ کیا جاتا ہے، جن میں نجکاری اور متعدد وزارتوں کی درست سائزنگ شامل ہے۔

سال 2023-24 کے دوران مارکیٹ کی کارکردگی

پاکستان کی کیپٹل مارکیٹ کی کارکردگی پر کافی حد تک میکرو اکنامک صورتحال کا اثر پڑتا ہے۔ میکرو عوامل میں بہتری آنے کے ساتھ ساتھ جیسا کہ اوپر بیان کیا گیا ہے مارکیٹ میں بھی دوبارہ درجہ بندی ہونا شروع ہو گئی، کے ایس ای - 100 نے گزشتہ مالی سال میں 89 فیصد کا اضافہ ظاہر کیا۔ اس کے سبب پاکستان اسٹاک مارکیٹ کو دنیا کی 10 بہترین کارکردگی دکھانے والی مارکیٹوں میں شامل کیا گیا۔ یہاں پر ایک اہم نکتہ غور طلب ہے کہ اس شاندار کارکردگی کے باوجود، مارکیٹ کی فارورڈ ویلیویشن اب بھی 4X سے 5X مستقبل کی آمدنی (فیوچر آرنگز) کے درمیان ہے، جس سے دو چیزیں ظاہر ہوتی ہیں۔ پہلی چیز یہ کہ، کارپوریٹ سیکٹر کی بنیادی آمدنی میں اضافہ کافی حد تک مستحکم ہے اور دوسرا، موجودہ مارکیٹ کا تخمینہ اب بھی 7X سے 8X مستقبل کی آمدنی (فیوچر آرنگز) کی تاریخی اوسط سے کم ہے۔ اس طرح، اس بات کا امکان ہے کہ میکرو صورتحال میں مسلسل بہتری اور حقیقی جی ڈی پی کی نمو مستقبل کی مارکیٹ کی کارکردگی کو ایک ٹیل ونڈ فراہم کرے گی۔ مالی سال 2024 میں مارکیٹ کی کارکردگی کے اہم میٹرکس (پیمائشی طریقہ کار) درج ذیل ہیں:

سال کا خاتمہ		تفصیلات
30 جون 2023	30 جون 2024	
41,453	78,445	کے ایس ای - 100 انڈیکس
6,369	10,375	مارکیٹ میں سرمایہ کاری (کیپٹلائزیشن) (ارب روپے میں)
6.7	16.3	اوسطاً یومیہ کی بنیاد پر قدر تجارت - ریڈی (ارب روپے میں)
3.4	6.4	اوسطاً یومیہ کی بنیاد پر قدر تجارت - فیوچر (ارب روپے میں)
213	481	اوسطاً یومیہ کی بنیاد پر تجارتی حجم - ریڈی (ملین روپے میں)
80	156	اوسطاً یومیہ کی بنیاد پر تجارتی حجم - فیوچر (ملین روپے میں)

دوران سال پی ایس ایکس کی مالیاتی کارکردگی

پی ایس ایکس نے 30 جون، 2024 کو اختتام پذیر ہونے والے سال کے لیے 1,110 ملین روپے کا قبل از ٹیکس منافع ریکارڈ کیا، جو کہ 30 جون، 2023 کو اختتام پذیر ہونے والے سال کے لیے 250 ملین روپے کے مقابلے میں 344 فیصد زیادہ ہے۔ مالی سال 2023 میں 1,824 ملین روپے کے مقابلے میں مالی سال 2024 کے دوران ایکسچینج کی کل آمدنی 3,113 ملین روپے رہی جو کہ 71 فیصد کے اضافے کو ظاہر کر رہی ہے۔ زیر جائزہ مدت کے دوران آمدنی کے اہم عوامل میں شامل ہیں:

- تجارتی سرگرمیوں سے حاصل ہونے والی آمدنی اس بار 396 ملین روپے رہی جو کہ گزشتہ سال کے دوران 180 ملین روپے تھی، جس کی بنیادی وجہ اوسط یومیہ تجارت کی زیادہ قیمت ہے، یعنی مالی سال 2023 میں 10.1 ارب روپے کے مقابلے میں مالی سال 2024 میں حاصل ہونے والی آمدنی 22.7 ارب روپے رہی۔
- گزشتہ سال حاصل ہونے والے 139 ملین روپے کے مقابلے میں مالی سال 2024 میں ابتدائی فہرست سازی کی فیس 46 فیصد بڑھ کر 202 ملین روپے ہو گئی کیونکہ مالی سال 2024 میں ایکسچینج میں زیادہ کمپنیوں کا اندراج عمل میں آیا اور ان کی تعداد 12 رہی جبکہ مالی سال 2023 میں یہ تعداد 5 تھی۔
- ایک اہم پیشرفت کے طور پر، آمدنی کے سلسلے کو متنوع بنانے کے حوالے سے انتظامیہ کی کوششوں کے نتائج سامنے آنا شروع ہو گئے ہیں، ڈیٹا وینڈنگ آمدنی غیر تجارتی سرگرمیوں سے ہونے والی آمدنی کو بڑھا رہی ہے، جیسا کہ مالی سال 23 میں حاصل ہونے والے 104 ملین روپے کے مقابلے میں مالی سال 24 میں حاصل ہونے والی آمدنی 216 ملین روپے کے اضافہ کے ساتھ 320 ملین ہو گئی ہے۔



PAKISTAN
STOCK EXCHANGE

UAN +9221-111-001-122

| www.psx.com.pk

| info@psx.com.pk