

S. No.	Head of Account	Note	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
<b>1. Assets</b>					
1.1	Property & Equipment		93,507,756	100%	-
1.2	Intangible Assets		35,337,718	100%	-
1.3	Investment in Government Securities		-	-	-
	<b>Investment in Debt Securities</b>				
	<b>If listed then:</b>				
	i. 5% of the balance sheet value in the case of tenure upto 1 year.		-	5%	-
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.		-	7.5%	-
1.4	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	3	4,009,645	10%	3,608,681
	<b>If unlisted then:</b>				
	i. 10% of the balance sheet value in the case of tenure upto 1 year.		-	10%	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.		-	12.5%	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.		-	15%	-
	<b>Investment in Equity Securities</b>				
1.5	i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher.	3	62,407,434	10,189,882	52,217,552
	ii. If unlisted, 100% of carrying value.		-	100%	-
1.6	Investment in subsidiaries		-	100%	-
	<b>Investment in associated companies/undertaking</b>				
1.7	i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.		-	-	-
	ii. If unlisted, 100% of net value.		-	100%	-
1.8	Statutory or regulatory deposits / basic deposits with the exchanges, clearing house or central depository or any other entity.	4	18,700,000	100%	-
1.9	Margin deposits with exchange and clearing house.	5	327,793,468	0%	327,793,468
1.10	Deposit with authorized intermediary against borrowed securities under SLB.		-	0%	-
1.11	Other deposits and prepayments	6	9,784,249	100%	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.		-	0%	-
	100% haircut to be applied in respect of markup accrued on loans to directors, subsidiaries and other related parties		-	100%	-
1.13	Dividends receivable		-	0%	-
1.14	Amounts receivable against Repo financing. Amount paid as purchaser under the REPO agreement. (Securities purchased under repo arrangement shall not be included in the investments.)		-	-	-
	<b>Advances and Receivables other than trade receivables</b>				
1.15	i. No Haircut may be applied on the short term loan to employees provided these loans are secured and due for repayment within 12 months		-	-	-
	ii. No Haircut may be applied to the advance tax to the extent it is netted with provision of taxation		41,936,971	0%	41,936,971
	iii. In all other cases, 100% of net value	7	5,608,980	100%	-
1.16	<b>Receivables from clearing house or securities exchange(s)</b>				
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains. <b>Lower of net balance sheet value or value determined through adjustments</b>		-	-	-
	<b>Receivables from customers</b>	8			
	i. In case receivables are against margin financing, the aggregate of (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut. <b>Lower of net balance sheet value or value determined through adjustments.</b>	8.1	11,437,372	9,546,630	9,546,630
1.17	ii. In case receivables are against margin trading, 5% of the net balance sheet value. <b>Net amount after deducting haircut</b>		-	5%	-
	iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, <b>Net amount after deducting haircut</b>		-	-	-
	iv. In case of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. <b>Balance sheet value</b>	8.3	484,894,944	0%	484,894,944





S. No.	Head of Account	Note	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
	v. Incase of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts. <b>Lower of net balance sheet value or value determined through adjustments vi. 100% haircut in the case of amount receivable form related parties</b>	8.4	15,902,763	14,966,825	14,966,825
	<b>Cash and Bank balances</b>		-	100%	-
1.18	i. Bank Balance-proprietary accounts	9	16,709,965	0%	16,709,965
	ii. Bank Balance - Customer Accounts		195,507,224	0%	195,507,224
	iii. Cash in hand		10,720	0%	10,720
1.19	<b>Subscription money against investment in IPO / offer for sale (asset)</b> No haircut may be applied in respect of amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker.		-	-	-
1.20	<b>Total Assets</b>		<b>1,323,549,209</b>		<b>1,147,192,980</b>

**2. Liabilities**

2.1	<b>Trade Payables</b> i. Payable to exchanges and clearing house ii. Payable against leveraged market products iii. Payable to customers	10	365,307,836	0%	365,307,836
	<b>Current Liabilities</b> i. Statutory and regulatory dues ii. Accruals and other payables iii. Short-term borrowings iv. Current portion of subordinated loans v. Current portion of long term liabilities vi. Deferred Liabilities vii. Provision for taxation viii. Other liabilities as per accounting principles and included in the financial statements	11 11.1 11.2 11.3	5,288,202 232,735,578 149,996,346 - - - 106,115,601	0% 0% 0% 0% 0% 0% 0%	5,288,202 232,735,578 149,996,346 - - - 106,115,601
2.3	<b>Non-Current Liabilities</b> i. Long-Term financing ii. Staff retirement benefits iii. Other liabilities as per accounting principles and included in the financial statements		- - 26,871,523	100% 0% 100%	- - -
2.4	<b>Subordinated Loans</b> 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted		-	100%	-
2.5	<b>Advance against shares for increase in capital of securities broker</b> 100% Haircut may be allowed in respect of advance against shares if: (i) The existing authorized share capital allows the proposed enhanced share capital (ii) Board of Directors of the company has approved the increase in capital (iii) Relevant Regulatory approvals have been obtained (iv) There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed (v) Auditor is satisfied that such advance is against the increase of capital.		-	100%	-
2.6	<b>Total Liabilities</b>		<b>886,315,086</b>		<b>859,443,563</b>

**3. Ranking Liabilities Relating to :**

3.1	<b>Concentration in Margin Financing</b> The amount calculated client-to-client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total financees.	8.2	-	-	8,212,862
3.2	<b>Concentration in securities lending and borrowing</b> The amount by which the aggregate of: (i) Amount deposited by the borrower with NCCPL (ii) Cash margins paid and (iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed		-	-	-
	<b>Net underwriting Commitments</b>				



**Statement of Liquid Capital**

As at 31 December 2021

Head Office: Next Capital Limited

2<sup>nd</sup> Floor, Imperial Court Building, Dr. Ziauddin Ahmed Road, Karachi-75530, Pakistan.

UAN: +(92-21) 111-639-825 Fax: +(92-21) 35632321 Url: www.nextcapital.com.pk

S. No.	Head of Account	Note	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
3.3	<b>(a) in the case of right issue :</b> if the market value of securities is less than or equal to the subscription price; the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments, (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issue where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting <b>(b) in any other case :</b> 12.5% of the net underwriting commitments		-	-	-
3.4	<b>Negative equity of subsidiary</b> The amount by which the total assets of the subsidiary ( excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary		-	-	-
3.5	<b>Foreign exchange agreements and foreign currency positions</b> 5% of the net position in foreign currency. Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency		-	-	-
3.6	<b>Amount Payable under REPO</b> <b>Repo adjustment</b>		-	-	-
3.7	<b>In the case of financier/purchaser</b> the total amount receivable under Repo less the 110% of the market value of underlying securities. <b>In the case of financee/seller</b> the market value of underlying securities after applying haircut less the total amount received, less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.		-	-	-
3.8	<b>Concentrated proprietary positions</b> If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security .If the market of a security exceeds 51% of the proprietary position, then 10% of the value of such security	3.2	-	-	3,111,434
3.9	<b>Opening Positions in futures and options</b> i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral / pledged with securities exchange after applying VaR haircuts ii. In case of proprietary positions , the total margin requirements in respect of open positions to the extent not already met		-	-	-
3.10	<b>Short sell positions</b> i. In case of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts ii. In case of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.		-	-	-
3.11	<b>Total Ranking Liabilities</b>		-	-	11,324,295

437,234,123 Liquid Capital 276,425,122
**Summary of Liquid Capital**

- (i) Adjusted value of Assets
- (ii) Less: Adjusted value of liabilities
- (iii) Less: Total ranking liabilities

1,147,192,980  
(859,443,563)  
(11,324,295)  
276,425,122

The annexed notes 1 to 12 form an integral part of this statement.

  
Chief Executive Officer



# Next Capital Limited

## Statement of Liquid Capital

As at 31 December 2021

### 1 STATUS AND NATURE OF BUSINESS

Next Capital Limited ("the Company") was incorporated as a public limited company in Pakistan on 14 December 2009 under repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company has obtained corporate membership from Pakistan Stock Exchange Limited ("the Exchange") on 2 February 2010 and was listed on the said Exchange on 27 April 2012.

The Company is a TREC holder of the Exchange and a member of Pakistan Mercantile Exchange Limited and is accredited broker by Financial Market Association of Pakistan. The Company is principally engaged in brokerage of shares, stocks, equity and debt securities, commodities, forex and other financial instruments and corporate finance services. Further, the Company is engaged in trading in equity and debt securities on its own account through ready, spot and forward counters of the Exchange. The registered office of the Company is situated at 2nd Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi. The branch office is situated at 63-A Agora Eden City, DHA Phase 8, Lahore.


### 2 BASIS OF PREPARATION

#### Statement of Compliance

The Statement of Liquid Capital ("the Statement") has been prepared in accordance with the requirements of the Third Schedule of the Securities Brokers (Licensing and Operations) Regulations, 2016 ("the Regulations") issued by the Securities & Exchange Commission of Pakistan (SECP). The Statement is prepared based on the reviewed published condensed interim financial statements (the financial statements) of the Company for the half year ended 31 December 2021 and therefore do not include all the explanatory notes. Therefore, these should be read in conjunction with the financial statements of the Company.

National Clearing Company of Pakistan ("NCCPL") issued a letter on 25 January 2022 referenced "NCCPL/CM/JANUARY-22/11" ("the Letter") to all Broker Clearing Members ("BCMs") which requires the BCMS to submit the Statement reviewed by external auditor to NCCPL.

This Statement is prepared to meet the requirements of the Securities and Exchange Commission of Pakistan ("SECP"), Pakistan Stock Exchange ("PSX") and NCCPL. Therefore, this Statement may not be suitable for any other purpose and should not be distributed to parties other than the Company, SECP, PSX or NCCPL.



**3 Investment in Equity Securities***Note***31 December 2021****Number of  
Shares****Market  
Value  
(Rupees)**

Attock Refinery Limited		205,369	29,579,297
Pakistan Stock Exchange Limited	3.1	2,374,500	32,649,375
Habib Bank Limited		100	11,662
TPL Trakker Limited		10,000	167,100
		<b>2,589,969</b>	<b>62,407,434</b>

Adjustment as per third schedule of  
the Regulations

10,189,882

Adjusted Value

**52,217,552**

- 3.1 This represents the shares pledged with Pakistan Stock Exchange Limited for taking exposures in regular, future market against Base Minimum Capital (BMC) requirement.

**3.2 Concentrated proprietary positions****31 December  
2021****(Rupees)**

Attock Refinery Limited	1,478,965
Pakistan Stock Exchange Limited	1,632,469
	<b>3,111,434</b>

**4 Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity**

Pakistan Stock Exchange Limited	15,900,000
Central Depository Company of Pakistan Limited	125,000
National Clearing Company of Pakistan Limited	1,425,000
Pakistan Mercantile Exchange Limited	1,250,000
	<b>18,700,000</b>

**5 Margin deposits with exchange and clearing house**

Deposit against exposure margin	286,589,224
Deposit against marginal trading services	41,204,244
	<b>327,793,468</b>

**6 Other deposits and prepayments****31 December  
2021  
(Rupees)**

Prepaid expenses	1,963,278
Sales tax receivables	2,998,190
Advance against salary - secured	1,054,607
Other receivables and advances - unsecured	1,927,322
Security deposit against office premises	1,720,852
Security deposit against PSO card	120,000
	<b>9,784,249</b>

**7 Advances and Receivables other than trade receivables**

Deferred tax asset - net	<b>5,608,980</b>
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**8 Receivables from customers****8.1 Receivable against Margin Financing**

Lower of	
Net Balance sheet value	11,437,372
Value determined through adjustments as per third schedule of the Regulations	9,546,630
Adjusted Value	<b>9,546,630</b>

**8.2 Concentration in Margin Financing**

JS Bank Limited (JSBL)	2,631,727
Lucky Cement Limited (LUCK)	5,581,135
	<b>8,212,862</b>

**8.3 Trade receivables not more than 5 days overdue**

This represents receivable from customers for not more than 5 days overdue. It includes receivable on account of purchase of shares on behalf of clients, brokerage commission, equity shares, money market in accordance with the clause (iv) of 1.17 of the Regulations.

**8.4 Trade receivables more than 5 days overdue**

This represents receivable from customers overdue for more than 5 days. It includes receivable on account of purchase of shares on behalf of clients, brokerage commission, equity shares, money market and consultancy in accordance with the clause (v) of 1.17 of the Regulations.





**9 Cash and Bank balances**

**31 December  
2021  
(Rupees)**

**Bank Balance - Proprietary Accounts**

Current accounts - conventional	16,170,723
Current accounts - shariah compliant	511
Saving accounts - profit and loss account	538,731
	<u>16,709,965</u>

**Bank Balance - Customer Accounts**

Current accounts - conventional	5,059
Current accounts - shariah compliant	1,127,074
Saving accounts - profit and loss account	194,375,091
	<u>195,507,224</u>

**10 Trade Payables**

Payable to National Clearing Company of Pakistan Limited	<u>365,307,836</u>
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**11 Current Liabilities**

**11.1 Statutory and regulatory dues**

Tax deducted at source	<u>5,288,202</u>
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**11.2 Accruals and other payables**

Accrued commission to traders	7,034,077
Accrued salaries and other expenses	1,436,981
Payable to auditors	965,250
Commission payable	78,252
Other payables	23,419,524
Accrued markup	3,506,229
Trade creditors	196,295,265
	<u>232,735,578</u>

**11.3 Other liabilities as per accounting principles included in financial statements**

Short term borrowing - unsecured	90,920,413
Contract liabilities	1,666,667
Unclaimed dividend	3,004,827
Markup payable on commercial paper	4,338,025
Current portion of lease liabilities	6,185,669
	<u>106,115,601</u>



**12 Date of authorisation**

This statement is being issued on: \_\_\_\_\_



\_\_\_\_\_  
**Chief Executive Officer**