



M/S. KOSMOPOLITAN SECURITIES (PRIVATE) LIMITED

STATEMENT OF NET CAPIATL BALANCE

AS AT JUNE 30, 2016

Suite No. 1601, Kashif Centre, Shahrah-e-Faisal, Karachi.
Phone: 92-21-35640050-1-2, Fax: 92-21-35640053
E-mail: info-khi@hyderbhimji.com

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The Chief Executive Officer,
Kosmopolitan Securities (Private) Limited,
MR-7/52-53, 574/1, Adamjee Dawood Road,
Jodia Bazar,
Karachi

September 15, 2016

Dear Sir,

Auditor's certificate on statement of Net capital balance as at June 30, 2016 under Rule 2(d) of the Third Schedule to the Securities and Exchange Rules, 1971

We have been requested to provide you with a certificate on annexed statement of net capital balance of M/s. **Kosmopolitan Securities (Private) Limited** ("the Company"), Corporate TRE Certificate Holder of Pakistan Stock Exchange Limited, as required under Rule 2(d) of the Third Schedule to the Securities and Exchange Rules, 1971 ("the Rules").

Scope of Certificate

To certify the statement of net capital balance as at June 30, 2016 as prepared by the management in compliance with the Rules and the clarification / guidelines / guide book dated July 03, 2013, December 20, 2013, June 24, 2015 and September 08, 2016 ("the Guidelines") issued by Securities & Exchange Commission of Pakistan (SECP), that the net capital balance is calculated / arrived at on the basis of numbers / figures duly audited.

Management's Responsibility

It is the responsibility of the management to prepare the statement of net capital balance in compliance with the definitions prescribed under the Rules and in accordance with the Guidelines issued by SECP.

Auditor's Responsibility

Our responsibility is to certify the compliance of the requirements of the Rules and the Guidelines issued by SECP and in accordance with the "guidelines for issue of certificate for Special Purposes by Practicing Chartered Accountant Firms" issued by the Institute of Chartered Accountants of Pakistan by following necessary procedures.

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Certificate

Based on the procedures followed, we certify that annexed statement of net capital balance of the Company as at June 30, 2016 is calculated / arrived at on the basis of numbers / figures duly audited that amounted to Rs. 6,584,967.

Restriction on distribution and use

Our certificate is intended solely for the information and use by the management of the Company, SECP, Pakistan Stock Exchange Limited (PSX), National Clearing Company of Pakistan Limited (NCCPL) and the Central Depository Company of Pakistan Limited (CDC) and should not be distributed to parties other than the Company, PSX, NCCPL and CDC without our prior written consent.

Yours truly

Muhammad Asad Qureshi L

M/s Kosmopolitan Securities (Private) Limited,

Statement of Net Capital Balance prepared for the purpose of Rule 2 (d) of Third Schedule to the Securities and Exchange Rules, 1971.

As at June 30, 2016

| DESCRIPTION | VALUATION BASIS | RUPEES |
|---|--|------------------|
| CURRENT ASSETS | | |
| Cash in hand | As per book value | 531,298 |
| Cash at Banks | | |
| - Bank Balances pertaining to brokerage House | As per book value | 6,105,416 |
| - Bank Balances pertaining to clients | As per book value | - |
| Exposure deposits with Pakistan Stock Exchange Limited | As per book value | - |
| Trade Receivables | As per book value | - |
| (Less: Outstanding for more than 14 days) | Book value less those overdue for more than fourteen days | - |
| Investment in listed Securities in the name of broker | Securities on the exposure limit marked to market less 15% discount | - |
| Securities Purchased for Clients | Securities purchased for the client and held by the member where the payment has not been received within fourteen days. | - |
| | Sub-total | 6,636,714 |
| CURRENT LIABILITIES: | | |
| Trade Payables | Book value less those overdue for more than 30 days | |
| Other Liabilities | As classified under the generally accepted accounting principles (including trade payable overdue for more than 30 days) | 51,747 |
| | Sub-total | 51,747 |
| Net Capital Balance allocated to Pakistan Stock Exchange Ltd - June 30, 2016 | | 6,584,967 |


CHIEF EXECUTIVE


DIRECTOR

Annexures For Net Capital Balance Certificate
KOSMOPOLITAN SECURITIES (PVT) LTD
As On June 30, 2016

1 STATEMENT OF COMPLIANCE

The statement of net capital balance of the Company ('the Statement') of **Kosmopolitan Securities (Private) Limited** ("the Company") has been prepared in accordance with the Rule 2(d) of, and Third Schedule to the Securities and Exchange Rules, 1971 and in accordance with the clarifications /guidelines / guide book issued by Securities and Exchange Commission of Pakistan (SECP). All figures have been obtained from the audited financial statements of the Company for the year ended **June 30, 2016**.

2 BANK BALANCES AND CASH DEPOSITS

These are stated at book value

Cash in hand

531,298

Bank Balances pertaining to brokerage house

6,105,416

Bank Balances pertaining to client

-

Total Bank Balances

6,105,416

3 EXPOSURE DEPOSITS AND NCCPL RECEIVABLES

Deposits against exposure and lossess with NCCPL

-

4 TRADE RECEIVABLES

These are valued at cost less bad and doubtful debts (if any) and debt long outstanding for more than 14 days.

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5 INVESTMENT IN LISTED SECURITIES IN THE NAME OF BROKER

These includes Investments in following listed equity Securities valued at market rates prevailing as on June 30, 2016 less discount as prescribed in Rule 2 (d) of the Third (Schedule to the Securities and Exchange Rules, 1971.

-

6 SECURITIES PURCHASED FOR CLIENTS

These amount represent to the lower of value of securities appearing in the clients respective sub account to the extent of over due balance for more than 14 days or value of investments.

7 TRADE PAYABLES

This represent balance payable against trading of shares less trade payable balances overdue for more that 30 days which has been included in other liabilities.

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8 OTHER LIABILITIES

These represents current liabilities, other than trade payable which are due within 30 days Other liabilities are stated at book value.

Over Dye More than 30 Days

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Accrued expenses

51,747

51,747

9 DATE OF ISSUANCE

This statement is being issued on September 15, 2016. *U*

[Signature]
CHAIRMAN / DIRECTOR

[Signature]
CHIEF EXECUTIVE

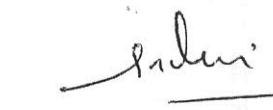
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Over Due More than 30 Days

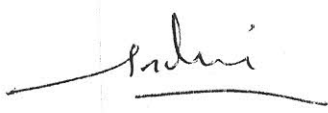
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CHAIRMAN / DIRECTOR


CHIEF EXECUTIVE