30 CAPITAL MANAGEMENT

30.1 to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

30.2 CAPITAL ADEQUACY

The Capital Adequacy level as required by CDC is Calculated as Follows

	Notes	Amount (Rupees)
Total Assets	*30.2.1*	64,190,529
Less: Total Liabilities		(62,844,925)
Less: Revaluation Reserves (created upon revaluation of fixed assets)		-
Capital Adequacy Level		1,345,604

30.2.1 While determining the value of the total assets of the TREC Holder, Notional value of TREC as at year ended as determined by Pakistan Stock Exchange has been considered.

30.3 NET CAPITAL BALANCE

Net capital requirements of the Company are set and regulated by Pakistan Stock Exchange Limited. These requirements are put in place to ensure sufficient solvency margins and are based on excess of current assets over current liabilities.

The Net Capital Balance as required under Third Schedule of Securities and Exchange Rules, 1971 read with the SECP guidelines is calculated as follows;

		Basis of Accounting	Notes	Amount (Rupees)
A.	Description of Current Assets			
1	Cash in hand & Cash in bank	As per book value.	12	
	Cash in hand			29,605
	Cash at bank-House Account			1,219,088
	Cash at bank-Client Account			4,145,208
				5,393,900
2	Margin deposits			-
3	Trade receivables	Book value less those overdue for more than 14 days.		625,720
	Less: Outstanding for more than 14 days			454,809
				170,911
4	Investment in listed securities in the name of company	Securities on the Exposure List to Market less 15 % discount.	11	27,333,808
				(4,100,071)
				23,233,737
5	Securities purchased for client			330,412
				29,128,959
B.	Description of Current Liabilities			
1	Trade payables	Book value less those overdue for more than 30 days.	15	847,408
	Less: Overdue more than 30 days			801,375
				46,033
2	Other liabilites	As classified under the Generally Accepted Accounting Principles.	15 & 16	18,633,451
				18,679,485
	NET CAPITAL BALANCE			10,449,475

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