



PAKISTAN STOCK BROKERS ASSOCIATION

(A company setup under section 42 of the Companies Act 2017)

Regd Office: Mezzanine Floor, Trading Hall, Stock Exchange Building, Stock Exchange Road,
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September 12, 2022

MINUTES OF 2ND ANNUAL GENERAL MEETING OF "PAKISTAN STOCK BROKERS ASSOCIATION (PSBA)", HELD ON 12-09-2022, VIA ZOOM, AT 4:15 PM AFTER THE ADJOURNMENT DULY ANNOUNCED ON 05-09-2022 DUE TO THE LACK OF REQUIRED QUORUM.

PRESENT:

01. Dr. Yasir Mahmood	Senior Vice-Chairman
02. Mr. Zahid Latif Khan	Vice-Chairman
03. Mr. Azneem Bilwani	EC Member
04. Mr. Hamad Nazir Kehar	EC Member
05. Mr. Muhammad Adil Ghaffar	EC Member
06. Mr. Muhammad Munir Khanani	EC Member
07. Mr. Noman Abdul Majeed Adam	EC Member
08. Mr. Bilal Farooq Zardi	Secretary General

MEMBERS OF THE GENERAL BODY:

S. No.	TREC Holders	TREC No.	AR Name
01.	AHM Securities (Pvt.) Ltd	038	Mr. Hammad Tahir
02.	Darson Securities Ltd	090	Mr. Malik Dilawayz Ahmed
03.	Muhammad Salim Kasmani Securities (Pvt.) Ltd	176	Mr. Usman Salim Kasmani
04.	Moonaco Securities (Pvt.) Ltd	160	Mr. Mohammad Salim Moon
05.	Sakarwala Capital Securities (Pvt.) Ltd	010	Mr. Ghulam Mujtaba Sakarwala
06.	Salim Sozer Securities (Pvt.) Ltd	121	Mr. Abdus Samad Salim
07.	Z.A Ghaffar Securities (Pvt.) Ltd	156	Mr. Aisal Abdul Ghaffar
08.	Vector Securities (Pvt.) Ltd	025	Syed Jibran Iqbal



- ✓ Dr. Yasir Mahmood, the Senior Vice-Chairman took the chair and extended a note of warm welcome to the members on behalf of PSBA. He declared the meeting to be in order for proceedings with the agenda.
- ✓ The notice of meeting together with the explanatory statement was taken as read.
- ✓ The Chair invited an update from the SG as to whether the minutes of the first AGM were circulated/sent to the members. The SG updated the Chair that the minutes of the first AGM were signed and circulated on October 1, 2021, as advised by the Chair of the meeting, within seven days from the date of AGM i.e. September 23, 2021, and are also available on PSBA Website.

AGENDA ITEM # 1

Recitation from the Holy Qur'an:

The proceedings of the meeting commenced with a recitation from the Holy Quran by Secretary General (SG) as requested by the Chair.

AGENDA ITEM # 2

To receive, consider and adopt the audited accounts for the year ended 30th June 2022:

The annual audited accounts for the year ending 30th June 2022 were presented before the meeting followed by circulation with the notice of the meeting. The SG, also made a presentation concerning the Balance Sheet, Statement of Profit & Loss, and Cash Flow Statement for the period ended 30th June 2022, together with accounting policies and notes appended thereto.

The Chair then also invited the members, to any comments on the presented annual accounts of PSBA.

Mr. Adil Ghaffar enquired regarding the deduction of Advance Tax whereas the PSBA is a tax-exempted entity. The SG responded that a few of our members and their tax advisors showed reservations about the Withholding Tax not being deducted on the Annual/Renewal Fee. Due to the deadline of March 31 as given by the DGTO Office, we were compelled to receive the payments where the tax had been deducted by them. However, the clarification was issued to all our members regarding the tax exemption, PSBA has obtained. We are making our best efforts to ensure the collection of the Annual Fee without any deductions by our members.

Mr. Ghaffar also suggested that the tax amount should be above the Annual Fee if any member wants to deduct it. The point was noted to be discussed and decided by the Executive Committee. He also invited the breakup of expenses where the SG gave a brief update on the expenses that have been incurred during the year.

He further requested details of the case for which Legal Expenses have been incurred. Mr. Zardi, as advised by the chair, briefed that the Futures Eligibility Criteria for selection of Securities for trading in DFC and CSF markets was challenged by PSBA followed by the discussion of EC in its meeting held on July 8, 2021. The matter was challenged in the Court of Law after making all sincere efforts to resolve any and all issues with respect to the above criteria.

Mr. Ghulam Mujtaba Sakarwala requested an update on the Depreciation and Salary & Wages, to which the increase is shown as compared to last year. The SG responded that the impact of depreciation is due to an addition (i.e. Vehicle), details are mentioned in Notes 3 along with the Comparative Period. The table is also annexed with the presented accounts. Moreover, the support staff for the secretariat has also been appointed, the SG replied, to answer his second observation.



All the questions were suitably replied to the members by the Chair and SG together.

Thereafter, the following resolution was passed unanimously, as proposed by Mr. Abdus Samad Salim and seconded by Mr. Usman Salim Kasmani:

“RESOLVED THAT the audited financial statement of the Pakistan Stock Brokers Association together with the Balance Sheet, Statement of Profit & Loss, Cash Flow Statement, Report of the Directors and Auditor, Accounting Policies, and Notes appended thereto, for the Financial Year ended 30th June 2022, be and are hereby received and adopted.”

AGENDA ITEM # 3

Presentation of Annual Book for the year ended 30th June 2022:

The Annual Book for the year ending 30th June 2022 was presented before the meeting followed by circulation with the notice of the meeting. The SG also made a presentation concerning the activities, achievements, and relevant updates of the meetings. The SG also apprised the members of the recent amendments in the applicable regulatory framework in order to provide ease of doing business.

Mr. Adil Ghaffar and Mr. Abdus Samad Salim thanked the PSBA EC and SG for their active participation and input. They thanked the PSBA team for bringing their expertise & experience and for engaging in such fruitful, constructive and open dialogues throughout the year. The hard work is nicely covered in the Annual Book, Mr. Samad added.

A special thanks to the Chairman, Senior Vice-Chairman, and Vice-Chairman for their leadership and support. The activities reflect the continuous engagement and high quality of the debate which is involved in achieving the desired results, the members stated.

Thereafter, the following resolution was passed unanimously:

“RESOLVED THAT the annual report containing the information regarding the PSBA’s events, its performance & achievements, and updates as presented before the members for the year ended 30th June 2022, be and is hereby adopted.”

AGENDA ITEM # 4

To appoint/re-appoint the auditor till the conclusion of the next AGM, and fix their remuneration:

The matter, regarding the re-appointment of M. Saleem Associates, Chartered Accountant, as the statutory auditors of PSBA, was taken up. On a query, the SG updated that they provide the following services to PSBA:

1. To audit the annual accounts;
2. Filing of statutory returns; and
3. Consultancy in getting a tax exemption certificate.



The following resolution was passed unanimously, as proposed by Mr. Aisal A. Ghaffar and seconded by Mr. Muhammad Adil Ghaffar:

“RESOLVED THAT M. SALEEM ASSOCIATES, Chartered Accountant, be and is hereby appointed as the Statutory Auditor of the Pakistan Stock Brokers Association to hold office until the conclusion of the 3rd Annual General Meeting at the same remuneration as of concluding year.”

AGENDA ITEM # 5

ANY OTHER MATTER WITH THE PERMISSION OF THE CHAIR:

5.1 Mr. Adil Ghaffar, with permission of the chair, invited the attention to introduce performance awards for PSBA members having a sizeable market volume in terms of securities and/or brokerage commission, something on these lines. This is to acknowledge their efforts in benefiting the Stock Market as a whole. Mr. Malik Dilawayz Ahmed seconded the proposal by stating that PSBA, being a professional representative body that is a direct stakeholder in the Capital Market, may take such initiatives as in the case of other corporate bodies/associations. **“The Chair advised the SG to put this on the next agenda item of the EC meeting.”**

5.2 Mr. Ghulam Mujtaba Sakarwala invited the attention of PSBA EC towards a few time-consuming issues, that have already been raised with SROs (PSX, CDC & NCCPL), to formulate a policy so that to bind them on a time period on the conclusion instead of never-ending discussions. Usually, a matter takes years and years to reach its conclusion. This matter needs to be taken up within the EC and then with SROs as there should be a certain time period for the conclusion. The responsible entities should react proactively. **“The Chair advised the SG to consider what can be done to reduce this turnaround time as highlighted by Mr. Sakarwala, the SG noted the point to discuss and decide as to what PSBA can do in order to save time & energy. The Chair advised the SG to put this on the next agenda item of the EC meeting to deliberate this within the EC as to how can we do this more efficiently on what we are doing right now.”**

5.3 Concerning agenda 5.2, the Chair invited Mr. Sakarwala to highlight any specific issue that requires an immediate follow-up by PSBA. He with thanks to the Chair, updated that an issue was taken up by PSBA with regards to the computation charges for the calculation of Capital Gain Tax by NCCPL, for which reduction/removal was requested by PSBA, the said matter is still not concluded. He acknowledged that the secretariat is strongly and actively pursuing the matter to get it resolved. However, there is a lack of interest at NCCPL’s end instead of a counter-proposal submitted by PSBA in consultation with the members, a few months back. The Chair invited the comments of SG. He, with thanks to the chair, added that as mentioned by Mr. Sakarwala, the secretariat is making all its efforts to conclude the matter as soon as possible and in the best interest of our members. For this purpose, I and Mr. Munir Khanani, one of the EC members, also had a meeting with NCCPL’s CFO, and he assured us that we will have a final meeting with PSBA by end of August, and after a follow-up on this with CEO and CFO, no adequate response has been received by them. Mr. Ghaffar suggested that in reference to the discussion we had in this AGM, a reminder letter should be dispatched as there is an unnecessary delay at NCCPL’s end and now we have left with no choice. **“The Chair advised the SG to discuss and deliberate this matter further within the EC as when required or whatever is best to do, to conclude this at the earliest.”**

“After the conclusion of the meeting, the matter has been referred to the EC to be taken up in the next meeting, as requested by one of the EC members.”



5.4 Mr. Ghulam Mujtaba Sakarwala invited the update on the concept of Controlled Sub-Account that has been introduced by CDC and accordingly amendments have been proposed by them. The SG with permission of the chair responded that the amendments are waiting for the approval of the Commission for which we continuously remind them on various occasions/meetings. **"The Chair advised the SG, to retake as the process should be expedited."**

5.5 Mr. Adil Ghaffar with permission of the Chair, raised an issue of Show Cause Notices that have been served by the Sindh Revenue Board (SRB) seeking clarification on the registration of dealers/agents. He requested the PSBA to advise an adequate response. The Chair invited the views of SG, with thanks to the Chair he replied that we have recently had a meeting with Chairman SRB and his team to discuss and deliberate the matter with them, and to have this matter resolved in an amicable environment. The Chairman SRB was kind enough to give a patient hearing to the delegation of PSBA and the team there has reached the following conclusion:

- a) A proposal will be submitted by PSBA for necessary amendments in the applicable law/rules;
- b) No further notices will be issued by SRB; and
- c) Issued notices will not be enquired further till the conclusion of the matter with PSBA;

Mr. Ghaffar suggested the formation of a Karachi-based committee/nominations who can make themselves available at all times for this specific issue to take up and resolve on an immediate basis and at the best of their efforts. **"The Chair advised the SG to put this matter also before EC in its next meeting."**

Mr. Sakarwala suggested studying the practice of the Punjab Revenue Authority as well in this regard. **"The point was noted."**

VOTE OF THANKS

There being no other agenda item for discussion, the meeting ended with a vote of thanks to the Chair.

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BILAL FAROOQ ZARDI
Secretary General