

UN-AUDIT

FINANCIAL STATEMENTS

OF

DJM SECURITIES LIMITED

FOR THE HALF YEAR ENDED DECEMBER 31, 2021.

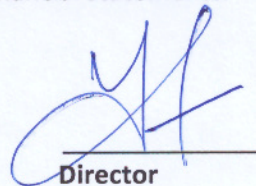
**DJM SECURITIES LIMITED**  
**BALANCE SHEET**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2021.**

		31-Dec.21	30-June.21
	Note	Rupees	Rupees
<b><u>ASSETS</u></b>			
<b><u>Non - Current Assets</u></b>			
Property, plant and equipment	4	14,649,261	12,498,303
Intangible assets	5	363,838	366,280
Long term deposits	6	81,869,348	57,668,567
		96,882,447	70,533,150
<b><u>Current Assets</u></b>			
Short term investment	7	1,978,905,881	2,901,972,631
Trade debts	8	67,743,280	40,617,468
Advances and other receivables	9	371,178,767	67,126,677
Taxation - net	10	80,411,228	80,411,228
Cash and bank balances	11	11,145,542	55,274,645
		2,509,384,698	3,145,402,649
		<b><u>2,606,267,145</u></b>	<b><u>3,215,935,799</u></b>
<b>SHARES CAPITAL AND RESERVE</b>			
Authorized Share Capital			
25,000,000 ordinary shares of Rs. 10/- each		250,000,000	250,000,000
<b>Issued, subscribed and paid up Share Capital</b>			
12,500,000 ordinary shares of Rs: 10/-each	12	125,000,000	125,000,000
Unappropriated profit		1,542,746,729	1,965,000,404
		1,667,746,729	2,090,000,404
<b><u>Current Liabilities</u></b>			
Short term borrowing	13	728,387,557	927,471,432
Trade and other payables	14	172,195,070	162,213,515
Directors' Loan	15	22,577,530	22,577,530
Markup payable	-	15,360,258	13,672,917
		938,520,415	1,125,935,395
		<b><u>2,606,267,145</u></b>	<b><u>3,215,935,799</u></b>

The annexed notes form an integral part of these financial statements.



Chief Executive



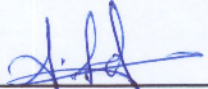
Director

DJM SECURITIES LIMITED

**PROFIT & LOSS ACCOUNT  
FOR THE HALF YEAR ENDED DECEMBER 31, 2021.**

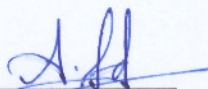
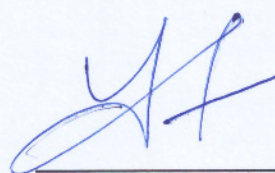
PARTICULARS	Note	31-Dec.21	30-June.21
		Rupees	Rupees
commission Income	16	32,103,351	93,526,648
Administrative expense	17	(33,290,087)	(61,213,999)
<b>Operating Profit / (Loss)</b>		<b>(1,186,736)</b>	<b>32,312,649</b>
Financial Charges	18	(32,093,495)	(42,381,249)
Other Income	19	(23,283,963)	878,112,251
<b>Unrealized loss on revaluation of Investment</b>			
Appreciation / (diminution) in value of short term investments		(357,116,133)	491,812,328
Unrealized Profit/(Loss) on revaluation of investment on PSX Shares		-	-
<b>Profit / (loss) before taxation</b>		<b>(413,680,327)</b>	<b>1,359,855,979</b>
Taxation	20	(8,573,348)	(68,495,244)
<b>Profit / (Loss) after taxation</b>		<b>(422,253,675)</b>	<b>1,291,360,735</b>
Statement of other comprehensive income			
Items that may be reclassified to profit and loss account subsequently		-	-
Total comprehensive income / (loss) for the year		(422,253,675)	1,291,360,735
<b>Earning Profit / (Loss) per share -</b>	21	<b>(33.78)</b>	<b>103.31</b>

The annexed notes form an integral part of these accounts.

  
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Chief Executive

**DJM SECURITIES LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED DECEMBER 31, 2021.**

	<u>Issued, subscribed &amp; paid up capital</u>	<u>Unappropriated profit</u>	<u>Total</u>
	... .. R u p e e s ... ..		
<b>Balance as on June 30, 2020</b>	<u>125,000,000</u>	<u>673,639,669</u>	<u>798,639,669</u>
Profit /(Loss) after taxation for the Year ended June 30, 2021.	-	1,291,360,735	1,291,360,735
<b>Balance as on June 30, 2021</b>	<u>125,000,000</u>	<u>1,965,000,404</u>	<u>2,090,000,404</u>
Profit /(Loss) after taxation for the Half Year ended December 31, 2021.		(422,253,675)	(422,253,675)
<b>Balance as on December 31, 2021</b>	<u>250,000,000</u>	<u>1,542,746,729</u>	<u>1,667,746,729</u>

  
\_\_\_\_\_  
Chief Executive  
\_\_\_\_\_  
Director

**D J M SECURITIES LIMITED**

**Notes to the financial for the half year ended December 31, 2021**

4

**PROPERTY, PLANT AND EQUIPMENT**

Half Year ended December 31, 2021.	Office Premises	Office Equipment	Office Furniture	Computer	Generator	Vehicles	Total
Opening net Book Value.	968,624	204,336	554,758	10,227	710,029	10,050,330	12,498,304
Additions (at cost)	-	-	-	-	-	6,517,500	6,517,500
Disposals	-	-	-	-	-	(3,270,000)	(3,270,000)
Cost	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-
Depreciation charge for the year	(24,216)	(10,217)	(27,738)	(1,534)	(35,501)	(997,337)	(1,096,543)
Net Book Value	944,408	194,119	527,020	8,693	674,528	12,300,493	14,649,261
<b>As at Dec. 31, 2021.</b>							
Cost	2,316,614	1,037,889	3,466,860	1,840,247	819,000	20,859,080	30,339,690
Accumulated depreciation	(1,372,206)	(843,770)	(2,939,840)	(1,831,554)	(144,472)	(8,558,587)	(15,690,429)
<b>Net Book Value</b>	<b>944,408</b>	<b>194,119</b>	<b>527,020</b>	<b>8,693</b>	<b>674,528</b>	<b>12,300,493</b>	<b>14,649,261</b>
Annual rate depreciation	5%.	10%.	10%.	30%.	10%.	15%.	

	Note	31,Dec-21 Rupees	30,Jun-21 Rupees
<b>5 INTANGIBLE ASSETS</b>			
Computer software	5.1	13,838	16,280
Trading Right Entitlement Certificate (TREC)	5.2	100,000	100,000
Membership Card	5.3	250,000	250,000
		<b>363,838</b>	<b>366,280</b>
<b>5.1 Computer software cost</b>			
Opening value		1,550,000	1,550,000
Addition / (deletion) during the year		-	-
<b>Less: Amortization</b>			
Opening value		1,533,720	1,526,743
Amortization for the year the year		2,442	6,977
Closing value		1,536,162	1,533,720
<b>Written down value (WDV)</b>		<b>13,838</b>	<b>16,280</b>
<b>Annual rate amortization (%)</b>		<b>30%.</b>	<b>30%.</b>

- 5.2 This represents Trading Right Entitlement Certificate (TREC) received from Pakistan Stock Exchange Limited after the merger of all the three stock exchange of Pakistan in accordance with the requirement of the Stock Exchange (Corporation. Demutualization and integration) Act, 2012 (The Act).
- 5.3 This represents Universal Membership at the National Commodity Exchange Limited under the Memorandum and Articles of Association and subject to the Rules and Regulation of the Exchange. Given under the hands and Seal of the Exchange at Karachi on March 31, 2003.

<b>6</b>	<b><u>LONG TERM DEPOSITS</u></b>			
	Long Term deposits and deferred cost	6.1	<u>81,839,348</u>	<u>57,668,567</u>
			<u><b>81,839,348</b></u>	<u><b>57,668,567</b></u>
6.1	Includes non interest bearing deposits under statutory obligations (NCCPL, CDC and PMEX etc.)			
<b>7</b>	<b><u>SHORT TERM INVESTMENTS- fair value through profit and loss</u></b>			
	Investment in quoted listed companies	7.1	<u>1,978,905,881</u>	<u>2,901,972,631</u>
7.1	Gain / (loss) on re-measurement of investment at fair value through profit and loss - held for trading			
	Market value		1,978,905,881	2,901,972,631
	Cost of Investment		<u>2,061,366,098</u>	<u>2,627,316,715</u>
	Fair value (loss) / gain (unrealized)		<u><b>(82,460,217)</b></u>	<u><b>274,655,916</b></u>
<b>8</b>	<b><u>TRADE DEBITS</u></b>			
	Considered good		67,743,280	40,617,468
	Considered doubtful		<u>490,000,000</u>	<u>490,000,000</u>
			557,743,280	530,617,468
	(Less) Provision for doubtful debts		<u>(490,000,000)</u>	<u>(490,000,000)</u>
			<u><b>67,743,280</b></u>	<u><b>40,617,468</b></u>
<b>9</b>	<b><u>ADVANCES AND OTHER RECEIVABLES</u></b>			
	Receivables from PSX / NCCPL		114,651,564	29,324,342
	Other receivables		<u>256,527,203</u>	<u>37,802,335</u>
			<u><b>371,178,767</b></u>	<u><b>67,126,677</b></u>
<b>10</b>	<b><u>ADVANCE TAX</u></b>			
	Opening balance		80,411,228	80,292,090
	Add: Paid / deducted during the year		-	119,138
			80,411,228	80,411,228
	Less: Provision for taxation			
	Current		-	-
	Prior		-	-
			<u>80,411,228</u>	<u>80,411,228</u>
<b>11</b>	<b><u>CASH AND BANK BALANCES</u></b>			
	Cash in hand		17,032	17,000
	<b><u>Cash at banks:</u></b>			
	Cash at bank - current accounts		11,111,890	55,241,025
	Cash at bank - saving accounts		<u>16,620</u>	<u>16,620</u>
			<u><b>11,145,542</b></u>	<u><b>55,274,645</b></u>
<b>12</b>	<b><u>SHARE CAPITAL</u></b>			
	<b>Authorized Share Capital</b>			
	Number of Shares	25,000,000.	Ordinary shares of Rs:10/-each	
			<u>250,000,000</u>	<u>250,000,000</u>
	<b><u>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</u></b>			
	12,500,000 Ordinary shares of Rs. 10/- each, issued for cash (12,500,000)		<u>125,000,000</u>	<u>125,000,000</u>

12.1. **Pattern of shareholding**

Name of Shares holders.	Percentage		Number of Shares	
	31.12.2021.	30.06.2021.	31.12.2021.	30.06.2021.
Muhammad Yaqoob	31.52	31.52	3,939,950.00	3,939,950.00
Abdul Samad Dawood	21.92	21.92	2,740,050.00	2,740,050.00
Sumya Abdul Qadir	21.60	21.60	2,700,100.00	2,700,100.00
Maryam Dawood	21.60	21.60	2,700,000.00	2,700,000.00
Shanila Dawood	2.56	2.56	319,900.00	319,900.00
Faiza Yaqoob	0.80	0.80	100,000.00	100,000.00
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>	<b>12,500,000.00</b>	<b>12,500,000.00</b>

13 **SHORT TERM BORROWINGS**

Bank Al Habib Limited	14.2	728,387,557	927,471,432
		<u>728,387,557</u>	<u>927,471,432</u>

13.1. These borrowings are secured against lien/pledge over Diversified portfolio of listed securities Mark-up is payable in arrears on a calendar Quarterly basis and the KIBOR + 1%. Per annum shall be revised on a calendar quarterly basis and is calculated as 3 Months Average.

14 **TRADE AND OTHER PAYABLES**

Trade payables		68,520,456	94,081,815
Accrued and other liabilities		103,674,614	4,283,606
Provision for taxation		-	63,848,095
		<u>172,195,070</u>	<u>162,213,516</u>

15 **DIRECTORS' LOAN**

Mr. Muhammad Yaqoob	15.1	22,577,530	22,577,530
		<u>22,577,530</u>	<u>22,577,530</u>

15.1. These represent unsecured interest free directors' loan to company, payable on demand.

16 **COMMISSION INCOME**

Brokerage revenue	17.1	32,103,351	93,526,648
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16.1. **Brokerage commission**

Gross brokerage commission		35,974,119	106,486,252
Less: Sales tax and FED.		(3,870,768)	(12,959,604)
		<u>32,103,351</u>	<u>93,526,648</u>

17 **ADMINISTRATIVE EXPENSES**

Director remuneration		1,750,000	2,580,000
Staff salary and benefits		5,691,000	10,502,190
Utilities (internet/Telephone/Electric)		1,051,163	1,784,181
Auditors' remuneration	17.1	-	280,000
Rent, rate and taxes		655,954	1,010,002
Entertainment		-	1,615,325
Printing and stationery		-	41,075
Travelling and conveyance		2,268,260	2,071,360
Repair and maintenance expense/Vehicle Maintenance		192,126	597,600
Fee and subscription charges		7,988,430	19,930,135
Donation	17.2 & 17.3	10,000,000	16,550,000
Miscellaneous expenses (General/Petty cash/Software/EOBI.)		2,499,169	2,036,936
Legal and Professional charges		95,000	189,325
Depreciation and amortization	4 & 5.1	1,098,985	2,003,170
Loss on disposal of property and equipment		-	22,700
		<u>33,290,087</u>	<u>61,213,999</u>

**17.1 AUDITORS' REMUNERATION**

Audit fee	-	270,000
Certificate charges	-	10,000
	<u>-</u>	<u>280,000</u>

17.2 The names of donees to whom donation is equal to or exceeds Rs: 0.5 million are All Pakistan Memon Federation, bantwa town memon welfare committee, memon health and education foundation and the indus hospital.

17.3 None of the directors or their spouses hold any interest in the donees.

**18 FINANCIAL CHARGES**

mark-up on bank overdraft	32,081,588	42,058,308
Bank charges	11,907	322,941
	<u>32,093,495</u>	<u>42,381,249</u>

**19 OTHER INCOME / (loss)**

Capital gain on sale of investment	(89,906,222)	844,109,211
Dividend income from long and short term investments.	58,972,259	34,003,040
Rental Income	7,650,000	-
	<u>(23,283,963)</u>	<u>878,112,251</u>

**20 PROVISION FOR TAXATION**

Current for the year	8,573,348	68,495,244
Prior year charge	-	-
Provision for deferred Taxation	-	-
	<u>8,573,348</u>	<u>68,495,244</u>

**21 EARNINGS / (LOSS) PER SHARE**

Profit / (loss) after taxation	(422,253,675)	1,291,360,735
Weighted average number of ordinary shares	12,500,000	12,500,000
Earning / (loss) per shares	<u>(33.78)</u>	<u>103.31</u>

**22 CASH AND CASH EQUIVALENTS**

Cash and bank balances	11,145,542	55,274,645
short term borrowings	(728,387,557)	(927,471,432)
	<u>(717,242,015)</u>	<u>(872,196,787)</u>

**23 PLEDGE SECURITIES**

	<u>Value</u>	<u>Value</u>
Pledged to financial institutions of brokerage house	-	54,655,000
Pledged to financial institutions on behalf of client	-	13,777,500

**24 CUSTOMERS ASSETS HELD IN CDC**

The house holds approx 132.5 million securities of his clients in the clients CDC sub accounts having fair value of Rs: 10.387 billion

**25 REMUNERATION OF DIRECTORS AND CHIEF EXECUTIVE.**

	Chief Executives		Directors	
	Dec-2021.	June-2021.	Dec-2021.	June-2021.
	<b>RUPEES</b>			
Managerial remuneration	466,667	700,000	700,000	1,020,000
House rent allowance	186,667	280,000	280,000	408,000
Utilities	46,667	70,000	70,000	102,000
	<u>700,000</u>	<u>1,050,000</u>	<u>1,050,000</u>	<u>1,530,000</u>
No. of person	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

**26 NUMBER OF EMPLOYEES**

The number of employees as at June 30,2020 were 20. ( 2019 2020.) and average number of employees are 18 and (2019 2020).

**27 RELATED PARTY TRANSACTIONS**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and include holding company, associated companies with or without common directors, directors and major shareholders and their close family members, Key management personnel and staff and retirement benefit funds.

Name and relation with the related Party	Percentage Shareholdin	Transactions during the year and year end balances	Dec.2021. Rupees	June.2021. Rupees
Muhammad Yaqoob Director	31.52 %.	Loan Payable due at the year end	22,577,530	22,577,530

**28 FINANCIAL INSTRUMENT AND RELATED DISCLOSURES****FINANCIAL ASSETS AND LIABILITIES**

	Mark-up bearing			Non-Mark-up bearing			2021 Total
	Maturity upto One year	Maturity after One year	Sub-Total	Maturity upto One year	Maturity after One year	Sub-Total	
Rupees							
<b>Financial Assets</b>							
Investment		-		2,901,972,631		2,901,972,631	2,901,972,631
Long term deposits			-		57,668,567	57,668,567	57,668,567
Trade debts			-	40,617,468		40,617,468	40,617,468
Receivables			-	67,126,677		67,126,677	67,126,677
Cash and bank balance			-	55,274,645		55,274,645	55,274,645
	-	-	-	3,064,991,421	57,668,567	3,122,659,988	3,122,659,988
<b>Financial Liabilities</b>							
Short term borrowing	927,471,432		927,471,432			-	927,471,432
Trade and other payables			-	162,213,515		162,213,515	162,213,515
Directors' loan			-	22,577,530		22,577,530	22,577,530
Loan and advances			-			-	-
Mark-up payable	13,672,917		13,672,917			-	13,672,917
	941,144,349	-	941,144,349	184,791,046	-	184,791,046	1,125,935,395

**29 FINANCIAL RISK MANAGEMENT**

The Company is exposed to a variety of financial risks: market risk (comprising interest rate risk, and other price risk), liquidity risk and credit risk that could result in a reduction in the Company's net assets or a reduction in the profits available for dividends.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

**29.1 Market risk**

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

\* **Interest rate risk exposure**

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates

The Company has financial instruments with both fixed and floating interest rates as specifically disclosed in the respective notes. The company while dealing in financial instruments negotiates attractive interest rates, which reduces the interest rate price risk.

\* **Equity price risk**

Equity price risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. During the year the company does not have any exposure to equity price risk.

29.2 **Liquidity risk**

Liquidity risk is defined as the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk arises because of the possibility that the company might be unable to meet its payment obligations when they fall due under normal circumstances.

29.3 **Credit Risk**

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 company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties, and continually assessing the credit worthiness of the same.

30 **CAPITAL RISK MANAGEMENT**

The company's prime objective of managing capital is to safeguard the company's ability to continue as a going concern so that it can provide benefits to all stakeholders.

In order to maintain the balance of its capital structure the company may consider injecting further equity or issuing fresh debt. The company monitors its capital on the basis of its gearing ratio. Debt is calculated as total borrowings including both long term and short term borrowings. The gearing ratio as at 30 June, 2017 and 2016 was as follows:

Total borrowings	728,387,557	927,471,432
Paid up capital	125,000,000	125,000,000
Unappropriated profit	1,542,746,729	1,965,000,404
<b>Gearing ratio</b>	<b>-</b>	<b>-</b>

31 **CAPITAL ADEQUACY LEVEL**

Total Assets	2,606,267,145	3,215,935,799
Less: Total Liabilities	(938,520,415)	(1,125,935,395)
	<b>1,667,746,730</b>	<b>2,090,000,404</b>

32 **DATE OF AUTHORIZATION**

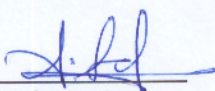
These Financial statements were authorized on \_\_\_\_\_ By the board of Directors of the company.

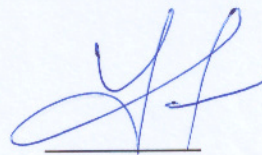
33 **CORRESPONDING FIGURES**

Corresponding figures have been re-classified, wherever necessary for the purposes of comparison.

34 **GENERAL**

Figures have been rounded off to the nearest rupee.

  
Chief Executive

  
Director