

UN-AUDIT

FINANCIAL STATEMENTS

OF

DJM SECURITIES LIMITED


FOR THE HALF YEAR ENDED DECEMBER 31, 2023.



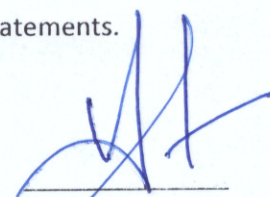
**DJM SECURITIES LIMITED**  
**FINANCIAL STATEMENT**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023.**

	Note	31-Dec.23 Rupees	30-June.23 Rupees
<b><u>ASSETS</u></b>			
<b><u>Non - Current Assets</u></b>			
Property, plant and equipment	4	11,911,599	12,798,394
Intangible assets	5	356,780	357,977
Long term deposits	6	76,569,347	31,807,104
		88,837,726	44,963,475
<b><u>Current Assets</u></b>			
Short term investment	7	2,076,940,432	1,806,829,914
Trade debts	8	27,275,731	101,126,549
Advances and other receivables	9	184,419,506	18,940,377
Taxation - net	10	46,167,550	76,167,550
Cash and bank balances	11	233,458,119	15,896,954
		2,568,261,338	2,018,961,344
		<b>2,657,099,064</b>	<b>2,063,924,819</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		1,270,726,435	634,355,067
		1,395,726,435	759,355,067
<b>NON CURRENT LIABILITIES</b>			
Deferred liability for staff gratuity		12,728,589	12,728,589
<b>Current Liabilities</b>			
Short term borrowing	13	843,205,596	1,200,017,477
Trade and other payables	14	359,414,113	34,981,680
Markup payable	-	46,024,330	56,842,006
		1,248,644,039	1,291,841,163
		<b>2,657,099,064</b>	<b>2,063,924,819</b>

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

  
 Chief Executive

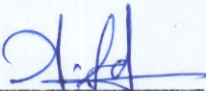


  
 Director

**DJM SECURITIES LIMITED**  
**PROFIT & LOSS ACCOUNT**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023.**

PARTICULARS	Note	31-Dec.23	30-June.23
		Rupees	Rupees
Commission Income	15	23,038,829	27,769,143
Administrative expense	16	(24,165,752)	(58,496,723)
<b>Operating Profit / (Loss)</b>		<b>(1,126,923)</b>	<b>(30,727,580)</b>
Financial Charges	17	(111,779,083)	(141,751,653)
Other Income	18	47,099,906	(38,772,288)
<b>Unrealized loss on revaluation of Investment</b>			
Appreciation / (diminution) in value of short term investments		706,758,242	(286,414,464)
<b>Profit / (loss) before taxation</b>		<b>640,952,142</b>	<b>(497,665,985)</b>
Taxation	19	(4,580,774)	(7,075,200)
<b>Profit / (Loss) after taxation</b>		<b>636,371,368</b>	<b>(504,741,185)</b>
Total comprehensive income / (loss) for the half year		636,371,368	(504,741,185)
<b>Earning Profit / (Loss) per share -</b>	20	<b>50.91</b>	<b>(40.38)</b>

The annexed notes form an integral part of these accounts.

  
 Chief Executive



  
 Director

**DJM SECURITIES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023.**

	Issued, subscribed & paid up capital	Unappropriated profit	Total
	... .. R u p e e s ... ..		
<b>Balance as on June 30, 2022</b>	125,000,000	1,139,096,252	1,264,096,252
Profit /(Loss) after taxation for the Year ended June 30, 2023.		(504,741,185)	(504,741,185)
<b>Balance as on June 30, 2023</b>	125,000,000	634,355,067	759,355,067
Profit /(Loss) after taxation for the Haif Year ended December 31, 2023.		636,371,368	636,371,368
<b>Balance as on December 31, 2023</b>	125,000,000	1,270,726,435	1,395,726,435

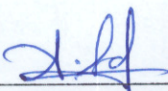
  
 Chief Executive




  
 Director

**DJM SECURITIES LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023.**

	Note	31-Dec.23 Rupees	30-Jun.23 Rupees
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>			
Profit / (loss) before taxation		640,952,142	(497,665,985)
<b>Adjustment for non cash items and other charges:</b>			
Depreciation		886,797	2,073,768
Amortization of software		1,197	3,419
Gratuity expense		-	12,728,589
(Appreciation) / diminution in value of short term investments		(706,758,242)	286,414,464
Financial charges		111,779,083	141,751,653
		(594,091,166)	442,971,893
<b>Operating Profit / (loss) before working capital changes</b>		<b>46,860,976</b>	<b>(54,694,092)</b>
<b><u>Change in working capital</u></b>			
(Increase) / decrease in current assets			
Short term investment (as on cost of shares)		436,647,724	(1,002,122,569)
Trade debts		73,850,818	(25,544,753)
Advances and other receivables		(165,479,129)	(17,142,350)
Taxation -net		30,000,000	5,916,390
		375,019,413	(1,038,893,282)
<b><u>Increase/ (decrease) in current liabilities</u></b>			
Trade and other payables		324,432,433	12,941,502
Directors' loan		-	-
Loan and advances		-	-
		324,432,433	12,941,502
<b>Cash generated from operations</b>		<b>699,451,846</b>	<b>(1,025,951,780)</b>
Financial charges paid		(122,596,759)	(103,801,494)
income tax paid		(4,580,774)	(8,592,184)
		<b>572,274,313</b>	<b>(1,138,345,458)</b>
<b>Net cash (outflow) / inflow from operating activities</b>		<b>619,135,289</b>	<b>(1,193,039,550)</b>
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>			
Capital Expenditure (Purchase of property and equipment)		-	-
Long term deposits		(44,762,243)	(16,737,757)
Sale proceeds on disposal of property and equipment		-	22,800,000
<b>Net cash (outflow) / inflow from financing activities</b>		<b>(44,762,243)</b>	<b>6,062,243</b>
<b>Net (decrease) / increase in cash &amp; cash equivalents</b>		<b>574,373,046</b>	<b>(1,186,977,307)</b>
Cash and cash equivalents at the beginning of the year		(1,184,120,523)	2,856,783
<b>Cash and cash equivalents at the end of the year</b>		<b>(609,747,477)</b>	<b>(1,184,120,523)</b>

  
**Chief Executive**



  
**Director**

**D J M SECURITIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENT FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

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4		PROPERTY, PLANT AND EQUIPMENT						
Half Year ended Dec.31,2023.		Office Premises	Office Equipment	Office Furniture	Computer	Generator	Vehicles	Total
July 01, 2023.	Opening net Book Value.	874,183	165,512	449,354	5,011	575,124	10,729,212	12,798,394
	Additions (at cost)	-	-	-	-	-	-	-
	Disposals	-	-	-	-	-	-	-
	Cost	-	-	-	-	-	-	-
	Accumulated depreciation	-	-	-	-	-	-	-
Dec. 31, 2023.	Depreciation charge for the year	(21,855)	(8,276)	(22,468)	(752)	(28,756)	(804,691)	(319,960)
Dec. 31, 2023.	Net Book Value	852,328	157,237	426,886	4,260	546,368	9,924,521	11,911,599
	<b>As at Dec. 30, 2023.</b>							
June.30.2023.	Cost	2,316,614	1,037,889	3,466,860	1,840,247	819,000	21,332,080	30,812,690
Dec. 31, 2023.	Accumulated depreciation	(1,464,286)	(880,652)	(3,039,974)	(1,835,987)	(272,632)	(11,407,559)	(18,334,254)
Dec. 31, 2023.	Net Book Value	852,328	157,237	426,886	4,260	546,368	9,924,521	11,911,597
	Annual rate depreciation	5%.	10%.	10%.	30%.	10%.	15%.	

	Note	31,Dec-23 Rupees	30,Jun-23 Rupees
<b>5 INTANGIBLE ASSETS</b>			
Computer software	5.1	6,780	7,977
Trading Right Entitlement Certificate (TREC)	5.2	100,000	100,000
Membership Card	5.3	250,000	250,000
		<b>356,780</b>	<b>357,977</b>
<b>5.1 Computer software</b>			
<b>cost</b>			
Opening value		1,550,000	1,550,000
Addition / (deletion) during the year		-	-
<b>Less: Amortization</b>			
Opening value		1,542,023	1,538,604
Amortization for the year the year		1,197	3,419
Closing value		1,543,220	1,542,023
<b>Written down value (WDV)</b>		<b>6,780</b>	<b>7,977</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 LONG TERM DEPOSITS</b>			
Long Term deposits and deferred cost	6.1	76,569,347	31,807,104
		<b>76,569,347</b>	<b>31,807,104</b>
6.1 Includes non interest bearing deposits under statutory obligations (NCCPL, CDC and PMEX etc.)			



7	<b>SHORT TERM INVESTMENTS- fair value through profit and loss</b>			
	Investment in quoted listed companies	7.1	<u>2,076,940,432</u>	<u>1,806,829,914</u>
7.1	Gain / (loss) on re-measurement of investment at fair value through profit and loss - held for trading			
	Market value		2,076,940,432	1,806,829,914
	Cost of Investment		<u>1,898,533,713</u>	<u>2,335,181,437</u>
	Fair value (loss) / gain (unrealized)		<u>178,406,719</u>	<u>(528,351,523)</u>
8	<b>TRADE DEBITS</b>			
	Considered good		27,275,731	101,126,549
	Considered doubtful		-	-
			<u>27,275,731</u>	<u>101,126,549</u>
	(Less) Provision for doubtful debts		-	-
			<u>27,275,731</u>	<u>101,126,549</u>
9	<b>ADVANCES AND OTHER RECEIVABLES</b>			
	Advance against right issue			
	Receivables from PSX / NCCPL		184,419,506	18,940,377
	Other receivables		-	-
			<u>184,419,506</u>	<u>18,940,377</u>
10	<b>ADVANCE TAX</b>			
	Opening balance		76,167,550	80,566,957
	Add: Paid / deducted during the year		-	7,257,234
	Tax refund received during the year		<u>(30,000,000)</u>	<u>(4,581,441)</u>
			46,167,550	83,242,750
	Less: Provision for taxation			
	Current		-	(7,075,200)
	Prior		-	-
			-	(7,075,200)
			<u>46,167,550</u>	<u>76,167,550</u>
11	<b>CASH AND BANK BALANCES</b>			
	Cash in hand		25,020	25,020
	<b>Cash at banks:</b>			
	Cash at bank - current accounts		233,416,479	15,855,314
	Cash at bank - saving accounts		<u>16,620</u>	<u>16,620</u>
			<u>233,458,119</u>	<u>15,896,954</u>
12	<b>SHARE CAPITAL</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>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</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	
	31.12.2022.	30.06.2023.	31.12.2022.	30.06.2023.
Muhammad Yaqoob	31.52	31.52	3,939,950	3,939,950
Abdul Samad Dawood	21.92	21.92	2,740,050	2,740,050
Sumya Abdul Qadir	21.60	21.60	2,700,100	2,700,100
Maryam Dawood	21.60	21.60	2,700,000	2,700,000
Shanila Dawood	2.56	2.56	319,900	319,900
Faiza Yaqoob	0.80	0.80	100,000	100,000
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>	<b>12,500,000</b>	<b>12,500,000</b>



<b>13</b>	<b><u>SHORT TERM BORROWINGS</u></b>			
	Bank Al Habib Limited	13.1	843,205,596	1,200,017,477
			<u>843,205,596</u>	<u>1,200,017,477</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.			
<b>14</b>	<b><u>TRADE AND OTHER PAYABLES</u></b>			
	Trade payables		326,081,649	28,334,015
	Accrued and other liabilities		33,332,464	6,647,665
	Provision for taxation		-	-
			<u>359,414,113</u>	<u>34,981,680</u>
<b>15</b>	<b><u>COMMISSION INCOME</u></b>			
	Brokerage revenue	15.1	23,038,829	27,769,143
15.1.	<b>Brokerage commission</b>			
	Gross brokerage commission		25,646,078	31,239,034
	Less: Sales tax and FED.		(2,607,249)	(3,469,891)
			<u>23,038,829</u>	<u>27,769,143</u>
<b>16</b>	<b><u>ADMINISTRATIVE EXPENSES</u></b>			
	Director remuneration		1,686,248	4,600,168
	Staff salary and benefits		5,581,794	24,463,459
	Utilities (internet/Telephone/Electric)		1,630,875	2,489,596
	Auditors' remuneration	16.1	26,000	298,000
	Rent, rate and taxes		442,944	806,365
	Entertainment		-	224,595
	Travelling and conveyance		3,001,500	2,127,990
	Repair and maintenance expense/Vehicle Maintenance		634,732	448,060
	Fee and subscription charges		7,681,484	9,681,852
	Donation	16.2 & 16.3	133,403	6,635,134
	Miscellaneous expenses (General/Petty cash/Software/EOBI.)		2,362,278	3,444,269
	Legal and Professional charges		96,500	1,200,050
	Depreciation and amortization		887,994	2,077,187
			<u>24,165,752</u>	<u>58,496,725</u>
16.1	<b>AUDITORS' REMUNERATION</b>			
	Audit fee		-	288,000
	out of pocket expenses		-	10,000
			-	<u>298,000</u>
16.2	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.			
16.3	None of the directors or their spouses have any interest in the donees.			
<b>17</b>	<b><u>FINANCIAL CHARGES</u></b>			
	mark-up on bank overdraft		111,592,819	141,686,576
	Bank charges		186,264	65,077
			<u>111,779,083</u>	<u>141,751,653</u>



18 **OTHER INCOME / (loss)**

**Income from financial assets:**

Profit on bank saving accounts	-	-
PSX Commission on shares listing (IPO)	85,385.00	-
Capital gain on sale of investment	21,471,705	(49,589,732)
Dividend income from long and short term investments.	23,847,050	33,089,988
Provision against long term advances	-	(22,800,000)
NCCPL Future Mark-up Return	1,695,766	527,456
	<b>47,099,906</b>	<b>(38,772,288)</b>

19 **TAXATION**

Current for the year	4,580,774	8,592,184
Prior year reversal	-	(1,516,984)
Provision for deferred Taxation	-	-
	<b>4,580,774</b>	<b>7,075,200</b>

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

Profit / (loss) after taxation	636,371,368	(504,741,185)
Weighted average number of ordinary shares	12,500,000	12,500,000
Earning / (loss) per shares	<b>50.91</b>	<b>(40.38)</b>

21 **CASH AND CASH EQUIVALENTS**

Cash and bank balances	233,458,119	15,896,954
shorttt term borrowings	(843,205,596)	(1,200,017,477)
	<b>(609,747,477)</b>	<b>(1,184,120,523)</b>

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

	Chief Executives		Directors	
	RUPEES			
	Dec-2022.	June-2022.	Dec-2022.	June-2022.
<b>Managerial remuneration</b>	400,000	1,000,000	600,000	1,500,000
<b>House rent allowance</b>	160,000	400,000	240,000	600,000
<b>Utilities</b>	40,000	100,000	60,000	150,000
	<b>600,000</b>	<b>1,500,000</b>	<b>900,000</b>	<b>2,250,000</b>
<b>No. of person</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>

23 **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).



## 24 FINANCIAL INSTRUMENT AND RELATED DISCLOSURES

### FINANCIAL ASSETS AND LIABILITIES

	Mark-up bearing			Non-Mark-up bearing			31-12-2022 Total
	Maturity upto One year	Maturity after One year	Sub-Total	Maturity upto One year	Maturity after One year	Sub-Total	
<b>Rupees</b>							
<b>Financial Assets</b>							
Investment		-		1,541,056,380		1,541,056,380	<b>1,541,056,380</b>
Long term deposits			-		51,370,847	51,370,847	<b>51,370,847</b>
Trade debts			-	92,086,329		92,086,329	<b>92,086,329</b>
Receivables			-	151,621,676		151,621,676	<b>151,621,676</b>
Cash and bank balance			-	69,103,717		69,103,717	<b>69,103,717</b>
	-	-	-	<b>1,853,868,102</b>	<b>51,370,847</b>	<b>1,905,238,949</b>	<b>1,905,238,949</b>
<b>Financial Liabilities</b>							
Short term borrowing	813,055,576		813,055,576			-	<b>813,055,576</b>
Trade and other payables			-	216,436,341		216,436,341	<b>216,436,341</b>
Directors' loan			-	-		-	-
Loan and advances			-	-		-	-
Mark-up payable			-			-	-
	<b>813,055,576</b>	-	<b>813,055,576</b>	<b>216,436,341</b>	-	<b>216,436,341</b>	<b>1,029,491,917</b>

## 25 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.

### 25.1 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.



### 26.1 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.

### 27.1 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.

## 28 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:

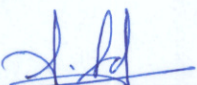
Total borrowings	843,205,596	1,200,017,477
Paid up capital	125,000,000	125,000,000
Unappropriated profit	1,270,726,435	634,355,067
<b>Gearing ratio</b>	<b>1,395,726,435</b>	<b>759,355,067</b>
	<u>-</u>	<u>-</u>

## 29 CAPITAL ADEQUACY LEVEL

Total Assets	2,657,099,064	2,063,924,819
Less: Total Liabilities	(1,261,372,628)	(1,304,569,752)
	<u>1,395,726,436</u>	<u>759,355,067</u>

## 30 GENERAL

Figures have been rounded off to the nearest rupee.

  
Chief Executive



  
Director