



KHANANI SECURITIES (PVT.) LIMITED

TREC HOLDER: PAKISTAN STOCK EXCHANGE LIMITED

K-023

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28-02-2024

Mr. Syed Izhar Hussain
Assistant Manager,
Trading & TREC Affairs
Pakistan Stock Exchange Limited,
Karachi.

Dear Sir,

Reg: SUBMISSION OF UNAUDITED HALF YEARLY ACCOUNTS AS ON
DECEMBER 31, 2023

We are submission of unaudited Half Yearly Financial Statement of December 31, 2023,
on THIMS Portal;

Thanking You

Yours sincerely,
Khanani Securities (Pvt.) Ltd

**KHANANI SECURITIES (PRIVATE) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

KHANANI SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023

	Rupees Dec-23	Rupees Jun-23
ASSETS		
NON-CURRENT ASSETS		
Property & equipment	434,014	473,643
Intangible assets	2,750,000	2,750,000
Long term deposits	850,000	850,000
	4,034,014	4,073,643
CURRENT ASSETS		
Short term investment	21,157,796	14,595,702
Advances, deposits & other receivables	21,519,188	20,058,442
Cash & bank balances	17,339,249	17,737,576
	60,016,233	52,391,719
TOTAL ASSETS	64,050,246	56,465,362
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
Authorized Capital		
10,000,000 (2022: 10,000,000) ordinary shares of Rs. 10/- each	<u>100,000,000</u>	<u>100,000,000</u>
Issued, subscribed and paid-up capital	50,010,000	50,010,000
Reserves	13,598,552*	6,053,088
	63,608,552	56,063,088
LIABILITIES		
CURRENT LIABILITIES		
Trade payables	311,157	338,657
Accrued expenses & other liabilities	130,537	63,617
	441,694	402,274
CONTINGENCIES AND COMMITMENTS	9	
TOTAL EQUITY AND LIABILITIES	64,050,246	56,465,362

The annexed notes from 1 to 24 form an integral part of these financial statements.


Chief Executive


Director

KHANANI SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note	Rupees Dec-23	Rupees Jun-23
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REVENUE

Operating revenue	10	2,121,914	2,281,790
Capital loss on sale of securities		-	(11,389)
Unrealised gain / (loss) on remeasurement of investment at fair value - through profit or loss		3,653,683	(2,986,428)
		<u>5,775,597</u>	<u>(716,027)</u>
Administrative expenses	11	(3,472,413)	(8,884,987)
Finance cost	12	(5,022)	(8,249)
		<u>(3,477,435)</u>	<u>(8,893,236)</u>
Operating profit / (loss)		<u>2,298,162</u>	<u>(9,609,263)</u>
Other income	13	2,338,891	2,210,085
Profit / (loss) before taxation		<u>4,637,053</u>	<u>(7,399,178)</u>
Taxation	14	-	(62,355)
Profit / (loss) after taxation		<u>4,637,053</u>	<u>(7,461,532)</u>

The annexed notes from 1 to 24 form an integral part of these financial statements.


Chief Executive


Director

**KHANANI SECURITIES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023**

Note	Rupees Dec-23	Rupees Jun-23
Profit / (loss) after taxation	4,637,053	(7,461,532)
<u>Other comprehensive income / (loss)</u>		
Unrealised gain / (loss) on remeasurement of investment - At fair value - through other comprehensive income	2,908,411	(3,059,779)
Total comprehensive income / (loss) for the year	7,545,464	(10,521,311)

The annexed notes from 1 to 24 form an integral part of these financial statements.


Chief Executive


Director

KHANANI SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note	Rupees Dec-23	Rupees Jun-23
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CASH FLOWS FROM OPERATING ACTIVITIES

Profit / (loss) before taxation	4,637,053	(7,399,178)
Add / (less): Items not involved in movement of fund:		
Depreciation	39,629	101,167
Capital loss on sale of securities	-	11,389
Unrealised (gain) / loss on remeasurement of investments	(3,653,683)	2,986,428
Financial charges	5,022	8,249
	(3,609,031)	3,107,233
Cash generated from / (used in) operating activities before working capital changes	1,028,022	(4,291,945)
Net change in working capital	(a) (1,070,501)	(19,438,782)
	(42,479)	(23,730,727)
Financial charges paid	(5,022)	(8,249)
Taxes paid	(350,826)	(342,761)
Net cash used in operating activities	(398,327)	(24,081,736)

CASH FLOWS FROM INVESTING ACTIVITIES

Acquisition of property and equipment	-	(88,900)
Long term deposits	-	3,400,000
Net cash generated from investing activities	-	3,311,100

CASH FLOWS FROM FINANCING ACTIVITIES

Proceed from issuance of shares	-	10,000,000
Net cash generated from financing activities	-	10,000,000
Net decrease in cash and cash equivalents	(398,327)	(10,770,636)
Cash and cash equivalent at beginning of the year	17,737,576	28,508,212
Cash and cash equivalent at end of the year	15 17,339,249	17,737,576

(a) Statement of change in working capital

(Increase) / decrease in current assets

Trade receivables	-	2,708,406
Short term investments	-	(247,716)
Advances, deposits, pre-payments & other receivables	(1,109,921)	(10,635,553)
	(1,109,921)	(8,174,863)

Increase / (decrease) in current liabilities

Trade payables	(27,500)	(11,382,082)
Accrued expenses & other liabilities	66,920	118,163
	39,420	(11,263,919)
Net change in working capital	(1,070,501)	(19,438,782)

The annexed notes from 1 to 24 form an integral part of these financial statements.

Chief Executive

Director

KHANANI SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023

	<i>Reserves</i>			Sub Total	Total
	Issued, subscribed & paid up capital	Unappropriated profit	Unrealised gain on remeasurement of investment at fair value-through other comprehensive income		
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>		
Balance as at June 30, 2022	40,010,000	16,325,725	248,674	16,574,399	56,584,399
Issuance of shares	10,000,000			-	10,000,000
Loss for the year	-	(7,461,532)	-	(7,461,532)	(7,461,532)
Loss on remeasurement of investment at fair value - through other comprehensive income	-	-	(3,059,779)	(3,059,779)	(3,059,779)
Balance as at June 30, 2023	50,010,000	8,864,193	(2,811,105)	6,053,088	56,063,088
Profit for the year	-	4,637,053	-	4,637,053	4,637,053
Gain on remeasurement of investment at fair value - through other comprehensive income	-	-	2,908,411	2,908,411	2,908,411
Balance as at December 31, 2023	50,010,000	13,501,246	97,306	13,598,552	63,608,552

The annexed notes from 1 to 24 form an integral part of these financial statements


Chief Executive


Director

1 PROPERTY AND EQUIPMENT

	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
	Office premises	Furniture & fixtures	Computer & allied	Office equipment	Motor vehicles	Total
Net carrying value basis						
Year ended December 31, 2023						
Opening net book value (NBV)	202,427	27,149	122,225	34,682	87,160	473,643
Additions (at cost)	-	-	-	-	-	-
Disposals (at NBV)	(10,121)	(2,036)	(18,334)	(2,601)	(6,537)	(39,629)
Depreciation charge						
Closing net book value (NBV)	192,306	25,113	103,891	32,081	80,623	434,014
Gross carrying value basis						
As at December 31, 2023						
Cost	577,500	230,678	927,448	116,000	1,435,500	3,287,126
Accumulated depreciation	(385,194)	(205,565)	(823,557)	(83,919)	(1,354,877)	(2,853,112)
Net book value (NBV)	192,306	25,113	103,891	32,081	80,623	434,014
Net carrying value basis						
Year ended June 30, 2023						
Opening net book value (NBV)	224,919	31,940	85,707	40,803	102,541	485,910
Additions (at cost)	-	-	88,900	-	-	88,900
Disposals (at NBV)	-	-	-	-	-	-
Depreciation charge	(22,492)	(4,791)	(52,382)	(6,121)	(15,381)	(101,167)
Closing net book value (NBV)	202,427	27,149	122,225	34,682	87,160	473,643
Gross carrying value basis						
As at June 30, 2023						
Cost	577,500	230,678	927,448	116,000	1,435,500	3,287,126
Accumulated depreciation	(375,073)	(203,529)	(805,223)	(81,318)	(1,348,340)	(2,813,483)
Net book value (NBV)	202,427	27,149	122,225	34,682	87,160	473,643
Depreciation rates (%)	40	15	30	15	15	

Note	Rupees Dec-23	Rupees Jun-23
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2 INTANGIBLE ASSETS

Trading Right Entitlement Certificate - Pakistan Stock Exchange Ltd	5.1	2,500,000	2,500,000
Membership card - Pakistan Mercantile Exchange Limited		250,000	250,000
		<u>2,750,000</u>	<u>2,750,000</u>

- 2.1 This represents Trading Right Entitlement Certificate (TREC) received from Pakistan Stock Exchange Limited (PSX) in accordance with the requirements of the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012. TREC has been recognized at cost less accumulated impairment losses.

3 LONG TERM ADVANCES & DEPOSITS

Central Depository Company of Pakistan Limited	100,000	100,000
Pakistan Mercantile Exchange Limited	750,000	750,000
	<u>850,000</u>	<u>850,000</u>

4 SHORT TERM INVESTMENT

Investments at fair values through profit & loss

Listed equity securities	6,594,866	9,581,294
Unrealised gain / (loss) on remeasurement of investment at fair value	3,653,683	(2,986,428)
Market value	<u>10,248,549</u>	<u>6,594,866</u>

Investments at fair values through other comprehensive income

Shares of Pakistan Stock Exchange Limited	8,000,836	11,060,615
Unrealised gain / (loss) on remeasurement of investment at fair value	2,908,411	(3,059,779)
Market value	<u>10,909,247</u>	<u>8,000,836</u>

GRAND TOTAL

<u>21,157,796</u>	<u>14,595,702</u>
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Note	Rupees Dec-23	Rupees Jun-23
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5 ADVANCES, DEPOSITS AND OTHER RECEIVABLES

Exposure deposits	5.1	10,024,000	6,000,000
Income tax refundable		627,127	276,301
Receivable from E-Clear Services (Private) Limited		10,861,761	13,762,140
Profit on exposure deposit receivable		-	-
Staff loan		6,300	20,000
		21,519,188	20,058,442

5.1 This represents deposit with National Clearing Company of Pakistan Limited against the exposure margin in respect of trade in future and ready market.

6 CASH AND BANK BALANCES

Cash in hand		-	15,078
Cash at bank - in current accounts		17,339,249	17,722,498
		17,339,249	17,737,576

6.1 *Bank balance pertains to:*

Clients		311,157	338,657
Brokerage House		17,028,092	17,383,841
		17,339,249	17,722,498

7 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Ordinary Shares of Rs. 10 /- each

Dec-23	Jun-23			
4,001,000	4,001,000	Ordinary shares of Rs. 10 each issued for consideration other than cash.	40,010,000	40,010,000
1,000,000	1,000,000	Ordinary shares of Rs. 10 each issued for cash consideration	10,000,000	10,000,000
5,001,000	5,001,000		50,010,000	50,010,000

Note	Rupees Dec-23	Rupees Jun-23
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- 7.1 The shareholders are entitled to receive all distributions to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the Company. All shares carry "one vote" per share without restriction.

8 ACCRUED EXPENSES & OTHER LIABILITIES

Accrued expenses	-	43,304
Other liabilities	130,537	20,313
	<u>130,537</u>	<u>63,617</u>

9 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as on December 31, 2023 (June 30, 2023: Nil)

10 OPERATING REVENUE

Brokerage Commission including sales tax on services	2,121,914	2,493,673
Less: Sales tax on services	-	(286,883)
Net brokerage commission excluding sales tax on services	2,121,914	2,206,790
Dividend income	-	75,000
	<u>2,121,914</u>	<u>2,281,790</u>

10.1 Brokerage Income - net of sales tax

Equity brokerage

- Institutional customers	-	-
- Retail clients	2,121,914	2,206,790
	<u>2,121,914</u>	<u>2,206,790</u>

11 ADMINISTRATIVE EXPENSES

Directors' remuneration	960,000	2,844,582
Salaries, wages and other benefits	975,000	2,822,217
Utility and communication charges	113,623	233,356
Rent, rates and taxes	75,000	154,640
Fees and subscriptions	109,241	324,238
Service and transaction charges	382,478	407,222
Auditors' remuneration	-	272,000
Legal and professional charges	140,000	160,920
Printing and stationery	4,830	7,850
Repair and maintenance	2,500	18,500
Computer software	-	204,000
Entertainment	239,490	492,860
Postage and courier	400	5,860
Vehicle running expenses	364,975	653,990
Depreciation	39,629	101,167
Other expenses	65,247	181,585
	<u>3,472,413</u>	<u>8,884,987</u>

Note	Rupees Dec-23	Rupees Jun-23
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12 FINANCE COST

Bank charges

5,022 8,249

5,022 8,249

13 OTHER INCOME

Profit on deposit with banking company

971,439 1,130,701

Profit on deposit against Base Minimum Capital Requirement

- 252,391

Profit on exposure deposit

1,367,452 826,993

2,338,891 2,210,085

14 TAXATION

Current

- 66,461

Prior

- (4,106)

- 62,355

15 CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the reporting year as shown in the cash flow statement are reconciled to the related items in the balance sheet as follows:

Short term running finance

- -

Cash & bank balances

17,339,249 17,737,576

17,339,249 17,737,576