



GROWTH SECURITIES (PVT) LTD.

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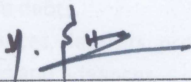
Trading Right Entitlement Certificate Holder of Pakistan Stock Exchange Limited
(Formerly: Karachi Stock Exchange Limited)

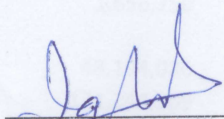
DIRECTORS REPORT TO THE SHAREHOLDERS FOR THE HALF YEAR ENDED DECEMBER 31, 2023

Your Directors are pleased to place before you Quarterly Report along with the un-audited accounts of the company for the quarter ended December 31, 2023. The working results of the company for the said financial year are given as under:

Total Income	Rs. 74,789,703
Operating expenses	<u>Rs (32,211,030)</u>
Profit before taxation	Rs. 42,578,673
Taxation	<u>Rs. (1,532,424)</u>
Profit after taxation	Rs. 41,046,249

On behalf of the board
For: Growth Securities (Pvt.) Ltd.


Muhammad Shahid
Chief Executive Officer


Muhammad Iqbal
Director

Karachi
February 27th, 2024

GROWTH SECURITIES (PRIVATE) LIMITED
Un Audited Half Yearly Financial Statement
AS of December 31, 2023

EQUITY AND LIABILITIES	Note	2023 Rupees
SHARE CAPITAL AND RESERVE		
Authorized Share Capital		
10,000,000 Ordinary shares of Rs. 10/- each		<u>100,000,000</u>
Issued, Subscribed and Paid up Share Capital		
10,000,000 (2016: 10,000,000) Ordinary shares of Rs. 10/- each	3	100,000,000
Subordinated Loan		211,700,000
Unappropriated profit		246,336,814
		558,036,814
Capital reserves		
Non - Current Liabilities		<u>558,036,814</u>
Current Liabilities		
Creditors, accrued and other liabilities	4	34,398,396
Bank overdraft	12.2	77,768
		<u>592,512,978</u>
ASSETS		
Non - Current Assets		
Property, plant and equipment		66,167,343
Intangible	5	2,500,000
Investment PIB	6	19,520,520
Long term deposits	7	1,656,750
Current Assets		
Trade debts	8	48,194,080
Advances, deposits, prepayments and other receivables	9	171,144,309
Loans and advances	10	330,500
Investment	11	250,971,763
Cash and bank balances	12	32,027,713
		<u>592,512,978</u>

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


 Chief Executive Officer

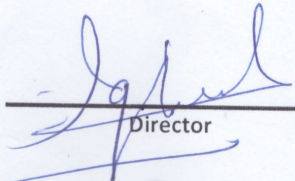

 Director

GROWTH SECURITIES (PRIVATE) LIMITED
 PROFIT AND LOSS ACCOUNT
 AS of December 31, 2023

	Note	2023 Rupees
Commission income		20,520,072
Operating expenses	13	(30,042,793)
Operating (loss)		(9,522,721)
Financial and other charges	14	(2,168,237)
Other income	15	54,269,630
Profit before taxation		42,578,673
Taxation		
- Current		(1,532,424)
- Prior		-
		(1,532,424)
Profit for the year		41,046,249
Earnings per share	16	4.10

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


 Chief Executive Officer

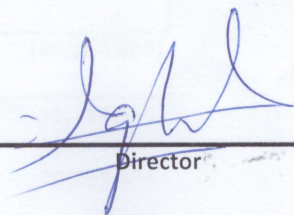

 Director

GROWTH SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
for the Half Year Ended December 31, 2023

	Issued, subscribed and paid up share capital	Capital reserve	Unappropriated profit	Total
	Rupees			
Balance as at July 01, 2023	100,000,000	-	205,290,567	305,290,567
Capital reserve on conversion of membership card	-	-	-	-
Cash dividend paid for the year ended June 30, 2024	-	-	-	-
Interim cash dividend paid for the year ended June 30, 2024	-	-	-	-
Profit for the Half year ended December 31, 2023	-	-	41,046,249	41,046,249
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	41,046,249	41,046,249
Balance as at December 31, 2023	100,000,000	-	246,336,816	346,336,816

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


Chief Executive Officer


Director

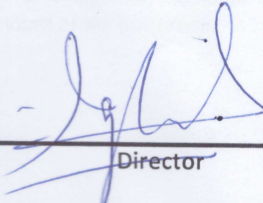
GROWTH SECURITIES (PRIVATE) LIMITED
CASH FLOW STATEMENT
For the Half Year ended December 31, 2023

	Note	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation		42,578,673
Adjustments for non cash items and other charges :		
Depreciation		-
(Gain) on disposal of property and equipment		-
Operating profit before working capital changes		42,578,673
Decrease / (increase) in current assets:		
Trade debts		16,261,666
Loan, advances, deposits, prepayments and other receivables		(59,560,164)
Loans and advances		(330,500)
		(43,628,998)
Increase / (decrease) in current liabilities:		
Creditors, accrued and other liabilities		18,663,008
Taxes paid		(1,532,424)
Net cash inflow from operating activities		16,080,259
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred		(752,598)
Sale proceeds of disposal of property and equipment		-
Investment in PIBs		(240,681)
Long term investment		-
Long term investment		-
Investment		40,167,536
Net cash (used in) / inflow from investing activities		39,174,257
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan from director		(44,100,000)
Dividend paid		-
Net cash (used in) financing activities		(44,100,000)
Net (decrease) / increase in cash and cash equivalents		11,154,516
Cash and cash equivalents at beginning of the year		20,795,431
Cash and cash equivalents at end of the year	17	31,949,947

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



Chief Executive Officer



Director

GROWTH SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

1. NATURE OF BUSINESS AND OPERATIONS

- 1.1** The Company was incorporated in Pakistan on February 24, 2005 as a Private Company limited by shares under the Companies Ordinance, 1984. The registered office of the Company is situated at Room No. 82 to 83, 2nd Floor, Stock Exchange Building, Stock Exchange Road, Karachi. The principal activities of the company is to carry on the business of stock, brokerage, underwriting and investment etc.
- 1.2** The financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting Convention

These financial statements have been prepared under the ' **historical cost convention**'.

The preparation of these financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The estimates / judgments and associated assumptions used in the preparation are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates / judgments / assumptions will, by definition, seldom equal the related actual results. The estimates / judgments and associated assumptions are reviewed on an ongoing basis. Revision to the accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in period of revision and future periods if the revision affects both current and future periods.

2.2 Statement of Compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan and the requirements of the Company Ordinance, 1984. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) as are notified under the provisions of the Company Ordinance, 1984. Wherever the requirements of the Company Ordinance, 1984 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of the Company Ordinance, 1984 or the requirements of the said directives shall prevail.

2.3 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and tax rebates available, if any, in accordance with the provisions of the Income Tax Ordinance, 2001.

2.4 Trade and other Debts

Trade and other debts are carried at original invoice amount. Debts considered irrecoverable are written off and provision is made against those considered doubtful of recovery.

2.5 Trade and Other Payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

2.6 Provisions

Provisions are recognised in the balance sheet when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.7 Cash and Cash Equivalents

Cash and cash equivalents comprises cash balances and bank deposits. Cash and cash equivalents are carried in the balance sheet at cost.

2.8 Revenue Recognition

Sales and purchases of securities are recognized on the date of contract. Capital gain or loss on sale of marketable securities is taken to income in the period in which it arises.

Brokerage and other income is accrued as and when due.

2.9 Investments

Investment at fair value through profit or loss

Investment classified as investments at fair value through profit or loss are initially measured at cost being fair value of consideration given. At subsequent dates these investment are measured at fair value with any resulting gains or losses recognized directly in the profit and loss account. The fair value of such investment is determined on the basis of prevailing market prices.

Available for sale

Investments intended to be held for an indefinite period of time, which may be sold in response to need for liquidity, or changes to interest rates or equity prices are classified as available-for-sale.

2.10 Financial Instruments

All the financial assets and liabilities are recognized at the time when the company becomes a party to the contractual provisions of the instruments. All the financial assets are derecognized at the time when the company loses control of the contractual right that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled or expires. Any gain or loss on derecognizing of the financial assets and financial liabilities is taken to profit and loss account, currently.

3. SHARE CAPITAL

2023
Rupees

Authorized Share Capital

Number of Shares
10-Jul-05

10,000,000

Ordinary shares of Rs.10/- each

100,000,000

Issued, Subscribed and Paid-up Share Capital

3.1 Pattern of shareholding

Name of Shares holders	Percentage	Number of Shares
- Muhamamd Shahid	51.00%	5,100,000
- Muhamamd Iqbal	48.99%	4,899,500
Zeeshan	0.01%	500
	<u>100%</u>	<u>10,000,000</u>

4. CREDITORS, ACCRUED AND OTHER LIABILITIES

Creditors	28,587,587
Accrued expenses and others payable	5,612,456
Other Liabilities:	
- Sindh sales tax and withholding tax	198,353
	<u>34,398,396</u>

5. INTANGIBLE

Note 2023
Rupees

Trading rights entitlement certificates	2,500,000
	<u>2,500,000</u>

5 Pakistan Stock Exchange Limited vide their letter dated 08 August 2017 has determined value of Pakistan Stock Exchange Limited Trading Rights Entitlement Certificate for base minimum capital purpose amounting to Rs. 2.5 million.

6. INVESTMENT PIB

Note 2023
Rupees

PIB	19,520,520
	<u>19,520,520</u>

7. LONG TERM DEPOSITS

Note 2023
Rupees

CDC deposit	100,000
NCCPL deposit	1,200,000
PSX deposit	200,000
Deposit PSO Card	156,750
	<u>1,656,750</u>

8. TRADE DEBTS

Debtors Unsecured - considered good	48,194,080
	<u>48,194,080</u>

9. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Advance tax	27,787,099
Deposit into NCCPL against exposure	59,810,000
Deposit against sale of PSX Shares	0
PSX deposit BMC maintenance	-
Other Receivable pre paid insurance	333,333
Dividend receivable	-
Receivable from PSX/NCCPL	83,213,877
Advance against Book Building	-
	<u>171,144,309</u>

10. LOANS AND ADVANCES

Staff loan 330,500

330,500

11. INVESTMENT - fair value through profit and loss

Investment in listed securities 199,808,658

Investment in Marging Financing 36,193,605

Righ Shares Subscription Tareet Corporation Ltd 14,969,500

250,971,763

12. CASH AND BANK BALANCES

Cash in hand 7,776

Cash at banks:

- Current accounts 2,203,137

- Saving accounts 29,816,800

32,027,713

12.1 Customer and proprietor wise Bank Balances

Proprietor Bank Balance including cash in hand 1,645,218

Client Bank Balances 30,382,495

32,027,713

12.2 Bank Overdraft

77,768

13. OPERATING EXPENSES

Note

2023
Rupees

Salaries, wages and benefits 21,860,779

Repair and maintenance 568,149

Travelling and conveyance 733,505

Utility charges 1,033,668

Entertainment 992,057

KSE charges 300,000

Printing and stationery 77,030

Professional and Legal Fee 234,684

Computer and software expenses 2,078,076

Annual Membership and other Fees 50,025

Miscellaneous expenses 32,353

Insurance 468,000

LAGA, CDC, NCCPL Charges 1,614,467

30,042,793

14. FINANCIAL AND OTHER CHARGES

Bank charges 2,151,178

Mark-up on bank overdraft 17,059

2,168,237

15. OTHER INCOME

Realized gain on investment in shares	32,526,937
Unrealized (loss) / gain on revaluation of investment	11,512,814
Interest on bank deposits	2,693,108
Dividend income	3,371,889
Gain on future exposure (RMS Profit)	2,924,201
Pakistan Investment Bond	1,240,681

54,269,630

16. EARNINGS PER SHARE

Profit after taxation	41,046,249
Number of ordinary shares	10,000,000

Earnings per share 4.10

17. CASH AND CASH EQUIVILENT

2023
Rupees

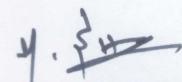
Cash and bank balances	32,027,713
Bank overdraft	(77,768)

31,949,945

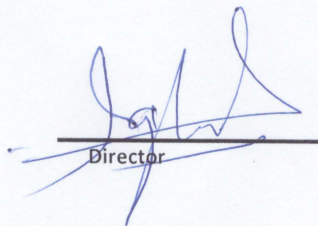
18. LONG TERM LOAN FROM DIRECOTRS

Muhammad Shahid	46,400,000
Zeeshan	46,400,000
	<u>92,800,000</u>

The above loan taken unsecure and interest free loan.



Chief Executive Officer



Director