GROWTH SECURITIES (PVT) LTD
Un Audited Financial Statement
As of December 31, 2023

GROWTH SECURITIES (PVT) LTD.

Room # 82 83, Second Floor, Pakistan Stock Exchange Building, I.I. Chundrigar Road, Karachi-74000.
Ph: (+92-21) 32463002-04 Fax: (+92-21) 32463005 http://www.growthsecurities.com.pk
E-mail: info@growthsecurities.com.pk, growthsecurities102@gmail.com
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	Rs (32,211,030)
Profit before taxation	Rs . 42,578,673
Taxation	Rs. (1,532,424)
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

	Note	2023 Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVE		
Authorized Share Capital		
10,000,000 Ordinary shares of Rs. 10/- each		100,000,000
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		-
		558,036,814
Non - Current Liabilities		
Current Liabilities		
Creditors, accrued and other liabilities	4	34,398,396
Bank overdraft	12.2	77,768
		592,512,978
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
		592,512,978

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 comrehensive income	-	-	-	-
Total comrehensive 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 / judgements / assumptions will, by definition, seldom equal the related actual results. The estimates / judgements 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**

Authorized Share Capital

Number of Shares 10-Jul-05		2023 Rupees
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
	100%	10,000,000

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
	34,398,396

5. **INTANGIBLE**

	Note	2023 Rupees
Trading rights entitlement certificates		2,500,000
		2,500,000

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
		19,520,520

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
		1,656,750

8. TRADE DEBTS

Debtors Unsecured - considered good		48,194,080
		48,194,080

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		-
		171,144,309

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

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
	92,800,000

The above loan taken unsecure and interest free loan.

Chief Executive Officer

Director