



GROWTH SECURITIES (PVT) LTD.

Room # 82-83, Second Floor, Pakistan Stock Exchange Building, 11 Chundrigar Road, Karachi-74200

Ph: (92-21) 32463002-04 <http://www.growthsecurities.com.pk>

E-mail: info@growthsecurities.com.pk

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, 2021

Our Directors are pleased to place before you Half Year Report along with the un-audited accounts of the company for the period ended December 31, 2021. The working results of the company for the year

GROWTH SECURITIES (PRIVATE) LIMITED UNAUDITED HALF YEAR ENDED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2021

Operating income	PKR 13,412,119
Profit before tax	PKR 6,953,572
Profit after tax	PKR 5,122,297

On behalf of the board
for Growth Securities (Private) Ltd.


Chief Executive Officer
Mohammad Shafiq


Director
Zeeshan

Witness
February 4, 2022



GROWTH SECURITIES (PVT) LTD.

Room # 82 83, Second Floor, Pakistan Stock Exchange Building, I.I. Chundrigar Road, Karachi.-74000.

Ph: (+92-21) 32463002-04 <http://www.growthsecurities.com.pk>

E-mail: info@growthsecurities.com.pk

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

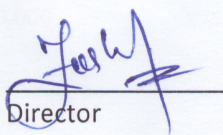
DIRECTORS REPORT TO THE SHAREHOLDERS FOR THE Half Year Ended December 31 2021

Your Directors are pleased to place before you Half Year Report along with the un audited accounts of the company for the period ended December 31, 2021. The working results of the company for the said period are given as under:

Total Income	Rs. 45,093,853
Operating expenses	<u>Rs (26,075,734)</u>
Profit before taxation	Rs. 19,018,119
Taxation	<u>Rs 895,822</u>
Profit after taxation	Rs. 18,122,297

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


Chief Executive Officer
Mohammad Shahid

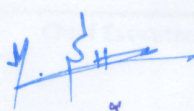

Director
Zeeshan

Karachi
February 4, 2022

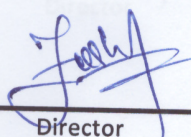
GROWTH SECURITIES (PRIVATE) LIMITED
BALANCE SHEET
AS At December 31, 2021

EQUITY AND LIABILITIES	Note	2021 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
Unappropriated profit		378,221,311
Unrealized (loss) / gain on revaluation of investment		(22,342,336)
		455,878,975
Capital reserves		-
		<u>455,878,975</u>
Non - Current Liabilities		
Loan from director		92,800,000
Current Liabilities		
Creditors, accrued and other liabilities	4	28,436,303
Short term loan from director		45,000,000
Bank overdraft	12.1	47,672,581
		<u>669,787,859</u>
ASSETS		
Non - Current Assets		
Property, plant and equipment		66,309,774
Intangible	5	2,500,000
Investment in PIBs	6	-
Long term deposits	7	1,500,000
Current Assets		
Trade debts (including Margin Finance Amount)	8	110,253,100
Advances, deposits, prepayments and other receivables	9	125,313,087
Loans and advances	10	750,000
Investment	11	238,522,851
Investment in Mutual Funds		75,000,000
Cash and bank balances	12	49,639,047
		<u>669,787,859</u>

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



Chief Executive Officer



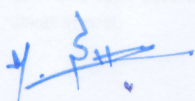
Director

GROWTH SECURITIES (PRIVATE) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED December 31, 2021

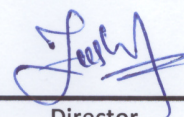
NATURE OF BUSINESS AND OPERATIONS

	Note	2021 Rupees
Commission income		15,998,425
Operating expenses	13	(25,757,555)
Operating (loss)		(9,759,130)
Financial and other charges	14	(318,179)
Other income	15	29,095,428
Profit before taxation		19,018,120
Taxation		
- Current		(895,822)
- Prior		-
		(895,822)
Profit for the year		18,122,298
Earnings per share		1.81

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

2021
Rupees

Authorized Share Capital

Number of Shares
12-Jul-05
<u>10,000,000</u>

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	51.000%	5,100,000
- Muhamamd Iqbal	48.995%	4,899,500
Zeeshan	0.005%	500
	<u>100%</u>	<u>10,000,000</u>

4. CREDITORS, ACCRUED AND OTHER LIABILITIES

Creditors	25,998,844
Accrued expenses and other payable	1,488,896
DFC Profit Held	-
Other Liabilities:	
- Sindh sales tax and withholding tax	948,563
	28,436,303

5. INTANGIBLE

Note	2021 Rupees
Trading rights entitlement certificates	5 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 IN PIBS

Investment in Pakistan Investment Bond securities

Note	2021 Rupees
	-
	-

7. LONG TERM DEPOSITS

CDC deposit	100,000
NCCPL deposit	1,200,000
PSX deposit	200,000
	1,500,000

8. TRADE DEBTS

Debtors Unsecured - considered good	21,377,259
Receivables against margin finance	88,875,841
	110,253,100

9. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Advance tax	29,565,970
Deposit into NCCPL against exposure	40,000,000
Deposit against sale of PSX Shares	-
PSX deposit BMC maintenance	-
Prepayments	145,500
Dividend receivable	-
Receivable from PSX/NCCPL	55,601,617
Other receivables	-
	125,313,087

10. LOANS AND ADVANCES

Staff loan	750,000
	<u>750,000</u>

11. INVESTMENT - fair value through profit and loss

Investment in listed securities	238,522,851
	<u>238,522,851</u>

Inves

12. CASH AND BANK BALANCES

Cash in hand	18,797
Cash at banks:	
- Current accounts	2,003,013
- Saving accounts	47,617,237
	<u>49,639,047</u>

12.1

12.2 Bank Overdraft	<u>47,672,581</u>
----------------------------	--------------------------

13. OPERATING EXPENSES

	Note	2021 Rupees
Salaries, wages and benefits	13.1	19,910,666
Repair and maintenance		900,680
Travelling and conveyance		1,416,842
Utility charges		788,758
Entertainment		664,950
KSE charges		301,350
Printing and stationery		152,510
Professional charges		376,550
Computer and software expenses		1,152,962
Annual Membership and other Fees		50,025
Miscellaneous expenses		42,262
Insurance Expense		-
Medical Expense		-
Nadra Verisys		-
Audit Fee		-
		<u>25,757,555</u>

13.1**14. FINANCIAL AND OTHER CHARGES**

Bank charges	48,980
Mark-up on bank overdraft	269,199
	<u>318,179</u>

15. OTHER INCOME

Realized gain on investment in shares	22,799,050
Interest on bank deposits	807,841
Dividend income	1,400,115
Gain on future exposure	513,107
Premium on MF	2,660,464
Gain /(Loss) on Investment Mutual Fund/PIB	376,244
Other Income	538,607
	<u>29,095,428</u>

16. EARNINGS PER SHARE

Profit after taxation	18,122,298
Number of ordinary shares	10,000,000
Earnings per share	<u>1.81</u>

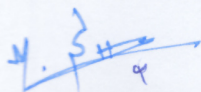
17. CASH AND CASH EQUIVILENT

2021
Rupees

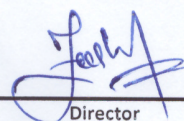
Cash and bank balances	49,639,047
Bank overdraft	(47,672,581)
	<u>1,966,466</u>

18. CAPITAL ADEQUACY LEVEL

Total Assets	669,787,859
Less: Total Liabilities	(213,908,884)
Revaluation reserves (created upon revaluation of fixed assets)	-
Capital Adequacy Level	<u>455,878,975</u>



Chief Executive Officer



Director

16. EARNINGS PER SHARE

Profit after taxation	18,122,298
Number of ordinary shares	10,000,000
Earnings per share	<u>1.81</u>

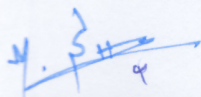
17. CASH AND CASH EQUIVILENT

2021
Rupees

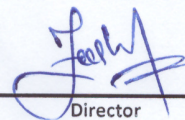
Cash and bank balances	49,639,047
Bank overdraft	(47,672,581)
	<u>1,966,466</u>

18. CAPITAL ADEQUACY LEVEL

Total Assets	669,787,859
Less: Total Liabilities	(213,908,884)
Revaluation reserves (created upon revaluation of fixed assets)	-
Capital Adequacy Level	<u>455,878,975</u>



Chief Executive Officer



Director