GROWTH SECURITIES (PRIVATE) LIMITED
UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS
AS OF MARCH 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 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 3RD Quarter Ended March 31, 2023

Your Directors are pleased to place before you 3rd Quarter Report along with the un audited accounts of the company for the 3rd Quarter ended March 31, 2023. The working results of the company for the said period are given as under:

Total Income/(Loss)	Rs.	(12,975,427)
Operating expenses	Rs	(47,154,460)
Profit /(Loss) before taxation	Rs.	(60,129,887)
Taxation	Rs	(1,589,862)
Profit/ (Loss) after taxation	Rs.	(61,719,749)

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

Chief Executive Officer
Mohammad Shahid

Director
Zeeshan

Karachi
April 24, 2023

GROWTH SECURITIES (PRIVATE) LIMITED
BALANCE SHEET
AS AT March 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
Unappropriated profit		274,010,542
		374,010,542
Capital reserves		-
		374,010,542
Non - Current Liabilities		
Loan from director		92,800,000
Current Liabilities		
Creditors, accrued and other liabilities	4	26,511,777
Short term loan from director		-
Bank overdraft	12.1	1,951,967
		495,274,286
ASSETS		
Non - Current Assets		
Property, plant and equipment		80,907,035
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	123,342,338
Advances, deposits, prepayments and other receivables	9	123,787,556
Loans and advances	10	1,716,000
Investment	11	113,702,111
Investment in MCB Cash Management		-
Cash and bank balances	12	47,819,246
		495,274,286

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 March 31, 2023

	Note	2023 Rupees
Commission income		18,664,833
Operating expenses	*13*	(44,812,479)
Operating (loss)		**(26,147,646)**
Financial and other charges	*14*	(2,341,981)
Other income	*15*	(31,640,260)
Profit before taxation		**(60,129,886)**
Taxation		
- Current		(1,589,862)
- Prior		-
		(1,589,862)
Profit for the year		**(61,719,748)**
Earnings per share		(6.17)

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

Chief Executive Officer

Director

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 12-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	51.000%	5,100,000
- Muhamamd Iqbal	48.995%	4,899,500
Zeeshan	0.005%	500
	100%	10,000,000

4. CREDITORS, ACCRUED AND OTHER LIABILITIES

Creditors	24,630,664
Accrued expenses and other payable	1,380,761
Payable NCCPL	-
Other Liabilities:	
- Sindh sales tax and withholding tax	500,352
	26,511,777

5. INTANGIBLE	Note	2023 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	Note	2023 Rupees
Investment in Pakistan Investment Bond securities		-
		-

7. LONG TERM DEPOSITS	Note	2023 Rupees
CDC deposit		100,000
NCCPL deposit		1,200,000
PSX deposit		200,000
		1,500,000

8. TRADE DEBTS

	-
Debtors Unsecured - considered good	88,963,012
Receivables against margin finance	34,379,326
	123,342,338

9. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Advance tax	26,383,149
Deposit into NCCPL against exposure	35,655,924
Deposit against sale of PSX Shares	-
PSX deposit BMC maintenance	-
Prepayments/Staff Advance	715,500
Dividend receivable	-
Receivable from PSX/NCCPL	61,032,983
Other receivables	-
	123,787,556

10. LOANS AND ADVANCES

Staff loan	1,716,000
	1,716,000

11. INVESTMENT - fair value through profit and loss

Investment in listed securities	113,702,111
	-
	113,702,111

12. CASH AND BANK BALANCES

Cash in hand	8,340
Cash at banks:	
- Current accounts	897,460
- Saving accounts	46,913,446
	47,819,246

12.1 Proprietor and customer wise Bank Balances

Proprietor Bank Balances including cash inhand	21,634,430
Client Account Bank Balances	26,184,816
	47,819,246

12.2 Bank Overdraft

Bank Overdraft	1,951,967

13. OPERATING EXPENSES

	Note	2023 Rupees
Salaries, wages and benefits	*13.1*	36,381,026
Repair and maintenance		516,196
Travelling and conveyance		1,148,641
Utility charges		1,036,196
Entertainment		735,110
KSE charges		452,400
Printing and stationery		230,912
Professional charges		1,111,456
Computer and software expenses		1,598,569
Annual Membership and other Fees		65,025
Miscellaneous expenses		197,987
Donation		500,000
Other charges		838,961
		-
		-
		44,812,479

13.1

14. FINANCIAL AND OTHER CHARGES

Bank charges	513,618
Mark-up on bank overdraft	1,828,363
	2,341,981

15. OTHER INCOME

Realized gain on investment in shares	9,269,394
Unrealized (loss) / gain on revaluation of investment	(49,351,548)
Interest on bank deposits	2,357,857
Dividend income	3,428,427
Gain on future exposure	2,102,070
Premium on MF	553,540
	-
	-
	(31,640,260)

16. EARNINGS PER SHARE

Profit after taxation	(61,719,748)
Number of ordinary shares	10,000,000
Earnings per share	**(6.17)**

17. CASH AND CASH EQUIVILENT

	2023 Rupees
Cash and bank balances	47,819,246
Bank overdraft	(1,951,967)
	45,867,279

18. CAPITAL ADEQUACY LEVEL

Total Assets	495,274,286
Less: Total Liabilities	(121,263,744)
Revaluation reserves (created upon revaluation of fixed assets)	-
Capital Adequacy Level	374,010,542

Chief Executive Officer

Director