

GROWTH SECURITIES (PVT) LTD
Un Audited Financial Statement
As of March 31, 2024



GROWTH SECURITIES (PVT) LTD.

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

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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 3RD QUARTER ENDED MARCH 31, 2024

Your Directors are pleased to place before you 3rd Quarterly Report along with the un-audited accounts of the company for the 3rd quarter ended March 31, 2024. The working results of the company for the said financial year are given as under:

Total Income	Rs. 101,523,932
Operating expenses	<u>Rs. (49,769,360)</u>
Profit before taxation	Rs. 51,754,572
Taxation	<u>Rs. (1,832,857)</u>
Profit after taxation	Rs. 49,921,715

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

Muhammad Shahid
Chief Executive Officer

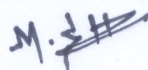
Muhammad Iqbal
Director

Karachi
April 25, 2024

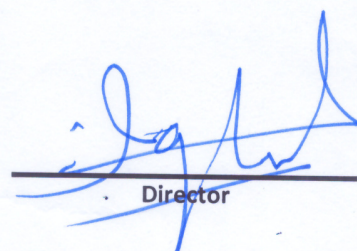
GROWTH SECURITIES (PRIVATE) LIMITED
Un Audited 3rd Quarter Financial Statement
AS of March 31, 2024

		2024 Rupees
EQUITY AND LIABILITIES		
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		265,901,804
Unappropriated profit		255,212,281
		621,114,085
Capital reserves		-
		<u>621,114,085</u>
Non - Current Liabilities		
Current Liabilities		
Creditors, accrued and other liabilities	4	95,024,945
Bank overdraft	12.2	185,012,957
		<u>901,151,987</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	303,038,827
Advances, deposits, prepayments and other receivables	9	93,228,466
Loans and advances	10	1,035,250
Investment	11	386,010,570
Cash and bank balances	12	27,994,261
		<u>901,151,987</u>

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



Chief Executive Officer

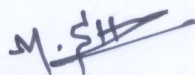


Director

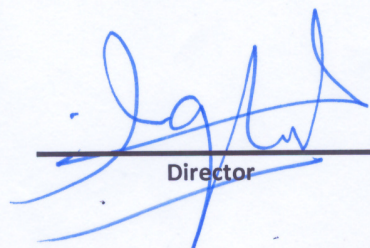
GROWTH SECURITIES (PRIVATE) LIMITED
PROFIT AND LOSS ACCOUNT
AS of March 31, 2024

	Note	2024 Rupees
Commission income		29,246,882
Operating expenses	13	(47,295,638)
Operating (loss)		(18,048,756)
Financial and other charges	14	(2,473,722)
Other income	15	72,277,050
Profit before taxation		51,754,573
Taxation		
- Current		(1,832,857)
- Prior		-
		(1,832,857)
Profit for the year		49,921,716
Earnings per share	16	4.99

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

2024
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 24,339,924

Accrued expenses and others payable 70,531,273

Other Liabilities:

- Sindh sales tax and withholding tax 153,748

95,024,945

5. INTANGIBLE

Note

2024
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

2024
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

303,038,827

303,038,827

9. **ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**

Advance tax

28,742,823

Deposit into NCCPL against exposure

5,638,187

Deposit against sale of PSX Shares

0

-

PSX deposit BMC maintenance

-

Other Receivable pre paid insurance

333,333

Dividend receivable

910,563

Receivable from PSX/NCCPL

57,603,560

Advance against Book Building

-

93,228,466

10. LOANS AND ADVANCES		
Staff loan		1,035,250
		<u>1,035,250</u>
11. INVESTMENT - fair value through profit and loss		
Investment in listed securities		355,765,121
Investment in Marging Financing		30,245,449
		<u>386,010,570</u>
12. CASH AND BANK BALANCES		
Cash in hand		8,000
Cash at banks:		
- Current accounts		1,960,251
- Saving accounts		26,026,010
		<u>27,994,261</u>
12.1 Customer and proprietor wise Bank Balances		
Proprietor Bank Balance including cash in hand		1,278,411
Client Bank Balances		<u>26,707,851</u>
		<u>27,986,262</u>
12.2 Bank Overdraft		
		<u>185,012,957</u>
13. OPERATING EXPENSES		
	Note	2024 Rupees
Salaries, wages and benefits		33,757,578
Repair and maintenance		798,299
Travelling and conveyance		1,231,841
Utility charges		1,659,920
Entertainment		1,324,643
KSE charges		465,000
Printing and stationery		101,030
Professional and Legal Fee		329,284
Computer and software expenses		2,868,765
Annual Membership and other Fees		3,120,025
Miscellaneous expenses		39,405
Insurance		468,000
LAGA, CDC, NCCPL Charges		1,131,848
		<u>47,295,638</u>
14. FINANCIAL AND OTHER CHARGES		
Bank charges		2,151,178
Mark-up on bank overdraft		322,544
		<u>2,473,722</u>

15. OTHER INCOME

Realized gain on investment in shares	57,337,534
Unrealized (loss) / gain on revaluation of investment	(3,919,789)
Interest on bank deposits	4,954,342
Dividend income	7,896,427
Gain on future exposure (RMS Profit)	4,767,855
Pakistan Investment Bond	1,240,681
	<u><u>72,277,050</u></u>

16. EARNINGS PER SHARE

Profit after taxation	49,921,716
Number of ordinary shares	10,000,000
Earnings per share	<u><u>4.99</u></u>

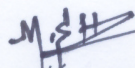
17. CASH AND CASH EQUIVILENT

	2024
	Rupees
Cash and bank balances	27,994,261
Bank overdraft	(185,012,957)
	<u><u>(157,018,696)</u></u>

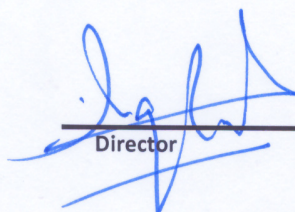
18. LONG TERM LOAN FROM DIRECOTRS

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

The above loan taken unsecure and interest free loan.



Chief Executive Officer



Director