

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**FINANCIAL STATEMENTS**

**FOR THE NINE MONTHS PEIOD ENDED**  
**MARCH 31, 2021**

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN- AUDITED)**  
**AS AT MARCH 31, 2021**

		<u>(Un-audited)</u> March 31, 2021 (Rupees in thousand)	<u>(Audited)</u> June 30, 2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipments	3	<u>1,017</u>	-
		<u>1,017</u>	-
<b>Current Assets</b>			
Advances and other receivables	4	<u>3,132</u>	2,087
Short term investment	5	<u>118,581</u>	118,581
Cash and bank balances	6	<u>127,639</u>	134,369
		<u>249,352</u>	255,037
<b>Total Assets</b>		<u><u>250,369</u></u>	<u><u>255,037</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Authorized Capital</b>			
150,000,000 (2019: 150,000,000) Ordinary shares of Rs. 10 each		<u><u>1,500,000</u></u>	<u><u>1,500,000</u></u>
<b>Issued, subscribed and paid up capital</b>		<u>982,366</u>	982,366
<b>Capital reserves</b>			
Other capital reserve		<u>33,224</u>	33,224
<b>Revenue reserve</b>			
Accumulated losses		<u>(773,079)</u>	(768,830)
<b>Shareholders' equity</b>		<u>242,511</u>	246,760
<b>Current Liabilities</b>			
Trade and other payable	7	<u>7,291</u>	7,711
Unclaimed dividend		<u>566</u>	566
		<u>7,857</u>	8,277
<b>Commitments and Contingencies</b>	8	-	-
<b>Total Equity and Liabilities</b>		<u><u>250,369</u></u>	<u><u>255,037</u></u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

  
 Chief Executive

  
 Director

  
 Chief Financial Officer

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME (UN- AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2021**

	<u>Nine months period ended</u>		<u>Quarter ended</u>	
	<u>March 31,</u> <u>2021</u> <u>(Rupees in thousand)</u>	<u>March 31,</u> <u>2020</u> <u>(Rupees in thousand)</u>	<u>March 31,</u> <u>2021</u> <u>(Rupees in thousand)</u>	<u>March 31,</u> <u>2020</u> <u>(Rupees in thousand)</u>
Administrative expenses	(10,027)	(1,726)	(3,005)	(75)
Financial cost - bank charges	(3)	(4)	(3)	(1)
<b>Operating loss</b>	<b>(10,030)</b>	<b>(1,730)</b>	<b>(3,008)</b>	<b>(76)</b>
Other charges	(135)	(381)	(100)	(327)
Other income	5,916	7	1,930	-
<b>Loss before taxation</b>	<b>(4,249)</b>	<b>(2,104)</b>	<b>(1,178)</b>	<b>(403)</b>
Taxation	-	-	-	-
<b>Loss after taxation</b>	<b>(4,249)</b>	<b>(2,104)</b>	<b>(1,178)</b>	<b>(403)</b>
<b>Other comprehensive income:</b>	-	-	-	-
<b>Total comprehensive loss for the period</b>	<b>(4,249)</b>	<b>(2,104)</b>	<b>(1,178)</b>	<b>(403)</b>
<b>Loss per share - basic and diluted (Rupees)</b>	<b>(0.04)</b>	<b>(0.02)</b>	<b>(0.02)</b>	<b>-</b>

The annexed notes from 1 to 10 from an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN- AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2021**

	Share Capital	----- Capital Reserves-----		Revenue Reserve	Shareholders' equity
	Issued, subscribed and paid up capital	Other capital reserve	Surplus on revaluation of fixed assets	Accumulated losses	
	----- (Rupees in thousand) -----				
<b>Balance as at June 30, 2019- Audited</b>	982,366	33,224	-	(764,238)	251,352
<b>Total comprehensive income for the period</b>					
Loss after taxation	-	-	-	(2,104)	(2,104)
Other comprehensive income	-	-	-	-	-
<b>Balance as at March 31, 2020</b>	<b>982,366</b>	<b>33,224</b>	<b>-</b>	<b>(766,342)</b>	<b>249,248</b>
<b>Balance as at June 30, 2020- Audited</b>	<b>982,366</b>	<b>33,224</b>	<b>-</b>	<b>(768,830)</b>	<b>246,760</b>
<b>Total comprehensive loss for the period</b>					
Loss after taxation	-	-	-	(4,249)	(4,249)
Other comprehensive income	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	<b>982,366</b>	<b>33,224</b>	<b>-</b>	<b>(773,079)</b>	<b>242,511</b>

The annexed notes from 1 to 10 from an integral part of these condensed interim financial statements.

  
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 Chief Executive

  
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 Director

  
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 Chief Financial Officer

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**STATEMENT OF CASH FLOWS (UN- AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2021**

	March 31, 2021	March 31, 2020
	Nine months period ended	
Note	(Rupees in thousand)	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Loss before taxation</b>	(4,249)	(2,104)
<b>Adjustments for:</b>		
Depreciation	67	-
Financial charges	3	4
<b>Cash flow before working capital changes</b>	(4,179)	(2,100)
<b>Working capital changes:</b>		
<b>Increase in current assets</b>		
Advances and other receivables	(1,045)	(226)
<b>Decrease in current liabilities</b>		
Trade and other payable	(420)	(23)
<b>Cash used in operations</b>	(5,644)	(2,349)
Financial charges paid	(3)	(4)
<b>Net cash used in operating activities</b>	(5,646)	(2,353)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchased of fixed assets	(1,084)	-
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	-	-
<b>Net decrease in cash and cash equivalents</b>	(6,730)	(2,353)
<b>Cash and cash equivalents at beginning of the period</b>	134,369	136,722
<b>Cash and cash equivalents at end of the period</b>	6 127,639	134,369

The annexed notes from 1 to 10 from an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN- AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2021**

**1 STATUS AND NATURE OF BUSINESS**

**1.1** Dadabhoj Cement Industries Limited (DCIL) was incorporated on 09 August 1979 as a public limited company in Pakistan and is listed on Pakistan Stock Exchange Limited - PSX. Company is a subsidiary of Leo (Pvt.) Limited. The Company is engaged in the manufacturing and sale of ordinary portland, slag and sulphate resistant cement. The Company's registered office is situated at Suite # 4, 2nd Floor, Plot no. 28-30 / C, Noor Centre, Khayaban-e-Ittehad, Lane no.12, Phase VII, D.H.A., Karachi.

Trading in shares of the Company was suspended by the Stock Exchanges on April 13, 2015 due to non compliances with respect to PSX regulations.

**1.2 Impact of COVID 19 on financial statements**

The novel coronavirus (COVID-19) emerged and since then, the condition has continued to deteriorate. On January 30, 2020, The International Health Regulations Emergency Committee of the World Health Organisation declared the outbreak "Public Health Emergency of International Concern". Many countries including Pakistan have enacted protection measures against COVID-19, with a significant impact on economic activities in these countries. The evolution of COVID-19 as well as its impact on the global and the local economy is hard to predict at this stage.

As of the release date of these condensed interim financial statements, there has been no specifically material quantifiable impact of COVID-19 on the Company's financial condition or results of operations except for the delay in execution of Memorandum of Understanding (MoU) with Guangzhou China Engineering Limited since February 2020.

**1.3 Going concern assumption**

The Company having accumulated losses as at reporting date amounting to Rs. 773.079 million (June 30, 2020: Rs. 768.83 million). The operations of the Company are closed since financial year 2009 due to which the Company has been facing financial and operational difficulties and was unable to discharge its financial and operational liabilities in due course of business. The Company was reporting nil sales since then and was totally dependent upon the financial support of its Directors and sponsors.

The management of the Company has prepared these financial statements on going concern basis due to the following reasons:

- a) The management intends to revive the operations of the Company by diversifying its operations towards hoteling and other related sectors for which the planning is still on the initial stage as on the reporting date.
- b) To achieve the objective mentioned in para (a) above, the Company has been corresponding with the prospective investors to attract the investment in the Company.
- c) The Company has entered a Memorandum of Understanding (MoU) with Guangzhou China Engineering Limited dated June 10, 2019 to join their capabilities, references and resources for setting up of a new cement plant with a capacity of 7000 T/D however, no further progress in this regard due to COVID 19 outbreak.

Management is confident that the Company would be able to revive its operations in the foreseeable future which will result in improving the overall financial and operational outlook of the Company.

- 1.4 During the previous year, the Securities and Exchange Commission of Pakistan (SECP) vide its order dated October 28, 2019 under clause (m) of Section 301 read with clause (b) of the Section 304 of the Companies Act, 2017 (under clause (b) of Section 309 read with clause (c) of Section 305 of the Companies Ordinance, 1984) has ordered that the Company is liable to wound up thereby authorizing the Registrar, the Company Registration Office Karachi, to present a petition for winding up of the Company. Pakistan Stock Exchange (PSX) has also issued notice bearing number PSX/N-1385 dated October 29, 2019 in this respect.

The Company filed an Appeal under the Securities and Exchange Commission of Pakistan (Appellate Bench Procedure) Rules, 2003 against the Order dated October 28, 2019 in which the Company has challenged the Impugned Order.

## **2 BASIS OF PREPARATION**

### **2.1 Statement of compliance**

These condensed interim financial statements of the Company for the period ended March 31, 2021 are unaudited and have been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017 (The Act). In case where requirements differ, the provisions of or directives issued under the Act have been followed

### **2.2 Basis Of Preparation**

The figures of condensed interim statement of profit or loss and other comprehensive income for the period ended March 31, 2021 have not been reviewed by the auditors of the Company as they have reviewed the cumulative figures for the half year ended December 31, 2020. These condensed interim financial statements does not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2020.

The comparative statement of financial position presented has been extracted from the annual financial statements for the year ended June 30, 2020, whereas the comparative condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been extracted from the unaudited condensed interim financial statements for the period ended March 31, 2020.

### **2.3 Basis of measurement**

These financial statements have been prepared under the historical cost convention, except as otherwise disclosed in these notes. Further accrual basis of accounting is followed except for cash flow information.

### **2.4 Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pak Rupees, which is also the functional currency of the Company.

### **2.5 Use of estimates and judgments**

The preparation of these condensed interim financial statements in conformity with approved accounting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key source of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended June 30, 2020.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended June 30, 2020.

## **2.6 Changes in accounting standards, interpretations and amendments to approved accounting and reporting standards**

### **(a) Standards, interpretations and amendments to approved accounting and reporting standards which are effective during the year:**

There were certain amendments to accounting and reporting standards and a new interpretation was issued which were mandatory for the current financial year. However, these are considered not to be relevant or had any significant effect on the Company's financial reporting and are, therefore, not disclosed in these financial statements

### **(b) Standards and amendments to published approved accounting and reporting standards that are not yet effective:**

There are certain new standards, interpretations and amendments to the approved accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2020 . However, the standard, amendments and interpretation will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these financial statements.



### 3 PROPERTY, PLANT AND EQUIPMENTS

	Generators	Equipments	Furnitures	Motor Vehicles	Total
	-----Rs-----				
	March 31, 2021				
Net book value as of July 01, 2020	-	-	-	-	-
Additions	568	208	250	58	1,084
Disposal / write-offs	-	-	-	-	-
Depreciation charge for the year	42	3	16	6	67
Closing net book value	<b>526</b>	<b>205</b>	<b>234</b>	<b>52</b>	<b>1,017</b>
<b>As at March 31, 2021</b>					-

	(Un-audited)	(Audited)
	March 31, 2021	June 30, 2020
	(Rupees in thousand)	
Note		

### 4 ADVANCES AND OTHER RECEIVABLES

#### - Un-secured - considered good

Advance tax		888	-
Advances to directors			
Others		-	-
<b>Other receivables</b>			
From Dadabhoy Hydrocarbon (Pvt.) Limited		700	700
From related parties	4.1	1,545	1,387
		<b>3,132</b>	<b>2,087</b>

- 4.1 This includes receivable from Dadabhoy Sack Limited amounting to Rs. 0.878 (June 30, 2020: Rs. 0.878) million, Dadabhoy Energy Supply Limited amounting to Rs. 0.464 (June 30, 2020: Rs. 0.356) million, Dadabhoy Construction Technology Limited amounting to Rs. 0.110 (June 30, 2020: 0.110) million, Leo Private Ltd amounting to Rs. 0.043 (June 30, 2020: 0.043) million and one of directors amounting to Rs. 0.050 (June 30, 2020: Nil) million. This represents the reimbursable expenses incurred on behalf of the related parties and are recoverable on demand. Closing balance represents the maximum aggregate amount outstanding at any time during the year with respect to month end balances.

	(Un-audited)	(Audited)
	March 31, 2021	June 30, 2020
	(Rupees in thousand)	
Note		

### 5 SHORT TERM INVESTMENT

#### Investments in associate

Dadabhoy Energy Supply Company Limited	<b>118,581</b>	<b>118,581</b>
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### 6 CASH AND BANK BALANCES

	(Un-audited)	(Audited)
	March 31, 2021	June 30, 2020
	(Rupees in thousand)	
<b>Cash in hand</b>	-	-
<b>Instruments in hand</b>	-	134,253
<b>Cash at banks</b>		
- in current account	2	2
- in saving account	127,637	115
	127,639	117
	<b>127,639</b>	<b>134,369</b>

- 6.1 It carries markup ranging between 3.86% to 5.50% (June 30 2020: 4.97% to 7.21%) per annum.

	(Un-audited) March 31, 2021 (Rupees in thousand)	(Audited) June 30, 2020
<b>7 TRADE AND OTHER PAYABLE</b>		
Accrued liabilities	3,624	4,044
SESSI payable	583	583
EOBI payable	600	600
Sales tax payable	-	-
Workers' Profit Participation Fund payable	2,484	2,484
	<u>7,291</u>	<u>7,711</u>

## 8 COMMITMENTS AND CONTINGENCIES

### 8.1 Commitments

There are no commitments binding on the Company as on the reporting date (June 30, 2020: nil).

## 9 GENERAL

- Figures have been rounded off to the nearest thousand of Rupees, unless otherwise stated.
- Number of employees as on the year end date and average number of employees during the period ended were 4 (June 30, 2020: 4) and 4 (June 30, 2020: 4).

## 10 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on April 30, 2021 by the Board of Directors of the Company.



Chief Executive



Director



Chief Financial Officer