

**DADABHOY CEMENT INDUSTRIES LIMITED  
FINANCIAL STATEMENTS**

**FOR THE NINE MONTHS PERIOD ENDED  
MARCH 31, 2022**

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2022 (UN-AUDITED)**

		<u>(Un-audited)</u>	<u>(Audited)</u>
		March 31, 2022	June 30, 2021
	Note	(Rupees in thousand)	
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipments	4	7,134	976
Long term investments		-	-
		<u>7,134</u>	<u>976</u>
<b>Current Assets</b>			
Advances and other receivables	5	4,778	3,504
Short term investment	6	118,520	118,520
Cash and bank balances	7	115,358	125,842
		<u>238,656</u>	<u>247,866</u>
<b>Total Assets</b>		<u><b>245,790</b></u>	<u><b>248,841</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Authorized Capital</b>			
150,000,000 (June 30, 2021: 150,000,000) Ordinary shares of Rs. 10 each		<u><b>1,500,000</b></u>	<u><b>1,500,000</b></u>
<b>Issued, subscribed and paid up capital</b>		982,366	982,366
<b>Capital reserves</b>			
Other capital reserve		33,224	33,224
<b>Revenue reserve</b>			
Accumulated losses		(777,448)	(775,509)
<b>Shareholders' equity</b>		<u>238,142</u>	<u>240,081</u>
<b>Current Liabilities</b>			
Trade and other payable	8	7,082	8,195
Unclaimed dividend		566	566
		7,648	8,761
<b>Commitments and Contingencies</b>	9	-	-
<b>Total Equity and Liabilities</b>		<u><b>245,790</b></u>	<u><b>248,841</b></u>

The annexed notes from 1 to 11 from 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**  
**FOR THE PERIOD ENDED MARCH 31, 2022 (UN-AUDITED)**

Note	Nine months period ended		Quarter ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	(Rupees in thousand)		(Rupees in thousand)	
Administrative expenses	(8,469)	(10,027)	(2,030)	(3,005)
Financial cost - bank charges	-	(3)	-	(3)
<b>Operating loss</b>	<b>(8,469)</b>	<b>(10,030)</b>	<b>(2,030)</b>	<b>(3,008)</b>
Other charges	(35)	(135)	-	(100)
Other income	6,566	5,916	2,611	1,930
<b>Loss before taxation</b>	<b>(1,938)</b>	<b>(4,249)</b>	<b>581</b>	<b>(1,178)</b>
Taxation	-	-	-	-
<b>Loss after taxation</b>	<b>(1,938)</b>	<b>(4,249)</b>	<b>581</b>	<b>(1,178)</b>
<b>Other comprehensive income:</b>	-	-	-	-
<b>Total comprehensive loss for the period</b>	<b>(1,938)</b>	<b>(4,249)</b>	<b>581</b>	<b>(1,178)</b>
<b>Loss per share - basic and diluted (Rupees)</b>	<b>(0.02)</b>	<b>(0.04)</b>	<b>(0.03)</b>	<b>(0.02)</b>

The annexed notes from 1 to 11 form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED MARCH 31, 2022 (UN-AUDITED)**

	Share Capital	Capital Reserve	Revenue Reserve	Shareholders' equity
	Issued, subscribed and paid up capital	Other capital reserve	Accumulated losses	
	----- (Rupees in thousand) -----			
<b>Balance as at July 01, 2020 - Audited</b>	982,366	33,224	(768,830)	246,760
<b>Total comprehensive income for the period</b>				
Loss after taxation	-	-	(4,249)	(4,249)
Other comprehensive income	-	-	-	-
<b>Balance as at March 31, 2021</b>	982,366	33,224	(773,079)	242,511
<b>Balance as at July 01, 2021</b>	<b>982,366</b>	<b>33,224</b>	<b>(775,510)</b>	<b>240,080</b>
<b>Total comprehensive loss for the period</b>				
Loss after taxation	-	-	(1,938)	(1,938)
Other comprehensive income	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>982,366</b>	<b>33,224</b>	<b>(777,448)</b>	<b>238,142</b>

The annexed notes from 1 to 11 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**  
**FOR THE PERIOD ENDED MARCH 31, 2022 (UN-AUDITED)**

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
	<u>Nine months period ended</u>	
Note	(Rupees in thousand)	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Loss before taxation</b>	(1,938)	(4,249)
<b>Adjustments for:</b>		
Depreciation	983	67
Financial charges	-	3
<b>Cash flow before working capital changes</b>	<u>(955)</u>	<u>(4,179)</u>
<b>Working capital changes:</b>		
<b>Increase in current assets</b>		
Advances and other receivables	(1,274)	(1,045)
<b>Decrease in current liabilities</b>		
Trade and other payable	(1,113)	(420)
<b>Cash used in operations</b>	<u>(3,342)</u>	<u>(5,644)</u>
Financial charges paid	-	(3)
<b>Net cash used in operating activities</b>	<u>(3,342)</u>	<u>(5,646)</u>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(7,142)	(1,084)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	-	-
<b>Net decrease in cash and cash equivalents</b>	(10,484)	(6,730)
<b>Cash and cash equivalents at beginning of the period</b>	125,842	134,369
<b>Cash and cash equivalents at end of the period</b>	<u>7</u> <u>115,358</u>	<u>127,639</u>

The annexed notes from 1 to 11 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, 2022**

**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.

**1.3 Going concern assumption**

The Company having accumulated losses as at reporting date amounting to Rs. 777.48 million (June 30, 2021: Rs. 775.50 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 this condensed interim financial statements on going concern basis due to the following reasons:

- a) The management intends to revive the operations of the Company in the cement industry for which the planning is still on the initial stage as on the reporting date.
- b) Considering the increasing demand and expected growth in cement industries, the Company is hopeful to achieve its objective as Government of Pakistan does not allow new companies to undertake cement manufacturing projects thereby only existing companies can engage in cement manufacturing.
- c) 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.
- d) 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 in Nooriabad with a capacity of 7000 T/D however, no further progress could be made 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** 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.

SECP provided hearing opportunity on March 31, 2021 in which it was decided that the Company would submit the revival plan along with board approval to SECP. On April 16, 2021 Company submitted the revival plan to SECP and requested the SECP to withdraw the Impugned Order.

## **2 BASIS OF PREPARATION**

### **2.1 Statement of compliance**

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. Accounting and reporting standards applicable in Pakistan

- International Accounting Standard 34, 'Interim Financial Reporting' (IAS 34), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and

- provisions and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

### **2.2 Basis of measurement**

These condensed interim 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

### **2.3 Functional and presentation currency**

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

### **2.4 Use of estimates and judgments**

The preparation of condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the annual audited financial statements of the Company for the year ended June 30, 2021.

## **3 SIGNIFICANT ACCOUNTING POLICIES**

**3.1** The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements for the year ended June 30, 2021.

### **3.2 Change in accounting standards, interpretations and amendments to published accounting and reporting standards**

#### **(a) Amendments to published accounting and reporting standards which became effective during the period:**

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

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

There were certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2022. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN- AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2022**

**4 PROPERTY, PLANT AND EQUIPMENTS**

	Generators	Furnitures	Motor Vehicles	office Equipment	Total
-----Rs-----					
<b>31-Mar-22</b>					
Net book value as of July 01, 2021	500	222	49	204	976
Additions	-	-	6,608	534	7,142
Disposal / write-offs	-	-	-	-	-
Depreciation charge for the period	70	31	838	43	983
Closing net book value	<b>430</b>	<b>191</b>	<b>5,819</b>	<b>695</b>	<b>7,135</b>
<b>As at March 31, 2022</b>					-
Cost	568	250	6,666	752	8,235
Accumulated depreciation	138	59	846	57	1,101
<b>Net book value as of March 31, 2022</b>	<b>430</b>	<b>191</b>	<b>5,819</b>	<b>694</b>	<b>7,134</b>
<b>Net book value as of June 30, 2021</b>	<b>500</b>	<b>222</b>	<b>49</b>	<b>204</b>	<b>976</b>
Depreciation rate (% per annum)	<b>20%</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>	

(Un-audited) (Audited)  
**March 31, 2022 June 30, 2021**  
**(Rupees in thousand)**

**5 ADVANCES AND OTHER RECEIVABLES**

**- Un-secured - considered good Advances**

Advance tax		2,155	1,170
<b>Other receivables</b>			
From Dadabhoy Hydrocarbon (Pvt.) Limited		730	730
From Dadabhoy Construction (Pvt.) Limited		110	110
From related parties	5.1	1,784	1,495
		<b>4,778</b>	<b>3,505</b>



- 5.1** This includes receivable from Dadabhoy Sack Limited amounting to Rs. 1.059 (June 30, 2021: Rs. 0.878) million, Dadabhoy Energy Supply Limited amounting to Rs. 0.622 (June 30, 2021: Rs. 0.514) million, Dadabhoy Uni Minerals Limited amounting to Rs. 0.020 (June 30, 2021: 0.020) million, Dadabhoy Trading Corporation amounting to Rs. 0.020 (June 30, 2021: 0.020) million and Leo Private Ltd amounting to Rs. 0.063 (June 30, 2021: 0.063) 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 period with respect to month end balances.

**(Un-audited)                      (Audited)**  
**March 31, 2022                      June 30, 2021**

**Note                                      (Rupees in thousand)**

## 6 SHORT TERM INVESTMENT

### Investments in associate

Dadabhoy Energy Supply Company Limited	<u><b>118,520</b></u>	<u><b>118,520</b></u>
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- 6.1.1** Dadabhoy Energy Supply Company Limited (DESCL) was incorporated in Pakistan on May 29, 1994 having its registered office and principal place of business located at Noor Centre, office No.4, 2nd floor, plot no. 30-C, Ittehad Lane No.12, Phase VII, D.H.A., Karachi.

During the previous year, management of DESCCL had decided to windup the company, therefore, investment in DESCCL had been classified as short term as it is likely that the Company will receive its due share of net assets of DESCCL within the next financial year.

**(Un-audited)                      (Audited)**  
**March 31, 2022                      June 30, 2021**

**(Rupees in thousand)**

## 7 CASH AND BANK BALANCES

### Cash in hand

-                                      -

### Cash at banks

- in current account
- in saving account

7.1

	<u>2</u>	<u>2</u>
	<u>115,356</u>	<u>125,840</u>
	<u><b>115,358</b></u>	<u><b>134,369</b></u>

- 7.1** It carries markup ranging between 3.41% to 4.00% (June 30 2021: 3.41% to 3.86%) per annum.

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN- AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2022**

(Un-audited) (Audited)  
March 31, June 30, 2021  
2022  
(Rupees in thousand)

**8 TRADE AND OTHER PAYABLE**

Accrued liabilities	3,238	3,997
Salaries payable	116	470
Withholding tax payable	60	60
SESSI payable	583	583
EOBI payable	600	600
Workers' Profit Participation Fund payable	2,484	2,484
	<b>7,082</b>	<b>8,195</b>

**9 COMMITMENTS AND CONTINGENCIES**

**9.1 Commitments**

There are no commitments binding on the Company as on the reporting date (June 30, 2021: nil).

**10 GENERAL**

- Figures have been rounded off to the nearest thousand of Rupees, unless otherwise stated.

**11 DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial statements have been authorized for issue on 29 March, 2022 by the Board of Directors of the Company.



Chief Executive



Director



Chief Financial Officer