

# HALF YEARLY REPORT DEC 2023



**DADABHOJ CEMENT INDUSTRIES LTD.**

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# DADABHOY CEMENT INDUSTRIES LIMITED

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## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mr. Fazal Karim Dadabhoy Chief Executive  
Mr. Danish Dadabhoy  
Mr. Shahban Ali  
Mr. Jumma Baig  
Mr. Mohammad Zaman  
Mr. Munir Hussain  
Mr. Liaquat Hussain

### CHIEF FINANCIAL OFFICER

Mr. Aslam Motan

### COMPANY SECRETARY

Mr. Muhammad Rashid.

### AUDITORS

M/s. S.M. Suhail Co., Chartered Accountants

### LEGAL ADVISOR

Mr. Salim Thepdawala & Company

### BANKER

Silk Bank Limited  
Bank Al Habib Limited

### REGISTERED OFFICE

Noor Centre Office No.4, 2nd Floor  
Plot No. 30-C Ittehad Lane 12  
Phase VII D.H.A, Karachi.  
Tel : 021-35312007-9  
URL : [www.mhdadabhoy.com](http://www.mhdadabhoy.com)

### SHARE REGISTRAR

Formerly M/s. Technology Trade (Pvt) Ltd.  
Dagia House, 241-C, Block 2, P.E.C.H.S.  
Off Shahrah-e-Quaideen, Karachi.  
Telephone No. 43913 16-17, Fax No. 4391318

### FACTORY

Nooriabad Deh Kalu Kohar,  
District Dadu (Sindh)

### HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Jumma Baig	Chairman
Mr. Danish Dadabhoy	Member
Mr. Fazal Karim Dadabhoy	Member

### AUDIT COMMITTEE

Mr. Shahban Ali	Chairman
Mr. Danish Dadabhoy	Member
Mr. Fazal Karim Dadabhoy	Member



**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF DADABHOY CEMENT INDUSTRIES LIMITED  
ON THE CONDENSED INTERIM FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **Dadabhoj Cement Industries Limited** ("the Company") as at December 31, 2023, and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the financial statements for the half year then ended (here-in-after referred to as the "condensed interim financial statements"). Management of the entity is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

The figures of the condensed interim financial statements for the quarter ended December 31, 2023 and December 31, 2022, have not been reviewed and we do not express a conclusion thereon as we are required to review only cumulative figures for the half year ended December 31, 2023.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Basis for Qualified Conclusion**

The operations of the Company have been closed since the financial year 2009. Since then, the Company has reported nil sales and has been entirely dependent on the financial support of its Directors. Additionally, it has disposed of all its operating assets and settled its outstanding bank loan and other obligations.

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. The appeal is still pending.

These factors cast a significant doubt regarding the company's ability to continue as a going concern. However, the management of the company has prepared these financial statements on a going concern basis as per the factors disclosed by the management in the note 1.2 to the annexed financial statements that reflects the steps taken by the management for the commencement of new business activity for the Company which has not been materialized as at the date of the financial statement.

### **Qualified Conclusion**

In our Conclusion and to the best of our information and according to the explanations given to us, except for the matters described in basis for Qualified Conclusion section of our report the statement of financial position, statement of profit or loss and other comprehensive, the statement of changes in equity and the statement of cash flows together with the notes to the financial statement as per the accounting and reporting standards as applicable in Pakistan gives the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2023, of the profit, and other comprehensive income, the changes in equity and its cash flows for the year then ended.

The engagement partner on this engagement resulting in this independent auditors' review report is S.M. Suhail, FCA.

### **Other Matter**

The financial statements of the Company for the half year ended December 31, 2022, were reviewed by another firm of Chartered Accountants, who vide their report dated February 28, 2023, expressed an Adverse Conclusion.



S.M. Suhail & Co.  
Chartered Accountants  
Karachi

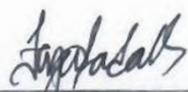
Our Ref: SMS-A-05632024  
Date: February 29, 2024

UDIN: RR202310197xbm7iThfV

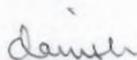
**DADABHOY CEMENT INDUSTRIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2023**

ASSETS	Note	(Un-audited)	(Audited)
		December 31, 2023	June 30, 2023
(Rupees in Thousands)			
<b>Non-Current Assets</b>			
Property, plant and equipment	5	5,241	5,797
Long term investments	6	-	-
		5,241	5,797
<b>Current Assets</b>			
Advances and other receivables	7	11,756	9,740
Short term investment	8	118,328	118,328
Cash and bank balances	9	115,156	114,915
		245,240	242,983
<b>Total Assets</b>		250,481	248,780
<b>EQUITY AND LIABILITIES</b>			
<b>Authorized Capital</b>			
150,000,000 (June 30, 2023: 150,000,000) Ordinary shares of Rs. 10 each		1,500,000	1,500,000
<b>Issued, subscribed and paid up capital</b>	10	982,366	982,366
<b>Capital reserves</b>			
Other capital reserve	11	33,224	33,224
<b>Revenue reserve</b>			
Accumulated losses		(773,402)	(775,154)
<b>Shareholders' equity</b>		242,188	240,436
<b>Non-Current Liabilities</b>			
Deferred liabilities	12	-	-
<b>Current Liabilities</b>			
Trade and other payables	13	6,816	7,013
Income tax liability		911	764
Unclaimed dividend		566	566
		8,293	8,344
<b>Commitments and Contingencies</b>	14	-	-
<b>Total Equity and Liabilities</b>		250,481	248,780

The annexed notes from 1 to 22 form an integral part of these financial statements.



Chief Executive



Director

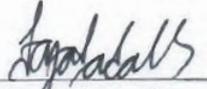


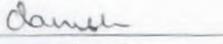
Chief Financial Officer

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHE**  
**FOR THE HALF YEAR & QUARTER ENDED DECEMBER 31, 2023 (UN-AUDITED)**

	Note	Half year ended		Quarter year ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
		(Rupees in Thousands)		(Rupees in Thousands)	
Administrative expenses	15	(9,821)	(4,263)	(4,548)	(1,548)
Financial cost - bank charges		-	-	-	-
<b>Operating loss</b>		<b>(9,821)</b>	<b>(4,263)</b>	<b>(4,548)</b>	<b>(1,548)</b>
Other charges	16	(38)	(35)	-	-
Other income	17	11,758	8,172	5,883	4,188
<b>Profit / (Loss) before taxation</b>		<b>1,899</b>	<b>3,874</b>	<b>1,336</b>	<b>2,640</b>
Taxation	18	(147)	(102)	-	-
<b>Profit / (Loss) after taxation</b>		<b>1,752</b>	<b>3,772</b>	<b>1,336</b>	<b>2,640</b>
<b>Other comprehensive income:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive Profit / (Loss) for the half year</b>		<b>1,752</b>	<b>3,772</b>	<b>1,336</b>	<b>2,640</b>
<b>Earning / (Loss) per share - basic and diluted (Rupees)</b>		<b>0.02</b>	<b>0.04</b>	<b>0.01</b>	<b>0.01</b>

The annexed notes from 1 to 22 from an integral part of these financial statements. *smr*

  
 Chief Executive

  
 Director

  
 Chief Financial Officer

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR & QUARTER ENDED DECEMBER 31, 2023 (UN-AUDITED)**

	Share Capital	Capital Reserves	Revenue Reserve	Shareholders' equity
	Issued, subscribed and paid up capital	Other capital reserve	Accumulated losses	
----- (Rupees in Thousands) -----				
<b>Balance as at July 01, 2022</b>	982,366	33,224	(778,764)	236,826
<b>Total comprehensive Profit for the half year</b>				
Profit after taxation	-	-	3,772	3,772
Other comprehensive income	-	-	-	-
<b>Balance as at December 31, 2022</b>	982,366	33,224	(774,992)	240,598
<b>Balance as at July 01, 2023</b>	982,366	33,224	(775,154)	240,436
<b>Total comprehensive Profit for the half year</b>				
Profit after taxation	-	-	1,752	1,752
Other comprehensive income	-	-	-	-
<b>Balance as at December 31, 2023</b>	982,366	33,224	(773,402)	242,188

The annexed notes from 1 to 22 from an integral part of these financial statements.

*sumo*

*[Signature]*  
 Chief Executive

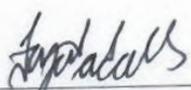
*[Signature]*  
 Director

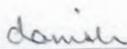
*[Signature]*  
 Chief Financial Officer

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE HALF YEAR & QUARTER ENDED DECEMBER 31, 2023 (UN-AUDITED)**

	December 31, 2023	December 31, 2022
Notes	Half year ended	
	(Rupees in Thousands)	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,899	3,874
Adjustments for:		
Depreciation	556	657
Financial charges	-	-
<b>Cash in flow before working capital changes</b>	<u>2,456</u>	<u>4,532</u>
<b>Working capital changes:</b>		
<b>Increase in current assets</b>		
Advances and other receivables	(253)	(513)
<b>Decrease in current liabilities</b>		
Trade and other payable	(197)	(2,163)
<b>Cash generated from / (used in) operations</b>	<u>2,005</u>	<u>1,856</u>
Taxes paid	(1,764)	(1,226)
Financial charges paid	-	-
<b>Net cash generated from / (used in) operating activities</b>	<u>242</u>	<u>630</u>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds for acquisition of fixed assets	-	(80)
<b>Net cash used in investing activities</b>	<u>-</u>	<u>(80)</u>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net increase / (decrease) in cash and cash equivalents	242	550
Cash and cash equivalents at beginning of the half year	114,915	115,289
Cash and cash equivalents at end of the half year	<u>115,157</u>	<u>115,839</u>

The annexed notes from 1 to 22 form an integral part of these financial statements.

  
 Chief Executive

  
 Director

  
 Chief Financial Officer

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

**1 STATUS AND NATURE OF BUSINESS**

**1.1** Dadabhoy Cement Industries Limited (DCIL) was incorporated on 09 August 1979 under the Companies Act 1913, now it is 2017, 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.

**1.2 Going concern assumption**

The operations of the company have been closed since the financial year 2009. Since then, the company has reported nil sales and has been entirely dependent on the financial support of its Directors and associated entities. Additionally, it has disposed of all its operating assets and settled its outstanding bank loan and other obligations. These factors indicate the existence of material uncertainty that may cast significant doubts regarding the company's ability to continue as a going concern.

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

- 1.2.1** 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.
- 1.2.2** 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.
- 1.2.3** To achieve the objective mentioned in para above, the Company has been corresponding with the prospective investors to attract the investment in the Company.
- 1.2.4** 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. *sumo*

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

- 1.3** 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 the SECP. On April 16, 2021 Company submitted the revival plan to SECP and requested the SECP to withdraw the Impugned Order. The appeal is still pending.

**2 Statement of compliance**

- 2.1** These unconsolidated condensed interim financial statements of the Company for the half year ended December 31, 2023 have been prepared in accordance with the accounting and reporting standard applicable in Pakistan for the interim Financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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 of and directives issued under the Act, where the provisions of or the directives issued under the Act, differ with the requirements of the IAS 34, the provisions of and directives issued under the Act have been followed.

- 2.2** The figures of condensed interim statement of profit or loss and other comprehensive income for the quarter ended December 31, 2023 have not been reviewed by the auditors of the Company as they have reviewed the cumulative figures for the half year ended December 31, 2023. 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, 2023.
- 2.3** These condensed interim financial statements has been prepared under historical cost convention.
- 2.4** These condensed interim financial statements are presented in Pakistani Rupees which is also the functional currency of the Company.
- 2.5** The comparative statement of financial position presented has been extracted from the annual financial statements for the year ended June 30, 2023, 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 half year ended December 31, 2022. *sumo*

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

**3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- 3.1** The accounting policies, applied in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2023.
- 3.2** Certain standards, amendments and interpretations to the approved accounting standards are effective for accounting periods beginning on or after July 1, 2023 but are considered not to be relevant or have any significant effect on the Company's operation and are therefore not detailed in these condensed interim financial statements.

**4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT**

- 4.1** 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. *same*

**DADABHOY CEMENT INDUSTREIS LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

**5 PROPERTY, PLANT AND EQUIPMENTS**

	Generators	Furnitures	Motor Vehicles	office Equipment	Total
	-----Rupees in Thousands-----				
	<b>30-Jun-23</b>				
Net book value as of Jan 01, 2023	369	164	5,002	671	6,207
Additions	-	113	-	80	193
Disposal / write-offs	-	-	-	-	-
Depreciation charge for the period	35.4	21	480	67	603
Closing net book value	<u>334</u>	<u>256</u>	<u>4,522</u>	<u>684</u>	<u>5,797</u>
<b>As at June 30, 2023</b>					
Cost	568	363	6,666	912	8,508
Accumulated depreciation	234	107	2,143	227	2,711
<b>Net book value as of June 30, 2023</b>	<u>334</u>	<u>256</u>	<u>4,522</u>	<u>684</u>	<u>5,797</u>
	<b>31-Dec-23</b>				
Net book value as of July 01, 2023	334	256	4,522	684	5,797
Additions	-	-	-	-	-
Disposal / write-offs	-	-	-	-	-
Depreciation charge for the period	32	25	434	66	556
Closing net book value	<u>302</u>	<u>231</u>	<u>4,089</u>	<u>619</u>	<u>5,241</u>
<b>As at December 31, 2023</b>					
Cost	568	363	6,666	912	8,508
Accumulated depreciation	266	132	2,577	293	3,267
<b>Net book value as of Dec 31, 2023</b>	<u>302</u>	<u>231</u>	<u>4,089</u>	<u>619</u>	<u>5,241</u>
Depreciation rate (% per annum)	<u>20%</u>	<u>20%</u>	<u>20%</u>	<u>20%</u>	

**6 LONG TERM INVESTMENTS**

**Associate**

Dadabhoy Sack Limited

Note (Un-audited) (Audited)  
December 31, 2023 June 30, 2023  
(Rupees in thousand)

6.1 - -

**6.1 Dadabhoy Sack Limited - at equity method**

Investment - cost 6.1.1 2,420 2,420  
Provision for impairment 6.1.2 (2,420) (2,420)  
Book value of investment as at December 31 - -

*sumo*

**DADABHOY CEMENT INDUSTREIS LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

**6.1.1** Dadabhoy Sack Limited (DSL) was incorporated in Pakistan on September 27, 1983. The principal activity of the company is the manufacturing and sale of paper bags. DSL's registered office is situated at suite # 4, 2nd floor, plot no. 28-30/C, Noor center, Khayaban-e-Ittehad, Lane no.12, Phase VII, D.H.A., Karachi, Sindh. Manufacturing facility of DSL is located at Deh, Hatal Buth, Thana Bula Khan, Main Super Highway, Jamshoro, Sindh. The Company holds 6.90% equity interest (276,000 shares) in the Dadabhoy Sack Limited (DSL) which has been presumed to be an associated company due to the fact that majority of the Directors of the Company are also the members on the Board of Directors of DSL. The reporting date of DSL is also the same as of the Company, i.e. June 30.

**6.1.2** The investment in DSL is fully impaired due to the fact the operations of DSL are closed since financial year 2008 due to which DSL is facing financial and operational difficulties and is unable to discharge its liabilities in due course of business. DSL is reporting nil sales since then and is totally dependent on the financial support of its Directors. Since trading in shares of DSL is suspended in the PSX therefore, fair value of share price cannot be measured reliably.

**7 ADVANCES AND OTHER RECEIVABLES**

		(Un-audited)	(Audited)
		December	June 30,
		31, 2023	2023
		(Rupees in Thousands)	
<b>- Un-secured - considered good</b>			
<b>Advances &amp; deposits</b>			
Advance tax		7,062	5,298
Deposits		220	220
<b>Other receivables</b>			
From Dadabhoy Hydrocarbon (Pvt.) Limited		828	829
From Dadabhoy Construction (Pvt.) Limited		110	110
From related parties	7.1	3,536	3,283
		<u>11,756</u>	<u>9,740</u>

**7.1** This includes receivable from Dadabhoy Sack Limited amounting to Rs. 2.513 (June 30, 2023: Rs. 2.259) million, Dadabhoy Energy Supply Limited amounting to Rs. 0.730 (June 30, 2023: Rs. 0.730) million, Dadabhoy Uni-Minerals Limited amounting to Rs. 0.020 (June 30, 2023: 0.020) million, Dadabhoy Trading Corporation amounting to Rs. 0.210 (June 30, 2023: 0.210) million and Leo Private Ltd amounting to Rs. 0.063 (June 30, 2023: 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 year with respect to month end balances.

*same*

**DADABHOY CEMENT INDUSTREIS LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

<b>8 SHORT TERM INVESTMENT</b>		<b>(Un-audited)</b>	<b>(Audited)</b>
	<b>Note</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
		<b>(Rupees in Thousands)</b>	
<b>Investments in associate</b>			
Dadabhoy Energy Supply Company Limited		<u>118,328</u>	<u>118,328</u>

- 8.1.1** 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.  
Management of DESCL had decided to windup the company, therefore, investment in DESCL had been classified as short term as it is likely that the Company will receive its due share of net assets of DESCL within the next financial year.

<b>8.1.2 Investment at cost</b>		<b>(Un-audited)</b>	<b>(Audited)</b>
	<b>Note</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
		<b>(Rupees in Thousands)</b>	
Investment - cost	8.1.3	205,000	205,000
Provision for impairment		<u>(86,542)</u>	<u>(86,672)</u>
Book value of investment		<u>118,458</u>	<u>118,458</u>

- 8.1.3** The Company holds 47.86% (June 30, 2023: 47.86%) equity interest 20,500,000 shares (June 30, 2023: 20,500,000 shares) in DESCL which is an associated company now. The reporting date of DESCL is also the same as of the Company, i.e. June 30.

- 8.1.4** The Company has pledged 4,500,000 ordinary shares of Rs. 10 each of DESCL with a financial institution as a security against the financial assistance extended by the financial institution to DESCL.

<b>9 CASH AND BANK BALANCES</b>		<b>(Un-audited)</b>	<b>(Audited)</b>
		<b>December 31, 2023</b>	<b>June 30, 2023</b>
		<b>(Rupees in thousand)</b>	
<b>Cash in hand</b>			
		-	-
<b>Cash at banks</b>			
- in current account		<u>115,154</u>	<u>114,913</u>
- in saving account		<u>2</u>	<u>2</u>
		<u>115,156</u>	<u>114,915</u>
		<u>115,156</u>	<u>114,915</u>

*Summa*

**DADABHOY CEMENT INDUSTREIS LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

**10 ISSUED , SUBSCRIBED AND PAID UP CAPITAL**

(Un-audited)	(Audited)		(Un-audited )	(Audited)
Dec 31,2023	June 30, 2023		December	June 30,
(Number of share)			31, 2023	2023
			Rupees in Thousands	
98,236,624	98,236,624	Ordinary share of	982,366	982,366
		Rs.10 each fully paid		

**10.1** Number of shares held by leo (pvt ). Limited ,the holding company, and dadabhoj trading corporation (pvt) Limited , the associated company ,as on the Reporting date are 61,938,455 shares (june 30,2023: 61,938,455 shares) and 9,131,360 shares (june 30, 2023: 9,131,360 shares ) respectively, representing 63.05% (june 30, 2023: 63.05%) and 9.295% (june 30 ,2023) shareholding in the company.

**10.2 Reconciliation of issued , subscribed and paid up capital**

(Un-audited)	(Audited)	
Dec 31,2023	June 30, 2023	
(Number of share)		
98,236,624	98,236,624	Ordinary share of Rs.10 each fully paid up in cash - at beginging
-	-	Ordinary share oissued during the period
<u>98,236,624</u>	<u>98,236,624</u>	Ordinary share of Rs.10 each at the end of the period

**10.3** The ordinary share holders are entitled to receive all distributions including dividends and other entitlement in the form of the bonus and right share as and when declared by the company .All shares carry ane vote per share without restriction.

**11 CAPITAL RESERVE**

This represent premium of Rs. 2.50 per share received on issue of 13,289,600. ordinary share of Rs . 10 each in the year 1996. this reserve cannot be utilized except for the purposes mentioned under section 81 of the companies Act. *sumo*

**DADABHOY CEMENT INDUSTRIES LIMITED**  
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12 DEFERRED LIABILITIES	Note	(Un-audited) December 31, 2023	(Audited) June 30, 2023
(Rupees in Thousands)			
Deferred tax liability	12.1	-	-
		-	-
		<u>          </u>	<u>          </u>

**12.1 Deferred taxation comprises differences relating to:**

**Deductible temporary differences**

- investment in associates		(25,838)	(25,838)
- unused tax losses		(111)	(82)
		<u>(25,950)</u>	<u>(25,920)</u>
<b>Add: unrecognized deferred tax asset</b>	12.2	<u>25,950</u>	<u>25,920</u>
		<u>          </u>	<u>          </u>

**12.2** The Company has not recognized its deferred tax asset relating to deductible temporary differences of investments in associate and unused tax losses amounting to Rs. 25.95 (June 30, 2023: Rs. 25.92) million as the Company is uncertain about the timing and extent of future taxable profits against which such benefits can be utilized.

Unrecognized deductible temporary differences represent the unabsorbed tax depreciation, having indefinite availing period under the Income Tax Ordinance, 2001, which can be utilized by the Company against the taxable income arising in future.

13 TRADE AND OTHER PAYABLES	Note	(Un-audited) December 31, 2023	(Audited) June 30, 2023
(Rupees in Thousands)			
Accrued liabilities		2,575	3,086
Salaries payable		514	200
Withholding tax payable		60	60
SESSI payable		583	583
EOBI payable		600	600
Workers' Profit Participation Fund payable		2,484	2,484
		<u><b>6,816</b></u>	<u><b>7,013</b></u>

**14 COMMITMENTS AND CONTINGENCIES**

**14.1 Commitments & contingencies**

There are no commitments & contingencies binding on the Company as on the reporting date (June 30, 2023: nil). *sumo*

**DADABHOY CEMENT INDUSTREIS LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

		(Un-audited) December 31, 2023	(Un-audited) December 31, 2022
	Note	(Rupees in Thousands)	
<b>15 ADMINISTRATIVE EXPENSES</b>			
Salaries and other benefits	15.1	3,306	1,634
Traveling and conveyance		-	107
Rent, rates and taxes		900	400
Depreciation expense		556	657
Utilities		379	235
Vehicle Maintainance		430	363
Donation Expense		-	-
Legal and professional		3,351	371
Office expenses		899	496
General expenses		-	-
		<u>9,821</u>	<u>4,263</u>

**15.1** This represents Directors' remuneration for the period of Mr. Danish Dadabhoy amounting Rs. Nil (June 30, 2023: 800,000/-), Mr. Shaban Ali amounting Rs. 300,000 (June 30, 2023: 300,000), Mr. Jumma Baig amounting Rs. 300,000 (June 30, 2023: 300,000), Mr. Muhammad Zaman amounting Rs. 300,000 (June 30, 2023: 300,000), Mr. Liaquat Hussain amounting Rs. 300,000 (June 30, 2023: 300,000) and Mr. Fazal Karim Dadabhoy amounting Rs. 1,270,000 (June 30, 2023: 2,132,503)

		(Un-audited) December 31, 2023	(Un-audited) December 31, 2022
	Note	(Rupees in Thousands)	
<b>16 OTHER CHARGES</b>			
Auditors' remuneration	16.1	38	35
		<u>38</u>	<u>35</u>
<b>16.1 Auditors' remuneration</b>			
Half yearly review		35	35
Out of pocket expenses		-	-
		<u>35</u>	<u>35</u>

**17 OTHER INCOME**

**Income from financial asset**

Profit on saving account	17.1	11,758	8,172
		<u>11,758</u>	<u>8,172</u>

**17.1** It carries markup ranging between 4.5% to 15.5% (June 30 2023: 4.5% to 13.5%) per annum. *sumo*

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
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18 TAXATION	Note	(Un-audited)	(Un-audited)
		December	December
Current	18.1	<u>147</u>	<u>102</u>

18.1 The Company computes tax provisions based on the generally accepted interpretations of the tax laws to ensure that sufficient provision for the purpose of

19 EARNINGS/ (LOSS) PER SHARE - BASIC AND DILUTED	(Un-audited)	(Un-audited)
	December 31, 2023	December 31, 2022
Profit / (Loss) after taxation - Rupees in Thousands	<u>1,752</u>	<u>3,772</u>
Weighted average number of outstanding ordinary shares	<u>98,236,624</u>	<u>98,236,624</u>
Earning / (Loss) per share - basic and diluted (Rupees)	<u>0.02</u>	<u>0.04</u>

**20 REMUNERATION OF DIRECTORS, CHIEF EXECUTIVE AND EXECUTIVES**

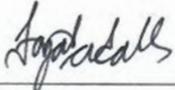
Remuneration of Chief Executive during the period was Rs 1,270,000/- (June 30, 2023: 2,133,000/-)

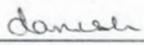
**21 GENERAL**

- Figures have been rounded off to the nearest thousand of Rupees, unless and otherwise stated.
- Number of employees as on the year end date and average number of employees during the Half year were 10 (June 30, 2023: 6) and 9 (June 30, 2022: 8).

**22 DATE OF AUTHORIZATION FOR ISSUE**

These financial statements have been authorized for issue on 29 FEB 2024 by the Board of Directors of the Company *mm*

  
 Chief Executive

  
 Director

  
 Chief Financial Officer