

# HALF YEARLY REPORT DEC 2022



**DADABHOJ  
GROUP**



**DADABHOJ CEMENT INDUSTRIES LTD.**

---

# DADABHOY CEMENT INDUSTRIES LIMITED

---

## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mr. Danish Dadabhoy

Chairman

Mr. Fazal Karim Dadabhoy

Chief Executive

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 A A Baig & 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



A A BAIG & Co.

CHARTERED ACCOUNTANTS

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF DADABHOY CEMENT INDUSTRIES LIMITED  
REPORT ON THE REVIEW OF THE FINANCIAL STATEMENTS**

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Dadabhoy Cement Industries Limited as at 31 December 2022 and the related 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, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this 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 financial statements based on our review.

The figures of interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2022 and December 31, 2021 have not been reviewed as we are required to review only the cumulative figures for the half year ended December 31, 2022.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information 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 Adverse Conclusion**

(a) During the period ended December 31, 2022, the Company has incurred loss before tax amounting to Rs. 3.772 million and has accumulated losses as on that date amounting to Rs. 774.992 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 ordinary course of business. The Company was reporting nil sales since then and was totally dependent upon the financial support of its directors and sponsors to fulfil its operational and financial obligations. During the year ended June 30, 2018, the Company had also disposed off all of its operating fixed assets and settled its outstanding bank loan and other obligations. Moreover, management has not made the assessment of going concern of the Company.

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 interim financial statements do not disclose this fact. Further, the mitigating factors disclosed by the management in the interim financial statements in note no. 1.2 reflect only initial steps taken by the management for restarting the operational activities of the Company, which have not been materialized till the issue of these interim financial statements.

(b) The Company has not deposited unclaimed dividend amounting to Rs. 0.566 million in a separate bank account designated for this purpose.

AAB/60





**Adverse Conclusion**

Owing to the significance of the matters stated in the preceding paragraphs, these interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Mirza Asad Ali Baig.

Date: February 28, 2023

Karachi

UDIN: RR202210220E10YoW2LZ

*AABaig & Co.*

**A A BAIG & Co.**


CHARTERED ACCOUNTANTS

*AAB & Co.*

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

		<u>(Un-audited)</u>	<u>(Audited)</u>
		December 31, 2022	June 30, 2022
	Note	(Rupees in thousand)	
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	5	6,207	6,785
Long term investments	6	-	-
		<u>6,207</u>	<u>6,785</u>
<b>Current Assets</b>			
Advances and other receivables	7	7,274	5,637
Short term investment	8	118,458	118,458
Cash and bank balances	9	115,839	115,289
		<u>241,571</u>	<u>239,384</u>
<b>Total Assets</b>		<u><b>247,778</b></u>	<u><b>246,169</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>			
<b>Capital reserves</b>	10	982,366	982,366
Other capital reserve	11	33,224	33,224
<b>Revenue reserve</b>			
Accumulated losses		(774,992)	(778,764)
<b>Shareholders' equity</b>		<u>240,598</u>	<u>236,826</u>
<b>Non-Current Liabilities</b>			
Deferred liabilities	12	-	-
<b>Current Liabilities</b>			
Trade and other payable	13	6,614	8,777
Unclaimed dividend		566	566
		7,180	9,343
<b>Commitments and Contingencies</b>	14	-	-
<b>Total Equity and Liabilities</b>		<u><b>247,778</b></u>	<u><b>246,169</b></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**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)**

	Note	Half year ended		Quarter year ended	
		December	December	December	December
		31, 2022	31, 2021	31, 2022	31, 2021
		(Rupees in thousand)		(Rupees in thousand)	
Administrative expenses	15	(4,263)	(6,439)	(1,548)	(3,227)
Financial cost - bank charges		-	-	-	-
<b>Operating loss</b>		<b>(4,263)</b>	<b>(6,439)</b>	<b>(1,548)</b>	<b>(3,227)</b>
Other charges	16	(35)	(35)	-	-
Other income	17	8,172	3,955	4,188	2,076
<b>Profit / (Loss) before taxation</b>		<b>3,874</b>	<b>(2,519)</b>	<b>2,640</b>	<b>(1,151)</b>
Taxation	18	(102)	-	-	-
<b>Profit / (Loss) after taxation</b>		<b>3,772</b>	<b>(2,519)</b>	<b>2,640</b>	<b>(1,151)</b>
<b>Other comprehensive income:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive Profit / (Loss) for the year</b>		<b>3,772</b>	<b>(2,519)</b>	<b>2,640</b>	<b>(1,151)</b>
<b>Earning / (Loss) per share - basic and diluted (Rupees)</b>		<b>0.04</b>	<b>(0.03)</b>	<b>0.01</b>	<b>(0.03)</b>

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

  
 Chief Executive

  
 Director

  
 Chief Financial Officer

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

	Share Capital	Capital Reserves	Revenue Reserve	Shareholders' equity
	Issued, subscribed and paid up capital	Other capital reserve	Accumulated losses	
	----- (Rupees in thousand) -----			
<b>Balance as at July 01, 2021</b>	982,366	33,224	(775,510)	240,080
<b>Total comprehensive income for the period</b>				
Loss after taxation	-	-	(2,519)	(2,519)
Other comprehensive income	-	-	-	-
<b>Balance as at December 31, 2021</b>	982,366	33,224	(778,029)	237,561
<b>Balance as at July 01, 2022</b>	982,366	33,224	(778,764)	236,826
<b>Total comprehensive loss for the period</b>				
Loss 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

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

  
 \_\_\_\_\_  
 Chief Executive

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Chief Financial Officer

**DADABHOY CEMENT INDUSTRIES LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE HALF-YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)**

	December 31, 2022	December 31, 2021
	Half year ended	
Note	(Rupees in thousand)	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	3,874	(2,519)
Adjustments for:		
Depreciation	657	626
Financial charges	-	-
<b>Cash in flow / (out flow) before working capital changes</b>	<u>4,532</u>	<u>(1,893)</u>
Working capital changes:		
<b>Increase in current assets</b>		
Advances and other receivables	(513)	(48)
<b>Decrease in current liabilities</b>		
Trade and other payable	(2,163)	(729)
<b>Cash generated from / (used in) operations</b>	<u>1,856</u>	<u>(2,670)</u>
Taxes paid	(1,226)	(593)
Financial charges paid	-	-
<b>Net cash generated from / (used in) operating activities</b>	<u>630</u>	<u>(3,263)</u>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds for acquisition of fixed assets	(80)	(6,609)
<b>Net cash used in investing activities</b>	<u>(80)</u>	<u>(6,609)</u>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net Increase / (decrease) in cash and cash equivalents	550	(9,872)
Cash and cash equivalents at beginning of the year	115,289	125,842
Cash and cash equivalents at end of the year	<u>115,839</u>	<u>115,970</u>

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



Chief Executive



Director



Chief Financial Officer



**DADABHOY CEMENT INDUSTRIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)**

**1 STATUS AND NATURE OF BUSINESS**

**1.1** Dadabhoy 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.

**1.2 Going concern assumption**

The Company having accumulated losses as at reporting date amounting to Rs. 774.99 million (June 30, 2022: Rs. 778.76 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 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.

**1.3** 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 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** These condensed interim financial statements of the Company for the half year ended December 31, 2022 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** The figures of condensed interim statement of profit or loss and other comprehensive income for the quarter ended December 31, 2022 have not been reviewed by the auditors of the Company as they have reviewed the cumulative figures for the half year ended December 31, 2022. 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, 2022.
- 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, 2022, 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. 2021.

## **3 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, 2022.
- 3.2** Certain standards, amendments and interpretations to the approved accounting standards are effective for accounting periods beginning on or after July 1, 2022 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.

## 5 PROPERTY, PLANT AND EQUIPMENTS

	Generators	Furnitures	Motor Vehicles	office Equipment	Total
-----Rupees in thousand-----					
30-Jun-22					
Net book value as of Jan 01, 2022	452	201	6,120	184	6,957
Additions	-	-	-	534	534
Disposal / write-offs	-	-	-	-	-
Depreciation charge for the period	43.36	19	587	57	706
Closing net book value	409	182	5,533	661	6,785
<b>As at June 30, 2022</b>					
Cost	568	250	6,666	752	8,235
Accumulated depreciation	159	68	1,132	90	1,450
<b>Net book value as of June 30, 2022</b>	<b>409</b>	<b>182</b>	<b>5,533</b>	<b>661</b>	<b>6,785</b>
31-Dec-22					
Net book value as of July 01, 2022	409	182	5,533	661	6,785
Additions	-	-	-	80	80
Disposal / write-offs	-	-	-	-	-
Depreciation charge for the period	39	17	531	70	657
Closing net book value	<b>369</b>	<b>164</b>	<b>5,002</b>	<b>671</b>	<b>6,207</b>
<b>As at December 31, 2022</b>					
Cost	568	250	6,666	832	8,315
Accumulated depreciation	199	86	1,663	160	2,108
<b>Net book value as of Dec 31, 2022</b>	<b>369</b>	<b>164</b>	<b>5,002</b>	<b>671</b>	<b>6,207</b>
Depreciation rate (% per annum)	<b>20%</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>	

## 6 LONG TERM INVESTMENTS

### Associate

Dadabhoy Sack Limited

	Note	(Un-audited) December 31, 2022 (Rupees in thousand)	(Audited) June 30, 2022
	6.1	-	-
<b>6.1 Dadabhoy Sack Limited - at equity method</b>			
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		-	-

**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.

	Note	(Un-audited) December 31, 2022 (Rupees in thousand)	(Audited) June 30, 2022
<b>7 ADVANCES AND OTHER RECEIVABLES</b>			
<b>- Un-secured - considered good Advances</b>			
Advance tax		3,633	2,509
<b>Other receivables</b>			
From Dadabhoy Hydrocarbon (Pvt.) Limited		828	813
From Dadabhoy Construction (Pvt.) Limited		110	110
From related parties	7.1	2,703	2,205
		<u>7,274</u>	<u>5,637</u>

- 7.1** This includes receivable from Fazal Karim Dadabhoy Rs 0.049 (2022: Nil) Dadabhoy Sack Limited amounting to Rs. 1.737 (2022: Rs. 1.469) million, Dadabhoy Energy Supply Limited amounting to Rs. 0.622 (2022: Rs. 0.622) million, Dadabhoy Uni-Minerals Limited amounting to Rs. 0.020 (2022: 0.020) million, Dadabhoy Trading Corporation amounting to Rs. 0.210 (2022: 0.031) million and Leo Private Ltd amounting to Rs. 0.063 (2022: 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.

	Note	(Un-audited) December 31, 2022 (Rupees in thousand)	(Audited) June 30, 2022
<b>8 SHORT TERM INVESTMENT</b>			
<b>Investments in associate</b>			
Dadabhoy Energy Supply Company Limited		<u>118,458</u>	<u>118,458</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.

	Note	(Un-audited) December 31, 2022 (Rupees in thousand)	(Audited) June 30, 2022
<b>8.1.2 Investment at cost</b>			
Investment - cost	8.1.3	205,000	205,000
Provision for impairment		(86,542)	(86,542)
Book value of investment		<u>118,458</u>	<u>118,458</u>

- 8.1.3** The Company holds 47.86% (June 30, 2022: 47.86%) equity interest i.e. 20,500,000 shares (June 30, 2022: 20,500,000 shares) in DESCL which is an associated company. 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.

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

**9 CASH AND BANK BALANCES**

Cash in hand

- -

Cash at banks

- in current account
- in saving account

2	2
115,837	115,287
115,839	115,289
<b>115,839</b>	<b>115,289</b>

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

(Un-audited) (Audited)  
December June 30,  
31, 2022 2022  
(Number of shares)

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

	<u>98,236,624</u>	<u>98,236,624</u>	Ordinary shares of Rs. 10 each fully paid up in cash	<u>982,366</u>	<u>982,366</u>
--	-------------------	-------------------	---	----------------	----------------

**10.1** Number of shares held by Leo (Pvt.) Limited, the holding company, and Dadabhoy Trading Corporation (Pvt.) Limited, the associated company, as on the reporting date are 61,938,455 shares (June 30, 2022: 61,938,455 shares) and 9,131,360 shares (June 30, 2022: 9,131,360 shares) respectively, representing 63.05% (June 30, 2022: 63.05%) and 9.295% (June 30, 2022: 9.295%) shareholding in the Company.

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

(Un-audited) (Audited)  
December June 30,  
31, 2022 2022  
(Number of shares)

98,236,624	98,236,624	Ordinary shares of Rs. 10 each fully paid up in cash - at beginning
-	-	Ordinary shares issued during the period
<u>98,236,624</u>	<u>98,236,624</u>	Ordinary shares 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 entitlements in the form of bonus and right shares as and when declared by the Company. All shares carry one vote per share without restriction.

**11 CAPITAL RESERVES**

This represents premium of Rs. 2.50 per share received on issue of 13,289,600 ordinary shares 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, 2017.



		(Un-audited) December 31, 2022 (Rupees in thousand)	(Audited) June 30, 2022
	Note		
<b>12 DEFERRED LIABILITIES</b>			
Deferred tax liability	12.1	-	-
		<u>-</u>	<u>-</u>

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

**Deductible temporary differences**

- investment in associates		(25,800)	(25,801)
- unused tax losses		(48)	(22)
		<u>(25,848)</u>	<u>(25,823)</u>
<b>Add: unrecognized deferred tax asset</b>	12.2	25,848	25,823
	12.3	<u>-</u>	<u>-</u>

**12.2** The Company has not recognized its deferred tax asset relating to tax losses amounting to Rs. 25,848 (June 30, 2022: Rs. 25,823) 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.

		(Un-audited) December 31, 2022 (Rupees in thousand)	(Audited) June 30, 2022
	Note		
<b>13 TRADE AND OTHER PAYABLE</b>			
Accrued liabilities		2,374	3,138
Salaries payable		513	1,911
Withholding tax payable		60	60
SESSI payable		583	583
EOBI payable		600	600
Workers' Profit Participation Fund payable		2,484	2,484
		<u>6,614</u>	<u>8,777</u>

**14 COMMITMENTS AND CONTINGENCIES**

**14.1 Commitments**

There are no commitments binding on the Company as on the reporting date (June 30, 2022: nil).

	Note	Half year ended	
		(Un-audited) December 31, 2022	(Un-audited) December 31, 2021
<b>15 ADMINISTRATIVE EXPENSES</b>			
Salaries and other benefits	15.1	1,634	2,822
Traveling and conveyance		107	369
Rent, rates and taxes		400	571
Depreciation expense		657	626
Utilities		235	94
Vehicle Maintainance		363	377
Donation Expense		-	772
Legal and professional		371	500
Office expenses		496	147
General expenses		-	161
		<b>4,263</b>	<b>6,439</b>

**15.1** This represents directors' remuneration for the period of Mr. Danish Dadabhoy amounting Rs. 800,000/- and Mr. Fazal Karim Dadabhoy amounting Rs. 800,000.

	Note	Half year ended	
		(Un-audited) December 31, 2022	(Un-audited) December 31, 2021
<b>16 OTHER CHARGES</b>			
Auditors' remuneration	16.1	35	35
		<b>35</b>	<b>35</b>
<b>16.1 Auditors' remuneration</b>			
Half yearly review		35	35
Out of pocket expenses		-	-
		<b>35</b>	<b>35</b>
<b>17 OTHER INCOME</b>			
<b>Income from financial asset</b>			
Profit on saving account	17.1	8,172	3,955
		<b>8,172</b>	<b>3,955</b>

**17.1** It carries markup ranging between 13.5% to 15.5% (June 30 2022: 3.41% to 13.5%) per annum.

	Note	Half year ended	
		(Un-audited) December 31, 2022	(Un-audited) December 31, 2021
<b>18 TAXATION</b>			
Current	18.1	<u>102</u>	<u>-</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 taxation is available.

	Half year ended	
	(Un-audited) December 31, 2022	(Un-audited) December 31, 2021
<b>19 EARNINGS/ (LOSS) PER SHARE - BASIC AND DILUTED</b>		
<b>Profit / (Loss) after taxation - Rupees in Thousands</b>	<u>3,772</u>	<u>(2,519)</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>0.04</u>	<u>(0.03)</u>

## 20 REMUNERATION OF DIRECTORS, CHIEF EXECUTIVE AND EXECUTIVES

Remuneration of Chief Executive during the period was Rs 800,000/- (June 30, 2022: 2,769,000/-)

Remuneration of directors during the period was Rs 800,000/- (June 30, 2022: 2,400,000/-)

## 21 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 were 5 (June 30, 2022: 4) and 5 (June 30, 2022: 5).

## 22 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on **28 Feb 2023** by the Board of Directors of the Company.



Chief Executive



Director



Chief Financial Officer