

DADABHOY CEMENT INDUSTRIES LIMITED
FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED
MARCH 31, 2024

DADABHOY CEMENT INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024 (UN-AUDITED)

| | | <u>(Un-audited)</u> | <u>(Audited)</u> |
|---|------|-----------------------|-----------------------|
| | | March 31, 2024 | June 30, 2023 |
| | Note | (Rupees in thousand) | |
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 5 | 4,983 | 5,797 |
| Long term investments | | - | - |
| | | <u>4,983</u> | <u>5,797</u> |
| Current Assets | | | |
| Advances and other receivables | 6 | 12,778 | 9,740 |
| Short term investment | 7 | 118,328 | 118,328 |
| Cash and bank balances | 8 | 116,589 | 114,915 |
| | | <u>247,695</u> | <u>242,983</u> |
| Total Assets | | <u>252,678</u> | <u>248,780</u> |
| EQUITY AND LIABILITIES | | | |
| Authorized Capital | | | |
| 150,000,000 (June 30, 2023: 150,000,000) Ordinary shares of Rs. 10 each | | <u>1,500,000</u> | <u>1,500,000</u> |
| Issued, subscribed and paid up capital | | 982,366 | 982,366 |
| Capital reserves | | | |
| Other capital reserve | | 33,224 | 33,224 |
| Revenue reserve | | | |
| Accumulated losses | | (771,210) | (775,154) |
| Shareholders' equity | | <u>244,380</u> | <u>240,436</u> |
| Non-Current Liabilities | | | |
| Deferred liabilities | | - | - |
| Current Liabilities | | | |
| Trade and other payable | 9 | 6,749 | 7,013 |
| Income tax liability | | 983 | 764 |
| Unclaimed dividend | | 566 | 566 |
| | | 8,298 | 8,344 |
| Commitments and Contingencies | 10 | - | - |
| Total Equity and Liabilities | | <u>252,678</u> | <u>248,780</u> |

The annexed notes from 1 to 12 from 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 PERIOD ENDED MARCH 31, 2024 (UN-AUDITED)

| Note | Nine months period ended | | Quarter ended | |
|--|--------------------------|-------------------|----------------------|-------------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| | (Rupees in thousand) | | (Rupees in thousand) | |
| Administrative expenses | (13,299) | (7,555) | (3,478) | (3,292) |
| Financial cost - bank charges | - | - | - | - |
| Operating loss | (13,299) | (7,555) | (3,478) | (3,292) |
| Other charges | (38) | (35) | - | - |
| Other income | 17,500 | 12,451 | 5,741 | 4,279 |
| Profit / (Loss) before taxation | 4,163 | 4,861 | 2,263 | 987 |
| Taxation | (219) | (156) | (72) | (53) |
| Profit / (Loss) after taxation | 3,944 | 4,705 | 2,192 | 933 |
| Other comprehensive income: | - | - | - | - |
| Total comprehensive Profit / (Loss) for the period | 3,944 | 4,705 | 2,192 | 933 |
| Earning / (Loss) per share - basic and diluted (Rupees) | 0.04 | 0.05 | 0.02 | 0.05 |

The annexed notes from 1 to 12 form an integral part of these financial statements.



Chief Executive



Director



Chief Financial Officer

DADABHOY CEMENT INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2024 (UN-AUDITED)

| | Share Capital | Capital Reserves | Revenue Reserve | Shareholders' equity |
|--|--|-----------------------|--------------------|----------------------|
| | Issued, subscribed and paid up capital | Other capital reserve | Accumulated losses | |
| | ----- (Rupees in thousand) ----- | | | |
| Balance as at July 01, 2022 | 982,366 | 33,224 | (778,764) | 236,826 |
| Total comprehensive loss for the period | | | | |
| Loss after taxation | - | - | 4,705 | 4,705 |
| Other comprehensive income | - | - | - | - |
| Balance as at March 31, 2023 | 982,366 | 33,224 | (774,059) | 241,531 |
| Balance as at July 01, 2023 | 982,366 | 33,224 | (775,154) | 240,436 |
| Total comprehensive loss for the period | | | | |
| Loss after taxation | - | - | 3,944 | 3,944 |
| Other comprehensive income | - | - | - | - |
| Balance as at March 31, 2024 | 982,366 | 33,224 | (771,210) | 244,380 |

The annexed notes from 1 to 12 from an integral part of these financial statements.



 Chief Executive



 Director



 Chief Financial Officer

DADABHOY CEMENT INDUSTRIES LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2024 (UN-AUDITED)

| | <u>March 31, 2024</u> | <u>March 31, 2023</u> |
|---|---------------------------------|-----------------------|
| | <u>Nine months period ended</u> | |
| Note | (Rupees in thousand) | |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit / (Loss) before taxation | 4,163 | 4,861 |
| Adjustments for: | | |
| Depreciation | 814 | 962 |
| Financial charges | - | - |
| Cash in flow / (out flow) before working capital changes | <u>4,977</u> | <u>5,824</u> |
| Working capital changes: | | |
| Increase in current assets | | |
| Advances and other receivables | (413) | (904) |
| Decrease in current liabilities | | |
| Trade and other payable | (265) | (2,825) |
| Cash generated from / (used in) operations | <u>4,299</u> | <u>2,094</u> |
| Taxes paid | (2,625) | (2,078) |
| Financial charges paid | - | - |
| Net cash generated from / (used in) operating activities | <u>1,674</u> | <u>16</u> |
| B. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Proceeds for acquisition of fixed assets | - | (80) |
| Net cash used in investing activities | <u>-</u> | <u>(80)</u> |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Net Increase / (decrease) in cash and cash equivalents | 1,674 | (64) |
| Cash and cash equivalents at beginning of the year | 114,915 | 115,289 |
| Cash and cash equivalents at end of the year | <u>116,589</u> | <u>115,225</u> |

The annexed notes from 1 to 12 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 PERIOD ENDED MARCH 31, 2024 (UN-AUDITED)

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.

1.2 Going concern assumption

The Company having accumulated losses as at reporting date amounting to Rs. 771.21 million (June 30, 2023: Rs. 775.15 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 period ended March 31, 2024 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 March 31, 2024 have not been reviewed by the auditors of the Company as they have reviewed the cumulative figures for the period ended March 31, 2024. 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 period ended March 31. 2023.

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, 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.

DADABHOY CEMENT INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024 (UN-AUDITED)

5 PROPERTY, PLANT AND EQUIPMENTS

| | Generators | Furnitures | Motor Vehicles | office Equipment | Total |
|--|------------|------------|----------------|------------------|--------------|
| -----Rupees in thousand----- | | | | | |
| 31-Mar-24 | | | | | |
| Net book value as of July 01, 2023 | 334 | 256 | 4,522 | 684 | 5,797 |
| Additions | - | - | - | - | - |
| Disposal / write-offs | - | - | - | - | - |
| Depreciation charge for the period | 47 | 36 | 635 | 96 | 814 |
| Closing net book value | 287 | 220 | 3,888 | 588 | 4,983 |
| As at March 31, 2024 | | | | | |
| Cost | 568 | 363 | 6,666 | 912 | 8,508 |
| Accumulated depreciation | 281 | 143 | 2,778 | 323 | 3,525 |
| Net book value as of March 31, 2024 | 287 | 220 | 3,888 | 588 | 4,983 |
| Net book value as of June 30, 2023 | 334 | 256 | 4,522 | 684 | 5,797 |
| Depreciation rate (% per annum) | 20% | 20% | 20% | 20% | |

(Un-audited) (Audited)
March 31, 2024 June 30, 2023
Note (Rupees in thousand)

6 ADVANCES AND OTHER RECEIVABLES

- Un-secured - considered good Advances

| | | | |
|-------------|--|-------|-------|
| Advance tax | | 7,923 | 5,298 |
| Deposits | | 220 | 220 |

Other receivables

| | | | |
|---|-----|---------------|--------------|
| From Dadabhoy Hydrocarbon (Pvt.) Limited | | 828 | 829 |
| From Dadabhoy Construction (Pvt.) Limited | | 110 | 110 |
| From related parties | 6.1 | 3,697 | 3,283 |
| | | 12,778 | 5,637 |

6.1 This includes receivable from Dadabhoy Sack Limited amounting to Rs. 2.565 (2023: Rs. 2.259) million, Dadabhoy Energy Supply Limited amounting to Rs. 0.838 (2023: Rs. 0.730) million, Dadabhoy Uni-Minerals Limited amounting to Rs. 0.020 (2023: 0.020) million, Dadabhoy Trading Corporation amounting to Rs. 0.210 (2023: 0.210) million and Leo Private Ltd amounting to Rs. 0.063 (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.

(Un-audited) (Audited)

March 31, 2024 June 30, 2023

Note (Rupees in thousand)

7 SHORT TERM INVESTMENT

Investments in associate

Dadabhoy Energy Supply Company Limited 118,328 118,328

- 7.1.1** 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.

(Un-audited) (Audited)

March 31, 2024 June 30, 2023

(Rupees in thousand)

8 CASH AND BANK BALANCES

Cash in hand - -

Cash at banks

- in current account
- in saving account

8.1

| | |
|----------------|----------------|
| 2 | 2 |
| 116,587 | 114,913 |
| 116,589 | 114,916 |
| <u>116,589</u> | <u>114,916</u> |

- 8.1** It carries markup ranging between 13.5% to 15.50% (2023: 4.5% to 13.50%) per annum.

DADABHOY CEMENT INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024 (UN-AUDITED)

| | (Un-audited) March 31, 2024 (Rupees in thousand) | (Audited) June 30, 2023 |
|--|---|----------------------------|
| 9 TRADE AND OTHER PAYABLE | | |
| Accrued liabilities | 2,507 | 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 |
| | 6,749 | 7,013 |

10 COMMITMENTS AND CONTINGENCIES

10.1 Commitments

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

11 GENERAL

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

12 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on 29 April, 2024 by the Board of Directors of the Company.



Chief Executive



Director



Chief Financial Officer