

**Interim Report & Financial Statements
For the Nine Months Period Ended
September 30, 2019**



**DADABHOJ CONSTRUCTION
TECHNOLOGY LIMITED**

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED

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COMPANY INFORMATION

BOARD OF DIRECTORS

Non- Executive Directors:

Mr. Muhammad Hussain Dadabhoy	Chairman/ Director
Mr. Fazal Karim Dadabhoy	Director
Malik Shaheer Khalid	Director
Ch. Muhammad Javed Siddique	Director

Executive Directors:

Mr. Faheem Khan Niazi	Director/ Chief Executive Officer
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Independent Directors:

Khawaja Mansoor Ali	Director
Mr. Zain Khalid Bhatti	Director
Mr. Ahsan Hassan Khawaja	Director

AUDIT COMMITTEE

Mr. Ahsan Hassan Khawaja	Chairman
Mr. Muhammad Hussain Dadabhoy	Member
Malik Shaheer Khalid	Member

**HUMAN RESOURCE &
REMUNERATION COMMITTEE**

Khawaja Mansoor Ali	Chairman
Mr. Muhammad Hussain Dadabhoy	Member
Malik Shaheer Khalid	Member

CHIEF FINANCIAL OFFICER

Muhammad Aslam Moten

COMPANY SECRETARY

M. Sohail A. Sheikh

AUDITORS

M/s Reanda Haroon Zakeria &
Company, Chartered Accountants

LEGAL ADVISOR

M/s Khan & Company
408; 4th floor, Asad Chambers, Near
Passport Office Saddar, Karachi

REGISTERED OFFICE

28- 30C/ II, 04 Noor Center, 12th
Lane, Phase VII Ext., DHA, Karachi.
Tel. 021- 35312002, 35312007
Fax. 021- 35312006

SHARE REGISTRAR

F. D. Registrar Services (SMC-Pvt.)
Limited., Suit 1705 - A. 17th Floor
Saima Trade Tower
I.I. Chundrigar Road, Karachi
Tel. 021- 32213243

BANKER

Summit Bank Limited

E- mail:

mhdadabhoygroup@gmail.com

Web:

www.mhdadabhoy.com

Directors' Report

The Board of Directors of M/s Dadabhoy Construction Technology Limited [DCTL] is pleased to present interim financial information of your Company for the three months period ended September 30, 2019.

Your Company got an opportunity to acquire earning assets in the Company had developed in August this year and its initial structure has shared with Pakistan Stock Exchange in September. It is expected that your Company will be having earning assets and profitable operations by the end of the third quarter of the financial year of 2019- 2020.

During the quarter under review, the Company has recorded a loss after tax Rs.1,067,136/- (Rs. 2,455,320/- as at September 30, 2018). The figure of the loss after tax reduced compared to last year amount due to discontinuation of the accrual of the mark up on short term borrowing as agreed by the respective directors and their associates.

Accordingly, the accumulated losses of the Company, as at September 30, 2019, stands on Rs. 31,187,547/-; whereas the said losses were recorded at Rs. 30,120,411/- as at June 30, 2019. Thus the shareholders' equity appeared as negative Rs.7,959,547/- as at the close of the first quarter of the financial year 2019- 2020.

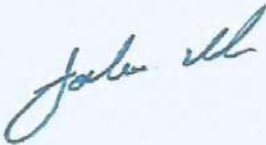
The trade and other payable have also been enhanced to Rs. 5,003,160/- as at September 30, 2019.

Acknowledgement:

The Board of Directors extends its gratitude to our valued shareholders for their confidence, which they imposed on us. The Board is also thankful to Securities & Exchange Commission of Pakistan (SECP) and Pakistan Stock Exchange (PSX) for providing us their usual support and guidance.

The Board appreciates management and its team for their dedication and hard work for contributing in facing future challenges for revival of the operations of the Company.

For & On behalf of the Board of Directors:



Faheem Khan Niazi
Director/ CEO

October 25, 2019

ڈائریکٹرز رپورٹ

میسرز دادابھائی کنسٹرکشن ٹیکنالوجی لمیٹڈ کے ڈائریکٹرز 30 ستمبر 2019ء پر ختم ہونے والی تین ماہ کی مدت کے لئے آپکی کمپنی کی عبوری مالی معلومات پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

آپکی کمپنی کو اس سال اگست میں کمائی کرنے والے اثاثے کو حاصل کرنے کا ایک موقع میسر ہوا ہے اور گزشتہ ستمبر میں اسکے ابتدائی ڈھانچے سے پاکستان اسٹاک ایکسچینج (PSX) کو مطلع کر دیا گیا ہے۔ اس بات کی اُمید ہے کہ آپ کی کمپنی مالی سال 2019-2020 کی تیسری سہ ماہی کے ختم تک کمائی کرنے والے اثاثے حاصل کر لے گی اور اسکی منافع بخش کاروباری سرگرمیاں بھی ہونے لگے گی۔

زیرے جائزہ سہ ماہی کے دورانیے میں کمپنی نے ٹیکس کے بعد ہونے والے خسارے، Rs. 1,067,136/- کو درج کیا ہے جو کہ پچھلے سال اسی مدت یعنی، 30 ستمبر 2018ء کے ختم پر Rs. 2,455,320/- تھا۔ ٹیکس کے بعد ہونے والے نقصانات کے ان اعداد و شمار میں پچھلے سال کے مقابلے میں یہ کمی قلیل المعیاد قرضاجات پر مارک اپ کی مد میں جمع شدہ رقم کا منقطع ہونا ہے کہ جس پر قرضاجات فراہم کرنے والے متعلقہ ڈائریکٹرز اور ان کے احباب متفق ہیں۔

اس کے مطابق 30 ستمبر 2019ء کو کمپنی کے جمع شدہ نقصانات کی رقم Rs. 31,187,547/- پر کھڑی تھی جبکہ یہ نقصانات 30 جون 2019ء پر Rs. 30,120,411/- پر درج کئے گئے تھے۔ لہذا رواں سال یعنی مالی سال 2019-2020 کی پہلی سہ ماہی کے ختم پر حصص یافتگان کی ایکویٹی منفی Rs. 7,959,547/- پر دیکھی گئی۔

تجارت و دیگر واجبات کی رقم 30 ستمبر 2019ء پر بڑھ کر Rs. 5,003,160/- تک ہو گئی ہے۔

اعتراف:

بورڈ آف ڈائریکٹرز اپنے قابل قدر حصص داروں کا شکر گزار ہے کہ انہوں نے بورڈ پر اپنے اعتماد کا اظہار کیا۔ بورڈ سیکورٹی اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور پاکستان اسٹاک ایکسچینج (PSX) کا بھی شکریہ ادا کرتا ہے کہ انہوں نے ہمیشہ کی طرح اپنی حمایت اور رہنمائی فراہم کی۔ بورڈ کمپنی کے انتظامیہ اور اسکی ٹیم کو بھی سراہتا ہے کہ وہ اپنی محنت و لگن سے کمپنی کے آپریشنز کے حیات نو میں آنے والے چیلنجز کا سامنا کرنے میں اپنا حصہ پیش کر رہے ہیں

از طرف:



فہیم خان نیازی
ڈائریکٹر / چیف ایگزیکٹو

بورڈ آف ڈائریکٹرز
میسرز دادابھائی کنسٹرکشن ٹیکنالوجی لمیٹڈ

25 اکتوبر 2019ء

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2019

	Notes	September 30, 2019 (Un-audited) Rupees	June 30, 2019 (Audited) Rupees
<u>ASSETS</u>			
Current Assets			
Advance against property	4	60,000,000	60,000,000
Cash and bank balances		737	762
		<u>60,000,737</u>	<u>60,000,762</u>
Total assets		<u><u>60,000,737</u></u>	<u><u>60,000,762</u></u>
<u>EQUITY AND LIABILITIES</u>			
Authorized Share Capital			
5,000,000 Ordinary shares of Rs. 10/- each		<u>50,000,000</u>	<u>50,000,000</u>
Issued, subscribed and paid up capital			
2,322,800 shares of Rs. 10/- each, fully paid up		23,228,000	23,228,000
Accumulated losses		<u>(31,187,547)</u>	<u>(30,120,411)</u>
Shareholders' equity		<u>(7,959,547)</u>	<u>(6,892,411)</u>
Current Liabilities			
Trade and other payables	5	5,003,160	3,936,049
Markup accrued		6,900,324	6,900,324
Short term borrowings	6	56,056,800	56,056,800
		<u>67,960,284</u>	<u>66,893,173</u>
Contingencies and commitments			
Total equity and liabilities		<u><u>60,000,737</u></u>	<u><u>60,000,762</u></u>

The annexed notes from 1 to 8 form an integral part of this condensed interim financial information



Chief Executive



Chief Financial Officer



Director

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN- AUDITED)
FOR THE THREE- MONTH PERIOD ENDED SEPTEMBER 30, 2019**

	September 30, 2019 Rupees	September 30, 2018 Rupees
Administrative expenses	(1,067,136)	(1,052,272)
Finance cost	-	(1,403,048)
	<u>(1,067,136)</u>	<u>(2,455,320)</u>
Operating loss	(1,067,136)	(2,455,320)
Loss before taxation	(1,067,136)	(2,455,320)
Taxation- net	-	-
Loss after taxation	(1,067,136)	(2,455,320)
Other comprehensive income for the period	-	-
Total comprehensive loss for the period	<u>(1,067,136)</u>	<u>(2,455,320)</u>
Loss per share- basic and diluted	<u>(0.46)</u>	<u>(1.06)</u>

The annexed notes from 1 to 8 form an integral part of this condensed interim financial information



Chief Executive



Chief Financial Officer



Chief Financial Officer

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN- AUDITED)
FOR THE THREE- MONTH PERIOD ENDED SEPTEMBER 30, 2019

	<i>Issued, Subscribed and Paid- up Capital</i>	<i>Accumulated Losses</i>	<i>Total Shareholders' Equity</i>
	----- Rupees -----		
Balance as at July 01, 2018	23,228,000	(21,634,874)	1,593,126
Total comprehensive loss for the period	-	(2,455,320)	(2,455,320)
Balance as at September 30, 2018	<u>23,228,000</u>	<u>(24,090,194)</u>	<u>(862,194)</u>
Balance as at July 01, 2019	23,228,000	(30,120,411)	(6,892,411)
Total comprehensive loss for the period	-	(1,067,136)	(1,067,136)
Balance as at September 30, 2019	<u>23,228,000</u>	<u>(31,187,547)</u>	<u>(7,959,547)</u>

The annexed notes from 1 to 8 form an integral part of this condensed interim financial information



Chief Executive



Chief Financial Officer

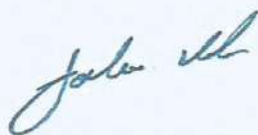


Director

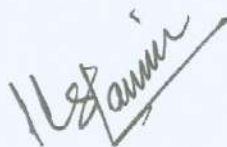
DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN- AUDITED)
FOR THE THREE- MONTH PERIOD ENDED SEPTEMBER 30, 2019

	September 30, 2019 Rupees	September 30, 2018 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(1,067,136)	(2,455,320)
Adjustments for:		
Finance cost	-	1,403,048
Cash outflow before working capital changes	(1,067,136)	(1,052,272)
Working Capital Changes:		
Increase in current liabilities		
Trade and other payables	1,067,111	977,837
Net cash used in operating activities	(25)	(74,435)
Net decrease in cash and cash equivalents	(25)	(74,435)
Cash and cash equivalents at beginning of the period	762	77,196
Cash and cash equivalents at end of the period	737	2,761

The annexed notes from 1 to 8 form an integral part of this condensed interim financial information



Chief Executive



Chief Financial Officer



Director

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE- MONTHS PERIOD ENDED SEPTEMBER 30, 2019

1 THE COMPANY AND ITS OPERATIONS

1.1 The Company was incorporated on April 7, 1981 by the name of Pak German Prefabs Limited (PGPL) as Private Limited Company. Subsequently, the Company converted into a Public Limited Company and was listed on Pakistan Stock Exchange Limited (PSX). However, during the financial year 2005, the Company changed its name to Dadabhoy Construction Technology Limited after the merger with its associated company. The principal activity of the Company is to acquire and develop land for construction and sell of properties and to manufacture and sell the sealing chemicals / bonds used in the construction including Hi Bond Cement and allied products. The Company's Registered Office is situated at Suite # 4, 2nd Floor, Plot no. 28-30C/ II, Noor Centre, Khayaban-e-Ittehad, Lane # 12, Phase VII Ext., D.H.A., Karachi.

Trading in shares of the Company was suspended by the Pakistan Stock Exchanges (PSX) on August 01, 2012 due to non compliances with respect to PSX regulations. However, CDC has declared the shares of the Company as eligible security for trading with effect from August 17, 2018 and trading of the shares will be allowed after fulfilling of specified conditions.

1.2 Going Concern Assumption:

During the current period, the Company has incurred after tax loss amounting to Rs. 1.067 million (September 30, 2018: Rs. 2.455 million); whereas its accumulated losses as on the reporting date, reflected as Rs. 31.188 million (June 30, 2019: Rs. 30.120 million). Hence equity of the Company stands on to negative Rs. 7.960 million (June 30, 2019: negative Rs. 6.892 million).

However, management of the Company has prepared this condensed interim financial information on going concern basis due to the following reasons:

- During the current period, an opportunity to develop earning assets in the Company had developed in the month of August and the management had shared its initial structure with Pakistan Stock Exchange last September. The development has now reached to the agreement stage and it is expected to be considered by the Board of Directors in next two months. It is also expected that the Company will be having earning assets and profitable operations by the end of third quarter of the financial year of 2019- 2020.
- The management has also planned to raise the finance from internal as well as external sources to further improve the financial and operational outlook of the Company.

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Statement of compliance

This condensed interim financial information of the Company for the three- months period ended September 30, 2019 is 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 This condensed interim financial information 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, 2019.

- 2.3 This condensed interim financial information have been prepared under 'historical cost convention', except otherwise disclosed in these financial statements. Further, accrual basis of accounting is followed except for cash flow information
- 2.4 This condensed interim financial information 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 annual financial statements for the year ended June 30, 2019, whereas the comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity have been extracted from the unaudited condensed interim financial information for the quarter ended September 30, 2018.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies, applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2019.

Further, the Company has adopted the related amended standards and interpretations of IFRSs which became effective during the current period. However, the said amendments and interpretation of the standards did not have any effect on this condensed interim financial information.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended June 30, 2019.

<i>Note</i>	<i>(Un-audited)</i> <i>September 30, 2019</i>	<i>(Audited)</i> <i>June 30, 2019</i>
	<i>----- In Rupees -----</i>	

4 ADVANCE AGAINST PROPERTY

Land for development	<u>60,000,000</u>	<u>60,000,000</u>
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- 4.1 The Company has acquired 100 Kanal of land in Mouza Chirah, Islamabad amounting to Rs. 10 million (which has been paid) and 6 Kanal, 4 Marla and 180 sq. Ft. of land in Eden City, Lahore amounting to Rs. 182.549 million against which Rs. 50 million have been paid till the reporting date according to contractual terms.
- 4.2 The management of the Company intends to utilize the land for development / construction of residual and commercial units in the ordinary course of its business after fulfilling necessary regulatory compliances. Title of the land will be transferred after fulfillment of contractual terms and certain legal formalities.

(Un-audited) (Audited)
 September 30, 2019 June 30, 2019
 ----- In Rupees -----

5 TRADE AND OTHER PAYABLES

Salaries, benefits and remuneration payable	4,068,308	3,284,243
Accrued liabilities	934,852	651,806
	5,003,160	3,936,049

6 SHORT TERM BORROWING

From related parties- unsecured

Interest based

From Directors	6.1	43,556,800	43,556,800
From Associate of Directors	6.1	12,500,000	12,500,000
		56,056,800	56,056,800

6.1 These carried markup ranging from 3 Month KIBOR plus 2% per annum to 3 Month Kibor plus 3% per annum till March 31, 2019 after which the lenders have waived the markup till the revival of the operational activities of the Company. Loan and the markup accrued is payable on demand. Loan was obtained for the acquisition of land for development / construction of residual and commercial units.

7 GENERAL

7.1 Figures have been rounded-off nearest to the rupee unless stated otherwise.

7.2 Number of employees as on the balance sheet date were two (2).

8 DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorized for issue on 25-10-2019 by the Board of Directors of the Company.



Chief Executive



Chief Financial Officer



Director