

PAKISTAN HOTELS DEVELOPERS LTD.

*Owners & Operators of*



*Condensed Interim  
Financial Statements  
Nine- Months Period Ended  
March 31, 2020  
(Un-audited)*

## **Vision / Mission**

It is our cherished goal to be the Industry leader in hotel business by establishing a complete, unique, distinctive and truly a five star deluxe hotel complex.

To achieve the above objective and to provide the highest level of satisfaction to our valued customers, we are constantly engaged and working with a missionary zeal to bring necessary improvements in our existing facilities and to excel in offering efficient and quality services to them.

We are also committed to maintain the highest level of International hotel standards, which will add to the glory and prestige of the Country and promote tourism.

## **COMPANY INFORMATION**

### **BOARD OF DIRECTORS:**

#### **Non-executive Directors:**

MR. S.MAHMOOD BAWEJA  
Chairman  
MRS. SHAHINA KHALID  
Director

#### **Executive Directors:**

MR. MUZAFFAR F. BAWEJA  
Chief Executive Officer  
MR. ZUBAIR BAWEJA  
Managing Director

#### **Independent Director:**

MR. M.A. MAJEED  
MR. IMRAN REHMAN MEMON  
MR. JAWED AHMED

### **AUDIT COMMITTEE:**

MR. JAWED AHMED  
Chairman  
MR. IMRAN REHMAN MEMON  
Member  
MR. M.A.MAJEED  
Member

### **HR & R COMMITTEE:**

MRS. SHAHINA KHALID  
Chairperson  
MR. JAWED AHMED  
Member  
MR. M.A.MAJEED  
Member

### **COMPANY SECRETARY:**

MR. FAHAD IQBAL KHAN

### **CHIEF FINANCIAL OFFICER:**

SYED HASEEN ANWER

### **BANKERS:**

AL BARAKA BANK (PAKISTAN) LTD.  
BANK AL-HABIB LTD.  
BANK ISLAMI PAKISTAN LTD.  
FAYSAL BANK LTD.  
HABIB BANK LTD.  
MEEZAN BANK LTD.  
NATIONAL BANK OF PAKISTAN  
SILK BANK LTD.  
UNITED BANK LTD.

### **AUDITORS:**

TANWIR ARIF & CO.  
Chartered Accountants

### **LEGAL ADVISOR:**

MUKESH K. SHARMA

### **INDEPENDENT SHARE REGISTRAR**

F.D. REGISTRAR SERVICES(SMC-PVT.)Ltd.  
17th FLOOR, SAIMA TRADE TOWER-A  
I.I. CHUNDRIGAR ROAD,  
KARACHI

### **REGISTERED OFFICE:**

REGENT PLAZA HOTEL,  
MEZZANINE FLOOR  
195/2, SHAHRAH-E-FAISAL,  
KARACHI.

## DIRECTORS' REPORT TO THE SHAREHOLDERS

The Board of Directors of Pakistan Hotels Developers Ltd. is pleased to present the un-audited condensed interim financial statements of the company for the 3rd quarter ended March 31 2020 along with cumulative figures of nine months.

As you are aware that COVID-19 (Pandemic) has badly affected all over the world including Pakistan, Millions of human lives affected and thousands of deaths reported. Due to which world economy in deep crises and all sectors of Industries affected specially Hospitality Industries. Because of this impact, hotel occupancy rates and revenue have been drastically declined throughout the World. Our Company has also been facing similar situation since mid of March, 2020.

As for the future, this is definitely going to be a very challenging years for the hotel industry. We need Government support in helping to mitigate the impact and business losses that the industry has been facing.

Financial results for the nine months period under review are summarized as follows:

|                            | For the Nine Months period ended<br>31st March<br>2020 (Rupees '000) 2019 |         |
|----------------------------|---|---------|
| Sales and Services - net   | 324,947   | 395,130 |
| Gross Profit               | 139,283   | 226,625 |
| Profit before taxation     | 26,934  | 85,186  |
| Profit after taxation      | 24,097  | 67,273  |
| Earning Per Share (Rupees) | 1.34  | 3.74    |

During the nine months period ended the company earned a net revenue of Rs. 325 million which is a decline of Rs. 70 million (18%) as compared to same period of last year. The period under review, profit after tax is Rs.24 million and earnings per share (EPS) is Rs. 1.34 which are 179% less as compared to same period of last year.

During the period, we paid in exchequer of Rs.58 million in term of sales tax and other taxes.

During the period there has been no change in Directorship.

Director have not declared any entitlement to the shareholders of the company for the quarter ended March 31, 2020

The Board of Directors wishes to express their appreciation to the entire team of the company, the esteemed guests, the valuable shareholders, banks as well as all other stake holders for their confidence and support in such difficult time.

For and on behalf of the Board of Directors

Karachi: 30th April, 2020

  
**Muzaffar F. Baweja**  
Chief Executive

## ڈائریکٹرز رپورٹ

پاکستان ہولڈرز پورہولڈرز لمیٹڈ کے بورڈ آف ڈائریکٹرز کو 31 مارچ 2020ء کے ختم ہونے والے تیسرے سہ ماہی کے ساتھ ساتھ نو ماہ کے مجموعی اعداد و شمار کے غیر آڈٹ شدہ عبوری مالیاتی حسابات کو پیش کرتے ہوئے خوشی محسوس ہوتی ہے۔

جیسا کہ آپ جانتے ہیں کہ COVID-19 (دبائی مرض) نے پاکستان سمیت پوری دنیا میں بری طرح متاثر کیا ہے۔ لاکھوں انسانی جانیں متاثر ہیں اور ہزاروں اموات کی اطلاع شائع ہو چکی ہے جس کی وجہ سے خراب معاشی حالات پیدا ہو گئے اور انڈسٹریز کے تمام شعبوں خاص طور پر ہاسٹیلٹی انڈسٹریز کو متاثر کیا۔ اس اثر کی وجہ سے پوری دنیا میں ہوٹل کی Occupancy کی شرح اور آمدنی میں زبردستی کمی واقع ہوئی ہے۔ مارچ 2020ء کے وسط سے ہماری کمپنی کو بھی اسی طرح کی صورتحال کا سامنا کرنا پڑا۔

مستقبل کے بارے میں یہ یقینی طور پر ہوٹل کی صنعت کے لیے یہ ایک بہت ہی مشکل چیلنج ثابت ہونے والا ہے۔ ہمیں اس صنت پر ہونے والے اثرات اور کاروباری نقصانات کو کم کرنے میں حکومت کی مدد کی ضرورت ہے۔

زیر نظر نو ماہ کے عرصے کے مالیاتی نتائج کا خلاصہ درج ذیل ہے۔

نو ماہ کے اختتام برائے 31 مارچ  
2020ء 2019ء  
..... روپیہ میں .....000

|         |         |
|---------|---------|
| 395,130 | 324,947 |
| 226,625 | 139,283 |
| 85,186  | 26,934  |
| 67,273  | 24,097  |
| 3.74    | 1.34    |

فروخت اور خدمات  
مجموعی منافع  
منافع قبل از ٹیکس  
منافع بعد از ٹیکس  
کمائی فی حصص (روپیہ)

نو ماہ کے دوران 31 مارچ 2020ء تک ختم ہونے والی مدت میں کمپنی نے 325 ملین روپے کی آمدنی حاصل کی جو کہ گذشتہ سال کے اسی مدت کے مقابلہ میں 70 ملین روپے یعنی (18 فیصد) کی کمی ہوئی۔ جائزے کے تحت ٹیکس کے بعد منافع 24 ملین روپے اور فی حصص آمدنی 1.34 روپے رہی جو کہ گذشتہ سال کے اسی مدت کے مقابلہ میں 179 فیصد کم ہے۔

اس عرصے کے دوران کمپنی نے سیلز ٹیکس اور دیگر ٹیکسز کی مد میں 58 ملین روپے کی قومی خزانے میں ادائیگی کی۔ اس عرصے کے دوران ڈائریکٹر شپ میں کوئی تبدیلی نہیں ہوئی۔

ڈائریکٹر نے 31 مارچ 2020ء کو ختم ہونے والی سہ ماہی میں کمپنی کے حصص یافتگان کو کسی بھی منافع کا اعلان نہیں کیا ہے۔

بورڈ آف ڈائریکٹرز کمپنی کی تمام ٹیم، محترم مہمانان گرامی، قابل قدر شیئرز ہولڈرز، اور بینکوں کا اس مشکل گھڑی میں اعتماد اور تعاون کرنے پر انہیں سراہتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

مظفر ایف بویجا  
چیف ایگزیکٹو

کراچی: 30 اپریل 2020ء

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2020**


| Notes   | (Un-audited)<br>MARCH 31st<br>2020 | (Audited)<br>JUNE. 30th<br>2019 |
|---|------------------------------------|---------------------------------|
| ----- (Rupees in '000) -----                            |                                    |                                 |
| <b>CAPITAL &amp; LIABILITIES:</b>                       |                                    |                                 |
| <b>SHARE CAPITAL AUTHORIZED</b>                         |                                    |                                 |
| 30,000,000 Ordinary Shares<br>of Rs. 10/= each          | <b>300,000</b>                     | 300,000                         |
| <b>ISSUED, SUBSCRIBED &amp; PAID-UP</b>                 |                                    |                                 |
| 18,000,000 Ordinary Shares<br>of Rs.10/= each           | <b>180,000</b>                     | 180,000                         |
| <b>Capital reserve</b>                                  |                                    |                                 |
| Revaluation surplus on property, (Land & building)      | <b>9,057,615</b>                   | 9,077,436                       |
| <b>Revenue reserve</b>                                  |                                    |                                 |
| Unappropriated profit                                   | <b>148,735</b>                     | 104,817                         |
|   | <b>9,386,350</b>                   | 9,362,253                       |
| Liabilities against assets subject to<br>finance leased | <b>1,872</b>                       | 4,866                           |
| Deferred taxation                                       | <b>259,682</b>                     | 267,779                         |
| Security deposits                                       | <b>4,430</b>                       | 4,180                           |
| <b>Current Liabilities</b>                              |                                    |                                 |
| Current maturity  | <b>4,118</b>                       | 5,358                           |
| Accrued markup  | <b>63</b>                          | 81                              |
| Short term borrowings                                   | —                                  | 2,500                           |
| Unpaid dividend   | <b>14,451</b>                      | 14,477                          |
| Unclaimed dividend                                      | <b>10,251</b>                      | 10,251                          |
| Creditors, accrued and other liabilities                | <b>76,458</b>                      | 67,327                          |
|   | <b>105,341</b>                     | 99,994                          |
| Contingencies and commitments                           | —                                  | —                               |
|   | <b>9,757,675</b>                   | 9,739,072                       |


"The annexed notes from 01 to 09 form an integral part of these condensed interim financial statements".

Karachi: 30th April, 2020

|   | (Un-audited)<br>MARCH 31st<br>2020 | (Audited)<br>JUNE. 30th<br>2019 |
|---|------------------------------------|---------------------------------|
|   | ----- (Rupees in '000)-----        |                                 |
| <b>ASSETS:</b>                              |                                    |                                 |
| <b>Non-current assets</b>                   |                                    |                                 |
| Fixed assets                                | 9,613,227                          | 9,637,494                       |
| Long term deposits                          | 6,080                              | 6,080                           |
| <b>Current assets:</b>                      |                                    |                                 |
| Stores and spares                           | 1,890                              | 1,527                           |
| Stock in trade - food and beverages         | 1,884                              | 1,493                           |
| Trade debts - unsecured considered good     | 52,989                             | 35,508                          |
| Advances, prepayments and other receivables | 38,442                             | 20,992                          |
| Cash and bank balances                      | 43,163                             | 35,978                          |
|   | 138,368                            | 95,498                          |
|   | 9,757,675                          | 9,739,072                       |

  
**MUZAFFAR F. BAWEJA**  
 Chief Executive

  
**ZUBAIR BAWEJA**  
 Managing Director

  
**SYED HASEEN ANWER**  
 Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**  
**FOR THE NINE -MONTHS PERIOD ENDED MARCH 31, 2020**  
**(Un-audited)**

| THREE-MONTHS ENDED<br>MARCH 31, |      | NINE-MONTHS ENDED<br>MARCH 31, |      |
|---------------------------------|------|--------------------------------|------|
| 2020                            | 2019 | 2020                           | 2019 |



----- (Rupees in '000)-----

|  |                |                |                |                |
|--|----------------|----------------|----------------|----------------|
| Turnover                                     | 111,879        | 147,859        | 372,429        | 451,445        |
| Sales and other taxes                        | (14,446)       | (18,746)       | (47,482)       | (56,315)       |
| <b>Sales &amp; services-net</b>              | <b>97,433</b>  | <b>129,113</b> | <b>324,947</b> | <b>395,130</b> |
| Cost of sales & services                     | (57,530)       | (56,905)       | (185,664)      | (168,505)      |
| <b>Gross Profit</b>                          | <b>39,903</b>  | <b>72,208</b>  | <b>139,283</b> | <b>226,625</b> |
| Administrative, selling and general expenses | (42,621)       | (53,160)       | (112,666)      | (137,820)      |
| Other income                                 | 183            | (75)           | 1,217          | 340            |
| <b>Operating (loss) / Profit</b>             | <b>(2,535)</b> | <b>18,973</b>  | <b>27,834</b>  | <b>89,145</b>  |
| Financial charges                            | (261)          | (403)          | (900)          | (3,959)        |
| Net (loss) / profit before taxation          | (2,796)        | 18,570         | 26,934         | 85,186         |
| <b>Taxation</b>                              |                |                |                |                |
| Current                                      | (1,000)        | (6,000)        | (13,000)       | (26,000)       |
| Prior year                                   | —              | —              | 2,066          | 390            |
| Deferred                                     | 2,699          | 2,919          | 8,097          | 7,697          |
|  | 1,699          | (3,081)        | (2,837)        | (17,913)       |
| Net (loss) / profit after taxation           | (1,097)        | 15,489         | 24,097         | 67,273         |
| (loss) / Earning per share                   |                |                |                |                |
| Basic and diluted (Rupees)                   | (0.06)         | 0.86           | 1.34           | 3.74           |

"The annexed notes from 01 to 09 form an integral part of these condensed interim financial statements".

Karachi: 30th April, 2020

  
**MUZAFFAR F. BAWEJA**  
 Chief Executive

   
**ZUBAIR BAWEJA** **SYED HASEEN ANWER**  
 Managing Director Chief Financial Officer

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**Pakistan Hotels Developers Ltd.**



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE NINE -MONTHS PERIOD ENDED MARCH 31, 2020**  
**(Un-audited)**

|   | THREE-MONTHS ENDED<br>MARCH 31, |        | NINE-MONTHS ENDED<br>MARCH 31, |                  |
|---|---------------------------------|--------|--------------------------------|------------------|
|   | 2020                            | 2019   | 2020                           | 2019             |
| ----- (Rupees in '000)-----   |                                 |        |                                |                  |
| Net (loss) / profit after taxation                                      | <b>(1,097)</b>                  | 15,489 | <b>24,097</b>                  | 67,273           |
| <b>Other comprehensive income for the period</b>                        |                                 |        |                                |                  |
| Item that will not be reclassified to the statement of profit or loss   |                                 |        |                                |                  |
| Surplus on revaluation of fixed assets - net of tax (land and building) | —                               | —      | —                              | <b>4,709,005</b> |
| Total comprehensive (loss) / income for the period                      | <b>(1,097)</b>                  | 15,489 | <b>24,097</b>                  | 4,776,278        |

"The annexed notes from 01 to 09 form an integral part of these condensed interim financial statements".

  
**MUZAFFAR F. BAWEJA**  
 Chief Executive  
 Karachi: 30th April, 2020

  
**ZUBAIR BAWEJA**  
 Managing Director


  
**SYED HASEEN ANWER**  
 Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE-MONTHS PERIOD ENDED MARCH 31, 2020**  
**(Un-added)**

|   | Share<br>Capital             | Capital<br>reserve   | Revenue<br>reserve            |                  |
|---|------------------------------|--|-------------------------------|------------------|
|   |                              | surplus on<br>Revaluation<br>of Fixed assets<br>(Land and<br>Building) | Unappro-<br>priated<br>profit | Total            |
|   | ----- (Rupees in '000) ----- |  |                               |                  |
| <b>Balance as at June 30, 2018</b>  | 180,000                      | 4,391,280  | 69,840                        | 4,641,120        |
| Transferred from Surplus on revaluation<br>of fixed assets (net of tax)               | —                            | (17,960)   | 17,960                        | —                |
| <b>Total comprehensive income for the period</b>                                      |                              |  |                               |                  |
| Profit for the period   | —                            | —  | 67,273                        | 67,273           |
| Other comprehensive income for the period   | —                            | 4,709,005  | —                             | 4,709,005        |
| Total comprehensive income for the nine<br>months ended March 31, 2019                | —                            | 4,709,005  | 67,273                        | 4,776,278        |
| <b>Balance as at March 31, 2019</b>   | <b>180,000</b>               | <b>9,082,325</b>   | <b>155,073</b>                | <b>9,417,398</b> |
| <b>Balance as at June 30, 2019</b>  | <b>180,000</b>               | <b>9,077,436</b>   | <b>104,817</b>                | <b>9,362,253</b> |
| Transferred from Surplus on<br>revaluation of fixed assets (net of tax)               | —                            | (19,821)   | 19,821                        | —                |
| <b>Total comprehensive income for the nine<br/>months period ended March 31, 2020</b> | <b>—</b>                     | <b>—</b>   | <b>24,097</b>                 | <b>24,097</b>    |
| <b>Balance as at March 31, 2020</b>   | <b>180,000</b>               | <b>9,057,615</b>   | <b>148,735</b>                | <b>9,386,350</b> |

"The annexed notes from 1 to 09 form an integral part of these condensed interim financial statements"

  
**MUZAFFAR F. BAWEJA**  
 Chief Executive  
 Karachi: 30th April, 2020

  
**ZUBAIR BAWEJA**  
 Managing Director  
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**SYED HASEEN ANWER**  
 Chief Financial Officer

**Nine-Months Ended March 2020**

**CONDENSED INTERIM STATEMENT OF CASH FLOWS  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

(Un-audited)

2020

2019

Notes ----- (Rupees in '000) -----

**Cash flows from operating activities:**

Net profit before taxation

26,934

85,186

**Adjustments for:**

Depreciation

41,279

38,725

Financial charges on lease assets

900

767

(Gain) / loss on sale of fixed assets

(647)

253

41,532

39,745

68,466

124,931

Operating profit before working capital charges

**(Increase)/decrease in operating assets:**

Stores and spares

(363)

107

Stock in trade - food and beverages

(391)

(493)

Trade debts

(17,481)

(26,930)

Advances, prepayments & other receivables

(4,884)

12,951

(23,119)

(14,365)

45,347

110,566

**Increase/(decrease) in operating liabilities:**

Creditors, accrued & other liabilities

(1,592)

8,641

43,755

119,207

Income tax paid

(10,500)

(18,945)

Net cash from operating activities

33,255

100,262

**Cash flows from investing activities:**

Acquisition of fixed assets

(16,624)

(2,238)

Capital (work-in-progress)

(3,241)

(7,645)

Disposal of fixed assets - proceeds

3,500

425

(16,365)

(9,458)

Net cash from investing activities

16,890

90,804

**Cash flows from financing activities:**

Dividend paid

(26)

—

Short term borrowings

(2,500)

—

Repayment of finance lease

(3,786)

(3,319)

Long term advances and deposits

(1,098)

650

Accrued markup

(18)

(650)

(7,428)

(3,319)

Net cash used in financing activities

9,462

87,485

**Net Increase in cash**

22,427

(40,247)

Cash and cash equivalent at beginning of the period

31,889

47,238

**Cash and cash equivalent at end of the period 06**

"The annexed notes from 01 to 09 form an integral part of these condensed interim financial statements".  
Karachi: 30th April, 2020

  
**MUZAFFAR F. BAWEJA**  
Chief Executive

  
**ZUBAIR BAWEJA**

Managing Director

  
**SYED HASEEN ANWER**  
Chief Financial Officer

**Pakistan Hotels Developers Ltd.**

## **NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE-MONTHS PERIOD ENDED MARCH 31, 2020**

### **1) The Company and its operations**

Pakistan Hotels Developers Limited was incorporated and domiciled in 1979 at Karachi. Pakistan under the Companies Act, 1913 (now the Companies Act, 2017) as a private limited company and converted into public limited company in 1981. The company is listed with Pakistan Stock Exchange Ltd. The registered office of the company is situated at 195/2, Shahrah -e-Faisal, Karachi. The company is principally engaged in hotel business and owns and operates a Five Star Hotel Known as Regent Plaza Hotel and Convention Center, Karachi.

### **2) Basis of preparation of accounts**

This condensed interim financial statements is un-audited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017("the Act:") and Stock Exchange Listing Regulations.

This condensed interim financial statements comprises the condensed interim financial position of the Company as at March 31, 2020 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows together with the notes forming part thereof.

This condensed interim financial statements of the Company for the nine month period ended March 31, 2020 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

This condensed interim financial statements does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended Jun 30, 2019.

Comparative financial position numbers are extracted from the annual financial statements of the Company for the year ended June 30, 2019, whereas comparative statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows are stated from unaudited Condensed interim financial statements of the Company for the nine month period ended March 31, 2019.

- 3)** The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2019.

- 4) Additions to the fixed assets during the period is Rs. 16.624 Million (March, 2019: was Rs.2.238 Million). The cost of assets disposed off during the period is Rs. 17.550 million ( March, 2019: was Rs.0.678 million). addition in Capital work in Progress is Rs. 3.241 million (2019: Rs, 7.645 million).
- 5) There is no significant change in contingent liabilities of the company since last annual financial statements date.

|                                    | Notes | 31-03-2020                  | 31-03-2019 |
|------------------------------------|-------|-----------------------------|------------|
|                                    |       | ----- (Rupees in '000)----- |            |
| <b>6) Cash and cash equivalent</b> |       |                             |            |
| Cash and bank balances             |       | <b>43,163</b>               | 57,236     |
| Bank overdrafts-Faysal Bank        | 6.1   | <b>(11,274)</b>             | (9,998)    |
|                                    |       | <b>31,889</b>               | 47,238     |

6.1 These are included in creditors, accrued and other liabilities and represent the balance as per book without any corresponding facility from the bank.

- 7) Directors have not declared any entitlements for the quarter ended 31st March, 2020 to their shareholders (2019: Rs,18.00 million) in their meeting held on 30th April,2020
- 8) Figures have been rounded off to the nearest thousand rupees.
- 9) These condensed interim financial statements has been authorized for issue by the Board of Directors of the Company in their meeting held on 30th April, 2020

  
**MUZAFFAR F. BAWEJA**  
 Chief Executive

Karachi: 30th April, 2020

   
**ZUBAIR BAWEJA** **SYED HASEEN ANWER**  
 Managing Director Chief Financial Officer

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**Nine Months Ended March 2020**



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