



# Condensed Interim Financial Information

Three-Month Period Ended  
September 30, 2020  
(Un-audited)

**PAKISTAN HOTELS DEVELOPERS LIMITED**

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## **Vision and 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.

# CORPORATE PROFILE

## **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:**

M. Taha Ali Khan

## **CHIEF FINANCIAL OFFICER:**

Syed Haseen Anwer

## **BANKERS:**

Al Baraka Bank (Pakistan) Ltd.

Bank Al-Habib Ltd.

Bankislami Pakistan Ltd.

Faysal Bank Ltd.

Habib Bank Ltd.

Meezan Bank Ltd.

National Bank of Pakistan

Summit Bank Ltd.

United Bank Ltd.

## **AUDITORS:**

Clarkson Hyde Saud Ansari  
Chartered Accountants

## **LEGAL ADVISOR:**

Mukesh K. Sharma

## **INDEPENDENT SHARE REGISTRAR:**

F. D. Registrar Services (SMC-PVT) Limited  
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

The Board of Directors of Pakistan Hotels Developers Ltd. is pleased to present the unaudited condensed interim financial statements of the company for the first quarter ended September 30, 2020.

An unpredictable situation arises all over the world due to COVID-19 outbreak (Pandemic disease) and economy badly affected specially airline and hotel business and our country also suffered the same situation and resulted negative GDP.

The 1st quarter under review was not good for the company due to the uncertainty in the country's economy, COVID-19 outbreak and lockdown in the city almost 5 months business operation suspended. From 10th August 2020 business operation resumed but response are not good. These factors have badly affected our business.

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

### For the three-months period ended

30th September

	2020	2019
	(Rupees '000)	
Sales and services net	25,489	85,174
Gross (loss) / profit	(7,787)	24,645
Loss before taxation	(28,561)	(9,039)
Loss after taxation	(25,977)	(11,340)
Loss per share (rupees)	(1.44)	(0.63)

Sales & Services in the reporting quarter decreased by Rs.60 million as compared to same period of last year mainly due to almost 50% period of the quarter business operation were suspended. Further cost of sales and services increased by 59% as compared to same period of last year due to high inflation rate and a significant decrease in revenue figures and company faced loss after tax of Rs.26 million which is Rs.1.44 per share. We hope Insha-Allah, business in the second quarter will be better and company succeed in earning profit.

During the period, we paid in exchequer of Rs.5.165 million in terms of sales tax and other taxes.

Directors have not declared any interim dividend for the quarter ended September 30, 2020.

No casual vacancy was occurred in the directorship during the reporting quarter.

The Board of Directors express their appreciation to the entire team of the company, the esteemed guest, the valuable shareholders as well as all the other stakeholders for their confidence and support.

For and behalf of the Board of Directors

  
**Zubair Baweja**  
Managing Director

  
**Muzaffar F. Baweja**  
Chief Executive

Karachi: October 28, 2020

# ڈائریکٹرز رپورٹ

پاکستان ہوٹلز ڈویلپرز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے، 30 ستمبر 2020 کو اختتام پذیر ہونے والی پہلی سہ ماہی کے غیر پڑتال شدہ غیر عبوری مالیاتی بیانات آپ کے سامنے پیش کر رہا ہوں۔

COVID-19 (وبائی بیماری) پھیلنے اور معیشت کو خاص طور پر ایئر لائن اور ہٹلوں کے کاروبار کو بری طرح متاثر کرنے کی وجہ سے پوری دنیا میں ایک غیر یقینی صورتحال پیدا ہو گئی ہے اور ہمارے ملک کو بھی اسی صورتحال کا سامنا کرنا پڑا اور اس کا نتیجہ منفی جی ڈی پی کی صورت میں نکلا۔

ملک کی معیشت میں غیر یقینی صورتحال COVID-19 پھیلنے اور شہر میں تقریباً 5 ماہ کے کاروباری آپریشن معطل ہونے کی وجہ سے زیر غور پہلی سہ ماہی کمپنی کے لئے اچھا نہیں تھا۔ 10 اگست 2020 سے کاروباری آپریشن دوبارہ شروع ہوا لیکن کاروباری حساب سے اب تک اچھا نہیں ہے۔ ان عوامل نے ہمارے کاروبار کو بری طرح متاثر کیا ہے۔

زیر غور تین ماہ کی مدت کے مالی نتائج کا خلاصہ یہ ہے:

تین ماہ کی مدت کے اختتام پر  
30 ستمبر

2019	2020	
..... (روپے '000) .....		
85,174	25,489	فروخت اور خدمات - خالص
24,645	(7,787)	مجموعی (نقصان) / منافع
(9,039)	(28,561)	ٹیکس لگانے سے پہلے نقصان
(11,340)	(25,977)	ٹیکس لگانے کے بعد نقصان
(0.63)	(1.44)	نقصان فی شیئر (روپے)

گذشتہ سال کی اسی مدت کے مقابلے میں رپورٹنگ سہ ماہی میں فروخت اور خدمات میں 60 ملین روپے کی کمی واقع ہوئی ہے۔ جس کی وجہ بنیادی طور پر سہ ماہی کے تقریباً 50 فیصد حصہ میں کاروبار معطل رہا۔ مزید یہ کہ افراط زر کی شرح میں اضافہ اور آمدنی میں نمایاں کمی کی بناء پر پچھلے سال کے اسی عرصے کے مقابلے میں ہماری فروخت اور خدمات کی لاگت میں 59% کا اضافہ ہوا ہے، جس کے نتیجے میں ٹیکس کے بعد 26 ملین روپے کا نقصان ہوا ہے، جو ہر شیئر 1.44 روپے ہے۔ ہمیں امید ہے کہ انشاء اللہ دوسری سہ ماہی میں کاروبار بہتر ہوگا اور کمپنی منافع کمانے میں کامیاب ہوگی۔


اس عرصے کے دوران، ہم نے سٹاک ایکس اور دیگر ٹیکسوں کے حساب میں 5.165 ملین روپے تو می خرانے میں ادائیگی کی۔

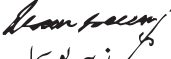
ڈائریکٹرز نے 30 ستمبر 2020 کو ختم ہونے والی سہ ماہی میں کسی بھی عبوری منافع کا اعلان نہیں کیا ہے۔

تین ماہ کے عرصے کے دوران بورڈ آف ڈائریکٹرز میں کوئی تبدیلی نہیں ہوئی ہے۔

بورڈ آف ڈائریکٹرز اپنی کمپنی کے تمام ٹیم ممبرز، معزز مہمانوں، معزز حصص داران اور اسٹیک ہولڈرز کی ایسے مشکل وقت میں ہم پر اعتماد اور حمایت کی حوصلہ افزائی کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے

  
مظفر ایف بوجیا  
چیف ایگزیکٹو آفیسر

  
زہیر بوجیا  
چیئرمین ڈائریکٹرز

کراچی: 28 اکتوبر 2020

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2020**  
(Un-Audited)

	Un-Audited 30-09-2020	Audited 30-06-2020
(Rupees in '000)		
<b>CAPITAL AND LIABILITIES</b>		
<b>Share capital</b>		
Authorized		
30,000,000 ordinary shares of Rs. 10/- each	<u>300,000</u>	<u>300,000</u>
<b>Issued, subscribed and paid-up</b>		
18,000,000 ordinary shares of Rs. 10/- each	180,000	180,000
<b>Capital reserve</b>		
Surplus on revaluation of fixed assets - net of tax	9,050,985	9,057,312
<b>Revenue reserve</b>		
Un-appropriated profit	<u>112,975</u>	<u>132,625</u>
	<b>9,343,960</b>	<b>9,369,937</b>
Liabilities against assets subject to finance lease	503	692
Deferred taxation	249,159	251,743
Security deposits	4,430	4,430
<b>Current liabilities</b>		
Current maturities	<u>3,333</u>	<u>4,250</u>
Accrued mark up	22	33
Unpaid dividend	14,451	14,451
Unclaimed dividend	10,251	10,251
Creditors, accrued and other liabilities	<u>72,499</u>	<u>64,396</u>
	<b>100,556</b>	<b>93,381</b>
Contingencies and commitments	—	—
	<u><b>9,698,608</b></u>	<u><b>9,720,183</b></u>

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

Karachi: 28th October, 2020



	Un-Audited 30-09-2020	Audited 30-06-2020
	(Rupees in '000)	
<b>ASSETS</b>		
<b>Non-current assets</b>		
Fixed assets	9,594,604	9,607,906
Long term deposits	6,080	6,080
<b>Current assets</b>		
Stores and spares	1,425	1,613
Stock in trade - food and beverages	530	652
Trade debts un-secured considered good	17,370	16,254
Advances, prepayments and other receivables	32,750	39,647
Cash and bank balances	45,849	48,031
	97,924	106,197
	<b><u>9,698,608</u></b>	<b><u>9,720,183</u></b>

  
**MUZAFFAR F. BAWEJA**  
 Chief Executive Officer

  
**ZUBAIR BAWEJA**  
 Managing Director

  
**SYED HASEEN ANWER**  
 Chief Financial Officer

## CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

for the Three-Months Period ended September 30, 2020  
(Un-Audited)

	Jul-Sep 2020	Jul-Sep 2019
	(Rupees in '000)	
Turnover	28,829	96,246
Sales tax and other taxes	(3,340)	(11,072)
<b>Sales and services-net</b>	<b>25,489</b>	<b>85,174</b>
Cost of sales & services	(33,276)	(60,529)
<b>Gross (loss)/ profit</b>	<b>(7,787)</b>	<b>24,645</b>
Administrative, selling & general expenses	(20,729)	(34,050)
Other operating income	69	698
<b>Operating loss</b>	<b>(28,447)</b>	<b>(8,707)</b>
Financial charges	(114)	(332)
Net loss before taxation	(28,561)	(9,039)
<b>TAXATION</b>		
Current	—	(5,000)
Prior	—	—
Deferred	2,584	2,699
	2,584	(2,301)
<b>Net loss after taxation</b>	<b>(25,977)</b>	<b>(11,340)</b>
Basic & diluted loss per share (rupees)	(1.44)	(0.63)

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

  
**MUZAFFAR F. BAWEJA**  
Chief Executive Officer

  
**ZUBAIR BAWEJA**  
Managing Director

  
**SYED HASEEN ANWER**  
Chief Financial Officer

Karachi: 28th October, 2020

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**for the Three-Months Period ended September 30, 2020**  
(Un-Audited)

	Jul-Sep 2020 (Rupees in '000)	Jul-Sep 2019
<b>Net loss after taxation</b>	<b>(25,977)</b>	(11,340)
Other comprehensive income	—	—
<b>Total comprehensive loss for the period</b>	<b><u>(25,977)</u></b>	<b><u>(11,340)</u></b>

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.



**MUZAFFAR F. BAWEJA**  
Chief Executive Officer



**ZUBAIR BAWEJA**  
Managing Director



**SYED HASEEN ANWER**  
Chief Financial Officer

Karachi: 28th October, 2020

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

for the Three-Months Period ended September 30, 2020  
(Un-Audited)

	Share Capital	Capital Reserve Surplus on revaluation of fixed assets (Land, Building and Farm House)	Revenue reserve  Unappropri- ated profit	Total
..... (Rupees in '000) .....				
<b>Balance as at June 30, 2019</b>	180,000	9,077,436	104,817	9,362,253
Transferred from revaluation surplus on property (net of tax)	—	(6,607)	6,607	—
Total comprehensive loss for the three-months period ended September 30, 2019	—	—	(11,340)	(11,340)
<b>Balance as at September 30, 2019</b>	<u>180,000</u>	<u>9,070,829</u>	<u>100,084</u>	<u>9,350,913</u>
<b>Balance as at June 30, 2020</b>	<b>180,000</b>	<b>9,057,312</b>	<b>132,625</b>	<b>9,369,937</b>
Transferred from revaluation surplus on property (net of tax)	—	(6,327)	6,327	—
Total comprehensive loss for the three-months period ended September 30, 2020	—	—	(25,977)	(25,977)
<b>Balance as at September 30, 2020</b>	<u>180,000</u>	<u>9,050,985</u>	<u>112,975</u>	<u>9,343,960</u>

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

  
**MUZAFFAR F. BAWEJA**  
Chief Executive Officer

  
**ZUBAIR BAWEJA**  
Managing Director

  
**SYED HASEEN ANWER**  
Chief Financial Officer

Karachi: 28th October, 2020

# CONDENSED INTERIM STATEMENT OF CASH FLOWS

for the Three-Months Period ended September 30, 2020

(Un-Audited)

	30-09-2020	30-09-2019
Notes	(Rupees in '000)	
<b>Cash flow from operating activities:</b>		
Net loss before taxation	(28,561)	(9,039)
<b>Adjustments for:</b>		
Depreciation	13,302	13,721
Financial charges	114	332
Gain on sale of fixed assets	—	(512)
	<u>13,416</u>	<u>13,541</u>
Operating profit before working capital charges	(15,145)	4,502
<b>(Increase)/Decrease in operating assets:</b>		
Stores and spares	188	54
Stock in trade	122	(355)
Trade debts	(1,116)	(17,597)
Advances, prepayments & other receivables	8,722	8,260
	<u>7,916</u>	<u>(9,638)</u>
	(7,229)	(5,136)
<b>Increase/(Decrease) in operating liabilities</b>		
Accrued markup	(11)	5
Creditors, accrued & other liabilities	7,023	(2,410)
	<u>7,012</u>	<u>(2,405)</u>
Cash generated from operations	(217)	(7,541)
Income tax paid	(1,825)	(3,368)
Net cash from operating activities	(2,042)	(10,909)
<b>Cash flow from investing activities:</b>		
Payment against purchase of fixed assets	—	(1,691)
Capital work in progress	—	(337)
Proceed from disposal of fixed assets	—	2,000
Net cash from investing activities	—	(28)
	<u>(2,042)</u>	<u>(10,937)</u>
<b>Cash flow from financing activities:</b>		
Lease rental payments	(1,220)	(1,262)
Repayment of loan to directors	—	(2,500)
Advances & deposits	—	(505)
	<u>(1,220)</u>	<u>(4,267)</u>
<b>Net decrease in cash &amp; bank balances</b>	<b>(3,262)</b>	<b>(15,204)</b>
Cash and cash equivalent at July 01	37,606	22,427
Cash & cash equivalent at September 30	<u>34,344</u>	<u>7,223</u>

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

  
**MUZAFFAR F. BAWEJA**  
 Chief Executive Officer

  
**ZUBAIR BAWEJA**  
 Managing Director

  
**SYED HASEEN ANWER**  
 Chief Financial Officer

Karachi: 28th October, 2020

# NOTES TO THE FINANCIAL STATEMENTS

## for the Three-Months Period ended September 30, 2020

**01. 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 Centre, Karachi.

**02. Significant transactions and events affecting the company's financial position and performance.**

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. The COVID-19 outbreak developed rapidly thereafter with a significant number of COVID-19 cases reported globally. The pandemic has resulted in consequences on health and society and on economy affecting the earnings and cash flow of businesses, after the announcement of lock-downs by the government authorities, resulting in closure of business operations except for specifically exempted industries. The management believes that due to the pandemic the Company's operations, financial position and results have been impacted only on a temporary basis and believes that as normalcy comes about, these impacts have started to recede.

**03. Basis of preparation of Financial Statements:**

This condensed interim financial statements is unaudited and are being circulated to shareholders as required under Section 237 of the Companies Act, 2017 and Stock Exchange Listing Regulations.

This condensed interim unaudited financial statements of the company for the three-months period ended September 30, 2020 has 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. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

The comparative financial position numbers are extracted from the annual audited financial statements of the Company for the year ended June 30, 2020, whereas comparative statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows are stated from un-audited condensed interim financial statements for the three-month period ended September 30, 2019.

**04.** The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial report are the same as those applied in the preparation of the financial statements for the year ended June 30, 2020.

**05.** No additions to the fixed assets during the period (2019: Rs. 1.691 million). No cost of assets disposed off during the period (2019: Rs. 9 million). No addition in capital work in progress (2019: Rs. 0.337 million).

**06.** There is no significant change in contingent liabilities of the company since last annual balance sheet date.

	30-09-2020	30-09-2019
	(Rupees in '000)	
<b>07. Cash and cash equivalent</b>		
Cash and bank balances	45,849	21,769
Bank overdrafts - faysal bank	07.1 (11,505)	(14,546)
	<u>34,344</u>	<u>7,223</u>

**07.1** These are included in creditors, accrued and other liabilities and represent the balance as per books without any corresponding facility from the bank

**08.** Directors have not declared any entitlements for the quarter ended September 30, 2020 to their shareholders in their meeting held on 28th September 2020.

**09.** Figures have been rounded off to the nearest thousand rupees.

**10.** This condensed interim unaudited financial statements were authorized for issue on 28th October, 2020 by the Board of Directors of the Company.

  
**MUZAFFAR F. BAWEJA**  
Chief Executive Officer

  
**ZUBAIR BAWEJA**  
Managing Director

  
**SYED HASEEN ANWER**  
Chief Financial Officer

Karachi: 28th October, 2020

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Regent Plaza

HOTEL & CONVENTION CENTRE

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