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Board of Directors	Sikander Dada - Chairman Abu Talib H.K. Dada Maqbool H.H. Rahimtoola Shahzad M. Husain Syed Shahid Ali Bukhari Amber Ahmed Motiwala Ayesha Allawala	(Non - Executive Director) (Non - Executive Director) (Non - Executive Director) (Non - Executive Director) (Independent Director) (Independent Director) (Independent Director) (Independent Director)
Chief Executive Officer	Qazi Sajid Ali	
Chief Financial Officer	Muhammad Yousuf	
Company Secretaryl Head of Internal Audit	Umar Rasheed	
Board Audit Committee	Syed Shahid Ali Bukhari - Chairman Shahzad M. Husain Maqbool H.H. Rahimtoola Amber Ahmed Motiwala	
Human Resource and Remuneration Committee	Ayesha Allawala – Chairperson Maqbool H.H. Rahimtoola Abu Talib H.K. Dada	
Management Team	Qazi Sajid Ali Danish Dada Tanveer Saleem Syed Wasim Ahmed Muhammad Yousuf Lt. Cdr. (Retd.) Saeed Ahmed Khan Syed Shahrukh Mehdi	- Chief Executive Officer - CEO (International Division) - Chief Operating Officer (Technical & Operations) - Director Finance & Corporate Affairs - Chief Financial Officer - General Manager Admin & HR - General Manager Sales



Auditors	BDO Ebrahim & Co., Chartered Accountants
Bankers	National Bank of Pakistan
	Bank Islami Pakistan Limited
	Habib Metropolitan Bank Limited
	MCB Bank Limited
	Sindh Bank Limited
	The Bank of Punjab
	United Bank Limited (UBL Ameen)
	Standard Chartered Bank (Pakistan) Limited
	Faysal Bank Limited
	Habib Bank Limited
	Askari Bank Limited
	Al-Baraka Bank (Pakistan) Limited
	Meezan Bank Limited
	Dubai Islamic Bank Pakistan Limited
Legal Advisor	Abrar Hasan & Co.
_	9 Mezzanine Floor, Beaumont Plaza,
	near PIDC House, Karachi.
Registered Office	Dadex House, 34-A/1, Block 6, P.E.C.H.S.,
-	Shahrah-e-Faisal, Karachi- 75400
	Tel: (92-21) 111000789
	Fax: (92-21) 34315716
	Email: info@dadex.com.pk
Share Registrar	M/s, JWAFFS Registrar Services (Private) Limited
3	407 - 408, Al-Ameera Centre, Shahrah-e-Írag, Saddar Karachi
	Phone: (92-21) 35662023-24
	Fax: (92-21) 35221192
	Email: jwaffs@live.com
	info@jwaffs.com
Website	www.dadex.com





The Directors are pleased to present their review together with the financial statements of the Company for six months ended December 31, 2020.

On October 28, 2020 new board have been elected for the next term. Mrs. Amber Ahmed Motiwala and Mrs. Ayesha Allawala have been elected as independent female directors in place of Mr. Qazi Sajid Ali and Mr. Danish Dada. The Company and management would like to thank the outgoing directors for their invaluable services to the Company and welcome the new directors and hope that the Company will benefit from their experience.

Economic activities had returned to the growth trajectory, despite outbreak of second wave of COVID-19 in Pakistan. Pakistani Rupee showed strong resistance against the US dollar during the period, despite serious impact of COVID-19 on the economy. The overall positive momentum reflected in improved valuations at Pakistan Stock Exchange which continued its upward trajectory. The large-scale manufacturing (LSM) sector output index increased by 11.4% in December 2020 as compared to December 2019 and current account posted a surplus with a double-digit growth in foreign remittance inflows.

The Company achieved a gross sales of Rs. 1,640.216 million (December 2019: Rs. 1,601.170 million) during the six months. Net sales achieved during the period was Rs.1,391.696 million, being 2.79% higher than the last year. Company achieved gross profit margin of 13.20%. Distribution expenses increased by 2.30%, Administrative costs decreased by 4.00% as compared to last year. Company earned other operating income of Rs. 131.921 million which has resulted in the operating profit of Rs. 155.943 million (December 2019: Operating Profit of Rs. 88.17 million). Due to decrease in the markup rate, finance cost decreased by 26.97%, resulting in a net profit after tax of Rs. 47.151 million (December 2019: net loss after tax of 47.38 million). This has resulted in earning per share of Rs. 4.38 (December 2019: Loss per share of Rs. 4.40).

The Outlook of the Construction industry will continue to improve. It is expected that Government spending on development projects will increase resulting in increase in demand for building material products. With the government committed towards fulfillment of CPEC, construction work over CPEC related projects is expected to begin in due course. Similarly, rising population and increasing urbanization has also created shortage of houses in the country which is being addressed by the government through Naya Pakistan Housing Scheme (NPHS). These positive announcements will create additional demand for the construction industry. The Company is committed to maintaining and further increasing its customer base and exploring new markets. The Company's operations were affected due to disconnection of gas supply by SSGC to non-export oriented industries which has badly impacted margins of the Company as the cost of production have increased due to shifting toward diesel for generation of power for production. The management will continue to explore new sources of raw material and strict control on working capital management to achieve positive results.

The Directors and Management deeply appreciate the continued support and commitment of all our stakeholders in this challenging period.

Karachi: February 25, 2021

On Behalf of the Board of Directors

Qazi Sajid Ali Chief Executive Abu Talib H.K. Dada **Director**





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INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE MEMBERS OF DADEX ETERNIT LIMITED

Introduction

We have reviewed the accompanying condensed interim statement of financial position of DADEX ETERNIT LIMITED ("the Company") as at December 31, 2020 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and notes to the condensed interim financial information for the six-month period then ended (here-in-after referred as the "condensed interim financial statement"). Management is responsible for the preparation and presentation of this condensed interim financial statement in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

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 interim financial information 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.

Emphasis of Matter - Material Uncertainty relating to Going Concern

Without qualifying our conclusion, We draw attention to note 1 to the financial statements which indicates that the Company incurred net profit after tax for the year ended Dec 31, 2020 amounting to Rs. 47.151 million (June 30, 2020: Rs. 361.519 million loss) and its accumulated losses as at Dec 31, 2020 amounted to Rs. 324.977 million (Jun 30, 2020: Rs. 384.521 million). Company's current liabilities aggregating to Rs. 2,469.724 million (Jun 30, 2020: Rs. 2,341.817 million) exceeded the current assets by Rs. 689.938 million (Jun 30, 2020: Rs. 734.924 million). These conditions as set forth in note 1.3 indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as going concern.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statement as at and for the six months period ended December 31, 2020 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

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BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistran registered partnership firm, is a member of BDO International, Limited, a UK company limited by guarantee, and forms part of the international BDO network of Independent member firms.



Other matters

The figures for the quarters ended December 31, 2020 and December 31, 2019 in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

KARACHI

DATED: February 25, 2021

CHARTERED ACCOUNTANTS

Engagement Partner: Zulfiqar Ali Causer

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BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UI: company limited by guarantee, and forms part of the international Bol network of independent member firms.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER $\ 31,2020$

		December 31,	June 30,
		2020 (Unaudited)	2020 (Audited)
	Note	(Rupees in	
ASSETS	11010	(Rupees iii	triousurius)
NON - CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	7	1,529,141	1,569,762
Capital work in progress	8	8,522	7,683
Intangible assets		267	88
Investment property Long-term investment	9	32,995	34,260
Long-term loans and advances	9	1.792	2 <i>.</i> 423
Long-term security deposits		23,348	28,709
Deferred tax asset		151,981	156,981
		1,748,046	1,799,906
CURRENT ASSETS			
Stores, spare parts and loose tools		45,380	50,669
Stock-in-trade Trade debts	10 11	689,477	597,668
Loans and advances	11	257,118 127,152	268,897 85,360
Trade deposits and short term prepayments		84,768	65,686
Other receivables		5,587	9,046
Income tax refund due from Government		129,838	145,757
Taxation - net		15,021	· -
Cash and bank balances		66,645	25,010
Non-current assets held for sale		358,800	358,800
TOTAL ASSETS		1,779,786 3,527,832	1,606,893 3,406,799
EOUITY AND LIABILITIES		3,327,632	3,400,799
SHARE CAPITAL AND RESERVES			
Authorized share capital			
12,000,000 (June 30, 2020: 12,000,000) ordinary shares of Rs. 1		120,000	120,000
8,000,000 (June 30, 2020: 8,000,000) 'B' class ordinary shares o	f	80,000	80,000
Rs.10 each		-	
		200,000	200,000
Issued, subscribed and paid-up capital	12	107,640	107,640
Reserves		(319,322)	(378,866)
Surplus on revaluation of property, plant and equipment		1,181,883	1,194,276
		970,201	923,050
NON - CURRENT LIABILITIES		20.552	44.451
Long term financing Lease liabilities		30,682	41,151 43,291
Deferred income		26,006 1,383	6,536
GIDC Payable		29,836	50,954
		87,907	141,932
CURRENT LIABILITIES			
Trade and other payables	13	1,121,092	1,033,279
Short-term borrowings	14	1,204,886	1,159,018
Accrued markup		71,372	67,427
Current portion of deferred income Current portion of long-term financing		3,440 28,630	2,434 16.442
Current portion of lease liabilities		23,537	30,585
Taxation - net		-	15,919
Unclaimed dividend		16,767	16,713
		2,469,724	2,341,817
TOTAL EQUITY AND LIABILITIES		3,527,832	3,406,799
CONTINGENCIES AND COMMITMENTS	15		

The annexed notes from 1 to 28 form an integral part of this condensed interim financial statement.

Qazi Sajid Ali Chief Executive Abu Talib H.K. Dada **Director**

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED DECEMBER 31, 2020 (UN-AUDITED)

	Half year ended		Quarter ended	
	December 31,	December 31,	December 31,	December 31,
Noto	2020			2019
Note		(Rupees III	tilousalius)	
	1,640,216	1,601,170	964,867	813,445
	(248,520)	(247,305)	(146,309)	(124,965)
16	1,391,696	1,353,865	818,558	688,480
17	(1,207,973)	(1,168,017)	(710,475)	(594,065)
	183,723	185,848	108,083	94,415
	(71,946)	(70,327)	(39,261)	(34,174)
	(71,935)	(74,935)	(36,283)	(36,778)
	(15,820)	(17,124)	(5,591)	(8,165)
18	131,921	64,710	118,230	25,048
	155,943	88,172	145,178	40,346
	(79,272)	(108,546)	(38,168)	(52,878)
	76,671	(20,374)	107,010	(12,532)
	(24,520)	(24,007)	(14,060)	(12,199)
	(5,000)	(3,000)	(5,000)	-
	(29,520)	(27,007)	(19,060)	(12,199)
	47,151	(47,381)	87,950	(24,731)
	Rupees			
19	4.38	(4.40)	8.17	(2.30)
	17	Note 1,640,216	Note	December 31, 2019 December 31, 2020 (Rupees in thousands)

The annexed notes from 1 to 28 form an integral part of this condensed interim financial statement.

Qazi Sajid Ali Chief Executive Abu Talib H.K. Dada **Director**



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED DECEMBER 31, 2020 (UN-AUDITED)

	Half year ended		Quarte	r ended
	December 31,	December 31,	December 31,	December 31,
	2020	2019	2020	2019
		(Rupees in	thousands)	
Net profit / (loss) for the period	47,151	(47,381)	87,950	(24,731)
Other comprehensive income	-	-	-	-
Total comprehensive profit / (loss) for the period	47,151	(47,381)	87,950	(24,731)

The annexed notes from 1 to 28 form an integral part of this condensed interim financial statement.

Qazi Sajid Ali Chief Executive Abu Talib H.K. Dada **Director**

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED DECEMBER 31, 2020 (UN-AUDITED)

	Issued, Reserves						
	subscribed	Capital	reserve	Revenu	e reserve		
	and paid- up capital	Share premium	Revaluation surplus	General reserve	Accumulated losses	Total	Grand total
			(Rupe	es in thousa	nds)		
Balance as at July 1, 2019	107,640	5,655	1,041,382	160,000	(207,786)	999,251	1,106,891
Transfer from general reserve to unappropriated	-	-	-	(160,000)	160,000	-	-
Total comprehensive loss for the half year ended December 31, 2019							
Net loss for the period Other comprehensive income	-	-	-	-	(47,381)	(47,381) -	(47,381)
	- '	-	- '	-	(47,381)	(47,381)	(47,381)
Transferred from surplus on revaluation of fixed asset on account of incremental depreciation	-	-	(12,391)	-	12,391	-	-
Balance as at December 31, 2019	107,640	5,655	1,028,991	-	(82,776)	951,870	1,059,510
Balance as at July 1, 2020	107,640	5,655	1,194,276	-	(384,521)	815,410	923,050
Total comprehensive loss for the half year ended December 31, 2020							
Net profit for the period	-	-	-	-	47,151	47,151	47,151
Other comprehensive income	-	-	-	-	-	·	-
T	-	-	-	-	47,151	47,151	47,151
Transferred from surplus on revaluation of fixed asset on account of incremental depreciation	-	-	(12,393)	-	12,393	-	-
Balance as at December 31, 2020	107,640	5,655	1,181,883	-	(324,977)	862,561	970,201

The annexed notes from 1 to 28 form an integral part of this condensed interim financial statement.

Qazi Sajid Ali Chief Executive Abu Talib H.K. Dada **Director**



CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED DECEMBER 31, 2020 (UN-AUDITED)

		Half year ended	
		December 31,	December 31,
		2020	2019
	Note	(Rupees in	thousands)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	20	133,228	421,404
Finance cost paid - net		(75,327)	(115,915)
Taxes paid		(39,541)	(20,306)
Net cash generated from operating activities		18,360	285,183
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(3,646)	(20,142)
Long term security deposits		5,361	4,731
Net cash used in investing activities		1,715	(15,411)
CASH FLOWS FROM FINANCING ACTIVITIES			(22.22.1)
Lease payments		(24,334)	(29,891)
Interest income received		26	(222 522)
Short term borrowings - net		(14,250)	(232,502)
Dividend paid		(20 550)	(87)
Net cash used in from financing activities		(38,558)	(262,480)
Net (decrease) / increase in cash and cash equivalents Cash and cash equivalents at the beginning of the period		(18,483) (607,403)	7,292 (667,685)
Cash and cash equivalents at the beginning of the period			
Cash and Cash equivalents at the end of the period		(625,886)	(660,393)
CASH AND CASH EQUIVALENTS			
Cash and bank balances		66,645	38,793
Short-term borrowings		(692,531)	(699,186)
one com somethings		(625,886)	(660,393)
		(020,030)	(555,535)

The annexed notes from 1 to 28 form an integral part of this condensed interim financial statement.

Qazi Sajid Ali Chief Executive Abu Talib H.K. Dada **Director**

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED DECEMBER 31, 2020

1 THE COMPANY AND ITS OPERATIONS

- 1.1 Dadex Eternit Limited ("the Company") was incorporated in Pakistan as a public limited company on April 13, 1959 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and its ordinary shares are listed on Pakistan Stock Exchange. The principle business of the Company is to manufacture and sell construction material, which mainly includes piping systems and other allied products manufactured from chrysotile cement, rubber and plastics, merchandising of imported pipe fittings, accessories and other building
- 1.2 As at reporting date, Sikander (Private) Limited (the Holding Company) holds 6,800,648 ordinary shares representing 63.18% shareholding.
- 1.3 The Company incurred net profit after tax for the period ended December 31, 2020 amounting to Rs.47.151 million (June 30, 2020: Rs. 361.519 million) and its accumulated losses as at December 31, 2020 amounted to Rs.324.977 million (June 30, 2020: Rs. 384.521 million). The Company's current liabilities aggregating to Rs.2,469.724 million (June 30, 2020: Rs. 2,341.817 million) exceeded the current assets by Rs. 689.938 million (June 30, 2020: Rs. 734.924) million. The Company's financial statements for the year ended December 31, 2020 are being prepared on a going concern basis. Management believes that they have plans to increase profitability by introducing new marketing strategies and cutting down operational expenses which will improve profitability and meet working capital requirements of the Company. The Company is also considering debt reprofiling and in the intervening period, the Company has access to Sponsor support to meet any liquidity constraints. In the opinion of the management, future profits shall wipe out the accumulated losses and the Company shall be able to meet all its obligations.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at Dadex House, 34-A/1, Block 6, P.E.C.H.S, Sharah-e-Faisal, Karachi. The Company has three factories which are located at the following locations:

- DEH # 21-22, Manghopir, Karachi
- Badin Road, Hyderabad
- Sunder Industrial Estate, Multan Road, Raiwind, District, Lahore

3 BASIS OF PREPARATION

3.1 Statement of compliance

This condensed interim financial statement is unaudited but subject to limited scope review by the auditors and being submitted to the shareholders as required under section 237 of the Companies Act, 2017.



These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2020, which have been prepared in accordance with approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last declared financial statements.

The comparative statement of financial position presented in this condensed interim financial statements have been extracted from the annual audited financial statements of the Company for the year ended June 30, 2020, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statement for the period

3.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except for land which is stated at revalued amounts. These condensed interim financial statements have been prepared following accrual basis of accounting except for cash flow information

3.3 Functional and presentation currency

These condensed interim financial statements have been presented in Pak Rupees, which is the functional and presentation currency of the Company.

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2020.

4.1 Initial application of standards, amendments or an interpretation to existing standards

a) Standards, amendments and interpretations to accounting standards that are effective in the current period

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on January 01, 2021, but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

5 ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2020.

6 TAXATION

The provisions for taxation for the half year and quarter ended December 31, 2020, have been made using the estimated effective tax rate applicable to expected total annual earnings. The applicable income tax rate is 29% for the Tax Year 2021 as stipulated through Finance Act 2019.

			December 31, 2020	June 30, 2020
			(Unaudited)	(Audited)
		Note	(Rupees in	thousands)
7	OPERATING FIXED ASSETS			
	Fixed assets	7.1	1,435,787	1,436,220
	Right-of-use assets	7.2	93,354	133,542
			1,529,141	1,569,762
7.1	Fixed assets			
	Opening net book value (NBV)		1,436,220	1,639,723
	Revaluation surplus Additions / transfers during the period /		-	177,678
	year at cost	7.1.1	34,474	39,874
			1,470,694	1,857,275
	Disposals during the period / year at NBV	7.1.2	-	(35)
	Depreciation charge for the period / year		(34,907)	(62,220)
	Transfer to non-current asset held for sale		-	(358,800)
			(34,907)	(421,055)
	Closing net book value (NBV)		1,435,787	1,436,220



December 31, 2020	June 30, 2020		
(Unaudited)	(Audited)		
(Rupees in thousands)			

32,799

696

110 29,070

10,237

7.1.1 Detail of additions (at cost) during the period / year are as follows:

Factory building on freehold and leasehold land

Vehicles and transportation equipments

Owned

Plant and machinery

Office and factory equipments	979	457
omac and ruccory equipments	34,474	39,874
		,
7.1.2 Detail of disposals (at NBV) during the period / year are as follows:	NS:	
, , , , , , , , , , , , , , , , , , ,		
Owned		
Vehicles and transportation equipment	-	35
7.2 Right-of-use assets		
712 Night of docused		
Balance as at July 1, 2020	133,542	165,313
Recognition as a result of adoption of IFRS 16	-	1,764
Transfer/Disposals	(31,897)	(10,237)
Depreciation charge during the period / year	(8,291)	(23,298)
	93,354	133,542
8 CAPITAL WORK IN PROGRESS		
Buildings on leasehold land	2,775	2,775
Plant and machinery	5,747	4,908
8.1	8,522	7,683
8.1 Movement of carrying amount is as follows:		
, , , , , , , , , , , , , , , , , , ,		
Opening balance	7,683	4,226
Additions (at cost) during the period / year	3,415	33,529
	11,098	37,755
Transfer to operating fixed assets during the period / year	(2,576)	(30,072)
Closing balance	8,522	7,683
9 LONG-TERM INVESTMENT		
Investment in associate	5,000	5,000
Less: Impairment in value	(5,000)	(5,000)
9.1	=	-

9.1 The Company has 48.04 percent (June 30, 2020: 48.04 percent) shareholding i.e 625,000 (June 30, 2020: 625,000) ordinary shares of Rs.10/- each of Berdex Construction Chemicals (Private) Limited.

December 31,

2020

689,477

June 30, 2020

597,668

		(Unaudited) (Audited) (Rupees in thousands)	
10 STOCK-IN-TRADE			_
Raw materials			
in hand		186,113	125,994
in transit		21,336	16,529
		207,449	142,523
Work-in-process		141,081	141,612
Finished goods			
manufactured		289,318	249,918
trading		51,629	63,615
	10.1	340,947	313,533

10 Finished goods are net off provision of Rs. 89.835 million (June 30, 2020: 98.296 Rs. million).

11 TRADE DEBTS

(Unsecured - considered good) Due from associated undertakings Others	31	-
Export	244	-
Local	288,680	268,897
	288,955	268,897
(Unsecured - considered doubtful)	•	,
Due from Turnkey project	17,414	17,414
Due from Others	131,793	218,103
	149,207	235,517
	438,162	504,414
Provision for doubtful debts		
Turnkey project	(17,414)	(17,414)
Others 11.1	(163,630)	(218, 103)
	(181,044)	(235,517)
	257,118	268,897
11 Provision for doubtful debts - others		
Opening balance	218,103	130,535
Charge during the period		87,568
Reversal	(54,473)	-
Closing balance	163,630	218,103
-	,	



December 31, 2020	June 30, 2020		
(Unaudited) (Audited)			
(Rupees in thousands)			

Note

12 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

December 31, 2020 Rupees in 1	June 30, 2020 housand		December 31, 2020 Number	June 30, 2020 of shares
1,714,264	1,714,264	Ordinary shares of Rs.10/- each issued for cash	17,143	17,143
476,386	476,386	Issued for consideration other than cash	4,764	4,764
8,573,309	8,573,309	Issued as fully paid bonus	-,	.,
		shares	85,733	85,733
10,763,959	10,763,959		107,640	107,640

- **12.1** Ordinary shares include 4,090,536 shares of B class of Rs.10/- each converted into and deemed to be ordinary shares on disposal by a foreign shareholder, in prior years, in accordance with the Articles of Association of the Company.
- **12.2** The Holding Company holds 6,800,648 (June 30, 2020: 6,800,648) ordinary shares representing 63.18 percent (June 30, 2020: 63.18 percent) shareholding as at the reporting date.

13 TRADE AND OTHER PAYABLES

	Trade creditors		808,159	696,787
	Accrued liabilities		121,080	85,680
	Advance from customers		150,414	140,150
	Advance from tenants		2,017	1,932
	Infrastructure cess payable		-	40,387
	Security deposits from distributors and others		13,860	13,860
	Workers' Profit Participation Fund payable		5,266	932
	Workers' Welfare Fund		8,413	6,766
	Sales tax and excise duty		-	8,619
	Current portion of GIDC Payable		10,684	36,395
	Others		1,199	1,771
	Guicis		1,121,092	1,033,279
			1/121/032	1,033,273
14	SHORT TERM BORROWINGS			
	Secured			
	Karobar finance	14.1	240,000	240,000
	Running finance	14.2	692,531	632,413
	Finance against trust receipts	14.3	122,716	136,966
	Tijarah finance	14.4	149,639	100,000
	Murabaha and Istisna finance	11.1		49,639
	Francisca and 1305Hd finding		1,204,886	
			1,204,880	1,159,018

- 14.1 This facility has been obtained from Bank Islami aggregating to Rs. 250 million (June 30, 2020: Rs. 250 million) out of which Rs. 10 Million (June 30, 2020: Rs. 10 Million) remains unutilized as at the reporting date. The facility is secured by creation of first pari-passu charge against hypothecation of the Company's property, plant and equipment of Rs. 333.33 million (June 30, 2020: Rs. 333.33 million) located at Karachi and Lahore. The facility carries mark-up rates ranging from 14.25% to 16.58% percentage (June 30, 2020: 13.75 to 14.25 percent) per annum.
- 14.2 These facilities have been obtained from National Bank of Pakistan and Sindh Bank Limited aggregating to Rs. 692.778 million (June 30, 2020: Rs. 692.778 million) out of which Rs. 0.25 million (June 30, 2020: Rs. 60.364 million) remains unutilized as at the balance sheet date. These facilities are secured by creation of first pari-passu charge against hypothecation of the Company's stock in trade, trade debts and property, plant and equipment of Rs. 667 million (June 30, 2020: Rs. 667 million), equitable mortgage of Rs. 153 million over property No. 36 and 37 located in Gulberg, Lahore and first exclusive mortgage charge of Rs. 934 million over land and building of the Company situated at 21-22 Manghopir Road, Tapo Manghopir, Karachi. These facilities carry mark-up rates ranging from 9.51 to 10 percent (June 30, 2020: 13.47 to 17.35 percent) per annum.
- 14.3 This represent working capital facilities availed from The Bank of Punjab aggregating to Rs. 150 Million (June 30, 2020: Rs. 150 Million) out of which Rs. 27.284 million (June 30, 2020: Rs. 13.03 million) remains unutilized as at the reporting date. The facility carries markup of 6 months KIBOR + 1.75% (June 30, 2020: 6 months KIBOR + 1.75% per annum). The facility is secured against first exclusive charge of Rs. 666.67 million by way of equitable mortgage on the Company's land, building and hypothecation over machinery and equipment.
- **14.4** An overall facility of Rs.149.639 Million has been obtained from Al-Baraka Bank under Tijarah financing. The facility is secured by creation of first pari-passu charge against hypothecation of the Company's property plant and equipment (Sundar factory) located at Lahore and company's stock in trade. The financing facility carries markup at 6 months KIBOR+3% (June 30, 2020: 6 months KIBOR+3%).

15 CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

During the year ended June 30, 2010, the Environmental Protection Tribunal (EPT) initiated proceedings against the Company, containing allegations of pollution, under the Pakistan Environmental Protection Act, 1997 based on a complaint filed by the brother of an ex-employee of the Company. The Company submitted a plea before the EPT raising the issue of the maintainability of the complaint and its lack of jurisdiction to hear the same which was dismissed vide an order dated June 29, 2010. The Company filed a constitutional petition before the Honourable High Court of Sindh (HCS) seeking reliefs that the proceedings before EPT vis-a-vis the compliant were taken corum non judice and has maintained that the EPT has no jurisdiction of the subject matter. The said constitutional petition was dismissed by HCS vide its judgment dated March 9, 2011.



The Company filed petition for leave to appeal against the judgment of HCS before the Honorable Supreme Court of Pakistan (SCP) which granted leave to appeal to the Company vide its order dated June 23, 2011 and converted the petition into an appeal. Thereafter, after the partial hearing of the civil appeal, the SCP vide its order dated October 25, 2011 directed a commission constituted by the EPT to submit the report of environmental audit of the Company's factory and surrounding premises. Pursuant to the direction of SCP, a report was filed ostensibly on behalf of a commission constituted by the EPT to which objections have been filed by the Company before SCP. The hearing of civil appeal on merits is now pending. Based on the opinion of the legal counsel of the Company, the management expects a favorable outcome of the case. Accordingly, no provision for any potential demand in respect of the above has been made in these financial statements.

The Company is defending various suits filed in various courts of Pakistan for sums aggregating to Rs. 14.301 million (June 30, 2020: Rs. 14.301 million). However, in view of a legal advice, the Company's management is confident that these suits will be decided in its favor, and accordingly, no provision has been made in this respect.

December 31, 2020	June 30, 2020		
(Unaudited) (Audited)			
(Runees in thousands)			

15.2 Commitments

Outstanding letters of credit Outstanding letter of guarantee Postdated cheques Outstanding contracts Duties payable on goods in transit

218,880	139,502
96,742	96,742
146,324	271,681
523,241	425,385
25,889	35,205
1,011,076	968,515

16 SALES

Half year ended		Quarte	r ended	
December 31,	December 31,	December 31,	December 31,	
2020	2019	2020	2019	
(Rupees in thousands)				
(Unaudited)				

Local sales Export sales Gross sales Less: Sales tax

1,621,463	1,587,045	955,061	806,382
18,753	14,125	9,806	7,063
1,640,216	1,601,170	964,867	813,445
(248,520)	(247,305)	(146,309)	(124,965)
1,391,696	1,353,865	818,558	688,480

	Half year ended		Quarter ended			
	December 31,	December 31,	December 31, December			
	2020	2019	2020 2019			
Г	(Rupees in thousands)					
Г	(Unaudited)					

17 COST OF SALES

Manufactured souds				
Manufactured goods Raw materials consumed				
Opening stock	142,523	214,965	220,716	282,769
Purchase	•	946,732	•	412,372
	1,036,760	, -	590,535	, -
Closing stock	(206,560)	(231,110)	(207,449)	(231,110)
Raw materials consumed	972,723	930,587	603,802	464,031
Manufacturing overheads				
Stores and spares consumed	26,485	28,180	14,817	15,575
Salaries, wages and				
other benefits	81,960	60,773	45,734	31,032
Procured services	13,953	22,037	7,387	9,900
Fuel, water and power	82,065	79,882	45,602	38,083
Insurance	2,168	2,316	1,010	1,158
Travelling Communication	35 523	137 670	15 246	129 368
Depreciation	26,856	25,901	13,369	13,024
Rent, rates and taxes	3,359	3,021	1,654	1,627
Repairs and maintenance	17,888	16,069	10,302	9,938
Printing and stationary	402	450	249	257
Other expenses	1,311	1,116	869	675
•	257,005	240,552	141,254	121,766
	1,229,728	1,171,139	745,056	585,797
Work-in-process	444.640	444.242	455.653	4.45.465
Opening stock	141,612	141,342	155,653	145,465
Closing stock Cost of goods manufactured	(141,081) 1,230,259	(174,092) 1,138,389	(141,081) 759,628	(174,092) 557,170
Finished goods	1,230,239	1,130,309	759,020	557,170
Opening stock	249,918	196,480	231,762	236,746
Closing stock	(289,318)	(232,333)	(289,318)	(232,333)
	1,190,859	1,102,536	702,072	561,583
Trading goods		• •	·	•
Opening stock	63,615	101,487	57,135	64,914
Purchase	5,128	30,983	2,897	34,557
Closing stock	(51,629)	(66,989)	(51,629)	(66,989)
	17,114 1,207,973	65,481 1,168,017	8,403 710,475	32,482 594,065
	1,207,973	1,100,017	/10,4/3	29 1, 002

17.1 This includes bonus amounting to Rs. 0.4 million (December 31, 2019: nil).

18 OTHER INCOME

Rental income	24,287	24,656	12,096	12,456
Interest income	26	20	15	11
Net income from joint service	1,469	(91)	1,195	(91)
Amortisation of deferred income	2,430	2,430	1,215	1,215
Government Grant	1,718	· -	1,718	· -
Gain on extinguishment of	· ·		,	
original GIDC Liability	43,497	-	43,497	-
Reversal of provision for doubtful of	54,473	-	54,473	-
Others	4,021	37,695	4,021	11,457
	131,921	64,710	118,230	25,048



Half year ended		Quarter ended		
December 31,	December 31,	December 31, December		
2020	2019	2020	2019	
(Rupees in thousands)				
(Unaudited)				

19 EARNING/(LOSS) PER SHARE - BASIC AND DILUTED

Increase / (decrease) in current liabilities

Trade and other payable

The basic earning per share as required under "IAS 33 Earning per share" is given below:

Net profit / (loss) for the period
Weighted average number of
ordinary shares
Earnings / (loss) per share -
basic and diluted (Rupees)

47,151	(47,381)	87,950	(24,731)
10,764	10,764	10,764	10,764
4.38	(4.40)	8.17	(2.30)

Half year ended
December 31, December 31,

		2020	2019
	Note	(Rupees in thousands)	
20 CASH GENERATED FROM OPERATIONS			
Profit / (loss) before taxation		76,671	(20,374)
Adjustment for non-cash and other items			
Depreciation			
Property, plant and equipment		34,912	27,752
Right of use asset		8,291	14,299
Investment property		1,266	1,266
Amortization		48	86
Interest income		(26)	(20)
Finance costs		79,272	108,546
Amortization of deferred income		(2,430)	(2,430)
Provision against doubtful debts		-	16,339
GIDC Payable		(21,118)	-
Working capital changes	20.1	(43,658)	(80,152)
		133,228	65,311
And a West Comment of the Laboratory			
20.1 Working capital changes			
(The second of the second of the second			
(Increase) / decrease in current assets		F 200	4 702
Stores, spare parts and loose tools		5,289	4,703
Stock in trade		(91,809)	(106,856)
Trade debts		11,779	15,583
Loans and advances		(41,161)	(31,616)
Trade deposits and short-term prepayment		(19,082)	26,150
Other receivable		3,459	759
- ///)		(131,525)	(91,277)

11,125

(80, 152)

87,867

(43,658)

21 TRANSACTIONS AND BALANCES WITH RELATED PARTIES.

21.1 The related parties comprise of Holding Company, group companies, other associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings are as under:

Relation with the comp Nature of transaction			Half year ended		Quarter ended	
			December 31,	December 31,	December 31,	December 31,
·		Note	2020	2019	2020	2019
				(Unau	dited)	
Holding Company	Rent paid		1,127	1,024	1,127	93
Associated Companies / Undertakings	Purchase of goods		295	173	226	68
Provident fund	Contribution to staff retirement					
	benefit plans		4,391	4,751	2,172	2,232
Key management personnel	Remuneration and other benefits		20,659	19,889	9,973	9,439

December 31,	June 30,		
2020	2020		
(Unaudited)	(Audited)		
(Rupees in thousands)			

21.2 Period / year end balances

Receivable from associated companies / undertakings 104 104 Payable to related parties 295 173

21.3 The above transactions with related parties are at arm's length based on normal commercial rates.



22 OPERATING SEGMENTS

22.1 Segment Analysis

22

1 Segment Analysis				
	Chrysotile Cement	Plastic	Others	Total
Half year ended December 31, 2020		(Rupees in	thousands)	
(Unaudited)		-	_	
Turnover	407,656	984,040		1,391,696
Segment result	8,029	31,813		39,842
Harle sated avances				
Unallocated expenses				(1E 020)
Other operating expenses Other income				(15,820) 131,921
Finance costs				(79,272)
Taxation				(29,520)
Profit for the period				47,151
·				
Half year ended December 31, 2019				
(Unaudited)				
Turnover	439,693	914,172	-	1,353,864
Segment result	(3,234)	43,820	-	40,586
3				
Unallocated expenses				
Other operating expenses				(17,124)
Other income				64,710
Finance costs				(108,546)
Taxation				(27,007)
Loss for the period				(47,381)
Segment assets and liabilities				
December 31, 2020 (Un-audited)				
Segment assets	487,196	566,333	124,623	1,178,153
Unallocated corporate assets	101/200			2,349,680
Total assets				3,527,832
Segment liabilities	512,561	517,803	12,744	1,043,108
Unallocated corporate liabilities				1,514,523
Total liabilities				2,557,631
June 30, 2020 (Audited)				
Segment assets	445,159	554,406	126,659	1,126,224
Unallocated corporate assets				2,280,575
				3,406,799
Segment liabilities	441,061	487,583	12,744	941,388
Unallocated corporate liabilities	<u> </u>	707,303	12,/44	1,542,361
Total liabilities				2,483,749
· CC: BUDBLECO				<i>L</i> , 103,7 ₹3

23 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2020.

24 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the condensed interim financial information approximate their fair values. Fair value is the amount for which asset could be exchanged or liability settled between knowledgeable, willing parties in an arm length transaction.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset

either directly or derived from prices.

Level 3: Inputs for the asset or liability that are not based on observable market data (unadjusted)

inputs.

As of the statement of financial statement date, no financial instruments of the Company are carried at fair value.

Transfers during the period

During the six month period ended December 31, 2020, there were no transfers between level 1 and level 2 fair value measurement and no transfer into or out of level 3 fair value measurement.

25 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial statements was authorized for issue on February 25, 2021 by the Board of Directors of the Company.

26 IMPACT OF COVID-19

There was no significant impact of COVID-19 pandemic on the Company's operations or decline in revenue during the period ended December 31, 2020.

27 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no significant reclassification has been made during the period.

28 GENERAL

Amounts have been rounded off to the nearest thousands of rupees unless otherwise stated.

Qazi Sajid Ali Chief Executive Abu Talib H.K. Dada **Director**





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