

BIBOJEE GROUP



# **Quarterly Accounts**

## **March 31, 2025**

### **(Un-Audited)**



**GAMMON PAKISTAN LIMITED**

## **COMPANY INFORMATION**

### **Chairman**

Lt Gen Ali Kuli Khan Khattak (Retd) Chairman

### **Board of Directors**

Mr. Khalid Kuli Khan Khattak	Director
Mrs. Ayesha Alamzeb Durrani	Director
Mr. Muhammad Kuli Khan Khattak	Director
Mr. Sikandar Kuli Khan Khattak	Director
Mr. Kamal Abdullah Malik	Independent Director
Brig Humayun Malik (Retd)	Independent Director

### **Chief Executive Officer**

Mr. Khalid Kuli Khan Khattak

### **Audit Committee**

Mr. Kamal Abdullah Malik	Chairman
Mr. Muhammad Kuli Khan Khattak	Member
Mr. Sikandar Kuli Khan Khattak	Member

### **HR Committee**

Brig Humayun Malik (Retd)	Chairman
Mrs. Ayesha Alamzeb Durrani	Member
Mr. Sikandar Kuli Khan Khattak	Member

### **Company Secretary**

Officiating

### **Chief Financial Officer**

Mr. Ghulam Murtaza Khurshid

### **Internal Auditor**

Mr. Salman Khan ACA

### **External Auditor**

M/S Rizwan & Co.  
Chartered Accountants Islamabad

### **Legal Advisor**

Chanda Law Associates Rawalpindi	Advocates
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### **Stock Exchange**

The Gammon Pakistan Limited  
is a listed Company and  
Its shares are traded on  
Pakistan Stock Exchange Limited

### **Bankers**

Askari Bank Limited  
Bank Alfalah Limited  
Bank of Punjab  
Habib Bank Limited  
Allied Bank Limited  
Silk Bank Limited  
National Bank of Pakistan

### **Registered Office**

Gammon House  
400/2, Peshawar Road, Rawalpindi  
Tel: 051-5477326-7  
Fax: 051-5477511  
E-mail: (i) gammon1@dsl.net.pk  
(ii) Info@gammonpakistan.com

### **Share Registrar**

Vision Consulting Limited  
5-C, 2nd Floor, LDA Flats,  
Lawrence Road, Lahore  
Tel: +92-42-36283096-97  
Email: [shares@vcl.com.pk](mailto:shares@vcl.com.pk)  
Web: [www.vcl.com.pk](http://www.vcl.com.pk)

## **DIRECTORS REPORT**

The Directors of your Company have pleasure in presenting their report, together with Un-Audited Financial Statements for the Nine Months ended March 31, 2025.

## **PERFORMANCE REVIEW**

The principal activity of the Company is all type of construction specially Buildings and Bridges. The highlights of the Company's financial results as compared to the preceding period are as follows:

<b>Particulars</b>	<b>July 2024 – Mar 2025 (Rupees)</b>	<b>July 2023 – Mar 2024 (Rupees)</b>
Contract Income	-	-
Contract Expenditure	<b>(387,874)</b>	(586,961)
Net contract Profit / (Loss)	<b>(387,874)</b>	(586,961)
Profit/(Loss) before taxation	<b>(2,988,069)</b>	(1,577,086)
Taxation	<b>(5,104,275)</b>	(10,567)
Profit/(Loss) after tax	<b>(8,092,344)</b>	(1,587,653)

During the nine months ended March 31, 2025, the Company did not generate any contract revenue nor secure new projects, reflecting the ongoing challenges in the construction and infrastructure sector. The prevailing economic uncertainty, limited public sector development spending, and reduced private investment have significantly impacted business activity across the industry. The construction sector continues to face headwinds, despite broader macroeconomic indicators showing early signs of stabilization—headline inflation fell sharply to 2.4% in January 2025 and further to 1.5% in February, the lowest in over nine years, supported by easing global commodity prices and currency stability.

Throughout this period, the Company has remained actively engaged in identifying viable business opportunities within both public and private sectors. Management has maintained a strong focus on securing new projects by participating in multiple bidding processes and leveraging existing industry networks. Efforts have also continued to resolve long-standing receivables and finalize outstanding claims, particularly from earlier projects such as those with Maritime Technologies Complex (MTC) and OBR project. At the same time, the Company has kept its cost structure under control and continues to prioritize efficient resource utilization and financial discipline to maintain operational sustainability during this difficult period.

## **FUTURE PROSPECTS**

The management of Gammon Pakistan Limited is very much hopeful that they will succeed in uplifting the company by resolving long outstanding matters. The company is actively tendering for projects, supported by favourable government policies for the construction industry, although market conditions, including currency devaluation and rising costs, are affecting all sectors. It is expected that some new works will be awarded to the company in the future, potentially revitalizing its operations. The management is addressing operational and financial issues through cost control and issue resolution, aiming for financial stability and growth. This strategy aligns with economic recovery expectations and positions the company to secure competitive projects for future success.

## **ACKNOWLEDGMENT**

We appreciate the hard work and dedication of the Company's Management, Engineers and Employees during the period under review.

We would also like to express our gratitude to our Bankers, Clients and Suppliers for their co-operation, support and trust reposed in the Company.

For and on behalf of the Board of Directors



**Khalid Kuli Khan Khattak**  
(Chief Executive Officer)



**Director**

## ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز کو یہ رپورٹ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے، جو کہ غیر تصدیق شدہ مالیاتی بیانات کے ساتھ ہے، برائے نو ماہ کی مدت جو 31 مارچ 2025 کو ختم ہوئی۔

## کارکردگی کا جائزہ

کمپنی کی بنیادی سرگرمی ہر قسم کی تعمیرات ہے، بالخصوص عمارتوں اور پلوں کی تعمیر۔ کمپنی کے مالیاتی نتائج کی نمایاں جھلکیاں، گزشتہ مدت کے مقابلے میں، درج ذیل ہیں

تفصیلات	جولائی 2023 تا مارچ 2024 (روپے)	جولائی 2024 تا مارچ 2025 (روپے)
کنٹریکٹ آمدن	-	-
کنٹریکٹ اخراجات	(586,961)	(387,874)
خالص کنٹریکٹ منافع / (نقصان)	(586,961)	(387,874)
ٹیکس سے قبل منافع / (نقصان)	(1,577,086)	(2,988,069)
محصولات / ٹیکسیشن	(10,567)	(5,104,275)
ٹیکس کے بعد منافع / (نقصان)	(1,587,653)	(8,092,344)

نو ماہ کی مدت، جو 31 مارچ 2025 کو ختم ہوئی، کے دوران کمپنی نے کوئی کنٹریکٹ آمدن حاصل نہیں کی اور نہ ہی کوئی نیا منصوبہ حاصل کر سکی، جو تعمیرات اور انفراسٹرکچر کے شعبے میں جاری چیلنجز کی عکاسی کرتا ہے۔ موجودہ معاشی غیر یقینی صورتحال، سرکاری ترقیاتی اخراجات میں کمی، اور نجی سرمایہ کاری میں کمی نے اس شعبے میں کاروباری سرگرمیوں کو شدید متاثر کیا ہے۔ اگرچہ وسیع تر معاشی اشارے استحکام کے ابتدائی آثار ظاہر کر رہے ہیں—جنوری 2025 میں مہنگائی کی شرح کم ہو کر 2.4٪ اور فروری میں مزید کم ہو کر 1.5٪ ہو گئی، جو گزشتہ نو برسوں کی کم ترین سطح ہے—تاہم تعمیراتی شعبہ تاحال مشکلات کا شکار ہے۔ اس استحکام کی وجہ عالمی کموڈٹی قیمتوں میں نرمی اور کرنسی میں استحکام ہے۔

اس پوری مدت کے دوران، کمپنی مسلسل عوامی و نجی شعبوں میں موزوں کاروباری مواقع کی تلاش میں سرگرم رہی ہے۔ مینجمنٹ نے نئے منصوبے حاصل کرنے پر بھرپور توجہ مرکوز رکھی اور مختلف ٹینڈرنگ عمل میں حصہ لیا، نیز موجودہ صنعتی روابط کو مؤثر طریقے سے استعمال کیا۔ پرانے واجبات کی وصولی اور منصوبوں سے متعلق امور کے OBR اور (MTC) زیر التوا کلیمز، بالخصوص میرٹائم ٹیکنالوجیز کمپلیکس حل کی کوششیں بھی جاری رہیں۔ ساتھ ہی، کمپنی نے اپنے اخراجات پر قابو رکھا اور وسائل کے مؤثر استعمال اور مالی نظم و ضبط کو ترجیح دی تاکہ اس مشکل دور میں آپریشنل تسلسل برقرار رکھا جا سکے۔

## مستقبل کے امکانات

گیمن پاکستان لمیٹڈ کی مینجمنٹ پُر امید ہے کہ وہ طویل عرصے سے زیر التوا مسائل کے حل کے ذریعے کمپنی کو بہتری کی جانب لے جائے گی۔ کمپنی فعال طور پر نئے منصوبوں کے لیے ٹینڈرز میں حصہ لے رہی ہے، اور حکومت کی تعمیراتی صنعت کے لیے سازگار پالیسیوں سے اسے مدد حاصل ہے، اگرچہ مارکیٹ کی صورتحال جیسے کرنسی کی قدر میں کمی اور اخراجات میں اضافہ، تمام شعبوں کو متاثر کر رہی ہے۔ امید کی جاتی ہے کہ مستقبل میں کمپنی کو کچھ نئے منصوبے مل سکتے ہیں جو اس کی سرگرمیوں کو دوبارہ بحال کر سکتے ہیں۔ مینجمنٹ آپریشنل اور مالی مسائل کو اخراجات کے کنٹرول اور تنازعات کے حل کے ذریعے دور

کر رہی ہے تاکہ مالی استحکام اور ترقی حاصل کی جا سکے۔ یہ حکمتِ عملی معیشت کی بحالی کی توقعات سے ہم آہنگ ہے اور کمپنی کو مستقبل میں مسابقتی منصوبے حاصل کرنے کے لیے بہتر پوزیشن میں لے آئے گی۔

#### اظہارِ تشکر

ہم کمپنی کی مینجمنٹ، انجینئرز، اور ملازمین کی محنت اور لگن کو سراہتے ہیں جو انہوں نے اس عرصے کے دوران دکھائی۔

ہم اپنے بینکاروں، کلائنٹس، اور سپلائرز کا بھی شکریہ ادا کرتے ہیں جنہوں نے کمپنی پر اعتماد کیا اور ہمیشہ تعاون اور حمایت فراہم کی۔

بورڈ آف ڈائریکٹرز کی جانب سے

خالد گلی خان خٹک  
(چیف ایگزیکٹو آفیسر)

ڈائریکٹر

**GAMMON PAKISTAN LIMITED**  
**UN-CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED**  
**MARCH 31, 2025**  
**(UN-AUDITED)**

**GAMMON PAKISTAN LIMITED**
**UN-CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)  
AS AT MARCH 31, 2025**

		UN-AUDITED	AUDITED
		March 31, 2025	June 30, 2024
	NOTE	Rupees	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	263,330,631	264,259,416
Investment property	7	357,646,440	357,646,440
Long term investments	8	189,340,000	189,340,000
Long term security deposits		1,350,600	3,750,600
Deferred taxation		10,902,067	10,866,023
		822,569,738	825,862,479
CURRENT ASSETS			
Stores, spares and loose tools		12,354,604	12,333,504
Contract receivables	9	45,065,957	45,065,957
Contract asset	10	65,049,779	65,049,779
Loans and advances	11	70,809,136	19,982,207
Other receivables		3,817,804	909,156
Tax refunds due from Government		98,008,544	94,600,838
Cash and bank balances	12	979,363	3,101,414
		296,085,187	241,042,855
TOTAL ASSETS		1,118,654,925	1,066,905,334
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	13	282,662,310	282,662,310
Capital reserves			
Share premium reserve		15,380,330	15,380,330
Revaluation surplus on property, plant and equipment		381,731,053	382,426,284
		397,111,383	397,806,614
Revenue reserve			
Accumulated profit		159,883,601	167,280,714
		839,657,294	847,749,638
NON-CURRENT LIABILITIES			
Deferred liability		5,762,820	6,402,590
		5,762,820	6,402,590
CURRENT LIABILITIES			
Trade and other payables	14	241,733,039	181,251,334
Unclaimed dividends		1,442,230	1,442,230
Joint venture partner's advances		30,059,542	30,059,542
		273,234,811	212,753,106
TOTAL EQUITY AND LIABILITIES		1,118,654,925	1,066,905,334
CONTINGENCIES AND COMMITMENTS			
	15	-	-

The annexed notes from 1 to 24 form an integral part of these financial statements.



**CHIEF EXECUTIVE**



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**



**GAMMON PAKISTAN LIMITED**

**UN-CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2025**

		UN-AUDITED			
		NINE MONTHS ENDED		QUARTER ENDED	
		March 31,		March 31,	
		2025	2024	2025	2024
NOTE		-----Rupees-----			
Contract income		-	-	-	-
Contract expenditure	6	(387,874)	(586,961)	-	(55,207)
<b>Net contract (loss)</b>		<b>(387,874)</b>	<b>(586,961)</b>	<b>-</b>	<b>(55,207)</b>
Operating expenses					
Depreciation	6	(684,411)	(709,409)	(356,201)	(193,520)
Administrative expenses		(28,927,783)	(26,238,237)	(11,248,906)	(10,412,434)
Operating loss		(30,000,068)	(27,534,607)	(11,605,107)	(10,661,161)
Other income		27,017,687	25,960,584	9,226,559	8,769,778
Finance cost		(5,688)	(3,063)	(700)	(1,323)
<b>(Loss) before tax &amp; levies</b>		<b>(2,988,069)</b>	<b>(1,577,086)</b>	<b>(2,379,248)</b>	<b>(1,892,706)</b>
Minimum and final- Levy		(5,140,319)	-	(5,140,319)	-
<b>(Loss) before income tax</b>		<b>(8,128,388)</b>	<b>(1,577,086)</b>	<b>(7,519,567)</b>	<b>(1,892,706)</b>
Taxation - Deferred Tax		36,044	(10,567)	-	(1,000)
<b>(Loss) after income tax</b>		<b>(8,092,344)</b>	<b>(1,587,653)</b>	<b>(7,519,567)</b>	<b>(1,893,706)</b>
<b>Earnings per share:</b>					
Earnings per share - basic and diluted	16	(0.29)	(0.06)	(0.27)	(0.07)

The annexed notes from 1 to 24 form an integral part of these financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

GAMMON PAKISTAN LIMITED  
 UN-CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
 FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2025

	UN-AUDITED			
	NINE MONTHS ENDED		QUARTER ENDED	
	March 31,		March 31,	
	2025	2024	2025	2024
	-----Rupees-----			
NOTE				
(Loss) after taxation	(8,092,344)	(1,587,653)	(7,519,567)	(1,893,706)
Other comprehensive income	-	-	-	-
Total other comprehensive (loss) for the period	<u>(8,092,344)</u>	<u>(1,587,653)</u>	<u>(7,519,567)</u>	<u>(1,893,706)</u>

The annexed notes from 1 to 24 form an integral part of these financial statements.


		
CHIEF EXECUTIVE	CHIEF FINANCIAL OFFICER	DIRECTOR

**GAMMON PAKISTAN LIMITED**  
**UN-CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2025**

FOR THE NINE MONTHS ENDED MARCH 31, 2025

	Share capital	Reserves			Total
		Capital		Revenue	
	Issued, subscribed and paid-up capital	Share premium	Revaluation surplus on property, plant and equipment	Accumulated Profits	
Rupees					
Balance as at June 30, 2023 (Audited)	282,662,310	15,380,330	428,814,751	77,498,678	804,356,069
Total comprehensive income for the period					
(Loss) for the period	-	-	-	(1,587,653)	(1,587,653)
Transfer from revaluation surplus on property, plant and equipment:					
- on account of incremental depreciation-net of deferred tax	-	-	(574,829)	574,829	-
Balance as at March 31, 2024	282,662,310	15,380,330	428,239,922	76,485,854	802,768,416
<b>Balance as at June 30, 2024 (audited)</b>	<b>282,662,310</b>	<b>15,380,330</b>	<b>382,426,284</b>	<b>167,280,714</b>	<b>847,749,638</b>
<b>Total comprehensive income for the period</b>					
(Loss) for the period	-	-	-	(8,092,344)	(8,092,344)
Transfer from revaluation surplus on property, plant and equipment:					
- on account of incremental depreciation-net of deferred tax	-	-	(695,231)	695,231	-
<b>Balance as at March 31, 2025</b>	<b>282,662,310</b>	<b>15,380,330</b>	<b>381,731,053</b>	<b>159,883,601</b>	<b>839,657,294</b>

The annexed notes from 1 to 24 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

**GAMMON PAKISTAN LIMITED**  
**UN-CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2025**

NOTE	UN-AUDITED	
	NINE MONTHS ENDED	
	March 31, 2025	March 31, 2024
	Rupees	

**CASH FLOWS FROM OPERATING ACTIVITIES**

(Loss) before working capital changes	20	(2,549,866)	(733,625)
Changes in working capital:			
<b>(Increase) in current assets</b>			
Stores, spares and loose tools		(21,100)	(31,950)
Loans and advances		(50,826,929)	(8,550,038)
Other receivables		(2,908,648)	(985,326)
<b>Increase in current liabilities</b>			
Trade & other payable		60,481,705	16,293,408
		<u>6,725,028</u>	<u>6,726,094</u>
Net cash generated from operating activities		<u>4,175,162</u>	<u>5,992,469</u>
Financial cost paid		(5,688)	(3,063)
Income tax paid		(8,548,025)	(3,393,661)
		<u>(8,553,713)</u>	<u>(3,396,724)</u>
Net cash (used in) / generated from operating activities		<u>(4,378,551)</u>	<u>2,595,745</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of fixed assets	6	(143,500)	(47,000)
Sale proceeds from Long term investment		-	1,300,413
Long term security deposits		2,400,000	(2,400,000)
Net cash generated from / (used in) investing activities		<u>2,256,500</u>	<u>(1,146,587)</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<u>(2,122,051)</u>	<u>1,449,158</u>
<b>Cash and cash equivalents at the beginning of the period</b>		<u>3,101,414</u>	<u>2,120,883</u>
<b>Cash and cash equivalents at the end of the period</b>	12	<u><u>979,363</u></u>	<u><u>3,570,041</u></u>

The annexed notes from 1 to 24 form an integral part of these financial statements.



**CHIEF EXECUTIVE**



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**

**GAMMON PAKISTAN LIMITED**  
**NOTES TO THE UN-CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2025**

**1 STATUS AND NATURE OF BUSINESS**

The Company was incorporated under the repealed Companies Act, 1913 (now the Companies Act, 2017) on August 12, 1947 as a Public Company Limited by shares. Its shares are quoted on Pakistan Stock Exchange Limited (Formerly Karachi Stock Exchange Limited in which Lahore and Islamabad stock exchanges have merged). It is principally engaged in the execution of civil construction works. The registered office of the Company is situated at Gammon House, 400/2 Peshawar Road, Rawalpindi. The Company is a subsidiary of Bibojee Services (Private) Limited.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

These unconsolidated condensed interim financial statements of the Company for the nine months ended March 31, 2025 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. In case where requirements differ, the provisions or directives issued under the Companies Act, 2017 have been followed.

These unconsolidated condensed interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2024. Comparative unconsolidated condensed interim statement of financial position is extracted from annual audited financial statements for the year ended June 30, 2024 and comparative unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows are extracted from unaudited interim financial statements for the nine months ended March 31, 2025.

These unconsolidated condensed interim financial statements are unaudited but subject to the limited scope review by auditors and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019. The unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the three months period ended March 31, 2025 and March 31, 2024 are neither audited nor reviewed.

**2.2 Basis of measurement**

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except for certain fixed assets which have been stated at revalued amount and staff retirement benefit at present value.

These unconsolidated condensed interim financial statements have been prepared following accrual basis of accounting except for cash flow information.

### 2.3 Functional and presentation currency

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

## 3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN

- 3.1 The accounting policies adopted and methods of computation followed in the preparation of these unconsolidated condensed interim financial statements are same as those applied in the preparation of financial statements for the year ended June 30, 2024.
- 3.2 The preparation of these unconsolidated condensed interim financial statements in conformity with approved accounting standards require management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 3.3 The significant estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2024.
- 3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Company's accounting period beginning on or after July 01, 2024. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have a significant effect on these unconsolidated condensed interim financial statements.
- 3.5 The Company's significant risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Company for the year ended June 30, 2024.

## 4 TAXATION

The provision for taxation for the nine months and quarter ended March 31, 2025 has been made using the estimated effective tax rate applicable to expected total annual earnings.

## 5 ESTIMATES

The preparation of unconsolidated condensed interim financial statements require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and 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, 2024.

## RELATED PARTY TRANSACTIONS

Transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions.

	NOTE	Unaudited	Audited
		March 31, 2025	June 30, 2024
		Rupees	
<b>6 PROPERTY, PLANT AND EQUIPMENT</b>			
Opening written down value		<b>264,259,416</b>	300,176,778
Add: Additions during the period / year	<b>6.1</b>	<b>143,500</b>	289,701
Add: Revaluation Surplus		-	589,256
		<b>143,500</b>	878,957
Less: Deletions - NBV		-	(35,180,875)
Less: Depreciation charged during the period / year		<b>(1,072,285)</b>	(1,615,444)
		<b>263,330,631</b>	264,259,416

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

	NOTE	Unaudited	Audited
		March 31, 2025	June 30, 2024
		Rupees	
Furniture and fixture		<b>25,500</b>	208,701
Computers and accessories		<b>118,000</b>	81,000
		<b>143,500</b>	289,701

## 7 INVESTMENT PROPERTY

Gammon House - land and building	<b>7.1</b>	<b>357,646,440</b>	357,646,440
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7.1 The movement in this account is as follows:

Opening balance	<b>7.2</b>	<b>357,646,440</b>	479,831,160
Less: Transfer during the year		-	(121,626,000)
Net fair value (loss) on revaluation shown in profit and loss account	<b>7.3</b>	-	(558,720)
		<b>357,646,440</b>	357,646,440

7.2 This represents Gammon House (head office of the Company) which is held to earn rentals and for capital appreciation and shown under the head "Investment property". The Company has adopted fair value model for valuation.

7.3 The company, as of June 30, 2024, had revalued all of its investment property. The revaluation exercise was carried out by an independent valuer, Impulse (Private) Limited, and the revaluation resulted in a (loss) of Rs. (558,720) in net adjustment to the fair value as on that date.

		Unaudited	Audited
		March 31, 2025	June 30, 2024
		Rupees	
8	LONG TERM INVESTMENTS		
	Unquoted		
	Subsidiaries		
	Gammon Pakistan Precast (Private) Limited	189,340,000	189,340,000
	(69.99% Holding)		
	18,934,000 ordinary shares (June 30, 2024:		
	18,934,000) of Rs. 10 each	189,340,000	189,340,000
9	CONTRACT RECEIVABLES		
	Unsecured - considered good		
	Against billings:		
	- Completed contracts	76,107,565	76,107,565
	Provision for expected credit loss	(73,512,276)	(73,512,276)
		2,595,289	2,595,289
	Against retention money:		
	- Completed contracts	80,537,519	80,537,519
	Provision for expected credit loss	(38,066,851)	(38,066,851)
		42,470,668	42,470,668
	Joint venture:		
	- Against billings	17,054,553	17,054,553
	- Against retention money	12,936,380	12,936,380
		29,990,933	29,990,933
	Provision for expected credit loss	(29,990,933)	(29,990,933)
		-	-
		45,065,957	45,065,957

- 9.1 Management, in the previous years, carried out an exercise to identify long outstanding receivable balances comprising of progress billings and retention monies which are not likely to be received due to various reasons. There is no change in the management's assessment of expected credit loss of Rs.141.570 million and accordingly, during the nine months ended March 31, 2025, no further provision has been made (June 30, 2024: Nil).



NOTE	Unaudited	Audited
	March 31, 2025	June 30, 2024
	Rupees	

**10 CONTRACT ASSETS**

Net Construction contracts-analysed as current	10.1	65,049,779	65,049,779
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10.1 The Company receive payments from customers based on a billing schedule, as established in the contracts. Contract assets relate to the conditional right to consideration for completed performance obligations under the contract. Contract receivables are recognised when the right to consideration becomes unconditional. In addition, contract assets have been recognized in line with the initial application of IFRS -15.

11 It includes Rs. 45,235,759/- (2024: Nil) loan to associated undertaking Gammon Precast Pakistan (Private) Limited carry markup at the rate of 1Y-KIBOR plus 0.25% per annum (2024: Nil) up to the maximum amount of Rs. 90.50 million.

NOTE	Unaudited	Audited
	March 31, 2025	June 30, 2024
	Rupees	

**12 CASH AND BANK BALANCES**

Cash in hand		55,391	418,266
Cash at bank - local currency			
Current accounts		24,024	1,783,200
PLS accounts	12.1	10,505	10,505
Deposit accounts	12.2	889,443	889,443
		923,972	2,683,148
		979,363	3,101,414

12.1 PLS accounts, during the current financial period, carried markup ranging from 13.5% to 19% (June 30, 2024 :19.25% to 21%) per annum.

12.2 As at March 31, 2025 and June 30, 2024 the entire balance was under bank's lien.

**13 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL****13.1 Issued, subscribed and paid up capital**

22,627,320 (June 30, 2024: 22,627,320) ordinary shares of Rs.10/- each fully paid in cash	203,690,560	203,690,560
2,562,845 (June 30, 2024: 2,562,845) bonus shares of Rs.10/- each fully paid in cash	25,628,450	25,628,450
3,076,066 (June 30, 2024: 3,076,066) ordinary shares of Rs.10/- each fully paid in cash (against conversion of loans)	30,760,660	30,760,660
	282,662,310	282,662,310

**13.2 Authorized share capital**

This represents 30,000,000 (June 30, 2024: 30,000,000) ordinary shares of Rs. 10 each amounting to Rs.300,000,000 (June 30, 2024: Rs. 300,000,000).

- 13.3 Bibojee Services (Private) Limited (the holding company) holds 20,369,056 (June 30, 2024: 20,369,056) shares, i.e. 72.06% of the Company's issued, subscribed and paid-up capital.

	NOTE	Unaudited March 31, 2025	Audited June 30, 2024
		Rupees	
<b>14 TRADE AND OTHER PAYABLES</b>			
Directors current account	14.1	26,577,114	26,577,114
Sundry creditors		35,841,022	33,390,422
Advance against land and rent	21.1	60,962,580	2,362,577
Due to sub-contractors		24,411,700	24,543,700
Accrued expenses		44,712,051	46,752,906
Due to employees and others	14.2	9,009,261	9,009,261
Taxes payables		3,331,852	1,727,895
Joint venture partner's share of profit		1,620,715	1,620,715
Other provisions	14.3	35,122,500	35,122,500
Worker's welfare fund payable		144,244	144,244
		<b>241,733,039</b>	<b>181,251,334</b>

- 14.1 This includes advances paid by directors in order to meet day today expenses from Chairman Lt Gen Ali Kuli Khan (Retd) and Director Khalid Kuli Khan amounting to Rs. 22,553,800/- (2024: Rs. 13,038,300) and Rs. 4,023,314/- (2024: Rs. 4,023,314 ) respectively which are interest free and reimbursable on demand.

- 14.2 This balance includes amounts aggregating Rs. 1.563 million (June 30, 2024: Rs. 1.563 million) payable in respect of the loans obtained from the Company's Employees' Provident Fund (the Fund) during the period from 1995 to 1999. The SECP, during May 2008, had issued show-cause notices to some of the existing directors as well as ex-directors under various sections of the repealed Companies Ordinance, 1984 (the Ordinance), repealed with the enactment of Companies Act, 2017. The SECP, vide its three orders dated 25 June, 2009, had imposed penalties aggregating Rs. 1.005 million under various sections of the Ordinance on some of the existing directors and ex-directors in their personal capacity.

The SECP has also directed the Company's Chief Executive to distribute the amount of Rs. 9.153 million to members of the provident fund trust including the employees/directors/ex-directors of the Company at the time of closure of the Fund in the year 1987 as per their entitlement and to submit an Auditor's certificate confirming that all outstanding money of the fund has been paid to members in accordance with provisions of the section 227 of the Ordinance. The Company opened a separate bank account and transferred the entire amount into it. Furthermore, an amount of Rs. 7.589 million were paid to members up to December 31, 2019.

- 14.3 These represent provisions made for the potential liability, in respect of borrowings of Saudi Riyals 2.5 million and Saudi Riyals 5 million during the year 1986 for the Saudi Operations of the Company, that the Company may have to incur as a result of settlement of overseas dues of National Bank of Pakistan in accordance with the Incentive Scheme under the State Bank of Pakistan's Circular No.19 of 05 June,1997 (for further detail please refer note 15.2 (a) of these unconsolidated condensed interim financial statements).

## 15 CONTINGENCIES AND COMMITMENTS

### 15.1 Contingent assets

The Company had lodged a claim with National Highway Authority amounting to Rs. 201.177 million (June 30, 2024: 201.177 million) against M/s Bayinder for recovery of losses suffered by the Company attributable to cessation of the work at Islamabad - Peshawar Motorway Project.

### 15.2 Contingent liabilities

- a) The National Bank of Pakistan (NBP) vide its letter number NBP/CORP/2022/107 has categorically confirmed that the company does not owe any amount in respect of overseas dues of NBP and the e-CIB portal of the State Bank of Pakistan has also not reported any overdue amount. Therefore, outcome of the case pending before the Sindh High Court since 2000 cannot be determined at this stage. However the legal advisor is confident of a favourable outcome.

In view of the above and since the company has made provision for the contingent liability (Note 14.3 above) in the financial statements in accordance with the Incentive Scheme under the State Bank of Pakistan's Circular No. 19 of 05 June, 1997, the management is of the opinion that there is no further requirement for any provision on this account as no adverse effect is expected. The same has been endorsed by the Company's Board of Directors (BOD) and the legal advisor in his opinion. Furthermore, the BOD has agreed to settle any liability that may arise consequent upon the outcome of the above matter.

- b) Regarding tax year 2015 Best judgment assessment was made against the company under section 121 of the Income Tax Ordinance, 2001 determining tax chargeable at Rupees 46,282,156/- and tax payable of Rupees. 22,636,470/- The Commissioner Inland Revenue (Appeals) who upheld the assessment order of Deputy Commission Inland Revenue. Later on, the Appellate Tribunal Inland Revenue remanded back the case to the assessing officers which is yet to set for hearing. Legal counsel of the company is confident to have a favourable decision in due course of time.

Punjab Revenue Authority completed its proceedings against the company for non-payment of Rupees 68,290,380/- as provincial tax during the tax periods from June 2013 to March 2018. The case is pending before the Appellate Tribunal Punjab Revenue Authority. Legal counsel of the company is confident to have a favourable decision in due course of time.

Proceedings under section 161/205 of the Income Tax Ordinance, 2001 were initiated and completed against the company for the tax year 2016 and 2018 by determining tax payable of Rupees 1,677,422/- and Rupees 16,764,436/- respectively. The cases have been heard by the Commissioner Inland Revenue (Appeals) whose decision is awaited. Legal counsel of the company is confident to have a favourable decision in due course of time.

- c) In the ordinary course of business various parties have filed legal cases against the Company, which have not been admitted as liabilities, accordingly, no provision has been considered necessary against these claims till their final outcome. The legal advisor of the Company is of the opinion that these cases are expected to be decided in favour of the Company and therefore no provision has been made in these financial statements for any liability that may arise consequent upon the result of above law suits.

### 15.3 Commitments

The Company's commitments as at balance sheet date are as follows:

- a) Guarantees issued by a commercial bank and insurance companies in respect of financial and operational obligations of the Company to various institutions and corporate bodies, aggregate Rs. 50.062 million (June 30, 2024: Rs. 50.062 million).
- b) There were no commitment for capital expenditures as at the unconsolidated condensed interim statement of financial position date (June 30, 2024: Nil).

**16 EARNING PER SHARE- BASIC AND DILUTED**

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

	UN-AUDITED			
	NINE MONTHS ENDED		QUARTER ENDED	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Earning after taxation-(Rupees)	<b><u>(8,092,344)</u></b>	<u>(1,587,653)</u>	<b><u>(7,519,567)</u></b>	<u>(1,893,706)</u>
Weighted average number of ordinary shares	<b><u>28,266,231</u></b>	<u>28,266,231</u>	<b><u>28,266,231</u></b>	<u>28,266,231</u>
Earning per share - (Rupees)	<b><u>(0.29)</u></b>	<u>(0.06)</u>	<b><u>(0.27)</u></b>	<u>(0.07)</u>

**17 TRANSACTIONS WITH RELATED PARTIES**

- 17.1 The related parties, subsidiary and associated undertakings of the Company comprise of group companies, other associate companies, subsidiary companies, directors and key management personnel. Transactions with related parties, subsidiary and associated undertakings during the period are as follows:

UN-AUDITED			
NINE MONTHS ENDED		QUARTER ENDED	
March 31,		March 31,	
2025	2024	2025	2024
-----Rupees-----			

**Relation with the Company****Nature of transaction**

Gammon Pakistan Precast  
(Private) Limited

Loan Provided	51,953,299	-	34,369,896	-
Repayments	(14,549,306)	-	(11,805,656)	-
Expenses settled	-	1,354,424	-	-

**Associated Companies**

Ghandhara Nissan Limited

Rental income	3,704,178	5,526,978	1,288,410	1,207,884
Payment received	(3,704,178)	(3,330,828)	(1,288,410)	(1,207,884)

Gandhara Industries Limited

Rental income	3,663,915	5,490,375	1,248,147	1,207,884
Payment received	(3,623,652)	(5,623,475)	(1,207,884)	(1,207,884)

Janana De Malucho Textile  
Mills Limited

Rental income	-	146,410	-	73,205
Payment received	-	-	-	-

Bannu Wollen Mill Limited

Rental income	5,136,194	7,714,441	1,786,502	1,674,846
Payment received	(3,349,692)	(6,191,854)	(1,786,502)	(1,674,846)

17.2 Balances receivable / payable with related parties are disclosed in respective notes.

**18 FINANCIAL RISK MANAGEMENT**

The Company's financial risk management objective and policies are consistent with that disclosed in the unconsolidated financial statements for the year ended June 30, 2024.

**19 FAIR VALUE MEASUREMENT**

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are traded in an open market are revalued at the market prices prevailing at the close of trading on the reporting date. The estimated fair value of all other financial assets and liabilities is not considered to be significantly different from book values as the items are either short-term in nature or periodically repriced.

International Financial Reporting Standard (IFRS) 13, "Fair Value Measurement" requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The management assessed that the carrying value of cash and short term deposits, trade debts, other receivables trade and other payables and other current liabilities approximate their fair values largely due to the short term maturities of these instruments. Fair value is determined on the basis of objective evidence at each reporting date.

#### Transfers during the period

During the nine month period to March 31, 2025, there were no transfers into or out of Level 3 fair value measurements.

As at March 31, 2025 and June 30, 2024 the Company held financial instruments carried at fair value which comprising investment property and operating fixed assets are measured at fair value.

- 19.1 The investment property was valued on June 30, 2024 carried out by external independent valuers M/s Impulse (Private) Limited. The fair value of investment property is categorized as level 2 recurring fair value measurement due to significant observable inputs used in the valuation. A reconciliation of the opening and closing balance is provided below:

	NOTE	
	Unaudited March 31, 2025	Audited June 30, 2024
	Rupees	
Opening balance (level 2 recurring fair value)	357,646,440	479,831,160
Less: Transfer during the year	-	(121,626,000)
Fair value (loss) recognized in profit and loss	-	(558,720)
	<u>357,646,440</u>	<u>357,646,440</u>

- 19.2 The Company has revalued its freehold land, buildings, plant and machinery and other fixed assets on June 30, 2024 by independent valuers M/s Impulse (Private) Limited on the basis of market value of similar properties. Fair value of land and building are based on assumptions considered to be level 2 in the fair value hierarchy due to significant observable inputs used in the valuation, while fair value of plant and machinery are considered to be level 3 in the fair value hierarchy due to significant unobservable inputs used in the valuation.

#### Valuation techniques used to derive level 2 fair values - Land and building

Fair value of land and building has been derived using a sales comparison approach. Sale prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as location and size of the property. Moreover value of building also depends upon the type of construction, age and quality. The most significant input in this valuation approach is price / rate per square foot in particular locality. This valuation is considered to be level 2 in fair value hierarchy due to significant observable inputs used in the valuation.

#### Valuation techniques used to derive level 3 fair values-Plant and machinery and other fixed assets

In the absence of current prices in an active market, the fair value is determined by taking into account the following factors:

- Make, model, country of origin and etc.;
- Operational capacity;
- Present physical condition;
- Resale prospects; and
- Obsolescence.

The valuation is considered to be level 3 in the fair value hierarchy due to the above unobservable inputs used in the valuation. Most significant input in this valuation is the current replacement cost which is adjusted for factors above.

Had there been no revaluation, the net book value of the specific classes of operating assets would have been as follows:

	Unaudited March 31, 2025	Audited June 30, 2024
	Rupees	
Freehold land	120,988	120,988
Buildings on freehold land	3,022,495	3,022,495
Plant and machinery	1,324,644	1,324,644
Furniture and fixture	998,105	972,605
Computers and accessories	1,027,108	980,106
Motor vehicles, cycles and boats	63,454	63,454
Construction equipment	391,403	273,403

## NOTE

Unaudited Nine Months ended March 31,	
2025	2024
Rupees	

**20 PROFIT BEFORE WORKING CAPITAL CHANGES**

(Loss) before taxation (2,988,069) (1,577,086)

**Adjustment for:**

Depreciation

6

Staff retirement benefits - gratuity (net)

Finance cost

1,072,285	1,296,370
(639,770)	(455,972)
5,688	3,063
438,203	843,461
(2,549,866)	(733,625)

(Loss) before working capital changes

**21 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS****21.1 Post Balance Sheet Event**

The Board of Directors (BOD), through circulation on December 3, 2024, resolved to sell the company's freehold land and building located in Taluka Qasimabad, District Hyderabad, Sindh, at maximum realizable value subject to the approval of the shareholders as disclosed in the statement of material facts. This sale arrangement was subsequently approved by the shareholders at an extraordinary general meeting held on January 17, 2025.

This event has been considered as non-adjusting event under IAS10 and has not been recognized in these condensed interim financial statements.

**21.2 Management Assessment of Going Concern**

Although the company has earned an operational loss of Rs. 30 million due to non-availability of profitable contracts/projects during the period, it has managed to meet the day to day working capital requirements and to repay all the administrative cost through the rental income earned from investment properties. However, the management is confident of the Company's ability to continue as a going concern based on its concentrated effort to re-profile the operational activities and utilization of improved liquidity in cost efficient operational levels of machinery and related projects. The Company undertook significant operational measures in order to generate liquidity and profitable projects/ventures which are amply disclosed in note 46.1 to the audited financial statements.

**21.3 Investigation against EX-CFO**

Based on in-house internal audit report the EX-CFO of the company during the period from 01 January 2018 to 29 December 2020 was involved in certain financial transactions, which is being investigated internally. Moreover, FIR has been lodged against him subsequent to June 30, 2021. The transactions mainly done out of books and the impact of such investigation/FIR, if any, will be accounted for in the period during which such case is completed.

**22 CORRESPONDING FIGURES**

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

**23 DATE OF AUTHORIZATION**

This condensed interim financial information was authorized for issue on 29 April 2025 by the Board of Directors of the Company.

**24 GENERAL**

Figures have been rounded off to the nearest rupee.



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