

**Interim Report & Financial Statements
For the Nine Months Period Ended
March 31, 2019**



**DADABHOJ CONSTRUCTION
TECHNOLOGY LIMITED**



DADABHOJ CONSTRUCTION TECHNOLOGY LIMITED

	<u>PAGE</u>
Company Information	1
Directors' Report	2
Directors' Report- Urdu	3
Condensed Interim Statement of Financial Position	4
Condensed Interim Statement of Profit or Loss And Other Comprehensive Income	5
Condensed Interim Statement of Changes in Equity	6
Condensed Interim Statement of Cash Flows	7
Notes to the Condensed Interim Financial Statements	8-10



DADABHOY CONSTRUCTION TECHNOLOGY LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS

Non- Executive Directors:

Mr. Muhammad Hussain Dadabhoy
Mr. Fazal Karim Dadabhoy
Malik Shaheer Khalid

Chairman/ Director
Director
Director

Executive Director:

Mr. Faheem Khan Niazi

Chief Executive Officer

Independent Directors:

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

Director
Director
Director

AUDIT COMMITTEE

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

Chairman
Member
Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Khawaja Mansoor Ali
Mr. Muhammad Hussain Dadabhoy
Malik Shaheer Khalid

Chairman
Member
Member

CHIEF FINANCIAL OFFICER

Mr. Muhammad Aslam Moten

COMPANY SECRETARY

Mr. M. Sohail A. Sheikh

AUDITORS

M/s Reanda Haroon Zakeria &
Company, Chartered Accountants

LEGAL ADVISOR

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

REGISTERED OFFICE

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

SHARE REGISTRAR

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

BANKER

Summit Bank Limited

E- mail:

mhdadabhoygroup@gmail.com

Web:

www.mhdadabhoy.com

Directors' Report

The Board of Directors of M/s Dadabhoy Construction Technology Limited [DCTL] is pleased to present the quarterly results of the Company for the period ended March 31, 2019 along with Directors' Report to its shareholders.

I would like to inform the shareholders that your Company has changed its business line within the scope of activities detailed in the Memorandum of Association from the production of construction adhesives to the construction and sale of small commercial and residential ventures and for the purposes fresh sources of funds have been created and utilized in acquiring new assets which are expected to be generated operating income and profitability for the Company.

During the quarter under review, the Company has recorded the loss after tax at Rs.2,619,818/-; whereas in the nine month period ended, i.e. as at March 31, 2019, it comes to Rs. 7,580,659/-. In the said figure, accumulated amounts of Rs. 2,745,342/- and Rs. 4,873,684/- of administrative expenses and markup on short term borrowing respectively are included.

Accordingly, the accumulated losses of the Company touched to Rs. 29,215,533/- for the period ended March 31, 2019, comparing to the amount of Rs. 21,634,874/- reported as at June 30, 2018 and consequently the shareholders' equity appeared as negative Rs.5,987,533/- as at March 31, 2019.

The trade and other payable have also been enhanced to Rs. 3,040,618/- for close of the period under review.

Acknowledgement:

The Board wishes to thank the shareholders and the customers for their continuing patronage and confidence imposed on their Company and its directors. We also take this opportunity to thank the Securities & Exchange Commission of Pakistan and the Pakistan Stock Exchange for their continuous and professional support to us. Finally, we wish to thank our staff who remained committed to delivering and hard work for the revival of the operations and growth of the Company.

For & On behalf of the Board of Directors:



Faheem Khan Niazi
Director/ CEO

April 23, 2019

ڈائریکٹرز رپورٹ

میسرز دادا بھائی کنسٹرکشن ٹیکنالوجی لمیٹڈ کے ڈائریکٹرز 31 مارچ 2019ء کو ختم ہونے والی سہ ماہی کے مالیاتی بیانات پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

میں حصداروں کو مطلع کرنا چاہوں گا کہ آپ کی کمپنی نے اپنے میمورنڈم آف آرٹیکل آف ایسوسی ایشن میں بیان کردہ کاروباری سرگرمیوں کی گنجائش کے مطابق اپنی کاروباری لائن میں تبدیلی کا فیصلہ کیا ہے اور کمپنی اب تعمیرات میں استعمال ہونے والے چپکنے والے مواد (بونڈ) کے بجائے چھوٹے پیمانے پر تجارتی و رہائشی منصوبوں کی تعمیر اور فروخت پر اپنی توجہ مرکوز کرنا چاہ رہی ہے۔ اس مقصد کے لئے کمپنی کے نئے فنڈز جمع کیے ہیں اور ان کو کمپنی کے نئے اثاثوں کی خرید میں استعمال کیا ہے، اس طرح یہ امید کی جاتی ہے کہ کمپنی کی آپریٹنگ آمدنی پیدا ہوگی جو آگے جا کر کمپنی کو منافع بخش بنائے گی۔

زیرے جائزہ سہ ماہی کے دورانیے میں کمپنی کا بعد از ٹیکس خسارہ -/Rs.2,619,818 درج کیا ہے جبکہ نو (9) ماہ پر ختم ہونے والی مدت؛ یعنی 31 مارچ 2019ء کو مجموعی خسارہ -/Rs.7,580,659 دیکھا گیا ہے اور اس مجموعی خسارے میں -/Rs.2,745,342 اور -/Rs.4,873,684 بالترتیب انتظامی امور کے اخراجات اور قبیل المیاد قرضاجات پر مارک اپ کی مجموعی رقم شامل ہے۔

مطابق کمپنی کے مجموعی خسارے کی رقم ختم ہونے والی مدت، یعنی 31 مارچ 2019ء کو -/Rs.29,215,533 تک پہنچ گئی جبکہ مجموعی نقصانات کی یہ رقم 30 جون 2018ء پر ختم ہونے والے سال پر -/Rs.21,634,874 پر درج کی گئی تھی؛ لہذا حصص داروں کی ایکویٹی 31 مارچ 2019ء پر ختم ہونے والی مدت پر منفی -/Rs.5,987,533 پر دیکھی گئی ہے۔ ختم ہونے والی زیرے جائزہ مدت پر تجارت و دیگر قابل ادائیگی کی رقم بھی بڑھ کر -/Rs.3,040,618 ہو گئی۔

اعتراف:

بورڈ اپنے حصص داروں اور گاہکوں کا ان کی مسلسل معاونت اور ان کے اس اعتماد کا کہ جو انہوں نے اپنی کمپنی اور اس کے ڈائریکٹرز صاحبان پر کیا، شکریہ ادا کرتا ہے۔ ہم اس موقع پر سیکورٹی اینڈ ایگزیکٹو کمیشن آف پاکستان (SECP) اور پاکستان اسٹاک ایکسچینج (PSX) کا شکریہ ادا کرتے ہیں کہ انہوں نے ہمیں اپنی مسلسل و پیش وارانہ حمایت مہیا کی۔ آخر میں ہم اپنے عملے کا شکریہ ادا کرنے کے خواہش کرتے ہیں کہ انہوں نے کمپنی کے آپریشن کی بحالی اور اس کی ترقی کے لئے اپنے فرائض تدریجی اور محنت سے انجام دیے۔

از طرف:

بورڈ آف ڈائریکٹرز

Fahim Khan

فہیم خان نیازی

ڈائریکٹر ایگزیکٹو

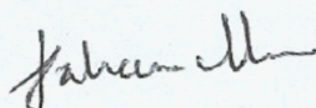
میسرز دادا بھائی کنسٹرکشن ٹیکنالوجی لمیٹڈ

23 اپریل 2019ء

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT MARCH 31, 2019

		<i>March 31, 2019</i>	<i>June 30, 2018</i>
	<i>Note</i>	<i>Un- audited</i>	<i>Audited</i>
		<i>----- Rupees -----</i>	
<u>ASSETS</u>			
Current Assets			
Advance against development property	4	60,000,000	60,000,000
Cash and bank balances	5	6,512	77,196
		60,006,512	60,077,196
Total assets		60,006,512	60,077,196
<u>EQUITY AND LIABILITIES</u>			
Authorized Share Capital			
5,000,000 Ordinary shares of Rs. 10/- each		50,000,000	50,000,000
Issued, subscribed and paid up capital			
2,322,800 shares of Rs. 10/- each, fully paid up		23,228,000	23,228,000
Accumulated losses		(29,215,533)	(21,634,874)
Shareholders' equity		(5,987,533)	1,593,126
Current Liabilities			
Trade and other payables	6	3,040,618	404,327
Markup accrued		6,896,627	2,022,943
Short term borrowings	7	56,056,800	56,056,800
		65,994,045	58,484,070
Contingencies and commitments			
Total equity and liabilities		60,006,512	60,077,196

The annexed notes from 1 to 9 form an integral part of this condensed interim financial information



Chief Executive



Chief Financial Officer

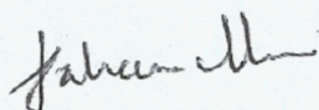


Director

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME (UN- AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019

	<i>Nine months period ended</i>		<i>Quarter ended</i>	
	<i>March 31, 2019</i>	<i>March 31, 2018</i>	<i>March 31, 2019</i>	<i>March 31, 2018</i>
<i>Note</i>	<i>----- (In Rupees) -----</i>			
Sales	-	-	-	-
Cost of sales	-	-	-	-
Gross profit	-	-	-	-
Other Income	-	46,308,245	-	46,308,245
Administrative expenses	(2,745,342)	(1,779,769)	(807,787)	(760,481)
Other income - liabilities written back	73,267	-	-	-
Other operating expenses	(34,900)	(34,900)	(2,400)	(2,400)
Operating loss	(2,706,975)	(1,814,669)	(810,187)	(762,881)
Finance cost on short term borrowing	(4,873,684)	(718,997)	(1,809,631)	(581,722)
(Loss)/ Profit before taxation	(7,580,659)	43,774,579	(2,619,818)	44,963,642
Taxation	-	1,051,981	-	-
(Loss)/ Profit after taxation	(7,580,659)	44,826,561	(2,619,818)	44,963,642
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss)/ profit for the period	(7,580,659)	44,826,561	(2,619,818)	44,963,642
Earning/ (Loss) per share	(3.26)	19.30	(1.13)	19.36

The annexed notes from 1 to 9 form an integral part of this condensed interim financial information



Chief Executive



Chief Financial Officer

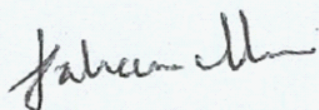


Director

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019

	<u>Share Capital</u>	<u>Accumulated Losses</u>	<u>Shareholders' Equity</u>
	----- (In Rupees) -----		
Balance as at June 30, 2017 - Audited	23,228,000	(64,918,931)	(41,690,931)
Total comprehensive (loss)/ profit for the period	-	44,826,561	44,826,561
Balance as at March 31, 2018 (Un-audited)	<u>23,228,000</u>	<u>(20,092,370)</u>	<u>3,135,630</u>
Balance as at June 30, 2018 - Audited	23,228,000	(21,634,874)	1,593,126
Total comprehensive loss for the period	-	(7,580,659)	(7,580,659)
Balance as at March 31, 2019 (Un-audited)	<u>23,228,000</u>	<u>(29,215,533)</u>	<u>(5,987,533)</u>

The annexed notes from 1 to 9 form an integral part of this condensed interim financial information



Chief Executive



Chief Financial Officer

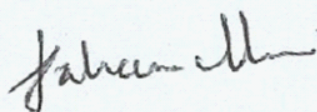


Director

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN- AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019

	<i>Nine months period ended</i>	
	<i>March 31, 2019</i>	<i>March 31, 2018</i>
	<i>----- In Rupees -----</i>	
A. CASH FLOW FROM OPERATING ACTIVITIES		
(Loss)/ Profit before taxation	(7,580,659)	43,774,579
Adjustments for:		
Depreciation	-	10,726
Gain on disposal of fixed assets		(46,308,245)
Finance cost	4,873,684	718,997
	4,873,684	(45,578,522)
Cash outflow before working capital changes	(2,706,975)	(1,803,943)
Working capital changes:		
Increase/ (decrease) in current assets	-	-
Increase/ (decrease) in current liabilities		
Trade and other payables	2,636,291	18,500
Net cash used in operating activities	(70,684)	(1,785,443)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Advance against development property		(60,000,000)
Proceed from disposal of fixed assets		50,000,000
Net cash used in investing activities	-	(10,000,000)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowing obtained	-	12,000,000
Directors' loan obtained	-	50,000,000
Directors' loan settled	-	(43,556,800)
Net cash generated from financing activities	-	18,443,200
Net increase/ (decrease) in cash and cash equivalents (A + B+ C)	(70,684)	6,657,757
Cash and cash equivalents at beginning of the period	77,196	5,490
Cash and cash equivalents at end of the period	6,512	6,663,247

The annexed notes from 1 to 9 form an integral part of this condensed interim financial information



Chief Executive



Chief Financial Officer



Director

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019

1 THE COMPANY AND ITS OPERATIONS

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

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

1.2 Going Concern Assumption:

During the current period, the Company has incurred after tax loss amounting to Rs. 7.581 million (March 31, 2018: reported after tax profit, Rs. 44.827 million); whereas its accumulated losses as on the reporting date, reflected as Rs. 29.216 million (June 30, 2018: RS. 21.635 million). Hence equity of the Company stands on to negative Rs. 5.988 million (June 30, 2018: positive Rs. 1.593 million).

However, management of the Company has prepared these financial statements on going concern basis due to the following reasons:

- The Company is in the process of revival for which it entered into agreements for the acquisition of land for development / construction of residual and commercial units. Covenants of the agreement will be met after the fulfillment of certain legal requirements and improvement in the overall economic outlook of the economy.
- Management structure of the Company has been changed to bring in the expertise and experience which could facilitate the Company in reviving its overall operations.
- The management has also planned to raise the finance from internal as well as external sources to further improve the financial and operational outlook of the Company.

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Statement of compliance

This condensed interim financial information of the Company for the quarter ended March 31, 2019 is unaudited and have been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017 (the Act). In case where requirements differ, the provisions of or directives issued under the Act have been followed.

2.2 This condensed interim financial information does not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2018.

2.3 This condensed interim financial information have been prepared under 'historical cost convention', except otherwise disclosed in these financial statements. Further, accrual basis of accounting is followed except for cash flow information

2.4 This condensed interim financial information are presented in Pakistani Rupees which is also the functional currency of the Company.

2.5 The comparative statement of financial position presented has been extracted from annual financial statements for the year ended June 30, 2018, whereas the comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity have been extracted from the unaudited condensed interim financial information for the quarter ended March 31, 2018.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies, applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2018

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

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended June 30, 2018.

	<i>(Un-audited)</i> <i>March 31, 2019</i>	<i>(Audited)</i> <i>June 30, 2018</i>
<i>Note</i>	<i>----- In Rupees -----</i>	

4 ADVANCE AGAINST PROPERTY

	<u>60,000,000</u>	<u>60,000,000</u>
--	-------------------	-------------------

4.1 The Company has acquired 100 Kanal of land in Mouza Chirah, Islamabad amounting to Rs. 10 million (which has been paid) and 6 Kanal, 4 Marla and 180 sq. Ft. of land in Eden City, Lahore amounting to Rs. 182.549 million against which Rs. 50 million have been paid till the reporting date according to contractual terms.

4.2 The management of the Company intends to utilize the land for development / construction of residual and commercial units in the ordinary course of its business after fulfilling necessary regulatory compliances. Title of the land will be transferred after fulfillment of contractual terms and certain legal formalities.

	<i>(Un-audited)</i> <i>March 31, 2019</i>	<i>(Audited)</i> <i>June 30, 2018</i>
<i>Note</i>	<i>----- In Rupees -----</i>	

5 CASH AND BANK BALANCES

Cash in hand	5,890	2,624
Cash in bank- in current account	<u>622</u>	<u>74,572</u>
	<u>6,512</u>	<u>77,196</u>

(Un-audited) (Audited)
 March 31, 2019 June 30, 2018
 ----- In Rupees -----

6 TRADE AND OTHER PAYABLE

Accrued liabilities and other payable	3,040,618	404,327
---------------------------------------	-----------	---------

7 SHORT TERM BORROWING

*From related parties- unsecured
 Interest based*

From Directors	7.1	43,556,800	43,556,800
From Associate of Directors	7.1	12,500,000	12,500,000
		56,056,800	56,056,800

7.1 Loans carry markup ranging from 3 month Kibor plus 2% to 3 month Kibor plus 3% (June 30, 2018: 3 month Kibor plus 3%) per annum and is payable on demand. Loan was obtained for the acquisition of land for development / construction of residual and commercial units.

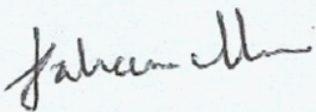
8 GENERAL

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

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

9 DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorized for issue on 23-04-2019 by the Board of Directors of the Company.



Chief Executive



Chief Financial Officer



Director