

**DADABHOY
CONSTRUCTION
TECHNOLOGY
LIMITED**



**37TH ANNUAL
REPORT**

2018



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VISION

To be recognized and accepted as leader in the country in development of small and medium sized housing and commercial projects

Mission

- To have a diversified customer base*
- To serve the market through innovation & creations*
- To offer a high rate of return to Shareholders*
- To create a good work environment for our employees and faster team work & career development*
- To operate ethically*
- To serve the country to achieve the national goals*

COMPANY INFORMATION

BOARD OF DIRECTORS

Non- Executive Directors:

| | |
|-------------------------------|--------------------|
| Mr. Muhammad Hussain Dadabhoy | Chairman/ Director |
| Mr. Fazal Karim Dadabhoy | Director |
| Malik Shaheer Khalid | Director |

Executive Directors:

| | |
|----------------------------|-------------------------|
| Mr. Faheem Khan Niazi | Chief Executive Officer |
| Mr. Muhammad Amin Dadabhoy | Director |

Independent Directors:

| | |
|--------------------------|----------|
| Khawaja Mansoor Ali | Director |
| Mr. Zain Khalid Bhatti | Director |
| Mr. Ahsan Hassan Khawaja | Director |

AUDIT COMMITTEE

| | |
|-------------------------------|----------|
| Mr. Ahsan Hassan Khawaja | Chairman |
| Mr. Muhammad Hussain Dadabhoy | Member |
| Malik Shaheer Khalid | Member |

HUMAN RESOURCE & REMUNERATION COMMITTEE

| | |
|-------------------------------|----------|
| Khawaja Mansoor Ali | Chairman |
| Mr. Muhammad Hussain Dadabhoy | Member |
| Malik Shaheer Khalid | Member |

CHIEF FINANCIAL OFFICER

Mr. Aslam Moten

COMPANY SECRETARY

Mr. M. Sohail A. Sheikh

AUDITORS

M/s Reanda Haroon Zakeria &
Company, Chartered Accountants

LEGAL ADVISOR

M/s Khan & 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



DADABHOJ CONSTRUCTION TECHNOLOGY LTD.


NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 37th Annual General Meeting of Dadabhoj Construction Technology Limited (DCTL) will be held on Friday, October 26, 2018 at 05:15 p.m. at Jinnah Club, Jinnah Co-operative Housing Society behind K- Electric Office, Tipu Sultan Road Karachi to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the Extra Ordinary General Meeting (EOGM) of the Company held on August 13, 2018.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2018 together with the Directors' and Auditors' Reports thereon.
3. To appoint the External Auditors for the year ended June 30, 2019 and to fix their remuneration.
4. To transact any other businesses with the permission of the Chair

October 03, 2018
Karachi

 By Order of the Board
M. Sohail A. Sheikh
Company Secretary

NOTES:

1. The Share Transfer Books of the Company will remain closed from 19-10-2018 to 26-10-2018 (both days inclusive).
2. A member entitled to attend, speak and vote at this meeting, may appoint another person as his/ her proxy to attend, speak and vote on his/ her behalf. A proxy must be a member of the company.
3. Proxy forms in order to be effective, must be completed and received at the Registered Office of the Company, duly stamped and signed, not less than 48 hours before the meeting.
4. All the members and the proxy holders need to verify their identity by showing original CNIC at the time of attending the meeting. In case of corporate entity, a certified copy of the resolution of the board of directors/ valid power of attorney having the same name and specimen signature of the nominee should be produced at the time of the meeting.
5. If the Company receives consent from members holding in aggregate 10% or more shares residing at a geographical location, to participate in the meeting through video conference at least ten (10) days prior to date of meeting, the company will arrange video conference facility in the city subject to availability of such facility in the city. The company will intimate members regarding venue of video conference at least (7) days before the date of meeting.
6. Shareholders are requested to immediately notify change in address, if any, to the Company's Share Registrar, M/s F. D. Registrar Services (SMC- Pvt.) Limited, Suit 1705- A, 17th Floor, Saima Trade Tower, I.I. Chundrigar Road, Karachi.
7. The Financial Statements of the Company for the year ended June 30, 2018 will also be available at its official website.

CHAIRMAN'S REVIEW

Alhamdulillah, after a very long time of uncertainties and no operation, your Company has started to show the signs of revival. During the year under review ending on June 30, 2018 some basic changes have been made in to strengthen the fragile operating structure of the Company of which some are as follows:

- 1. The composition of Board of Directors of the Company has been revamped and family representatives are replaced with the Independent and Non- Executive Directors;*
- 2. The family management is replaced with the professional management;*
- 3. The management structure is strengthened;*
- 4. Control and review systems are established;*
- 5. Additional capital amounting to Rs. 62.50 million has been deployed;*
- 6. The business line of the company is changed within the scope of activities detailed in the Memorandum of Association of the Company from the production of construction adhesives to the construction and sale of small commercial and residential ventures;*
- 7. Obsolete and nonoperating assets are sold and the amount generated is utilized in acquiring new assets which are expected to be generation operating income and profitability for the Company; and*
- 8. The shares of the Company are made eligible security at Central Depository System.*

The above efforts have started to show the results and the Company has been able to substantially reduce the outstanding amount of accumulated loss to Rs. 21.63 million from Rs. 64.92 million as at June 30, 2017 and that also improve the net asset value per share to Rs. 0.68 from negative Rs. 17.95 a year earlier.

Your Company has acquired a commercial land in a newly developed society located near Lahore Airport from a Commercial Bank for Rs. 182.55 million. Your Company has already paid Rs. 50 million and remaining amount is payable by February 2019. The Company intends to develop a commercial venture for sale at the Land.

The expected cost of the Project is work out to be as follows:

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED

| DCTL MALL | | | |
|---------------------------------------|----------------------|--------------------|----------------------|
| PROJECT COSTS | | | Amount in Rupees |
| | COMMERCIAL | APARTMENTS | Total |
| Land Cost (LC) | 140,840,789 | 57,559,211 | 198,400,000 |
| Land Transfer Cost | 11,267,263 | 4,604,737 | 15,872,000 |
| Land Commercialization Cost | 44,012,746 | 17,987,254 | 62,000,000 |
| Development Cost | - | - | - |
| Total Land Cost (TLC) | 196,120,798 | 80,151,202 | 276,272,000 |
| Piles work | 164,965,405 | 67,418,528 | 232,383,933 |
| Grey Structure | 248,262,691 | 101,460,698 | 349,723,389 |
| Finishing works | 155,419,442 | 63,517,257 | 218,936,698 |
| Miscellaneous works | 319,553,854 | 130,596,172 | 450,150,026 |
| Construction Profit | 82,645,619 | 33,775,845 | 116,421,464 |
| Total EPC Cost | 970,847,011 | 396,768,499 | 1,367,615,510 |
| Cost of Financing during Construction | - | - | - |
| Project Administration Cost | 97,084,701 | 39,676,850 | 136,761,551 |
| Advertising Cost Other | 70,552,660 | 28,833,660 | 99,386,320 |
| Sales Commission Others | 70,552,660 | 28,833,660 | 99,386,320 |
| Miscellaneous | 21,715,541 | 8,874,769 | 30,590,310 |
| Total Other Costs | 259,905,562 | 106,218,939 | 366,124,501 |
| Total Project Cost | 1,426,873,371 | 503,148,640 | 2,010,012,011 |
| Means of Financing | | | |
| Sales | | 49.75% | 1,000,000,000 |
| Developer's Commitment | | 34.83% | 700,000,000 |
| Right Issue of the Company | | 15.42% | 310,012,011 |
| Total Means of Financing | | 100.00% | 2,010,012,011 |

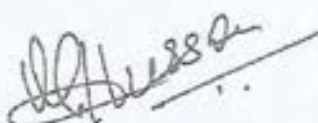
It is expected that your Company will earn return on equity of around 75% over the period of 3 years from the close of intended right issue of around Rs. 330.00 million to be offered at a discount of 10%.

In order to implementation of the envisaged project your Company is currently in process of restoration of the listing of its shares at Ready Board of PSX and for which the Exchange has kindly consented on completion of the following two pre requirements:

- 1. Induction of ordinary shares of the company at Central Depository System; and*
- 2. A detailed presentation on the future of the Company to shareholder and market participants.*

Your company has adhered to first requirement vide communication # CDC/LCR/QA/163/2018 dated August 10, 2018 of Central Depository Company whereas, for the 2nd requirement the audited accounts for the year ended June 30, 2018 were awaited. The Company will now soon approach to PSX for a date for the presentation to the shareholders of the company and market participants.

I hope that by Grace of Almighty Allah your company should now embarked on the path of growth & profitability and a rewarding investment for its shareholders.



Muhammad Hussain Dadabhoy
Chairman

Karachi- October 06, 2018

Directors' Report

The Board of Directors of M/s Dadabhoy Construction Technology Limited [DCTL] is pleased to present the Annual Financial Statements of the Company for the period ended June 30, 2018 along with Directors' Report to its shareholders.

Your Company has recorded total comprehensive income of Rs. 43,284,057/- for the year ended June 30, 2018 compared to a loss of Rs. 113,964/- reported for the period ended June 30, 2017. The said substantial income has made up by selling land measuring 9.34 acres and the building thereon at a lump sum sale price of Rs.50.0 million. Accordingly, the accumulated losses reduced from Rs. 64,918,931/- appeared as at June 30, 2017 to Rs.21,634,874/- for the year ended June 30, 2018.

The Company has repaid the Directors loan of an aggregate amount of Rs. 50,000,000/- by utilizing sale proceed of the above land and building.

The administrative expenses of the Company increased to Rs. 2,645,047/- during the reviewed period due to major payments made in term of salary/ remuneration to the two new employees of the senior management.

During the period under review, the Company has arranged short term borrowing for an aggregate amount of Rs. 62.50 million from one of the directors and from the associates of the other directors. Out of which, your Company acquired two pieces of land in the suburbs of Islamabad at the cost of Rs. 10.00 million and also entered into a purchase of land transaction, total amounting to Rs. 182.549 million with one of the well repute Commercial Banks and made an advance payment of Rs. 50.0 million against the said deal.

In order to comply the requirements of the CCG Regulations 2017, the composition of the Board of the Company has restructured. The four new directors replaced to the same number of the previous directors of Dadabhoy family, in addition to the appointment of a new Chief Executive. Hence the Board of your Company now comprises with eight directors, wherein two are Executive Directors, three each of Non- Executive Directors and Independent Directors.

As required under the Code of Corporate Governance, the Directors are pleased to confirm that:

- The financial statements of the Company, prepared by the management, present fairly its state of affairs, the results of its operations, cash flows and the changes in equity and proper books of account have been maintained by the Company.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and the accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in preparation of the financial statements and departures, if any, have been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- The Statutory Auditors of the Company has Qualified the Independent Auditors Report in respect of existence of material uncertainty relating to inadequacy of the disclosure of appropriateness of the going concern of the Company.

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED

- There has been no material departure from the best practices of corporate governance, as detailed in the Listing Regulations.
- Key operating and financial data for the last 6 years have been included in the Annual Report.

Chairman's Review: The Directors of the Company endorse the contents of the Chairman's Review which covers plans and decisions for business along with future outlook.

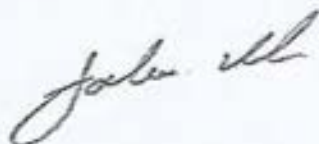
Pattern of Shareholding: A statement showing the pattern of holding of shares as at June 30, 2018 is attached.

Acknowledgement:

The Board remain thankful to Securities & Exchange Commission of Pakistan (SECP), Pakistan Stock Exchange (PSX) and Central Depository Company of Pakistan (CDC) for providing us their usual support and guidance. The Board appreciate and pay gratitude to the shareholders and customers for entrusting their confidence on us and we assure them to maintenance of adequate internal controls, providing personalized services and also to maintain an ideal environment of good corporate governance in all areas of the activities.

Finally, the Board appreciates the dedication and hard work put in by the management and all staff members of DCTL.

For & On behalf of the Board of Directors:



Faheem Khan Niazi
Chief Executive Officer

October 06, 2018

Statement of Compliance with Listed Companies- (Code of Corporate Governance) Regulations, 2017, For the Year Ended June 30, 2018

The company has complied with the requirements of the Regulations in the following manner:

1) The total number of directors are eight (8) as per the following:

- a) Male: Eight
- b) Female: None

Board ensures the compliance with respect to representation of female member(s) on the Board within the time frame given under the Regulations.

2) The composition of board is as follows:

| Category | Names |
|--|---|
| a. Independent Directors | Khawaja Mansoor Ali Mr. Zain Khalid Bhatti Mr. Ahsan Hassan Khawaja |
| b. Other Non-Executive Director | Mr. Muhammad Hussain Dadabhoy Mr. Fazal Karim Dadabhoy Malik Shaheer Khalid |
| c. Executive Directors | Mr. Amin Dadabhoy Mr. Faheem Khan Niazi |

- 3) The directors have confirmed that none of them is serving as a director on more than five listed companies, including this Company.
- 4) The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
- 5) The board has developed a vision/ mission statement, overall corporate strategy. While significant policies of the company are being formulated as the Company is planning for revival within the next financial year.
- 6) All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.
- 7) The meetings of the board were presided over by the Chairman. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.

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- 8) The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
- 9) The Board has not arranged any training program during the year but ensures that, other than the exempt Directors, all the Directors acquire the prescribed certification under the training program within the stipulated time.
- 10) The Board has approved the appointment of Company Secretary including his remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations. Chief Financial Officer of the Company has resigned on June 25, 2018 and the Company is seeking a qualified individual to fill the vacant position. While no appointment of head of internal audit has been made during the year due to operational inactivity of the Company.
- 11) CFO and CEO duly endorsed the financial statements before approval of the board.
- 12) The board has formed committees comprising of members given below:

| Committees | Names and Designation |
|---|--|
| a. Audit Committee | Mr. Ahsan Hassan Khawaja - Chairman Mr. Muhammad Hussain Dadabhoy Malik Shaheer Khalid |
| b. HR and Remuneration Committee | Khawaja Mansoor Ali - Chairman Mr. Muhammad Hussain Dadabhoy Malik Shaheer Khalid |

- 13) The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
- 14) The frequency of meetings of the committees were as per following:

| Committees | Frequency of Meetings |
|-------------------------------|---|
| a. Audit Committee | Seven meetings were held in FY 2017-18. |
| b. HR and Remuneration | One annual meeting held before June 30, |

- 15) Due to operational inactivity of the Company, the Board has not formed any internal audit function during the year.
- 16) The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

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- 17) The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
- 18) We confirm that all other requirements of the Regulations have been complied with except the following non-compliances with the Regulations which occurred due to the operational inactivity of the Company, but we assure our members that reasonable progress is being made by the Company's management and its Board to seek compliance by the end of next financial year:
- a) Independent Directors of the Company were on the Board on June 25, 2018.
 - b) Formal and effective mechanism is yet to be put in place for the annual evaluation of Board members;
 - c) No orientation program could be arranged for the Directors during the year; and
 - d) Directors' Report on the affairs of the Company could not be annexed with the financial statements of the 1st quarter of the financial year.



Muhammad Hussain Dadabhoy
Chairman

Karachi
Dated: October 06, 2018

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED

FINANCIAL REVIEW OF SIX YEARS

| Particulars | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|--------------------------------|----------------|--------------|--------------|--------------|--------------|--------------|
| ASSETS EMPLOYED | | | | | | |
| | RUPEE IN '000' | | | | | |
| Non Current Assets | - | 3,835 | 4,035 | 4,417 | 4,769 | 5,030 |
| Current Assets | 60,077 | 5 | 16 | 1,418 | 1,295 | 1,187 |
| Total Assets Employed | 60,077 | 3,840 | 4,051 | 5,835 | 6,064 | 6,217 |
| FINANCED BY | | | | | | |
| Share Holder Equity | 1,593 | (41,690) | (41,577) | (40,768) | (39,234) | (39,323) |
| Long Term Liability | - | 1,092 | 1,191 | 1,433 | 20 | 20 |
| Current Liabilities | 58,484 | 44,438 | 44,437 | 45,277 | 45,280 | 45,520 |
| Total Equity Employed | 60,077 | 3,840 | 4,051 | 5,942 | 6,066 | 6,217 |
| TURNOVER & PROFIT | | | | | | |
| Turnover (net) | - | - | 331 | 824 | 3,038 | 4,172 |
| Profit/ (Loss) before taxation | 42,041 | (212) | (1,031) | 120 | 87 | 1,838 |
| Profit/ (Loss) after taxation | 43,284 | (113) | (809) | 120 | 87 | 1,838 |
| Accumulated Loss | (21,635) | (64,919) | (64,805) | (63,996) | (62,463) | (62,551) |

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
ON THE AUDIT OF THE FINANCIAL STATEMENTS**

Qualified Opinion

We have audited the annexed financial statements of **Dadabhoi Construction Technology Limited** which comprise the statement of financial position as at June 30, 2018, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

Except for the matter stated in the *Basis for Qualified Opinion* Section of our report, in our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2018 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Qualified Opinion

The Company has accumulated losses as at June 30, 2018 amounting to Rs. 21.634 (2017: Rs. 64.918) million leaving meagre equity amounting to Rs. 1.593 (2017: 41.690 negative equity) million. The operations of the Company are closed since financial year 2016 due to which the Company is facing financial and operational difficulties and is unable to discharge its liabilities in due course of business. During the year, the Company has disposed-off its factory land and building, its operating fixed assets, as disclosed in note no. 5 to these financial statements and paid off sponsors' / Directors' loan and other obligations. Although, the Directors under new management and their associate provided loan to the Company which were utilized to acquire land for development, yet the ambiguity exists about the operational plans of the Company for the foreseeable future. Mitigating factors disclosed by the management in the financial statements in note # 1.2 reflect only initial steps taken by the management for restarting the operational activities of the Company which have not been materialized till the issue of these financial statements. Moreover, the feasibility of the financial and operational activities of the Company including projected plans to start diversified business operations yet to be finalized. The operations of the Company are mainly dependent upon the financial support of its Directors and Sponsors.

These factors indicate the existence of material uncertainty about the adequacy of disclosures about the appropriateness of going concern assumption for the preparation of financial statements. Accordingly, the Company may not realize its assets and settle its obligations at stated amounts in normal course of business. The financial statements do not disclose this fact.

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Basis for Qualified Opinion* Section, we have determined the matter described below to be the key audit matter to be communicated in our report:

| <i>Key audit matter</i> | <i>How the matter was addressed in our audit</i> |
|---|--|
| <i>1. Disposal of Operating Fixed Assets and Acquisition of Development Property</i> | |
| (Refer notes no. 5 and 6 to the accompanying financial statements). | We assessed that the transaction was adequately supported by the agreement. |
| During the year, Company disposed-off its operating fixed assets at Rs. 50 million. Proceeds were utilized to pay off the sponsors Directors loans. | We reviewed the legal proceedings in respect of the said matter. |
| The above transaction and event have been considered as important and a key audit matter because of the significance of the resulting changes in the financial statements of the Company. | We ensured that adequate disclosures were made in the financial statements to discuss the transaction in accordance with the applicable financial reporting standards and evaluated its application in the context of the Company. |

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.


We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, except for the matter stated in *Basis for Qualified Opinion* Section, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is **Mohammad Iqbal**.


Reanda Haroon Zakaria & Company
Chartered Accountants

Place: Karachi
Dated: 06-10-2018

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF DADABHOY CONSTRUCTION TECHNOLOGY LIMITED**

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the 'Regulations'), prepared by the Board of Directors of **Dadabhoj Construction Technology Limited** for the year ended **June 30, 2018** in accordance with the requirements of Regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of Section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2018.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the paragraph references, where it is stated in the Statement of Compliance:

| | <i>Reference</i> | <i>Description</i> |
|-----|------------------|--|
| i | Para 5 | Company is in the process of formulating significant policies. |
| ii | Para 10 | Position of the CFO was vacant after June 25, 2018 while CFO during the year was not qualified for the position. |
| iii | Para 10 and 15 | There is no internal audit function in the Company. |
| iv | Para 18 a | Independent Directors were on the Board after June 25, 2018. |
| v | Para 18 b | There is no mechanism for the annual evaluation of Board members. |
| vi | Para 18 c | No orientation program could be arranged for the Directors during the year. |
| vii | Para 18 d | Directors' Report was not annexed with the 1 st quarter financial statements. |


Reanda Haroon Zakaria & Company
 Chartered Accountants

Place: Karachi
 Dated: October 6, 2018

Engagement Partner
Mohammad Iqbal

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018

| | <i>Note</i> | <i>2018</i> <i>Rupees</i> | <i>2017</i> <i>Rupees</i> |
|--|-------------|------------------------------|------------------------------|
| <u>ASSETS</u> | | | |
| Non-Current Assets | | | |
| Property and equipment | 5 | - | 3,834,516 |
| Current Assets | | | |
| Advance against property | 6 | 60,000,000 | - |
| Cash and bank balance | 7 | 77,196 | 5,490 |
| | | 60,077,196 | 5,490 |
| Total assets | | 60,077,196 | 3,840,006 |
| <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 | 8 | 23,228,000 | 23,228,000 |
| Accumulated losses | | (21,634,874) | (64,918,931) |
| Shareholders' equity | | 1,593,126 | (41,690,931) |
| Non Current Liabilities | | | |
| Deferred tax liability | 9 | - | 1,092,665 |
| Current Liabilities | | | |
| Trade and other payables | 10 | 404,327 | 731,300 |
| Markup accrued | 11 | 2,022,943 | - |
| Short term borrowings | 11 | 56,056,800 | 43,556,800 |
| Provision for taxation | | - | 150,172 |
| | | 58,484,070 | 44,438,272 |
| Contingencies and commitments | 12 | | |
| Total equity and liabilities | | 60,077,196 | 3,840,006 |

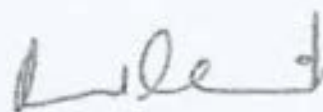
The annexed notes from 1 to 25 form an integral part of these financial statements.



Chief Executive



Chief Financial Officer

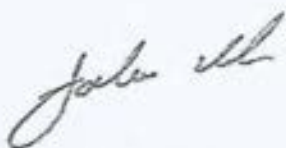


Director

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2018

| | <i>Note</i> | <i>2018 Rupees</i> | <i>2017 Rupees</i> |
|---|-------------|--------------------------|-------------------------|
| Sales | | - | - |
| Cost of sales | 13 | (49,340) | (196,629) |
| Gross loss | | <u>(49,340)</u> | <u>(196,629)</u> |
| Administrative expenses | 14 | (2,645,047) | (45,712) |
| Finance cost | 15 | (2,023,903) | (70) |
| Operating loss | | <u>(4,668,950)</u> | <u>(45,782)</u> |
| | | (4,718,290) | (242,411) |
| Other charges | 16 | (250,511) | (80,000) |
| Other income | 17 | 47,010,021 | 110,000 |
| Profit / (loss) before taxation | | <u>42,041,220</u> | <u>(212,411)</u> |
| Taxation - net | 18 | 1,242,837 | 98,447 |
| Profit / (loss) after taxation | | <u>43,284,057</u> | <u>(113,964)</u> |
| Other comprehensive income for the year | | - | - |
| Total comprehensive income / (loss) for the year | | <u><u>43,284,057</u></u> | <u><u>(113,964)</u></u> |
| Earning / (loss) per share - basic and diluted | 19 | <u><u>18.63</u></u> | <u><u>(0.049)</u></u> |

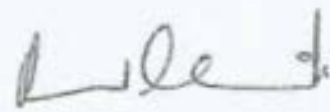
The annexed notes from 1 to 25 form an integral part of these financial statements.



Chief Executive



Chief Financial Officer

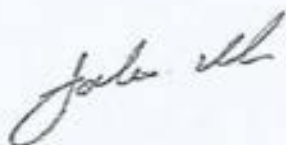


Director

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2018

| | <i>Issued, Subscribed and Paid-up Capital</i> | <i>Accumulated Losses</i> | <i>Total Shareholders' Equity</i> |
|---|---|-------------------------------|---|
| | -----Rupees----- | | |
| Balance as at June 30, 2016 | 23,228,000 | (64,804,967) | (41,576,967) |
| Total comprehensive loss for the year | - | (113,964) | (113,964) |
| Balance as at June 30, 2017 | <u>23,228,000</u> | <u>(64,918,931)</u> | <u>(41,690,931)</u> |
| Total comprehensive income for the year | - | 43,284,057 | 43,284,057 |
| Balance as at June 30, 2018 | <u><u>23,228,000</u></u> | <u><u>(21,634,874)</u></u> | <u><u>1,593,126</u></u> |

The annexed notes from 1 to 25 form an integral part of these financial statements.



Chief Executive



Chief Financial Officer



Director

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

| | <i>Note</i> | <i>2018</i> <i>Rupees</i> | <i>2017</i> <i>Rupees</i> |
|---|-------------|------------------------------|------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Profit / (loss) before taxation | | 42,041,220 | (212,411) |
| Adjustments for: | | | |
| Depreciation | 13 & 14 | 50,893 | 200,081 |
| Liabilities written back | 17 | (658,033) | (110,000) |
| Asset written off | 16 | 135,611 | - |
| Gain on disposal of land and building | 17 | (46,351,988) | - |
| Finance cost | 15 | 2,023,903 | 70 |
| | | <u>(44,799,614)</u> | <u>90,151</u> |
| Cash outflow before working capital changes | | (2,758,394) | (122,260) |
| Working Capital Changes | | | |
| Increase in current assets | | | |
| Advance against property | | (60,000,000) | - |
| Increase in current liabilities | | | |
| Trade and other payables | | 331,060 | 10,000 |
| Cash used in operations | | <u>(62,427,334)</u> | <u>(112,260)</u> |
| Financial charges paid | | (960) | (70) |
| Net cash used in operating activities | | <u>(62,428,294)</u> | <u>(112,330)</u> |
| B. CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from disposal of land and building | | 50,000,000 | - |
| Net cash used in investing activities | | <u>50,000,000</u> | <u>-</u> |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Short term borrowings received - net | | 12,500,000 | 101,350 |
| Net cash generated from financing activities | | <u>12,500,000</u> | <u>101,350</u> |
| Net increase / (decrease) in cash and cash equivalents | | 71,706 | (10,980) |
| Cash and cash equivalents at beginning of year | | 5,490 | 16,470 |
| Cash and cash equivalents at end of the year | 7 | <u><u>77,196</u></u> | <u><u>5,490</u></u> |

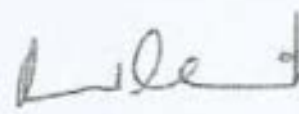
The annexed notes from 1 to 25 form an integral part of these financial statements.



Chief Executive



Chief Financial Officer



Director

1 THE COMPANY AND ITS OPERATIONS

1.1 The company was incorporated on April 7, 1981 by the name of Pak German Prefabs (Pvt.) Limited (PGPL) as private limited company which converted its status to public limited company and was listed on Pakistan Stock Exchange Limited - PSX. However, during the financial year 2005, the Company changed its name to Dadabhoy 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. 28-30 / C, Noor Centre, Khayaban-e-Ittehad, Lane no.12, Phase VII, D.H.A., Karachi.

Trading in shares of the Company was suspended by the Stock Exchanges 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 year, the Company has disposed off its factory land and building, its operating fixed assets, as disclosed in note no. 5 to these financial statements which indicates the existence of material uncertainty over the Company's ability to continue as a going concern and accordingly, the Company may not be able to realize its assets and settle its liabilities at stated amounts in the normal course of business.

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 has acquired the land for development / construction of residual and commercial units.
- 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 SIGNIFICANT EVENTS AFFECTING THE FINANCIAL POSITION

- i* Due to the applicability of Companies Act, 2017 certain disclosures of the financial statements have been presented in accordance with the Fourth Schedule of the Act as notified by the Securities and Exchange Commission of Pakistan vide S.R.O. 1169 dated November 7, 2017.
- ii* The Company has disposed off its operating fixed assets (note no. 5.4).
- iii* Company has recognized deferred tax income during the year amounting to Rs. 1.093 million (note no. 5.4).
- iv* Short term borrowings as on June 30, 2018 have been increased by 28.7% when compared with the corresponding period.

- v Due to disposal of operating fixed assets during the year, the Company has reported profit before taxation amounting to Rs. 43.284 million as against the loss before taxation amounting to Rs. 0.114 million reported in the corresponding period.

3 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

3.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. Accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (Act) and provisions and directives issued under the Act. Where provisions of or directives issued under the Act differ from the IFRS Standards, the provisions of or directives issued under the Act have been followed.

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except otherwise disclosed in these financial statements. Further, accrual basis of accounting is followed except for cash flow information.

3.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the functional and presentation currency of the Company.

3.4 Use of estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of approved accounting standard as, applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material judgment in the next year are as follows: -

Advances

Company reviews its advances for any provision required for any doubtful balances on an on-going balance. The provision is made while taking into consideration expected recoveries, if any.

Income taxes

In making the estimates for income taxes currently payable by the Company, the management looks at the current income tax laws and the decisions of appellate authorities on certain issues in the past.

The following amendments to accounting standards are effective for the year ended June 30, 2018. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

| | <i>Effective for period beginning on or after</i> |
|---|---|
| IAS 7 'Statement of Cash Flows' - Amendments as a result of the disclosure initiative | January 1, 2017 |
| IAS 12 'Income Taxes' - Amendments with respect to recognition of deferred tax assets for unrealized losses | January 1, 2017 |

Certain annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

3.6 Amendments to standards and IFRS interpretations that are not yet effective

The following amendments to accounting standards and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

| | <i>Effective from accounting period beginning on or after</i> |
|--|--|
| IFRS 2 'Share-based Payment' - Amendments with respect to clarification on the classification and measurement of share-based payment transactions | January 1, 2018 |
| IFRS 4 'Insurance Contracts': Applying IFRS 9 with IFRS 4 | January 1, 2018 |
| IFRS 9 'Financial Instruments' | January 1, 2018 |
| IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' - Amendments with respect to sale or contribution of assets between an investor and its associate or joint venture | Effective from accounting period beginning on or after a date to be determined. Earlier application is |
| IFRS 15 'Revenue From Contracts With Customers' | January 1, 2018 |
| IFRS 16 'Leases' | January 1, 2019 |
| IAS 19 'Employee Benefits': Amendments with respect to plan amendments, curtailments or settlements | January 1, 2019 |
| IAS 28 'Investments in Associates and Joint Ventures': Amendment with respect to long-term interests in associates and joint ventures | January 1, 2019 |
| IAS 40 'Investment Property': Amendments with respect to clarification on transfers of property to or from investment property | January 01, 2018 Earlier application is permitted. |

| | |
|--|---|
| IFRIC 22 'Foreign Currency Transactions and Advance Consideration': Provides guidance on transactions where consideration against non-monetary prepaid asset / deferred income is denominated in foreign currency. | January 01, 2018 Earlier application is permitted. |
| IFRIC 23 'Uncertainty over Income Tax Treatments': Clarifies the accounting treatment in relation to determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 'Income Taxes'. | January 1, 2019 |

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual period beginning on or after 01 January 2020 for preparers of financial statements who develop accounting policies based on Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

Certain annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 - First Time Adoption of International Financial Reporting Standards
- IFRS 14 - Regulatory Deferral Accounts
- IFRS 17 - Insurance Contracts

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Property and equipment

Owned

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any, except for freehold land which is stated at cost. Depreciation is charged on all assets using the reducing balance method at the rates stated in note 4.

Depreciation on addition is charged from the month in which the assets are put to use while no depreciation is charged in the month in which the assets are disposed.

Gains and losses on sale of fixed assets are included in the statement of profit or loss.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized.

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. Whenever the carrying amount of these assets exceed their recoverable amount, an impairment loss is recognized in the statement of profit or loss.

4.2 Development properties

Property acquired and being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is classified as development properties and is measured at the lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date less costs to completion and the estimated costs of sale.

4.3 Cash and cash equivalents

It comprises of cash in hand and cash at banks which are carried at cost. For the purpose of cash flow statement, cash and cash equivalents comprise of cash at bank.

4.4 Trade and other payables

Liabilities for trade and other payables are stated at their nominal values which is the fair value of the consideration required to settle the related obligations whether or not billed to the Company. Liabilities are written back and recognized as income when these are no longer payable.

4.5 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of profit or loss, except to the extent that it relates to the items recognized directly in other comprehensive income or in equity, in which case it is recognized there.

Current

Provision for taxation is based on current year taxable income determined in accordance with the provisions of Income Tax Ordinance, 2001, enacted on the date of statement of financial position and carry adjustment to tax payable in respect of previous year.

Deferred

Deferred tax is provided in full using the balance sheet liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

The Company recognizes a deferred tax asset only to the extent that it is probable that future taxable profit for the foreseeable future will be available against which the asset can be utilized. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realized.

4.6 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

4.7 Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Non-Financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognized, as an expense in the statement of profit or loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4.8 Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument and are measured initially at fair value. Fair value is the amount for which assets could be exchanged, or liabilities settled, between knowledgeable willing parties in an arm's length transaction on the measurement date. When available, the company measures the fair value of an investment using quoted price in an active market for the instrument. A market is regarded as active if quoted price are readily and regularly available and represent actual and regularly occurring market transaction on an arm's length basis.

Financial assets are derecognized when the contractual right to cash flow from the financial assets expired or is transferred. Financial liabilities are derecognized when they are extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired. The particular recognition method adopted are disclosed in the individual policy statement associated with each item.

Financial assets and financial liabilities offsets each other and the net amount is reported in the balance sheet if the Company has a legal enforceable right to set off the transaction and also intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

4.9 Earnings per share

The company presents basic and diluted earnings per share for its ordinary shares. Basic EPS is calculated by dividing the profit attributable to ordinary shareholders of the company by the weighted average number of ordinary shares. Diluted EPS is determined by adjusting profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares.

5 PROPERTY AND EQUIPMENT

Operating fixed assets

2018
Rupees

2017
Rupees

3,834,516

5.1 Operating fixed assets - tangible

| Description | As at June 30, 2018 | | | | As at June 30, 2018 | | WDV as at June 30, 2018 |
|---------------------------|---------------------|---------------------------|---------------------|--------|---------------------|---|-------------------------|
| | As at July 01, 2017 | Disposals During the Year | As at June 30, 2018 | Rate % | As at July 01, 2017 | Accumulated Depreciation On Disposals for the year (Rupees) | |
| Freehold land | 192,300 | (192,300) | - | - | - | - | - |
| Building on freehold land | 13,595,922 | (13,595,922) | - | 5 | 10,096,467 | (10,140,210) | 43,743 |
| Tools and equipment | 1,393,810 | (1,393,810) | - | 10 | 1,282,282 | (1,287,858) | 5,576 |
| Steel shuttering | 1,682,875 | (1,682,875) | - | 25 | 1,682,709 | (1,682,730) | 21 |
| Furniture and fixtures | 350,457 | (350,457) | - | 10 | 319,390 | (320,943) | 1,553 |
| June 30, 2018 | 17,215,364 | (17,215,364) | - | | 13,380,848 | (13,431,741) | 50,893 |

| Description | As at June 30, 2017 | | | | As at June 30, 2017 | | WDV as at June 30, 2017 |
|---------------------------|---------------------|---------------------------|---------------------|--------|---------------------|--|-------------------------|
| | As at July 01, 2016 | Additions during the year | As at June 30, 2017 | Rate % | As at July 01, 2016 | Accumulated Depreciation for the year (Rupees) | |
| Freehold land | 192,300 | - | 192,300 | - | - | - | 192,300 |
| Building on freehold land | 13,595,922 | - | 13,595,922 | 5 | 9,912,285 | 184,182 | 10,096,467 |
| Tools and equipment | 1,393,810 | - | 1,393,810 | 10 | 1,269,890 | 12,392 | 1,282,282 |
| Steel shuttering | 1,682,875 | - | 1,682,875 | 25 | 1,682,654 | 55 | 1,682,709 |
| Furniture and fixtures | 350,457 | - | 350,457 | 10 | 315,938 | 3,452 | 319,390 |
| June 30, 2017 | 17,215,364 | - | 17,215,364 | | 13,180,767 | 200,081 | 13,380,848 |

5.2 Reconciliation of written down value:

| Particulars | WRITTEN DOWN VALUE | | | |
|---------------------------|----------------------|---------------------------|---------------------------|---------------------|
| | As at July 01, 2017 | Disposals During the Year | Depreciation for the Year | As at June 30, 2018 |
| | ----- Rupees ----- | | | |
| Freehold land | 192,300 | (192,300) | - | - |
| Building on freehold land | 3,499,455 | (3,455,712) | (43,743) | - |
| Tools and equipment | 111,528 | (105,952) | (5,576) | - |
| Steel shuttering | 166 | (145) | (21) | - |
| Furniture and fixtures | 31,067 | (29,514) | (1,553) | - |
| | June 30, 2018 | 3,834,516 | (3,783,623) | (50,893) |
| | June 30, 2017 | 4,034,597 | - | (200,081) |
| | | | | 3,834,516 |

Note **2018** **2017**
Rupees *Rupees*

5.3 The depreciation charged for the year has been allocated as follows:

| | | | |
|-------------------------|----|---------------|----------------|
| Cost of sales | 13 | 49,340 | 196,629 |
| Administrative expenses | 14 | 1,553 | 3,452 |
| | | 50,893 | 200,081 |

5.4 Following are the particulars of the assets disposed off during the year:

| Description | Land | Building |
|---------------------|------------------------------|------------|
| Cost | 192,300 | 13,595,922 |
| Written Down Value | 192,300 | 3,455,712 |
| Sales Proceeds | Rs. 50 million aggregate | |
| Gain on disposal | Rs. 46.351 million aggregate | |
| Mode of Disposal | Negotiation | |
| Particular of Buyer | Popular Energy (Pvt.) Ltd | |

| | <i>Note</i> | <i>2018 Rupees</i> | <i>2017 Rupees</i> |
|-----------------------------------|-------------|------------------------|------------------------|
| 6 ADVANCE AGAINST PROPERTY | | | |
| Land for development | 6.1 | <u>60,000,000</u> | <u>-</u> |

- 6.1** 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 sqft of land in Eden City, Lahore amounting to Rs. 182.549 million against which Rs. 50 million have been paid till the balance sheet date according to contractual terms.

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

| | <i>2018 Rupees</i> | <i>2017 Rupees</i> |
|-----------------------------------|------------------------|------------------------|
| 7 CASH AND BANK BALANCE | | |
| Cash in hand | 2,624 | - |
| Cash at bank - in current account | 74,572 | 5,490 |
| | <u>77,196</u> | <u>5,490</u> |

8 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

| <i>Number of shares</i> | | | <i>2018 Rupees</i> | <i>2017 Rupees</i> |
|---------------------------------------|------------------|---|------------------------|------------------------|
| <i>2018</i> | <i>2017</i> | | | |
| Ordinary shares of Rs. 10 each | | | | |
| 1,129,500 | 1,129,500 | Fully paid in cash | 11,295,000 | 11,295,000 |
| 1,065,800 | 1,065,800 | Issued for consideration other than cash (note no. 8.2) | 10,658,000 | 10,658,000 |
| 127,500 | 127,500 | Issued as fully paid bonus shares | 1,275,000 | 1,275,000 |
| <u>2,322,800</u> | <u>2,322,800</u> | | <u>23,228,000</u> | <u>23,228,000</u> |

- 8.1** 550 (2017: 550) Ordinary shares of Rs. 10 each are held by the associated company - Dadabhoj Cement Industries Limited representing 0.02% of the total shareholding of the Company.
- 8.2** 1,065,800 shares were issued in prior years to the Directors of the Company against their loans given to the Company.
- 8.3** Ordinary shareholders are entitled to attend and vote in the company meetings and are also entitled to any distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company.

| 9 DEFERRED TAX LIABILITY | <i>Note</i> | <i>2018 Rupees</i> | <i>2017 Rupees</i> |
|--|-------------|-------------------------|-------------------------|
| <i>Deferred Tax Assets arising in respect of</i> | | | |
| <i>Taxable temporary differences</i> | | | |
| Accelerated tax depreciation | | - | 1,092,665 |
| <i>Deductible temporary differences</i> | | | |
| Available tax losses | | <u>(1,254,464)</u> | <u>(60,443)</u> |
| | | <u>(1,254,464)</u> | <u>1,032,222</u> |
| Less: Unrecognized deferred tax asset | 9.1 | <u>1,254,464</u> | <u>60,443</u> |
| | | <u>-</u> | <u>1,092,665</u> |

- 9.1 The Company has not recognised its entire deferred tax asset relating to deductible differences up to the year ended June 30, 2018 as it is uncertain that future taxable profits for the foreseeable future will be available against which the asset can be utilized.

Unrecognized deductible temporary differences represent the unabsorbed tax depreciation amounting to Rs. 34,170, having indefinite availing period under the Income Tax Ordinance, 2001, which can be utilized by the Company against the taxable income arising in future. While remaining business losses amounting to Rs. 1,219,754 will expire on June 30, 2024.

| 10 TRADE AND OTHER PAYABLES | <i>Note</i> | <i>2018 Rupees</i> | <i>2017 Rupees</i> |
|------------------------------------|-------------|------------------------|------------------------|
| Creditors | | - | 658,033 |
| Accrued expenses | | <u>404,327</u> | <u>73,267</u> |
| | | <u>404,327</u> | <u>731,300</u> |

11 SHORT TERM BORROWINGS
- From Related Parties - unsecured

From Directors - related party

| | | | |
|----------------|------|--------------------------|--------------------------|
| Interest free | 11.1 | - | 43,556,800 |
| Interest based | 11.2 | <u>43,556,800</u> | <u>-</u> |
| | | <u>43,556,800</u> | <u>43,556,800</u> |

From Associate of the Directors

| | | | |
|--|------|--------------------------|--------------------------|
| | 11.2 | <u>12,500,000</u> | <u>-</u> |
| | | <u>56,056,800</u> | <u>43,556,800</u> |

- 11.1 This has been repaid during the current financial year.

- 11.2 These loans carry markup at the rate of 3 month Kibor plus 3% per annum and is payable on demand or within one year, which ever is earlier. Loan has been obtained for the acquisition of land for development / construction of residual and commercial units.

12 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments binding on the Company as on the balance sheet date.

| | Note | 2018 Rupees | 2017 Rupees |
|---|------|------------------|----------------|
| 13 COST OF SALES | | | |
| Opening stock of raw material | | - | - |
| Purchases | | - | - |
| Less: closing stock of raw material | | - | - |
| Raw material consumed | | <u>-</u> | <u>-</u> |
| Depreciation | 5.2 | 49,340 | 196,629 |
| Cost of goods produced | | <u>49,340</u> | <u>196,629</u> |
| Opening stock of finished goods | | - | - |
| Cost of goods available for sale | | <u>49,340</u> | <u>196,629</u> |
| Less: closing stock of finished goods | | - | - |
| | | <u>49,340</u> | <u>196,629</u> |
| 14 ADMINISTRATIVE EXPENSES | | | |
| Salaries | | 2,266,926 | 28,930 |
| Professional charges | | 102,000 | - |
| Travel expenses | | 143,800 | 6,000 |
| Printing and stationery | | 44,880 | 7,330 |
| Courier charges | | 17,066 | - |
| Depreciation | 5.2 | 1,553 | 3,452 |
| Advertisement expense | | 14,000 | - |
| Fees and subscription | | 40,822 | - |
| Miscellaneous expenses | | 14,000 | - |
| | | <u>2,645,047</u> | <u>45,712</u> |
| 15 FINANCE COST | | | |
| Bank charges | | 960 | 70 |
| Markup on short term borrowing | 11 | 2,022,943 | - |
| | | <u>2,023,903</u> | <u>70</u> |
| 16 OTHER CHARGES | | | |
| Asset written off | | 135,611 | - |
| Auditors' remuneration | 16.1 | 114,900 | 80,000 |
| | | <u>250,511</u> | <u>80,000</u> |
| 16.1 Auditors' Remuneration | | | |
| Audit fees | | 60,000 | 35,000 |
| Half yearly review | | 34,900 | 25,000 |
| Review of Code of Corporate Governance | | 15,000 | 15,000 |
| Out of pocket | | 5,000 | 5,000 |
| | | <u>114,900</u> | <u>80,000</u> |

| | <i>Note</i> | <i>2018</i> <i>Rupees</i> | <i>2017</i> <i>Rupees</i> |
|--|-------------|------------------------------|------------------------------|
| 17 OTHER INCOME | | | |
| <i>Income from other than financial assets</i> | | | |
| Gain on disposal of land and building | 5.4 | 46,351,988 | - |
| Liabilities written back | | 658,033 | 110,000 |
| | | <u>47,010,021</u> | <u>110,000</u> |

18 TAXATION - NET

| | | | |
|----------|------|--------------------|-----------------|
| Current | 18.1 | - | - |
| Prior | | (150,172) | - |
| Deferred | 9 | (1,092,665) | (98,447) |
| | | <u>(1,242,837)</u> | <u>(98,447)</u> |

18.1 The Company is not liable to current tax, including minimum tax, as the income on account of disposal of operating fixed assets has been treated as a slump transaction in accordance with the case laws under the Income Tax Ordinance, 2001.

18.2 The Company computes tax provisions based on the generally accepted interpretations of the tax laws to ensure that sufficient provision for the purpose of taxation is available. Accordingly, the management of the Company has assessed that no tax provision is required in the financial statements. A comparison of last three years of income tax provision with tax assessed is not presented as the Company had nil tax liability on account of operational inactivity.

18.3 Returns up to the tax year 2017 have been filed, which are deemed to be assessed under provisions of the Income Tax Ordinance, 2001. However, the Commissioner of Income Tax may at any time during a period of five years from the date of filing of return, select any return for audit purpose.

| | <i>2018</i> <i>Rupees</i> | <i>2017</i> <i>Rupees</i> |
|--|------------------------------|------------------------------|
| 19 EARNING PER SHARE | | |
| Profit / (loss) after taxation | 43,284,057 | (113,964) |
| Weighted average number of ordinary shares outstanding | 2,322,800 | 2,322,800 |
| Earning / (loss) per share - basic and diluted | <u>18.634</u> | <u>(0.049)</u> |

20 REMUNERATION TO CHIEF EXECUTIVE OFFICER AND DIRECTORS

In view of the current operational and financial position of the Company, the Directors of the Company have voluntarily waived their remuneration.

21 TRANSACTIONS WITH RELATED PARTIES

21.1 The related parties comprise of group companies (associated companies), Directors and their close family members, executives, major shareholders of the Company. The transactions with related parties are as follows:

| | Note | 2018 Rupees | 2017 Rupees |
|---|------|----------------|----------------|
| Key Management Personnel - Directors | | | |
| Loan Received | | | |
| Mr. Amin Dadabhoy | | - | 101,350 |
| Mr. Faheem Khan Niazi | | 50,000,000 | - |
| Loan Repaid | | | |
| Mr. Hussain Dadabhoy | | 30,298,288 | - |
| Mr. Amin Dadabhoy | | 4,969,064 | - |
| Mr. Fazal Karim Dadabhoy | | 8,289,448 | - |
| Mr. Faheem Khan Niazi | | 6,443,200 | - |
| Associate of Directors | | | |
| Loan Received | | | |
| Mr. Ali Fawad Sheikh | | 12,500,000 | - |

22 FINANCIAL INSTRUMENTS BY CATEGORY

Financial Assets

- Loans and receivables at amortized cost

| | | | |
|-----------------------|---|---------------|--------------|
| Cash and bank balance | 7 | <u>77,196</u> | <u>5,490</u> |
|-----------------------|---|---------------|--------------|

Financial Liabilities

- At amortized cost

| | | | |
|--------------------------|----|-------------------|-------------------|
| Trade and other payables | 10 | 404,327 | 731,300 |
| Markup accrued | 11 | 2,022,943 | - |
| Short term borrowings | 11 | <u>56,056,800</u> | <u>43,556,800</u> |
| | | <u>58,484,070</u> | <u>44,288,100</u> |

23 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (interest / mark-up rate risk and price risk). The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Overall, risks arising from the Company's financial assets and liabilities are limited. The Company consistently manages its exposure to financial risk without any material change from previous period in the manner described in notes below.

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

23.1 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counterparties fails to meet its contractual obligation and it mainly arises from balances with banks and financial institutions, trade debts, loans, advances, deposits and other receivables. The credit risk on liquid fund is limited because the counter parties are banks with reasonably high credit ratings.

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly effected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk before any provisions at the reporting date is:

| | <i>2018</i> <i>Rupees</i> | <i>2017</i> <i>Rupees</i> |
|--------------|------------------------------|------------------------------|
| Bank balance | <u>74,572</u> | <u>5,490</u> |

Quality of financial assets

The Company keeps its fund with banks having good credit ratings. Currently the funds are kept with a bank having short term rating of A-1 and long term rating of A-.

23.2 Liquidity risk

Liquidity risk reflects the Company's inability in raising funds to meet commitments. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with the financial liabilities as they fall due. The Company's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or at the risk of Company's reputation. The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to fulfill its obligation, monitoring balance sheet liquidity ratios against internal and external requirements and maintaining debt financing plans.

Following are the contractual maturities of the financial liabilities:

| | <i>2018</i> | | | | |
|------------------------------|------------------------|-------------------------------|---------------------------|-----------------------------|--------------------------------|
| | <i>Carrying amount</i> | <i>Contractual cash flows</i> | <i>Six months or less</i> | <i>Six to twelve months</i> | <i>More than twelve months</i> |
| | ----- (Rupees) ----- | | | | |
| <i>Financial Liabilities</i> | | | | | |
| Trade and other payables | 404,327 | 404,327 | 404,327 | - | - |
| Markup accrued | 2,022,943 | 2,022,943 | 2,022,943 | - | - |
| Short term borrowings | 56,056,800 | 56,056,800 | - | 56,056,800 | - |
| | <u>58,484,070</u> | <u>58,484,070</u> | <u>2,427,270</u> | <u>56,056,800</u> | <u>-</u> |

| | 2017 | | | | |
|------------------------------|----------------------|------------------------|--------------------|----------------------|-------------------------|
| | Carrying amount | Contractual cash flows | Six months or less | Six to twelve months | More than twelve months |
| | ----- (Rupees) ----- | | | | |
| <i>Financial Liabilities</i> | | | | | |
| Trade and other payables | 731,300 | 731,300 | 731,300 | - | - |
| Short term borrowings | 43,556,800 | 43,556,800 | - | 43,556,800 | |
| | <u>44,288,100</u> | <u>44,288,100</u> | <u>731,300</u> | <u>43,556,800</u> | <u>-</u> |

23.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company manages market risk by monitoring exposure on marketable securities by following the internal risk management and investment policies and guidelines. Market risk comprises of three types of risks: currency risk, interest rate risk and price risk out of which the Company is exposed only to interest rate risk.

Interest / mark up rate risk

Interest / mark-up rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest / mark-up rates.

At the balance sheet date, the interest rate profile of the Company's significant interest bearing financial instruments was as follows:

Variable rate instruments

| | Note | 2018 Rupees | 2017 Rupees |
|------------------------------|------|----------------|----------------|
| <i>Financial liabilities</i> | | | |
| <i>Short term borrowings</i> | | | |
| Effective Interest Rate | | 9.25% | - |
| Carrying Value (Rs.) | 11.2 | 12,500,000 | - |

Cash flow sensitivity for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit and equity for the year by the amounts shown below. The analysis assumes that all other variables remain constant. The analysis is not performed for 2017 due to no variable rate instrument.

| | Interest Rate 100 bp | |
|----------------------------|----------------------|----------------|
| | increase | decrease |
| | ----- Rupees ----- | |
| <i>As at June 30, 2018</i> | | |
| Cash flow sensitivity | <u>(125,000)</u> | <u>125,000</u> |

23.4 Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with processes technology and infrastructure supporting the company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risk arising from the company's activities.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. The responsibility encompasses the controls in the following areas:

- i* Requirements for appropriate segregation of duties between various functions, roles and responsibility;
- ii* Requirements for the reconciliation and monitoring of transactions;
- iii* Compliance with regulatory and other legal requirements;
- iv* Documentation of control and procedures;
- v* Requirements for the periodic assessment of operational risk faced, and the adequacy of controls and procedures to address the risk identified;
- vi* Ethical and business standards; and
- vii* Risk mitigation, including insurance where this is effective.

23.5 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The carrying values of all the financial assets and liabilities reported in the financial statements approximate their fair values.

23.6 Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the

capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares and take other measures commensurate to the circumstances. The Company finances its expansion projects through equity, borrowings and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk and maximizing profitability.

The Company monitors capital using a gearing ratio, which is net debt divided by total shareholders equity plus net debt. Net debt is calculated as total loans and borrowings from banking companies including any other investors and finance cost thereon, less cash and bank balances. The Company's strategy is to maintain leveraged gearing. The gearing ratios as at the balance sheet date are as follows:

| | | <i>2018</i> <i>Rupees</i> | <i>2017</i> <i>Rupees</i> |
|------------------------------|---------|------------------------------|------------------------------|
| Total borrowings | | 12,500,000 | - |
| Less: Cash and bank balances | | <u>(77,196)</u> | <u>(5,490)</u> |
| Net debt | A | 12,422,804 | - |
| Total shareholders' equity | B | 1,593,126 | (41,690,931) |
| Net debt and equity | (C=A+B) | <u>14,015,930</u> | <u>(41,690,931)</u> |
| Gearing ratio % | (D=A/C) | <u>88.63%</u> | <u>0.00%</u> |

24 GENERAL

- Figures have been rounded-off nearest to the rupee unless stated otherwise.
- Number of employees as on the balance sheet date and average number of employees during the year were 2 (2017: nil) and 2 (2017: 1) respectively.

25 DATE OF AUTHORISATION FOR ISSUE

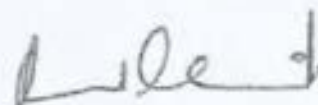
These financial statements have been authorized for issue on 06-10-2018 by the Board of Directors of the Company.



Chief Executive



Chief Financial Officer



Director

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED

PATTERN OF SHAREHOLDING
AS ON JUNE 30, 2018

| Number of Shareholders | Shareholding | | Total Shares Held |
|------------------------|--------------|--------|-------------------|
| | From | To | |
| 697 | 1 | 100 | 52,860 |
| 287 | 101 | 500 | 80,590 |
| 266 | 501 | 1000 | 150,710 |
| 45 | 1001 | 5000 | 86,950 |
| 4 | 5001 | 10000 | 24,510 |
| 1 | 10001 | 15000 | 10,780 |
| 1 | 15001 | 20000 | 19,500 |
| 1 | 35001 | 40000 | 38,697 |
| 1 | 50001 | 55000 | 54,050 |
| 1 | 140001 | 145000 | 140,250 |
| 2 | 160001 | 165000 | 325,870 |
| 2 | 255001 | 260000 | 514,814 |
| 1 | 820001 | 825000 | 823,219 |
| 1309 | | | 2,322,800 |

| Categories Of Shareholders | Number Of Shareholders | Total Shares Held | Percentage % |
|----------------------------|------------------------|-------------------|---------------|
| Individuals | 1304 | 1,347,921 | 58.03 |
| Joint Stock Companies | 3 | 823,849 | 35.47 |
| Financial Institutions | 1 | 140,250 | 6.04 |
| Investment Companies | 1 | 10,780 | 0.46 |
| | 1309 | 2,322,800 | 100.00 |

FORM OF PROXY
37th ANNUAL GENERAL MEETING

IMPORTANT INSTRUCTION:

This form of Proxy duly completed must be deposited at our Share Registrar, F. D. Registrar Services (SMC-Pvt.) Limited, Suit 1705 - A., 17th Floor, Saima Trade Tower, I.I. Chundrigar Road, Karachi; not later than 48 hours before the time of holding the meeting. A Proxy should also be a member of the Company. Affix Revenue Stamp Rs. 5/- on this proxy form as well.

I/ We _____ of _____
_____ being a member of **Dadabhoj Construction Technology Limited** and holder _____ Ordinary shares as per Registered Folio No./ CDC Participant's I.D. and Account No. _____ hereby appoint _____ of _____ who is also a member of **Dadabhoj Construction Technology Limited** vide Registered Folio No./ CDC Participant's I.D. and Account No. _____ mu/ our proxy to vote for me/ our behalf at the 37th Annual General Meeting of the Company to be held on Friday, October 26, 2018 at 05:15 p.m. at Jinnah Club, Jinnah Co-operative Housing Society behind K- Electric Office, Tipu Sultan Road Karachi.

Signed this _____ day of _____ 2018

Revenue
Stamp

Signature

Witnesses:

Signature: _____

Signature: _____

Name: _____

Name: _____

Address: _____

Address: _____
