

Nine Month Period Ended Report

March 31, 2017

(Un-audited)

DADEX

Dadex Eternit Limited

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COMPANY INFORMATION

BOARD OF DIRECTORS

Non - Executive Directors

- Sikander Dada - Chairman
- Abu Talib H.K. Dada
- Maqbool H.H Rahimtoola
- Shahzad M. Husain

Independent Director

- Syed Shahid Ali Bukhari

Executive Director

- Qazi Sajid Ali
- Danish Dada

CHIEF EXECUTIVE OFFICER

- Qazi Sajid Ali

CHIEF FINANCIAL OFFICER

- Muhammad Yousuf

COMPANY SECRETARY

- Umar Rasheed

HEAD OF INTERNAL AUDIT & SECRETARY AUDIT COMMITTEE

- Mustafa Kamal Khan

BOARD AUDIT COMMITTEE

- Shahzad M Husain - Chairman
- Danish Dada
- Syed Shahid Ali Bukhari

HUMAN RESOURCE AND REMUNERATION COMMITTEE

- Maqbool H.H. Rahimtoola - Chairman
- Abu Talib H.K. Dada
- Qazi Sajid Ali

MANAGEMENT TEAM

- Qazi Sajid Ali - Chief Executive Officer
- Danish Dada - C.E.O (International Division)
- Tanveer Saleem - Chief Operating Officer (Technical & Operations)
- Syed Ashar Husain - Chief Operating Officer (Commercial Services)
- Muhammad Yousuf - Chief Financial Officer
- Munawar Abbas - General Manager (Operations)
- Syed Waseem Ahmed - General Manager Finance
- Lt. Cdr. (Retd.) Saeed Ahmed Khan - General Manager Admin & HR

AUDITORS

- EY Ford Rhodes, Chartered Accountants

BANKERS

- National Bank of Pakistan
- Bank Islami Pakistan Limited
- Sindh Bank Limited
- The Bank of Punjab
- United Bank Limited (UBL Ameen)
- Standard Chartered Bank (Pakistan) Limited
- Habib Metropolitan Bank Limited
- Askari Bank Limited
- Habib Bank Limited
- MCB Bank Limited
- Meezan Bank Limited
- Dubai Islamic Bank Pakistan Limited

LEGAL ADVISOR

- Abrar Hasan & Co.
9, Mezzanine Floor, Beaumont Plaza,
Near PIDC House, Karachi

REGISTERED OFFICE

- Dadex House, 34-A/1, Block-6, P.E.C.H.S.,
Shahrah-e-Faisal, Karachi - 75400
Tel: (92-21) 111000789
Fax: (92-21) 34315716 - 34315725
Email: info@dadex.com.pk

SHARE REGISTRAR

- JWAFS Registrar Services (Private) Limited
407 - 408, Al-Ameera Centre, Shahrah-e-Iraq,
Saddar, Karachi
Tel: (92-21) 35662023- 24
Fax: (92-21) 35221192
Email: jwaffs@live.com
info@jwaffs.com

WEBSITE

- www.dadex.com

DIRECTORS' REVIEW

The Directors are pleased to present their review together with the financial statements of the Company for nine months ended March 31, 2017.

During the period under review, the Company achieved a net turnover which is 15.70% higher than the corresponding period last year. The Company achieved operating profit of Rs. 133.74 million (March 2016: Operating profit of Rs. 144.57 million). Finance cost reduced by 9.77% as compared to corresponding period which have resulted in a net profit after tax of Rs. 15.02 million (March 2016: Net profit after tax of Rs. 10.50 million), resulting in earning per share of Rs. 1.40 (March 2016: Earning per share of Re. 0.98).

The sales outlook for the last quarter of 2016-17 looks better than last year, overall macro economic indicators are improving. The Company is well poised to reap maximum benefits from the available opportunities due to continuing boom in the Housing and Construction segments. The Management team will continue to focus on broadening customer base, exploring new markets with efficient control on working capital management to achieve a profitable year.

The Company has recently launched Pakistan's first antimicrobial pipe which was widely covered in national and international newspapers. The Company is getting encouraging response for the sale of antimicrobial pipe.

The Directors and Management deeply appreciate the continued support and commitment of all the stakeholders and acknowledge the support of our valued shareholders. We would also like to express our gratitude and appreciation to all our valued customers, distributors, dealers and bankers for the trust, cooperation and confidence reposed in the Company, while acknowledging hard and sincere work of all cadres of employees of the Company.

On behalf of the Board

Qazi Sajid Ali
Chief Executive

Abu Talib H.K. Dada
Director

Karachi: April 25, 2017

**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2017**

		March 31, 2017 (Un-audited)	June 30, 2016 (Audited)
	Note	----- (Rupees in `000) -----	
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Property, plant and equipment	4	1,786,209	1,825,691
		<u>1,786,209</u>	<u>1,825,691</u>
Investment property	4.3	42,513	44,416
Long-term investment	5	-	-
Long-term loans		1,391	1,055
Long-term security deposits		27,007	21,646
Deferred tax assets		<u>62,824</u>	<u>78,775</u>
		<u>1,919,944</u>	<u>1,971,583</u>
CURRENT ASSETS			
Stores, spare parts and loose tools		36,938	35,461
Stock-in-trade	6	580,540	518,289
Trade debts	7	209,076	118,458
Loans and advances		21,792	80,160
Trade deposits and short-term prepayments		39,153	20,945
Other receivables		22,065	12,298
Taxation – net		212,031	183,860
Cash and bank balances		<u>20,366</u>	<u>13,339</u>
		<u>1,141,961</u>	<u>982,810</u>
TOTAL ASSETS		<u>3,061,905</u>	<u>2,954,393</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		107,640	107,640
Reserves		<u>100,445</u>	<u>67,169</u>
		<u>208,085</u>	<u>174,809</u>
SURPLUS ON REVALUATION OF FIXED ASSETS		1,070,317	1,088,575
NON-CURRENT LIABILITIES			
Long-term financing		25,556	102,222
Liabilities against assets subject to finance lease		<u>93,789</u>	<u>58,098</u>
		<u>119,345</u>	<u>160,320</u>
CURRENT LIABILITIES			
Trade and other payables		638,629	459,566
Accrued mark-up		19,565	27,898
Short-term borrowings		856,889	816,807
Current portion of long-term financing		102,222	175,332
Current portion of liabilities against assets subject to finance lease		12,972	16,361
Sales tax and excise duty payable		<u>33,881</u>	<u>34,725</u>
	8	<u>1,664,158</u>	<u>1,530,689</u>
CONTINGENCIES AND COMMITMENTS	9		
TOTAL EQUITY AND LIABILITIES		<u>3,061,905</u>	<u>2,954,393</u>

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Muhammad Yousuf
Chief Financial Officer

Qazi Sajid Ali
Chief Executive

Abu Talib H.K. Dada
Director

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**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS ENDED MARCH 31, 2017
(UN-AUDITED)**

	Note	Nine months ended		Quarter ended	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
(Rupees in '000)					
Turnover – net	10	1,699,356	1,468,799	593,280	565,143
Cost of sales	11	(1,392,787)	(1,203,607)	(479,698)	(456,064)
Gross profit		306,569	265,192	113,589	109,079
Distribution cost		(98,369)	(70,905)	(37,670)	(28,718)
Administrative expenses		(95,719)	(81,103)	(32,258)	(32,253)
Other operating expenses		(13,958)	(14,374)	(6,534)	(3,555)
Other operating income	12	35,216	45,762	10,789	10,597
Operating profit		133,739	144,572	47,909	55,150
Finance cost	13	(81,814)	(90,674)	(27,089)	(34,562)
Share of loss on investment in an associate		-	-	-	-
Profit before taxation		51,925	53,898	20,820	20,588
Taxation	14	(36,907)	(43,399)	(13,082)	(16,021)
Profit for the period		15,018	10,499	7,738	4,567
(Rupees)					
Earnings per share					
- basic and diluted		1.40	0.98	0.72	0.42

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Muhammad Yousuf
Chief Financial Officer

Qazi Sajid Ali
Chief Executive

Abu Talib H.K. Dada
Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED MARCH 31, 2017
(UN-AUDITED)**

	Nine months ended		Quarter ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	(Rupees in `000)			
Profit for the period	15,018	10,499	7,738	4,567
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	15,018	10,499	7,738	4,567

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Muhammad Yousuf
Chief Financial Officer

Qazi Sajid Ali
Chief Executive

Abu Talib H.K. Dada
Director

**CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED MARCH 31, 2017
(UN-AUDITED)**

		Nine months ended	
	Note	March 31, 2017	March 31, 2016
		----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	16	256,230	(22,256)
Taxes paid		(49,127)	13,471
Long-term loans and advances – net		(336)	121
Long-term Deposits – net		(5,361)	(12,306)
Net cash flows generated from operating activities		201,406	(20,970)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(27,025)	(3,546)
Proceeds from disposal of fixed assets		251	21,055
Interest received		4	1
Net cash used in investing activities		(26,770)	17,510
CASH FLOWS FROM FINANCING ACTIVITIES			
Short-term borrowing – net		32,482	200,000
Interest / mark-up paid		(90,147)	(91,696)
Long-term financing		32,302	(8,942)
Murahaba financing		(149,776)	90,224
Dividends paid	17	(70)	(68)
Net cash (used in) / generated from financing activities		(175,209)	189,518
Net increase in cash and cash equivalents		(573)	186,058
Cash and cash equivalents at the beginning of the period		(603,468)	(825,931)
Cash and cash equivalents at the end of the period		(604,041)	(639,873)
CASH AND CASH EQUIVALENTS COMPRISE			
Cash and Bank balances		20,366	10,730
Short-term borrowings		(624,407)	(650,603)
		(604,041)	(639,873)

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Muhammad Yousuf
Chief Financial Officer

Qazi Sajid Ali
Chief Executive

Abu Talib H.K. Dada
Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2017
(UN-AUDITED)**

	Issued, subscribed and paid-up capital	Reserves				Grand Total
		Capital reserves - share premium	Revenue reserves		Total	
			General	Unappr- opriated profit / (loss)		
Balance as at June 30, 2015	107,640	5,655	160,000	(121,380)	44,275	151,915
Surplus on revaluation of fixed assets realized on account of incremental depreciation charged on related assets for the year	-	-	-	10,841	10,841	10,841
Profit for the period	-	-	-	10,499	10,499	10,499
Other comprehensive income for the period, net of tax	-	-	-	-	-	-
Total comprehensive income for the period ended March 31, 2016	-	-	-	10,499	10,499	10,499
Balance as at March 31, 2016	<u>107,640</u>	<u>5,655</u>	<u>160,000</u>	<u>(100,040)</u>	<u>65,615</u>	<u>173,255</u>
Balance as at June 30, 2016	107,640	5,655	160,000	(98,486)	67,169	174,809
Surplus on revaluation of fixed assets realized on account of incremental depreciation charged on related assets for the year	-	-	-	18,258	18,258	18,258
Profit for the period	-	-	-	15,018	15,018	15,018
Other comprehensive income for the period, net of tax	-	-	-	-	-	-
Total comprehensive income for the period ended March 31, 2017	-	-	-	15,018	15,018	15,018
Balance as at March 31, 2017	<u>107,640</u>	<u>5,655</u>	<u>160,000</u>	<u>(65,210)</u>	<u>100,445</u>	<u>208,085</u>

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Muhammad Yousuf
Chief Financial Officer

Qazi Sajid Ali
Chief Executive

Abu Talib H.K. Dada
Director

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**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2017
(UN-AUDITED)**

1. NATURE AND STATUS OF BUSINESS

Dadex Eternit Limited (the Company) was incorporated in Pakistan on April 13, 1959 as a public limited company under the Companies Ordinance, 1984 and is quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Dadex House, 34-A/1, Block 6, P.E.C.H.S, Sharah-e-Faisal, Karachi. The Company has three factories situated at Karachi, Hyderabad and Lahore. The principal business of the Company is to manufacture and sell construction material, which mainly includes piping systems and other allied products manufactured from chrysotile cement, rubber and plastics, merchandising of imported pipe fittings, accessories and other building products.

2. BASIS OF PRESENTATION

These interim condensed financial statements are un-audited and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984. These accounts have been prepared in accordance with the requirements of the Companies Ordinance, 1984, directives issued by the Securities & Exchange Commission of Pakistan (SECP) and International Accounting Standard 34 "Interim Financial Reporting" as applicable in Pakistan. These should be read in conjunction with the financial statements of the Company for the year ended June 30, 2016.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these interim condensed financial statements are the same as those applied in the preparation of the preceding annual financial statements of the Company for the year ended June 30, 2016.

	Note	March 31, 2017 (Un-audited) ----- (Rupees in `000) -----	June 30, 2016 (Audited)
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	1,762,689	1,820,110
Capital work-in-progress	4.2	23,520	5,581
		<u>1,786,209</u>	<u>1,825,691</u>

4.1 The following is the movement in operating fixed assets during the period/year:

Opening balance		1,820,110	1,450,827
Add: Surplus on revaluation of fixed assets		-	344,952
Additions during the period/year	4.1.1	<u>9,086</u>	<u>106,576</u>
		1,829,196	1,902,355
Less: Disposals during the period / year (WDV)	4.1.2	-	(3,438)
Depreciation charge for the period / year	4.1.3	<u>(66,507)</u>	<u>(78,807)</u>
Operating fixed assets (WDV)		<u>1,762,689</u>	<u>1,820,110</u>

4.1.1 Additions including transfers during the period / year

Plant and machinery (owned)	7,329	21,833
Vehicle and transportation equipment (owned)	889	-
Office and factory equipment (owned)	868	471
Plant and machinery (leased)	-	31,800
Vehicle and transportation equipment (leased)	-	52,472
	<u>9,086</u>	<u>106,576</u>

	March 31, 2017 (Un-audited)	June 30, 2016 (Audited)
	----- (Rupees in `000) -----	
4.1.2 Disposals during the period / year – at WDV		
Vehicle & Transportation equipment costing Rs. 0.874 million (June 30, 2016: Rs. 29.380 million)	-	3,438
	<u>-</u>	<u>3,438</u>
4.1.3 Depreciation charged during the period / year		
Cost of sales	44,464	54,491
Distribution cost	5,024	3,736
Administrative expenses	17,019	20,580
	<u>66,507</u>	<u>78,807</u>
4.2 Capital work-in-progress		
Plant and machinery – Green House Farming System	13,979	13,979
Impairment loss on plant and machinery	<u>(13,979)</u>	<u>(12,179)</u>
	-	1,800
Advance against purchase of operating fixed assets	<u>23,520</u>	<u>3,781</u>
	<u>23,520</u>	<u>5,581</u>
4.3 Investment Property		
Opening balance	44,416	46,955
Add: Additions during the period/year	-	-
	<u>44,416</u>	<u>46,955</u>
Less: Depreciation charge for the period	<u>(1,903)</u>	<u>(2,539)</u>
	<u>42,513</u>	<u>44,416</u>
5. LONG-TERM INVESTMENT		
Investment in an associate	5,000	5,000
Less: Impairment in value	<u>(5,000)</u>	<u>(5,000)</u>
	<u>-</u>	<u>-</u>
6. STOCK-IN-TRADE		
Raw materials		
- in hand	171,887	155,368
- in transit	<u>92,728</u>	<u>78,741</u>
	264,615	234,109
Work-in-process	108,439	75,489
Finished goods		
- Manufactured	196,231	185,811
- Trading [including in transit of Rs. NIL (June 30, 2016: Rs. Nil)]	<u>11,255</u>	<u>22,880</u>
	<u>207,486</u>	<u>208,691</u>
	<u>580,539</u>	<u>518,289</u>
7. TRADE DEBTS		
Considered good	209,077	118,458
Consider doubtful	<u>156,324</u>	<u>153,280</u>
	365,400	271,738
Provision for doubtful debts	<u>(156,324)</u>	<u>(153,280)</u>
	<u>209,076</u>	<u>118,458</u>

8. SALES TAX AND EXCISE DUTY PAYABLE

During the period, the Deputy Commissioner Inland Revenue, Karachi passed an assessment order whereby, the sales tax demand of Rs. 32,332 million along with default surcharge and penalty of Rs. 2,948 million was established against the Company. The Company is in process of filing an appeal before Commissioner (Appeals) against the above demand. The management, in view of a legal advise, expects a favourable outcome in this respect. However, as a matter of prudence, the Company has made a provision of Rs. 31,939 million against the above demand.

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There are no material changes in the status of contingencies as reported in the annual financial statements of the Company for the year ended June 30, 2016 except as follows:

In September 2014, the Federal Government promulgated Gas Infrastructure Development Cess (GIDC) Ordinance No. VI of 2014 to circumvent earlier decision of the Supreme Court of Pakistan on the subject, where it upheld that the earlier introduction of GIDC Act of 2011 was unconstitutional and ultravires on the grounds that GIDC was a 'Fee' and not a 'Tax'. In May 2015, the Government passed the GIDC Act 2015.

The Company challenged GIDC Act, 2015 and filed writ petition in the High Court of Sindh (the Court). During the period, the Court decided the case in the Company's favour and concluded that GIDC Act, 2011, GIDC Ordinance, 2014 and GIDC Act, 2015 impugned in the suits ultravires the constitution. Subsequent to the period end, the Government has filed an intra court appeal against the Court's order. The Company has paid Rs. 12.31 million as an additional charge of GIDC in prior years, however, no reversal has been made in these condensed interim financial statements due to inherent uncertainties involved in such matters.

9.2 Commitments

Commitments are as follows:

	March 31, 2017 (Un-audited) ----- (Rupees in `000) -----	June 30, 2016 (Audited)
Outstanding letters of credit	150,754	24,812
Outstanding letters of guarantee	85,053	80,053
Post dated cheques	-	30,797
Duties payable on goods in transit	31,872	15,351
Outstanding contracts	138	31,339

Nine months ended

10. TURNOVER – NET

	March 31, 2017 (Un-audited)----- ----- (Rupees in `000) -----	March 31, 2016
LOCAL		
- manufactured	1,989,303	1,676,825
- trading	15,800	46,233
- others	5,523	16,053
	<u>2,010,626</u>	<u>1,739,111</u>
EXPORT	-	-
	<u>2,010,626</u>	<u>1,739,111</u>
Less:		
Returns	3,176	6,548
Sales Tax	308,094	263,764
	<u>311,270</u>	<u>270,312</u>
	<u>1,699,356</u>	<u>1,468,799</u>

	Nine months ended		Quarter ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	----- (Un-audited) -----			
Note	----- (Rupees in `000) -----			
11. COST OF SALES				
Manufactured				
Raw materials consumed				
Opening stock	234,109	178,931	210,570	285,381
Purchases	1,134,823	902,978	452,848	281,546
Closing stock	(264,615)	(242,692)	(264,615)	(242,962)
	7			
	1,104,317	839,217	398,803	324,235
Export rebate – Duties	-	-	-	-
	1,104,317	839,217	398,803	324,235
Net Stores, spare parts and loose tools consumed	36,996	26,634	15,098	8,386
Salaries, wages and benefits [including Rs. 2.447 million (March 31, 2015: Rs. 2.123 million) in respect of bonus to workers]	83,149	75,817	29,142	27,961
Procured services	41,090	53,654	12,775	18,612
Fuel, water and power	78,659	59,050	26,355	19,422
Insurance	3,623	4,219	807	1,404
Traveling	118	172	82	90
Communication	1,341	961	239	319
Depreciation	44,464	38,967	14,834	13,410
Rent, rates and taxes	3,196	3,590	417	882
Repairs and maintenance	16,179	16,971	7,553	5,354
Technical assistance fee	2,061	6,089	-	2,044
Printing and stationery	525	535	212	223
Other expenses	1,457	1,472	485	604
	312,858	288,131	107,999	98,711
Opening stock of work-in-process	75,489	114,975	86,648	82,792
Closing stock of work-in-process	(108,439)	(78,461)	(108,438)	(78,461)
	7			
Cost of goods manufactured	1,384,225	1,163,802	485,012	427,277
Opening stock of finished goods	185,811	224,932	179,034	242,915
Closing stock of finished goods	(196,231)	(226,963)	(196,231)	(226,963)
	7			
	1,373,805	1,161,771	467,815	443,229
Trading				
Opening stock	22,880	42,736	19,006	36,530
Purchases	7,357	30,027	4,132	7,232
	30,237	72,763	23,138	43,762
Closing stock	(11,255)	(30,927)	(11,255)	(30,927)
	7			
	18,982	41,836	11,883	12,835
	1,392,787	1,203,607	479,698	456,064

	Nine months ended	
	March 31, 2017	March 31, 2016
	----- (Un-audited) -----	
	----- (Rupees in `000) -----	
12. OTHER OPERATING INCOME		
Income from financial assets		
Interest Income	40	1
Income from non-financial assets		
Rental income – investment property	26,411	22,325
Income from scrap sales	7,671	2,059
Profit on disposal of fixed assets	251	20,907
Product Installation revenue	879	470
	35,216	45,762

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13. FINANCE COST	Nine months ended	
	March 31, 2017	March 31, 2016
Mark-up / interest	----- (Un-audited)----- ----- (Rupees in `000) -----	
Islamic Banks		
Long Term financing	2,774	4,454
Short term borrowing	16,745	4,846
	<u>19,519</u>	<u>9,300</u>
Conventional banks		
Long term financing	10,677	9,805
Short term borrowings	42,290	61,985
Finance Lease	5,399	2,288
	58,366	74,078
Bank and other charges	3,929	7,296
	<u>81,814</u>	<u>90,674</u>
14. TAXATION		
Current – for the year	20,956	19,900
Deferred	15,951	23,499
	<u>36,907</u>	<u>43,399</u>

15. TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise of associated companies, group companies, staff retirement funds, chief executive, directors and key management personnel. The transactions and balances with related parties and associated undertakings are as follows:

Related parties	Nature of transaction	Nine months ended	
		March 31, 2017	March 31, 2016
		----- (Un-audited)----- ----- (Rupees in `000) -----	
Associated Company	Purchases	<u>972</u>	<u>188</u>
Holding Company	Rent paid	<u>514</u>	<u>468</u>
Provident Fund		<u>6,148</u>	<u>5,977</u>
Key management personnel	Remuneration and other benefits	<u>19,613</u>	<u>17,248</u>
	Loan Repaid	<u>-</u>	<u>5,000</u>

16. CASH GENERATED FROM OPERATIONS	Note	Nine months ended	
		March 31, 2017	March 31, 2016
		----- (Un-audited)----- ----- (Rupees in `000) -----	
Profit before taxation		51,925	53,898
Adjustments for non cash charges and other items:			
Depreciation – operating fixed assets	4.1.3	66,507	50,615
Depreciation – investment property	4.3	1,903	1,904
Gain on disposal of fixed assets - net		(251)	(20,907)
Interest income		(4)	(1)
Finance cost		81,814	90,674
Provision against doubtful trade debts		3,044	1,442
Provision against doubtful trade deposits		-	88
Working capital changes	16.1	51,292	(199,969)
		<u>256,230</u>	<u>(22,256)</u>

	Nine months ended	
	March 31, 2017	March 31, 2016
	----- (Un-audited)-----	
	----- (Rupees in `000) -----	
16.1 Working capital changes		
Decrease / (increase) in current assets		
Stores, spare and loose tools	(1,477)	(2,975)
Stock-in-trade	(62,251)	(17,529)
Trade debts	(93,662)	(131,755)
Loans and advances	58,368	(108,066)
Trade deposits and short-term prepayments	(18,208)	(6,735)
Other receivables	(9,767)	3,046
	<u>(126,997)</u>	<u>(264,014)</u>
Decrease / (increase) in current liabilities		
Trade and other payables	179,133	47,252
Sales tax and excise duty payable (net)	(844)	16,793
	<u>51,292</u>	<u>(199,969)</u>

17. DIVIDEND PAID

Interim cash dividend declared Rs.Nil (March 31, 2016: Rs. Nil)		
Cash dividend paid	<u>70</u>	<u>68</u>

18. INFORMATION ABOUT OPERATING SEGMENTS

	Chrysotile Cement	Plastic	Others	Total
	----- (Rupees in `000) -----			
<u>Nine months ended March 31, 2017</u>				
TURNOVER – net	<u>652,573</u>	<u>1,046,048</u>	<u>735</u>	<u>1,699,356</u>
RESULT				
Segment result	<u>75,687</u>	<u>36,657</u>	<u>137</u>	<u>112,481</u>
Unallocated expense				
Other operating expenses				(13,958)
Other operating income				35,216
Finance cost				(81,814)
Taxation				(36,907)
Profit for the period				<u>15,018</u>
<u>Nine months ended March 31, 2016</u>				
TURNOVER – net	<u>517,238</u>	<u>951,298</u>	<u>263</u>	<u>1,468,799</u>
RESULT				
Segment result	<u>59,482</u>	<u>55,574</u>	<u>(1,872)</u>	<u>113,184</u>
Unallocated expense				
Other operating expenses				(14,374)
Other operating income				45,762
Finance cost				(90,674)
Taxation				(43,399)
Profit for the period				<u>10,499</u>
Assets and Liabilities				
<u>March 31, 2017</u>				
Segment assets	<u>279,703</u>	<u>782,195</u>	<u>135,087</u>	<u>1,196,985</u>
Unallocated corporate assets				<u>1,864,920</u>
Total assets				<u>3,061,905</u>
Segment liabilities	<u>172,647</u>	<u>310,572</u>	<u>9,364</u>	<u>492,583</u>
Unallocated corporate liabilities				<u>1,290,920</u>
Total liabilities				<u>1,783,503</u>

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	Chrysotile Cement	Plastic	Others	Total
	----- (Rupees in `000) -----			
June 30, 2016				
Segment assets	214,001	460,474	128,067	802,542
Unallocated corporate assets				2,151,851
Total assets				<u>2,954,393</u>
Segment liabilities	109,448	316,196	6,377	432,021
Unallocated corporate liabilities				1,258,988
Total liabilities				<u>1,691,009</u>

18.1 Geographical information

Turnover

The Company's turnover represents local and export sales of Rs. 1,699.356 million and Rs. Nil (March 31, 2016: Rs. 1,468.799 million and Rs. Nil) respectively.

	Nine months ended	
	March 31, 2017	March 31, 2016
	----- (Un-audited)-----	
Note	----- (Rupees in `000) -----	

Non-Current assets

Pakistan	<u>1,857,120</u>	<u>1,561,478</u>
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All non-current assets of the Company are located in Pakistan.

19. DATE OF AUTHORISATION FOR ISSUE

19.1 These condensed interim financial statements have been authorised for issue on April 25, 2017 by the Board of Directors of the Company.

20. GENERAL

20.1 Certain prior period figures have been reclassified, wherever necessary. However, there are no material reclassifications to report.

20.2 All figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

Muhammad Yousuf
Chief Financial Officer

Qazi Sajid Ali
Chief Executive

Abu Talib H.K. Dada
Director

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