

# PAKISTAN HOTELS DEVELOPERS LTD.

*Owners & Operators of*



**Main Shahra-e-Faisal,**

**Karachi - Pakistan**

**Tel: +92-21-35657000**

**Fax: +92-21-35631523**

**E-mail: [headoffice@rphcc.com](mailto:headoffice@rphcc.com)**

**Web: [www.rphcc.com](http://www.rphcc.com)**



*Condensed Interim*

*Financial Statements*

*Nine- Months Period Ended*

*March 31, 2019*

*(Un-audited)*

## **Vision / Mission**

It is our cherished goal to be the Industry leader in hotel business by establishing a complete, unique, distinctive and truly a five star deluxe hotel complex.

To achieve the above objective and to provide the highest level of satisfaction to our valued customers, we are constantly engaged and working with a missionary zeal to bring necessary improvements in our existing facilities and to excel in offering efficient and quality services to them.

We are also committed to maintain the highest level of International hotel standards, which will add to the glory and prestige of the Country and promote tourism.

## **COMPANY INFORMATION**

### **BOARD OF DIRECTORS:**

#### **Non-executive Directors:**

MR. S.MAHMOOD BAWEJA  
Chairman  
MRS. SHAHINA KHALID  
Director

#### **Executive Directors:**

MR. MUZAFFAR F. BAWEJA  
Chief Executive Officer  
MR. ZUBAIR BAWEJA  
Managing Director

#### **Independent Director:**

MR. M.A. MAJEED  
MR. IMRAN REHMAN MEMON  
MR. JAWED AHMED

### **AUDIT COMMITTEE:**

MR. JAWED AHMED  
Chairman  
MR. IMRAN REHMAN MEMON  
Member  
MR. M.A.MAJEED  
Member

### **HR & R COMMITTEE:**

MRS. SHAHINA KHALID  
Chairperson  
MR. JAWED AHMED  
Member  
MR. M.A.MAJEED  
Member

### **COMPANY SECRETARY:**

MR. FAHAD IQBAL KHAN

### **CHIEF FINANCIAL OFFICER:**

SYED HASEEN ANWER

### **BANKERS:**

AL BARAKA BANK (PAKISTAN) LTD.  
BANK AL-HABIB LTD.  
BANK ISLAMI PAKISTAN LTD.  
FAYSAL BANK LTD.  
HABIB BANK LTD.  
MCB BANK LTD.  
MEEZAN BANK LTD.  
NATIONAL BANK OF PAKISTAN  
SILK BANK LTD.  
UNITED BANK LTD.

### **AUDITORS:**

TANWIR ARIF & CO.  
Chartered Accountants

### **LEGAL ADVISOR:**

SOFIA SAEED SHAH

### **INDEPENDENT SHARE REGISTRAR**

F.D. REGISTRAR SERVICES(SMC-PVT.)Ltd.  
17th FLOOR, SAIMA TRADE TOWER-A  
I.I. CHUNDRIGAR ROAD,  
KARACHI

### **REGISTERED OFFICE:**

REGENT PLAZA HOTEL,  
MEZZANINE FLOOR  
195/2, SHAHRAH-E-FAISAL,  
KARACHI.

## DIRECTORS' REPORT TO THE SHAREHOLDERS

The Board of Directors of Pakistan Hotels Developers Ltd. is pleased to present the un-audited condensed interim financial statements of the company for the 3rd quarter ended March 31, 2019 along with cumulative figures of nine months.

AL-Hamdo Lillah, Company has successes to earn a pre-tax profit of Rs.18.570 million in 3rd quarter and cumulative of 9 months is Rs.85.186 million which is the highest figure of nine months after the fire incident in the hotel building occurred in December, 2016, The profit is witnessed, hard working of management of the Company.

Financial results for the nine months period under review are summarized as follows:

	For the Nine Months period ended 31st March 2019 (Rupees '000) 2018	
Sales and Services - net	395,130	318,852
Gross Profit	226,625	182,782
Profit before taxation	85,186	8,049
Profit after taxation	67,273	8,598
Earning Per Share (Rupees)	3.74	0.48

During the nine months period ended the company earned a net revenue of Rs. 395 million which is an increased of Rs. 76 million (24%) as compared to same period of last year. The period under review, profit after tax is Rs.67.273 million and earnings per share (EPS) is Rs. 3.74 which are 682% more as compared to same period of last year.

Work are in process for providing water sprinkler and smoke detector system to all area of the hotel which will obviously helpful to generate more business activities.

Directors have declared 10% an interim cash dividend for the nine month period ended 31st March, 2019 to their shareholders and also approved bonus to their employees equivalent to one month gross salary.

During the reporting period election of Directors held in 2nd quarter and 7 directors elected out of which one female director and three are independent directors. No change in directorship during the 3rd quarter.

The Board of Directors wishes to express their appreciation to the entire team of the company, the esteemed guests, the valuable shareholders, banks as well as all other stake holders for their confidence and support in such difficult time.

For and on behalf of the Board of Directors

Karachi: 27th April, 2019

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**Muzaffar F. Baweja**  
Chief Executive

**Pakistan Hotels Developers Ltd.**

## ڈائریکٹرز رپورٹ

پاکستان ہولڈرز ڈیولپرز لمیٹڈ کے بورڈ آف ڈائریکٹرز کو 31 مارچ 2019ء کے ختم ہونے والے تیسرے سہ ماہی کے ساتھ ساتھ نومبر کے مجموعی اعداد و شمار کے غیر آڈٹ شدہ عبوری مالیاتی حسابات کو پیش کرتے ہوئے خوشی محسوس ہوتی ہے۔

الحمد للہ، کمپنی نے تیسری سہ ماہی میں 18.570 ملین روپے قبل از ٹیکس منافع حاصل کرنے میں کامیابی حاصل کی اور نومبر کی مجموعی مدت میں 85.186 ملین روپے منافع حاصل کیا جو کہ دسمبر 2016ء میں ہوٹل میں آگ لگنے کے واقعہ کے بعد گزشتہ نومبر کی مدت کا بلند ترین منافع رہا۔ یہ منافع اس بات کا گواہ ہے کہ کمپنی کی انتظامیہ اپنی پوری محنت اور جانفشانی کا ثبوت دے رہی ہے۔

زیر نظر نومبر کے عرصے کے مالیاتی نتائج کا خلاصہ درج ذیل ہے۔

نومبر کے اختتام برائے 31 مارچ  
2019ء 2018ء  
..... روپیہ میں 000.....

318,852	395,130	فروخت اور خدمات
182,782	226,625	مجموعی منافع
8,049	85,186	منافع قبل از ٹیکس
8,598	67,273	منافع بعد از ٹیکس
0.48	3.74	کمائی فی حصص (روپیہ)

نومبر کے دوران 31 مارچ 2019ء تک ختم ہونے والی مدت میں کمپنی نے 395 ملین روپے کی آمدنی حاصل کی جو کہ گزشتہ سال کے اسی مدت کے مقابلہ میں 76 ملین روپے زیادہ یعنی (24 فیصد) اضافہ ہوا۔ جائزے کے تحت ٹیکس کے بعد منافع 67.273 ملین روپے اور فی حصص آمدنی 3.74 روپے رہی جو کہ گزشتہ سال کے اسی مدت کے مقابلہ میں 682 فیصد زیادہ ہے۔

واٹر اسپرنگ اور اسموک ڈیکلٹر کے آلات ہوٹل کے تمام حصوں میں نصب کرنے کا کام جاری و ساری ہے جس سے واضح ہے کہ کاروباری سرگرمیوں میں اضافہ ہوگا۔

31 مارچ 2019ء کو ختم ہونے والے نومبر کے عرصے کے لئے بورڈ آف ڈائریکٹرز نے اپنے معزز شیئرز ہولڈرز کے لئے 10 فیصد نقد عبوری منافع کا اعلان کیا ہے۔ اور اپنے ملازمین کے لئے Bonus کا اعلان کیا ہے جو کہ ایک ماہ کی مجموعی تنخواہ کے برابر ہے۔

جائزہ رپورٹ کی مدت کے دوران دسمبر 2018ء میں ڈائریکٹروں کا انتخاب عمل میں آیا اور 7 ڈائریکٹرز منتخب کئے گئے جس میں ایک خاتون ڈائریکٹر اور تین آزاد ڈائریکٹر شامل ہیں۔ تیسری سہ ماہی کے دوران ڈائریکٹرز کی تقرری میں کوئی تبدیلی نہیں ہوئی۔

بورڈ آف ڈائریکٹرز کمپنی کی تمام ٹیم، محترم مہمانان گرامی، قابل قدر شیئرز ہولڈرز، بینکوں اور ان کے ساتھ ساتھ تمام متعلقین کا اس مشکل گھڑی میں اعتماد اور تعاون کرنے پر انہیں سراہتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

  
مظفر ایف بویجا  
چیف ایگزیکٹو

کراچی: 27 اپریل 2019ء

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2019**

Notes	(Un-audited) MARCH 31st 2019	(Audited) JUNE. 30th 2018
	----- (Rupees in '000) -----	
<b>CAPITAL &amp; LIABILITIES:</b>		
<b>SHARE CAPITAL AUTHORIZED</b>		
30,000,000 Ordinary Shares of Rs. 10/= each	<b>300,000</b>	300,000
<b>ISSUED, SUBSCRIBED &amp; PAID-UP</b>		
18,000,000 Ordinary Shares of Rs.10/= each	<b>180,000</b>	180,000
<b>Capital reserve</b>		
Surplus on revaluation of fixed assets - net of tax	<b>9,082,325</b>	4,391,280
<b>Revenue reserve</b>		
Unappropriated profit	<b>155,073</b>	69,840
	<b>9,417,398</b>	4,641,120
Liabilities against assets subject to finance leased	<b>4,392</b>	6,907
Deferred taxation	<b>271,055</b>	212,320
Security deposits	<b>4,180</b>	4,180
<b>Current Liabilities</b>		
Current maturity	<b>5,225</b>	4,612
Accrued markup	<b>90</b>	740
Short term borrowings	<b>—</b>	81,440
Unpaid dividend	<b>14,125</b>	14,125
Unclaimed dividend	<b>10,251</b>	10,251
Creditors, accrued and other liabilities	<b>81,172</b>	41,955
	<b>110,863</b>	153,123
Contingencies and commitments	<b>—</b>	—
	<b>9,807,888</b>	5,017,650

"The annexed notes from 01 to 10 form an integral part of these condensed interim financial statements".

Karachi: 27th April, 2019

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	(Un-audited) MARCH 31st 2019	(Audited) JUNE. 30th 2018
	----- (Rupees in '000) -----	
<b>ASSETS:</b>		
<b>Non-current assets</b>		
Fixed assets	<b>9,646,530</b>	4,900,613
Long term deposits	<b>6,080</b>	6,080
<b>CURRENT ASSETS:</b>		
Stores and spares	<b>1,112</b>	1,219
Stock in trade - food and beverages	<b>545</b>	52
Trade debts - unsecured considered good	<b>60,948</b>	34,018
Advances, prepayments and other receivables	<b>35,437</b>	29,053
Cash and bank balances	<b>57,236</b>	46,615
	<b>155,278</b>	110,957
	<b>9,807,888</b>	5,017,650

  
**MUZAFFAR F. BAWEJA**  
Chief Executive

   
**ZUBAIR BAWEJA** **SYED HASEEN ANWER**  
Managing Director Chief Financial Officer

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**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**  
**FOR THE NINE -MONTHS PERIOD ENDED MARCH 31, 2019**  
**(Un-audited)**

THREE-MONTHS ENDED MARCH 31,		NINE-MONTHS ENDED MARCH 31,	
2019	2018	2019	2018



----- (Rupees in '000)-----

Turnover	147,859	150,254	451,445	360,447
Sales and other taxes	(18,746)	(16,172)	(56,315)	(41,595)
<b>Sales &amp; services-net</b>	<b>129,113</b>	<b>134,082</b>	<b>395,130</b>	<b>318,852</b>
Cost of sales & services	(56,905)	(52,770)	(168,505)	(136,070)
<b>Gross Profit</b>	<b>72,208</b>	<b>81,312</b>	<b>226,625</b>	<b>182,782</b>
Administrative, selling and general expenses	(53,160)	(52,614)	(137,820)	(167,976)
Other income	(75)	194	340	617
<b>Operating Profit</b>	<b>18,973</b>	<b>28,892</b>	<b>89,145</b>	<b>15,423</b>
Financial charges	(403)	(2,387)	(3,959)	(7,374)
Net profit before taxation	18,570	26,505	85,186	8,049
<b>Taxation</b>				
Current	(6,000)	(5,000)	(26,000)	(5,000)
Prior year	—	—	390	(1,156)
Deferred	2,919	2,235	7,697	6,705
	(3,081)	(2,765)	(17,913)	549
Net profit after taxation	15,489	23,740	67,273	8,598
Earning per share				
Basic and diluted (Rupees)	0.86	1.32	3.74	0.48

"The annexed notes from 01 to 10 form an integral part of these condensed interim financial statements".

Karachi: 27th April, 2019

  
**MUZAFFAR F. BAWEJA**  
 Chief Executive

   
**ZUBAIR BAWEJA** **SYED HASEEN ANWER**  
 Managing Director Chief Financial Officer

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**Pakistan Hotels Developers Ltd.**

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE NINE -MONTHS PERIOD ENDED MARCH 31, 2019**  
**(Un-audited)**

	THREE-MONTHS ENDED MARCH 31,		NINE-MONTHS ENDED MARCH 31,	
	2019	2018	2019	2018
----- (Rupees in '000)-----				
Net profit after taxation	<b>15,489</b>	23,740	<b>67,273</b>	8,598
Other comprehensive income for the period				
Item that will not be reclassified to the statement of profit or loss				
Surplus on revaluation of fixed assets - net of tax (land and building)	—	—	<b>4,709,005</b>	—
Total comprehensive income for the period	<b>15,489</b>	23,740	<b>4,776,278</b>	8,598

"The annexed notes from 01 to 10 form an integral part of these condensed interim financial statements".

  
**MUZAFFAR F. BAWEJA**  
 Chief Executive  
 Karachi: 27th April, 2019

   
**ZUBAIR BAWEJA** **SYED HASEEN ANWER**  
 Managing Director Chief Financial Officer



**CONDENSED INTERIM CASH FLOW STATEMENT  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019  
(Un-audited)**

	2019	2018
<i>Notes</i>	----- (Rupees in '000) -----	
<b>Cash flow from operating activities:</b>		
Net profit before taxation	85,186	8,049
<b>Adjustments for:</b>		
Depreciation	38,725	36,801
Financial charges on lease assets	767	849
Loss on sale of fixed assets	253	—
	39,745	37,650
Operating profit before working capital charges	124,931	45,699
<b>(Increase)/decrease in operating assets:</b>		
Stores and spares	107	(110)
Stock in trade - food and beverages	(493)	(1,112)
Trade debts	(26,930)	(63,710)
Advances, prepayments & other receivables	12,951	25,277
	(14,365)	(39,655)
<b>Increase/(decrease) in operating liabilities:</b>		
Creditors, accrued & other liabilities	8,641	18,285
	119,207	24,329
Income tax paid	(18,945)	(1,156)
Net cash from operating activities	100,262	23,173
<b>Cash flow from investing activities:</b>		
Acquisition of fixed assets	(2,238)	(7,909)
Capital (work-in-progress)	(7,645)	(20,622)
Disposal of fixed assets - proceeds	425	—
Long term Deposit	—	—
Net cash from investing activities	(9,458)	(28,531)
	90,804	(5,358)
<b>Cash flow from financing activities:</b>		
Dividend paid	—	—
Short term borrowings	—	(2,500)
Repayment of finance lease	(3,319)	(3,412)
Long term advances and deposits	650	(2,481)
Accrued markup	(650)	(19)
Net cash used in financing activities	(3,319)	(8,412)
<b>Net Increase/(decrease) in cash</b>	87,485	(13,770)
Cash and cash equivalent at beginning of the period	(40,247)	(25,927)
<b>Cash and cash equivalent at end of the period 07</b>	47,238	(39,697)

"The annexed notes from 01 to 10 form an integral part of these condensed interim financial statements".  
Karachi: 27th April, 2019

  
**MUZAFFAR F. BAWEJA**  
Chief Executive

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**ZUBAIR BAWEJA**  
Managing Director

  
**SYED HASEEN ANWER**  
Chief Financial Officer

**Pakistan Hotels Developers Ltd.**

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE-MONTHS PERIOD ENDED MARCH 31, 2019**  
**(Un-added)**

	Share Capital	Capital reserve surplus on Revaluation of Fixed assets (Land and Building)	Revenue reserve Unappropriated profit	Total
	----- (Rupees in '000) -----			
<b>Balance as at June 30, 2017 as - previously reported</b>	180,000	—	68,059	248,059
Impact of restatement	—	4,412,147	—	4,412,147
<b>Balance as at June 30, 2017 as - restated</b>	180,000	4,412,147	68,059	4,660,206
Transferred from Surplus on revaluation of fixed assets (net of tax)	—	(15,651)	15,651	—
<b>Total comprehensive income for the period</b>				
Profit for the period	—	—	8,598	8,598
Other comprehensive income for the period	—	—	—	—
Total comprehensive income for the period	—	—	8,598	8,598
<b>Balance as at March 31, 2018</b>	<b>180,000</b>	<b>4,396,496</b>	<b>92,308</b>	<b>4,668,804</b>
<b>Balance as at June 30, 2018</b>	<b>180,000</b>	<b>4,391,280</b>	<b>69,840</b>	<b>4,641,120</b>
Transferred from Surplus on revaluation of fixed assets (net of tax)	—	(17,960)	17,960	—
<b>Total comprehensive income for the period</b>				
Profit for the period	—	—	67,273	67,273
Other comprehensive income for the period	—	4,709,005	—	4,709,005
Total comprehensive income for the period	—	4,709,005	67,273	4,776,278
<b>Balance as at March 31, 2019</b>	<b>180,000</b>	<b>9,082,325</b>	<b>155,073</b>	<b>9,417,398</b>

"The annexed notes 1 to 10 form an integral part of these condensed interim financial statements"

  
**MUZAFFAR F. BAWEJA**

Chief Executive  
Karachi: 27th April, 2019

  
**ZUBAIR BAWEJA**

Managing Director  
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**SYED HASEEN ANWER**

Chief Financial Officer

**Nine-Months Ended March 2019**

## **NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE-MONTHS PERIOD ENDED MARCH 31, 2019**

### **1) The Company and its operations**

Pakistan Hotels Developers Limited was incorporated and domiciled in 1979 at Karachi. Pakistan under the Companies Act, 1913 (now Companies Act, 2017) as a private limited company and converted into public limited company in 1981. The company is listed with Pakistan Stock Exchange Ltd. The registered office of the company is situated at 195/2, Shahrah -e-Faisal, Karachi. The company is principally engaged in hotel business and owns and operates a Five Star Hotel Known as Regent Plaza Hotel and Convention Center, Karachi.

### **2) Basis of preparation of accounts**

This condensed interim financial statements is un-audited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017("the Act:") and Stock Exchange Listing Regulations.

This condensed interim financial statements comprises the condensed interim financial position of the Company as at March 31, 2019 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity together with the notes forming part thereof.

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

This condensed interim financial statements does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended Jun 30, 2018.

Comparative financial position numbers are extracted from the annual financial statements of the Company for the year ended June 30, 2018, whereas comparative statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity are stated from unaudited Condensed interim financial statements of the Company for the nine month period ended March 31, 2018.

- 3)** The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2018.

- 4) During the period Leasehold land and building on leasehold land were revalued on 1st November, 2018 by M/s.Sardar Enterprises (an Independent Valuer) resulting an increase over book value of Rs. 4,554 million and Rs.221.436 million were added to the value of leasehold land and building on leasehold land respectively. Forced sale value of which were Rs. 7,722 million and Rs. 832.388 million respectively.
- 5) Additions to the fixed assets during the period is Rs. 2.238 Million (For the period ended March, 2018: was Rs. 7.909 Million). The cost of assets disposed off during the period is Rs. 0.678 million (For the period ended March, 2018: NIL). addition in Capital work in Progress is Rs. 7.645 million (2018: Rs. 20.622 million).
- 6) There is no significant change in contingent liabilities of the company since last annual financial statements date.

Notes **31-03-2019** **31-03-2018**  
----- (Rupees in '000)-----

7) **Cash and cash equivalent**

Cash and bank balances	<b>57,236</b>	64,954
Running finance-Summit Bank Ltd.	—	(99,870)
Bank overdrafts-Faysal Bank	<b>(9,998)</b>	(4,781)
	<b>47,238</b>	<b>(39,697)</b>

7.1 These are included in creditors, accrued and other liabilities and represent the balance as per book without any corresponding facility from the bank.

- 8) Directors have declared 10% an interim cash dividend for the quarter ended 31st March, 2019 to their shareholders (2018: NIL)
- 9) Figures have been rounded off to the nearest thousand rupees.
- 10) This condensed interim financial statements has been authorized for issue by the Board of Directors of the Company in their meeting held on 27th April, 2019.

  
**MUZAFFAR F. BAWEJA**  
Chief Executive

   
**ZUBAIR BAWEJA** **SYED HASEEN ANWER**  
Managing Director Chief Financial Officer

Karachi: 27th April, 2019

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**Nine Months Ended March 2019**