

Nine Months Period Ended Report

March 31, 2015

(Un-audited)

DADEX

Dadex Eternit Limited

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COMPANY INFORMATION

Board of Directors	Sikander Dada - Chairman Abu Talib H.K. Dada Maqbool H.H. Rahimtoola Shahzad M. Husain Danish Dada Syed Shahid Ali Bukhari Qazi Sajid Ali	(Non - Executive Director) (Non - Executive Director) (Non - Executive Director) (Non - Executive Director) (Non - Executive Director) (Independent Director) (Executive Director)
Chief Executive Officer	Qazi Sajid Ali	
Chief Financial Officer Company Secretary	Muhammad Yousuf Umar Rasheed	
Board Audit Committee	Shahzad M. Husain - Chairman Danish Dada Syed Shahid Ali Bukhari	
Head of Internal Audit/ Secretary Board Audit Committee	Mustafa Kamal Khan	
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 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)	
Auditors	Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants	
Bankers	National Bank of Pakistan MCB Bank Limited The Bank of Punjab Habib Metropolitan Bank Limited United Bank Limited (UBL Ameen) Dubai Islamic Bank Pakistan Limited Standard Chartered Bank (Pakistan) Limited Habib Bank Limited Meezan Bank 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	M/s. JWAFS Registrars Services (Private) Limited 505, 5th Floor, Kashif Centre, Near Hotel Mehran, Main Shahrah-e-Faisal, Karachi. Phone: (92-21) 35643871-72 Fax: (92-21) 35643873 Email: jwaffs@live.com	
Web Site	www.dadex.com	

DIRECTORS' REVIEW

The Directors of your company are pleased to present their review together with the financial statements of the Company for the nine months ended March 31, 2015.

During the period, the Company continued to perform better and achieved satisfactory results as compared to the corresponding period last year. The Company achieved a net turnover of Rs. 1,448.35 million (March 2014: Rs. 1,417.32 million), being 2.2 % higher than the same period of last year. Better management of resources and cost reduction measures taken by the management has resulted in the improvement of gross profit margin which improved to 19.64 % as compared to 7.82 % during the corresponding period last year.

The management reduced the distribution cost, administrative and other expenses, resulting in operating profit of Rs. 158.50 million (March 2014: Operating loss of Rs. 147.59 million). Financial cost slightly increased by 0.8 % as compared to corresponding period. This resulted in a net profit after tax of Rs. 13.96 million (March 2014: Net loss of Rs. 227.31 million). Resultantly, we achieved earnings per share of Rs. 1.30 compared with the per share loss of Rs. 21.12 for the same period last year.

The sales outlook for coming quarter is much stronger, the Company remains confident that it will attain the forecast levels of production and revenues. The management's focus remains on cost minimization, operational efficiencies, improving margins and expanding the customer base to achieve positive results.

The Directors would like to extend their thanks to the management team and appreciate the continued support and commitment of all the stakeholders and all cadres of employees of the Company for their continued hard and sincere work and expect them to put in extra efforts in the coming quarter to help the Company to achieve a profitable year.

On behalf of the Board

Qazi Sajid Ali
Chief Executive Officer

Karachi: April 28, 2015

**CONDENSED INTERIM BALANCE SHEET(UN-AUDITED)
AS AT MARCH 31, 2015**

	Note	March 31, 2015 (Un-audited) (Rupees in '000)	June 30, 2014 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Property, plant and equipment	4	1,478,963	1,508,224
Intangible assets		-	-
		<u>1,478,963</u>	<u>1,508,224</u>
Investment property	5	47,589	49,493
Long-term investment	6	20	20
Long-term loans		2,134	1,619
Long-term deposits		6,597	6,597
Deferred tax assets		119,391	129,940
		<u>1,654,694</u>	<u>1,695,893</u>
CURRENT ASSETS			
Stores, spare parts and loose tools		29,815	34,694
Stock-in-trade	7	658,301	556,245
Trade debts	8	140,828	130,036
Loans and advances	9	49,902	26,146
Trade deposits and short-term prepayments		21,812	20,897
Other receivables		13,394	18,891
Taxation - net		180,950	159,166
Cash and bank balances		9,857	6,694
		<u>1,104,859</u>	<u>952,769</u>
TOTAL ASSETS		<u><u>2,759,553</u></u>	<u><u>2,648,662</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		107,640	107,640
Reserves		27,863	3,062
		<u>135,503</u>	<u>110,702</u>
SURPLUS ON REVALUATION OF FIXED ASSETS		769,932	780,772
NON-CURRENT LIABILITIES			
Long-term financing	11	147,479	237,256
CURRENT LIABILITIES			
Trade and other payables	10	708,123	515,064
Accrued mark-up		28,559	33,600
Short-term borrowings	12	833,651	840,871
Current portion of long-term financing	11	119,702	119,702
Sales tax and excise duty - net		16,604	10,695
		<u>1,706,639</u>	<u>1,519,932</u>
CONTINGENCIES AND COMMITMENTS	13		
TOTAL EQUITY AND LIABILITIES		<u><u>2,759,553</u></u>	<u><u>2,648,662</u></u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

Muhammad Yousuf
Chief Financial Officer

Qazi Sajid Ali
Chief Executive

Maqbool H.H. Rahimtoola
Director

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**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2015**

	Note	Nine months ended		Quarter ended	
		March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
(Rupees in '000)					
Turnover - net	14	1,448,351	1,417,322	558,571	460,229
Cost of sales	15	(1,163,915)	(1,314,177)	(446,445)	(412,782)
Gross profit		284,436	103,145	112,126	47,447
Distribution cost		(66,291)	(130,194)	(28,399)	(37,123)
Administrative expenses		(73,923)	(141,761)	(28,906)	(37,361)
Other operating expenses		(10,701)	(13,782)	(4,909)	9,870
Other operating income		24,974	35,002	7,469	9,181
Operating profit / (loss)		158,495	(147,590)	57,381	(7,986)
Finance cost	16	(108,882)	(107,928)	(32,843)	(45,231)
Share of loss on investment in an associate	6.2	-	-	-	-
Profit / (loss) before taxation		49,613	(255,518)	24,538	(53,217)
Taxation	17	(35,652)	28,205	(13,188)	16,255
Profit / (loss) for the period		13,961	(227,313)	11,350	(36,962)
----- (Rupees) -----					
Earnings / (loss) per share					
- basic and diluted		1.30	(21.12)	1.05	(3.44)

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

Muhammad Yousuf
Chief Financial Officer

Qazi Sajid Ali
Chief Executive

Maqbool H.H. Rahimtoola
Director

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**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED MARCH 31, 2015
(UN-AUDITED)**

Note	Nine months ended		Quarter ended	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	(Rupees in '000)			
(Profit / (loss) for the period	13,961	(227,313)	11,350	(36,962)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	13,961	(227,313)	11,350	(36,962)

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

Muhammad Yousuf
Chief Financial Officer

Qazi Sajid Ali
Chief Executive

Maqbool H.H. Rahimtoola
Director

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**CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED MARCH 31, 2015
(UN-AUDITED)**

	Note	Nine months ended	
		March 31, 2015	March 31, 2014
(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash flow from / (used in) operations	19	282,688	10,528
Income Tax paid		(46,887)	(39,940)
Long-term loans - net		(515)	460
Long-term deposits - net		-	40,000
Net cash generated from operating activities		235,286	11,048
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(20,782)	(323,976)
Proceeds from disposal of fixed assets		-	9,319
Interest received		1	3
Net cash used in investing activities		(20,781)	(314,654)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short-term borrowing - net		(7,220)	78,138
Interest / mark-up paid		(113,923)	(95,701)
Long-term financing		-	286,883
Murahaba financing		(89,777)	35,690
Dividends paid	20	(422)	(384)
Net cash (used in) / generated from financing activities		(211,342)	304,626
Net increase in cash and cash equivalents		3,163	1,020
Cash and cash equivalents at the beginning of the period		6,694	17,782
Cash and cash equivalents at the end of the period		9,857	18,802

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

Muhammad Yousuf
Chief Financial Officer

Qazi Sajid Ali
Chief Executive

Maqbool H.H. Rahimtoola
Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2015**

	Issued, subscribed and paid-up capital	Reserves				Grand Total
		Capital reserves- shares premium	Revenue reserves		Total	
			General	Unappr- opriated profit / accumulated (loss)		
(Rupees in '000)						
Balance as at 01 July 2013	107,640	5,655	160,000	12,287	177,942	285,582
Surplus on revaluation of fixed assets realized on account of incremental depreciation/amortisation charged on related assets for the period	-	-	-	10,840	10,840	10,840
Loss for the period	-	-	-	(227,313)	(227,313)	(227,313)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(227,313)	(227,313)	(227,313)
Balance as at March 31, 2014	107,640	5,655	160,000	(204,186)	(38,531)	69,109
Balance as at 01 July 2014	107,640	5,655	160,000	(162,593)	3,062	110,702
Surplus on revaluation of fixed assets realized on account of incremental depreciation/amortisation charged on related assets for the period	-	-	-	10,840	10,840	10,840
Profit for the period	-	-	-	13,961	13,961	13,961
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	13,961	13,961	13,961
Balance as at March 31, 2015	107,640	5,655	160,000	(137,792)	27,863	135,503

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

Muhammad Yousuf
Chief Financial Officer

Qazi Sajid Ali
Chief Executive

Maqbool H.H. Rahimtoola
Director

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**NOTES TO THE CONDENSED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2015**

1. NATURE AND STATUS OF BUSINESS

- 1.1** Dadex Eternit Limited (the Company) is a limited liability company incorporated in Pakistan on April 13, 1959 as a public limited company under the Companies Ordinance, 1984 and is quoted on Karachi Stock Exchange. The registered office of the Company is situated at Dadex House, 34-A/1, Block 6, P.E.C.H.S, Shahrah-e-Faisal, Karachi. The Company has three factories situated at Karachi, Hyderabad and Sunder (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. The Company is also engaged in providing irrigation solutions for agriculture and landscaping. The Company had also entered into a Toll manufacturing agreement for the northern region with a U-PVC Company at the end of December 2013 for manufacturing of U-PVC pipes in order to make prices and logistics more competitive in that region.
- 1.2** Sikander (Private) Limited is the holding company, which held 6,800,648 (June 30, 2014: 6,800,648) ordinary shares of Rs.10/- each of the Company representing 63.18 percent (June 30, 2014: 63.18 percent) shareholding as of the balance sheet date.

2. BASIS OF PRESENTATION

These condensed interim 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, 2014.

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, 2014.

	Note	March 31, 2015 (Un-audited)	June 30, 2014 (Audited)
		(Rupees in '000)	
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	1,467,377	1,496,501
Capital work-in-progress	4.2	<u>11,586</u>	<u>11,723</u>
		<u>1,478,963</u>	<u>1,508,224</u>
4.1 The following is the movement in operating fixed assets during the period:			
Opening balance		1,496,501	1,285,694
Add: Additions during the period/year	4.1.1	<u>20,919</u>	<u>276,729</u>
		1,517,420	1,562,423
Less: Disposals during the period / year (WDV)	4.1.2	-	(2,696)
Depreciation charge for the period / year	4.1.3	<u>(50,043)</u>	<u>(63,226)</u>
Operating fixed assets (WDV)		<u>1,467,377</u>	<u>1,496,501</u>

Note	March 31, 2015 (Un-audited) (Rupees in '000)	June 30, 2014 (Audited)
4.1.1 Additions including transfers during the period		
Freehold land	-	185,030
Building	2,173	35,680
Plant and machinery	18,670	55,605
Vehicles and transportation equipment	50	-
Office and factory equipment	26	414
	<u>20,919</u>	<u>276,729</u>
4.1.2 Disposals during the period (WDV)		
Plant & Machinery costing Rs. Nil (June 30, 2014: Rs. 13.851 million)	-	2,053
Vehicle & Transportation equipment costing Rs. Nil (June 30, 2014: Rs. 13.640 million)	-	417
Furniture & Fixture costing Rs. Nil (June 30, 2014: Rs. 0.169 million)	-	15
Office and factory equipments costing Rs. Nil (June 30, 2014: Rs. 1.575 million)	-	211
	<u>-</u>	<u>2,696</u>
4.1.3 Depreciation charged during the period / year		
Cost of sales	40,141	53,763
Distribution cost	569	2,270
Administrative expenses	9,333	7,193
	<u>50,043</u>	<u>63,226</u>
4.2 Capital work-in-progress		
Plant and machinery - Green House Farming System	13,979	13,979
Impairment loss on plant and machinery	(9,312)	(9,312)
	4,667	4,667
Advance against purchase of operating fixed assets	6,919	7,056
	<u>11,586</u>	<u>11,723</u>
5. Investment Property		
Opening balance	49,493	-
Add: Additions during the period/year	-	50,762
	49,493	50,762
Less: Depreciation charge for the period	(1,904)	(1,269)
	<u>47,589</u>	<u>49,493</u>
6. LONG-TERM INVESTMENT - Equity method		
6.1 The Company has 48.04 percent (June 30, 2014: 48.04 percent) shareholding i.e. 625,000 (June 30, 2014: 625,000) in the ordinary shares of Rs.10/- each of Berdex Construction Chemicals (Private) Limited (Berdex). Berdex is engaged in marketing and distribution of construction chemicals in Pakistan. The investment in Berdex amounted to Rs.5 million.		

6.2 Based on the un-audited financial statements of Berdex for the year ended June 30, 2014, Berdex has accumulated loss of Rs.12.732 million. Due to unavailability of the financial statements of the Berdex for the nine months period ended 31 March 2015, the Company has not accounted for an adjustment in these condensed interim financial statements. Further, the impact of such adjustment, if any, are considered immaterial by the management of the Company due to limited operations by Berdex during the period.

Note	March 31, 2015 (Un-audited) (Rupees in '000)	June 30, 2014 (Audited)
7. STOCK-IN-TRADE		
Raw materials		
- in hand	199,345	178,744
- in transit	<u>89,435</u>	<u>23,158</u>
	288,780	201,902
Work-in-process	115,469	79,764
Finished goods		
- Manufactured	204,822	178,576
- Trading [including in transit of Rs.Nil million (June 30, 2014: Rs.Nil)]	<u>49,230</u>	<u>96,003</u>
	<u>254,052</u>	<u>274,579</u>
	<u>658,301</u>	<u>556,245</u>

8. TRADE DEBTS - unsecured

The carrying value of the trade debts is adjusted after taking the effect of the provision of Rs.117.587 million (June 30, 2014: Rs.117.029 million). Such provision includes an amount of Rs.15.632 million (June 30, 2014: Rs.15.632 million) recoverable from an ex-employee, who had reportedly collected the amount from customers and did not surrender the same to the Company. A law suit has been filed against the ex-employee to recover the above amount.

9. LOANS AND ADVANCES

Included herein advance given to various local and foreign suppliers of Rs. 49.604 million (30 June 2014: Rs. 25.439 million).

10. TRADE AND OTHER PAYABLES

Included herein creditors, bills payable and advances from customers of Rs. 97.491 million, Rs. 331.264 million and Rs. 152.752 million (30 June 2014: Rs. 48.814 million, Rs. 90.205 million and Rs. 232.416 million), respectively.

	Note	March 31, 2015 (Un-audited)	June 30, 2014 (Audited)
(Rupees in '000)			
11. LONG-TERM FINANCING - secured			
Long-term financing			
Bank of Punjab	11.1	194,959	268,069
United Bank Limited-Diminishing Musharika	11.2	72,222	88,889
		<u>267,181</u>	<u>356,958</u>
Less: Current portion of Long-term Financing			
Bank of Punjab		(97,480)	(97,480)
United Bank Limited - Diminishing Musharika		(22,222)	(22,222)
		<u>(119,702)</u>	<u>(119,702)</u>
		<u>147,479</u>	<u>237,256</u>

11.1 The Company obtained long term financing of Rs. 292.438 million from the BOP for a period of 3 years with no grace period, carrying mark-up at the rate of 6 months KIBOR plus 2 percent per annum. The facility is repayable in 12 quarterly installments latest by 21 January 2017. This facility is secured against first exclusive charge of Rs. 498.925 million by way of equitable mortgage on Company's land, building & Hypothecation over machinery & equipment located at plot no. 34-A/1, Block-6, P.E.C.H.S., Shahrah-e-Faisal, Karachi.

11.2 The Company has also obtained a diminishing musharika financing of Rs. 100 million from United Bank Limited for a period of 5 years with a grace period of six months, carrying mark-up at the rate of 6 months KIBOR plus 2 percent per annum with a floor of 10 percent and collar of 18 percent. The facility is repayable in 54 monthly installments latest by 28 June 2018 with a grace period of six months and is subject to revision bi-annually. This facility is secured against first charge of Rs. 130.42 million on land and buildings situated at Plot No. 561 & 561A, Sunder Industrial Estate, Multan Road, Raiwind, Lahore.

	Note	March 31, 2015 (Un-audited)	June 30, 2014 (Audited)
(Rupees in '000)			
12. SHORT-TERM BORROWINGS - secured			
Running finances utilized under mark-up arrangements		833,651	840,871
		<u>833,651</u>	<u>840,871</u>

12.1 Represents facilities obtained from various commercial banks amounting to Rs. 960 million (June 30, 2014: Rs.942 million) out of which Rs. 126.355 million (June 30, 2014: Rs.101.129 million) remains unutilized as at the balance sheet date.

12.2 The principal terms and conditions of the outstanding borrowings have remained the same as disclosed in the annual financial statements of the Company for the year ended June 30, 2014.

12.3 These facilities carry mark-up at the rate of 10.57 to 11.88 percent (June 30, 2014: 11.43 to 12.23 percent) per annum.

13. CONTINGENCIES AND COMMITMENTS

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, 2014 except the following:

		March 31, 2015 (Un-audited)	June 30, 2014 (Audited)
	Note	(Rupees in '000)	
13.1 Commitments			
Commitments are as follows:			
Letters of credit		78,054	225,742
Post dated cheques	12.2.1	27,889	114,687
Import contracts		257,097	4,204
Duties payable on goods in transit		35,572	7,079
Local purchase contract		37,196	92,175
		<u>435,808</u>	<u>443,887</u>

13.1.1 Represents post-dated cheques issued in favour of Collector of Customs on account of import of raw material under SRO 565(I)/2006 dated June 05, 2006 as amended vide SRO 564(I)2008 dated 11 June 2008.

		March 31, 2015 (Un-audited)	March 31, 2014
	Note	(Rupees in '000)	
14. TURNOVER - NET			
LOCAL			
- manufactured		1,619,410	1,461,591
- trading		70,932	165,279
- others		239	27,854
		<u>1,690,581</u>	<u>1,654,724</u>
EXPORT			
		-	-
		<u>1,690,581</u>	<u>1,654,724</u>
Less:			
Returns		519	1,499
Sales Tax		241,711	235,903
		<u>242,230</u>	<u>237,402</u>
		<u>1,448,351</u>	<u>1,417,322</u>

	Nine months ended		Quarter ended	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	(Un-audited)			
Note	(Rupees in '000)			
15. COST OF SALES				
Manufactured				
Raw materials consumed				
Opening stock	201,902	552,488	221,764	414,688
Purchases	984,881	629,231	457,849	165,335
Closing stock	7 (288,780)	(267,797)	(288,780)	(267,797)
	898,003	913,922	390,833	312,226
Export rebate - Duties	-	-	-	-
	898,003	913,922	390,833	312,226
Net Stores, spare parts and loose tools consumed	33,967	34,228	13,894	10,045
Salaries, wages and benefits [including Rs. Nil (March 31, 2014: Rs. Nil million) in respect of bonus to workers]	63,059	88,889	25,729	27,839
Procured services	28,385	47,458	11,910	18,910
Fuel, water and power	69,062	63,987	28,315	16,136
Insurance	3,813	4,035	787	1,566
Traveling	136	184	56	78
Communication	916	1,194	299	386
Depreciation	4.1.3 40,141	40,280	13,487	13,455
Rent, rates and taxes	8,150	5,859	1,237	3,490
Repairs and maintenance	16,194	18,402	6,118	3,987
Technical assistance fee	6,106	6,682	1,993	2,105
Printing and stationery	401	807	110	374
Other expenses	1,202	1,324	669	406
	271,532	313,329	104,604	98,777
Opening stock of work-in-process	79,764	83,853	101,950	68,555
Closing stock of work-in-process	7 (115,469)	(75,110)	(115,469)	(75,110)
Cost of goods manufactured	1,133,830	1,235,994	481,918	404,448
Opening stock of finished goods	178,576	235,764	153,850	223,955
Closing stock of finished goods	7 (204,822)	(242,634)	(204,822)	(242,634)
	1,107,584	1,229,124	430,946	385,769
Trading				
Opening stock	96,003	110,502	64,197	123,590
Purchases	9,558	129,526	532	38,993
	105,561	240,028	64,729	162,583
Closing stock	7 (49,230)	(124,700)	(49,230)	(124,700)
	56,331	115,328	15,499	37,883
Sale of scrap	-	(30,275)	-	(10,870)
	1,163,915	1,314,177	446,445	412,782

	Nine months ended	
	March 31, 2015 (Un-audited)	March 31, 2014
Note	(Rupees in '000)	
16. FINANCE COST		
Mark-up on short-term borrowings	79,236	88,146
Mark-up on long-term financing	27,812	15,591
Interest on Workers' Profit Participation Fund	-	-
Bank and other charges	1,834	4,191
	<u>108,882</u>	<u>107,928</u>
17. TAXATION		
Current - for the period	21,194	23,337
- prior period / year	3,000	-
	<u>24,194</u>	<u>23,337</u>
Deferred	11,458	(51,542)
	<u>35,652</u>	<u>(28,205)</u>

18. 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:

	Nine months ended	
	March 31, 2015 (Un-audited)	March 31, 2014
	(Rupees in '000)	
Transactions with associated companies due to common directorship:		
Related parties	Nature of transaction	
Berger Paints Pakistan Limited	Purchase of goods	93
		<u>239</u>
Sikander (Private) Limited	Rent paid	387
		<u>425</u>
Staff retirement benefits		
Dadex Eternit Limited - Provident Fund	Employer Contribution	8,399
		<u>5,695</u>
Key management personnel Qazi Sajid Ali (Chief Executive)	Salary and other employment benefits	-
		<u>10,242</u>
Sikander Dada (Chairman)	Remuneration and other benefits	12,247
		<u>4,965</u>
	Loan received and repaid during the period	32,500
		<u>-</u>

	Note	Nine months ended	
		March 31, 2015	March 31, 2014
		(Un-audited)	
		(Rupees in '000)	
19. CASH USED IN OPERATIONS			
Profit / (Loss) before taxation		49,613	(255,518)
Adjustments for non cash charges and other items:			
Depreciation - operating fixed assets	4.1.3	50,043	45,379
Depreciation - investment property	5	1,904	656
Gain on disposal of fixed assets - net		-	(7,176)
Interest income		(1)	(3)
Interest / mark-up expense		108,882	107,928
Working capital changes	19.1	72,247	119,262
		282,688	10,528
19.1 Working capital changes			
Decrease / (increase) in current assets			
Stores, spare and loose tools		4,879	(1,008)
Stock-in-trade		(102,056)	272,366
Trade debts		(10,792)	16,463
Loans and advance		(23,756)	12,276
Trade deposits and short-term prepayments		(915)	3,493
Other receivables		5,497	1,618
		(127,143)	305,208
(Decrease) / increase in current liabilities			
Trade and other payables		193,481	(210,892)
Sales tax and excise duty payable (net)		5,909	24,946
		199,390	(185,946)
		72,247	119,262
20. DIVIDEND PAID			
Declared and paid during the nine months period			
Interim cash dividend declared Rs. Nil (March 31, 2014: Rs.Nil)			
Cash dividend paid		422	384

21. INFORMATION ABOUT OPERATING SEGMENTS

	Chrysotile Cement	Plastic (Rupees in '000)	Others	Total
Nine months ended March 31, 2015 - (Un-audited)				
TURNOVER - net	<u>702,555</u>	<u>739,289</u>	<u>6,506</u>	<u>1,448,351</u>
RESULT				
Segment result	<u>148,451</u>	<u>(4,857)</u>	<u>628</u>	<u>144,222</u>
Unallocated expense				
Other operating expenses				(10,701)
Other operating income				24,974
Finance cost				(108,882)
Share of profit / (loss) on investment in an associate				-
Taxation				(35,652)
Profit for the period				<u>13,961</u>
Nine months ended March 31, 2014 - (Un-audited)				
TURNOVER - net	<u>574,456</u>	<u>837,385</u>	<u>5,481</u>	<u>1,417,322</u>
RESULT				
Segment result	<u>(8,793)</u>	<u>(157,843)</u>	<u>(2,164)</u>	(168,800)
Unallocated expense				
Other operating expenses				(13,782)
Other operating income				34,992
Finance cost				(107,928)
Share of profit / (loss) on investment in an associate				-
Taxation				28,205
Loss for the period				<u>(227,313)</u>
ASSETS AND LIABILITIES				
March 31, 2015 (Un-audited)				
Segment assets	<u>306,824</u>	<u>897,780</u>	<u>121,627</u>	<u>1,326,231</u>
Unallocated corporate assets				<u>1,433,322</u>
Total assets				<u>2,759,553</u>
Segment liabilities	<u>312,755</u>	<u>354,981</u>	<u>8,364</u>	<u>676,100</u>
Unallocated corporate liabilities				<u>1,178,018</u>
Total liabilities				<u>1,854,118</u>
June 30, 2014 (Audited)				
Segment assets	<u>283,407</u>	<u>795,081</u>	<u>131,721</u>	1,210,209
Unallocated corporate assets				<u>1,438,453</u>
Total assets				<u>2,648,662</u>
Segment liabilities	<u>246,711</u>	<u>245,533</u>	<u>4,330</u>	496,574
Unallocated corporate liabilities				<u>1,260,614</u>
Total liabilities				<u>1,757,188</u>

21.1 Geographical information

Turnover

The Company's turnover represents local and export sales of Rs.1,448,351 million and Rs. Nil (March 31, 2014: Rs. 1,417.322 million and Rs. Nil million) respectively.

	March 31, 2015 (Un-audited)	June 30, 2014 (Audited)
Note	<u> </u>	<u> </u>

Non Current Assets

Pakistan	<u>1,535,303</u>	<u>1,565,953</u>
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Non-current assets for this purpose consist of property, plant and equipment, intangible assets, investment property, long-term investment, loans and deposits, deferred tax assets.

22. DATE OF AUTHORISATION FOR ISSUE

22.1 These condensed interim financial statements have been authorised for issue on April 28, 2015 by the Board of Directors of the Company.

23. GENERAL

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

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

Muhammad Yousuf
Chief Financial Officer

Qazi Sajid Ali
Chief Executive

Maqbool H.H. Rahimtoola
Director

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