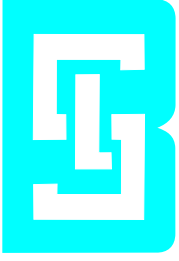


BIBOJEE GROUP



Quarterly Accounts March 31, 2024 (Un-Audited)



GAMMON PAKISTAN LIMITED

COMPANY INFORMATION

Chairman

Lt Gen Ali Kuli Khan Khattak (Retd) Chairman

Board of Directors

Mr. Khalid Kuli Khan Khattak	Director
Mrs. Ayesha Alamzeb Durrani	Director
Mr. Muhammad Kuli Khan Khattak	Director
Mr. Sikandar Kuli Khan Khattak	Director
Mr. Kamal Abdullah Malik	Independent Director
Brig Humayun Malik (Retd)	Independent Director

Chief Executive Officer

Mr. Khalid Kuli Khan Khattak

Audit Committee

Mr. Kamal Abdullah Malik	Chairman
Mr. Muhammad Kuli Khan Khattak	Member
Mr. Sikandar Kuli Khan Khattak	Member

HR Committee

Brig Humayun Malik (Retd)
Mrs. Ayesha Alamzeb Durrani
Mr. Sikandar Kuli Khan Khattak

Company Secretary

Mr. Amin ur Rasheed

Chief Financial Officer

Mr. Ghulam Murtaza Khurshid

Internal Auditor

Mr. Salman Khan ACA

External Auditor

M/S Rizwan & Co.
Chartered Accountants
Islamabad

Legal Advisor

Chanda Law Associates Advocates
Rawalpindi

Stock Exchange

The Gammon Pakistan Limited
is a listed Company and
Its shares are traded on
Pakistan Stock Exchange Limited

Bankers

Askari Bank Limited
Bank Alfalah Limited
Bank of Punjab
Habib Bank Limited
Allied Bank Limited
Silk Bank Limited
National Bank of Pakistan

Registered Office

Gammon House
400/2, Peshawar Road, Rawalpindi
Tel: 051-5477326-7
Fax: 051-5477511
E-mail: (i) gammon1@dsl.net.pk
(ii) Info@gammonpakistan.com

Share Registrar

Vision Consulting Limited
3-C, LDA Flats, 1st Floor,
Lawrence Road, Lahore
Tel: +92-42-36283096-97
Email: share@vcl.com.pk
Web: www.vcl.com.pk

DIRECTORS REPORT

The Directors of your Company have pleasure in presenting their report, together with Un-Audited Financial Statements for Nine Months ended March 31, 2024.

PERFORMANCE REVIEW

The principal activity of the Company is all type of construction specially Buildings and Bridges. The highlights of the Company's financial results as compared to the preceding period are as follows:

Particulars	July 2023 – Mar 2024 (Rupees)	July 2022 – Mar 2023 (Rupees)
Contract Income	-	5,619,849
Contract Expenditure	(586,961)	(11,032,945)
Net contract Profit / (Loss)	(586,961)	(5,413,096)
Profit / (Loss) before taxation	(1,577,086)	(1,686,415)
Taxation	(10,567)	(2,778,234)
Profit / (Loss) after tax	(1,587,653)	(4,464,649)

Nine months ended March 31, 2024; contract revenue is zero. Unfortunately, no improvement seen in Company's contract revenue as the work flow status of preceding quarters continues, after closure of the existing projects and having sustained losses in the projects of MTC and OBR. Therefore, no contract revenue earned during the period ended March 31, 2024. Further to it, Company is not getting any new projects because of a continuous recession and stalemate in the market. Political instability is seen at rise in the country during the period under consideration, which is having substantial impact on the business in the country and particularly the Government financed projects at large. Government Taxes under different heads and Utility bills are on the rise, thus impacting rise in routine admin expenses to much extent.

We are still in the process of final bill with the clients for MTC and OBR projects. Our efforts continue to recover any outstanding bills and retentions with various clients but not yet succeeded. The arbitration process is likely to start in near future for recovery of the dues from Maritime technologies Complex (MTC) project. We are hopeful to receive our claims but it may take certain period of time, that cannot be forecasted with precision.

FUTURE PROSPECTS

Since the Board of Directors decided in the Board meeting of first quarter, to invest as long-term investment in the construction of warehouse Shed with Gammon Pakistan Precast Private Ltd (GPPL) at CSD Rawat land for renting purpose. This loan agreement with GPPL up to a loan amount 90.5 million (Interest based) has been finalized and the process initiated as per the terms of the agreement. It will be a regular source of income in future, for the Company and GPPL both, and will benefit to cater for Company's and GPPL's regular mandatory expenses. The management is also focused to earn some good projects at profitable rates and by the Grace of Allah Almighty we are hopeful for success. Company is continuously engaged in the bidding process of all the upcoming projects, which are within the work capacity of the Company. Private as well as Government sectors are being explored with equal effort. The cash flow problems are still persisting. Company is also making progress in resolving long outstanding matters.

ACKNOWLEDGMENT

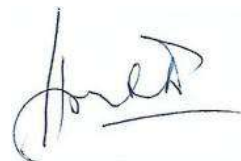
We appreciate the hard work and dedication of the Company's Management, Engineers and Employees during the period under review.

We would also like to express our gratitude to our Bankers, Clients and Suppliers for their co-operation, support and trust reposed in the Company.

For and on behalf of Board of Directors



Khalid Kuli Khan Khattak
(Chief Executive Officer)



Director

گیمن پاکستان لمیٹڈ

ڈائریکٹرز رپورٹ

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز 31 مارچ 2024ء کو نو ماہ کی ختم ہونے والی مدت پر غیر آڈٹ شدہ مالیاتی گوشواروں کے ساتھ اپنی رپورٹ پیش کرنے میں خوشی محسوس کرتے ہیں۔

کارکردگی کا جائزہ

کمپنی کی بنیادی سرگرمی ہر قسم کے تعمیراتی کام بالخصوص عمارتوں اور پلوں کی تعمیر ہے۔ پچھلی نو ماہی کے مقابلے میں کمپنی کے مالیاتی نتائج کی اہم جھلکیاں مندرجہ ذیل ہے:-

جولائی 2023ء تا مارچ 2024ء جولائی 2022ء تا مارچ 2023ء

(روپے)	(روپے)	
5,619,849	-	کنٹریکٹ آمدن
(11,032,945)	(586,961)	کنٹریکٹ خرچ
(5,413,096)	(586,961)	مجموعی کنٹریکٹ منافع / (نقصان)
(1,686,415)	(1,577,086)	قبل از ٹیکس منافع / (نقصان)
(2,778,234)	(10,567)	ٹیکس
(4,464,649)	(1,587,653)	بعد از ٹیکس منافع / (نقصان)

31 مارچ 2024ء کو ختم ہونے والی نو ماہ مدت کی کنٹریکٹ آمدنی صفر ہے۔ بد قسمتی سے، کمپنی کے کنٹریکٹ ریونیو میں کوئی بہتری نہیں دیکھی گئی اور موجودہ پراجیکٹس MTC اور OBR کے منصوبوں کی تکمیل اور ان میں نقصان برداشت کرنے کے بعد، کمپنی کی مالیاتی پوزیشن گزشتہ سہ ماہی کی طرح ہی ہے۔ لہذا، 31 مارچ 2024ء کو ختم ہونے والی مدت کے دوران کوئی آمدنی نہیں ہوئی۔ اس کے علاوہ، مارکیٹ میں مسلسل کساد بازاری اور تھقل کی وجہ سے کمپنی کو کوئی نیا پروجیکٹ نہیں مل رہا ہے۔ زیر غور مدت کے دوران ملک میں سیاسی عدم استحکام میں اضافہ دیکھا گیا ہے، جس کا ملک میں کاروبار اور خاص طور پر حکومت کی جانب سے بڑے پیمانے پر مالی اعانت سے چلنے والے منصوبوں پر کافی اثر پڑا ہے۔ مختلف مدوں میں اور یوٹیلٹی بلوں پر حکومتی ٹیکسز بڑھ رہے ہیں، لہذا انتظامی اخراجات میں اس اثر اندازی کے باعث کافی حد تک اضافہ ہوا ہے۔

ہم ابھی بھی MTC اور OBR منصوبوں کے لیے کلائنٹس کے ساتھ حتمی بل کے عمل میں ہیں۔ ہماری کوششیں مختلف کلائنٹس کے ساتھ کسی بھی بقایا بل اور ریٹینشن کی وصولی کے لیے جاری ہیں لیکن ابھی تک کامیابی نہیں ہوئی۔ جیسا کہ پچھلی سہ ماہی کی رپورٹ میں وضاحت کی گئی تھی، میری ٹائم ٹیکنالوجیز کمپلیکس (MTC) پروجیکٹ سے واجبات کی وصولی کے لیے مستقبل قریب میں ثالثی کا عمل شروع ہونے کا امکان ہے۔ ہمیں پراجیکٹس کے ضمن میں اپنے مالیاتی دعوے موصول ہونے کی پوری امید ہے لیکن اس میں کچھ وقت لگ سکتا ہے، جس کی درستگی کے ساتھ پیش گوئی نہیں کی جاسکتی۔

مستقبل کا نقطہ نظر

چونکہ بورڈ آف ڈائریکٹرز نے پہلی سہ ماہی کی بورڈ میٹنگ میں فیصلہ کیا تھا کہ کرائے کے مقصد کے تحت CSD راوت کی زمین پر گیمن پاکستان پریکٹس پرائیویٹ لمیٹڈ (GPPL) کے ساتھ مل کر گودام شیڈ کی تعمیر میں طویل مدتی سرمایہ کاری کی جائے۔ GPPL کے ساتھ قرض کی رقم 90.5 ملین تک کے (سود پر مبنی) قرض کے اس معاہدے کو حتمی شکل دے دی گئی ہے اور معاہدے کی شرائط کے مطابق عمل شروع کر دیا گیا ہے۔ یہ مستقبل میں کمپنی اور GPPL دونوں کے لیے باقاعدہ آمدنی کا ذریعہ ہوگا، اور کمپنی اور GPPL کے لازمی اخراجات کو پورا کرنے کے لیے کارآمد ہوگا۔ انتظامیہ کی توجہ اچھے پراجیکٹس کو منافع بخش نرغوں پر حاصل کرنے پر مرکوز ہے اور اللہ تعالیٰ کے فضل و کرم سے ہم کامیابی کے لیے پرامید ہیں۔ کمپنی تمام ایسے منصوبوں کی بڈنگ کے عمل میں مسلسل مصروف ہے، جو کام کمپنی کی عملی استعداد کے مطابق ہیں۔ اس کیلئے پرائیویٹ کے ساتھ ساتھ سرکاری شعبوں میں یکساں کوششوں کے ساتھ کھوج جاری ہے۔ کیش فلو کے مسائل اب بھی برقرار ہیں۔ کمپنی طویل عرصے سے زیر التواء معاملات کو حل کرنے میں بھی پیش رفت کر رہی ہے۔

اعتراف

کمپنی کی انتظامیہ، انجینئرز اور ملازمین کی محنت اور لگن قابل تعریف ہے اور ہم تعاون، حمایت اور اعتماد کیلئے اپنے کلائنٹس سپلائرز اور چھوٹے ٹھیکیداروں کے تہہ دل سے مشکور ہیں۔ کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے

ڈائریکٹر

خالد قلی خان خٹک

چیف ایگزیکٹو آفیسر

GAMMON PAKISTAN LIMITED
UN-CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED
MARCH 31, 2024
(UN-AUDITED)

GAMMON PAKISTAN LIMITED
UN-CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024 (UN-AUDITED)

		UN-AUDITED	AUDITED
		March 31, 2024	June 30, 2023
NOTE	Rupees		
ASSETS			
NON CURRENT ASSETS			
	Property, plant and equipment		
	Operating fixed assets	6 298,927,410	300,176,778
	Investment property	7 479,831,160	479,831,160
	Long term investments	8 500,000	1,800,413
	Long term security deposits	3,600,600	1,200,600
		782,859,170	783,008,951
CURRENT ASSETS			
	Stores, spares and loose tools	12,302,604	12,270,654
	Contract receivables	9 45,065,957	45,065,957
	Contract asset	10 65,049,779	65,049,779
	Loans and advances	11 46,343,021	37,792,983
	Other receivables	1,782,126	796,800
	Tax refunds due from Government	93,835,386	90,496,383
	Cash and bank balances	12 3,570,041	2,120,883
		267,948,914	253,593,439
	TOTAL ASSETS	1,050,808,084	1,036,602,390
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
	Share capital	13 282,662,310	282,662,310
	Capital reserves		
	Share premium reserve	15,380,330	15,380,330
	Revaluation surplus on property, plant and equipment	428,239,922	428,814,751
		443,620,252	444,195,081
	Revenue reserve		
	Accumulated profit	76,485,854	77,498,678
		802,768,416	804,356,069
NON-CURRENT LIABILITIES			
	Deferred liability	7,096,462	7,552,434
	Deferred taxation	29,282,037	29,326,126
		36,378,499	36,878,560
CURRENT LIABILITIES			
	Trade and other payables	14 180,159,397	163,865,989
	Unclaimed dividends	1,442,230	1,442,230
	Joint venture partner's advances	30,059,542	30,059,542
		211,661,169	195,367,761
	TOTAL EQUITY AND LIABILITIES	1,050,808,084	1,036,602,390
CONTINGENCIES AND COMMITMENTS			
		15 -	-

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



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

GAMMON PAKISTAN LIMITED
UN-CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024 (UN-AUDITED)

UN-AUDITED					
NINE MONTHS ENDED			QUARTER ENDED		
March 31,			March 31,		
2024		2023	2024	2023	
NOTE -----Rupees-----					
Contract income	16	-	5,619,849	-	200
Contract expenditure		(586,961)	(11,032,945)	(55,207)	(3,231,044)
Net contract (loss)		(586,961)	(5,413,096)	(55,207)	(3,230,844)
Operating expenses					
Depreciation	6	(709,409)	(1,526,355)	(193,520)	(508,786)
Administrative expenses		(26,238,237)	(21,525,811)	(10,412,434)	(7,997,648)
Operating loss		(27,534,607)	(28,465,262)	(10,661,161)	(11,737,278)
Other income		25,960,584	26,781,535	8,769,778	14,790,449
Finance cost		(3,063)	(2,688)	(1,323)	(2,688)
(Loss)/Profit before taxation		(1,577,086)	(1,686,415)	(1,892,706)	3,050,483
Taxation-current		(10,567)	(2,778,234)	(1,000)	-
(Loss)/Profit after taxation		(1,587,653)	(4,464,649)	(1,893,706)	3,050,483
Earnings per share:					
Earnings per share - basic and diluted	17	(0.06)	(0.16)	(0.07)	0.11

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



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

GAMMON PAKISTAN LIMITED
UN-CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024 (UN-AUDITED)

UN-AUDITED			
NINE MONTHS ENDED		QUARTER ENDED	
March 31,		March 31,	
2024	2023	2024	2023
NOTE -----Rupees-----			

(Loss) / profit after taxation	(1,587,653)	(4,464,649)	(1,893,706)	3,050,483
Other comprehensive income	-	-	-	-
Total other comprehensive (loss) / income for the period	<u>(1,587,653)</u>	<u>(4,464,649)</u>	<u>(1,893,706)</u>	<u>3,050,483</u>

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



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

GAMMON PAKISTAN LIMITED
UN-CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

UN-AUDITED	
NINE MONTHS ENDED	
March 31, 2024	March 31, 2023
NOTE	Rupees

CASH FLOWS FROM OPERATING ACTIVITIES

(Loss) before working capital changes	21	(733,625)	(736,397)
Changes in working capital:			
(Increase)/Decrease in current assets			
Stores, spares and loose tools		(31,950)	488
Contract receivables		-	1,538,616
Contract asset		-	(3,756,389)
Loans and advances		(8,550,038)	17,152,915
Other receivables		(985,326)	1,151,039
Prepayments		-	290,643
Increase/(Decrease) in current liabilities			
Trade & other payable		16,293,408	(3,105,529)
		6,726,094	13,271,783
Net cash generated from operating activities		5,992,469	12,535,386

Financial cost paid		(3,063)	(2,688)
Income tax paid		(3,393,661)	(4,483,596)
		(3,396,724)	(4,486,284)
Net cash generated from operating activities		2,595,745	8,049,102

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of fixed assets	6	(47,000)	(210,000)
Sale proceeds from Long term investment		1,300,413	-
Long term security deposits		(2,400,000)	-
Net cash (used in) investing activities		(1,146,587)	(210,000)
Net increase in cash and cash equivalents		1,449,158	7,839,102
Cash and cash equivalents at the beginning of the period		2,120,883	1,206,292
Cash and cash equivalents at the end of the period	12	3,570,041	9,045,394

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



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

GAMMON PAKISTAN LIMITED
UN-CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)

	Share capital	Reserves		Total	
		Capital	Revenue		
	Issued, subscribed and paid-up capital	Share premium	Revaluation surplus on property, plant and equipment	Accumulated Profits	
Rupees					
Balance as at June 30, 2022 (Audited)	282,662,310	15,380,330	426,804,439	69,022,574	793,869,653
Total comprehensive income for the period (Loss) for the period	-	-	-	(4,464,649)	(4,464,649)
Transfer from revaluation surplus on property, plant and equipment: - on account of incremental depreciation-net of deferred tax	-	-	(849,963)	849,963	-
Balance as at March 31, 2023	282,662,310	15,380,330	425,954,476	65,407,888	789,405,004
Balance as at June 30, 2023 (audited)	282,662,310	15,380,330	428,814,751	77,498,678	804,356,069
Total comprehensive income for the period Loss for the period	-	-	-	(1,587,653)	(1,587,653)
Transfer from revaluation surplus on property, plant and equipment: - on account of incremental depreciation-net of deferred tax	-	-	(574,829)	574,829	-
Balance as at March 31, 2024	282,662,310	15,380,330	428,239,922	76,485,854	802,768,416

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



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

GAMMON PAKISTAN LIMITED
NOTES TO THE UN-CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2024

1 STATUS AND NATURE OF BUSINESS

The Company was incorporated under the repealed Companies Act, 1913 (now the Companies Act, 2017) on August 12, 1947 as a Public Company Limited by shares. Its shares are quoted on Pakistan Stock Exchange Limited (Formerly Karachi Stock Exchange Limited in which Lahore and Islamabad stock exchanges have merged). It is principally engaged in the execution of civil construction works. The registered office of the Company is situated at Gammon House, 400/2 Peshawar Road, Rawalpindi. The Company is a subsidiary of Bibojee Services (Private) Limited.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These unconsolidated condensed interim financial statements of the Company for the nine months ended March 31, 2024 have been prepared in accordance with the requirements of the International Accounting Standard - 34: "Interim Financial Reporting" and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions or directives issued under the Companies Act, 2017 have been followed.

These unconsolidated condensed interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2023. Comparative unconsolidated condensed interim statement of financial position is extracted from annual audited financial statements for the year ended June 30, 2023 and comparative unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows are extracted from unaudited interim financial statements for the nine months ended March 31, 2024.

These unconsolidated condensed interim financial statements are unaudited but subject to the limited scope review by auditors and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017. The unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the three months period ended March 31, 2024 and March 31, 2023 are neither audited nor reviewed.

2.2 Basis of measurement

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except for certain fixed assets which have been stated at revalued amount and staff retirement benefit at present value.

These unconsolidated condensed interim financial statements have been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

These unconsolidated condensed interim financial statements have been presented in Pak Rupees, which is the functional and presentation currency of the Company.

3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN

3.1 The accounting policies adopted and methods of computation followed in the preparation of these unconsolidated condensed interim financial statements are same as those applied in the preparation of financial statements for the year ended June 30, 2023.

3.2 The preparation of these unconsolidated condensed interim financial statements in conformity with approved accounting standards require management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.3 The significant estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2023.

3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Company's accounting period beginning on or after July 01, 2023. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have a significant effect on these unconsolidated condensed interim financial statements.

3.5 The Company's significant risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Company for the year ended June 30, 2023.

4 TAXATION

The provision for taxation for the nine months and quarter ended March 31, 2024 has been made using the estimated effective tax rate applicable to expected total annual earnings.

5 ESTIMATES

The preparation of unconsolidated condensed interim financial statements require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2023.

RELATED PARTY TRANSACTIONS

Transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions.

	Unaudited	Audited	
	March 31, 2024	June	30, 2023
NOTE	Rupees		

6 OPERATING FIXED ASSETS

Opening written down value		300,176,778	299,085,009
Add: Additions during the period / year	6.1	47,002	210,000
Add: Revaluation Surplus		-	2,913,485
		47,002	3,123,485
Less: Depreciation charged during the period / year		(1,296,370)	(2,031,716)
		298,927,410	300,176,778

6.1 Detail of additions (at cost) during the period / year are as follows:

	Unaudited	Audited	
	March 31, 2024	June	30, 2023
NOTE	Rupees		

Computers and accessories		47,002	210,000
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7 INVESTMENT PROPERTY

Rural land	7.2	121,626,000	121,626,000
Gammon House - land and building	7.3	358,205,160	358,205,160
		479,831,160	479,831,160

7.1 The movement in this account is as follows:

Opening balance		479,831,160	477,509,859
Net fair value gain on revaluation shown in "profit or loss account"	7.4	-	2,321,301
		479,831,160	479,831,160

7.2 This represents investment in 209.70 kanals open land located at Mouza Haraka, Rawalpindi. This investment, effective from the financial year ended June 30, 2007, is being classified as "investment property" as the Company decided to hold this property for capital appreciation. The Company has adopted fair value model for valuation.

7.3 This represents Gammon House (head office of the Company) which is held to earn rentals and for capital appreciation and shown under the head "Investment property". The Company has adopted fair value model for valuation.

7.4 The company as at June 30, 2023 revalued all of its investment property. The revaluation exercise was carried out by an independent valuer, Impulse (Private) Limited, and the revaluation resulted in Rs. 2,321,301/- (2022: Rs. 8,998,562) net adjustment to fair value.

	NOTE	Unaudited	Audited	
		March 31, 2024	June 2023	30, 2023
		Rupees		
8 LONG TERM INVESTMENTS				
Unquoted Subsidiaries				
Gammon Pakistan Precast (Private) Limited (96.20% Holding)	8.1	500,000		500,000
50,000 ordinary shares (June 30, 2023: 50,000) of Rs. 10 each				
Others				
Defense Saving Certificate		-		1,300,413
		500,000		1,800,413

8.1 It represents the shareholding of the Company in Gammon Pakistan Precast (Private) Limited making it a subsidiary effective from November 16, 2021.

	NOTE	Unaudited	Audited	
		March 31, 2024	June 2023	30, 2023
		Rupees		
9 CONTRACT RECEIVABLES				
Unsecured - considered good				
Against billings:				
- Completed contracts		76,107,565		76,107,565
Provision for expected credit loss	9.1	(73,512,276)		(73,512,276)
		2,595,289		2,595,289
Against retention money:				
- Completed contracts		80,537,519		80,537,519
Provision for expected credit loss	9.1	(38,066,851)		(38,066,851)
		42,470,668		42,470,668
Joint venture:				
- Against billings		17,054,553		17,054,553
- Against retention money		12,936,380		12,936,380
		29,990,933		29,990,933
Provision for expected credit loss	9.1	(29,990,933)		(29,990,933)
		-		-
		45,065,957		45,065,957

9.1 Management, in the previous years, carried out an exercise to identify long outstanding receivable balances comprising of progress billings and retention monies which are not likely to be received due to various reasons. There is no change in the management's assessment of expected credit loss of Rs.141.570 million and accordingly, during the nine months ended March 31, 2024, no further provision has been made (June 30, 2023: Nil).

Unaudited	Audited	
	June	30,
March 31, 2024	2023	
Rupees		

NOTE

10 CONTRACT ASSETS

Net Construction contracts-analyzed as current	10.1	<u>65,049,779</u>	<u>65,049,779</u>
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10.1 The Company receive payments from customers based on a billing schedule, as established in the contracts. Contract assets relate to the conditional right to consideration for completed performance obligations under the contract. Contract receivables are recognised when the right to consideration becomes unconditional. In addition, contract assets have been recognised in line with the initial application of IFRS -15.

11 It includes Rs. 8,346,455/- (2023: Nil) advances to associated undertaking Gammon Pakistan Precast (Private) Limited carry markup at the rate of 1Y-KIBOR plus 0.25% per annum (2023: Nil) up to the maximum amount of Rs. 90.50 million.

Unaudited	Audited	
	June	30,
March 31, 2024	2023	
Rupees		

NOTE

12 CASH AND BANK BALANCES

Cash in hand		580,719	51,825
Cash at bank - local currency			
Current accounts		<u>2,089,949</u>	1,170,219
PLS accounts	12.1	9,930	9,396
Deposit accounts	12.2	<u>889,443</u>	889,443
		<u>2,989,322</u>	2,069,058
		<u>3,570,041</u>	<u>2,120,883</u>

12.1 PLS accounts, during the current financial period, carried markup ranging from 19.5% to 20.50% (June 30, 2023 : 12.25% to 19.50%) per annum.

12.2 As at March 31, 2024 and June 30, 2023 the entire balance was under bank's lien.

Unaudited	Audited	
	June	30,
March 31, 2024	2023	
Rupees		

13 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

13.1 Issued, subscribed and paid up capital

22,627,320 (June 30, 2023: 22,627,320) ordinary shares of Rs.10/- each fully paid in cash		226,273,200	226,273,200
2,562,845 (June 30, 2023: 2,562,845) bonus shares of Rs.10/- each fully paid in cash		25,628,450	25,628,450
3,076,066 (June 30, 2023: 3,076,066) ordinary shares of Rs.10/- each fully paid in cash (against conversion of loans)		<u>30,760,660</u>	30,760,660
		<u>282,662,310</u>	<u>282,662,310</u>

13.2 Authorized share capital

This represents 30,000,000 (June 30, 2023: 30,000,000) ordinary shares of Rs. 10 each amounting to Rs.300,000,000 (June 30, 2023: Rs. 300,000,000).

13.3 Bibojee Services (Private) Limited (the holding company) holds 20,369,056 (June 30, 2023: 20,369,056) shares, i.e. 72.06% of the Company's issued, subscribed and paid-up capital.

	NOTE	Unaudited	Audited
		March 31, 2024	June 30, 2023
		Rupees	
14 TRADE AND OTHER PAYABLES			
Sundry creditors		33,343,027	31,392,997
Directors current account	14.1	26,577,114	17,061,614
Advance rent		2,197,662	2,197,662
Due to sub-contractors		24,543,700	25,543,699
Accrued expenses		44,436,435	40,993,395
Due to employees and others	14.2	9,009,261	9,009,261
Taxes payables		3,225,058	840,221
Joint venture partner's share of profit		1,620,715	1,620,715
Other provisions	14.3	35,122,500	35,122,500
Worker's welfare fund payable		83,925	83,925
		180,159,397	163,865,989

14.1 This includes advances paid by directors in order to meet day to day expenses from Chairman Lt Gen Ali Kuli Khan (Retd) and Director Khalid Kuli Khan amounting to Rs. 22,553,800/- (2023: Rs. 13,038,300) and Rs. 4,023,314/- (2023: Rs. 4,023,314) respectively which are interest free and reimbursable on demand.

14.2 This balance includes amounts aggregating Rs. 1.563 million (June 30, 2023: Rs. 1.563 million) payable in respect of the loans obtained from the Company's Employees' Provident Fund (the Fund) during the period from 1995 to 1999. The SECP, during May 2008, had issued show-cause notices to some of the existing directors as well as ex-directors under various sections of the repealed Companies Ordinance, 1984 (the Ordinance), repealed with the enactment of Companies Act, 2017. The SECP, vide its three orders dated 25 June, 2009, had imposed penalties aggregating Rs. 1.005 million under various sections of the Ordinance on some of the existing directors and ex-directors in their personal capacity.

The SECP has also directed the Company's Chief Executive to distribute the amount of Rs. 9.153 million to members of the provident fund trust including the employees/directors/ex-directors of the Company at the time of closure of the Fund in the year 1987 as per their entitlement and to submit an Auditor's certificate confirming that all outstanding money of the fund has been paid to members in accordance with provisions of the section 227 of the Ordinance. The Company opened a separate bank account and transferred the entire amount into it. Furthermore, an amount of Rs. 7.589 million were paid to members up to December 31, 2019.

14.3 These represent provisions made for the potential liability, in respect of borrowings of Saudi Riyals 2.5 million and Saudi Riyals 5 million during the year 1986 for the Saudi Operations of the Company, that the Company may have to incur as a result of settlement of overseas dues of National Bank of Pakistan in accordance with the Incentive Scheme under the State Bank of Pakistan's Circular No.19 of 05 June,1997 (for further detail please refer note 15.2 (a) of these unconsolidated condensed interim financial statements).

15 CONTINGENCIES AND COMMITMENTS

15.1 Contingent assets

The Company had lodged a claim with National Highway Authority amounting to Rs. 201.177 million (June 30, 2023: 201.177 million) against M/s Bayinder for recovery of losses suffered by the Company attributable to cessation of the work at Islamabad - Peshawar Motorway Project.

15.2 Contingent liabilities

- a) The National Bank of Pakistan (NBP) vide its letter number NBP/CORP/2022/107 has categorically confirmed that the company does not owe any amount in respect of overseas dues of NBP and the e-CIB portal of the State Bank of Pakistan has also not reported any overdue amount. Therefore, outcome of the case pending before the Sindh High Court since 2000 cannot be determined at this stage. However the legal advisor is confident of a favourable outcome.

In view of the above and since the company has made provision for the contingent liability (Note 14.3 above) in the financial statements in accordance with the Incentive Scheme under the State Bank of Pakistan's Circular No. 19 of 05 June, 1997, the management is of the opinion that there is no further requirement for any provision on this account as no adverse effect is expected. The same has been endorsed by the Company's Board of Directors (BOD) and the legal advisor in his opinion. Furthermore, the BOD has agreed to settle any liability that may arise consequent upon the outcome of the above matter.

- b) Regarding tax year 2015 Best judgment assessment was made against the company under section 121 of the Income Tax Ordinance, 2001 determining tax chargeable at Rupees 46,282,156/- and tax payable of Rupees. 22,636,470/- The Commissioner Inland Revenue (Appeals) who upheld the assessment order of Deputy Commission Inland Revenue. Later on, the Appellate Tribunal Inland Revenue remanded back the case to the assessing officers which is yet to set for hearing. Legal counsel of the company is confident to have a favorable decision in due course of time.

Punjab Revenue Authority completed its proceedings against the company for nonpayment of Rupees 68,290,380/- as provincial tax during the tax periods from June 2013 to March 2018. The case is pending before the Appellate Tribunal Punjab Revenue Authority. Legal counsel of the company is confident to have a favorable decision in due course of time.

Proceedings under section 161/205 of the Income Tax Ordinance, 2001 were initiated and completed against the company for the tax year 2016 and 2018 by determining tax payable of Rupees 1,677,422/- and Rupees 16,764,436/- respectively. The cases have been heard by the Commissioner Inland Revenue (Appeals) whose decision is awaited. Legal counsel of the company is confident to have a favorable decision in due course of time.

- c) In the ordinary course of business various parties have filed legal cases against the Company, which have not been admitted as liabilities, accordingly, no provision has been considered necessary against these claims till their final outcome. The legal advisor of the Company is of the opinion that these cases are expected to be decided in favor of the Company and therefore no provision has been made in these financial statements for any liability that may arise consequent upon the result of above law suits.

15.3 Commitments

The Company's commitments as at balance sheet date are as follows:

- a) Guarantees issued by a commercial bank and insurance companies in respect of financial and operational obligations of the Company to various institutions and corporate bodies, aggregate Rs. 50.062 million (June 30, 2023: Rs. 50.062 million).
- b) There were no commitment for capital expenditures as at the unconsolidated condensed interim statement of financial position date (June 30, 2023: Nil).

Unaudited	
March 31, 2024	March 31, 2023
Rupees	

NOTE

16 CONTRACT INCOME

Continuing operations:

Construction contracts

- 5,619,849

Timing of revenue recognition

Over time:

Construction contracts

- 5,619,849

16.1 As the Company was already following cost to cost method of revenue recognition so there is no substantial effect on financial statement line items by the application of IFRS-15 as compared to IAS-11 and IAS-8.

16.2 The following is the breakup of aggregate amount of the transaction price allocated to performance obligation that are unsatisfied (or partially unsatisfied) as at the end of the reporting period.

Unaudited
March 31, 2024
Rupees
245,680,193

Continuing operations:

Construction contracts

245,680,193

16.3 As permitted under para C5(d) of IFRS-15, the transaction price allocated to (partially) unsatisfied performance obligation as of June 30, 2023 is not disclosed, using the transaction provisions of IFRS-15.

17 EARNING PER SHARE- BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

	UN-AUDITED			
	NINE MONTHS ENDED		QUARTER ENDED	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Earning after taxation-(Rupees)	(1,587,653)	(4,464,649)	(1,893,706)	3,050,483
Weighted average number of ordinary shares	28,266,231	28,266,231	28,266,231	28,266,231
Earning per share - (Rupees)	(0.06)	(0.16)	(0.07)	0.11

18 TRANSACTIONS WITH RELATED PARTIES

18.1 The related parties, subsidiary and associated undertakings of the Company comprise of group companies, other associate companies, subsidiary companies, directors and key management personnel. Transactions with related parties, subsidiary and associated undertakings during the period are as follows:

UN-AUDITED			
NINE MONTHS ENDED		QUARTER ENDED	
March 31,		March 31,	
2024	2023	2024	2023
-----Rupees-----			

Relation with the Company**Nature of transaction**

Gammon Pakistan Precast
(Private) Limited

Expenses settled	1,354,424	-	-	-
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Associated Companies

Gandhara Automobiles Ltd

Rental income	5,526,978	4,991,250	3,330,828	2,994,750
Payment received	(3,330,828)	(4,991,250)	(3,330,828)	(2,994,750)

Gandhara Industries Limited

Rental income	5,490,375	4,991,250	3,294,225	2,994,750
Payment received	(5,623,475)	(5,324,000)	(3,360,775)	(3,327,500)

Janana De Malucho Textile
Mills Limited

Rental income	146,410	363,000	73,205	181,500
Payment received	-	(484,000)	-	242,000

Rehman Cotton Mills Limited

Rental income	-	423,500	-	242,000
Payment received	-	(484,000)	-	(242,000)

Bannu Woollen Mills Limited

Rental income	7,714,441	11,436,281	4,669,267	9,953,501
Payment received	(6,191,854)	(13,491,356)	(4,669,267)	(11,177,788)

18.2 Balances receivable / payable with related parties are disclosed in respective notes.

19 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the unconsolidated financial statements for the year ended June 30, 2023.

20 FAIR VALUE MEASUREMENT

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are traded in an open market are revalued at the market prices prevailing at the close of trading on the reporting date. The estimated fair value of all other financial assets and liabilities is not considered to be significantly different from book values as the items are either short-term in nature or periodically repriced.

International Financial Reporting Standard (IFRS) 13, "Fair Value Measurement" requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The management assessed that the carrying value of cash and short term deposits, trade debts, other receivables trade and other payables and other current liabilities approximate their fair values largely due to the short term maturities of these instruments. Fair value is determined on the basis of objective evidence at each reporting date.

Transfers during the period

During the nine months period to March 31, 2024, there were no transfers into or out of Level 3 fair value measurements.

As at March 31, 2024 and June 30, 2023 the Company held financial instruments carried at fair value which comprising investment property and operating fixed assets are measured at fair value.

- 20.1 The investment property was valued on June 30, 2023 carried out by external independent valuer M/s Impulse (Private) Limited. The fair value of investment property is categorized as level 2 recurring fair value measurement due to significant observable inputs used in the valuation. A reconciliation of the opening and closing balance is provided below:

	Unaudited	Audited
	March 31, 2024	June 30, 2023
	Rupees	
Opening balance (level 2 recurring fair value)	479,831,160	477,509,859
Fair value gain recognized in profit and loss	-	2,321,301
Closing balance (level 2 recurring fair value)	479,831,160	479,831,160

NOTE

- 20.2 The Company has revalued its freehold land, buildings, plant and machinery and other fixed assets on June 30, 2023 by independent valuer M/s Impulse (Private) Limited on the basis of market value of similar properties. Fair value of land and building are based on assumptions considered to be level 2 in the fair value hierarchy due to significant observable inputs used in the valuation, while fair value of plant and machinery are considered to be level 3 in the fair value hierarchy due to significant unobservable inputs used in the valuation.

Valuation techniques used to derive level 2 fair values - Land and building

Fair value of land and building has been derived using a sales comparison approach. Sale prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as location and size of the property. Moreover value of building also depends upon the type of construction, age and quality. The most significant input in this valuation approach is price / rate per square foot in particular locality. This valuation is considered to be level 2 in fair value hierarchy due to significant observable inputs used in the valuation.

Valuation techniques used to derive level 3 fair values-Plant and machinery and other fixed assets

In the absence of current prices in an active market, the fair value is determined by taking into account the following factors:

- Make, model, country of origin and etc.;
- Operational capacity;
- Present physical condition;
- Resale prospects; and
- Obsolescence.

The valuation is considered to be level 3 in the fair value hierarchy due to the above unobservable inputs used in the valuation. Most significant input in this valuation is the current replacement cost which is adjusted for factors above.

Had there been no revaluation, the net book value of the specific classes of operating assets would have been as follows:

	Unaudited	Audited
	March 31, 2024	June 30, 2023
Rupees		
Freehold land	120,988	120,988
Buildings on freehold land	3,022,495	3,022,495
Plant and machinery	1,324,644	1,324,644
Furniture and fixture	972,605	972,605
Computers and accessories	1,027,108	980,106
Motor vehicles, cycles and boats	63,454	63,454
Construction equipments	273,403	273,403

	Unaudited	Nine
	Months ended March 31,	
	2024	2023
Rupees		

NOTE

21 PROFIT BEFORE WORKING CAPITAL CHANGES

(Loss) before taxation (1,577,086) (1,686,415)

Adjustment for:

Depreciation	6	1,296,370	1,526,355
Staff retirement benefits - gratuity (net)		(455,972)	(579,025)
Finance cost		3,063	2,688
		843,461	950,018
(Loss) before working capital changes		(733,625)	(736,397)

22 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS

22.1 Post Balance Sheet Event

The Board of Directors (BOD) in their meeting held on December 1, 2023 resolved to transfer freehold land situated at Chak Beli Road Dist. Rawalpindi measuring 260.6 kanals valued by an independent valuer at Rs.160,873,000 to its subsidiary Gammon Pakistan Precast (Pvt) Limited (GPPL) and also decided to convert receivable from GPPL appearing in the company's books to the extent of Rs 27.967 million, against the issue of 18,884,000 shares of Rs.10/- each of its subsidiary company GPPL. The arrangement has been approved by the shareholders at an extra-ordinary general meeting held on December 30, 2023. This event has been considered as non-adjusting event under IAS 10 and has not been recognized in these unconsolidated condensed interim financial statements as legal formalities have not started till the date of these condensed interim financial statements.

22.2 Management Assessment of Going Concern

Although the company has earned an operational loss of Rs 27.534 million due to non-availability of profitable contracts/projects during the period, it has managed to meet the day to day working capital requirements and to repay all the administrative cost through the rental income earned from investment properties. However, the management is confident of the Company's ability to continue as a going concern based on its concentrated effort to re-profile the operational activities and utilization of improved liquidity in cost efficient operational levels of machinery and related projects. The Company undertook significant operational measures in order to generate liquidity and profitable projects/ventures which are amply disclosed in note 46.1 to the audited financial statements.

22.3 Investigation against EX-CFO

Based on in-house internal audit report the EX-CFO of the company during the period from 01 January 2018 to 29 December 2020 was involved in certain financial transactions, which is being investigated internally. Moreover, FIR has been lodged against him subsequent to June 30, 2021. The transactions mainly done out of books and the impact of such investigation/FIR, if any, will be accounted for in the period during which such case is completed.

23 CORRESPONDING FIGURES


Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and for better presentation. However, no significant reclassification has been made during the period.

24 DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue on April 26, 2024 by the Board of Directors of the Company.

25 GENERAL

Figures have been rounded off to the nearest rupee.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

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



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


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