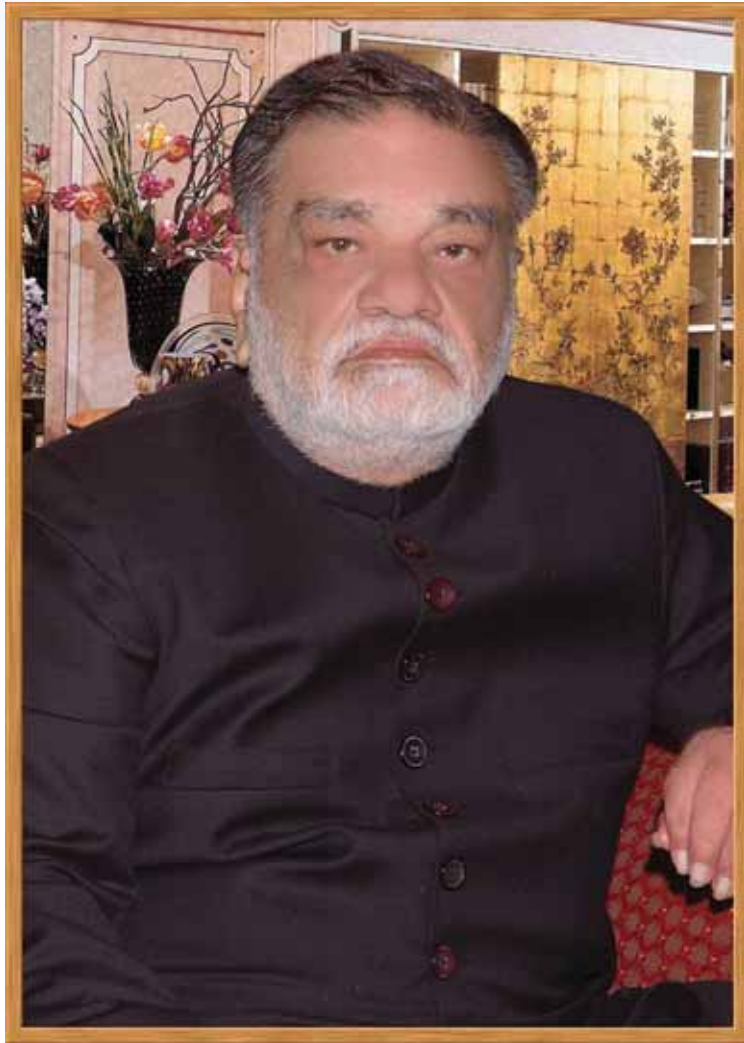




**PHDL**  
PAKISTAN HOTELS DEVELOPERS LIMITED

38<sup>th</sup> **annual report**  
2017



*Mr. S. Ferozuddin Baweja - Founder*



## **Vision and 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.





## Contents

✦ Company Information	05
✦ Directors' Profile	06
✦ Notice of Meeting	09
✦ Chairman's Review	10
✦ Directors' Report	11
✦ Financial Highlights	14
✦ Graphical Presentation	15
✦ Statement of Compliance with the Code of Corporate Governance	17
✦ Review Report to the Members on the Statement of Compliance with the Code of Corporate Governance	18
✦ Auditors' Report to the Members	19
✦ Balance Sheet	20
✦ Profit & Loss Account	22
✦ Statement of Comprehensive Income	23
✦ Cash Flow Statement	24
✦ Statement of Changes in Equity	25
✦ Notes to the Financial Statement	26
✦ Pattern of Shareholdings	51
✦ Categories of Shareholders	52
✦ Proxy Form	53
✦ Urdu Version	54



# Company Information

## Board of Directors:

### Non-Executive Directors

Mr. Mansoor F. Baweja	Chairman
Mr. S. Mahmood Baweja	Director
Mr. Mohsin Baweja	Director
Mr. Masroor F. Baweja	Director
Mr. Zaheer Baweja	Director
Mrs. Shireen Ahad	Director

### Executive Directors

Mr. Muzaffar F. Baweja	Chief Executive Officer
Mr. Zubair Baweja	Managing Director

### Independent Director

Mr. M. A. Majeed

### Audit Committee:

Mr. M. A. Majeed	Chairman
Mr. S. Mahmood Baweja	Member
Mr. Mohsin Baweja	Member

### HR & R Committee

Mr. Masroor F. Baweja	Chairman
Mr. Zaheer Baweja	Member

### Company Secretary:

Fahad Iqbal Khan

### Chief Financial Officer:

Syed Haseen Anwer

### Bankers :

Al Baraka Bank (Pakistan) Ltd.  
Bank AL-Habib Ltd.  
Faysal Bank Ltd.  
Habib Bank Ltd.  
MCB Bank Ltd.  
Meezan Bank Ltd.  
National Bank of Pakistan  
Silk Bank Ltd.  
Summit Bank Ltd.  
United Bank Ltd.

### Auditors:

Tanwir Arif & Co.  
Chartered Accountants

### Legal Advisor:

Sofia Saeed Shah

### Independent Share Registrar

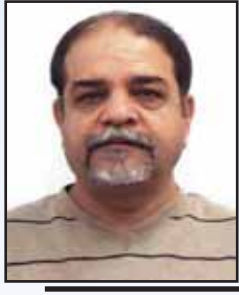
M/s. Technology Trade (Pvt) Ltd.  
Dagia House, 241-C, Block 2, P.E.C.H.S.,  
Off: Shahrah-e-Quaideen, Karachi.

### Registered Office:

Regent Plaza Hotel, Mezzanine Floor  
195/2, Shahrah-e-Faisal, Karachi.



## Directors' Profile



**Mansoor Baweja**  
Chairman

Mr. Mansoor Baweja is the Chairman of the Board of Directors, appointed in April 2013. With 35 years of experience in the real estate, construction and hospitality industries, he brings extensive knowledge and perspective to the organization. Having been a founding member of Taj Mahal Hotels Limited and Taj Medical Complex Limited, he brings extraordinary leadership qualities to the Board.

Mr. Mansoor Baweja oversees the strategic management and corporate governance of PHDL. He adds tremendous value through his involvement in various local and national business organizations.



**Muzaffar F. Baweja**  
Chief Executive Officer

Mr. Muzaffar Baweja joined on 1st January, 1985 to the Board of Directors of Pakistan Hotels Developers Ltd., Owners and Operators of Five Star Hotel, Holiday Inn Crown Plaza, Karachi (Now Regent Plaza Hotel & Convention Centre). He has served as a General Manager / Director Operations during the year October, 1994 - December, 1998 in the hotel.

The name of Holiday Inn Crown Plaza was changed in 1999 to Regent Plaza Hotel and Convention Centre and Mr. Muzaffar Baweja was designated as Managing Director of the Hotel.

He also served as General Manager with Taj Mahal Hotel, Karachi during the year July, 1993 - September, 1994. Under his leadership, professionalism and by the dint of his abilities of market penetration, Taj Mahal Hotel recorded highest revenue in 1993 - 1994.

He has extensive working experience in Hotel Marketing, Administration, Operations and Strategic Planning and is well known personality in the Hotel Industry. He was elected as the

Chairman of Pakistan Hotels Association for the year 2006 - 2007. In his capacity as Chairman of the Association, he made proposal to the Government of Pakistan to frame a policy for the development of tourism sector in Pakistan which aimed to create employment opportunities, boost the hospitality business and to attract foreign investment for its expansion in Pakistan. His creativity and dynamism has held the hotel in good stead during the economic crisis affecting the hospitality industry. The hotel has been accorded corporate excellence award by MAP.

Mr. Muzaffar Baweja is a Commerce Graduate from the University of Karachi and has attended various technical and certificate courses including new Hotel Opening Program - Karachi, General Manager Program - France, Computer Science from Daytona Beach, Community College - Florida, Pakistan Institute of Tourism & Hotel Management - Karachi.

From January 2013, Mr. Muzaffar Baweja working as CEO of the Company, and in his leadership Company earned a record revenue in 35 years history of the Company.



**Zubair Baweja**  
Managing Director

Mr. Zubair Baweja was appointed to the Board of Directors in the year 2000.

He is a 'Certified Director'.

Mr. Zubair Baweja an entrepreneur in hospitality industry has extensive experience in management and operations. After completing his MBA, he has worked in various roles in management.

Earlier in his career, he served as Director Operations at M/s. Taj Medical Complex, supervising operational performance of the business for 5 years. Moving to the hospitality business, he joined as Director, Foods & Beverages (F&B) at Holiday Inn Crown Plaza Karachi, where in a short span of around 2 years, he proved his salt and moved to take on further responsibility as an Executive Director for another 13 years.

Having understood the operations and management of the organization from ground up, he was promoted to lead Regent Plaza Hotel in the capacity of Managing Director, where he provides leadership & direction for the organization.

Mr. Baweja also serves as Member of Executive Committee FPCCI, Chairman, Standing Committee of Hotels FPCCI, Senior Vice Chairman of Pakistan Hotels Association.





**S. Mahmood Baweja**  
Director

Mr. S. Mahmood Baweja 55 Years old having vast experience in hotel industry and is one of the founding directors of PHDL (formerly Taj Mahal Hotels Limited). He served several terms on the Board of Directors of PHDL as Director, Executive Director and Chief Executive Officer. Mr. Baweja has been instrumental in various developmental projects in PHDL.

Mr. S. Mahmood Baweja has various other business interests including automotive industry.



**Masroor F. Baweja**  
Director

Mr. Masroor Baweja, rejoining the Board in 2015, has been involved in the Group Businesses for last 36 years. A graduate from Wichita State University in Health Care Administration and successful entrepreneur of a diverse range of businesses, Mr. Baweja brings vast experience in management and entrepreneurial skills to the Board.

He has served several terms on the Board of Directors of PHDL as Director, and Chairman and as Director, Managing Director and Chief Executive Officer in other hospitality, tourism and service related businesses.

Mr. Masroor Baweja strongly believes in giving-back to the community and has been involved in various philanthropic activities. He currently serves on the Executive Board of Karachi Vocational and Training Center, a vocational training center for differently abled populations, having been involved with this organization for last 25 years.

Being a cordial person at heart Mr. Masroor Baweja also thoroughly enjoys gardening, going on road trips and spending time with family and friends.

Mr Masroor has various other business interests including Restaurants and other food related businesses and Garments Exports etc.



**M. A. Majeed**  
Non-Executive Director

Mr. M.A. Majeed was appointed to the Board of Directors in 2013 as Non-Executive Director. He is also Chairman of Board of Audit Committee. He is a 'Certified Director'.

Mr. M.A. Majeed has about 30 years professional experience in Hotel Business, Human Resource and Administration fields.





# Notice of 38<sup>th</sup> Annual General Meeting

Notice is hereby given that the 38th Annual General Meeting of **PAKISTAN HOTELS DEVELOPERS LIMITED** will be held on 30th of October, 2017 at 03:30 PM. at Registered Office of the Company 195/2, Regent Plaza Hotel, Main Shahrah-e-Faisal, Karachi to transact the following business:

1. To confirm the minutes of 37th Annual General Meeting held on 28th October, 2016.
2. To receive, consider and adopt the Audited Accounts for the year ended 30th June, 2017, together with the Directors' and Auditors' reports thereon.
3. To appoint Auditors for the year 2018 and to fix their remuneration.
4. Any other business with the permission of the Chair.

By order of the Board

**(FAHAD IQBAL KHAN)**  
Company Secretary

Karachi: 9<sup>th</sup> October, 2017

## NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint another member as a proxy to attend and vote on the member's behalf. Proxies must be deposited with the Secretary of the Company or Independent Share Registrar Office not less than 48 hours before the meeting.
2. The share transfer books of the company shall remain closed from 23rd October, 2017 to 30th October, 2017 (Both days inclusive). Transfers, complete in all respects, received at our Independent Share Registrar Office M/s. Technology Trade (Pvt) Ltd., Dagia House, 241-C, Block 2, P.ECH.S., Off: Shahrah-e-Quaideen, Karachi by 21st October, 2017 will be entitled to attend the meeting.
3. Shareholders are requested to notify the Company of any change in their addresses.
4. Shareholders are also requested to notify the Company their CNIC No.(Passport No. if Foreigner) as required by S.R.O.49(1)/2003 dated 15.01.2003 and Circular No.13/2004 dated 05.03.2004.

C.D.C. Account Holders will further have to follow the under mentioned guidelines as laid down in Circular 1 dated 26th January, 2000 issued by the Securities and Exchange Commission of Pakistan.

### a) For attending A.G.M.

- i) In case of Individuals, the account holder or sub account holder and / or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate his or her identity by showing his / her original Computerized National Identity Card (CNIC) or Original Passport at the time of attending the meeting.
- ii) In case of Corporate entity, the Board of Directors resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

### b) For appointing Proxies

- i) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall submit the proxy form as per the above requirement.
- ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii) Attested copies of CNIC or the passport of the beneficial owners and of the proxy shall be furnished with proxy form.
- iv) The Proxy shall produce his / her original CNIC or original passport at the time of the meeting.
- v) In case of a corporate entity, the Board of Directors resolution / power of attorney with specimen signatures shall be submitted (unless it has been provided earlier) along with form to the company.

## Chairman's Review

On behalf of the Board of Directors I am pleased to welcome our beloved Shareholders to the 38th Annual General Meeting of the Company and to present annual review and result of the Company operational and Audited Financial Statements of the Company.

First of all, I myself, on behalf of the Board of Directors of PHDL and from the entire management of Hotel Regent Plaza, express condolence to those families who lost their relatives due to fire incident.

As you are very much aware of the unfortunate event occurred in mid of this financial year due to which our business was shut down for almost nine months although we have started our banquet operations in the February 2017.

The year under review as challenging on all front especially after the damage caused by the fire. We are thankful for almighty Allah who has given us courage to face the challenges and convert them in to opportunities.

Board members with help of Management have prepared disaster plan after the fire incident. Features of such plan as under.

- ◆ Kitchen will be shifted from basement to Ground floor.
- ◆ Fire alarm system including Smoke detector Devices to be fixed in all floors including basement.
- ◆ Fire proof door is also fixed in all emergency exist and Kitchen.
- ◆ We have appointed some Fire fighters minimum on full time basis.
- ◆ Water sprinkler system and water hydrants are going to be fixed in different areas of Hotel.
- ◆ New electronic fire exit sign LED are also to be fixed in different areas of the Hotel.
- ◆ Foam Cylinders are to be fixed in Kitchen and some others areas.
- ◆ New Electric wiring to be done in different areas

It was devastating time and a challenging task to put wheel rolling again. We are grateful for the support and understanding of all stakeholders and the program of rehabilitation is continuing.

The company's success rests with the commitment and dedications of employees. The Directors of your Board would like to be place on record their sincere appreciation for the hard work and dedication shown by the management employees of the company throughout the year despite of their adverse circumstances.

One of our Board member namely Mr. Naveed Alam Baweja was resigned this year and Mrs. Shireen Ahad has appointed in his replacement.

We seek blessing of Almighty Allah for the success of the Company.

  
**MANSOOR F. BAWEJA**  
Chairman

Karachi: 9<sup>th</sup> October, 2017



## Directors' Report

The Directors of **PAKISTAN HOTELS DEVELOPERS LIMITED** present their report together with Audited Accounts of the Company for the year ended June 30, 2017.

<b>Accounts:</b>	<b>(Rs. '000')</b>	<b>(Rs. '000')</b>
Total Revenue-net		348,863
Less: Direct Cost	300,282	
Other Managerial and Financial Expenses	3,154	303,436
		<u>45,427</u>
Less: Statutory Depreciation		51,749
Net operating loss before taxation		<u>6,322</u>
Less: Taxation		4,595
Loss after taxation		<u>10,917</u>
Loss per share (Rupees)		<u>0.61</u>

Due to the fire incident of 5th December, 2016 in hotel premises, business operation suspended for 7 months (upto June, 2017) the revenue decreased by Rs.393.485 million which is 53% less as compared to last year. The net profit before tax decreased by Rs.209.379 million as compared to last financial year. The Directors have not recommended any dividend for the year to their shareholders.

### Fire Incident

On 5th December, 2016, a serious fire broke out in the hotel at around 3:00 a.m. and damaged several areas of the hotel building. Most of the guests and employees were safely evacuated but unfortunately 12 people including one of the hotel employees had lost their precious lives and several were injured. May Almighty Allah bless all the departed souls and place them in Jannat-ul-Firdous. Ameen! Police has registered the case and lodged charges to the hotel management; the matter is pending in Court.

### Suspension of Hotel Business

Due to fire incident in the hotel, business operation was suspended from the date of fire to 30th June, 2017. However, soft banquet operation (only) was re-started on 4th of February, 2017 and rooms accommodation started with limited number (100) of rooms from 14th August 2017. Remaining 300 rooms, restaurants and other banquet halls will be started gradually after completion of necessary work.

The Foreign Exchange earning during the year was 0.0484 million U.S. Dollars.

### Chairman's Review:

The contents of Chairman's Review form an integral part of this report.

### Appointment of Auditors:

The retiring Auditors M/s. Tanwir Arif & Co., Chartered Accountants, being eligible, offer themselves for reappointment for the year 2017-18. The Audit Committee and Board of Directors of the Company have endorsed their appointment for shareholders' consideration in forthcoming Annual General Meeting.

The external auditors have been given satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan.

### Board Meeting Fees

During the year no payment were given to any directors in respect of Board Meeting Fees.

## Audit Committee

The Committee comprised of three members of whom two are from non-executive directors and one independent director (as reconstituted on 23rd February, 2016 in Board Meeting).

Mr. M.A. Majeed	–	Independent Director
Mr. S. Mahmood Baweja	–	Non Executive Director
Mr. Mohsin Baweja	–	Non Executive Director

The Audit Committee reviewed the quarterly, half yearly and annual financial statements before submission to the Board and their publication.

The Committee is responsible for oversight of internal audit function as well as external financial reporting. It also carries out ongoing reviews of internal control.

## Attendance of Members at Audit Committee Meetings

During the financial year 2017, four meetings of the Audit Committee were held and the number of Meetings attended by each member is given hereunder.

Name	Number of Meetings	
	Held During Membership During the year	Attended
1. Mr. M.A. Majeed	04	04
2. Mr. Mohsin Baweja	04	00
4. Mr. S.Mahmood Baweja	04	04

## Pattern of Shareholding:

The specified pattern of Shareholding as at 30th June, 2017 as per Article (XIX) of the Code of Corporate Governance is annexed to this report.

## Code of Corporate Governance:

The Directors of your Company are aware of their responsibilities under the Code of Corporate Governance incorporated in the Listing Rules of Pakistan Stock Exchange under instructions from the Securities & Exchange Commission of Pakistan. Your Company has taken all necessary steps to ensure Good Corporate Governance and full compliance of the Code.

The Directors confirm and state that the following have been complied.

- The financial statements prepared by the management of the company present a true and fair state of affairs of the Company.
- Proper books of accounts of the company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent business judgment.
- International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in preparation of financial statements and any departures there from have adequately been disclosed and explained.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.

## Board Meetings:

During the year ended 30th June, 2017, Eight (08) meetings of the Board of Directors were held. The attendance in the meeting is as follow:

Name of Director	Number of Meetings	
	Held During Directorship During the year	Attended
Mr. Mansoor F.Baweja	08	02
Mr. Muzaffar F.Baweja	08	07
Mr. Zubair Baweja	08	08
Mr. Mohsin Baweja	08	01
Mr. Zaheer Baweja	08	05
Mr. S.Mahmood Baweja	08	07
Mr. Masroor F.Baweja	08	03
Mr. Naveed Alam Baweja	03	01
Mrs. Shireen Ahad	03	00
Mr. M.A. Majeed	08	07

## Change in Board of Directors

During the financial year 2016 - 17, there was a change in the Directorship that Mrs. Shireen Ahad co-opted as Director on 23rd February, 2017 in place of Mr. Naved Alam Baweja who resigned on 13th January, 2017 from the Board due to his personal engagements.

## Staff Benefits

Employees Gratuity Scheme is maintained as per law and appropriate provision has been made in accordance with IAS 19 in the Account.

## Appointment of Actuarial Consultant

M/s. Nauman Associates Consulting Actuaries has been appointed for the year to comply the requirement of IAS 19 calculations for Gratuity Scheme as at 30th June, 2017.

## Independent Share Registrar

M/s. Technology Trade (Pvt) Ltd. is the Independent Share Registrar of the Company since 21st August, 2008.

## Financial Highlights:

A summary of key operating and financial results for the current year and last Five years is annexed.

For & on behalf of Board of Directors

  
**MUZAFFAR F. BAWEJA**  
Chief Executive Officer

Karachi: 9<sup>th</sup> October, 2017

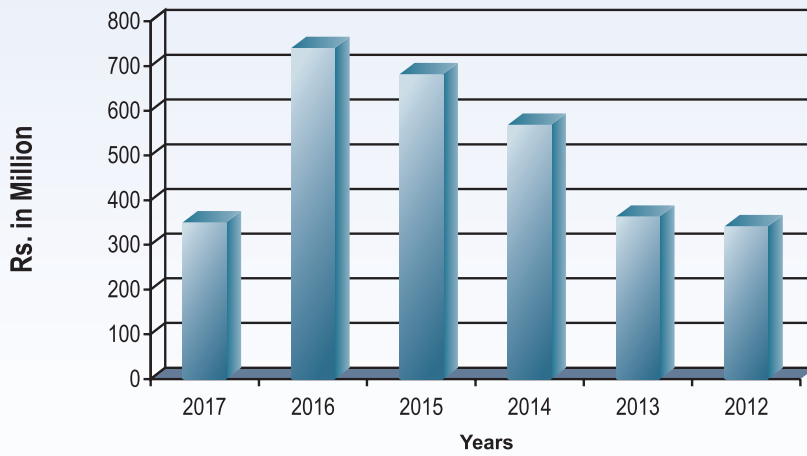
## Financial Highlights

	2017	2016	2015	2014	2013	2012
	Rupees '000					
Sales and services - Net	<b>349,968</b>	740,512	681,889	568,620	363,639	341,736
(Loss) / Profit before tax	<b>(6,322)</b>	203,057	191,043	137,639	34,619	38,723
Finance cost	<b>3,154</b>	324	4,440	3,608	878	851
PBIT	<b>(3,168)</b>	203,381	195,483	141,247	35,497	39,574
(Loss) / Profit after tax	<b>(10,917)</b>	133,246	140,560	92,044	23,940	31,623
<b>Financial position</b>						
Current assets	<b>132,079</b>	155,462	201,406	211,712	214,717	205,296
Less: Current liabilities	<b>152,867</b>	86,135	76,738	95,117	82,948	50,281
Net working capital	<b>(20,788)</b>	69,327	124,668	116,595	131,769	155,015
Fixed assets - net	<b>4,920,787</b>	4,955,950	4,287,788	4,324,538	2,269,854	2,301,552
Investments						
Other non-current assets	<b>6,080</b>	5,310	5,310	3,683	3,087	2,450
<b>TOTAL</b>	<b>4,906,079</b>	5,030,587	4,417,766	4,444,816	2,404,710	2,459,017
Other non-current liabilities	<b>245,873</b>	269,588	229,560	252,509	188,262	193,576
Shareholders equity	<b>4,660,206</b>	4,760,999	4,188,206	4,192,307	2,216,448	2,265,441
<b>Statistics</b>						
Number of rooms	<b>400</b>	397	397	413	413	413
Room occupancy %	<b>22.92</b>	49.64	43.64	35.16	23.83	24.57
Number of employees	<b>137</b>	211	197	178	186	237
(Loss) / Earning per share (Rs.)	<b>(0.61)</b>	7.4	7.81	5.11	1.33	1.76
Break up value per share (Rs.)	<b>258.9</b>	264.5	232.68	232.91	123.14	125.86
Market value per share (Rs.)	<b>78.76</b>	98.68	92.00	76.83	38.00	30.07
Dividend per share (Rs.)	<b>—</b>	11.00	8.00	8.00	7.00	2.50
<b>Ratios</b>						
ROCE (%)	<b>(0.07)</b>	4.27	4.67	3.37	1.60	1.75
ROA (%)	<b>(0.22)</b>	2.65	3.18	2.07	1.00	1.29
Current ratio	<b>0.86</b>	1.8	2.62	2.23	2.59	4.08
Net (loss) / profit margin (%)	<b>(3.12)</b>	17.99	20.61	16.19	6.58	9.25

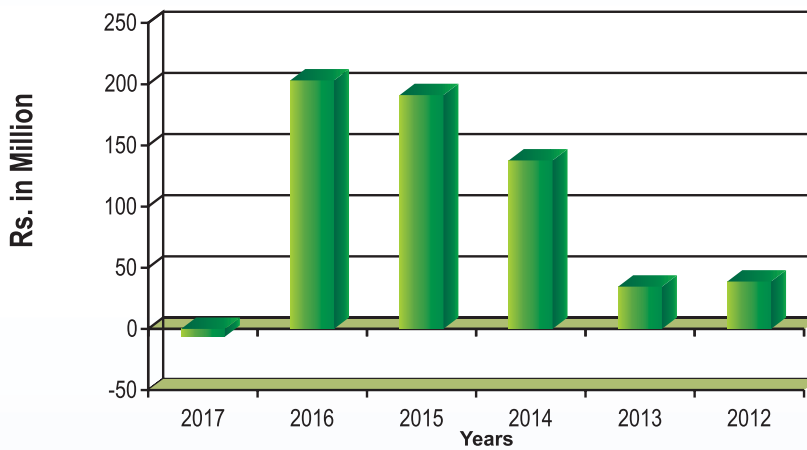


# Graphical Presentation

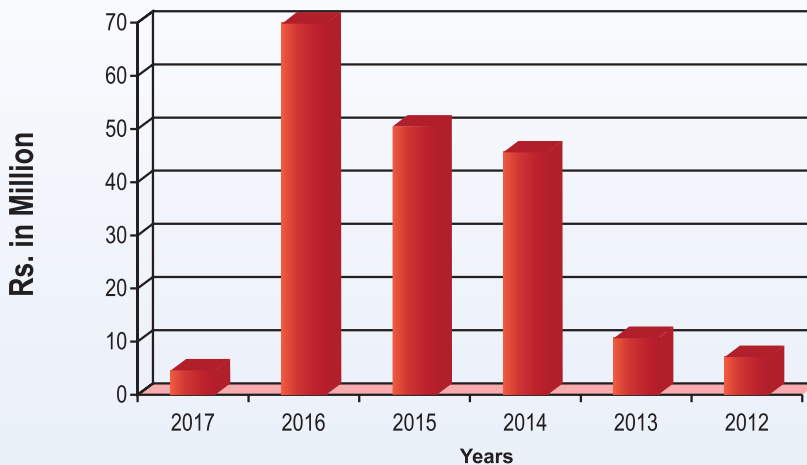
### Sales & Services



### Profit before Tax

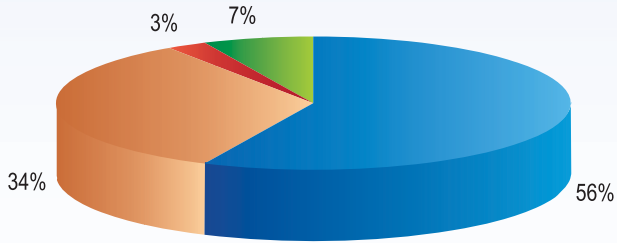


### Tax on Profit

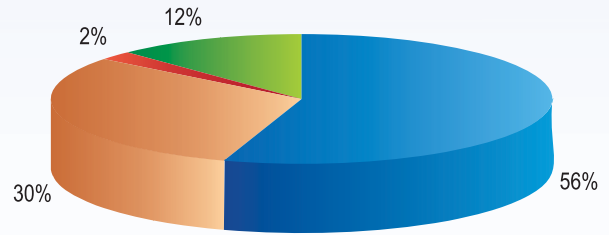


## Department Revenue Contribution

2017

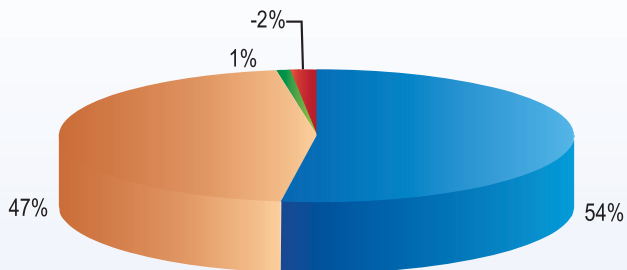


2016

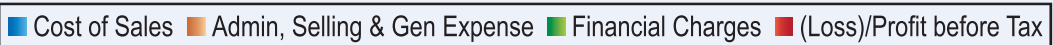
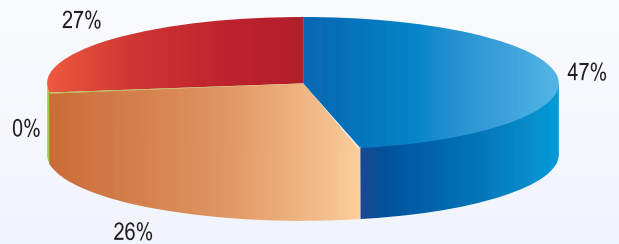


## Application of Revenue & Other (Loss) Income

2017



2016



# Statement of Compliance with the Code of Corporate Governance

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in Rule 5.19 of the Rule Book of Pakistan Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the CCG in the following manner:

1. The company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present the Board constitutes the following Directors.

Category	Names
Independent Directors	Mr. M.A. Majeed
Executive Directors	Mr. Muzaffar Baweja Mr. Zubair Baweja
Non-Executive Directors	Mr. Mansoor F.Baweja Mr. S. Mahmood Baweja Mr. Mohsin Baweja Mr. Masroor F.Baweja Mr. Zaheer Baweja Mrs. Shireen Ahad

The independent director meets the criteria of independence under clause 5.19.1(b) of the CCG.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. A casual vacancy was occurred during the financial year in the Board and the same was filled by co-option of a director within the stipulated time.
5. The company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
6. The Board has developed vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the Board/Shareholders.
8. The meetings of the Board were presided over by the Chairman and in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Board arranged an orientation course for its directors. The Board of Directors were updated on changes in the Listing Regulations of Pakistan Stock Exchange. Four Directors are compliant with necessary requirements of directors training certificates.
10. The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment.
11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the company were duly endorsed by CEO and CFO before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.
14. The company has complied with all the corporate and financial reporting requirements of the CCG.
15. The Board has formed an Audit Committee. It comprises three members and all the members are non-executive directors and the chairman of the committee is an independent director.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The Board has formed an HR and Remuneration Committee. It comprises three members of whom all are non-executive directors including chairman of the committee.
18. The Board has set up an effective internal audit function.
19. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange(s).
22. Material/price sensitive information has been disseminated among all market participants at once through Pakistan Stock Exchange.
23. We confirm that all other material principles enshrined in the CCG have been complied with.

For and on behalf of Board of Directors.

**MUZAFFAR F. BAWEJA**

Chief Executive

KARACHI: 9<sup>th</sup> October, 2017

# Review Report to the Members on the Statement of Compliance with the Code of Corporate Governance


We have reviewed the enclosed statement of compliance with the best practices contained in the Code of Corporate Governance ("the Code") prepared by the Board of Directors of **M/s. Pakistan Hotels Developers Limited** ('the Company') for the year ended June 30, 2017 to comply with the requirements of Rule 5.19 of the Rule Book of Pakistan Stock Exchange Limited, where the Company is listed.

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

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

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board for their review and approval, its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended June 30, 2017.

  
**TANWIR ARIF & CO.**  
Chartered Accountants  
Engagement Partner – Tanwir Arif

Hyderabad:

Dated: 9<sup>th</sup> October, 2017



## Auditors' Report to the Members

We have audited the annexed balance sheet of **M/s. Pakistan Hotels Developers Limited** (the Company) as at 30th June, 2017 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) In our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984.
- (b) In our opinion:
  - (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
  - (ii) the expenditure incurred during the year was for the purpose of the Company's business; and
  - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2017 and of the loss, its total comprehensive loss, cash flows and changes in equity for the year then ended; and
- (d) in our opinion, Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under Section 7 of that Ordinance.

Without qualifying our opinion, we draw attention to note no. 1.1 to the financial statements, the operations of the Company were closed from 05th December, 2016 due to fire broke out in the hotel in which 12 precious lives were lost and several injured. The soft opening of banquet only started from 4th February, 2017. Due to this incident the sales and services revenue of the Company considerably decreased.

Hyderabad:  
Dated: 9<sup>th</sup> October, 2017

  
**TANWIR ARIF & CO.**  
Chartered Accountants  
Engagement Partner – Tanwir Arif

## Balance Sheet as at June 30, 2017

	Notes	2017 (Rupees '000)	2016
<b>CAPITAL AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Share capital</b>			
Authorized			
30,000,000 ordinary shares of Rs. 10 each		<u>300,000</u>	<u>300,000</u>
Issued, subscribed and paid-up	4	<b>180,000</b>	180,000
Un-appropriated profit		<u>68,059</u>	<u>146,888</u>
		<b>248,059</b>	326,888
Surplus on revaluation of fixed assets	5	<b>4,412,147</b>	4,434,111
<b>Non Current liabilities</b>			
Liabilities against assets subject to finance leases	6	<b>10,049</b>	13,514
Deferred taxation	7	<b>231,644</b>	250,252
Security deposits	8	<b>4,180</b>	5,822
<b>Current liabilities</b>			
Current maturities	9	<b>7,406</b>	8,067
Accrued mark up	10	<b>784</b>	124
Short term borrowings	11	<b>101,312</b>	—
Creditors, accrued and other liabilities	12	<b>43,365</b>	77,944
		<b>152,867</b>	86,135
Contingencies and commitments	13		
		<u><b>5,058,946</b></u>	<u>5,116,722</u>

The annexed notes form an integral part of this statement.

  
**MUZAFFAR F. BAWEJA**  
 Chief Executive

Karachi: 9<sup>th</sup> October, 2017

	Notes	2017 (Rupees '000)	2016
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	14	4,920,787	4,955,950
Long term deposits	15	6,080	5,310
<b>Current assets</b>			
Stores and spares	16	1,484	2,519
Stock in trade - food and beverages	17	—	1,959
Trade debts-unsecured, considered good	18	11,142	91,611
Advances, prepayments and other receivables	19	44,740	15,744
Cash and bank balances	20	74,713	43,629
		<b>132,079</b>	155,462
		<b>5,058,946</b>	<b>5,116,722</b>

  
**S. MAHMOOD BAWEJA**  
 Director

  
**SYED HASEEN ANWER**  
 Chief Financial Officer

## Profit and Loss Account

for the year ended June 30, 2017

	Notes	2017 (Rupees '000)	2016
Turnover		396,637	845,154
Sales tax, discounts and sales return		(46,669)	(104,642)
Sales and services - net	21	349,968	740,512
Cost of sales and services	22	(188,590)	(343,393)
Gross profit		161,378	397,119
Administrative, selling and general expenses	23	(163,441)	(195,574)
Other operating (loss) / income	24	(1,105)	1,836
Operating (loss) / profit		(3,168)	203,381
Financial charges	25	(3,154)	(324)
Net (loss) / profit before taxation		(6,322)	203,057
Taxation	26	4,595	69,811
Net (loss) / profit after taxation		(10,917)	133,246

(Rupees)

### (Loss) / earning per share:

- Basic	34	(0.61)	7.40
- Diluted	34	(0.61)	7.40

Appropriation has been shown in the statement of changes in equity.  
The annexed notes form an integral part of this account.

  
**MUZAFFAR F. BAWEJA**  
Chief Executive

  
**S. MAHMOOD BAWEJA**  
Director

  
**SYED HASEEN ANWER**  
Chief Financial Officer

Karachi: 9<sup>th</sup> October, 2017



## Statement of Comprehensive Income for the year ended June 30, 2017

	2017 (Rupees '000)	2016
Net (loss) / profit after taxation	(10,917)	133,246
Other comprehensive income/(loss):		
Remeasurement of plan obligation	124	(408)
Total comprehensive (loss) / income	<u>(10,793)</u>	<u>132,838</u>

The annexed notes form an integral part of this statement.

  
**MUZAFFAR F. BAWEJA**  
Chief Executive

  
**S. MAHMOOD BAWEJA**  
Director

  
**SYED HASEEN ANWER**  
Chief Financial Officer

Karachi: 9<sup>th</sup> October, 2017

# Cash Flow Statement

for the year ended June 30, 2017

	Notes	2017 (Rupees '000)	2016
<b>Cash flow from operating activities</b>			
Cash generated from operations	27	70,144	253,896
Income taxes paid		(34,645)	(83,022)
Financial charges paid		(2,494)	—
Net cash from operating activities		<b>33,005</b>	170,874
<b>Cash flow from investing activities</b>			
Acquisition of fixed assets		(2,971)	(31,380)
Capital work-in-progress		(15,036)	—
Disposal of fixed assets		51	572
Profit on bank deposits		188	1,374
Long term deposits		(770)	—
Net cash used in investing activities		<b>(18,538)</b>	(29,434)
<b>Cash flow from financing activities</b>			
Repayment of finance lease		(3,159)	(6,931)
Dividends paid		(83,364)	(180,001)
Loan from directors		2,500	—
Net cash used in financing activities		<b>(84,023)</b>	(186,932)
Net (decrease) in cash and cash equivalents		<b>(69,556)</b>	(45,492)
Cash and cash equivalents - start of the year		43,629	89,121
Cash and cash equivalents - end of the year	28	<b>(25,927)</b>	43,629

The annexed notes form an integral part of this statement.

  
**MUZAFFAR F. BAWEJA**  
 Chief Executive

  
**S. MAHMOOD BAWEJA**  
 Director

  
**SYED HASEEN ANWER**  
 Chief Financial Officer

Karachi: 9<sup>th</sup> October, 2017

## Statement of Changes in Equity

for the year ended June 30, 2017

	Share Capital	Unappro- priated profit	Total
	.....(Rupees '000).....		
<b>Balance as at June 30, 2015</b>	180,000	172,543	352,543
Transferred from surplus on revaluation of fixed assets (net of tax)	—	21,507	21,507
Total comprehensive income for the year ended June 30, 2016	—	132,838	132,838
<b>Appropriation:</b>			
Final cash dividend paid @ 40% i.e. Rs.4/- per share for the year ended June 30, 2015	—	(72,000)	(72,000)
First interim cash dividend paid @ 30 % i.e Rs. 3/- per share for the year ended June 30, 2016	—	(54,000)	(54,000)
Second interim cash dividend paid @ 30% i.e.Rs. 3/- per share for the year ended June 30, 2016	—	(54,000)	(54,000)
<b>Balance as at June 30, 2016</b>	<u>180,000</u>	<u>146,888</u>	<u>326,888</u>
Transferred from surplus on revaluation of fixed assets (net of tax)	—	21,964	21,964
Total comprehensive (loss) for the year ended June 30, 2017	—	(10,793)	(10,793)
<b>Appropriation:</b>			
Final cash dividend paid @ 50% i.e. Rs.5/- per share for the year ended June 30, 2016	—	(90,000)	(90,000)
<b>Balance as at June 30, 2017</b>	<u><u>180,000</u></u>	<u><u>68,059</u></u>	<u><u>248,059</u></u>

The annexed notes form an integral part of this statement.

  
**MUZAFFAR F. BAWEJA**  
Chief Executive

  
**S. MAHMOOD BAWEJA**  
Director

  
**SYED HASEEN ANWER**  
Chief Financial Officer

Karachi: 9<sup>th</sup> October, 2017

# Notes to the Financial Statement

## for the year ended June 30, 2017

### 1. The company and its operations

Pakistan Hotels Developers Limited ('Company') was incorporated and domiciled in 1979 at Karachi, Pakistan under the Companies Act, 1913 (now the Companies Act - 2017) as a private limited company and converted into public limited company in 1981. The company is listed with Pakistan Stock Exchange Limited. 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 Centre, Karachi.

**1.1** On 5th December, 2016, a fire incident occurred in the hotel building at around 3:00 am in which 12 precious lives including one staff member of the hotel were lost besides injury of several persons. The fire also caused damage to several areas of the hotel building including service areas. The police has registered the case and lodged charges to the hotel management including CEO and MD. Management hopes that the case will be decided by the Honourable Court, Karachi at earliest in favour of Hotel Management. (Reference note no. 13.5).

Loss to the fixed assets due to this incident has been assessed and incorporated to the tune of Rs. 1.402 million (Reference note no. 14 and 24). Additionally compensation is paid to some of the affectees including medical treatment charges totaling to Rs. 18.311 million (Reference note no. 23). The amount of further compensation will be determined by the honourable court since the matter is subjudice.

Revenue generation was totally stopped from 5th December, 2016 to 3rd February, 2017, a soft opening of banquet only started from 4th February, 2017. Subsequent to balance sheet date guest room facility services are started from 14th of August, 2017 with 100 rooms only. The management expects normal occupancy of rooms within next year.

### 2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Statement of compliance

These financial statements have been prepared in accordance with the requirements of the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

The Companies Ordinance 1984 has been repealed after the enactment of the Companies Act, 2017. However, as allowed by the SECP vide its circular dated 20 July, 2017, these financial statements have been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984.

#### 2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed assets and recognition and measurement of financial assets and financial liabilities, if any, in accordance with the criteria laid down in IAS - 39 (Financial Instruments: Recognition and measurement).

The preparation of financial statements in conformity with the applicable accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.



### 2.3 Standards, amendments or interpretations which became effective during the year

During the year certain amendments to Standards and new interpretations became effective. However, the adoption of such amendments, revisions, improvements to accounting standards and interpretation did not have any material effect on the financial statements of the Company.

### 2.4 New/revised accounting standards, amendments to published accounting standards and interpretations that are not yet effective

The following amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

<b>Standard or Interpretation</b>	<b>Effective date (annual periods Beginning on or after)</b>
IFRS 2 Share-based Payments - Classification and Measurement of Share-based Payments Transactions (Amendments)	01 January 2018
IFRS 9 Financial Instruments	01 January 2018
IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interest in Other Entities and IAS 28 Investment in Associates - Investment Entities: Applying the Consolidation Exception (Amendment)	01 January 2018
IAS 40 Transfers of Investment Property	01 January 2018
IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration	01 January 2018
IAS 28 Investments in Associates and Joint Ventures - Clarification that measuring investees at fair value through profit or loss is an investment - by - investment choice	01 January 2018
IFRIC Interpretation 23 Uncertainty over Income Tax Treatments	01 January 2019

The above standards and amendments are not expected to have any material impact on the Company's financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB. Such improvements are generally effective for accounting periods beginning on or after 01 January 2018. The company expects that such improvements to the standards will not have any material impact on the Company's financial statements in the period of initial application.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

#### **Standard or interpretation**

- IFRS 1 – First-time Adoption of International Financial Reporting Standards
- IFRS 9 – Financial Instruments
- IFRS 14 – Regulatory Deferral Accounts
- IFRS 15 – Revenue from Customers
- IFRS 16 – Leases
- IFRS 17 – Insurance contracts

In addition, Companies Act, 2017 requires certain additional disclosures and Section 235 of the repealed Companies Ordinance, 1984 relating to the treatment of surplus arising out of revaluation of assets has not been carried forward in the Companies Act, 2017. This would require change in accounting policy relating the surplus on revaluation of fixed assets to bring it in line with the requirements of IAS16 – Property, plant and equipment. Accordingly, surplus on revaluation of fixed assets will be part of equity.

## **2.5 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax. It also includes adjustments where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the financial statements because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

## **2.6 Staff retirement benefits**

The company operates a defined benefit plan comprising a funded gratuity scheme covering all permanent employees, under which benefits are paid on cessation of employment subject to a minimum qualifying period of service. An approved gratuity fund trust is established for the management of the gratuity obligation of the company. Annual contributions are made to the fund based on actuarial recommendations. The actuarial valuations are carried out using Projected Unit Credit Method. Remeasurement charge which comprises of actuarial gains and losses and the return on plan assets (excluding interest) are recognized immediately in other comprehensive income.

## **2.7 Fixed assets**

### **Property, plant and equipment**

Item of property, plant and equipment is recognized as asset when it is probable that future economic benefits associated with the asset will flow to the company and its cost to the company can be measured reliably.

An item of property, plant and equipment which qualifies for recognition as an asset is initially measured at its cost. Subsequent to initial recognition leasehold land and building on leasehold land are carried at fair value, based on valuations by external independent valuer less subsequent depreciation for building. Crockery, cutlery, staff uniforms and linen are stated at their historical cost. All other operating fixed assets are stated at their historical cost less accumulated depreciation and impairment losses (if any).

Any revaluation increase arising on the revaluation of such fixed assets is credited to Surplus On Revaluation of Fixed Assets account, except to the extent that it reverses a revaluation decrease for the same asset previously recognized as an expense, in which case the increase is credited to the income statement to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of fixed assets is charged as an expense to the extent that it exceeds the balance, if any, held in the surplus on revaluation of fixed assets account relating to same or other assets.

Subsequent expenditure on property, plant and equipment is added to the carrying amount of the asset when the expenditure improves the condition of the asset beyond its originally assessed standard of performance.

Capital work in progress is stated at cost, less any recognized impairment loss. Depreciation on these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost or revaluation of assets, other than leasehold land and capital work-in-progress, over their estimated useful lives, using the reducing balance method, on the basis of rates specified in Note 14. Crockery, cutlery, linen and uniforms are charged to the profit and loss account on replacement basis. The depreciation for assets acquired or disposed off during the year is charged from the date of acquisition or up-to the date of disposal of such assets respectively.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

### **Intangibles**

Item of intangibles is recognized as asset in accordance with IAS 38 Intangibles when it meets the definition of an intangible asset and is probable that future economic benefits associated with the asset will flow to the company and its cost to the company can be measured reliably.

An item of intangibles which qualifies for recognition as an asset is initially measured at its cost. Subsequent to initial recognition, intangible is stated at its historical cost less accumulated amortization and impairment losses (if any).

The gain or loss arising on the disposal or retirement of fixed assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in income.

## **2.8 Obligation under finance lease**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the company. At the commencement of the lease term, finance leases are recognized as assets and liabilities in the balance sheet at amounts equal to the fair value of the leased assets or, if lower, the present value of minimum lease payments, each determined at the inception of the lease. Any initial direct costs of the leases are added to the amount recognized as an asset. Minimum lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. The interest element is charged to the income statement over the lease period.

## **2.9 Foreign currency transactions and translation**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statements.

## **2.10 Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

## **2.11 Financial instruments**

Financial assets and financial liabilities are recognized on the company's balance sheet when the company becomes a party to the contractual provisions of the instrument. A financial asset is derecognized when the contractual rights to receive cash flows from the financial asset have expired or transferred or the company has transferred substantially all risks and rewards of ownership. A financial liability is removed from the balance sheet when the obligation specified in the contract is discharged or cancelled or expires. Any gain or loss on de-recognition of the financial assets and financial liabilities is taken to income currently.

## **2.12 Financial assets**

The company classifies its financial assets in the following categories: (a) at fair value through profit or loss, (b) loans and receivables, and (c) available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Regular purchases and sales of financial assets are recognized on trade-date – the date on which the company commits to purchase or sell the asset. Financial assets, except those carried at fair value through profit or loss, are initially recognized at fair value plus transactions costs. Financial assets carried at fair value through profit and loss are initially recognized at fair value and the transaction costs are expensed in the income statement. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity financial assets are carried at amortized cost using the effective interest method.

## **2.13 Cash and cash equivalents**

For the purpose of cash flow, cash and cash equivalent comprise of cash and bank balances and short-term borrowings from the bank.

## **2.14 Trade receivables**

Trade receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

## **2.15 Investments**

Investments acquired principally for the purpose of generating a profit from short term fluctuation in price or dealer's margin are classified as held for trading. Such investments are initially recognized on a trade-date basis and are initially measured at cost being the fair value of the consideration given excluding income taxes imposed on such transactions. Transactions costs associated with the acquisition of held for trading investments is expensed in the income statement.

After initial recognition, investments held for trade are re-measured at each balance sheet date at fair value excluding the transaction cost that may be incurred on sale or other disposal. Gains and losses arising from changes in fair value of held-for-trading investment are included in net profit or loss for the period.

For investments in quoted marketable securities, fair value is determined with reference to Stock Exchange quoted market prices at the close of business on balance sheet date.

## **2.16 Derivatives**

Derivative instruments held by the company generally comprise of future contracts in the capital market. These are initially recorded at costs and are subsequently re-measured at their fair value. The fair value of future contracts is calculated as being the net difference between the contract price and the closing price reported on the primary exchange of the future contract. Derivatives with positive market values (un-realized gains) are included in other assets and derivatives with negative market value (unrealized losses) are included in other liabilities in the balance sheet. The resultant gains and losses are included in the income currently.

Derivative financial instruments entered into by the company do not meet the hedging criteria as defined by International Accounting Standard - 39 (Financial Instruments: Recognition and measurement). Consequently hedge accounting is not being followed by the company.



## **2.17 Financial liabilities**

Financial liabilities are classified according to the substance of the contractual agreements entered into. All financial liabilities are initially recognized at cost, which is the fair value of the consideration received at initial recognition. After initial recognition financial liabilities held for trading are carried at fair value and all other financial liabilities are measured at amortized cost, except for liabilities against asset subject to finance lease which are valued under IAS 17 as described above.

## **2.18 Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is more likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably measured.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in provision due to passage of time is recognized as interest expense.

## **2.19 Offsetting**

Financial assets and financial liabilities are only offset and the net amount reported in the balance sheet when there is a legally enforceable right to set-off the recognized amount and the company intends to either settle on a net basis or to realize the asset and settle the liability simultaneously.

## **2.20 Stores and spares**

These are valued at lower of cost and estimated net realizable value. Cost comprises cost of purchase and other costs incurred in bringing the stores and spares to their present location and condition. Cost signifies the weighted average cost. Average is calculated as each additional shipment is received.

## **2.21 Stock in trade - Food and beverages**

Stock in trade is valued at the lower of cost and estimated net realizable value. Cost is calculated using the weighted average method. Average is calculated as each additional shipment is received. Net realizable value signifies the estimated selling price in the ordinary course of business less cost of completion and cost necessary to be incurred in order to make the sale.

## **2.22 Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities. Revenue is recognized as follows:

### **Sales and Services**

Revenue is recognized in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

### **Dividend income**

Dividend income from investments is recognized at the time of the closure of share transfer book of the company declaring the dividend.

### **Profit on Bank Balances**

Profit on bank balances are recognized on a time proportion basis on the principal amount outstanding at the applicable rate.

### **2.23 Impairment of non-financial assets**

At each balance sheet date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of net selling price and value in use.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Whenever an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### **2.24 Dividend distribution**

Dividend distribution to the shareholders is recognized as a liability in the financial statements in the period in which the dividends are approved.

## **3. Critical accounting estimates and judgments**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### **3.1 Critical accounting estimates and assumptions**

The company makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### **Trade debtors**

The company reviews its receivable against provision required there against on an ongoing basis. The provision is made taking into consideration expected recoveries, if any.

#### **Income taxes**

In making the estimates for income taxes currently payable by the company the management considers the current income tax law and the decisions of appellate authorities on certain issues in the past.

#### **Impairment of assets**

In accordance with the accounting policy, the management carries out an annual assessment to ascertain whether any of the company's assets are impaired. This assessment may change due to technological developments.

#### **Depreciable amount and useful lives of fixed assets**

In accordance with the accounting policy, the management carries out an annual assessment of depreciable amount and useful lives of fixed assets. The company seeks advice from the technical department in this regard.

### **3.2 Critical judgments in applying the company's accounting policies**

Management believes that business transactions are simple in nature and there is no area where application of accounting policies could involve higher degree of judgment or complexity.

		2017	2016
		(Rupees '000)	
<b>4. Issued, subscribed and paid-up</b>			
16,580,800	Ordinary shares of Rs. 10/- each fully paid in cash	<b>165,808</b>	165,808
1,419,200	Ordinary shares of Rs. 10/- each issued for consideration other than cash (NRI)	<b>14,192</b>	14,192
<u>18,000,000</u>		<u><b>180,000</b></u>	<u>180,000</u>

There were no movement in the share capital of the company in either the 2016 or 2017 reporting years. The company has one class of ordinary shares which carry no right to fixed income.

		2017	2016
		(Rupees '000)	
<b>5. Surplus on revaluation of fixed assets</b>			
	Surplus on revaluation of leasehold land	<b>3,994,809</b>	3,994,809
	Surplus on revaluation of building on leasehold land	<b>417,338</b>	439,302
		<u><b>4,412,147</b></u>	<u>4,434,111</u>

Leasehold land and building on leasehold land were revalued by M/s. D. H. Daruvala & Co., Architects and Engineers (an independent valuer) in September 2003 resulting an increase over book value of Rs. 359.809 M and 508.280 M respectively. As on April 01, 2007 leasehold land and building on leasehold land were revalued by M/s Sardar Enterprises (an independent valuer) which resulted in increase of Rs. 1,227.750 M and Rs. 111.355 M respectively in the book value. As on May 28, 2014 leasehold land and building on leasehold land were revalued by M/s Sardar Enterprises (an independent valuer) which resulted in increase of Rs. 1,879.250 M and Rs. 226.296 M respectively in the book value. As on October 31, 2015 leasehold land and building on leasehold land were revalued by M/s. Sardar Enterprises (an independent valuer) which resulted an increase of Rs.528 M and Rs.135.228 M respectively in the book value. The incremental depreciation charged on these assets has been transferred to accumulated profit in accordance with section 235 of the Companies Ordinance 1984. The balance in the surplus on revaluation of fixed assets account is not available for distribution amongst the shareholders neither as dividend nor as bonus under section 235 of the Companies Ordinance, 1984.

Movement in the account of surplus on revaluation of fixed assets is as follows:

	<b>Surplus on revaluation of</b>	
	<b>Leasehold land</b>	<b>Building on leasehold land</b>
(Rupees '000)		
Surplus on June 30, 2015	<b>3,466,809</b>	368,854
Effect of revaluation carried out on October 31, 2015	<b>528,000</b>	135,228
Effect of revaluation on deferred tax	—	(43,273)
Incremental depreciation (net of tax) transferred to accumulated profit	—	(21,507)
Surplus on June 30, 2016	<b>3,994,809</b>	439,302
Incremental depreciation (net of tax) transferred to accumulated profit	—	(21,964)
Surplus on June 30, 2017	<u><b>3,994,809</b></u>	<u>417,338</u>

	2017 (Rupees '000)	2016
<b>6. Liabilities against assets subject to finance leases</b>		
Opening balance	16,658	—
Assets acquired during the year	—	23,265
	<b>16,658</b>	23,265
Payments	<b>(3,159)</b>	(693)
Down payment	—	(5,914)
	<b>13,499</b>	16,658
Transferred to current maturity	<b>(3,450)</b>	(3,144)
	<b>10,049</b>	13,514

Lease rental are payable in monthly installments under the lease agreements. Financing rates of 12 months KIBOR + 2.5%. and 3 months KIBOR + 3% p.a. These are secured by demand promissory notes and personal guarantees of directors.

Balance amount of future lease payments and the period in which they will fall due:

	..... 2017 .....			2016
	..... (Rupees '000) .....			
Year	Minimum Lease Payments	Financial Charges	Total Future Payments	Total Future Payments
Year ended 2018	3,450	1,119	4,569	4,569
Year ended 2019	3,422	789	4,211	4,211
Year ended 2020	3,481	475	3,956	3,956
Year ended 2021	3,146	150	3,296	3,296

	2017 (Rupees '000)	2016
<b>7. Deferred taxation</b>		
These comprise the temporary differences due to:		
Accelerated depreciation	11,643	12,927
Revaluation, net of related depreciation	220,706	238,014
Others	<b>(705)</b>	(689)
	<b>231,644</b>	250,252
<b>8. Security deposits</b>		
Opening balance	5,822	10,715
Paid during the year	<b>(1,642)</b>	(9,010)
Received during the year	—	4,117
	<b>4,180</b>	5,822

**8.1** Amount represents the security money received from the tenants as per tenancy agreements. Such deposits do not attract any mark up or interest and shall be repaid at the time of termination of lease.



		2017 (Rupees '000)	2016
<b>9. Current maturities</b>			
Obligation under finance lease	6	3,450	3,144
Advance rent		<u>3,956</u>	<u>4,923</u>
		<u><b>7,406</b></u>	<u><b>8,067</b></u>
<b>10. Accrued mark up</b>			
Accrued mark up on running finance		682	—
Accrued mark up on obligations under finance lease		<u>102</u>	<u>124</u>
		<u><b>784</b></u>	<u><b>124</b></u>
<b>11. Short term borrowings</b>			
Loan from directors – unsecured	11.1	2,500	—
Running finance - Summit Bank – secured	11.2	<u>98,812</u>	<u>—</u>
		<u><b>101,312</b></u>	<u><b>—</b></u>

**11.1** The Company has obtained a short term free of interest loan from the directors of the Company.

**11.2** The Company has obtained running finance facility upto Rs.100 million from M/s. Summit Bank Ltd. The Facility is secured against mortgage of Showroom No.36 to 39, Ground and Mezzanine Floor situated in the hotel building and also personal guarantees given by the directors of the Company. The facility bears markup on 3 months KIBOR + 3% p.a.

		2017 (Rupees '000)	2016
<b>12. Creditors, accrued and other liabilities</b>			
Trade creditors - unsecured		3,578	17,155
<b>Accrued liabilities</b>			
Accrued expenses		1,643	13,076
Excise, taxes and others		62	1,858
Sales tax		—	3,703
		<u>1,705</u>	<u>18,637</u>
<b>Other liabilities</b>			
Guest and banquet deposits		1,667	4,335
Payable to employee gratuity fund		1,114	1,175
Unclaimed dividend		24,376	17,740
WWF payable		4,416	4,416
Bank overdraft - Faysal bank	12.1	1,828	—
Miscellaneous		4,681	14,486
		<u>38,082</u>	<u>42,152</u>
		<u><b>43,365</b></u>	<u><b>77,944</b></u>

**12.1** This represents balance as per books without any corresponding facility from the bank.

## 13. Contingencies and commitments

**13.1** Civil Aviation Authority has demanded a sum of Rs. 0.336 million, being rental charges of the Company's restaurant at Karachi Airport. The suit is pending in the High Court of Sindh. The company has filed a counter suit for recovery of rent of furniture, fixtures and loss of food stuff and other assets of the company retained by the Civil Aviation Authority.

Suit No. 137 of 1984 has been filed by the company against Civil Aviation Authority for recovery of Rs.5.733 million on the ground that civil aviation authority allowed the company for running of one restaurant and four refreshment counters but later on they tried to open the same with another contractor when the company was trying to lift their goods from existing restaurant and four refreshment counters, they were stopped by civil aviation authority.

The said suit is kept on fixing for arguments while thrice arguments were heard and judgment was reserved.

**13.2** Suit bearing No. 343 of 1996 has been filed by the company against Saudi Arabian Airlines for the cancellation of agreement dated 22-02-1990, relating to the sale of two floors and four shops on the ground floor of AL-SEHAT CENTRE, and for recovery of possession of those premises. After the institution of the above suit, Saudi Arabian Airlines has also filed counter suit praying for the specific performance of the aforesaid agreement. Both these suits are pending in the High Court of Sindh at Karachi.

**13.3** The Additional Commissioner Inland Revenue, Audit Range A, Zone-V, Large Taxpayer Unit, Karachi, on June 21, 2017, has issued an order under section 122(5A) of the Income Tax Ordinance, 2001, for further amending the assessment for the Tax Year 2011. The Learned Assessing Officer in his said order has treated the revenue on which tax has been deducted by the clients of company under Presumptive Tax Regime and has under same observation created tax demand of Rs. 9,437,198/-. The company has filed an Appeal in the Office of the Commissioner (Appeals), Large Taxpayer Unit, Karachi. Decision on the appeal is pending.

**13.4** The Company has got a Letter of Credit opened by Summit Bank for importing fire fighting equipment. The L/C amount is Rs. 10 million and Company paid 30% as margin.

**13.5** Due to broke out of fire in December, 2016 as fully explained under note no. 1.1 to the accounts, 12 precious lives including one staff member of the hotel were lost and several persons were injured. The case of the same is pending before the honourable Court, Karachi. Financial obligation on this account is not determined nor recognized in these accounts as the quantum of the same is dependent upon the decision of the court.

**2017**                      **2016**  
**(Rupees '000)**

**14. Fixed assets**

— Property, Plant and Equipment - tangible	14.1	<b>4,905,751</b>	4,955,950
— Intangibles	14.2	—	—
— Capital work in progress	14.3	<b>15,036</b>	—
		<b><u>4,920,787</u></b>	<b><u>4,955,950</u></b>

**14.1 Property, plant and equipment - tangible**

PARTICULARS	COST/REVALUATION					Rate %	DEPRECIATION					W. D. V as at 30-06-2017
	As at 1-07-2016	Revalu- ation	Addi- tions	Disposal	As at 30-6-2017		As at 1-7-2016	For the year	Realized on revalu- ation	Disposal	As at 30-6-2017	
<b>OWNED</b>												
Leasehold land	4,026,000	—	—	—	4,026,000	—	—	—	—	—	—	4,026,000
Leasehold land - Gharo	2,549	—	—	—	2,549	—	—	—	—	—	—	2,549
Building on leasehold land	820,065	—	—	—	820,065	5	27,420	39,632	—	—	67,052	753,013
Farm House on leasehold land	8,042	—	—	—	8,042	5	2,131	296	—	—	2,427	5,615
Airconditioning plant	86,734	—	—	(4,550)	82,184	10	57,152	2,958	—	(4,121)	55,989	26,195
Elevators	7,449	—	—	—	7,449	10	5,570	188	—	—	5,758	1,691
Electric installation	7,485	—	—	—	7,485	10	6,751	73	—	—	6,824	661
Electric fancy fitting	565	—	—	—	565	10	507	6	—	—	513	52
Furniture and fixtures	97,291	—	—	(6,000)	91,291	10	75,593	2,170	—	(5,433)	72,330	18,961
In-house TV system	16,366	—	1,129	(181)	17,314	10	4,236	1,312	—	(162)	5,386	11,928
Gas connection	227	—	—	—	227	10	222	1	—	—	223	4
Carpets	14,578	—	—	—	14,578	10	10,983	359	—	—	11,342	3,236
Sound radio fusion system	2,440	—	—	—	2,440	10	2,060	38	—	—	2,098	342
Telephone installation	10,335	—	—	—	10,335	10	9,061	127	—	—	9,188	1,147
Crockery and cutlery	5,520	—	—	—	5,520	0	—	—	—	—	—	5,520
Uniforms and linen	8,878	—	—	—	8,878	0	—	—	—	—	—	8,878
Laundry equipments	5,007	—	—	—	5,007	10	3,900	111	—	—	4,011	996
Equipments and accessories	44,506	—	442	(3,500)	41,448	10	29,483	1,520	—	(3,170)	27,833	13,615
Office equipments	6,289	—	—	(800)	5,489	10	4,977	131	—	(724)	4,384	1,105
Vehicles	2,414	—	1,400	—	3,814	20	2,016	110	—	—	2,126	1,688
Neon signs	435	—	—	—	435	10	370	6	—	—	376	59
Arms	37	—	—	—	37	10	33	—	—	—	33	4
Diesel Generator - Caterpillar	4,100	—	—	—	4,100	10	3,059	104	—	—	3,163	937
Diesel Generator - VISA	4,196	—	—	—	4,196	10	2,572	162	—	—	2,734	1,462
<b>Sub Total - Owned</b>	<b>5,181,508</b>	<b>—</b>	<b>2,971</b>	<b>(15,031)</b>	<b>5,169,448</b>		<b>248,096</b>	<b>49,304</b>	<b>—</b>	<b>(13,610)</b>	<b>283,790</b>	<b>4,885,658</b>
<b>LEASED:</b>												
Vehicles	2,265	—	—	—	2,265	20	377	378	—	—	755	1,510
Chiller	21,000	—	—	—	21,000	10	350	2,067	—	—	2,417	18,583
Sub Total Leased	23,265	—	—	—	23,265		727	2,445	—	—	3,172	20,093
<b>Grand Total 2017</b>	<b>5,204,773</b>	<b>—</b>	<b>2,971</b>	<b>(15,031)</b>	<b>5,192,713</b>		<b>248,823</b>	<b>51,749</b>	<b>—</b>	<b>(13,610)</b>	<b>286,962</b>	<b>4,905,751</b>

(Rupees '000)

PARTICULARS	COST/REVALUATION					Rate %	DEPRECIATION					W. D. V as at 30-06-2016
	As at 1-07-2015	Revalu- ation	Addi- tions	Disposal	As at 30-6-2016		As at 1-7-2015	For the year	Realized on revalu- ation	Disposal	As at 30-6-2016	
<b>OWNED</b>												
Leasehold land	3,498,000	528,000	—	—	4,026,000	—	—	—	—	—	—	4,026,000
Leasehold land - Gharo	2,549	—	—	—	2,549	—	—	—	—	—	—	2,549
Building on leasehold land	719,029	84,857	16,179	—	820,065	5	39,038	38,753	(50,371)	—	27,420	792,645
Farm House on leasehold land	8,042	—	—	—	8,042	5	1,820	311	—	—	2,131	5,911
Gharo	8,042	—	—	—	8,042	5	1,820	311	—	—	2,131	5,911
Airconditioning plant	86,734	—	—	—	86,734	10	53,865	3,287	—	—	57,152	29,582
Elevators	7,449	—	—	—	7,449	10	5,361	209	—	—	5,570	1,879
Electric installation	7,485	—	—	—	7,485	10	6,669	82	—	—	6,751	734
Electric fancy fitting	565	—	—	—	565	10	501	6	—	—	507	58
Furniture and fixtures	97,291	—	—	—	97,291	10	73,182	2,411	—	—	75,593	21,698
In-house TV system	9,415	—	9,019	(2,068)	16,366	10	5,173	893	—	(1,830)	4,236	12,130
Gas connection	227	—	—	—	227	10	221	1	—	—	222	5
Carpets	14,578	—	—	—	14,578	10	10,583	400	—	—	10,983	3,595
Sound radio fusion system	2,440	—	—	—	2,440	10	2,018	42	—	—	2,060	380
Telephone installation	10,335	—	—	—	10,335	10	8,920	141	—	—	9,061	1,274
Crockery and cutlery	5,520	—	—	—	5,520	0	—	—	—	—	—	5,520
Uniforms and linen	8,878	—	—	—	8,878	0	—	—	—	—	—	8,878
Laundry equipments	5,007	—	—	—	5,007	10	3,777	123	—	—	3,900	1,107
Equipments and accessories	38,649	—	5,857	—	44,506	10	28,028	1,455	—	—	29,483	15,023
Office equipments	5,964	—	325	—	6,289	10	4,850	127	—	—	4,977	1,312
Vehicles	2,414	—	—	—	2,414	20	1,916	100	—	—	2,016	398
Neon signs	435	—	—	—	435	10	363	7	—	—	370	65
Arms	37	—	—	—	37	10	33	—	—	—	33	4
Diesel Generator - Caterpillar	4,100	—	—	—	4,100	10	2,943	116	—	—	3,059	1,041
Diesel Generator - VISA	4,196	—	—	—	4,196	10	2,391	181	—	—	2,572	1,624
<b>Sub Total</b>	<b>4,539,339</b>	<b>612,857</b>	<b>31,380</b>	<b>(2,068)</b>	<b>5,181,508</b>		<b>251,652</b>	<b>48,645</b>	<b>(50,371)</b>	<b>(1,830)</b>	<b>248,096</b>	<b>4,933,412</b>
<b>LEASED:</b>												
Vehicles	—	—	2,265	—	2,265	20	—	377	—	—	377	1,888
Chiller	—	—	21,000	—	21,000	10	—	350	—	—	350	20,650
Sub Total Leased	—	—	23,265	—	23,265		—	727	—	—	727	22,538
<b>Grand Total 2016</b>	<b>4,539,339</b>	<b>612,857</b>	<b>54,645</b>	<b>(2,068)</b>	<b>5,204,773</b>		<b>251,652</b>	<b>49,372</b>	<b>(50,371)</b>	<b>(1,830)</b>	<b>248,823</b>	<b>4,955,950</b>

		<b>2017</b>	<b>2016</b>
<b>14.1.1</b>	Depreciation charge for the year has been allocated as follows:		<b>(Rupees '000)</b>
	Cost of sales and services	22	<b>46,574</b>
	Administrative, selling and general expenses	23	4,937
		<b>51,749</b>	<b>49,372</b>

**14.1.2** Gross carrying amount of all the items of property, plant and equipment represents their cost except leasehold land and building on leasehold land which are stated at revalued amount. Had the revaluation not been carried out the carrying amount of the leasehold land and building on leasehold land would have been Rs. 31.191 (2016: 31.191) million and Rs. 97.495 (2016: 102.626) million respectively.

**14.1.3** The following fixed assets were disposed off / lost during the year:

	<b>Cost</b>	<b>Accumulated Depreciation</b>	<b>Book Value</b>	<b>Sale Proceeds</b>	<b>Particulars of Buyer/ Mode of disposal</b>
.....(Rupees '000).....					
Air conditioning plant	4,550	4,121	429	—	Lost due to ire incident
Furniture and fixture	6,000	5,433	567	—	Lost due to ire incident
Equipment and accessories	3,500	3,170	330	—	Lost due to ire incident
Office Equipment	800	724	76	—	Lost due to ire incident
TV	181	162	19	51	To various Employees of the Company, per policy
<b>Total 2017</b>	<b>15,031</b>	<b>13,610</b>	<b>1,421</b>	<b>51</b>	
Total 2016	2,068	1,830	238	572	

**14.1.4 Revaluation of fixed assets**

As on 12-09-2003, company's properties comprising leasehold land and building on leasehold land have been revalued on market value basis assuming the continued use of the property as a hotel and convention centre. The revaluation has been carried out by M/s. D. H. Daruvala & Co. Architects and Engineers (an independent valuer). This revaluation has resulted in a surplus of Rs. 868.089 million which has been included in the book value of fixed assets and credited (net of tax) to a surplus on revaluation of fixed assets. As on 01-04-2007, the above properties were revalued by M/s Sardar Enterprise (an independent valuer) on the same basis as was previously used. The revaluation has resulted in a further surplus of Rs. 1,339.105 million which has been included in the book value of fixed assets and credited (net of deferred tax) to surplus on revaluation of fixed assets. As on 28-05-2014, the properties were revalued by M/s Sardar Enterprises (an independent valuer) on the same basis as was previously used. The revaluation has resulted in a further surplus of Rs. 2,105.546 million which has been included in the book value of fixed assets and credited (net of deferred tax) to surplus on revaluation of fixed assets. The incremental depreciation net of deferred tax has been charged to the surplus on revaluation of fixed asset account. As on October 31, 2015 leasehold land and building on leasehold land were revalued by M/s. Sardar Enterprises (an independent valuer) which resulted an increase of Rs.528 M and Rs.135.228 M respectively in the book value. The incremental depreciation charged on building on leasehold land has been transferred to accumulated profit in accordance with section 235 of the Companies Ordinance 1984.

	<b>2017</b>	<b>2016</b>
	<b>(Rupees '000)</b>	
<b>14.2 Intangibles</b>		
<b>Cost</b>		
Balance at start	<b>666</b>	666
Addition/(deletion) during the year	—	—
Balance at end	<b>666</b>	666
<b>Rate of amortization</b>	<b>30%</b>	30%
<b>Amortization</b>		
Balance at start	<b>666</b>	565
For the year	—	101
Balance at end	<b>666</b>	666
Net book value	—	—
<b>14.2.1 Amortization charge for the year has been allocated as:</b>		
Cost of sales and services	22	81
Aministrative, selling and general	23	20
	—	101



	2017	2016
	(Rupees '000)	
<b>14.3 Capital work in progress</b>		
Civil works	5,036	—
Advance for installation of fire fighting system	10,000	—
	<u>15,036</u>	<u>—</u>
<b>15. Long term deposits</b>		
Utility deposits	6,080	5,310
	<u>6,080</u>	<u>5,310</u>
<b>16. Stores and spares</b>		
Consumable stores	831	1,441
Stationery	653	1,078
	<u>1,484</u>	<u>2,519</u>
<b>17. Stock in trade - food and beverages</b>		
Food	—	1,802
Beverages	—	157
	<u>—</u>	<u>1,959</u>
<b>18. Trade debts-unsecured, considered good</b>		
Due from customers	9,177	89,646
Receivable against sale of Al-Sehat	1,965	1,965
	<u>11,142</u>	<u>91,611</u>
<b>Considered doubtful</b>		
Due from customers	2,273	2,153
	<u>13,415</u>	<u>93,764</u>
Provision against doubtful debts	<u>(2,273)</u>	<u>(2,153)</u>
	<u>11,142</u>	<u>91,611</u>
<b>19. Advances, prepayments and other receivables</b>		
<b>Advances - unsecured considered good</b>		
Staff	30	560
Suppliers	20,886	7,907
Income tax (net of liability)	12,913	1,469
	<u>33,829</u>	<u>9,936</u>
<b>Prepayments</b>		
Insurance	125	—
Miscellaneous	420	372
	<u>545</u>	<u>372</u>
<b>Other receivables</b>		
Rent receivable	4,924	5,268
Miscellaneous	5,442	168
	<u>10,366</u>	<u>5,436</u>
	<u>44,740</u>	<u>15,744</u>
<b>20. Cash and bank balances</b>		
Cash in hand	2,776	5,024
Cash at banks (in current accounts)	67,731	32,566
Cash at bank (in deposit account)	4,206	6,039
	<u>74,713</u>	<u>43,629</u>

20.1

**20.1** Amount is placed with commercial banks carrying markup ranging from 4.5% to 5.0% per annum (2016: 4.5% to 5.0% ) payable monthly.

This includes Rs. 4.18 million (2016: Rs. 5.822 million) being security money received from the tenants as per tenancy agreements. Such deposits do not attract any markup or interest and shall be repaid at the time of termination of lease.

		<b>2017</b>	<b>2016</b>
		<b>(Rupees '000)</b>	
<b>21. Sales and services - net</b>			
Room rent		<b>199,139</b>	407,996
Food and beverages		<b>117,380</b>	225,493
Shop license fees		<b>9,415</b>	15,972
Other minor operated departments	21.1	<b>24,034</b>	91,051
		<b>349,968</b>	740,512

**21.1** This includes revenue from rent of convention hall, and sale of telephone, laundry, health club and others ancilliary services.

**21.2** On 5th December, 2016, the fire broke out in the hotel at around 3:00 am. in which 12 precious lives including one staff member of the hotel lost and several injured and also damaged several areas of the hotel building including service areas. Police registered the case and lodged charges to the hotel management including CEO and MD. Management hopes the case will be decided by the Honourable Court at earliest in favour of Hotel Management.

Revenue generation totally stopped from 5th December, 2016 to 3rd February, 2017, a soft opening of banquet only started from 4th February, 2017 and started guest room facility service from 14th of August, 2017 with 100 rooms only.

## **22. Cost of sales and services**

### ***Food and beverages***

Opening stock		<b>1,959</b>	1,582
Purchases		<b>38,062</b>	79,666
Closing stock		<b>—</b>	(1,959)
Consumption during the year		<b>40,021</b>	79,289

### ***Direct expenses***

Salaries, wages and other benefits	22.1	<b>43,511</b>	69,970
Heat, light and power		<b>27,785</b>	73,785
Replacement of linen, china and glassware		<b>5,434</b>	14,777
Uniforms		<b>336</b>	2,935
Guest transportation charges		<b>3,216</b>	6,053
Water charges		<b>1,809</b>	1,679
Decoration hire charges		<b>755</b>	1,877
Consumable stores		<b>3,669</b>	16,107
Guest supplies		<b>5,329</b>	21,324
Commission		<b>532</b>	2,095
Musical expenses		<b>344</b>	379
Laundry and dry cleaning		<b>1,193</b>	3,189
Telephone, telex and other related expenses		<b>1,592</b>	1,334
License and taxes		<b>416</b>	198
Traveling and transportation		<b>575</b>	679
Printing and stationery		<b>1,370</b>	2,737
Miscellaneous		<b>4,129</b>	470
Amortization		<b>—</b>	81
Depreciation	14.1.1	<b>46,574</b>	44,435
		<b>148,569</b>	264,104
		<b>188,590</b>	343,393

**22.1** Includes Rs. 0.494 million (2016: Rs. 0.560 million) in respect of employee retirement benefits.

		2017	2016
		(Rupees '000)	
<b>23. Administrative, selling and general expenses</b>			
Salaries and other benefits	23.1	<b>43,768</b>	51,353
Entertainment		<b>1,233</b>	3,915
Traveling and transportation		<b>3,147</b>	3,894
Running and maintenance of vehicle		<b>881</b>	634
Rent, rates and taxes		<b>1,963</b>	1,893
Heat, light and power		<b>2,853</b>	7,572
Communications		<b>1,700</b>	2,272
Printing and stationery		<b>1,530</b>	2,398
Advertisement and sales promotion		<b>2,211</b>	2,831
Legal and professional charges		<b>3,803</b>	4,534
Auditors' remuneration	23.2	<b>475</b>	475
Repair and maintenance		<b>62,083</b>	95,848
Bank commission and charges		<b>325</b>	275
Fee and subscription		<b>754</b>	757
Pest control		<b>631</b>	1,036
Donation	23.3	<b>55</b>	163
Insurance		<b>90</b>	40
Compensation to affectees		<b>18,311</b>	—
Commissions		<b>3,231</b>	1,968
Provision for bad debts		<b>120</b>	120
Miscellaneous		<b>489</b>	1,116
Staff uniforms		<b>13</b>	123
Shops premium		<b>8,600</b>	7,400
Amortization		<b>—</b>	20
Depreciation	14.1.1	<b>5,175</b>	4,937
		<b>163,441</b>	195,574

**23.1** Includes Rs. 0.270 million (2016: Rs. 0.302 million) in respect of employee retirement benefits.

### **23.2 Auditors' remuneration**

Audit fee	<b>425</b>	425
Out of pocket	<b>50</b>	50
	<b>475</b>	475

### **23.3 Donation**

Jamiat Taleemul Quran	<b>55</b>	60
Chhipa Welfare Association	<b>—</b>	3
Others	<b>—</b>	100
	<b>55</b>	163

None of the directors or his spouse is interested in the funds of donees.

		2017	2016
		(Rupees '000)	
<b>24. Other operating (loss) / income</b>			
Profit on tender of foreign currency		77	235
Gain on disposal of assets	24.1	32	334
Profit on saving account		188	1,267
Loss of fixed assets due to Fire incident	21.2	(1,402)	—
		<u>(1,105)</u>	<u>1,836</u>
<b>24.1 Gain on disposal of assets</b>			
Sale proceeds		51	572
Cost of assets		181	2,068
Less: Accumulated depreciation		162	1,830
Net book value		19	238
		<u>32</u>	<u>334</u>
<b>25. Financial charges</b>			
Interest on lease assets		1,386	324
Interest on short term borrowings		1,768	—
		<u>3,154</u>	<u>324</u>
<b>26. Taxation</b>			
Current year		26,576	75,905
Prior year		(3,375)	5,772
Deferred		(18,606)	(11,866)
		<u>4,595</u>	<u>69,811</u>
<b>26.1 Aggregate current and deferred tax relating to items charged or credited to equity</b>			
Deferred tax relating to revaluation of building		—	43,273
		<u>—</u>	<u>43,273</u>
<p>Deferred tax of Rs.9.867 million (2016: Rs. 10.121 million) was transferred from retained earnings to revaluation surplus. This relates to the difference between the depreciation on the revalued building on leasehold land and equivalent depreciation based on the cost of the building.</p>			
<b>26.2 Tax charge reconciliation</b>			
Accounting (loss) / profit		(6,322)	203,057
Tax at the applicable tax rate of 31% (2016: 32%)		(1,960)	64,978
Tax effect of expenses that are not deductible in determining taxable profit		1,494	606
Tax effect of items that are not deductible in determining accounting profit		(7,441)	(1,545)
Tax effect of items that are subject to minimum tax		15,877	—
Tax effect of changes in prior year current tax		(3,375)	5,772
		<u>4,595</u>	<u>69,811</u>

	2017	2016
	(Rupees '000)	
<b>27. Cash generated from operations</b>		
(Loss) / profit before taxation	(6,322)	203,057
<b>Adjustment for non cash items and other adjustments:</b>		
Depreciation	51,749	49,372
Amortization	—	101
Financial charges	3,154	324
Provision for bad debts	120	120
Profit on saving account	(188)	(1,267)
(Gain) on disposal of assets	(32)	(334)
Loss of fixed assets due to Fire incident	1,402	—
	<u>56,205</u>	<u>48,316</u>
	<b>49,883</b>	251,373
<b>(Increase)/decrease in operating assets</b>		
Stores and spares	1,035	(318)
Stock in trade	1,959	(377)
Trade debts	80,349	(2,098)
Advances, prepayments and other receivables	(17,552)	(412)
	<u>65,791</u>	<u>(3,205)</u>
<b>Increase/(decrease) in operating liabilities</b>		
Advances and deposits	(2,609)	(1,724)
Creditors, accrued and other liabilities	(42,921)	7,452
	<u>(45,530)</u>	<u>5,728</u>
	<u><b>70,144</b></u>	<u>253,896</u>
<b>28. Cash and cash equivalents</b>		
Cash and bank balances	74,713	43,629
Short term running finance - Summit bank	(98,812)	—
Bank overdraft - Faysal bank	12.1	—
	<u>(1,828)</u>	<u>—</u>
	<u><b>(25,927)</b></u>	<u>43,629</u>
<b>29. Employee benefits</b>		

**29.1** As mentioned in note 2.6, the Company operates an approved gratuity fund and makes contribution on actuarial recommendations. The most recent actuarial valuations were carried out by M/s Nauman Associates, Consulting Actuaries on August 16, 2017 of the present value of the defined benefit obligation at June 30, 2017. The projected unit credit method, using the following significant assumptions has been used for the actuarial valuation:



	2017	2016
<b>29.1.1 Actuarial assumptions</b>		
Discount rate for interest cost in profit and loss charge	9.00%	9.75%
Discount rate used for year end obligation	<b>7.75%</b>	9.00%
Salary increase used for year end obligation		
Salary increase FY 2017	<b>N/A</b>	N/A
Salary increase FY 2018 onward	<b>6.75%</b>	8.00%
Net salary is increased at	<b>1-Jul-17</b>	1-Jul-16
Mortality rate	<b>SLIC 2001- 2005 Setback 1 Year</b>	SLIC 2001-2005 Set back 1 year
Withdrawal rates	<b>Age-based</b>	Age-based
Retirement assumption	<b>Age 60</b>	Age 60
	<b>2017</b>	<b>2016</b>
	<b>(Rupees '000)</b>	
<b>29.1.2 Amount recognized in balance sheet are as follows:</b>		
Present value of defined benefit obligation	<b>4,887</b>	6,470
Add: Payable	<b>867</b>	1,196
Less: Fair value of Plan asset	<b>(4,640)</b>	(6,492)
Liability on balance sheet	<b>1,114</b>	1,174
<b>29.1.3 Changes in present value of defined benefit obligation</b>		
Opening present value of obligation	<b>6,470</b>	6,055
Current service cost	<b>818</b>	752
Interest cost on defined benefit obligations	<b>456</b>	521
Benefits due but not paid during the year	<b>(494)</b>	(844)
Benefits paid	<b>(2,312)</b>	(574)
Adjustment for previous year payable	<b>352</b>	—
Remeasurements	<b>(403)</b>	560
Closing present value of obligation	<b>4,887</b>	6,470
<b>29.1.4 Changes in fair value of plan assets</b>		
Opening fair value of plan assets	<b>6,492</b>	2,503
Interest income on plan assets	<b>511</b>	411
Return on plan assets, excluding interest income	<b>(279)</b>	152
Benefits paid	<b>(2,784)</b>	(574)
Contribution by Company	<b>700</b>	4,000
Closing fair value of plan assets	<b>4,640</b>	6,492
<b>29.1.5 Expense recognized in profit and loss account</b>		
Current service cost	<b>819</b>	752
Interest cost on defined benefit obligation	<b>456</b>	521
Interest income on plan assets	<b>(512)</b>	(411)
	<b>763</b>	862

	2017	2016
	(Rupees '000)	
<b>29.1.6 Total remeasurements chargeable in other comprehensive income</b>		
Actuarial (gains)/losses from changes in financial assumptions	(14)	—
Remeasurement of plan obligation - Experience adjustment	(389)	560
Return on plan assets, excluding interest income	279	(152)
Unrecognized Actuarial Gains/(Losses) at end	<u>(124)</u>	<u>408</u>
<b>29.1.7 Changes in net liability</b>		
Balance sheet liability/(asset)	1,174	3,905
Expense chargeable to profit and loss account	764	861
Remeasurement chargeable in other comprehensive income	(124)	408
Contributions	(700)	(4,000)
Balance sheet liability	<u>1,114</u>	<u>1,174</u>

**29.1.8** Based on actuarial advice the company intends to charge an amount of approximately Rs.0.584 million in respect of gratuity fund in the financial statements for the year ending 30 June 2018.

**29.1.9 Additional disclosure items**

**Plan asset at June 30, 2017 comprise:**

Bond	0%	0%
Equity	0%	0%
Cash and / or deposits	100%	100%
Other	0%	0%
	<u>100%</u>	<u>100%</u>

**2017**  
**(Rs. '000)**

**Year end sensitivity analysis (+/- 100 bps) on defined benefit obligation**

Discount rate + 100 bps	4,444
Discount rate - 100 bps	5,406
Salary increase + 100 bps	5,412
Salary increase - 100 bps	4,430
The average duration of the defined benefit obligations is:	9.8 years

**30. Transactions with related parties and associated undertakings**

The related parties and associated undertakings comprise local associated companies, gratuity fund, directors and key management personnel. Transactions with related parties and associated undertakings, other than remuneration and benefits to key management personnel under the term of their employment are as follows:

	2017	2016
	(Rupees '000)	
Loan taken from Directors	5,200	—
Loan repaid to Directors	2,700	—
Gratuity Fund	700	4,000

The company continues to have a policy whereby all transactions with related parties and associated undertakings are entered into at arm's length determined in accordance with comparable uncontrolled price method.

## 31. Remuneration of Chief Executive, Directors and Executives

	2017				2016			
	Chief Executive	Directors	Non Executive Directors	Executives	Chief Executive	Directors	Non Executive Directors	Executives
	(Rupees '000)							
Fees	—	—	—	—	—	—	50	—
Managerial remuneration	6,426	4,948	—	10,160	6,958	5,229	—	11,065
Perquisites and allowances	2,892	2,227	—	4,866	4,931	3,303	—	7,510
	<u>9,318</u>	<u>7,175</u>	<u>—</u>	<u>15,026</u>	<u>11,889</u>	<u>8,532</u>	<u>50</u>	<u>18,575</u>
Number of person(s)	<u>1</u>	<u>1</u>	<u>0</u>	<u>19</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>24</u>

**2017**                      **2016**  
(Rupees '000)

## 32. Financial instruments and risk management

### 32.1 Financial assets and liabilities

#### Financial Assets - loan and receivables

##### *Maturity up-to one year*

Trade debts	<b>11,142</b>	91,611
Other receivables	<b>10,366</b>	5,436
Bank balances	<b>74,713</b>	43,629

##### *Maturity after one year*

Long term deposits	<b>6,080</b>	5,310
	<b><u>102,301</u></b>	<u>145,986</u>

#### Financial liabilities

##### *Maturity up-to one year*

Creditors, accrued and other liabilities	<b>11,569</b>	49,176
--	---------------	--------

##### *Maturity after one year*

Advances and deposits - unsecured	<b>4,180</b>	5,822
	<b><u>15,749</u></b>	<u>54,998</u>

### 32.2 Financial instruments

The company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

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

#### 32.2.1 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail completely to perform as contracted and arise principally from long term deposits, trade receivables and security deposits. Out of the total financial assets of Rs.102.301 million (2016: Rs.145.986 million), financial assets which are subject to credit risk amount to Rs. 99.525 million (2016: Rs.140.962 million).

To manage exposure to credit risk in respect of trade receivables, management performs credit reviews taking in to account the customer's financial position, past experience and other factors. Where considered necessary, advance payments are obtained from certain parties. Sales made to major customers are secured through letter of credit. The management has set a maximum credit period of 30 days to reduce the credit risk.

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

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

	<b>2017</b>	<b>2016</b>
	<b>(Rupees '000)</b>	
Long term deposits	<b>6,080</b>	5,310
Trade debts	<b>11,142</b>	91,611
Other receivables	<b>10,366</b>	5,436
Bank balances	<b>71,937</b>	38,605
	<b>99,525</b>	140,962
The aging of trade receivables at the reporting date is:		
Past due 0 - 30 days	—	34,738
Past due 31 - 60 days	—	26,956
Past due 61 - 90 days	—	6,921
Past due 91 - 120 days	—	18,220
Past due 120 days	<b>11,142</b>	4,776
	<b>11,142</b>	91,611

Based on past experience the management believes that no impairment allowance is necessary in respect of trade receivables past due as some receivables have been recovered subsequent to the year end and for other receivables there are reasonable grounds to believe that the amounts will be recovered in short course of time.

### 32.2.2 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liabilities when due. The following are the contractual maturities of financial liabilities, including estimated interest payments:

	<b>30 June 2017</b>					
	<b>Carrying Amount</b>	<b>Contractual cash flows</b>	<b>Six months or less</b>	<b>Six to twelve months</b>	<b>One to two years</b>	<b>Two to five years</b>
	.....(Rupees '000).....					
<b>Financial liabilities</b>						
Advances and deposits	4,180	4,180	—	4,180	—	—
Trade and other payables	11,754	11,754	11,754	—	—	—
Short term borrowings	101,312	101,312	101,312	—	—	—
Liabilities subject to finance lease	13,499	13,499	1,671	1,779	3,422	6,627
<b>2017</b>	<b>130,745</b>	<b>130,745</b>	<b>114,737</b>	<b>5,959</b>	<b>3,422</b>	<b>6,627</b>
	<b>30 June 2016</b>					
	<b>Carrying Amount</b>	<b>Contractual cash flows</b>	<b>Six months or less</b>	<b>Six to twelve months</b>	<b>One to two years</b>	<b>Two to five years</b>
	.....(Rupees '000).....					
<b>Financial liabilities</b>						
Security deposits	5,822	5,822	—	5,822	—	—
Trade and other payables	49,052	49,052	49,052	—	—	—
Liabilities subject to finance lease	16,658	16,658	1,565	1,579	3,452	10,062
<b>2016</b>	<b>71,532</b>	<b>71,532</b>	<b>50,617</b>	<b>7,401</b>	<b>3,452</b>	<b>10,062</b>

### **32.2.3 Market risk**

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will effect the Company's income or the value of its holding of financial instruments.

#### **32.2.3.1 Currency risk**

Foreign currency risk can only arise on financial instruments that are denominated in a currency other than the functional currency in which they are measured. Translation related risks are therefore not included in the assessment of the entity's exposure to currency risks. The company is not exposed to currency risk.

#### **32.2.3.2 Interest rate risk**

Interest rate risk arises from the possibility that changes in interest rate will affect value of financial instruments. The company is not exposed to interest rate risk.

The Company has no long term interest bearing financial assets whose fair value or future cash flows will fluctuate because of changes in market interest rates.

Financial assets include balances of Rs.4 million (2016: Rs.6 million), which are subject to interest rate risk. Applicable interest rates for financial assets have been indicated in respective notes.

At June 30, 2017, if the interest rates had been 1% higher/lower with all other variables held constant, profit after tax for the year would have been higher/lower by Rs.0.4 (2016: Rs.0.6) million, mainly as a result of higher / lower interest income from these assets.

#### **32.2.3.3 Other price risk**

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The company is not exposed to any price risk as there are no financial instruments at the reporting date that are sensitive to price fluctuations.

### **32.3 Fair value of financial instruments**

The carrying values of the financial assets and financial liabilities approximate their fair values. 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.

## **33. Capital management**

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business. The Board of Directors monitors the return on capital employed, which the company defines as operating income divided by total capital employed. The Board of Directors also monitor the level of dividends to ordinary shareholders.

The company's objectives when managing capital are:

- (i) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- (ii) to provide adequate return to:

The company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

Neither there were any changes in the company's approach to capital management during the year nor the company is subject to externally imposed capital requirements.



	2017 (Rupees '000)	2016
<b>34. (Loss) / earning per share</b>		
Net (loss)/profit after taxation	<u>(10,917)</u>	<u>133,246</u>
Weighted average number of ordinary shares	<u>18,000</u>	<u>18,000</u>
	<b>2017</b>	<b>2016</b>
	<b>(Rupees)</b>	
Basic (loss) / earning per share	<u>(0.61)</u>	<u>7.40</u>
Diluted (loss) / earning per share	<u>(0.61)</u>	<u>7.40</u>

**35. Non-adjusting events after the balance sheet date**

In the meeting of Board of Directors held on October 09, 2017, the directors have not recommended any dividend (2016: 110%).

	2017	2016
<b>36. Number of Employees</b>		
Total number of employees - at year end	<u>96</u>	<u>189</u>
Average number of employees	<u>137</u>	<u>211</u>
<b>37. Capacity and production</b>		
No. of rooms	<b>400</b>	397
Average percentage of occupancy	<b>22.92%</b>	49.64%

The level of occupancy depends on the extent of movement in tourism, business and airlines sector. The decrease in occupancy is due to suspension of hotel business operations from 5th December 2016 till year end caused by the fire incident in the hotel building.

**38. Reclassification**

Amount transferred from	Amount transferred to	Note	(Rupees '000)
Creditors, accrued and other liabilities		12	124
	Accrued markup	10	124

The amount is reclassified for better presentation of financial statements.

**39. Date of authorization for issue**

These financial statements were authorized for issue on 9<sup>th</sup> October, 2017 by the Board of Directors of the Company.

**40. Figures**

Figures have been rounded off to the nearest thousand of rupee.

  
**MUZAFFAR F. BAWEJA**  
 Chief Executive

  
**S. MAHMOOD BAWEJA**  
 Director

  
**SYED HASEEN ANWER**  
 Chief Financial Officer

Karachi: 9<sup>th</sup> October, 2017

## Pattern of Shareholdings Held by Shareholders

As on June 30, 2017

NO. OF SHARE HOLDERS		SHAREHOLDING		TOTAL SHARES HELD
219	001	—	100	5,963
85	101	—	500	27,663
26	501	—	1,000	21,185
26	1,001	—	5,000	55,623
6	5,001	—	10,000	45,733
1	10,001	—	15,000	12,200
2	15,001	—	20,000	34,002
1	20,001	—	25,000	23,733
1	25,001	—	30,000	28,500
1	35,001	—	40,000	40,000
1	145,001	—	150,000	150,000
1	195,001	—	200,000	200,000
1	295,001	—	300,000	300,000
1	555,001	—	560,000	555,340
3	620,001	—	625,000	1,868,811
1	1,000,001	—	1,005,000	1,002,324
1	1,285,001	—	1,290,000	1,289,360
1	1,340,001	—	1,345,000	1,342,355
1	1,420,001	—	1,425,000	1,423,860
4	1,435,001	—	1,440,000	5,756,440
1	1,655,001	—	1,660,000	1,658,454
1	2,155,001	—	2,160,000	2,158,454
<b>385</b>		<b>TOTAL</b>		<b>18,000,000</b>

## Categories of Shareholders as on June 30, 2017

Particulars	No. of Share Holders	Shares Held	Percentage
<b>(Directors)</b>			
Mr. Mansoor F.Baweja	1	1,000	0.0056
Mr. S.Mahmood Baweja	1	1,439,360	7.9964
Mr. Mohsin Baweja	1	1,289,360	7.1631
Mr. Masroor F.Baweja	1	1,439,360	7.9964
Mr. Muzaffar F.Baweja	1	1,658,454	9.2136
Mr. Zaheer Baweja	1	1,423,860	7.9103
Mr. Zubair Baweja	1	2,158,454	11.9914
Mrs. Shireen Ahad	1	622,437	3.4580
Mr. M.A. Majeed	1	600	0.00333
<b>(Relatives of Directors)</b>			
Mr. S.Ferozuddin Baweja	1	5,468	0.0304
Mst. Shahida Begum	1	1,002,324	5.5685
Mrs. Samina Mansoor Baweja	1	1,438,360	7.9909
Mrs. Waqarunnisa Mohsin	1	150,000	0.8333
Mr. Aamir F.Baweja	1	1,439,360	7.9964
Mrs. Lubna Muzaffar	1	300,000	1.6667
Mrs. Shahina Khalid	1	624,937	3.4719
Mrs. Shazia Jamal	1	621,437	3.4524
Mr. Naved Alam Baweja	1	1,342,355	7.4575
Mrs. Sadia Naved Baweja	1	1,000	0.0056
Mr. Mudabbir Muzaffar Baweja	1	200,000	1.1111
Mr. Aneeq Ahmed	1	8,765	0.0487
<b>Individuals</b>			
(Minority Shareholders)	359	820,608	4.5589
<b>Others</b>			
Joint Stock Companies	2	2,001	0.0111
N.I.T.	—NIL—	—NIL—	—NIL—
Banks / Financial Institutions	3	10,500	0.0583
<b>TOTAL</b>	<b>385</b>	<b>18,000,000</b>	<b>100.0000</b>

### Shareholders holding 10% or more voting interest

1. Mr. Zubair Baweja	—	2,158,454	11.99%
----------------------	---	-----------	--------

The above statement include 329 Shareholders holding 17,405,599 Shares through the Central Depository Company of Pakistan Ltd. (CDC).



# PROXY FORM

I/We \_\_\_\_\_ of \_\_\_\_\_  
(NAME) (PLACE)

being a member of **PAKISTAN HOTELS DEVELOPERS LTD**, hereby appoint

\_\_\_\_\_ of \_\_\_\_\_  
(NAME) (PLACE)

another member of the Company as my/our proxy to attend and vote for me/us and on my/our behalf at the 38<sup>th</sup> Annual General Meeting of the Company to be held on 30<sup>th</sup> October, 2017 at 03:30 P.M. at the Registered Office, 195/2, Shahrah-e-Faisal, Karachi and at any adjournment, thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

### Specimen Signature of Proxy

Folio No. \_\_\_\_\_

Participant I.D. No. \_\_\_\_\_

Sub Account No. \_\_\_\_\_

CNIC or Passport No. \_\_\_\_\_

### Signature of Member

Folio No. \_\_\_\_\_

Participant I.D. No. \_\_\_\_\_

Sub Account No. \_\_\_\_\_

CNIC or Passport No. \_\_\_\_\_

### WITNESSES:

(1) Signature \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

CNIC or Passport No. \_\_\_\_\_

(2) Signature \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

CNIC or Passport No. \_\_\_\_\_

### Important:

1. This form of Proxy, duly completed must be deposited with the Secretary of the Company or at our Independent Share Registrar Office M/s. Technology Trade (Pvt) Ltd., Dagia House, 241-C, Block 2, P.ECH.S., Off: Shahrah-e-Quaideen, Karachi not less than 48 hours before the time of meeting.
2. Attested copies of CNIC or the passport of the beneficial owners and the proxy holder shall be furnished with the proxy form.
3. The proxy holder shall produce his/her original CNIC or Original Passport at the time of meeting.
4. In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted along with proxy form to the company.





# پاکستان ہوٹلز ڈیولپرز لمیٹڈ

## مختار نامہ (پراکسی فارم)

میں / ہم

ساکن

بحیثیت رکن (ممبر) پاکستان ہوٹلز ڈیولپرز لمیٹڈ مقرر کرتا / کرتی ہوں / کرتے ہیں مسمی / مسماة

ساکن

کو یا اُن کی غیر حاضری میں مسمی / مسماة

ساکن

کو جو خود بھی پاکستان ہوٹلز ڈیولپرز لمیٹڈ کا رکن ہے کہ وہ بطور میرا / ہمارا مختار نامہ (پراکسی) پاکستان ہوٹلز ڈیولپرز لمیٹڈ کے سالانہ اجلاس عام میں جو ۳۰ اکتوبر ۲۰۱۷ء کو منعقد ہو رہا ہے یا اس کے کسی ملتوی شدہ اجلاس میں شرکت کرے اور وہ میری / ہماری جگہ میری / ہماری طرف سے حق رائے دہی استعمال کرے۔

مورخہ اکتوبر ۲۰۱۷ء کو میرے / ہمارے دستخط سے جاری ہوا۔

فولیو نمبر	سی ڈی سی کھاتہ نمبر	حصص کی تعداد

رسیدی ٹکٹ پر دستخط

گواہ نمبر ۱

دستخط

نام

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر

پتہ

ہدایات:

۱- مختار (پراکسی) کا کمپنی کا رکن (ممبر) ہونا ضروری ہے

۲- ممبر (رکن) کے دستخط، نمونہ شدہ دستخط / اندراج شدہ دستخط سے مماثلت ہونا ضروری ہے۔

۳- سی ڈی سی اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر کو مختار نامہ (پراکسی فارم) کے ہمراہ کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل منسلک کرنا ضروری ہے۔ کارپوریٹ ادارے کے نمائندوں کو معمول کے مطابق دستاویزات ساتھ لانا ضروری ہے۔

۴- مختار نامہ (پراکسی فارم) مکمل پُر شدہ کمپنی کے رجسٹرڈ آفس میں اجلاس کے مقررہ وقت سے کم از کم ۴۸ گھنٹے قبل جمع کرانا ضروری ہے۔





## بورڈ آف ڈائریکٹرز میں تبدیلی

مالیاتی سال کے دوران 2016-2017 میں عہدہ نظام میں تبدیلی پیش آئی، جس کے نتیجے میں محترمہ شیریں احمد نے 23 فروری، 2017 کو بطور ڈائریکٹر عہدہ سنبھالا، جب جناب نوید عالم بویجا جنہوں نے اپنی ذاتی مصروفیات کی بناء پر 13 جنوری، 2017 کو اپنے عہدہ سے استعفیٰ دیدیا تھا۔

## عملہ کی افادیت

ملازمین کی گریجویٹی اسکیم قانون کے مطابق برقرار رہے اور اکاؤنٹ میں آئی اے ایس۔ 19 کے مطابق مناسب ترسیل فراہم کر دی گئی ہیں۔

## ایکپوریل کنسلٹنٹ کی تقرری

آئی اے ایس۔ 19 کے حساب شمار مورخہ 30 جون، 2017 کی ضروریات کی تکمیل کے لئے میسرز نعمان ایسوسی ایٹس ایکپوریل کنسلٹنٹ کی سال بھر کے لئے تقرری کر دی گئی ہے۔

## انڈیپنڈنٹ شیئر رجسٹرار

مورخہ 21 اگست 2008 سے میسرز ٹیکنالوجی ٹریڈ (پرائیوٹ) لمیٹڈ، کمپنی کے خود مختار حصص / شیئر رجسٹرار ہیں۔

## مالیاتی جھلکیاں

موجودہ اور گزشتہ پانچ سالوں کے لئے اہم آپریٹنگ اور مالی نتائج کا خلاصہ ملحق ہے۔

منجانب بورڈ آف ڈائریکٹرز  
مظفر ایف بویجا  
چیف ایگزیکٹو آفیسر

کراچی: 9th اکتوبر 2017ء

## ضابطہ برائے کارپوریٹ گورننس

سیکورٹیز اینڈ ایکس چینج کمیشن آف پاکستان کی ہدایات پر پاکستان اسٹاک ایکسچینج کی جانب سے لسٹڈ کمپنیوں کیلئے شامل کئے جانے والے کوڈ آف کارپوریٹ گورننس سے متعلق ذمہ داریوں سے آپ کی کمپنی کے ڈائریکٹرز بخوبی آگاہ ہیں۔ آپ کی کمپنی کی جانب سے کوڈ آف کارپوریٹ گورننس کے اطلاق اور اسکی مکمل پاسداری کیلئے تمام ضروری اقدامات اٹھائے جاتے ہیں۔

ڈائریکٹرز اس بات کی تصدیق کرتے اور بتاتے ہیں کہ مندرجہ ذیل عوامل کی تکمیل کی گئے ہیں۔

(۱) کمپنی کی انتظامیہ کے تحت تیار کردہ مالی دستاویزات کمپنی کے معاملات کی ایک حقیقی اور منصفانہ حالت پیش کرتی ہے۔

(۲) کمپنی کی محاسبی کے کھاتوں کو محفوظ رکھا جاتا ہے۔

(۳) مناسب اکاؤنٹنگ کی پالیسیوں کو مسلسل مالیاتی دستاویزات کی تیاری میں لاگو کیا گیا ہے اور اکاؤنٹنگ کا تخمیه معقول اور قابل اعتماد کاروباری فیصلہ پر مبنی ہے۔

(۴) بین الاقوامی مالیاتی رپورٹنگ معیار (آئی۔ ایف۔ آر۔ ایس)، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالی دستاویزات کی تیاری میں اس کی پیروی کی گئی ہے اور وہاں سے کسی بھی رد/ترک کردہ عمل کو مناسب اور واضح طور پر ظاہر کیا گیا ہے۔

(۵) اندرونی نظام کے کنٹرول کا ڈیزائن مضبوط ہے اور اسے موثر طریقہ سے لاگو کر کے اس کی نگرانی کی جاتی ہے۔

(۶) اس بات میں کسی شک کی کوئی گنجائش نہیں ہے، کمپنی ہمیشگی کی بنیاد پر اپنے کاروبار کو چلا رہی ہے۔

(۷) لسٹنگ ریگولیشن میں مذکورہ کوڈ آف کارپوریٹ گورننس کی بہترین روایات سے کمپنی نے کبھی کوئی ایسی روگردانی نہیں کی جو قابل محاسبہ ہو۔

## بورڈ کا اجلاس

دوران سال جو کہ 30 جون، 2017 کو اختتام پذیر ہوا، بورڈ آف ڈائریکٹرز کے (08) اجلاس منعقد ہوئے۔ اجلاس میں حاضری کی تفصیلات مندرجہ ذیل ہیں۔

نام	اجلاس کی تعداد	شراکت داری
	رکنیت کے دوران منعقد / سال کے دوران	
1- جناب منصور ایف بویجا	08	02
2- جناب مظفر ایف بویجا	08	07
3- جناب زبیر بویجا	08	08
4- جناب محسن بویجا	08	01
5- جناب ظہیر بویجا	08	05
6- جناب ایس محمود بویجا	08	07
7- جناب مسرور ایف بویجا	08	03
8- جناب نوید عالم بویجا	03	01
9- محترمہ شیریں احد	03	00
10- جناب ایم اے مجید	08	07

## چیئر مین کے خیالات

چیئر مین کے خیالات کا مسودہ اس رپورٹ کا اہم حصہ ہے۔

## آڈیٹرز کا اطلاق

ریٹائرنگ آڈیٹرز میسرز، تنویر عارف اینڈ کمپنی، چارٹرڈ اکاؤنٹینٹس جوکہ اہل ہیں، نے خود کو 2017-2018 سال کے لئے پیش کرا ہے۔ آڈٹ کمیٹی اور کمپنی کے بورڈ آف ڈائریکٹرز کے حصص داروں کے لیے ان کی تقرری کی تصدیق کی ہے۔ جس پر آئندہ منعقد ہونے والے سالانہ اجلاس عام میں غور کیا جائے گا۔ بیرونی آڈیٹرز کو انسٹیٹیوٹ آف چارٹرڈ اکاؤنٹینٹس آف پاکستان کے کوالٹی کنٹرول کے جائزہ کے تحت تسلی بخش درجہ دیا گیا ہے۔

## معاوضہ برائے بورڈ میٹنگ

دوران سال کسی بھی ڈائریکٹر کو معاوضہ برائے بورڈ میٹنگ نہیں دیا گیا۔

## آڈٹ کمیٹی

کمیٹی میں تین اراکین شامل ہیں، جن میں سے دو نان-ایگزیکٹو ڈائریکٹر اور ایک انڈیپنڈنٹ ڈائریکٹر ہیں۔ (جیسا کہ 23 فروری، 2016 کو بورڈ اجلاس میں فیصلہ کیا گیا تھا)۔

جناب ایم۔ اے۔ مجید - انڈیپنڈنٹ ڈائریکٹر

جناب الیس۔ محمود بویجا - نان-ایگزیکٹو ڈائریکٹر

جناب محسن بویجا - نان-ایگزیکٹو ڈائریکٹر

بورڈ اور ان کے اشاعت جمع کرانے سے قبل آڈٹ کمیٹی نے سہ ماہی، نصف اور سالانہ مالیاتی بیانات کا جائزہ لیا۔

کمیٹی اندرونی آڈٹ فنکشن اور بیرونی مالیاتی رپورٹنگ کی نگرانی کے لے ذمہ دار ہے۔ یہ اندرونی کنٹرول کے مسلسل جائزہ کو بھی انجام دیتا ہے۔

## آڈٹ کمیٹی کے اجلاس میں ممبران کی حاضری

مالی سال 2017 کے دوران، آڈٹ کمیٹی کے چار اجلاس منعقد کئے گئے تھے اور ہر رکن کی جانب سے شرکت کردہ اجلاس کی تعداد یہاں درج کی گئی ہے۔

نام	اجلاس کی تعداد	رکنیت کے دوران منعقد / سال کے دوران	شرکت داری
1- جناب ایم۔ اے۔ مجید	04	04	04
2- جناب محسن بویجا	04	04	00
3- جناب الیس۔ محمود بویجا	04	04	04

## حصہ داران کی ترتیب

کارپوریٹ گورننس کے آرٹیکل (xix) کے مطابق 30 جون 2017 تک شیئر ہولڈنگ کا مخصوص متعین اس رپورٹ میں شامل ہے۔

## ڈائریکٹر رپورٹ

پاکستان ہوٹلز ڈویلپرز لمیٹڈ کے ڈائریکٹر اپنی رپورٹ بمعہ کمپنی کے تصدیق شدہ اکاؤنٹ برائے اختتامی سال 30 جون، 2017 پیش کرتے ہیں۔

**اکاؤنٹس:**

(روپے '000)	(روپے '000)	کل خالص آمدنی
348,863		منہائی: براہ راست لاگت
	300,282	دیگر انتظامی اور مالیاتی اخراجات
<u>303,436</u>	<u>3,154</u>	
45,427		منہائی: واجبات فرسودگی
<u>51,749</u>		ٹیکس سے قبل نیٹ آپریٹنگ نقصان
6,322		ٹیکسیشن
<u>4,595</u>		ٹیکسیشن کے بعد نقصان
<u>10,917</u>		
<u>0.61</u>		فی شیئر نقصان (روپے)

5 دسمبر 2016 کو ہوٹل کے احاطے میں آگ لگنے کے واقعے کی بناء پر کاروباری کاروائیاں 7 ماہ (جون 2017) تک کے لیے معطل رہیں۔ آمدنی میں 393.485 ملین روپے کمی ہوئی جو کہ گزشتہ سال کی مناسبت سے 53 فیصد کم ہے۔ ٹیکس سے قبل خالص منافع گزشتہ مالی سال کے مقابلے میں 209.379 ملین روپے کم رہا۔ ڈائریکٹرز نے اپنے حصص داروں کو سال کے لئے کسی بھی معاونت کی سفارش نہیں کی۔

### آگ لگنے کا واقعہ

5 دسمبر 2016 کو ہوٹل میں رات تقریباً تین بجے آگ لگنے کا واقعہ پیش آیا اور ہوٹل کی عمارت کے بہت سے حصوں کو نقصان پہنچا، بیشتر مہمان حضرات اور ہوٹل ملازمین کو محفوظ طریقہ سے نکال لیا گیا، لیکن بد قسمتی سے 12 افراد بشمول ایک ہوٹل ملازم کو اپنی قیمتی زندگی گوانہ پڑی اور کئی زخمی ہوئے، اللہ تعالیٰ تمام مرحومین کی مغفرت فرما کر انہیں جنت الفردوس میں اعلیٰ مقام عطا فرمائے۔ (آمین)۔ پولیس نے ہوٹل انتظامیہ پر مقدمہ درج کر لیا ہے، معاملہ عدالت میں زیر التواء ہے۔

### ہوٹل کے کاروبار کی معطلی

ہوٹل میں آگ کے حادثہ کے باعث، آگ لگنے کی تاریخ سے 30 جون 2017 تک کاروباری معاملات معطل رہے۔ تاہم شادی اور دیگر تقریبات کیلئے 4 فروری 2017 کو دوبارہ شروع کر دیا گیا اور رہائشی کمروں کی محدود تعداد (100) کمروں سے 14 اگست، 2017 کو شروع کیا گیا، ضروری کاموں کی تکمیل کے بعد باقی 300 کمرے، ریستورانٹ اور دیگر ہالوں کو آہستہ آہستہ شروع کیا جائے گا۔ دوران سال غیر ملکی زرمبادلہ کی آمدنی 0.0484 ملین امریکی ڈالر رہی۔

## چیرمین کے خیالات

بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کے سالانہ اجلاس عام میں تمام معزز شیئرز ہولڈرز کو خوش آمدید کہتا ہوں، اور کمپنی کے آپریشنل اور آڈٹ شدہ مالی بیانات کا سالانہ جائزہ اور نتیجہ پیش کرتا ہوں۔

سب سے پہلے میں، بورڈ آف ڈائریکٹرز اور ریجنٹ پلازہ ہوٹل کی انتظامیہ کی جانب سے، اُن تمام خاندانوں کو دلی تعزیت پیش کرتے ہیں جنہوں نے آگ کے حادثہ میں اپنے رشتہ داروں کو گنوا دیا۔

جیسا کہ آپ مالیاتی سال کے نصف میں رونما ہونے والے بد قسمت واقع سے باخوبی واقف ہیں، جسکی بناء پر ہمارا کاروبار تقریباً نو ماہ کے عرصے کے لئے بند رہا، تاہم ہم نے فروری 2017ء سے اپنے ضیافتی آپریشنز دوبارہ شروع کر دیئے ہیں۔

سال کے جائزہ لینے کے تحت آگ لگنے کے نتیجے میں نقصان کے ساتھ سال مکمل مسائل سے دوچار رہا۔ ہم اللہ تعالیٰ کے شکر گزار ہیں جنہوں نے ہمیں ہمت عطا فرمائی کہ ہم تمام مسائل کا سامنا کرتے ہوئے مسائل کو موقع میں تبدیل کر سکیں۔

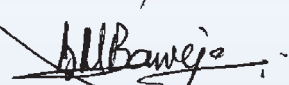
آگ لگنے کے واقع کے بعد بورڈ ممبران نے انتظامیہ کے ساتھ مل کے منصوبہ بندی کری۔ منصوبہ کی خصوصیات درج ذیل ہیں۔

- کچن کو بیسمنٹ سے گراؤنڈ فلور پر منتقل کیا جائیگا۔
- آگ کے الارم باشمول سموک ڈیکلر ز آلات کو بیسمنٹ سمیت تمام فلورز پر نصب کیا جائیگا۔
- آگ سے محفوظ دروازے تمام ہنگامی اخراج کے راستوں باشمول کچن میں لگائے جائیں گے۔
- ہم نے مستقل بنیاد پر آگ بجھانے والے عملہ کی تقرری کر لی ہے۔
- ہوٹل کے مختلف مقامات پر پانی کے چھڑکاؤں اور پانی کے ہائڈرنٹ نصب کر دیئے گئے ہیں۔
- نئے الیکٹرانک آگ کے حادثہ کی صورت میں اخراج کے ایل ای ڈی بورڈ ہوٹل کے مختلف مقامات پر نصب کیئے جائیں گے۔
- فوم سلنڈرز کچن اور دوسرے مقامات پر لگائے جائیں گے۔
- ہوٹل کے مختلف حصوں میں نئی الیکٹریک وائرنگ کی جائیگی۔

یہ ایک تباہ کن وقت اور مقابلہ تھا کہ ان حالات میں اپنی سرگرمیوں کو رواں دواں رکھا جاسکے۔ ہم اپنے تمام حصص داران کے مشکور ہیں جنہوں نے بحالی کے پروگرام کی حمایت کی اور تفہیم میں ہمارا ساتھ دیا۔

کمپنی کی کامیابی اس کے ملازمین کی سخت محنت اور عزم پر منحصر ہے۔ آپ کے بورڈ کے ڈائریکٹرز صاحبان اپنے انتظامی ملازمین کی جانب سے دکھائے جانے والے جذبہ اور سخت محنت جبکہ ہمارے حالات انتہائی خراب تھے، ان کی تمام کاوشوں پر ہم اُن کے مشکور ہیں۔

ہمارے بورڈ کے ایک ممبر جناب نوید عالم بویجا اپنے عہدہ سے مستعفی ہو چکے تھے اب ان کی جگہ محترمہ شیریں احد فائز ہیں۔ ہم کمپنی کی کامیابی کے لئے اللہ تعالیٰ کے فضل و کرم کے خواہاں ہیں۔

  
منصور ایف بویجا  
چیرمین

کراچی: 9th اکتوبر 2017ء



# پاکستان ہوٹلز ڈیولپرز لمیٹڈ ارٹیسواں سالانہ اجلاس عام کی اطلاع

- بذریعہ ہذا مطلع کیا جاتا ہے کہ پاکستان ہوٹلز ڈیولپرز لمیٹڈ کا ارٹیسواں سالانہ اجلاس عام 30 اکتوبر 2017ء کو بوقت 03:30 بجے دن بمقام کمپنی کے رجسٹرڈ آفس 195/2 شاہراہ فیصل کراچی میں درج ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔
- 1- 28 اکتوبر 2016 کو منعقدہ سالانہ اجلاس عام کی کارروائی کی توثیق۔
  - 2- 30 جون 2017 کے ختم شدہ سال کیلئے آڈٹ شدہ حسابات مع ان پڑاؤ ایکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، قبولیت اور غور و خوض۔
  - 3- آڈیٹرز کا تقرر برائے سال 2018ء اور ان کے مشاہرے کا تعین۔
  - 5- چیئرمین کی اجازت سے کوئی دیگر امور۔

حسب احکام بورڈ

فہد اقبال خان  
کمپنی سیکریٹری

کراچی

09th اکتوبر 2017ء

نوٹس :-

- 1- جو ممبر سالانہ اجلاس عام میں شرکت کرنے اور ووٹ دینے کا حقدار ہے وہ اپنی بجائے کسی دوسرے ممبر کو اجلاس میں شرکت کرنے اور ووٹ دینے کیلئے پراسی مقرر کر سکتا ہے۔ پراسیاں کمپنی کے سیکریٹری کے پاس یا کمپنی کے انڈپینڈنٹ شیئرز رجسٹرار کے پاس اجلاس انعقاد سے کم از کم 48 گھنٹے قبل لازمی جمع کرادی جائیں۔
  - 2- کمپنی کی شیئرز ٹرانسفر بکس مورخہ 23 اکتوبر 2017 سے 30 اکتوبر 2017ء تک (بشمول دونوں دن) بند رہیں گی۔ ٹرانسفر جو ہر طرح سے مکمل ہوں کمپنی کے انڈپینڈنٹ شیئرز رجسٹرار آفس میسرز فیکینا لوجی ٹریڈ (پرائیویٹ) لمیٹڈ، ڈاگیا ہاؤس 241-سی، بلاک نمبر 2، پی ای سی ایچ ایس، شاہراہ قائدین، کراچی میں مورخہ 21 اکتوبر 2017ء تک موصول ہوئے ہوں، وہ اجلاس میں شرکت کرنے کے اہل ہوں گے۔
  - 3- شیئرز ہولڈرز سے گزارش ہے کہ اگر ان کے پتے میں کوئی تبدیلی واقع ہو تو کمپنی کو مطلع کر دیں۔
  - 4- حصص یافتگان سے ایس آر او/2003(1)49 مورخہ 15 جنوری 2003ء اور سرکلر نمبر 13/2004 مورخہ 5 مارچ 2004ء کے مطابق کمپیوٹرائزڈ قومی شناختی کارڈ نمبر (پاسپورٹ نمبر غیر ملکی ہونے کی صورت میں) بھی کمپنی کو مطلع کرنے کی درخواست کی جاتی ہے۔
- سی ڈی سی اکاؤنٹ ہولڈرز کو سیکورٹیز اینڈ ایکس چینج کمیشن آف پاکستان کے جاری کردہ سرکلر 1 مورخہ 26 جنوری 2000ء کی حسب ذیل گائیڈ لائنز پر بھی عمل کرنا ہوگا۔

## (الف) ... سالانہ اجلاس میں شرکت کے لئے

- (i) افراد کی صورت میں اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر یا فرد جنکی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات ریگولیشنز کے مطابق اپ لوڈڈ (مندرج) ہیں وہ اجلاس میں شرکت کے وقت شناخت کی تصدیق کیلئے اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) یا اصل پاسپورٹ اجلاس کے وقت پیش کریں گے۔
- (ii) کارپوریٹ کی صورت میں اجلاس کے وقت بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی، نامزد فرد کے دستخط کے نمونے کے ساتھ پیش کریں گے۔ (اگر یہ پہلے فراہم نہیں کئے گئے ہیں)۔

## (ب) ... پراسیز کی تقرری کے لئے

- (i) افرادی صورت میں اکاؤنٹ ہولڈر/یا فرد جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور انکی رجسٹریشن کی تفصیلات ریگولیشنز کے مطابق اپ لوڈڈ (مندرج) ہیں وہ پراسی فارم مندرجہ بالا طریقہ کے مطابق پیش کریں گے۔
- (ii) پراسی فارم پر دو افراد کی گواہی ان کے نام، پتے اور سی این آئی سی نمبر فارم میں درج کئے جائیں گے۔
- (iii) مستفید ہونے والے مالکان اور پراسی کے تصدیق شدہ سی این آئی سی یا پاسپورٹ پراسی فارم کے ساتھ پیش کی جائیں گے۔
- (iv) پراسی اجلاس کے وقت اپنا اور رجسٹرڈ سی این آئی سی یا اصل پاسپورٹ پیش کریں گے۔
- (v) ادارے کی صورت میں پراسی فارم کے ساتھ بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی، دستخط کے نمونے کے ساتھ کمپنی کو پیش کریں گے۔ (اگر یہ پہلے فراہم نہیں کئے گئے ہیں)۔







# Regent Plaza

HOTEL & CONVENTION CENTRE

195/2, Main Shahrah-e-Faisal, Karachi.

Tel : + 92-21-35657000

Fax : + 92-21-35631521-3

E-mail : [rphcc@cyber.net.pk](mailto:rphcc@cyber.net.pk)

Web : [www.rphcc.com](http://www.rphcc.com) & [www.phdl.com.pk](http://www.phdl.com.pk)