

INNOVATIVE HOUSING SOLUTIONS, SUSTAINABLE FUTURE

JAVEDAN
CORPORATION LIMITED

ANNUAL REPORT 2024











Table of CONTENTS

07	Company Information
09	Vision and Mission
10	Core Values and Code of Conduct
12	Board of Directors Profile
21	Naya Nazimabad - At a Glance
32	Notice of 62 nd Annual General Meeting
54	Chairman's Review Report
56	Report of the Audit Committee
59	Director's Report
68	Financial Highlights
78	Independent Auditor's Review Report and
80	Statement of Compliance with Listed Companies (Code of Corporate Governance Regulations 2019)
	Unconsolidated Financial Statements
83	Independent Auditor's Report to the Members
90	Statement of Financial Position
91	Statement of Profit or Loss
92	Statement of Comprehensive Income
93	Statement of Changes in Equity
94	Statement of Cash Flows
96	Notes to the Financial Statements
	Consolidated Financial Statements
155	Independent Auditor's Report to the Members
162	Consolidated Statement of Financial Position
163	Consolidated Statement of Profit or Loss
164	Consolidated Statement of Comprehensive Income
165	Consolidated Statement of Changes in Equity
166	Consolidated Statement of Cash Flow
168	Consolidated Notes to the Financial Statements
237	Director Report (Urdu)
239	Pattern of Shareholding
241	Form of Proxy





Company INFORMATION

Board of Directors

Arif Habib	Chairman
Abdus Samad Habib	CEO/Director
Muhammad Ejaz	Director
Kashif Habib	Director
Javed Kureishi	Director
Abdullah Ghaffar	Director
Abdul Qadir Sultan	Director
Darakshan Zohaib	Director
Alamgir A. Shaikh	Director

Audit Committee

Abdullah Ghaffar	Chairman
Kashif Habib	Member
Muhammad Ejaz	Member
Abdul Qadir Sultan	Member

HR & Remuneration Committee

Javed Kureishi	Chairman
Arif Habib	Member
Muhammad Ejaz	Member
Abdus Samad Habib	Member

Chief Financial Officer & Company Secretary

Muneer Gader

Auditors

Yousuf Adil
Chartered Accountants

**Reanda Haroon Zakaria Aamir
Salman Rizwan and Company**
Chartered Accountants

Bankers

Al Baraka Bank Pakistan Limited
Allied Bank Limited
Askari Bank Limited
Bank Al-Falah Limited
BankIslami Pakistan Limited
Bank of Punjab
Dubai Islamic Bank
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
National Bank of Pakistan
Sindh Bank Limited
Bank Makramah Limited
United Bank Limited
Faysal Bank Limited
Meezan Bank Limited
Industrial & Commercial Bank of
China

Registered Office

Arif Habib Center,
23, M.T.Khan Road, Karachi Pakistan
- 74000,
Tel : +92 21 32460717-19
Fax: 32466824
Website: www.jcl.com.pk

Site Office:

Naya Nazimabad
Manghopir Road
Karachi - 75890
Phones: +92 21 36770141-42
Website: www.nayanazimabad.com

Share Registrar

CDC Share Registrar Services
Limited,
CDC House, 99-B, Block 'B' S.M.C.H.S
Sharah-e-Faisal, Karachi.







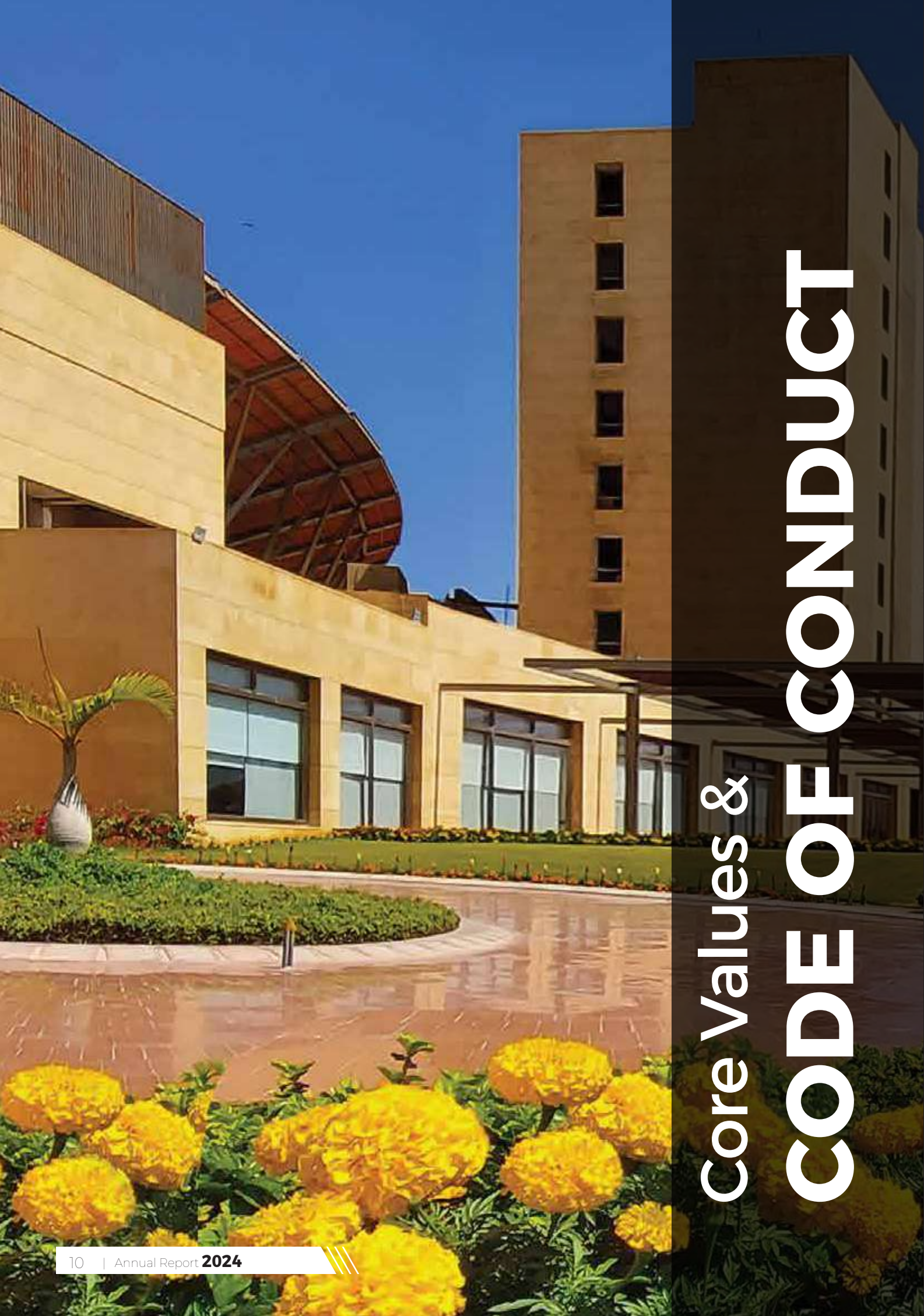
OUR VISION

The company wishes to forge ahead, experiment with new ideas and challenge new frontiers. It will endeavor to achieve excellence in all its undertakings and intends to provide customer satisfaction by being efficient & competitive.

OUR MISSION

To become a profitable organization and exceed the expectations of our customers and stakeholders by developing and marketing high quality real estate development at competitive price through concentration on quality, business value and fair play.

To develop and promote the best use of human talent in a safe environment, as an equal opportunity employer while using advance technology for efficient and cost effective operations.



Core Values &
CODE OF CONDUCT

Overview

JCL understands that retaining the confidence of its employees, shareholders, customers and other stakeholders is very important for the growth of its business.

JCL's Code of Ethics forms the foundation of how we conduct business and work together to achieve our goals. JCL is committed to achieving the highest level of ethical conduct and standards and we believe it is extremely important for the success of our Company.

Objectives.

JCL follows ethical and responsible business practices in all of its activities and operations.

Responsibilities

To Our Employees:

To respect each other and to provide employees with a safe place to work, satisfying and rewarding employment, on-going professional development and an open team environment.

To Our Customers:

Our mission is to serve in an innovative, cost-effective and transparent manner. Our clients are our partners in business.

This means that we:

- Put clients at the center of everything we do;
- Interact with our clients in a fair, correct, transparent, professional and timely manner provide our clients with tailor-made services when appropriate;
- Develop effective solutions and services for our clients;
- Ensure that any information entrusted to us by our Clients is kept confidential, except when disclosure is authorized by them or required by applicable laws, rules or regulations.

To Our Suppliers:

Create long-term supply chain relationships to ensure continued product and service excellence. We always try to build confidence, reliability and trust by ensuring fulfillment of our commitments with suppliers and service providers.

To Our Shareholders:

To steward our resources in a manner that will provide a very attractive return on investment.

Health, Safety, Environment & Community

The Company is committed to promoting and providing a safe working environment for all employees and complying with all applicable environmental regulations. JCL takes a proactive approach to health, safety and environmental matters. We also actively participate in contributing to the betterment of society. To correct it the extent practical, JCL will be involved in community, education and donations programs.

Compliance with Applicable Laws and Regulation

The company ensures compliance to all applicable laws and regulations and discharge all legal responsibilities diligently.

Internal control and financial reporting

We have implemented a very sound and reliable internal control system in our organization, which is well understood by all of our employees and practice dealing with us. Financial planning is a core activity of our system through which we ensure efficient and effective utilization of financial and human resources.



Board of Directors Profile







Mr. Arif Habib Chairman

Mr. Arif Habib is the Chairman of Arif Habib Group and Chief Executive of Arif Habib Corporation Limited, the holding company of Arif Habib Group. He is also the Chairman of Fatima Fertilizer Company Limited, Aisha Steel Mills Limited, Sachal Energy Development (Pvt.) Limited and Arif Habib Dolmen REIT Management Limited.

Mr. Arif Habib remained the elected President/Chairman of Karachi Stock Exchange for six times in the past and was a Founding Member and Chairman of the Central Depository Company of Pakistan Limited. He has served as a Member of the Privatisation Commission, Board of Investment, Tariff Reforms Commission and Securities & Exchange Ordinance Review Committee. He has been a member of the Prime Minister's Economic Advisory Council (EAC) and the Think-Tank constituted by the Prime Minister on COVID-19 related economic issues. He has also remained a member of the Prime Minister's Task Force on attracting Foreign Direct Investment (FDI) and a member of Advisory Committee of Planning Commission.

Mr. Habib participates significantly in welfare activities. He remains one of the directors of Pakistan Centre for Philanthropy (PCP), Habib University Foundation, Karachi Education Initiative (KSBL), Arif Habib Foundation and Naya Nazimabad Foundation as well as trustee of Memon Health & Education Foundation (MMI).

CORPORATE RESPONSIBILITIES AS CHAIRMAN

- Fatima Fertilizer Company Limited
- Fatimafert Limited
- Sachal Energy Development (Private) Limited
- Aisha Steel Mills Limited
- Arif Habib Dolmen REIT Management

- Limited / (Dolmen City REIT)
- Arif Habib Development and Engineering Consultants (Private) Limited
- Sapphire Bay Development Company Limited
- Arif Habib Foundation
- Naya Nazimabad Foundation
- Black Gold Power Limited
- Essa Textile and Commodities (Pvt.) Limited

AS CEO

- Arif Habib Corporation Limited

AS DIRECTOR

- Arif Habib Equity (Private) Limited
- Arif Habib Consultancy (Private) Limited
- Fatima Cement Limited
- International Builders and Developers (Private) Limited
- NCEL Building Management Limited
- Pakarab Energy Limited
- Pakistan Business Council
- Pakistan Engineering Company Limited
- Pakistan Opportunities Limited
- Power Cement Limited
- Pakistan National Shipping Corporation

AS HONORARY TRUSTEE/DIRECTOR

- Fatimid Foundation
- Habib University Foundation
- Karachi Education Initiative
- Memon Education Board
- Memon Health and Education Foundation
- Pakistan Centre for Philanthropy



Mr. Samad A. Habib Chief Executive

Starting his career at Arif Habib Corporation Limited, Mr. Samad Habib developed his experience in sales, marketing and corporate activities, working his way up through various executive positions.

In 2004, Mr. Samad Habib joined Arif Habib Limited leading the company as its Chairman and Chief Executive. He played a key role in shaping the strategic direction of the company where he specialized in capital market operations and corporate finance. Several noteworthy Initial Public Offerings (IPOs) and successful private placements took place under his stewardship, showcasing his exceptional financial acumen and deep market insight.

Mr. Samad Habib transitioned to Javedan Corporation Limited, in 2011, as the driving force behind the transformation of a dilapidated cement plant to a vibrant living community, Naya Nazimabad. Mr. Samad Habib has been pivotal to advancing positive societal change, providing the city's middle class an elevated standard of living. His dedication, passion for social betterment and optimism are set to further transform the area with the largest commercial precinct development in the city presently under planning.

In 2019, Mr. Samad Habib took the role of CEO of Safe Mix Concrete Limited. Guided by his strategic acumen, Safe Mix Concrete has undergone a remarkable transformation from a loss-making entity to a profitable enterprise.

CORPORATE RESPONSIBILITIES

- Safemix Concrete Limited (Chief Executive)

AS CHAIRMAN

- NN Maintenance Company (Pvt) Limited

AS DIRECTOR

- Aisha Steel Mills Limited
- Arif Habib Dolmen REIT Management Limited / (Dolmen City REIT)
- Arif Habib Equity (Pvt.) Limited
- Arif Habib Foundation
- Arif Habib Development and Engineering Consultants (Private) Limited
- Black Gold Power Limited
- Nooriabad Spinning Mills (Pvt.) Limited
- Memon Health and Education Foundation
- Pakistan Opportunities Limited
- Power Cement Limited
- Rotocast Engineering Company (Pvt.) Limited
- Sapphire Bay Development Company Limited
- Sukh Chayn Gardens (Pvt.) Ltd.
- Sachal Energy Development (Pvt.) Limited
- Biomassar Pakistan Limited





Mr. Muhammad Ejaz Director

Muhammad Ejaz is the founding Chief Executive of Arif Habib Dolmen REIT Management Limited, Pakistan's pioneering REIT Management company. He has been associated with Arif Habib Group since 2008 and sits on the board of several group companies. He has spearheaded several group projects when these were at a critical stage during their execution.

Prior to joining Arif Habib Group, Ejaz has served at senior positions with both local and international banks. He was the Treasurer of Emirates NBD bank in Pakistan and served Faysal Bank Pakistan as Regional Head of Corporate Banking group. He also served Saudi-Pak Bank (now Silkbank) as Head of Corporate and Investment Banking. He also had short stints at Engro Chemical and American Express bank.

Ejaz did his graduation in Computer Science from FAST, ICS and did MBA in Banking and Finance from IBA, Karachi where he has also served as a visiting faculty member. He has also conducted programs at NIBAF-SBP and IBP. He is a Certified Director and also a Certified Financial Risk Manager.

He actively participates in the group's CSR initiatives especially those which render services in the fields of health and education with emphasis on female literacy.

CORPORATE RESPONSIBILITIES

- Arif Habib Dolmen REIT Management Limited / Dolmen City REIT (Chief Executive)
- Sapphire Bay Development Company Limited (Chief Executive)

AS DIRECTOR

- Arif Habib Development and Engineering Consultants (Private) Limited
- Sachal Energy Development (Pvt.) Limited



Mr. Kashif A. Habib Director

Mr. Kashif A. Habib is the Chief Executive of Power Cement Limited. As a member of the Institute of Chartered Accountants of Pakistan (ICAP) he completed his articleship from A.F. Ferguson & Co. (a member firm of Price Waterhouse Coopers) gaining invaluable insight across sectors, catering to clients across the Financial, Manufacturing, and Services industries.

He has to his credit four years of experience in Arif Habib Corporation Limited as well as over a decade's experience as an Executive Director in cement and fertilizer companies of the group. This exposure not only enriched his understanding of diverse corporate dynamics but also enabled him to refine his strategic decision-making capabilities.

Kashif is deeply committed to enhancing the country's energy landscape. He remains engaged with experts to establish renewable energy as a viable and readily available solution, benefiting not only industries but also the public at large.

CORPORATE RESPONSIBILITIES

- Power Cement Limited (Chief Executive)

AS DIRECTOR

- Aisha Steel Mills Limited
- Fatima Fertilizer Company Limited
- Arif Habib Equity (Private) Limited
- Arif Habib Foundation

- Arif Habib Development and Engineering Consultants (Private) Limited
- Black Gold Power Limited
- Essa Textile And Commodities (Private) Limited
- Fatimafert Limited
- Fatima Cement Limited
- Fatima Packaging Limited
- Nooriabad Spinning Mills (Pvt.) Limited
- Pakarab Fertilizers Limited
- Rotocast Engineering Company (Pvt.) Limited
- Safemix Concrete Limited
- Siddqsons Energy Limited
- Sachal Energy Development (Pvt.) Limited
- Biomasdard Pakistan Limited
- Pakistan Opportunities Limited



Mr. Javed Kureishi Director

Mr. Kureishi is a career Banker with a rich and diverse experience of more than 35 years with Citibank both in Pakistan and abroad across 5 countries in Europe, the Middle East, Africa and Asia, where he spent 9 years. His various roles have included Senior leadership roles in Country Management, Risk, Corporate and Institutional Banking, strategy, and managing Multinational Subsidiaries and Public Sector businesses at the country and regional levels. Mr. Kureishi is presently working for the International Finance Corporation (IFC) as a consultant responsible for business development. He has a BA (Hons) from The University of Sussex, UK.

Aside from his professional career, Mr. Kureishi has also been a keen cricketer. He played first-class cricket for PIA and Karachi in 1977-81 and for Sussex Under 25 during 1982-84. He was also the captain of Pakistan Under 19 Cricket team on its tour of India and Sri Lanka in 1978-79. Mr. Kureishi has also been a university level field hockey player. His other interests include Reading and Music.

AS DIRECTOR

- Pakistan Veterans Cricket Association
- Pakistan Stock Exchange Limited

- Pakistan Corporate Restructuring Company Limited
- Fauji Foods Limited
- Sindh Infrastructure Development Company Limited
- Tricon Boston Consulting Corporation Pvt. Ltd.
- Samba Bank Limited



Mr. Abdullah Ghaffar Director

Mr. Ghaffar is a career financial services professional with an experience of over 35 years across various functions including Retail Banking, Corporate Banking, Capital Markets, Cash Management, Islamic Products & Services, and Information Technology.

Mr. Ghaffar is currently associated with Bank of Khyber as SEVP-Islamic Banking Group. His previous banking position was with Al-Baraka Bank Pakistan Limited as SEVP/ Group Head for 'Corporate & Investment Banking'. He has

previously held leadership positions in leading financial institutions such as United Bank Limited (Head of Islamic Banking) and Standard Chartered Bank (Associate Director - Islamic Banking).

Mr. Ghaffar graduated from the Institute of Banking Administration (IBA), Karachi with an MB and subsequently complete professional training in Islamic Banking from Darul-Uloom, Korangi, and SBP-NIBAF. He is also a certified Director from the Lahore University of Management Science.



Mr. Abdul Qadir Sultan Director

Mr. Abdul Qadir Sultan is a Qualified Chartered Accountant from the Institute of Chartered Accountants of Pakistan (ICAP). He is currently working as the Director, Operational Risk at Tiqmo, a premier fintech in the Kingdom of Saudi Arabia owned by the Ajlan Group. He has been in the GRC domain in the Digital Financial Services for more than a decade in companies licensed in the UAE, KSA and Pakistan. He completed his articleship from A.F. Ferguson & Co. one of the finest accountancy firms in Pakistan. He has working experience of over 19 years in various diversified capacities.

He is a certified director from ICAP and holds a diploma in Islamic Finance from CIMA (UK).

Mr. Sultan takes keen interest in the promotion of education, trade and industry and strongly advocates these causes through various professional, corporate and trade platforms.



Mrs. Darakshan Zohaib Director

Mrs. Darakshan Zohaib has completed her graduation and is now currently pursuing her career in the field of accounts as Association of Chartered Accountant (ACCA). She has completed her internships in Central Depository Company Limited (CDM), Hum Television Network and A.F Ferguson and Company as an Audit Trainee. Furthermore, she has achieved

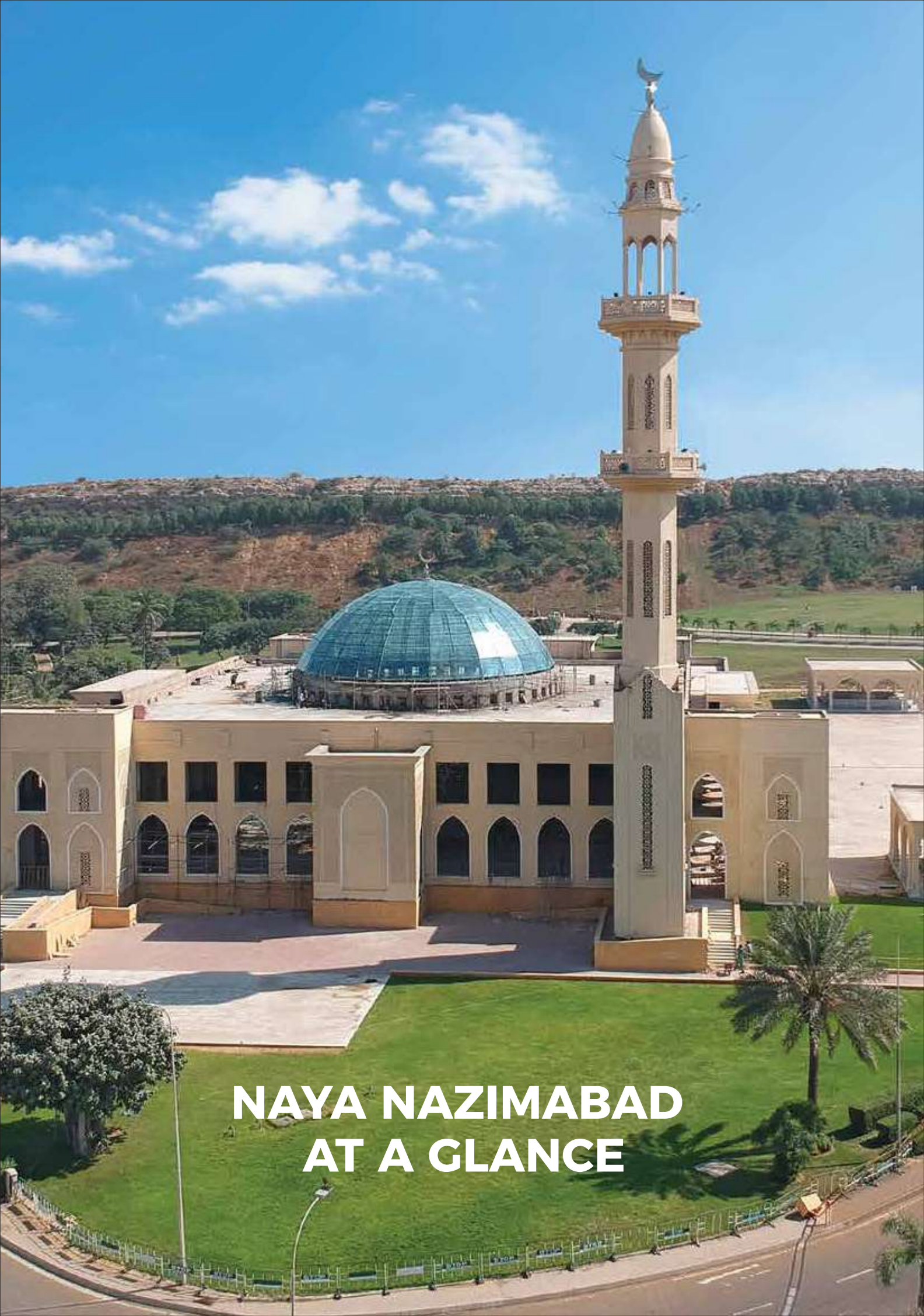
Academic Excellence Award 2009. She is also serving on the Board of Directors of Al-Abbas Sugar Mills Limited.



Mr. Alamgir Shaikh Director

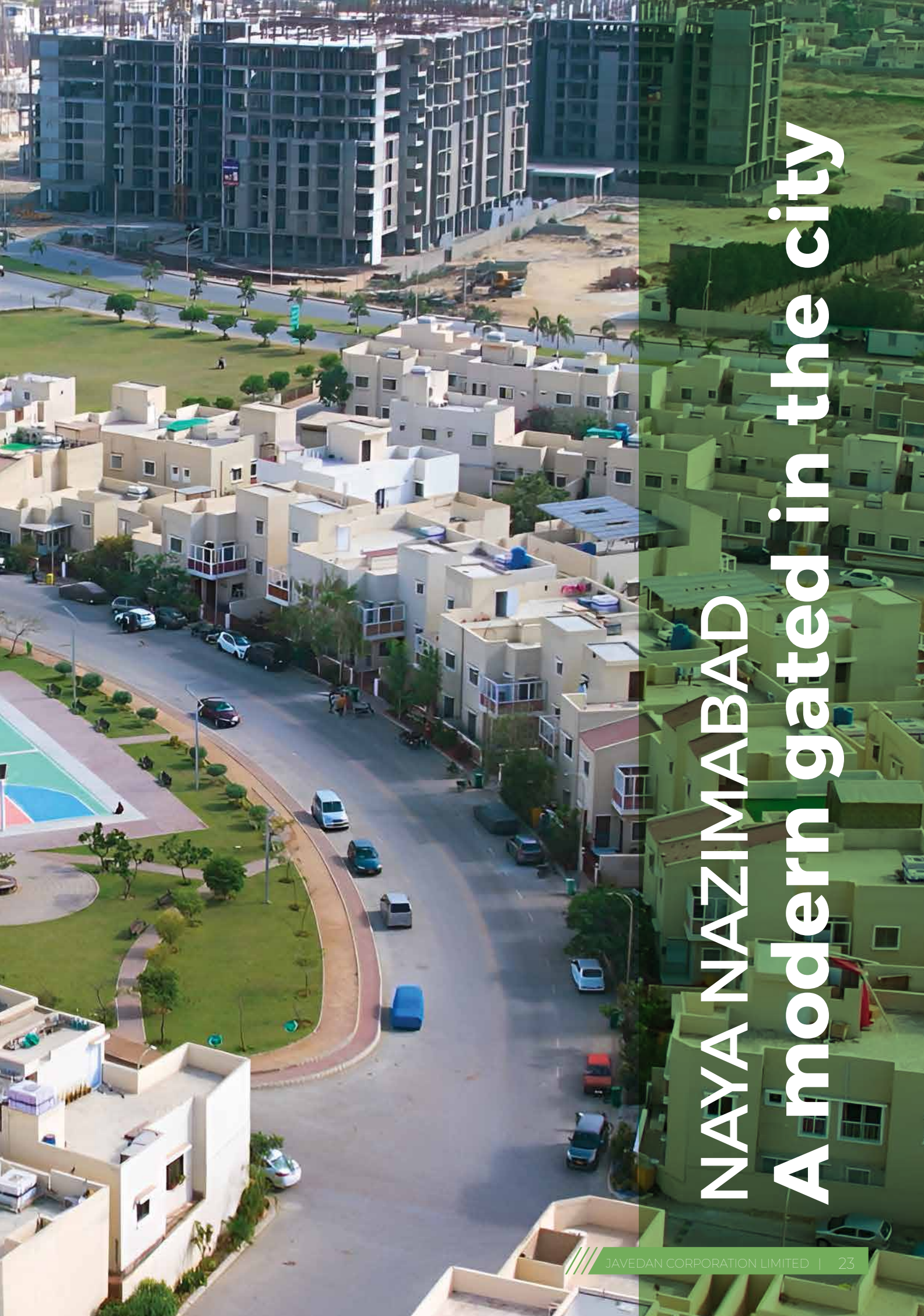
Mr. Alamgir Shaikh is a businessman. He is associated with Chamber of Commerce and Industries where he served as Advisor to the office of Chairman Banking & Insurance Committee, Chairman Renovation Committee, Chairman & Advisor Export Committee and Hilal Foods and Import Development. He is also serving as President of Snooker Association of

Pakistan and also represented Habib Bank and Karachi region as domestic hockey player. In 2014 he was appointed as Vice President of Asian Federation of Snooker. In honor of recognition to his efforts in the sports of snooker the President of Pakistan awarded him "President's Award for performance Excellence".



**NAYA NAZIMABAD
AT A GLANCE**





NAYA NAZIMABAD A modern gated in the city

Globe Residency REIT



Naya Nazimabad Gymkhana



Naya Nazimabad Hospital



Rahat Residency REIT



Masajids



Signature Residency REIT



Naya Nazimabad Apartment REIT



Naya Nazimabad Flyover



NOTICE OF 62ND ANNUAL GENERAL MEETING



NOTICE OF 62ND ANNUAL GENERAL MEETING

Notice is hereby given that Sixty Second Annual General Meeting ('AGM') of the shareholders of Javedan Corporation Limited (the Company) will be held on Saturday, October 26, 2024 at 10:30 a.m. at Naya Nazimabad Gymkhana, Naya Nazimabad, Manghopir Road, Karachi to transact the following business

ORDINARY BUSINESS

1. To confirm minutes of the 61st Annual General Meeting held on October 27, 2023.
2. To receive, consider and adopt annual audited financial statements of the Company together with the Directors' and Auditors' Reports thereon for the year ended June 30, 2024, together with the Audited Consolidated Financial Statement of the Company and the Auditors' Report thereon for the year ended June 30, 2024.

In accordance with Section 223 of the Companies Act, 2017 (Act) and pursuant to S.R.O. 389(I)/2023 dated March 21, 2023, the financial statements have been uploaded on website of the Company, which can be downloaded from the following weblink or QR enabled code:

<http://jcl.com.pk/financial-statements>



3. To appoint Auditors and fix their remuneration for the year ending June 30, 2025. The Board of Directors, on the recommendation of Audit Committee have recommended for reappointment of M/s. Yousuf Adil Chartered Accountants and M/s. Reanda Haroon Zakaria Aamir Salman Rizwan & Co., Chartered Accountants as external auditors.
4. To consider and approve final cash dividend for the year ended 30 June 2024 @ 40% i.e. PKR 4 per ordinary share as recommended by the Board of Directors.
5. To elect 9 (nine) Directors, as fixed by the Board in accordance with the provision of Section 159 of the Companies Act, 2017, for a term of 3 (three) years commencing from October 26, 2024. The following are names of the retiring Directors of the Company, who are also eligible to offer themselves for re-election in respective Director category (except for Mr. Alamgir A. Shaikh) as specified in regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the CCG-2019) as amended through SECP SRO 906(I)/2023, dated July 07, 2023:
 1. Mr. Arif Habib
 2. Mr. Abdus Samad Habib
 3. Mr. Muhammad Kashif
 4. Mr. Muhammad Ejaz
 5. Mr. Javed A. Kureishi
 6. Ms. Darakshan Zohaib
 7. Mr. Abdullah Chaffar
 8. Mr. Abdul Qadir Sultan
 9. Mr. Alamgir A. Shaikh

SPECIAL BUSINESS

6. To authorize the Board of Directors of the Company to approve those transactions with Related Parties (if executed) during the financial year ending June 30, 2025 which require approval of shareholders u/s 207 and / or 208 of the companies Act, 2017 read with Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018, by passing the following special resolution with or without modification:

RESOLVED THAT

The Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with Related Parties on case-to-case basis for the financial year ending June 30, 2025.

FURTHER RESOLVED THAT

The transactions approved by the Board shall be deemed to have been approved by the shareholders u/s 207 and / or 208 of the companies Act, 2017 read with Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018 (if triggered) and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval (if required).

7. To consider and if deemed fit, to pass the following Special Resolutions with or without modification(s):

Investment in Associated Companies & Associated Undertakings

RESOLVED THAT

the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, for the following limit of fresh investment in an associated company and undertaking for a period upto next annual general meeting, and subject to the terms and conditions as mentioned in the Annexure-A of Statement under Section 134(3).”

FURTHER RESOLVED THAT

the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 read with the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 for renewal of following equity investments limits in associated companies and associated undertaking as are also mentioned in the Annexure-B of Statement under Section 134(3) against which approval had been sought in previous general meeting(s), upto unutilized amount, and for a period upto next annual general meeting, which shall be renewable in next annual general meeting(s) for further period(s).”

FURTHER RESOLVED THAT

the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 read with the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 for renewal of following sanctioned limits of loans and/or advances and/or running finance and/or guarantees and/or third-party collateral in associated companies and associated undertakings, for which approval has been sought in previous general meeting(s), as mentioned in detail in the Annexure-B of statement under Section 134(3), whereas the renewal of limits will be in the nature of loan and/or advance and/or running finance and/or guarantee for a period upto next annual general meeting, unless specifically approved for a longer period, and shall be renewable in next annual general meeting(s) for further period(s) as specified.”



S.No	Name of Associated Companies & Associated Undertakings			Unutilized Equity portion	Sanctioned Loan/ Advance/ Guarantee
		Equity	Loans / Advances / Guarantee		
		PKR in million		PKR in million	
1	Aisha Steel Mills Limited	-	-	500	1,000
2	Power Cement Limited	-	-	500	1,000
3	Arif Habib Limited	-	-	500	2,000
4	Fatima Fertilizer	-	-	1,000	-
5	Sapphire Bay Islamic Development REIT	-	-	2,536	3,000
6	Cymkhana Apartment REIT	-	-	1500	1000
7	Signature Residency REIT	-	-	-	165
8	Globe Residency REIT	-	-	1,499	679
9	Naya Nazimabad Apartment REIT	-	-	1,000	4,000
10	Park View Apartment REIT	250	-	-	-

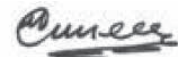
FURTHER RESOLVED THAT

The Chief Executive and/or any two Directors jointly and/or any one Director and/or Chief Financial Officer and Company Secretary jointly by any two, be and are hereby authorized to take and do, and/or cause to be taken or done, any/all necessary actions, deeds and things which are or may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential to the investment of the Company's funds as above, as and when required at the time of investment, including but not limited to negotiating and executing any necessary agreements/documents, and any ancillary matters thereto.

ANY OTHER BUSINESS

8. To transact any other business with the permission of the chair.

A statement under section 134(3) of the Companies Act 2017 pertaining to agenda items No.5, 6 and 7 is Annexed for information of the Shareholders.



By Order of the Board
Muneer Gader
Company Secretary

Karachi
Dated: 04 October 2024

NOTES:

1. The share transfer books of the Company will remain closed from 18 October 2024 to 26 October 2024 (both days inclusive). Transfer received in order at the office of our Share Registrar M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shakra-e-Faisal, Karachi - 74400 (Share Registrar) at the close of the business on Thursday, 17 October 2024, will be considered in time for attending the AGM and entitlement of the Dividend to ordinary shareholders.
2. A member entitled to attend and vote at the meeting may appoint another person as his / her proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.
3. Procedure including the guidelines as laid down in Circular No. I - Reference No. 3 (5-A) Misc / ARO / LES / 96 dated January 26, 2000 issued by Securities & Exchange Commission of Pakistan:
 - i. Members, proxies or nominees shall authenticate their identity by showing their original computerized national identity card (CNIC) or original passport and bring their folio numbers at the time of attending the meeting
 - ii. In the case of corporate entity, Board of Directors' resolution / power of attorney and attested copy of the CNIC or passport of the nominee shall also be produced at the time of meeting
 - iii. In order to be effective, the proxy forms must be received at the office of our registrar not later than 48 hours before the meeting, duly signed, stamped and witnessed by two persons with their names, address, CNIC numbers and signatures.
 - iv. In the case of individuals, attested copies of CNIC or passport of the beneficial owners, witnesses and the proxy holder shall be furnished with the proxy form. A proxy must be a member of the Company.
 - v. In the case of proxy by a corporate entity, Board of Directors resolution / power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted along with proxy form
4. Shareholders are requested to notify change in their addresses, if any, to our Share Registrar. Shareholders maintaining their shares in electronic form should have their address updated with their participant or CDC Investor Accounts Service.
5. Updation of Email/Cell Numbers:

To comply with requirement of Section 119 of the Companies Act, 2017 and Regulation 47 of the Companies Regulations, 2024, all physical shareholders are requested to provide their email address, mobile number and notify change therein, if any to our Share Registrar for incorporation in our members register. Shareholders maintaining their shares in electronic form should have their email address and mobile number updated with their participant or CDC Investor Accounts Service.

6. Election of Directors:

The existing term of the Board of Directors of the Company will expire on 25 October 2024. The Board of Directors on 19 September 2024 has fixed the number of Directors at 9 (nine) to be elected in the AGM for the period of three years commencing from 26 October 2024 in accordance with the provisions of Section 159 of the Companies Act, 2017.



For the election of Directors, any individual, whether a retiring Director or otherwise, who wishes to contest must submit the following required documents addressed to the Company Secretary and delivered either to the Registered Office at Arif Habib Centre, 23 M.T. Khan Road, Karachi, or the Site Office at Naya Nazimabad, Manghopir Road, Karachi not later than fourteen days before the date of AGM:

- i. Notice of his/her intention to offer him/herself for the election in terms of Section 159(3) of the Act in the following categories as per the requirements of Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the CCG-2019) as amended through SECP SRO 906(I)/2023, dated 07 July 2023:

Sr. No.	Category	Number of Seats
1	Female Director	01
2	Independent Directors	03
3	Other Directors	05

- ii. Consent to act as director under Section 167(1) of the Act on "Appendix to Form-9" as prescribed in the Companies Regulations, 2024.
- iii. A detailed profile of the candidates along with office address for placement on the Company's website, as required under SECP SRO 1196 (I)/2019, dated 03 October 2019.
- iv. Declaration under Section 155 of the Act read with Regulation No.3 of the CCG-2019.
- v. Declaration that he/she is not ineligible to become a Director of the Company in terms of Section 153, 177 or under any provision of the Companies Act, 2017, the CCG-2019, PSX Rule Book and any other applicable law, rules and regulations.
- vi. Declaration of independence in terms of Section 166(2) of the Companies Act, 2017 read with Regulation 6(3) of CCG-2019 (applicable only for person filing consent to act as independent director of the Company).
- vii. Undertaking on non-judicial stamp paper that candidate meets the requirements of Regulation 4(1) (7) of the Companies (Manner and Selection of Independent Directors) Regulations, 2018 (applicable only for person filing consent to act as independent director of the Company).
- viii. Details of other directorship and offices held.
- ix. Copy of valid CNIC (in case of Pakistan national) / Passport (in case of foreign national).
- x. NTN & Folio No./CDC Investors Account No./CDC Sub-Account No (applicable for person filing consent for the first time).

The members in their discretion may cast vote for any candidate contenting election in each of the above categories. However, it must be noted that the division of votes available to each member for a category shall be in proportion to the number of seats of Directors under such category. The member can cast their votes, based on each category, as per the following methodology:

Category	No of Directors to be Elected	No. of available votes for the category	Remarks
Female	1	1*100=100	If only one female contesting the election, then she will be elected unopposed. Otherwise, the member may cast 100 votes available in this category. The member may give all his/her votes to a single candidate or divide them between more than one candidate in this category.
Independent Directors	3	3*100=300	The member may give all his/ her votes to a single candidate or divide them between more than one candidate in this category.
Other Directors	5	5*100=500	The member may give all his/ her votes to a single candidate or divide them between more than one candidate in this category.

If the number of persons who offer themselves to be elected in a category are not more than the number of directors to be elected in such category, such person will be elected unopposed without the voting process.

7. Online Participation in the Annual General Meeting:

In light of relevant guidelines issued by the Securities & Exchange Commission of Pakistan (SECP) vide letter no. SMD/SE/2(20)/2021/117 dated December 15, 2021, the shareholders are encouraged to participate in the AGM through electronic facility arranged by the Company.

Accordingly, the company for ensuring maximum participation of the shareholders has made arrangements to ensure that shareholders can also participate in the AGM proceeding via video link. Hence, those members who desire online participation in the AGM are requested to register themselves by sending an email along with following particulars and valid copy of both sides of their CNIC at muhammad.adnan@jcl.com.pk with subject of "Registration for JCL AGM 2024" not less than 48 hours before the time of meeting:

Name of Shareholder	CNIC No	Folio No / CDC Account No	Cell No	Email Address

Video Link to join the AGM will be shared with only those members whose emails, containing all the required and correct particulars are received at above mentioned email address.

8. Notice to Shareholders for provision of CNIC and other details:

Members who have not yet submitted photocopy of their valid CNIC to the Company / Share Registrar, are once again reminded to send the same at the earliest directly to Company's Share Registrar, M/s. CDC Share Registrar Services Limited, CDC House, 99- B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi. The Corporate Entities are requested to provide their National Tax Number (NTN). Please give Folio Number with the copy of CNIC / NTN details.

9. Payment of Cash Dividend through Electronic Mode (Mandatory):

As per requirement of Section 242 of the Companies Act, 2017 and the Companies (Distribution of Dividend) Regulations, 2017, it is mandatory for every listed Company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders. Consequently, to receive cash dividends directly into bank account, if any, shareholders having physical shares are requested to fill in 'Electronic Mode Dividend Form' available at Company's website containing prescribed details and send it duly signed along with a copy of CNIC to the Registrar of the Company. In case of book-entry securities, shareholders must get their respective records updated as per the 'Electronic Mode Dividend Form' with their Broker / Participant / CDC account services.

In case of absence / non-receipt of the copy of a valid CNIC and bank account details, the Company would be constraint under Section 243(2)(a) of the Companies Act, 2017 read with regulation 6 of the Companies (Distribution of Dividends) Regulations, 2017 to withhold the payment of dividends, if any, to such members till provision of prescribed details.

10. Details of Shareholding Proportion

Shareholders are requested that in case of joint account, please share proportionate shareholding in writing as follows with our share registrar within 15 days of this notice for record purpose:

Bank Name	Folio/CDC A/c. No.	Total No. of Shares	Participant Shareholder		Joint Shareholder	
			Name and CNIC No.	Shareholding Proportionate (No. of Shares)	Name and CNIC No.	Shareholding Proportion (No. of Shares)

11. Zakat Exemption:

Zakat will be deducted from the dividends at source at the rate of 2.5% of the paid-up value of the share (Rs. 10/- each) and will be deposited within the prescribed period with the relevant authority. In case of claiming exemption, please submit your Zakat Declarations under Zakat and Ushr Ordinance, 1980 and Rule 4 of Zakat (Deduction and Refund) Rules, 1981. Shareholders who hold Company's shares in physical form, please deposit their Zakat Declaration on Form CZ-50 with Company's Share Registrar with mentioning Folio No. and Name. Shareholders who hold shares in book entry shall deposit their zakat declaration on Form CZ-50 with CDC Investor Account Services/CDC Participant/Stockbrokers with mentioning CDS Account No. and name of shareholder.

12. E-Voting / Postal Ballot:

Members are hereby notified that pursuant to the Companies (Postal Ballot) Regulations, 2018 read with Sections 143-144 of the Companies Act, 2017 and SRO 2192(1)/2022 dated 5th December 2022, members will be allowed to exercise their right to vote for the special business(es) in accordance with the conditions as specified in the said regulations.

As the agenda item No. 5 is pertain to Election of Directors and agenda items No.6 and 7 of the Annual General Meeting are special business, therefore, facility of e-voting or postal ballot is arrange for the shareholders through M/s. THK Associates (Private) Limited, Balloter and e-voting service providers. The procedure for exercising e-voting or Postal Ballot options, alternatively is provided hereunder:

i) E-Voting Procedure

- (a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on 17 October 2024.
- (b) The web address, login details and password will be communicated to members via email. The security codes will be communicated to members through SMS and email from web portal of the e-voting service provider.
- (c) Identity of the members intending to cast vote through E-Voting shall be authenticated through electronic signature or authentication for login.
- (d) E-Voting lines will start from 23 October 2024, 09:00 a.m. and shall close on 25 October 2024 at 05:00 p.m. Members can cast their votes any time during this period. Once the vote on a resolution is cast by a member, he / she shall not be allowed to change it subsequently.

ii) Postal Ballot

- (a) Members may alternatively opt for voting through postal ballot. Ballot Paper shall also be available for download from the website of the Company at www.jcl.com.pk or use the same published in newspapers.
- (b) The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC) should reach the Registered Address through post at Arif Habib Centre, 23 M. T. Khan Road, Karachi (Attention of the Company Secretary) or through the registered email address of shareholder at muhammad.adnan@jcl.com.pk with subject of 'Postal Ballot for 'JCL AGM 2024' by Friday, 25 October 2024 before 05:00 p.m. The signature on the ballot paper shall match with the signature on CNIC. A postal ballot received after this time / date shall not be considered for voting.
- (c) Please note that in case of any dispute in voting including the casting of more than one vote, the Chairman shall be the deciding authority.

Note:

In accordance with the Regulation 11 of the Companies (Postal Ballot) Regulations, 2018, the Board of the Company has appointed M/s. Reanda Haroon Zakaria Aamir Salman Rizwan & Co. Chartered Accountants, (a QCR rated audit firm) to act as the Scrutinizer of the Company for the businesses to be transacted in the meeting (Agenda # 5 and Agenda # 7 pertaining Election of Directors and approval for Investments in associates under section 199 of the Companies Act, 2017 respectively), and to undertake other responsibilities as defined in Regulation 11A of the Regulations.

13. Provision of Video Link Facility:

In accordance with Section 134 (1) (b) of the Companies Act, 2017 the Shareholders may participate in the meeting via video-link facility. If the Company receives a demand (at least 7 days before the date of meeting) from shareholder(s) holding an aggregate 10% or more shareholding residing in any other city, to participate in the meeting through video link, the Company will arrange video link facility in that city.



Shareholders, who wish to participate through video-link facility, are requested to fill in Video Link Facility Form available at Company's website at the given link: <https://jcl.com.pk/investors-information/#Video-link-facility-form> and send a duly signed copy to the Registered Address of the Company.

14. Distribution of Annual Report:

The Annual Report of the Company for the year ended 30 June 2024 has been placed on the Company's website at the given weblink: <http://jcl.com.pk/financial-statements> and could also be downloaded from above QR code.

However, if a shareholder, in addition, requests a hard copy of Annual Report, the same shall be provided free of cost within seven days of receipt of such request. For convenience of shareholders, a "Standard Request Form for provision of Annual Report" has also been made available on the Company's website www.jcl.com.pk.

15. Deposit of Physical shares in CDC Accounts:

The SECP, through its letter No.CSD/ED/Misc/2016-639-640 dated 26 March 2021, has advised the listed companies to adhere with the provisions of the Section 72 of the Act, which requires all the exiting companies to replace shares issued by them in physical form with book-entry form in a manner as may be specified and from the date notified by the SECP within a period not exceeding four years from the commencement of the Companies Act 2017 i.e. 30 May 2017. The shareholders having physical shareholding are requested to open CDC sub-account with any of the brokers or investors account directly with CDC to place their physical shares into scrip less form.

16. Unclaimed Dividend:

Pursuant to Section 244 of the Act, any shares issued, or dividends declared by the Company, which remain unclaimed for a period of three years from the date they became due and payable shall rest with the Federal Government after completion of procedure prescribed under the Act.

In this respect, Shareholders, who by any reason, could not claim their previous dividends are advised to contact our Share Registrar M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi, to collect/enquire about their unclaimed dividend, if any. The details of the dividend declared by the Company which have remained due for more than three years are available on the Company's website www.jcl.com.pk.

17. Form of Proxy is enclosed and uploaded on the Company's website www.jcl.com.pk.

STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

This statement sets out the material facts concerning the Election of Directors in Agenda No.5 and Special Business given in Agenda items No. 6 and 7 of the Notice to be transacted at the Annual General Meeting of the Company. Directors of the Company have no interest in the special business except in their capacity as director / shareholder.

AGENDA NO.5

ELECTION OF DIRECTORS

The existing term of the Board of Directors of the Company will expire on 25 October 2024. The Board of Directors on 19 September 2024 has fixed the number of Directors at 9 (nine) to be elected in the AGM for the period of three years commencing from 26 October 2024 in accordance with the provisions of Section 159 of the Companies Act, 2017.

The following are names of the retiring Directors of the Company, who are also eligible to offer themselves for re-election in respective Director category (except for Mr. Alamgir A. Shaikh) as specified in regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the CCG-2019) as amended through SECP SRO 906(I)/2023, dated 07 July 2023:

1. Mr. Arif Habib
2. Mr. Abdus Samad Habib
3. Mr. Muhammad Kashif
4. Mr. Muhammad Ejaz
5. Mr. Javed Kureishi
6. Ms. Darakshan Zohaib
7. Mr. Abdullah Ghaffar
8. Mr. Abdul Qadir Sultan
9. Mr. Alamgir A. Shaikh

As required under Section 166(3) of the Companies Act, 2017, Independent Directors will be elected through the process of election of Directors as other Directors elected in terms of Section 159 of the Act and they shall meet the criteria laid down under Section 166 (1 & 2) of the Act read with Regulation 6(3) of the CCG Regulations, 2019 and the Companies (Manner and Selection of Independent Directors) Regulations, 2018. Further, disclosure requirements as stipulated in SRO 1196(I)/2019 dated 03 October 2019 pertaining to Election of Directors shall be duly complied with.

AGENDA NO.6

AUTHORIZATION FOR THE BOARD OF DIRECTORS TO APPROVE THOSE TRANSACTIONS WITH RELATED PARTIES (IF EXECUTED) DURING THE FINANCIAL YEAR ENDING 30 JUNE 2025 WHICH REQUIRE APPROVAL OF SHAREHOLDERS U/S 207 AND / OR 208 OF THE COMPANIES ACT, 2017

The Company shall be conducting transactions with its related parties during the year ending 30 June 2025 on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. Being the directors of a real estate builder and developer Company, many Directors may be deemed to be treated as interested in transactions with related parties due to their common directorships and/or shareholding. In order to promote good corporate governance and transparent business practices, the shareholders desire to authorize the Board of Directors to approve transactions with the related parties from time-to-time on case to case basis, including transactions (if executed) triggering approval of shareholders u/s 207 and / or 208 of the Companies Act, 2017, for the year ending 30 June 2025, which transactions shall be deemed to be approved by the Shareholders. The nature and scope of such related party transactions is explained above. These transactions shall be placed before the shareholders in the next Annual General Meeting

for their formal approval/ratification. The Directors are interested in the resolution only to the extent of their shareholding and / or common directorships in such related parties.

ANNEXURE-A

AGENDA NO.7

INVESTMENTS IN ASSOCIATED COMPANIES & ASSOCIATED UNDERTAKINGS

The Board of Directors of the Company has approved the specific limit for fresh equity investment in the following associated company subject to the consent of members under Section 199 of the Companies Act, 2017 / Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017. The Board of Directors do hereby undertake / certify that necessary due diligence for the following proposed investment has been carried out. The principal purpose of this special resolution is to make the Company in a ready position to capitalize the investment opportunity as and when it arrives. It is prudent that the Company should be able to make the investment at the right time when the opportunity is available, and the limit shall be valid till the holding of the next annual general meeting with the option of renewal thereon.

Ref. No.	Requirement	Information
Information required to be disclosed as per Regulation 3(1)(a):		
i	Name of associated company or associated undertaking	Park View Apartment REIT ("PVAR REIT")
ii	Basis of relationship	PVAR REIT is managed by Arif Habib Dolmen REIT Management Limited and company has common directorship with REIT management company.
iii	Earnings per share (Basic) for the last three years	The REIT has been registered on 20 June 2023. The first financial statement of REIT for the year ended 30 June 2024 are in process of annual audit. Therefore, this information is not available
iv	Break-up value of share, based on the latest audited financial statements	The REIT has been registered on 20 June 2023. The first financial statement of REIT for the year ended 30 June 2024 are in process of annual audit. Therefore, this information is not available
v	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	The REIT has been registered on 20 June 2023. The first financial statement of REIT for the year ended 30 June 2024 are in process of annual audit. Therefore, this information is not available
vi	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, prescribed details thereof i) Description of the project and its history since conceptualization; ii) Starting date and expected date of completion of work; iii) Time by which such project will become commercially operational iv) Expected time by which the project shall start paying return on investment; and v) Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts.	Not Applicable

Ref. No.	Requirement	Information
vii	Maximum amount of investment to be made	Following limits are requested for approval: - Fresh limit of PKR 250 million is requested for approval in equity securities.
viii	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	For the benefit of the Company and to earn better returns on investment by capturing the opportunities on the right time. Approval of limit shall remain valid for a period up to next annual general meeting and shall be renewable thereon for further period(s).
ix	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds <ul style="list-style-type: none"> • Justification for investment through borrowing • Detail of collateral, guarantees provided and assets pledged for obtaining such funds • Cost benefit analysis 	The investment may be made from Company's own available liquidity and/or credit lines. <ul style="list-style-type: none"> • Higher rate of return • Pledge of listed securities and / or charge over assets of the Company, if and where needed. • Company's average borrowing cost is 3MK/6MK + 1.36% and the Company expects to earn over and above the average borrowing cost.
x	Salient feature of agreements (if any) with associated company or associated undertaking with regards to proposed investment	There is no agreement to date.
xi	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	Directors of the company have no interest in the investee company except in their capacity as sponsor / director / shareholder of associated company
xii	In case an investment in associated company has already been made, the performance review of such investment including complete information / justification for any impairments / write-offs	Not Applicable
xiii	Any other important details necessary for the members to understand the transaction	None
Information required to be disclosed as per Regulation 3(1)(b):		
xiv	Maximum price at which securities will be acquired	At par/premium/negotiated price prevailing on the date of transaction/investment
xv	In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	Not applicable
xvi	Maximum number of securities to be acquired	No. of securities purchasable under approved limit in accordance with / based on Sr. Nos. VII & XIV
xvii	Number of securities and percentage thereof held before and after the proposed investment	Before: Nil After: Increase in securities / percentage in accordance with Sr. Nos. VII, XIV and XVI.

Ref. No.	Requirement	Information
xviii	Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and	Not Applicable
xix	Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	Regulation 5(1) of Companies (Investment in associated Companies & Associated undertakings) Regulations 2017 provides that in case of investment in un-listed securities of an associated company or undertaking, the fair value for such security shall be determined based on the generally accepted valuation techniques and latest financial statement of the associated company. Therefore, the investment will be carried out based on fair value determined as above at the time of transaction.

Following directors of the company have no interest in the investee company except as follows:

Mr. Arif Habib	<ul style="list-style-type: none"> Director and or Shareholder of Arif Habib Dolmen REIT Management Limited (the REIT Management Company) of Parkview Apartment REIT
Mr. Muhammad Ejaz	<ul style="list-style-type: none"> Chief Executive of Arif Habib Dolmen REIT Management Limited (the REIT Management Company) of Parkview Apartment REIT
Mr. Samad A. Habib	<ul style="list-style-type: none"> Director and or Shareholder of Arif Habib Dolmen REIT Management Limited (the REIT Management Company) of Parkview Apartment REIT

Annexure B

Statement u/s 134(3) of Companies Act 2017 in compliance with Regulation 4(2) of Companies (Investment in Associated Companies & Associated Undertakings) Regulations, 2017 for decision to make investment under the authority of resolution passed earlier pursuant to provisions of Section 199 of Companies Act 2017 is not implemented fully or partially:

The Company in its previous general meetings had sought approvals under section 199 of the Companies Act, 2017 for investments in the following Associated Companies and Associated Undertakings in which investment has not been made so far, either fully or partially. Approval of renewal of unutilized portion of equity investments and sanctioned limit of (loans and or advances and or running finance and or third-party collateral and or guarantee) are also hereby sought for the companies, in which directors of the company have no interest except in their capacity as director / shareholder, as per following details for a period upto next annual general meeting, unless specifically approved for a longer period in 61st AGM held in 2023, the already approved respective limits for (loans and or advances and or running finance and or third-party collateral and or guarantee) were approved to be consolidated, and accordingly the Company may utilize the consolidated limit at its discretion for extending (loans and or advances and or running finance and or third-party collateral and or guarantee); provided that sum of respective natures of investments so extended does not exceed the already approved investment limit in the aggregate:

Name of associated company / undertaking: Aisha Steel Mills Limited

S. No	Description	Equity Securities		Loans / Advances / Running Finance / Guarantee	
a)	Total investment approved	500,000,000		1,000,000,000	
b)	Amount of investment made to date	-		-	
c)	Reasons for not having made complete investment so far where resolution required it to be implemented in specified time: and	Waiting for an appropriate time in the interest of the shareholders for utilization of approved limit,		Facility is in nature of loans/advances/running finance/guarantee and will be availed by the associated company as per requirement and Company will utilize based on the need and in the interest of shareholders.	
d)	Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company:	2023	2022	2023	2022
i	(Loss)/Earnings per share - basic	(3.56)	1.27	(3.56)	1.27
ii	Net Profit/(Loss)	(3,215,653,000)	1,146,113,000	(3,215,653,000)	1,146,113,000
iii	Shareholders' Equity	15,691,715,000	14,035,553,000	15,691,715,000	14,035,553,000
iv	Total Assets	38,046,164,000	46,804,817,000	38,046,164,000	46,804,817,000
v	Break-up Value	16.87	15.18	16.87	15.18
	Renewal in Previous Limits Requested for Portion I.E	Unutilized: 500,000,000		Sanctioned: 1,000,000,000	

Name of associated company / undertaking: Power Cement Limited

S. No	Description	Equity Securities		Loans / Advances / Running Finance / Guarantee	
a)	Total investment approved	500,000,000		1,000,000,000	
b)	Amount of investment made to date	-		-	
c)	Reasons for not having made complete investment so far where resolution required it to be implemented in specified time: and	Waiting for an appropriate time in the interest of the shareholders for utilization of approved limit,		Facility is in nature of loans/advances/running finance/guarantee and will be availed by the associated company as per requirement and Company will utilize based on the need and in the interest of shareholders.	
d)	Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company:	2023	2022	2023	2022
i	(Loss)/Earnings per share - basic & diluted	(0.19)	(0.62)	(0.19)	(0.62)
ii	(Loss)/Net Profit	168,993,000	(443,946,000)	168,993,000	(443,946,000)
iii	Shareholders' Equity	17,568,027,000	7,283,455,000	17,568,027,000	7,283,455,000
iv	Total Assets	48,530,623,000	46,448,732,000	48,530,623,000	46,448,732,000
v	Break-up Value	7.61	7.40	7.61	7.40
	Renewal in Previous Limits Requested for Portion I.E	Unutilized: 500,000,000		Sanctioned: 1,000,000,000	

Name of associated company / undertaking: Arif Habib Limited

S. No	Description	Equity Securities		Loans / Advances / Running Finance / Guarantee	
a)	Total investment approved	500,000,000		2,000,000,000	
b)	Amount of investment made to date	-		-	
c)	Reasons for not having made complete investment so far where resolution required it to be implemented in specified time: and	Waiting for an appropriate time in the interest of the shareholders for utilization of approved limit,		Facility is in nature of loans/advances/running finance/guarantee and will be availed by the associated company as per requirement and Company will utilize based on the need and in the interest of shareholders.	
d)	Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company:	2023	2022	2023	2022
i	Earnings per share- basic & diluted	2.83	12.65	2.83	12.65
ii	Net Profit	184,672,102	826,551,794	184,672,102	826,551,794
iii	Shareholders' Equity	4,994,252,286	5,201,620,184	4,994,252,286	5,201,620,184
iv	Total Assets	7,785,230,947	8,985,828,345	7,785,230,947	8,985,828,345
v	Break-up Value	76	84	76	84
	Renewal in Previous Limits Requested for Portion I.E	Unutilized: 500,000,000		Sanctioned: 2,000,000,000	

Name of associated company / undertaking: Fatima Fertilizer Company Limited

S. No	Description	Equity Securities		Loans / Advances / Running Finance / Guarantee	
a)	Total investment approved	1,000,000,000		N/A	
b)	Amount of investment made to date	-		N/A	
c)	Reasons for not having made complete investment so far where resolution required it to be implemented in specified time: and	Waiting for an appropriate time in the interest of the shareholders for utilization of approved limit,		N/A	
d)	Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company:	2023	2022 (Restated)	N/A	
i	Earnings per share - basic & diluted	10.67	6.81	N/A	
ii	Net Profit	22,399,399,000	14,301,979,000	N/A	
iii	Shareholders' Equity	118,365,983,000	107,089,184,000	N/A	
iv	Total Assets	230,766,831,000	231,094,617,000	N/A	
v	Break-up Value	56.36	51.91	N/A	
	Renewal in Previous Limits Requested for Portion I.E	Unutilized: 1,000,000,000		N/A	

Name of associated company / undertaking: Sapphire Bay Islamic Developmental REIT

S. No	Description	Equity Securities	Loans / Advances / Running Finance / Guarantee
a)	Total investment approved	6,000,000,000	3,500,000,000
b)	Amount of investment made to date	3,464,347,000	-
c)	Reasons for not having made complete investment so far where resolution required it to be implemented in specified time: and	Unutilized limit of investment will be made as project in progress ahead an investment requirement is needed.	Facility is in nature of loans/advances/running finance/guarantee and will be availed by the associated company as per requirement and Company will utilize based on the need and in the interest of shareholders.
d)	Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company:	30 June 2023	30 June 2022
i	Earnings per share- basic & diluted	N/A	N/A
ii	Net Profit	N/A	N/A
iii	Shareholders' Equity	N/A	N/A
iv	Total Assets	N/A	N/A
v	Break-up Value	N/A	N/A
	Renewal in Previous Limits Requested for Portion I.E	Unutilized: 2,535,653,000	Sanctioned: 3,000,000,000

Name of associated company / undertaking: Gymkhana Apartment REIT

S. No	Description	Equity Securities	Loans / Advances / Running Finance / Guarantee
a)	Total investment approved	4,867,500,000	2,840,000,000
b)	Amount of investment made to date	-	-
c)	Reasons for not having made complete investment so far where resolution required it to be implemented in specified time: and	Waiting for an appropriate time in the interest of the shareholders for utilization of approved limit,	Facility is in nature of loans/advances/running finance/guarantee and will be availed by the associated company as per requirement and Company will utilize based on the need and in the interest of shareholders.
d)	Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company:	30 June 2023	30 June 2022
i	Earnings per share- basic & diluted	N/A	N/A
ii	Net Profit	N/A	N/A
iii	Shareholders' Equity	N/A	N/A
iv	Total Assets	N/A	N/A
v	Break-up Value	N/A	N/A
	Renewal in Previous Limits Requested for Portion I.E	Unutilized: 1,500,000,000	Unutilized: 1,000,000,000

Name of associated company / undertaking: Signature Residency REIT

S. No	Description	Equity Securities	Loans / Advances / Running Finance / Guarantee
a)	Total investment approved	132,500,000	660,000,000
b)	Amount of investment made to date	132,500,000	495,000,000
c)	Reasons for not having made complete investment so far where resolution required it to be implemented in specified time: and	Waiting for an appropriate time in the interest of the shareholders for utilization of approved limit,	Facility is in nature of loans/advances/running finance/guarantee and will be availed by the associated company as per requirement and Company will utilize based on the need and in the interest of shareholders.
d)	Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company:	30 June 2023	30 June 2022
i	Earnings per share- basic & diluted	-	N/A
ii	Net Loss	(12,353,000)	N/A
iii	Shareholders' Equity	317,647,000	N/A
iv	Total Assets	1,576,744,000	N/A
v	Break-up Value	-	N/A
	Renewal in Previous Limits Requested for Portion I.E	100% approved limit is already utilized.	Sanctioned: 165,000,000

Name of associated company / undertaking: Globe Residency REIT

S. No	Description	Equity Securities	Loans / Advances / Running Finance / Guarantee
a)	Total investment approved	3,000,000,000	3,500,000,000
b)	Amount of investment made to date	1,501,200,000	2,821,000,000
c)	Reasons for not having made complete investment so far where resolution required it to be implemented in specified time: and	Waiting for an appropriate time in the interest of the shareholders for utilization of approved limit,	Facility is in nature of loans/advances/running finance/guarantee and will be availed by the associated company as per requirement and Company will utilize based on the need and in the interest of shareholders.
d)	Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company:	30 June 2023	30 June 2022
i	Earnings per share- basic & diluted	1.936	2.445
ii	Net Profit	271,083,000	342,360,000
iii	Shareholders' Equity	1,855,490,000	1,584,407,000
iv	Total Assets	4,113,180,000	4,049,813,000
v	Break-up Value	13.25	11.32
	Renewal in Previous Limits Requested for Portion I.E	Unutilized: 1,498,000,000	Unutilized: 679,000,000

Name of associated company / undertaking: Naya Nazimabad Apartment REIT

S. No	Description	Equity Securities	Loans / Advances / Running Finance / Guarantee
a)	Total investment approved	6,500,000,000	4,000,000,000
b)	Amount of investment made to date	2,937,500,000	4,000,000,000
c)	Reasons for not having made complete investment so far where resolution required it to be implemented in specified time: and	Waiting for an appropriate time in the interest of the shareholders for utilization of approved limit,	Facility is in nature of loans/advances/running finance/guarantee and will be availed by the associated company as per requirement and Company will utilize based on the need and in the interest of shareholders.
d)	Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company:	30 June 2023	30 June 2022
i	Loss per share - basic & diluted	(0.158)	N/A
ii	Net Loss	(46,270,000)	N/A
iii	Shareholders' Equity	2,891,230,000	N/A
iv	Total Assets	5,863,981,000	N/A
v	Break-up Value	-	N/A
	Renewal in Previous Limits Requested for Portion I.E	Unutilized: 1,000,000,000	Sanctioned: 4,000,000,000

Review Report by the **Chairman**





Review Report By The Chairman

During the year under review, the Board of Directors (the Board) of JCL has performed their duties diligently in upholding the best interest of the shareholders of the Company and has managed the affairs of the Company in an effective and efficient manner.

The Board has exercised its powers and has performed its duties as stated in the Companies Act, 2017 (“Act”), the Code of Corporate Governance Regulation, 2019 (“Code”), and the Rule Book of the Pakistan Stock Exchange (the Rule Book) where the Company is listed.

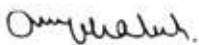
The Board during the year ended 30th June 2024 played an effective role in managing the affairs of the Company and achieving its objectives in the following manner;

- The Board has ensured that the Board and its committees have an adequate representation of non-executive and independent directors, as required by the Code, and that members of the Board and its respective committees have the requisite skill, experience, and knowledge required to manage the Company's affairs;
- The Board has placed an Audit Committee and a Human Resource and Remuneration Committee, approved their terms of references, and allocated adequate resources to ensure that the committees carry out their duties diligently in accordance with the Act and the Code;
- The Board has developed and put in place the rigorous mechanism for an annual evaluation of its own performances as well as the performance of its committees and individual directors on an annual basis. The findings of the annual evaluation are assessed and re-evaluated by the Board periodically;
- The Board has ensured that the directors are provided with orientation courses to enable them to perform their duties in an effective manner;
- The Board has ensured that all meetings of the Board and its committees were held with the requisite quorum, all decisions were made through Board resolution, and that all meetings (including committees) were appropriately recorded and maintained, in compliance with the requirement of the Act and the Code;
- The Board of Directors has established a code of conduct that outlines the professional standards and corporate principles to which the Company adheres, as well as essential policies for the smooth operation of the Company;
- The Board has actively participated in the strategic planning process, enterprise risk management system, policy formulation, and the financial structure, monitoring, and approval;
- All significant issues were submitted to the Board or its committees during the year in order to strengthen and formalize corporate decision-making, and particularly all related party transactions executed by the Company were approved by the Board on the recommendation of the Audit Committee;
- The Board has ensured that an effective internal control system is in place and that it is continuously assessed through a self-assessment mechanism supported by internal audit activities;
- The Board has prepared and approved the director's report and has ensured that it is published with the Company's quarterly and annual financial statements and that the content of the director's report is in accordance with the requirement of the Act, the Code, and related guidelines;

- The Board has ensured the hiring, evaluation, and compensation of the Chief Executive and other key executives including the Chief Financial Officer, Company Secretary, and Head of Internal Audit;
- The Board has ensured that adequate information is shared among its members in a timely manner and that members are kept up to date on events between meetings; and
- The Board has exercised its powers in light of the power assigned to the Board in accordance with the Act, the Code, and related guidelines applicable to the Company, and the Board has always prioritized Compliance with all the applicable laws and regulations in terms of their conduct as directors and exercising their powers and decision making.

The evaluation of the Board's performance is assessed based on those key areas where the Board requires clarity in order to provide high-level oversight, including the strategic process; key business drivers and performing milestones, the global economic environment,

and the competitive context in which the Company operates; the risk faced by the Company's business; Board dynamics; capability and information flows. Based on the aforementioned, it can reasonably be stated that the Board of JCL has played a key role in ensuring that the Company objectives are achieved through a joint effort with the management team and guidance and oversight by the Board and its members.



Chairman

Date: 19 September 2024

REPORT OF THE AUDIT COMMITTEE



Report Of The Audit Committee

The Audit Committee of Javedan Corporation Limited is appointed by the Board and has four (4) non-executive directors, out of which Chairman is an independent director. The committee as a whole possess significant economic, financial and business acumen. During the year, four meetings of the Audit Committee were held. The external auditors of the company also attended meetings where issues related to annual audited financial statements and the auditor's report thereon was discussed.

The Audit Committee has concluded its annual review of the conduct and operations of the Company for the year ended June 30, 2024, and reports that:

1. The Company has adhered in full, without any material departure, of the listing regulations of the Pakistan Stock Exchange, Listed Companies (Code of Corporate Governance) Regulations, 2019, the Company's Code of Conduct and Values and the international best practices of governance throughout the year.
2. The Company has issued a "Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019" which has also been reviewed and certified by the External Auditors of the Company.
3. The Company's Code of Conduct has been disseminated and placed on the Company's website.
4. The Audit Committee reviewed quarterly, half-yearly and annual financial statements of the Company and recommended them for approval of the Board of Directors. It has also reviewed preliminary announcements of results prior to publication and the internal audit reports.
5. The CEO and the CFO have endorsed the standalone as well as consolidated financial statements of the Company and the Board of Directors' Report. They acknowledge their responsibility for true and fair presentation of the Company's financial statements, accuracy of reporting, compliance with regulations and applicable accounting standards and establishment and maintenance of internal controls and systems of the company.
6. The Audit Committee understand that the management has applied appropriate accounting policies consistently except for the changes, if any, which have been appropriately disclosed in the financial statements. Further Audit Committee understands that Management has prepared financial statements for the year under review under as per accounting and reporting standard applicable in Pakistan
7. The Audit Committee understands that Accounting estimates used by management in preparation of financial statements are based on reasonable and prudent judgment. Further management has given an understanding to the audit committee that proper and adequate accounting records have been maintained by the Company in accordance with the applicable laws.
8. The Audit Committee has reviewed the related party transactions and recommended the same for approval from the Board of Directors.
9. Closed periods were duly determined and announced by the Company, precluding the Directors, the CEO and Executives of the Company from dealing in Company's shares, prior to each Board meeting involving announcement of interim/final results, distribution of dividend to the shareholders or communication of any other business decision, which could materially affect the market share price of the Company.

10. All direct or indirect trading and holdings of Company's shares by Directors & executives or their spouses, if any were notified in writing to the Company Secretary along with the price, number of shares, form of share certificates and nature of transaction, which were notified by the Company Secretary to the Board and PSX within the stipulated time.
11. The statutory and regulatory obligations and requirements of best practices of governance have been met.
12. The Committee members carried out the Annual Evaluation of the Board Audit Committee in terms of board structure, Strategy, Decision Making, Internal Controls and Risk Management.
13. The Committee regularly reviews the mechanism for employees and management to report concerns to the Audit Committee and ensures that any allegations are scrutinized seriously

Internal Audit Function

14. The Board Audit Committee has effectively implemented the internal control framework through an in-house Internal Audit function, which is independent of the External Audit function. The Company's system of internal controls is sound in design and has been continually evaluated for effectiveness and adequacy.
15. The Board Audit Committee has ensured the achievement of operational, compliance and financial reporting objectives, safeguarding of the assets of the Company and the shareholders wealth through effective financial, operational and compliance controls and risk management at all levels within the Company.
16. The Internal Audit Department carried out independent audits in accordance with an internal audit plan which was approved by the Board Audit Committee. Further, the Board Audit Committee has reviewed the material Internal Audit findings and management's response thereto, taking appropriate action or bringing the matters to the Board's attention where required.
17. The Head of Internal Audit has direct access to the Chairman of the Board Audit Committee and the Committee has ensured staffing of personnel with sufficient internal audit acumen and that the function has all necessary access to Management and the right to seek information and explanations.
18. Coordination between the external and internal auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.

External Auditors

19. The external auditors of the Company, M/s Yousuf Adil, Chartered Accountants and M/s Reanda Haroon Zakaria Aamir Salman Rizwan and Company Chartered Accountants, have completed their audit assignment of the standalone and consolidated financial statements and the "Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019" of the Company for the year ended June 30, 2024 and shall retire on the conclusion of the 62nd Annual General Meeting.
20. M/s. Yousuf Adil, Chartered Accountants and M/s Reanda Haroon Zakaria Aamir Salman Rizwan and Company, Chartered Accountants have been given a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP) and they are registered with Audit Oversight Board of Pakistan. The firm is fully compliant with the International Federation of Accountants (IFAC) Guidelines on Code of Ethics, as adopted by ICAP and have indicated their willingness to continue as auditors for the year ending June 30, 2025.

-sd-

Abdullah Chaffar

CHAIRMAN AUDIT COMMITTEE

Date: 19 September 2024

DIRECTORS' REPORT



Directors' Report

Dear Shareholders

On behalf of the Board of Directors of the Company, we are pleased to present here the Director's Report along with the audited unconsolidated and consolidated financial statements for the financial year ended June 30, 2024, together with auditors' report thereon.

Overview

Continuing the momentum from the preceding year - when the company achieved its highest ever sales, profit after tax and dividend distribution, company's performance for the current financial year also remained strong, particularly, in respect of key value-added developments. Your company and Naya Nazimabad Project beacon in the midst of challenging environment observed over the last 12 to 18 months.

"Peace Apartments" were launched under Naya Nazimabad Apartment REIT in June 2024. Market response to the launch was encouraging. Construction work on previously launched apartment projects namely: "Globe Residency Apartments", "Rahat Residency" and Signature Tower are all progressing as per their respective schedules.

Like Musharka partnership by Meezan Bank with Globe Residency REIT (for the construction and development of three towers on Profit and Loss sharing basis) Naya Nazimabad Apartment REIT and Gymkhana Apartment REIT entered into Musharka arrangements with The Bank of Punjab.

United Bank Limited has purchased a commercial plot admeasuring 14,092 sq yds for its regional office while Bank AL Falah is in the final stages of acquiring 9,465 SFT of retail space for its "Digital Lifestyle Experience Branch". This will be the beginning of a new era of development in Naya Nazimabad, making it a hub for offices and financial institutions providing housing, jobs, and a complete modern lifestyle within one gated community.

The completion of Naya Nazimabad Flyover at a cost of PKR 2,185 million (significantly improving commute to and from project), Naya Nazimabad Gymkhana (construction and related cost incurred to date PKR 2,764 million) and Jama Masjid (at a cost of PKR 632 million) has made this year special, and these projects will be the hallmark for the future growth of the project.

Naya Nazimabad celebrated 77th Independence Day with great enthusiasm and energy with its residents by hosting 12 different sports events where over 1,000 residents participated, hosted festival cricket match, live concert, extensive illuminations through Naya Nazimabad and fireworks where Karachities participated in large numbers.

Financial Review

On an overall basis, project's focus is on the development of vertical mix-use development (apartments and retail) under REITs, which offer a transparent and financially efficient structure. Accordingly, in the last two years significant investment has been made by different REITs by acquiring FL and commercial sites in Naya Nazimabad. This led to your company recording its highest ever sales in FY 22-23. All projects started under REITs are mid to long term projects. During the year, there were further sales of commercial plots to REITs and to other corporate entities as mentioned in the above.

During the financial year (on an unconsolidated basis) the Company recorded sales of PKR 4,214 million as compared to PKR 16,827 million in the corresponding period last year. The Cost of sales for the period was recorded at PKR 1,707 million as compared to PKR 7,793 million in the corresponding period. The administrative expenses for the year remained at PKR 550 million being higher by 14% over the corresponding period. Other Income for the year is PKR 1,173 million as compared to PKR 379 million in corresponding period last year. Other income includes remeasurement gain of investment in REITs amounting to PKR 806 million. During the period the company incurred cost of PKR 729 million towards the completion of the flyover. Profit before tax and profit after tax for the period remained at PKR 2,148 million and 1,703 million respectively. This translated into earning per share (basic & diluted) of Rs 4.47.

Trade debts have significantly reduced over the corresponding period from PKR 10,697 million to PKR 1,142 million. Further, term loan and short-term borrowing reduced by PKR 4,070 million.

Following is the comparative summary of (unconsolidated) financial results:

Particulars	30 June 2024	30 June 2023
	(Rupees in thousands)	
Net Sales	4,214,923	16,827,214
Cost of sales	(1,707,918)	(7,793,30)
Gross Profit	2,507,005	9,033,484
Profit before taxation	2,148,054	6,850,530
Profit after taxation	1,703,627	6,741,951
EPS - Basic & Diluted (in rupees)	4.47	17.70

On a consolidated basis, revenue of JCL for the year ended 30 June 2024 is PKR 4,494 million as compared to PKR 11,187 million in the corresponding period. The profit from operation remained at PKR 1,634 million translating into EPS Rs. 4.29.

Future Outlook:

Occupancy is growing rapidly at Naya Nazimabad with over 1,800 families living and more than 2,000 apartments and houses under construction. Market confidence in the project is reflected in the strength and growth of pricing of Plots, Apartments and Retail. We are confident that Naya Nazimabad shall further strengthen its position in the market as the most-desired habitat for the progressive middle class.

The commencement of operations of Naya Nazimabad Gymkhana is a significant milestone. We have created an un-matched community asset with world-class facilities - Tennis, Table tennis, Gym, Squash, swimming pool, Bar B Q restaurant, Bistro, Members lounge, Banquet Hall etc. Sales of Gymkhana memberships have started satisfactorily. We expect the momentum of sales to surge as more facilities are made operational.

The positive development on the economic front, primarily the declining inflation and interest rates is expected to have a positive effect on the overall business activity and real estate sector. Naya Nazimabad is well poised in the market to make the most of it under improved market conditions.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) & SUSTAINABILITY REPORTING

Javedan Corporation Limited (JCL) has always been at the forefront of integrating ESG considerations into our business and operating models. Our strategic objectives for ESG and sustainability reporting reflect our dedication to transparency, accountability, and continuous improvement in these critical areas:

Environment Stewardship	<p>Climate Change Resilience:</p> <p>At Javedan, we prioritize minimizing our environmental footprint to enhance the quality of life for our community and residents. We are committed to sustainable practices that contribute to a healthier and more vibrant living environment for our residents.</p>	<p>Sustainable Operations:</p> <p>Implementing eco-friendly practices across our facilities and projects to reduce waste, conserve energy, and minimize overall environmental impact.</p> <p>Green Infrastructure: Investing in and promoting green infrastructure initiatives that improve environmental quality, such as plantation drives and green spaces.</p>
	<p>Water Conservation:</p> <p>Water is not merely a resource but a vital element for safeguarding future generations. As Pakistani citizens and employees of JCL, we fully appreciate and recognize its significance. Consequently, we prioritize its efficient use and management.</p>	<p>Adopting advanced technologies and practices that reduce water consumption and wastage in our facilities and projects.</p> <p>Water Recycling and Reuse : Developing and integrating systems for recycling and reusing water to minimize environmental impact and reduce our dependency on external water sources.</p> <p>Awareness: Creating awareness on regular basis for employees and residents for efficient use of water.</p>
	<p>Sustainable Building Material:</p> <p>At Javedan, we are committed to ensuring a sustainable future by prioritizing the use of eco-friendly building materials. Our approach emphasizes sourcing materials that meet rigorous safety standards and adhere to best practices. By choosing materials that reduce environmental impact and support long-term sustainability, we contribute to resource conservation for future generations while keeping the highest standards of quality and environmental responsibility in our projects.</p>	<p>Sourcing Sustainable Materials: Finding and procuring materials that are environmentally friendly, made from renewable resources, and designed to minimize ecological footprints.</p> <p>Adhering to Best Practices: Ensuring that all selected materials follow the highest safety standards and are aligned with best practices for environmental responsibility.</p> <p>Quality Assurance: Keeping stringent quality control processes to ensure that eco-friendly materials not only meet environmental criteria but also deliver exceptional performance and durability in our projects and facilities.</p>
Social Responsibility	<p>JCL is committed to fostering a positive impact on the communities we work in and ensuring a safe, inclusive, and empowering workplace.</p>	<p>Employee Health and Safety: We prioritize occupational health and safety through comprehensive training programs and strict adherence to safety protocols for our manpower working in our projects and facilities.</p> <p>Diversity, Equity, Inclusion: We are working towards enhancing our Diversity, Equity and Inclusion practices by creating equal opportunities for all and promoting a culture of inclusivity within the organization.</p> <p>Community Engagement: JCL actively supports local communities through initiatives focused on education, healthcare, and social welfare.</p>



Governance	<p>JCL upholds the highest standards of corporate governance and ethical conduct, ensuring transparency, integrity, and accountability in our business practices.</p>	<p>Strong Governance Framework: We keep a robust governance structure that ensures compliance with applicable laws and regulations, supported by a culture of ethical behavior and integrity across the organization.</p> <p>Risk Management System: We have implemented a comprehensive risk management system to find and mitigate potential risks, ensuring the long-term sustainability of our business.</p>
------------	---	--

Sustainability Reporting

We have developed a comprehensive sustainability reporting framework aligned with international standards. We actively engage with stakeholders to address their concerns and understand their expectations, ensuring our reporting is relevant and credible. We regularly review and enhance our reporting practices to reflect our commitment to sustainability and our progress in achieving our ESG goals.

Corporate Social Responsibility (CSR)

The Company is aware of its social responsibility towards the nation. As a responsible corporate citizen, the Company has contributed to different social segments with the objective of improving the quality of life in the country. In this regard, the company works with many reputable organizations and NGOs in Pakistan.

Javedan Corporation Limited contributes to Pakistan Association of the Blind (PAB) which is a national organization of visually working for their welfare, rehabilitation, health, education, and employment.

Javedan Corporation Limited sponsors to various organizations whose main activities include support in education, skill development, monthly ration aid, marriage, medical and hospitalization as well as financial aid for housing.

Sponsoring Sports Activities: The Company pays special attention to sports facilities and for the purpose has developed International Standards Cricket, Football stadium and Basketball court. During the year the Company sponsored various tournaments at Naya Nazimabad as well as other venues to play its part in the development of sports in the city. The Company also runs football and cricket academies at its premises for the youth of Karachi to engage in healthy activities.

Composition of the Board

The current composition of the board is as follows: -

Total Number of Directors:

- (a) Male: 8
- (b) Female: 1

Composition:

- (a) Independent Director: 3
- (b) Non-Executive Director: 4
- (c) Executive Director: 1
- (d) Female: 1

Committees of the Board:

Audit Committee

Mr Abdullah Chaffar	Chairman
Mr Muhammad Ejaz	Member
Mr. Kashif A. Habib	Member
Mr. Abdul Qadir Sultan	Member

Human Resource & Remuneration Committee

Mr Javed Kureishi	Chairman
Mr Arif Habib	Member
Mr Samad A. Habib	Member
Mr Muhammad Ejaz	Member

Credit Rating

The Company has been assigned entity ratings of 'A+/A-1' (A Plus/A-One) by VIS Credit Rating Company Ltd. The outlook on the assigned ratings is 'Stable'. Such credit rating shows high credit quality in the long-term while high certainty of timely payments in the short-term. This certification underscores the Management vision for continuous growth and is expected to provide further confidence to the market.

Memberships

The Company is the member of Karachi Chamber of Commerce and Industry (KCCI) and Association of Builders and Developers (ABAD).

Corporate and Financial Reporting Framework

JCL is listed at the Pakistan Stock Exchange. The Board of the Company is committed to see the Code of Corporate Governance and are familiar with their responsibilities to monitor operations and performance, enhance accuracy, comprehensiveness, and transparency of financial and non-financial information.

The Board would like to state that proper books of accounts of JCL have been kept and appropriate accounting policies have been adopted and consistently applied in preparation of the financial statements; and accounting estimates are based on reasonable and prudent judgment. International Financial Reporting Standards, as applicable in Pakistan, are followed in the preparation of the financial statements. The system of internal controls is sound in design and has been effectively implemented and monitored. The process of monitoring internal controls continues as an ongoing process with the objective of further strengthening the controls and bringing improvements to the system. The financial statements of JCL present fairly its state of affairs, the result of its operations, cash flows and statement of changes in equity. No material payment has still been outstanding on account of any taxes, duties, levies or charges.

In compliance with the Code, the Board hereby reaffirm that there is no doubt about JCL's ability to continue as a going concern and that there has been no material departure from the best practices of corporate governance except for disclosed in Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations 2019.

It has always been JCL's endeavour to excel through better Corporate Governance and fair and transparent practices.

Trading in Company's Shares

During the year ended June 30, 2024, Mr. Arif Habib, Chairman/Director of the Company sold 38,255,500 shares of the Company. No other Directors, Executives and their Spouses and Minor Children engaged in any trading of the Company's shares.

Directors' Attendance at Board and its Committee Meeting

During the year ended 30 June 2024, Four (04) Board Meetings. Four (04) Audit Committee Meetings and One (1) Human Resource & Remuneration Committee Meeting were held. Attendance by director were as follows:

Name of Director	Board Meeting		Audit Committee		HR & R Committee	
	Held	Attended	Held	Attended	Held	Attended
Mr Arif Habib	4	4	N/A	N/A	1	1
Mr Samad A. Habib	4	4	4	4*	1	1
Mr. Kashif A. Habib	4	3	4	4	N/A	N/A
Mr Muhammad Ejaz	4	2	4	4	1	1
Mr Abdul Qadir Sultan	4	4	4	4	N/A	N/A
Mr. Alamgir A. Sheikh	4	2	N/A	N/A	N/A	N/A
Ms. Darakshan Zohaib	4	4	N/A	N/A	N/A	N/A
Mr. Abdullah Ghaffar	4	4	4	4	N/A	N/A
Mr. Javed Kureishi	4	4	N/A	N/A	1	1

- By invitation
- The Board granted a leave of absence to the director who could not attend the Board Meetings.

Directors' Remuneration

The Non- Executive Directors (including independent directors) but excluding those directors who are concurrently serving as Executive Directors in any of the Arif Habib Group of Companies are provided a remuneration for attending Board and its Committee Meetings as may be approved by the board from time to time.

Further as and when board decides to assign any additional roles and responsibilities to any non-executive directors, the board shall decide the remuneration to be provided to such director which commensurate with the roles and responsibilities so assigned.

Details of remuneration are disclosed in note 41 to the financial statements.

Internal Control Framework

The Board oversee the development and implementation of internal controls by the management and has established an efficient system of internal financial controls for efficient conduct of operations, safeguarding of Company's assets, compliance with applicable laws and regulations and reliable financial reporting. The Board also monitors management's response to accounting and reporting control deficiencies and weaknesses.

The independent Internal Audit function of the Company regularly appraises the implementation of internal controls, whereas the Audit Committee reviews the effectiveness of the internal control framework and financial statements on a quarterly basis.

The management has placed an explicit internal control framework with clear structures, authority limits and accountabilities, well-defined policies and detailed procedures enabling the BAC and the Board to have a clear understanding of risk areas and to place effective controls to mitigate those risks.

Risk Management and Compliance

We have a comprehensive risk management framework in place to identify, assess, and mitigate risks across our operations. This framework includes rigorous compliance measures to ensure that we meet all legal and regulatory requirements and uphold our commitments to stakeholders.

Changes in Nature of Business

No change has occurred during the financial year ended 30 June 2024 concerning the nature of the business.

Default of Payments, Debt / Loan Taxes and Duties

No payment on account of taxes, loan, duties and levies was overdue or outstanding at the end of the financial year under review.

External Auditors

The financial statements of the company for the year ended June 30, 2024, were audited by M/s. Reanda Haroon Zakaria Aamir Salman Rizwan & Company Chartered Accountants and M/s Yousuf Adil Chartered Accountants. The auditors will retire at the end of the 62nd Annual General Meeting. Being eligible, M/s. Reanda Haroon Zakaria Aamir Salman Rizwan & Company Chartered Accountants and M/s Yousuf Adil Chartered Accountants have offered themselves for re-appointment.

The Board has recommended the appointment of M/s. Reanda Haroon Zakaria Aamir Salman Rizwan & Company Chartered Accountants and M/s. Yousuf Adil, Chartered Accountants as auditors for the ending June 30, 2025, on recommendation of Audit Committee, subject to approval of the members in the forthcoming Annual General Meeting.

Pattern of Shareholding

Pattern of shareholding of the Company in accordance with the Section 227 (2)(f) of the Companies Act, 2017 as of June 30, 2024, is annexed to this report.

Information to Stakeholders

Key Operating and financial data of previous years has been summarized and presented at Page No. 70

Compliance with the Code of Corporate Governance

The "Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019" (CCG) is annexed to page 80.

BOARD EVALUATION

The Board has continued its self-evaluation for many years as a part of good governance and has identified areas for further improvement in line with global best practices. The focus areas during evaluation were Composition of the Board, Evaluation of Board Sub-Committees, Strategic Planning and Performance, Board of Directors operation, Financial Review and Compliance, Board's Relationship with the management, Performance of the chair and Performance Evaluation as Individual Board member.



Material Changes and Commitments

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the balance sheet relates and the date of the report.

Related Party Transaction

All transactions with related parties have been executed following applicable regulations and have been disclosed in the financial statements under relevant notes.

Investment in Retirement Benefits

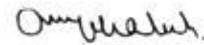
The company runs an approved funded gratuity scheme for all its eligible employees who have completed their minimum qualifying period of service with the company. The value of the investments of the gratuity fund is Rs. 0.29 million.

Acknowledgements

We would like to place on record appreciation for the valuable contribution made by employees in achieving the Company's goals. We are also thankful to our shareholders, customers, resident, employees, bankers, suppliers, Securities and Exchange Commission of Pakistan and Pakistan Stock Exchange for their continuing commitment to the Company and look forward to sharing more successes with them in the coming years.



Abdus Samad Habib
Chief Executive Officer



Arif Habib
Chairman

Dated: 19 September 2024

Financial Highlights



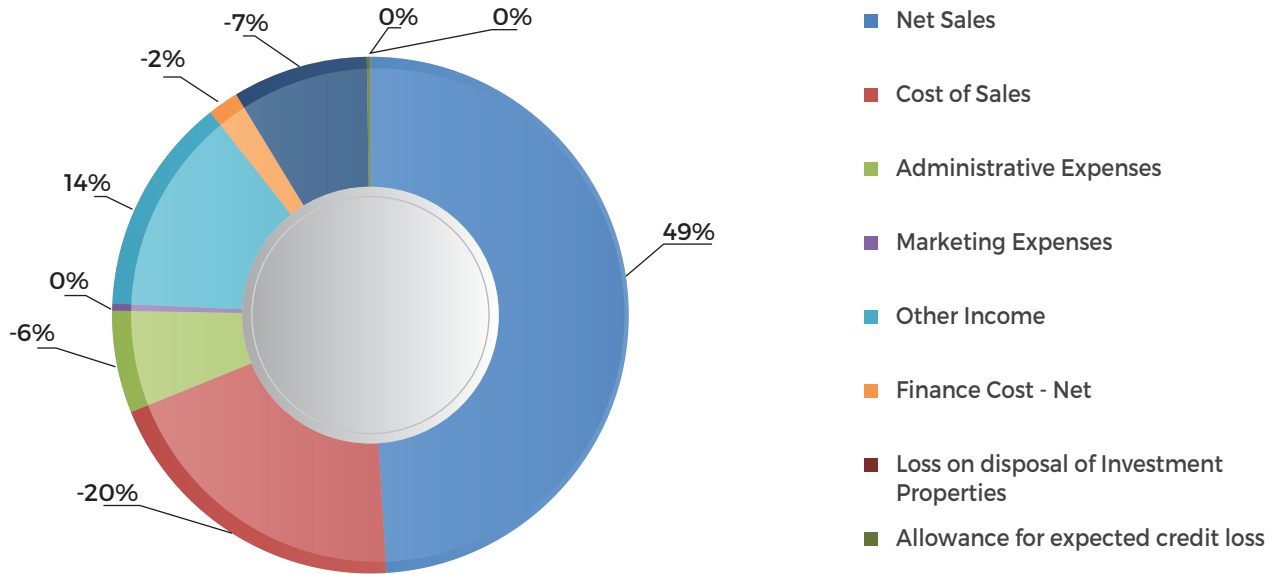


Performance Review Report

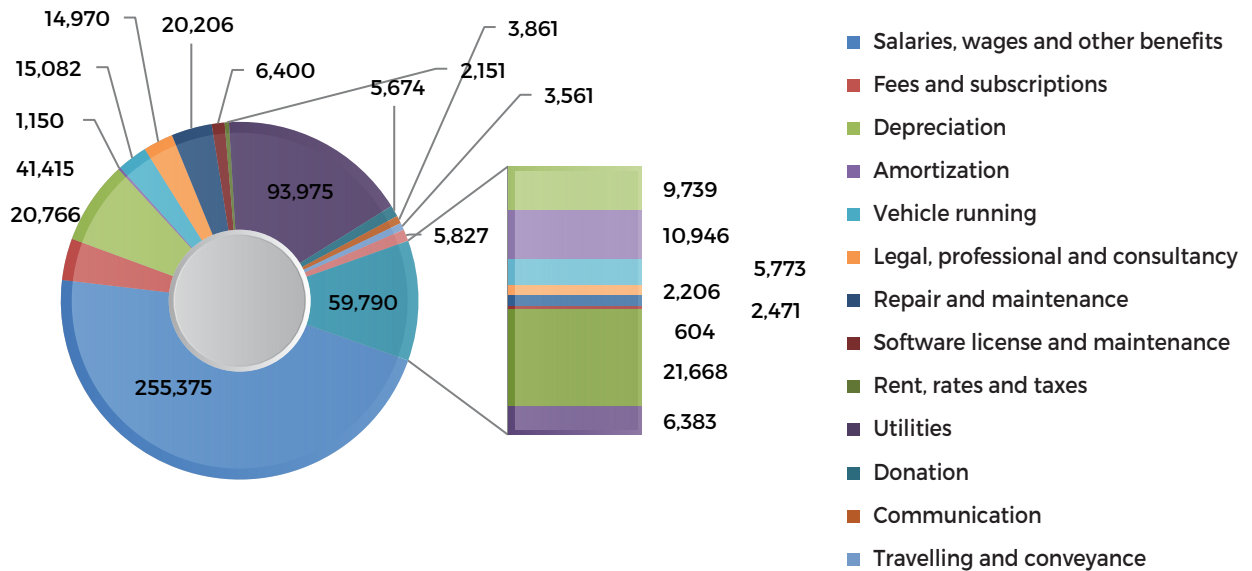
		2024	2023	2022	2021	2020	2019
Investment measure							
Ordinary Share Capital	Rs./Mn	3,808	3,808	3,808	3,174	3,174	2,885
Reserves	Rs./Mn	12,780	13,295	7,153	6,216	5,804	5,723
Surplus on revaluation of land	Rs./Mn	8,849	8,817	8,394	8,462	8,544	8,675
Ordinary Share holder's Equity	Rs./Mn	25,339	25,921	19,355	17,852	17,523	17,284
Dividend on Ordinary Shares	Rs./Mn	1,523	2,285	1,523	-	-	-
Dividend per Ordinary Shares	Rs.	4.00	6.00	4.00	-	-	-
Bonus Shares	Rs./Mn	-	-	-	634	-	288
Bonus Shares	%	0%	0%	0%	20%	0%	10%
Profit before Taxation	Rs./Mn	2,177	6,966	1,756	370	409	696
Profit after Taxation	Rs./Mn	1,703	6,741	1,505	331	236	579
Earning per share (Basic)	Rs.	4.47	17.70	3.95	1.04	0.75	1.83
Measure of financial Status							
Current Ratio	X:1	2.11	4.30	3.84	4.07	3.94	4.51
Debt Equity Ratio	X:1	0.28	0.29	0.39	0.38	0.29	0.31
Total Debt Ratio	X:1	0.37	0.40	0.42	0.36	0.20	0.21
Sales	Rs./Mn	4,214	16,827	4,343	1,047	1,643	1,899
Cost of Goods Sold as % of Sales	%	40.51%	46.31%	44.37%	25.29%	43.12%	40.70%
Profit before Taxation as % of Sales	%	51.66%	41.40%	40.43%	35.35%	24.91%	40.53%
Profit after Taxation as % of Sales	%	40.41%	40.06%	34.65%	31.63%	14.40%	33.24%

Jcl A Bird's Eye View

Operating Revenue & Expenses

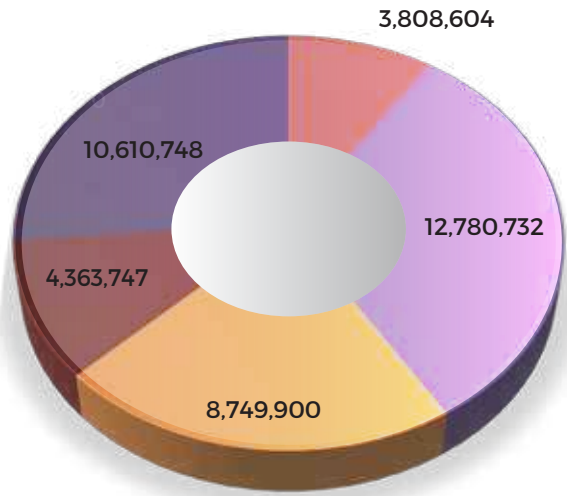


Administrative Expense



GRAPHICAL REPRESENTATION

Equity & Liabilities



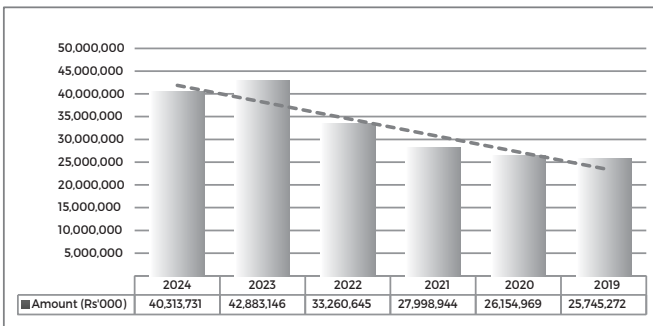
- Paid up Capital
- Reserves
- Revaluation Surplus
- Non-current Liabilities
- Current Liabilities

Current & Non-Current Liabilities

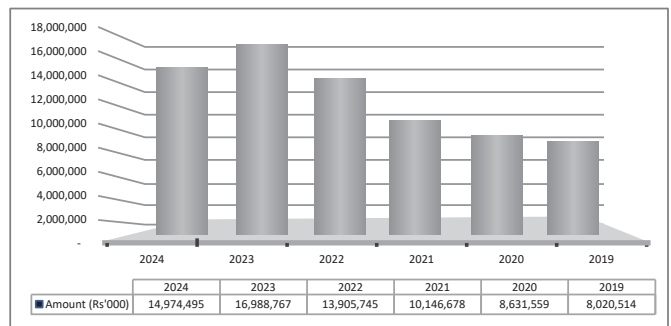


- Non-Current Assets
- Current Assets

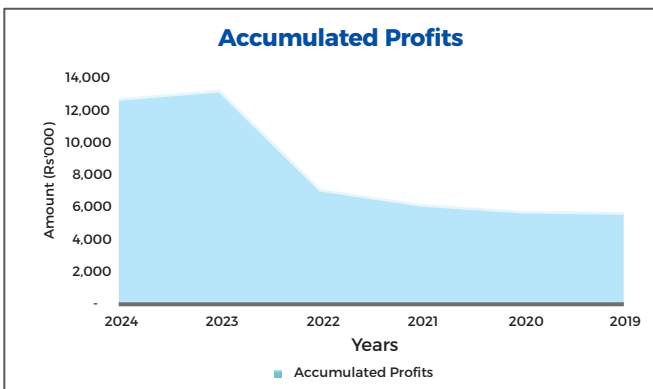
Total Assets



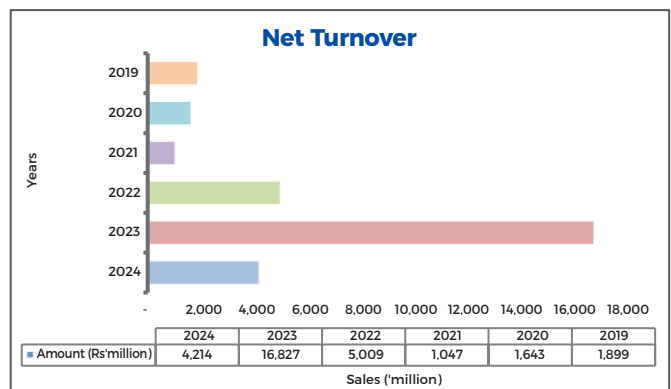
Total Liabilities



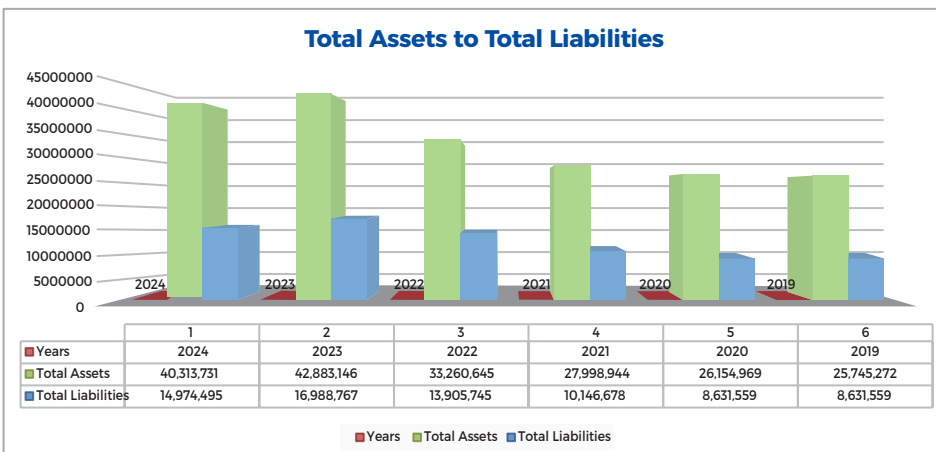
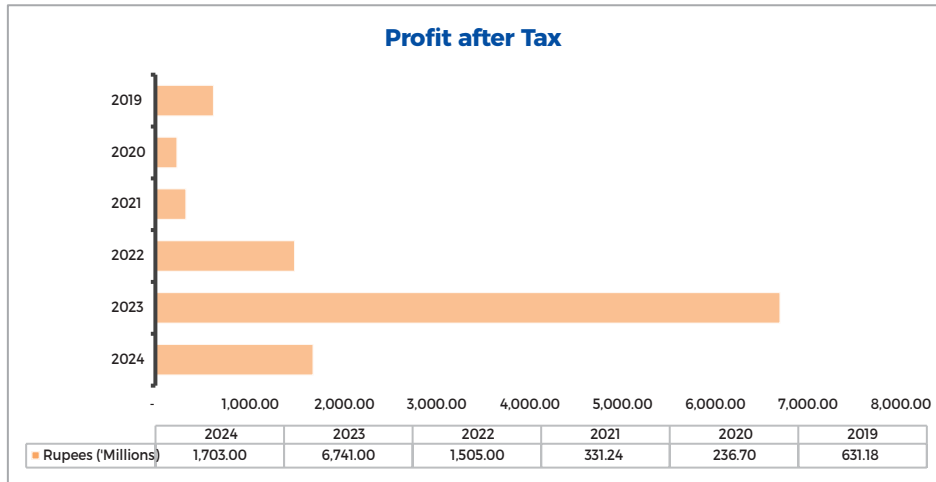
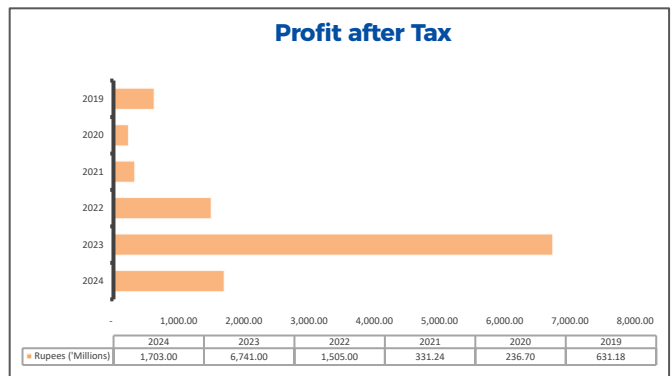
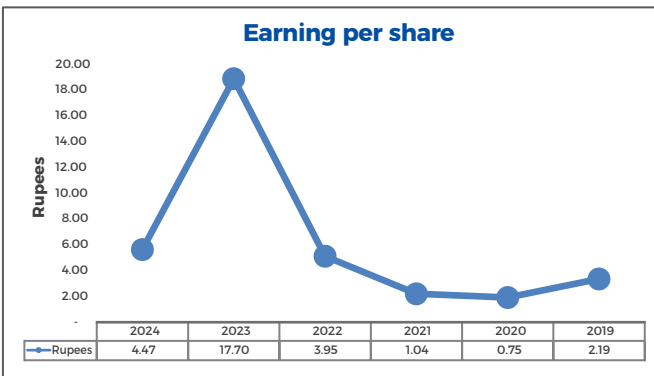
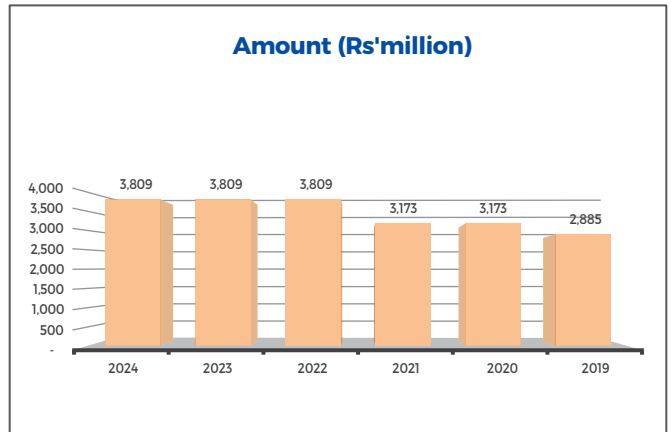
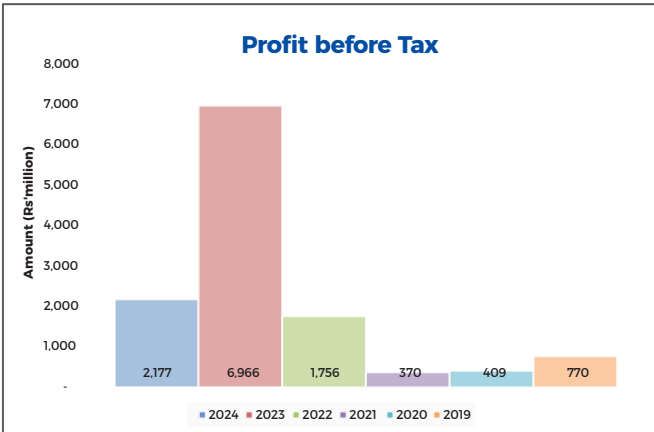
Accumulated Profits



Net Turnover



GRAPHICAL REPRESENTATION



Horizontal Analysis of the Financial Statements

Statement of Financial Position	2024		2023		2022		2021		2020		2019	
	Rs. in '000	%	Rs. in '000	%	Rs. in '000	%	Rs. in '000	%	Rs. in '000	%	Rs. in '000	%
Assets												
Non - Current Assets	17,892,861	29%	13,880,215	51%	9,171,477	33%	6,898,846	6%	6,530,822	18%	5,545,588	199%
Current Assets	22,420,870	-23%	29,002,931	20%	24,089,168	14%	21,100,098	8%	19,624,147	-1%	19,737,486	4%
Total Assets	40,313,731	-6%	42,883,146	29%	33,260,645	19%	27,998,944	7%	26,154,969	3%	25,283,074	21%
Equity and Liabilities												
Shareholders' Equity	25,339,236	-2%	25,921,678	34%	19,354,900	8%	17,852,266	2%	17,523,410	1%	17,284,413	25%
Non - Current Liabilities	4,363,747	-35%	6,744,035	-12%	7,637,072	54%	4,955,741	36%	3,646,553	1%	3,596,916	304%
Current Liabilities	10,610,748	4%	10,217,433	63%	6,268,673	21%	5,190,937	4%	4,985,006	13%	4,401,745	-28%
Total Equity and Liabilities	40,313,731	-6%	42,883,146	29%	33,260,645	19%	27,998,944	7%	26,154,969	3%	25,283,074	21%
Statement of Profit and Loss												
Revenue	4,214,923	-75%	16,827,214	287%	4,342,710	315%	1,047,286	-36%	1,643,274	-13%	1,899,014	-23%
Cost of Sales	(1,707,918)	-78%	(7,793,730)	304%	(1,927,437)	628%	(264,909)	-63%	(708,637)	-8%	(772,949)	-30%
Gross profit / (loss)	2,507,005	-72%	9,033,484	274%	2,415,273	209%	782,377	-16%	934,637	-17%	1,126,065	-18%
Marketing and selling expenses	(38,509)	-58%	(92,599)	182%	(32,855)	-7%	(35,368)	-33%	(52,939)	-6%	(56,176)	-18%
Administrative expenses	(550,203)	14%	(481,367)	5%	(457,561)	9%	(420,399)	9%	(385,643)	6%	(363,881)	39%
Flyover cost	(729,235)	100%	(1,235,066)	100%	(404,312)	100%	-	0%	-	0%	-	0%
Finance (costs) / income	(166,061)	-51%	(336,730)	179%	(120,512)	12%	(107,220)	-48%	(207,560)	76%	(117,818)	-1658%
Other income	1,173,302	209%	379,145	6%	356,458	136%	150,781	25%	120,835	12%	108,274	154%
Loss on disposal of Investment Properties	-	100%	(16,266)	100%	-	0%	-	0%	-	0%	-	0%
Provision for expected credit losses	(19,205)	100%	(283,911)	100%	-	0%	-	0%	-	0%	-	0%
Profit before taxation	2,177,094	-69%	6,966,690	297%	1,756,491	375%	370,171	-10%	409,330	-41%	696,464	-37%
Taxation	(473,467)	111%	(224,739)	-11%	(251,346)	546%	(38,931)	-77%	(172,630)	48%	(116,584)	-71%
Profit for the year	1,703,627	-75%	6,741,951	348%	1,505,145	354%	331,240	40%	236,700	-59%	579,880	-18%

Vertical Analysis of the Financial Statements

Statement of Financial Position

	2024		2023		2022		2021		2020		2019	
	Rs. in '000	%	Rs. in '000	%	Rs. in '000	%	Rs. in '000	%	Rs. in '000	%	Rs. in '000	%
Assets												
Non - Current Assets	17,892,861	44%	13,880,215	32%	9,171,477	28%	6,898,846	21%	6,530,822	23%	5,545,588	21%
Current Assets	22,420,870	56%	29,002,931	68%	24,089,168	72%	21,100,098	63%	19,624,147	70%	19,737,486	75%
Total Assets	40,313,731	100%	42,883,146	100%	33,260,645	100%	27,998,944	100%	26,154,969	100%	25,283,074	100%

Equity and Liabilities

Shareholders' Equity	25,339,236	63%	25,921,678	60%	19,354,900	58%	17,852,266	54%	17,523,410	63%	17,284,413	66%
Non - Current Liabilities	4,363,747	11%	6,744,035	16%	7,637,072	23%	4,955,741	15%	3,646,553	13%	3,596,916	14%
Current Liabilities	10,610,748	26%	10,217,433	24%	6,268,673	19%	5,190,937	16%	4,985,006	18%	4,401,745	17%
Total Equity and Liabilities	40,313,731	100%	42,883,146	100%	33,260,645	100%	27,998,944	100%	26,154,969	100%	25,283,074	100%

Statement of Profit and Loss

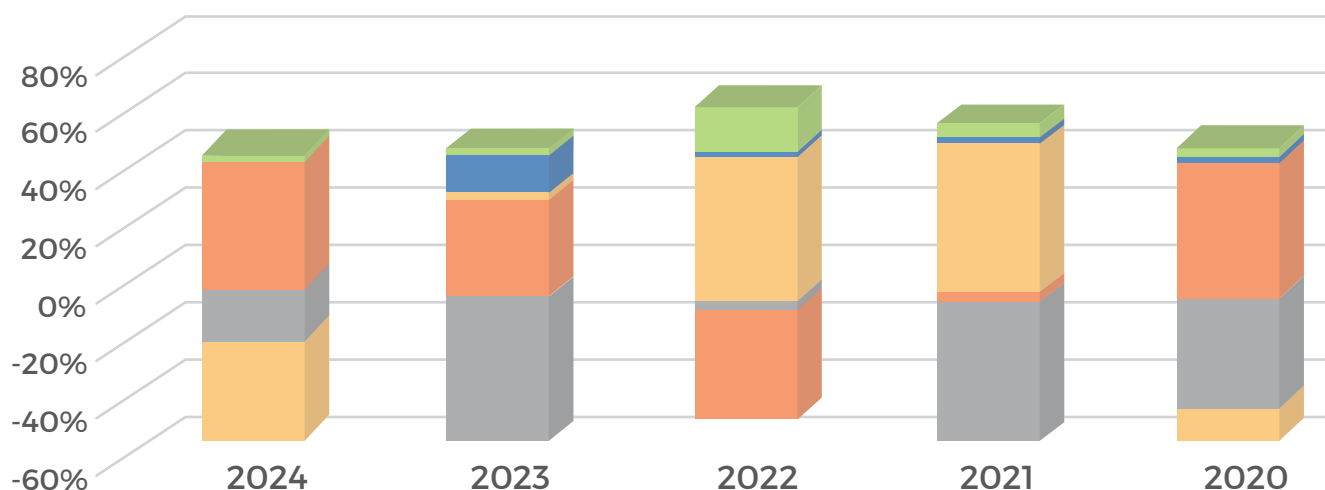
Revenue	4,214,923	100%	16,827,214	100%	4,342,710	100%	1,047,286	100%	1,643,274	100%	1,899,014	100%
Cost of Sales	(1,707,918)	-41%	(7,793,730)	-46%	(1,927,437)	-44%	(264,909)	-6%	(708,637)	-16%	(772,949)	-18%
Gross profit / (loss)	2,507,005	59%	9,033,484	54%	2,415,273	56%	782,377	18%	934,637	22%	1,126,065	26%
Marketing and selling expenses	(38,509)	-1%	(92,599)	-1%	(32,855)	-1%	(35,368)	-1%	(52,939)	-1%	(56,176)	-1%
Administrative expenses	(550,203)	-13%	(481,367)	-3%	(457,561)	-11%	(420,399)	-10%	(385,643)	-9%	(363,881)	-8%
Flyover cost	(729,235)	-17%	(1,235,066)	-7%	(404,312)	-9%	-	0%	-	0%	-	0%
Finance (costs) / income	(166,061)	-4%	(336,730)	-2%	(120,512)	-3%	(107,220)	-2%	(207,560)	-5%	(117,818)	-3%
Other income	1,173,302	28%	379,145	2%	356,458	8%	150,781	3%	120,835	3%	108,274	2%
Loss on disposal of Investment Properties	-	0%	(16,266)	0%	-	0%	-	0%	-	0%	-	0%
Provision for expected credit losses	(19,205)	0%	(283,911)	-2%	-	0%	-	0%	-	0%	-	0%
Profit before taxation	2,177,094	52%	6,966,690	41%	1,756,491	40%	370,171	9%	409,330	9%	696,464	16%
Taxation	(473,467)	-11%	(224,739)	-1%	(251,346)	-6%	(38,931)	-1%	(172,630)	-4%	(116,584)	-3%
Profit for the year	1,703,627	40%	6,741,951	40%	1,505,145	35%	331,240	8%	236,700	5%	579,880	13%

Summary of Cash Flows Statement

Year ended 30th June

	2024	2023	2022	2021	2020
Net cash flows (used in) / generated from operating activities	9,265,698	3,291,366	(3,750,280)	(167,060)	1,431,082
Net cash flows used in investing activities	(2,800,930)	(4,937,464)	505,029	(1,575,461)	(1,003,586)
Net cash flows generated from / (used in) financing activities	(6,319,051)	82,596	4,738,371	1,835,309	(424,338)
Cash and cash equivalents at beginning of the year	82,314	1,645,816	152,696	59,908	56,750
Cash and cash equivalents at end of the year	228,031	82,314	1,645,816	152,696	59,908

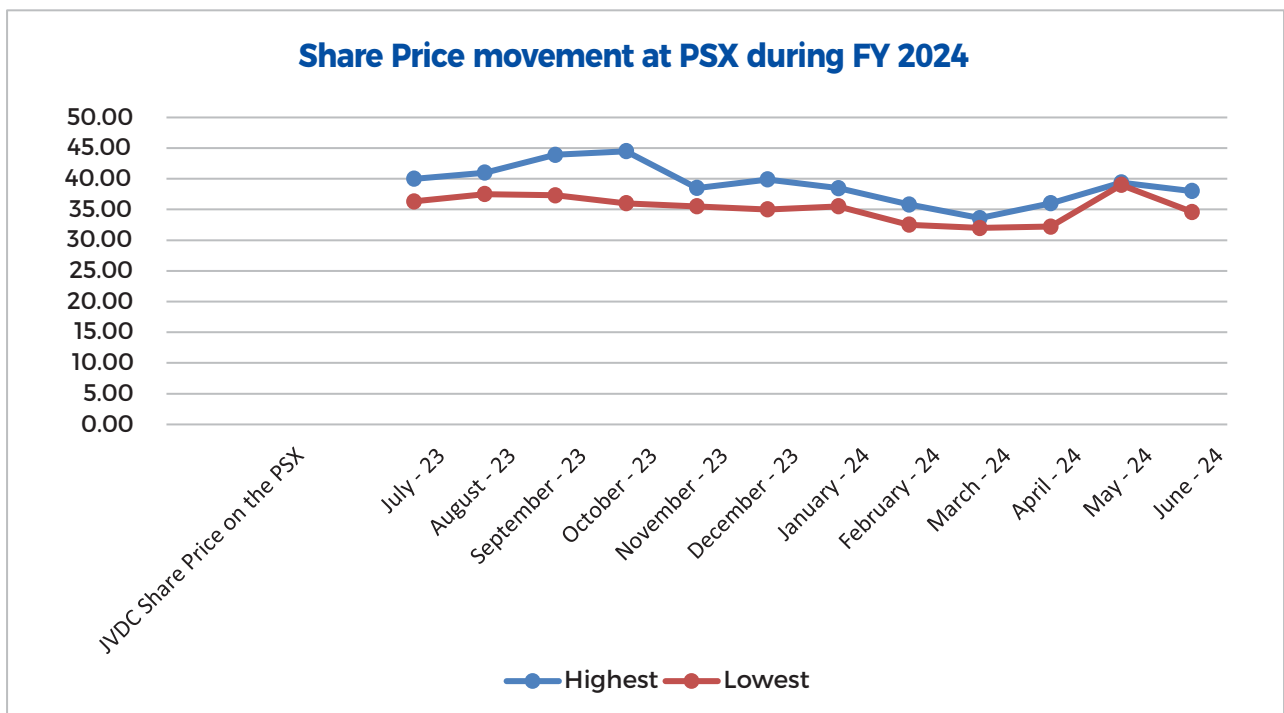
Summary of Cash Flow Statement



- Cash and cash equivalents at end of the year
- Net cash flows (used in) / generated from operating activities
- Net cash flows generated from / (used in) financing activities
- Net cash flows used in investing activities
- Cash and cash equivalents at beginning of the year

Share Price / Volume Analysis

Month	Highest	Lowest
JVDC Share Price on the PSX		
July - 23	40.00	36.30
August - 23	41.00	37.50
September - 23	43.90	37.30
October - 23	44.50	36.00
November - 23	38.50	35.50
December - 23	39.89	35.00
January - 24	38.48	35.50
February - 24	35.80	32.50
March - 24	33.60	32.00
April - 24	36.00	32.20
May - 24	39.40	39.00
June - 24	38.00	34.60
	44.50	32.00



**INDEPENDENT AUDITORS
REVIEW REPORT &
STATEMENT OF COMPLIANCE
WITH LISTED COMPANIES
(CODE OF CORPORATE
GOVERNANCE)
REGULATIONS 2019**



Yousuf Adil
Chartered Accountants
Cavish Court, A-35,
Block 7 & 8 KCHSU,
Shahrah-e-Faisal,
Karachi.

Reanda Haroon Zakaria Aamir Salman
Rizwan & Company
Chartered Accountants
M1 - M4, Progressive Plaza,
Beaumont Road, Karachi.

Independent Auditor's Review Report

To the members of Javedan Corporation Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Javedan Corporation Limited (the Company) for the year ended June 30, 2024 in accordance with the requirements of Regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems 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 Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

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 requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.



Yousuf Adil
Chartered Accountants

Karachi

Date: September 30, 2024

UDIN: CR202410091LTBX9ZCzQ



Reanda Haroon Zakaria Aamir Salman
Rizwan & Company
Chartered Accountants

UDIN: CR2024101470fzSw3W8B

Statement Of Compliance With Listed Companies (Code Of Corporate Governance) Regulations, 2019.

Name of Company Javedan Corporation Limited
Year ended 30 June 2024

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance Regulations, 2019 (the Regulation) in the following manner:

1. The total number of Directors are 09 (nine) as per the following:

Male	Female
8	1

2. The composition of the Board is as follows:

Category	Names
Independent Director*	Mr. Alamgir A. Sheikh Mr. Abdullah Ghaffar Mr. Javed Kureishi
Executive Director	Mr. Abdus Samad Habib - CEO
Non-Executive Directors	Mr. Arif Habib – Chairman Mr. Muhammad Kashif Mr. Muhammad Ejaz Mr. Abdul Qadir Sultan
Female Director	Ms. Darakshan Zohaib (Non-Executive Director)

*The Independent Directors meet the criteria of independence as laid down under Section 166 of the Companies Act, 2017 (“Act”).

3. The Directors have confirmed that none of them is serving as a director of more than seven listed companies, including this Company.
4. 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.
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of significant policies along with the date of approval or updating has been maintained by the Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board / Shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. 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. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.

9. Six Board members have attained the Directors' Training Program, and one Director is exempt from attaining Directors' Training Program requirement as per the criteria as prescribed in the Listed Companies Corporate Governance Regulations, 2019.
10. The Board has approved the appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations. No new appointments were made during the year.
11. The Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:

Audit Committee	Mr. Abdullah Ghaffar - Chairman Mr. Muhammad Kashif - Member Mr. Abdul Qadir Sultan - Member Mr. Muhammad Ejaz - Member
HR and Remuneration Committee	Mr. Javed Kureishi - Chairman Mr. Arif Habib - Member Mr. Abdus Samad Habib - Member Mr. Muhammad Ejaz - Member

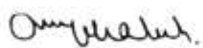
13. The Terms of Reference of the aforesaid Committees have been formed, documented and advised to the Committees for compliance.
14. The frequency of meetings of the Committees were as per following:

Name of Committee	Frequency of Meeting
Audit Committee	4 meetings were held during the year. The meetings of the Audit Committee are held on a quarterly basis.
HR and Remuneration Committee	1 meeting during the year.

15. The Board has set up an effective Internal Audit Function which is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of the Regulations 3,6,7,7A,8,27,32,33 and 36 of the Regulations have been complied with.
19. Explanation for non-compliance with the requirement, other than regulations 3,6,7,7A,8,27,32,33 and 36 are below:

Non-Mandatory Regulations	Non-Mandatory Requirements	Explanation
	The same person shall not simultaneously hold office of chief financial officer and the company secretary of a listed company.	Currently, the position of Company Secretary is being managed by the CFO due to cost-effective measures and his ability to handle both roles simultaneously. However, a suitable candidate has been identified for the role of Company Secretary, and his appointment will be finalized upon Board approval.

For and behalf of the Board.



Arif Habib
Chairman

Date: 19 September 2024



**INDEPENDENT AUDITORS'
REPORT OF
UNCONSOLIDATED
FINANCIAL STATEMENTS**



INDEPENDENT AUDITORS' REPORT

To the members of Javedan Corporation Limited

Report on review of Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Javedan Corporation Limited (the Company), which comprise the unconsolidated statement of financial position as at June 30, 2024, and the unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policy information and other explanatory information, 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), 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, 2024 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the unconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

Key audit matter	How the matter was addressed in our audit
<p>1. Contingencies</p> <p>Refer notes 30.1.1 (a) to the accompanying unconsolidated financial statements)</p> <p>The Company has contingent liabilities in respect of income tax matters, which are pending adjudication at various levels with the taxation authorities, courts and other legal forums.</p> <p>Contingencies require management to make judgements and estimates in relation to the interpretation of tax laws, statutory rules and regulations, and the probability of outcome and financial impact, if any, on the Company for disclosure and recognition and measurement of any provisions that may be required against such contingencies.</p> <p>Due to significance of amounts involved, inherent uncertainties with respect to the outcome of matters and use of significant management judgements and estimates to assess the same including related financial impacts, we considered contingent liabilities relating to income tax a key audit matter.</p>	<p>Our audit procedures in respect of tax contingencies included, amongst others, we obtained and checked details of the pending tax related matters and discussed the same with the Company's management.</p> <p>We checked the correspondence of the Company with the relevant authorities, tax advisors, including judgments or orders passed by the competent authorities in relation to the issues involved or matters which have similarities with the issues involved.</p> <p>We obtained and checked confirmations from the Company's external tax advisors for their views on the probable outcome of the open tax assessments and other tax related contingencies.</p> <p>We involved internal specialists to assess management's conclusions on contingent matters and to evaluate the consistency of such conclusions with the views of the external legal / tax advisors engaged by the Company.</p> <p>We also evaluated the adequacy of disclosures made in respect of tax contingencies in accordance with the requirements of the financial reporting standards as applicable in Pakistan.</p>
<p>2. Revenue Recognition</p> <p>(Refer notes 4.3(ii), and 31)</p> <p>The Company earns revenue from sale of units which includes open plots, bungalows, of the housing scheme 'Naya Nazimabad. The recognition of revenue relating to each type of sale depends on the nature of contractual arrangements with the customers.</p> <p>Revenue is recorded in accordance with the requirements of IFRS 15 which provides a comprehensive model of revenue recognition and requires the Company to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying the model to contracts with customers.</p>	<p>We performed a range of audit procedures in relation to revenue including the following:</p> <ul style="list-style-type: none"> • Evaluated the appropriateness of the Company's revenue recognition accounting policy. • Obtained understanding of design and evaluate implementation of controls designed to check that revenue is recognised in the appropriate accounting period and based on transfer of control of goods to the customer. • Performed testing of sales transactions on a sample basis to check that the related revenues are recorded appropriately at the correct quantity and price when control of goods has been transferred to the customer.

Key audit matter	How the matter was addressed in our audit
<p>During the year, the Company reported a revenue of Rs. 4,214 million, which includes a significant portion of sales amounting to Rs.1,944 million made to the related parties in the ordinary course of business under the contractual arrangements.</p> <p>We identified revenue recognition as a key audit matter due to significant sale to related parties.</p>	<ul style="list-style-type: none"> Performed sales cut-off procedures by agreeing sample of transactions occurred on and around the year end to the evidence of deliveries to check that sales are recorded in the correct accounting period. Considered the adequacy of the disclosures in respect of revenues in accordance with the applicable financial reporting standards. For related party sales transactions, we reviewed agreements and minutes of Board of Directors for approval of said transactions.
<p>3. Valuation of development properties</p>	
<p>(Refer note 12 to the accompanying financial statements)</p> <p>The Company's development properties ('DP') acquired or being constructed for sale in ordinary course of business constitutes the 'Naya Nazimabad' Project which is located in Karachi, principally comprising open plots, bungalows, etc.</p> <p>As of June 30, 2024, DP amounted to Rs. 17,494 million and constitutes 43% of the total assets of the Company and is measured at the lower of cost or net realizable value (NRV).</p> <p>Due to its materiality and significance in terms of judgements and estimates involved in capitalization of cost incurred as a part of Project and valuation of underlying DP, we have considered this a key audit matter.</p>	<p>Our audit procedures amongst others included, review of controls around the valuation of DP by testing the underlying cost calculation; physical inspection of the Project site to ascertain the condition and existence of development properties, assessing the basis and appropriateness for cost capitalised in accordance with the applicable financial reporting standards.</p> <ul style="list-style-type: none"> We also tested the development expenditure incurred and capitalized during the year from agreements, invoices and related documents supporting various components of the Project costs and checked related approvals. We also reviewed the minutes of the meetings at the Board level to identify any indicators of adjustments. We assessed the reasonableness of the selling price used in the assessment of NRV of DP and compared with the cost on sample basis to ascertain the recording of DP at lower of cost or NRV. We also reviewed the related disclosures in accordance with the applicable financial reporting standards.

Key audit matter	How the matter was addressed in our audit
4. Valuation of long-term investment in Debt Instruments	
<p>(Refer notes 10.3)</p> <p>The company has valued its investment in NNAR and SRR using the Discounted Cash Flow (DCF) methodology, resulting in a valuation of Rs 3,257 million.</p> <p>The DCF model employed requires the estimation of future cash flows, discount rates, and terminal value, all of which are subject to significant management assumptions.</p> <p>Given the inherent subjectivity in these assumptions and their impact on the financial statements, we have identified the valuation of this investment as a key audit matter</p>	<p>We performed a range of audit procedures in relation to the valuation including the following:</p> <ul style="list-style-type: none"> • We assessed the accuracy and completeness of the data provided by the management. • We reviewed and analyzed relevant industry metrics for the reporting period, to evaluate the reasonableness of the assumptions used in the valuation. • We examined the assumptions used in the financial model for NNAR and SRR, including their rationale and support, to ensure they were reasonable and consistent with industry practices. • We reviewed the reasonableness of the discount rates applied in the valuation model by comparing them to current market rates and relevant benchmarks to ensure they were appropriate for the valuation. • We engaged an auditor's expert to provide specialized insight and evaluation of the valuation techniques and assumptions used in calculation, ensuring that the methodologies applied were robust and aligned with industry standards.

Information Other than the Unconsolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in annual report, but does not include the unconsolidated financial statements and our auditor's report thereon.

Our opinion on the unconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the unconsolidated statement of financial position, unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) zakat deductible at source under Zakat and ushr ordinance 1980 was deducted by the company and deposited in the central zakat fund established under 7 of that ordinance.

The engagement partners on the audit resulting in this independent auditor's report are Mr. Nadeem Yousuf Adil (Yousuf Adil, Chartered Accountants) and Mr. Farhan Ahmed Memon (Reanda Haroon Zakaria Aamir Salman Rizwan & Company).



Yousuf Adil
Chartered Accountants

Karachi

Date: September 30, 2024

UDIN: AR2024100918sXaJyKix



Reanda Haroon Zakaria Aamir Salman
Rizwan & Company
Chartered Accountants

UDIN: AR202410147mXzh1kBPt

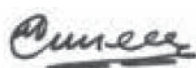
Javedan Corporation Limited

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	2024 ----- (Rupees in '000) -----	2023 -----
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	6	9,784,148	8,754,790
Intangible assets	7	863	2,013
Investment properties	8	603,370	553,126
Long-term deposits	9	9,525	11,719
Long-term investments	10	6,521,452	2,422,870
Long term advances	11	973,503	2,135,697
		17,892,861	13,880,215
CURRENT ASSETS			
Development properties	12	17,494,616	15,280,241
Trade debts	13	1,142,460	10,696,779
Loans and advances	14	1,057,757	832,370
Trade deposits, prepayments and other receivables	15	789,540	396,724
Short-term investments	16	1,707,525	1,713,721
Unclaimed deposits	17	941	782
Cash and bank balances	18	228,031	82,314
		22,420,870	29,002,931
TOTAL ASSETS		40,313,731	42,883,146
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Authorised			
390,000,000 (2023: 390,000,000) ordinary shares of Rs.10/- each		3,900,000	3,900,000
Issued, subscribed and paid-up capital	19	3,808,604	3,808,604
Capital reserves	20	2,758,293	2,758,293
Revenue reserves	20	10,022,439	10,537,427
Other component of equity - revaluation surplus on lands	21	8,749,900	8,817,355
		25,339,236	25,921,679
NON-CURRENT LIABILITIES			
Long-term financings	22	3,925,098	6,625,235
Deferred grant	23	41,781	42,119
Deferred tax liability		303,192	-
Deferred liability - gratuity	24	93,676	76,681
		4,363,747	6,744,035
CURRENT LIABILITIES			
Trade and other payables	25	4,243,413	2,523,422
Preference shares	26	505	505
Accrued mark-up	27	613,072	448,334
Contract liabilities	28	475,766	633,841
Short-term borrowings	29	1,892,898	4,080,997
Current maturity of non-current liabilities	22 & 23	3,166,805	2,348,539
Taxation - net		208,067	174,947
Unpaid preference dividend		363	303
Unclaimed dividend		9,859	6,544
		10,610,748	10,217,432
TOTAL EQUITY AND LIABILITIES		40,313,731	42,883,146
CONTINGENCIES AND COMMITMENTS	30		

The annexed notes from 1 to 47 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

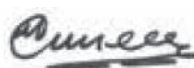
Javedan Corporation Limited

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----
Revenue from Contracts with Customers - Net	31	4,214,923	16,827,214
Cost of sales	32	(1,707,918)	(7,793,730)
Gross profit		2,507,005	9,033,484
Marketing and selling expenses	33	(38,509)	(92,599)
Flyover cost	34	(729,235)	(1,051,837)
Administrative expenses	35	(550,203)	(481,367)
Finance costs - Net	36	(166,061)	(519,959)
Other income	37	1,173,302	379,145
Loss on disposal of Investment Properties		-	(16,266)
Allowance for expected credit losses		(19,205)	(283,911)
Profit before levies and tax		2,177,094	6,966,690
Levies (u/s 100D)	38	(29,040)	(116,160)
Profit before taxation		2,148,054	6,850,530
Taxation	39	(444,427)	(108,579)
Profit for the year		1,703,627	6,741,951
		2024	2023
		----- (Rupees in '000) -----	----- (Rupees in '000) -----
Earnings per share			
Basic	40	4.47	17.70
Diluted	40	4.47	17.70

The annexed notes from 1 to 47 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

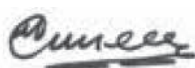
Javedan Corporation Limited

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ----- (Rupees in '000) -----	2023 -----
Profit for the year		1,703,627	6,741,951
Other comprehensive income, net of tax			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax):			
Actuarial (loss) on remeasurement of defined benefit obligation	24.5	(907)	(757)
Revaluation surplus on land		-	1,349,027
Total comprehensive income for the year, net of tax		1,702,720	8,090,221

The annexed notes from 1 to 47 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

Javedan Corporation Limited

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2024

Issued, subscribed and paid-up capital	Capital reserves		Revenue reserves		Other component of equity	Total Equity
	Share premium	Tax holiday reserve	General	Unappropriated profits	Revaluation surplus on land	

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

Balance as at June 30, 2022

3,808,604 2,746,327 11,966 63,500 4,330,313 8,394,190 19,354,900

Profit for the year

- - - - 6,741,951 - 6,741,951

Other comprehensive income, net of tax

- - - - (757) 1,349,027 1,348,270

Total comprehensive income, net of tax

- - - - 6,741,194 1,349,027 8,090,221

Revaluation surplus on lands realised on account of sale of development properties

- - - - 925,862 (925,862) -

Transaction with owners

Interim dividend @ 40 percent on

ordinary shares for the year ended June 30, 2022

- - - - (1,523,442) - (1,523,442)

Balance as at June 30, 2023

3,808,604 2,746,327 11,966 63,500 10,473,927 8,817,355 25,921,679

Profit for the year

- - - - 1,703,627 - 1,703,627

Other comprehensive loss, net of tax

- - - - (907) - (907)

Total comprehensive income, net of tax

- - - - 1,702,720 - 1,702,720

Revaluation surplus on lands realised on account of sale of development properties

- - - - 67,455 (67,455) -

Transaction with owners

Final dividend @ 60 percent on

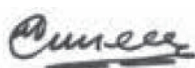
ordinary shares for the year ended June 30, 2023

- - - - (2,285,163) - (2,285,163)

Balance as at June 30, 2024

3,808,604 2,746,327 11,966 63,500 9,958,939 8,749,900 25,339,236

The annexed notes from 1 to 47 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

Javedan Corporation Limited

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		2,148,054	6,966,690
Adjustments for non-cash items:			
Depreciation	6.1	41,415	37,009
Amortization	7	1,150	1,150
Provision for gratuity	24.8	27,611	19,119
Remeasurement gain on investment properties	8.1.1	(50,244)	(28,576)
Loss on disposal of investment properties		-	16,266
Allowance for expected credit loss		19,205	283,911
Finance costs		158,777	330,474
Amortisation of deferred grant		(33,105)	(27,635)
Remeasurement gain on investment designated at FVTPL		(805,727)	(139,169)
Mark-up on saving accounts	36	(394,308)	(11,300)
Operating profit before working capital changes		1,112,828	7,447,939
Decrease / (increase) in current assets			
Development properties		(2,214,375)	4,219,155
Trade debts		9,554,319	(9,656,526)
Loans and advances		(225,387)	721,979
Trade deposits and other receivables		(412,021)	(370,970)
Unclaimed deposits		(159)	-
		6,702,377	(5,086,362)
Increase in current liabilities			
Trade and other payables		1,719,991	1,816,789
Contract liabilities		(158,075)	(457,409)
Advance against sale of investment properties		-	(176,673)
		1,561,916	1,182,707
Cash flows generated from operations		9,377,121	3,544,284
Payments for:			
Income taxes		(108,115)	(171,786)
Finance costs		6,021	(73,399)
Gratuity		(11,523)	(9,386)
Long-term deposits		2,194	1,653
		(111,423)	(252,918)
Net cash flows generated from operating activities		9,265,698	3,291,366
CASH FLOWS FROM INVESTING ACTIVITIES *			
Additions to property and equipment	6.1 & 6.2	(1,079,131)	(4,363,111)
Sale proceeds from disposal of property and equipment		8,358	3,845,291
Sale proceeds from disposal of investment properties		-	179,175
Advance against issuance of units		1,162,194	(2,135,697)
Sale proceeds from disposal of subsidiary company		-	1,400,000
Investment in debt instruments	10	(3,292,855)	(2,173,701)
Mark-up on TDR received	36	394,308	11,300
Short-term investments - net		6,196	(1,700,721)
Net cash flows used in investing activities		(2,800,930)	(4,937,464)

Javedan Corporation Limited

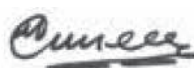
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	----- (Rupees in '000) -----	
CASH FLOWS FROM FINANCING ACTIVITIES *			
Dividend paid		(2,281,848)	(1,521,148)
Long-term financings - net		(1,849,104)	(644,089)
Short-term borrowings - net		(2,188,099)	2,247,833
Net cash flows (used in) / generated from financing activities		(6,319,051)	82,596
Net increase / (decrease) in cash and cash equivalents		145,717	(1,563,502)
Cash and cash equivalents at beginning of the year	18	82,314	1,645,816
Cash and cash equivalents at end of the year	18	228,031	82,314

* No non-cash item is included in investing and financing activities

The annexed notes from 1 to 47 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

1. STATUS AND NATURE OF BUSINESS

1.1 Javedan Corporation Limited (the Company) was incorporated in Pakistan on June 08, 1961, as a public limited company under the repealed Companies Act, 1913 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. The registered office of the Company is located at Arif Habib Centre, 23, M.T Khan Road, Karachi.

1.2 The Company has ceased its cement business since July 01, 2010 and the management has developed business diversification strategy for utilizing the Company's land having area of 1,367 acres for developing a housing scheme, "Naya Nazimabad", that includes bungalows, open plots, flat sites and commercial sites. The Company's layout plan of the project was approved by Lyari Development Authority (LDA) vide letter number LDA/PP/2010/255 on March 02, 2011, revised master plan approved vide letter No CTP/LDA/112 on June 19, 2013 and revised master plan layout approved vide letter no LDA/TP/2022/98 on June 24, 2022 and has obtained No Objection Certificate from Sindh Building Control Authority (SBCA) having NOC # SBCA/D.D(D-II)/985/ADV-503/2011 on November 12, 2011, revised NOC # SBCA/DD(D-II)/985 & 991/ADV-584/2013 and revise NOC # SBCA/DD(PSA-C)/155/Revised/Adv-236/2023 on January 16, 2023. These includes land around 486 acres that is not immediately available for development due to need for additional approval from general officer commanding the division. The Company is also the member of Association of Builders and Developers of Pakistan (ABAD).

1.3 These financial statements are the separate financial statements of the Company in which the investment in subsidiaries are stated at cost less accumulated impairment losses, if any. As of June 30, 2024, the Company has investments in following subsidiaries:

% of holding

- NN Maintenance Company (Private) Limited (NNMC)	100%
- Sapphire Bay Development Company Limited (SBDCL)	100%

1.4 The geographical location and addresses of business units are as under:

Location	Address
Registered office	Arif Habib Centre, 23, M.T Khan Road, Karachi.
Naya Nazimabad Project	Naya Nazimabad, Deh, Manghopir road, Gadap town, Scheme #43, Karachi.
Naya Nazimabad Sales Center	Naya Nazimabad, Deh, Manghopir road, Gadap town, Scheme #43, Karachi.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRSs), issued by International Accounting Standard Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by Institute of Chartered Accountants of Pakistan (ICAP), as notified under Companies Act, 2017 (the Act) and, provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ from the IFRSs, the provisions of and directives issued under the Act have been followed.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

3. BASIS OF PREPARATION

3.1 Basis of measurement

These financial statements have been prepared under the historical cost convention except for:

- recognition of certain employees' retirement benefits at present value (Note 24);
- lands (i.e. freehold and leasehold) classified under property and equipment at revalued amount (Note 6.1.1);
- investment properties at fair value (Note 8.1.1); and
- equity instruments designated at fair value through profit or loss (Note 16.3).

3.2 Functional and presentation currency

These financial statements are presented in Pakistani Rupees which is the Company's functional and presentation currency. All financial information presented in Pakistani Rupees has been rounded off to the nearest thousand rupees.

4. STANDARDS, AMENDMENTS, INTERPRETATIONS AND IMPROVEMENTS

4.1 New amendments that are effective for the year ended June 30, 2024

The following amendments are effective for the year ended June 30, 2024. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's unconsolidated financial statements other than certain additional disclosures.

Amendment or Improvements	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS practice statement 2 - Disclosure of accounting policies	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - International Tax Reform – Pillar Two Model Rules	January 01, 2023

4.2 Standards, amendments and improvements to the approved accounting standards that are not yet effective

The following amendments are effective for the year ended June 30, 2024. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's unconsolidated financial statements other than certain additional disclosures.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Amendment or Improvements	Effective date (annual periods beginning on or after)
Amendments to IFRS 16 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial instruments: Disclosures' - Supplier Finance Arrangements	January 01, 2024
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability	January 01, 2025
IFRS 17 'Insurance Contracts' - (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2026
Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' - Classification and measurement of financial instruments	January 01, 2026

Further, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan and are not expected to have any material impact on the Company's financial statements in the period of initial application.

Standards

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 18	Presentation and Disclosures in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures

4.3 ADOPTION OF NEW ACCOUNTING POLICY

4.3.1 Accounting for minimum taxes and final taxes

During May 2024, The Institute of Chartered Accountants of Pakistan (ICAP) issued a guide 'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the Guide) to provide guidance on accounting of minimum tax and final tax, as mentioned in the Income Tax Ordinance, 2001, under the requirements of relevant IFRS Accounting Standards and provide appropriate approaches to account for minimum taxes and final taxes in compliance with the requirements of IFRS Accounting Standards.

In view of the clarifications from ICAP, it has been established that minimum tax and final taxes do not meet the criteria of income tax expense as per IAS 12 (as these are not based on taxable profits), hence, it should be accounted for under IFRIC 21 'Levies' and IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The Guide issued by ICAP provides approaches to account for minimum and final regime taxes according to the facts and circumstances as applicable to the Company. Accordingly, the Company has adopted the following approach:

The Company first designates the amount calculated on gross amount of revenue or other basis (such as receipts or other values etc. as provided in law)[It can be amended according to entity's nature of deduction] as a levy within the scope of IFRIC 21 "Levies"/IAS 37" Provisions, Contingent Liabilities and Contingent Assets" and recognise it as an Operating expenses (It can be amended as revenue taxes or other). Any excess over the amount designated as a levy is then recognised as current income tax expense falling under the scope of IAS 12.

Therefore, the deferred tax would be measured using the average effective rate of tax rather than the enacted/notified tax rate. The entity reassess its estimate for measuring deferred taxes in the future due to variation in the effective income tax rate even when the enacted rate of income tax is unchanged.

Similarly, any amount deducted as final taxes will be classified as a levy in the statement of profit or loss and there would be no deferred tax liability / (asset) recognised in case of final taxes.

Super tax charged to entities as per provisions of Income Tax Ordinance, 2001, will be classified as either 'Income Tax' or 'levy' in accordance with guidance provided in the Guide [i.e. if super tax calculation is based on taxable profits as defined in IAS 12, then, such super tax shall be recognised as 'income tax' otherwise such super tax shall qualify for recognition as 'levy' as per IFRIC 21 / IAS 37].

Advance taxes paid under any section of the Income Tax Ordinance, 2001, except minimum taxes paid under section 113, which are termed as levy as per the above guide will be classified as 'prepaid assets'.

The above changes have been accounted for in these financial statements as per the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. The adoption of this policy did not result any material differences except for reclassifications which are presented as below:

	Current Classification	Previous Classification
Note	----- (Rupees in '000) -----	-----
Effect on statement of profit or loss:		
For the year ended June 30, 2023		
Taxation:		
- Current year	136,944	253,104
- prior year	(28,365)	(28,365)
	108,579	224,739
Final taxes:		
- As per Section 100D	116,160	

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Extract of P&L Presentation	Note	Current	Previous
		Classification	Classification
		----- (Rupees in '000) -----	
Profit before final and revenue taxes		6,966,690	
Final tax		(116,160)	
Profit before income tax		6,850,530	
Taxation		(108,579)	
Profit after income tax		6,741,951	

4.3.2 MATERIAL ACCOUNTING POLICY INFORMATION

The preparation of financial statements in conformity with accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in the process of applying the Company's accounting policies. Judgments, estimates and assumptions are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. In the process of applying the Company's accounting policies, management has made the following judgments, estimates and assumptions which are significant to these financial statements:

(i) Free-hold and leasehold lands under property and equipment

The Company's freehold land and leasehold land are carried at revalued amount, with changes in fair value being recognised in the other comprehensive income or loss. An independent valuation specialist is engaged by the Company to assess fair value of freehold land based on values with reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

(ii) Revenue recognition

The Company assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue. The Company has assessed that based on the sale and purchase agreements entered into with customers, where contracts are entered into to provide real estate assets to customer, the Company does not create an asset with an alternative use to the Company and usually has an enforceable right to payment for performance completed to date. In these circumstances, the Company recognises revenue over time, whereas, if this is not the case revenue is recognised at a point in time. In cases where the Company determines that performance obligations are satisfied at a point in time, revenue is recognised when control over the asset that is the subject of the contract is transferred to the customer. The Company determines the transaction price in respect of each of its contracts with customers and in making such judgment the Company assess the impact of any variable consideration in the contract (if any), due to discounts or penalties, the existence of any significant financing component in the contract and any non-cash consideration in the contract.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

(iii) Development properties

The Company reviews the net realisable value of development properties to assess any diminution in the respective carrying values. Net realizable value (NRV) for completed development property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for property in the same geographical market serving the same real estate segment. NRV in respect of development property under development is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete the development and the estimated costs necessary to make the sale, taking into account the time value of money, if material.

(iv) Recognition of tax and deferred tax

The provision for taxation is accounted for by the Company after taking into account the relevant laws and decisions taken by appellate authorities. Instances, where the Company's view differs from the view taken by the tax authorities at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities / assets.

Significant management judgement is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. The management consider tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

4.4 Property and equipment

4.4.1 Owned

Property and equipment (except for free-hold, leasehold land and other land) are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Free-hold and leasehold land are stated at revalued amount, which is the fair value at the date of revaluation. Subsequently, these are stated at revalued amounts less subsequent impairment losses, if any. Other land are stated at cost less accumulated impairment losses, if any. Depreciation is charged to profit or loss applying the reducing balance method. Depreciation on additions during the year is charged from the month of addition when the asset is available for use, whereas, no depreciation is charged in the month of disposal.

Rates of depreciation which are disclosed in note 6.1 to these financial statements are designed to write-off the cost over the estimated useful lives of the assets.

Major renewals and improvements for assets are capitalised and the assets so replaced, if any, are retired. Maintenance and normal repairs are charged to profit or loss, as and when incurred.

Assets residual values, useful lives and method of depreciation are reviewed and adjusted, if appropriate at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount at the reporting date.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is charged to profit or loss.

4.4.2 Capital work-in-progress

Capital work-in-progress is stated at cost less accumulated impairment losses, if any, and consists of expenditure incurred in respect of operating fixed assets in the course of their acquisition, erection, construction and installation. The assets are transferred to relevant category of operating fixed assets when they are available for use.

4.4.3 Revaluation surplus on lands

A revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in the profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

An annual transfer from the asset revaluation surplus to unappropriated profit is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to unappropriated profit.

4.5 Intangible assets

These are stated at cost less accumulated amortisation and impairment losses, if any. Amortisation on additions is charged from the month in which an asset is available for use, while no amortisation is charged for the month in which the asset is disposed off. Amortisation is charged based on straight line method at the rates specified in note 7 to these financial statements.

4.6 Investment properties

Investment properties comprise of completed properties that are held to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Investment properties are measured initially at cost including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and initial leasing commissions to bring the property to the condition necessary for it to be capable of operating. The carrying amount also includes the cost of replacing part of an existing investment property at the time that cost is incurred, if the recognition criteria is met. Subsequent to initial recognition, investment properties are stated at fair value which reflects market condition at reporting date. Gains or losses arising from changes in the fair values are included in the profit or loss in the period in which they arise, including the corresponding tax effect, if any. Fair values are determined based on an annual valuation performed by an accredited valuer.

Investment properties are derecognised when these have been disposed of or permanently withdrawn from use and no future economic benefit is expected from their disposal. Any gain or loss on disposal of an investment properties (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the profit or loss.

4.7 Investment in subsidiaries

Investment in subsidiaries are stated at cost less accumulated impairment losses, if any.

4.8 Right-of-use assets and leases liabilities

4.8.1 Company as a lessee

The Company assess at contract inception whether a contract is, or contain a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company acts as a lessee and applies a single recognition and measurement approach for all the leases except for short-term leases and leases of low value assets (if any). The Company recognises lease liability to make lease payments and right-of-use assets representing the right to use the underlying assets. As of reporting date, the Company has no contractual arrangement in place as a lessee.

i) Right-of-use assets

The Company recognises right-of-use assets (ROU assets) at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, if any, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised ROU assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. ROU assets are subject to impairment.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option (if any) reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has the option, under its lease arrangements to lease the assets for additional terms under the contracts. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy). Any change is accounted for change in estimate and applied prospectively with corresponding change in ROU assets and lease liabilities.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

4.8.2 Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

4.9 Development properties

Property acquired, constructed or in the course of construction for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is classified as development properties and is measured at lower of cost and net realisable value. The Company will sell plots and bungalows and will not provide any construction services as a contractor engaged by the buyer. In addition, the buyer of constructed units does not have an ability to specify the major structural elements of the design or major structural changes before construction and / or construction is in progress. All project costs incurred or to be incurred are capitalised as a cost of development properties and mainly includes: costs / rights for free-hold and leasehold land; construction cost of bungalows; borrowing costs, planning and design costs, costs of site preparation and internal / external infrastructure costs, professional fees for legal services, property transfer taxes, construction overheads and other related costs necessary to bring the premises in saleable condition; and development charges.

Net realizable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date less estimated costs of completion and the estimated costs necessarily to be incurred to make the sale.

When a development property is sold, the carrying amount of the development property is recognized as an expense in the period in which the related revenue is recognized.

The cost of sales recognised in profit or loss is determined with reference to the directly and indirectly attributable costs incurred on the plots, bungalows, flats and commercial sites sold and any non-specific costs based on the total area of land sold for plots, bungalows, flats and commercial sites in relation to total area of land of the project (i.e. 1,367 acres). The development charges are recognised in profit or loss on the basis of reimbursable development costs recoverable to date from customers on plots / bungalows sold apportioned to total area of land sold in relation to total area of land. Development charges not recoverable from customers are borne by the Company and charged to profit or loss in the year, in which these are incurred. However if non-recoverable development charges are subsequently recovered from future sales to customers, the same will be credited to profit or loss.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

4.10 Financial instruments

4.10.1 Financial assets

4.10.1.1 Initial recognition and measurement

All financial assets are recognised initially at fair value and transaction cost, if any (except for financial assets at fair value through profit or loss, in which case, transaction cost is charged to profit or loss). Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade debts, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade debts are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

4.10.1.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

a) Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

b) Financial assets designated at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in statement of other comprehensive income. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Company does not have any debt instruments at fair value through OCI investments during the current and last year and as of reporting date.

c) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to Statement of profit or loss. Dividends are recognised as dividend income in the Statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in statement of other comprehensive income. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company does not have any equity investments during the current and last year and as of reporting date.

d) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the Statement of profit or loss. This category includes listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as dividend income in the Statement of profit or loss when the right of payment has been established.

4.10.1.3 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

4.10.1.4 Impairment

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. The Company applies a simplified approach in calculating ECLs for its trade debts. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. Trade debts are secured against goods sold and have low credit risk.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The Company considers a financial asset in default when contractual payments terms with various customers are past due over by 30 and 60 days. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

4.10.2 Financial liabilities

4.10.2.1 Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

4.10.2.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit or loss. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

b) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method.

Amortised cost is the amount at which the financial liability is measured at initial recognition minus the principal repayments minus the cumulative amortisation using the EIR of any difference between that initial amount and the maturity amount. EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Gains and losses are recognised in statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

4.10.2.3 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

4.10.2.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.11 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The fair value less costs to sell calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs to sell of the asset.

In determining fair value less costs to sell, the recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other fair value indicators.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit or loss.

4.12 Cash and cash equivalents

Cash and cash equivalents are stated at cost and are defined as cash in hand, cash at banks and short-term highly liquid investments that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purpose of cash flow statement, cash and cash equivalents comprises cash in hand and bank balances.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

4.13 Preference shares

The Company classifies a financial instrument (or its components) on initial recognition as a financial liability or as equity considering the substance of a contractual arrangement rather than its legal form. On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

4.14 Employees retirement benefits

4.14.1 Defined benefit plan - gratuity

The Company operates an approved funded gratuity scheme for all its eligible employees who have completed their minimum qualifying period of service with the Company. Provisions are made in the financial statements to cover obligation on the basis of actuarial valuation carried out annually by an independent actuary, using the Projected Unit Credit Method. Actuarial gain or loss (remeasurements) are immediately recognised in statement of other comprehensive income, as they occur. The amount recognised in the statement of financial position represents the present value of defined benefit obligations as reduced by the fair value of the plan assets. Current service costs and any past service costs together with net interest cost are charged to statement of profit or loss.

4.14.2 Compensated absences

The Company recognises the accrual for compensated absences in respect of employees' for which these are earned up to the reporting date.

4.15 Borrowing costs

All interest bearing financings and borrowings are initially recognised at fair value less directly attributable transaction costs. Subsequently, these are measured at amortised cost using effective interest rate method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are capitalised and added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in the year in which they are incurred. Income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from borrowing costs eligible for capitalisation.

4.16 Taxation

Current

Provision for current taxation is computed on taxable income at the current rates of taxation, after taking into account tax credits and rebates available, if any, in accordance with the provision of the Income Tax Ordinance, 2001. It also includes any adjustment to tax payable in respect of prior years. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Deferred

Deferred tax is recognised using the balance sheet method, on all temporary differences arising at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, while deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax losses and unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forwards of unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date. Deferred tax is charged or credited to the profit or loss.

Deferred tax relating to items recognised directly in the other comprehensive income is recognised in the other comprehensive income and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.

4.17 Revenue recognition

4.17.1 Revenue from contracts with customers

Revenue from contracts with customers is recognised when the contract of goods and services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services. The Company has generally concluded that it is the principle in its revenue arrangements because it typically controls the goods and services before transferring them to the customer.

- i) Revenue from the sale of plots and bungalows is recognised at a point in time at which the performance obligation is satisfied and one of the below conditions are not met:
- the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
 - the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
 - the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance obligation completed to date.



Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

For performance obligations where one of the above conditions are met, revenue is recognised over the time when the performance obligation is satisfied.

When the Company satisfies a performance obligation by delivering the promised goods or services, it creates a contract asset based on the amount of consideration earned by the performance. When the amount of consideration received from a customer exceeds the amount of revenue recognised, this gives rise to a contract liability.

- ii) Revenue on plots and bungalows cancelled during the period is recognized to the extent of amount forfeited at the time when the cancellation request is approved.
- iii) Income from reimbursable income (like development cost) is recognized as revenue when the related cost has been incurred by the Company and assessed as recoverable from the customer under the terms of contractual arrangement. The corresponding impact of such revenue recognition is classified as Contract asset /unbilled revenue till the invoice is issued to the customer.

4.17.2 Other revenues

Revenue from other sources is recognized on the following basis:

- i) Rental income arising from investment properties is recognised, net of discounts, in accordance with the terms of lease contracts over the lease term on straight-line basis until such time the lessee exercises its option to purchase.
- ii) Profit on deposits is recognized on a time proportionate basis, by reference to the principal outstanding and at the applicable effective interest rate.
- iii) Gain on sale of property and equipment / investment properties is recorded when title is transferred in favour of transferee.
- iv) Income from sale of scrap is recorded when risks and rewards are transferred to the customers which coincides with the time of dispatch of items.
- v) Other income (i.e. transfer fee, cancellation fees, income from cricket ground, etc.), if any, recognised on accrual basis.

4.18 Provisions

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are reviewed at each reporting date and accordingly adjusted to reflect current best estimates.

4.19 Ijarah agreements

Payments made under ijarah arrangements / agreements are charged to the profit or loss on a straight line basis over the ijarah term.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

4.20 Foreign currency translations

Transactions in foreign currencies are translated into Pakistani Rupee at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling at the reporting date. Exchange gains and losses are recognised in the profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

4.21 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognised in the financial statements in the period, in which these are approved. However, if these are approved after the reporting period but before the financial statements are authorised for issue, they are disclosed in the notes to the financial statements.

4.22 Earnings per share

The Company presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Whereas, diluted EPS is determined by adjusting the profit or loss attributable to ordinary share holders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.23 Government grant

Government grant is recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant related to an expense item, it is recognised in the statement of profit or loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

4.24 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. Segment results, assets and liabilities include items directly attributable to a segment. Segment capital expenditure is the total cost incurred during the year to acquire property and equipment and intangible assets. Segment results, assets and liabilities include items directly attributable to a segment as well as those allocated on a reasonable basis.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

5. DETAILS OF RELATED PARTIES

Name of related parties	%age holding	Basis of relationship
NN Maintenance Company (Private) Limited	100	Subsidiary
Sapphire Bay Development Company Limited	100	Subsidiary
Aisha Steel Mills Limited	-	Common directorship
Arif Habib Consultancy (Private) Limited	-	Common directorship
Black Gold Power Limited	-	Common directorship
Fatima Fertilizer Company Limited	-	Common directorship
Karachi Sports Foundation	-	Common directorship
Sachal Energy Development (Private) Limited	-	Common directorship
AH Aviation (Private) Limited	-	Common directorship
Arif Habib Corporation Limited	-	Common directorship
International Builders and Developers (Private) Limited	-	Common directorship
NCEL Building Management Limited	-	Common directorship
Pakarab Energy Limited	-	Common directorship
Pakistan Business Council	-	Common directorship
Pakistan Engineering Company Limited	-	Common directorship
Pakistan Opportunities Limited	-	Common directorship
Fatimid Foundation	-	Common directorship
Fatima Packaging Limited	-	Common directorship
Habib University Foundation	-	Common directorship
Karachi Education Initiative	-	Common directorship
Pakistan Centre for Philanthropy	-	Common directorship
Arif Habib Equity (Private) Limited	-	Common directorship
MCB-Arif Habib Savings & Investments Limited	-	Common directorship
Nooriabad Spinning Mills (Private) Limited	-	Common directorship
Parkview Company Limited	-	Common directorship
Rotocast Engineering Company (Private) Limited	-	Common directorship
Sukh Chayn Gardens (Private) Limited	-	Common directorship
Safemix Concrete Limited	-	Common directorship
Arif Habib Foundation	-	Common directorship
Fatimafert Limited	-	Common directorship
Fatima Cement Limited	-	Common directorship
Memon Health and Education Foundation	-	Common directorship
Pakarab Fertilizers Limited	-	Common directorship
REMMCO Builders & Developers Limited	-	Common directorship
Siddiqsons Energy Limited	-	Common directorship
Arif Habib Dolmen REIT Management Limited	-	Common directorship
Arif Habib Real Estate Services (Private) Limited	-	Common directorship
Power Cement Limited	-	Common directorship
Arif Habib Limited	-	Common directorship

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Name of related parties	%age holding	Basis of relationship
Go Real Estate	-	Associated person,
Mr. Haji Abdul Ghani	-	Associated person, major shareholder
Miss. Nida Ahsan	-	Close family member
Mr. Samad A. Habib - Chief Executive	-	Key management personnel
Mr. Arif Habib - Chairman	-	Key management personnel
Mr. Muhammad Ejaz - Director	-	Key management personnel
Mr. Abdullah Ghaffar - Director	-	Key management personnel
Miss. Darakshan Zohaib - Director	-	Key management personnel
Mr. Abdul Qadir - Director	-	Key management personnel
Mr. Alamgir A. Sheikh - Director	-	Key management personnel
Mr. Javed Kureishi - Director	-	Key management personnel
Mr. Kashif A. Habib - Director	-	Key management personnel
Mr. Muneer Gadar - CFO & Company Secretary	-	Key management personnel
JCL Gratuity Fund Trust	-	Employees' Gratuity Fund

	Note	2024 ----- (Rupees in '000) -----	2023 -----
6. PROPERTY AND EQUIPMENT			
Operating fixed assets	6.1	6,181,769	5,670,733
Capital work-in-progress	6.2	3,602,379	3,084,057
		9,784,148	8,754,790

6.1 Operating fixed assets - owned

Particulars	Cost / Revaluation Amount					Accumulated Depreciation				Revalued Amount / Written Down Value As At June 30, 2024	RATE
	As at July 01, 2023	Additions/ revaluation	Transfers *	Disposals / Reversal	As at June 30, 2024	As at July 01, 2023	Charge for the year	Disposals	As at June 30, 2024		
	----- (Rupees in '000) -----										%
Free-hold land (notes 6.1.1 and 6.1.2)	123,890	-	-	-	123,890	-	-	-	-	123,890	-
Lease-hold land (notes 6.1.1 and 6.1.2)	4,820,840	-	-	-	4,820,840	-	-	-	-	4,820,840	-
Other land (note 6.1.4)	424,523	-	-	-	424,523	-	-	-	-	424,523	-
Buildings on lease-hold land	40,619	-	-	-	40,619	26,732	1,397	-	28,129	12,490	10
Buildings on other land	143,181	-	511,914	-	655,095	30,108	15,573	-	45,681	609,414	10
Recreational facilities (note 6.1.5)	110,641	-	-	-	110,641	10,584	5,003	-	15,587	95,054	5
Furniture and fixtures	23,514	25,656	-	-	49,170	12,294	3,964	-	16,258	32,912	20
Office equipment	59,895	16,947	-	-	76,842	40,027	5,465	-	45,492	31,350	10 - 33
Medical equipment	5,535	-	-	-	5,535	1,101	102	-	1,203	4,332	10 - 33
Computer equipment	37,999	5,153	-	-	43,152	29,119	4,963	-	34,082	9,070	33
Vehicles	70,166	1,139	-	10,941	60,364	40,105	4,949	2,583	42,470	17,894	20
2024	5,860,803	48,895	511,914	10,941	6,410,671	190,070	41,415	2,583	228,902	6,181,769	

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Particulars	Cost / Revaluation Amount					Accumulated Depreciation				Revalued Amount / Written Down Value As At June 30, 2023	RATE
	As at July 01, 2022	Additions/ revaluation	Transfers *	Disposals / Reversal	As at June 30, 2023	As at July 01, 2022	Charge for the year	Disposals	As at June 30, 2023		
	----- (Rupees in '000) -----										%
Free-hold land (notes 6.1.1 and 6.1.2)	541,599	-	-	417,709	123,890	-	-	-	-	123,890	-
Lease-hold land (notes 6.1.1 and 6.1.2)	2,722,117	4,042,936	231,105	2,175,318	4,820,840	-	-	-	-	4,820,840	-
Other land (note 6.1.4)	1,381,814	-	294,973	1,252,264	424,523	-	-	-	-	424,523	-
Buildings on lease-hold land	40,619	-	-	-	40,619	25,180	1,552	-	26,732	13,887	10
Buildings on other land	137,803	5,378	-	-	143,181	18,092	12,016	-	30,108	113,073	10
Recreational facilities (note 6.1.5)	108,460	2,181	-	-	110,641	5,423	5,161	-	10,584	100,057	5
Furniture and fixtures	17,240	6,274	-	-	23,514	10,383	1,911	-	12,294	11,220	20
Office equipment	57,633	2,262	-	-	59,895	34,849	5,178	-	40,027	19,868	10 - 33
Medical equipment	5,147	388	-	-	5,535	985	116	-	1,101	4,434	10 - 33
Computer equipment	34,089	3,910	-	-	37,999	24,847	4,272	-	29,119	8,880	33
Vehicles	56,150	14,016	-	-	70,166	33,302	6,803	-	40,105	30,061	20
2023	5,102,671	4,077,345	526,078	3,845,291	5,860,803	153,061	37,009	-	190,070	5,670,733	

* Represents land transferred from capital work in progress.

6.1.1 The Company has carried out the last valuation exercise through an independent valuer in year 2023 which has resulted in net surplus of Rs. 1,349 million (note 21).

The fair values were determined with reference to market based evidence, based on active market prices and relevant enquiries and information as considered necessary, and adjusted for any difference in nature, location or condition of the specific properties. The fair value of said lands falls under level 3 of fair value hierarchy (i.e. significant observable inputs).

6.1.2 The forced sale value of freehold land and leasehold land are Rs. 3,856 million based on the latest revaluation carried out by an independent valuer on June 30, 2023, respectively.

6.1.3 The immovable assets (i.e. free-hold, leasehold land and other land) of the Company as at June 30, 2024 have an net area of 100.31 acres free-hold land, leasehold land and other land respectively, located at Naya Nazimabad, Deh, Manghopir, Gadap Town, Scheme 43, Karachi, and is used by the Company for business purposes.

6.1.4 Land classified as 'Other land' are amenity plots (i.e. land for construction of mosques and Public Building).

6.1.5 Recreational facilities are cricket and football ground.

6.1.6 The depreciation charge for the year has been allocated to administrative expenses.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
Note	----- (Rupees in '000) -----	
6.2 Capital work-in-progress		
Opening	3,084,057	1,975,341
Additions to capital work-in-progress	1,030,236	1,108,716
Transfer from capital work-in-progress	(511,914)	-
Closing	<u>3,602,379</u>	<u>3,084,057</u>

6.2.1 The details of capital work-in-progress are as under:

Gymkhana (club house)	2,764,445	2,212,165
Jama masjid	-	388,579
Hospital	837,934	483,313
	<u>3,602,379</u>	<u>3,084,057</u>

7. INTANGIBLE ASSETS

	Cost			Rate	Accumulated Amortization			Net Book Value
	As At July 1, 2023	Addition During The Year	As At June 30, 2024		As At July 1, 2023	Charge During The Year	As At June 30, 2024	As At June 30, 2024
	----- (Rupees in '000) -----			%	----- (Rupees in '000) -----			
Software - 2024	<u>5,751</u>	<u>-</u>	<u>5,751</u>	<u>20</u>	<u>3,738</u>	<u>1,150</u>	<u>4,888</u>	<u>863</u>
Software - 2023	<u>5,751</u>	<u>-</u>	<u>5,751</u>	<u>20</u>	<u>2,588</u>	<u>1,150</u>	<u>3,738</u>	<u>2,013</u>

	2024	2023
Note	----- (Rupees in '000) -----	
8. INVESTMENT PROPERTIES		
Open plots of land - at fair value	8.1 <u>603,370</u>	<u>553,126</u>
8.1 Investment properties comprise of various properties having aggregated area of 104,813 square yards (2023: 104,813 square yards) situated at Deh Mangopir and other locations in Karachi (note 8.1.5).		

	2024	2023
	----- (Rupees in '000) -----	
8.1.1 The movement in open plots of land during the year is as follows:		

As at July 01	553,126	719,991
Disposal during the year	-	(195,441)
Remeasurement gain	50,244	28,576
As at June 30	<u>603,370</u>	<u>553,126</u>

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

8.1.2 An independent valuation was carried out by the Company through an independent professional valuer M/s Asif Associates (Private) Limited on June 30, 2024 and the fair value of Rs.603.37 million (2023: Rs.553.13 million) was determined with reference to market based evidence, active market prices and relevant information. Accordingly, the fair value adjustment of Rs. 50.24 million (2023: Rs. 28.58 million) is recognised in profit or loss. The fair value of investment property falls under level 2 of fair value hierarchy (i.e. significant observable inputs).

8.1.3 In order to make a fair and realistic evaluation of the assets the team of assessors visited the property on July 11, 2024 and subsequently, to check and verify the quantity and quality of the land. They also checked the present condition of the area to establish its present usage and possibility of the sale. They met and held discussions with a number of realtors dealing in property in these areas and investigated the price of similar property in the general vicinity.

8.1.4 The aggregated forced sale value of investment properties as per the latest valuation reports are Rs. 483 million (2023: Rs. 443 million).

8.1.5 The details of investment properties as of June 30, 2024 are as follows:

S.No	Location of investment properties	Land area	Valuation of Property ----- (Rupees in '000) -----	Forced sale value
1.	Survey No 85 situated at Deh Halkani, Tappo Manghopir, Taluka Manghopir, District West Karachi.	12 acres and 10 ghuntas	55,125	44,100
2.	Survey no 79 situated at Deh Halkani, Tappo Manghopir, Taluka Manghopir, District West Karachi.	04 acres and 36 ghuntas	22,050	17,640
3.	Plots No 27-C to 36-C at N.C-1 Deh Orangi Town District West Karachi.	4,949 sq yds	95,190	76,152
4.	Plots No 11-C to 16- C at N.C-1 Deh Orangi Town District West Karachi.	3,385 sq yds	64,315	51,452
5.	Plots No 17-C to 26- C at N.C-1 Deh Orangi Town District West Karachi.	5,010 sq yds	95,190	76,152
6.	Plot No D-24 Survey No 32 situated at Deh Manghopir District West Karachi.	2,123 sq yds	59,500	47,600
7.	N.C. 182, Deh Khari Lakhi, Anwer Shamim Road, North Nazimabad, District Central, Karachi.	9,680 sq yds	212,000	169,600

9. LONG-TERM DEPOSITS	Note	2024	2023
		----- (Rupees in '000) -----	----- (Rupees in '000) -----
Utilities		4,701	4,701
Rent		500	500
Lease deposits		3,603	5,802
Others		721	716
		9,525	11,719

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

10. LONG-TERM INVESTMENTS	Note	2024 ----- (Rupees in '000) -----	2023
Investment in subsidiaries at cost			
- NN Maintenance Company (Private) Limited subsidiary company	10.1	10,000	10,000
- Sapphire Bay Development Company Limited subsidiary company	10.2	100,000	100,000
		<u>110,000</u>	<u>110,000</u>
"Debt Instruments - designated at fair value through profit or loss Naya Nazimabad Apartment REIT"			
Carrying Amount		2,312,870	2,173,750
Appreciation on remeasurement of investment		793,116	139,120
	10.3	<u>3,105,986</u>	<u>2,312,870</u>
"Debt Instruments - designated at fair value through profit or loss Signature Residency REIT"			
Carrying Amount		132,000	-
Appreciation on remeasurement of investment		19,932	-
	10.3	<u>151,932</u>	<u>-</u>
"Equity Instruments - designated at fair value through profit or loss Sapphire Bay Islamic Development REIT"			
Carrying Amount		3,153,534	-
Appreciation on remeasurement of investment		-	-
	10.4	<u>3,153,534</u>	<u>-</u>
		<u>6,521,452</u>	<u>2,422,870</u>

10.1 Represents investment of 1 million ordinary shares having face value of Rs. 10 each made by the Company in year 2020, in a wholly owned subsidiary namely NN Maintenance Company (Private) Limited. The principal activities of the subsidiary is to carry out maintenance, other related business and work of development at Naya Nazimabad project of the Company. The subsidiary company commenced its operational activities effective from January 2020.

10.2 Represent investment of 1 million ordinary shares having face value of Rs. 10 each aggregating to Rs. 10 million, in a wholly owned subsidiary namely Sapphire Bay Development Company Limited. The subsidiary company has yet to commence its operational activities. In-addition, the company has also given advance of Rs. 90 million on account of future issuance of ordinary shares.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

10.3 NNAR & SRR is a limited life (indicatively 7 years and 4 Years respectively), within which it will construct and sell the residential and commercial properties on this land. Thereafter, it will be liquidated and the leftover assets will be distributed to the unitholders. In the context of limited life entities, the ownership interests by default meet the financial liability definition of IAS 32, as there is a present obligation of the entity to deliver the cash to the owners upon liquidation and the liquidation is certain to occur and beyond the control of parties to the instrument. Considering this, the management has classified it as debt instrument. Further, since the contractual terms of the instrument do not give rise to, on specified dates, cash flows that are solely payments of principal and interest on the principal amount outstanding, the investment is classified at fair value through profit or loss.

10.4 The Company has invested PKR 3,500 million in Sapphire Bay Islamic Developmental REIT. It is a closed end shariah compliant developmental (PPP) REIT Scheme with perpetual life. The REIT has entered into a Public Private Partnership Agreement with Ravi Urban Development Authority for development, marketing and sale of Phase 1 Zone 3 Sapphire Bay at Ravi City (admeasuring 2,000 acres of land). The Company is a lead member in the project. For PKR 3,500 million invested 315 million unit at a face value of Rs 10 each has been issued and units in respect of advance outstanding as of reporting date of PKR 310 million will be issued subsequently. As at June 30, 2024 the face value of the units is equal to market value of the units.

	Note	2024 ----- (Rupees in '000) -----	2023
11. LONG TERM ADVANCES			
Advance against issuance of units	11.1	310,813	2,135,697
Advance against investment properties	11.2	662,690	-
		<u>973,503</u>	<u>2,135,697</u>

11.1 Movement

Opening		2,135,697	-
Advance provided during the year		1,328,650	2,135,697
Issuance of shares during the year		(3,153,534)	-
Closing	10.4	<u>310,813</u>	<u>2,135,697</u>

11.2 This represents the aggregate of the initial down payment and subsequent periodic payments made to M/s. Globe Residency REIT, a related party, in respect of the purchase of 44 residential flats in Globe Residency REIT project situated at Naya Nazimabad, Deh Manghopir, Gadap Town, Karachi.

12. DEVELOPMENT PROPERTIES

Land

	2024 ----- (Rupees in '000) -----	2023
Opening balance	17,641,300	16,441,918
Add: Additions during the year	1,633,900	1,199,382
	<u>19,275,200</u>	<u>17,641,300</u>

Development expenditure incurred

Opening balance	13,611,543	12,028,016
Add: Incurred during the year	821,687	1,583,527
	<u>14,433,230</u>	<u>13,611,543</u>

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	----- (Rupees in '000) -----	
Borrowing costs related to development properties			
Opening balance		4,705,491	3,388,027
Add: Additions during the year	36	1,466,707	1,317,464
		6,172,198	4,705,491
		39,880,628	35,958,334
Transferred to:			
- property and equipment		(597,080)	(597,080)
- investment properties		(40,291)	(40,291)
- cost of sales to date	32	(15,643,272)	(14,362,775)
- development charges incurred and apportioned to date	32	(6,105,369)	(5,677,947)
		17,494,616	15,280,241

12.1 The land under development properties having an area of 425.55 acre has been mortgaged / pledged with various financial institutions against financing facilities obtained.

		2024	2023
	Note	----- (Rupees in '000) -----	
13. TRADE DEBTS			
Secured, considered good			
Receivable against:			
- sales of plots and bungalows	13.1	487,150	9,906,180
- utilities infrastructure charges		93,632	172,391
- development charges incurred:			
- billed	13.2	191,050	191,831
- un-billed	13.3	389,259	426,377
		580,309	618,208
		1,161,091	10,696,779
Allowance for expected credit losses		(18,631)	-
		1,142,460	10,696,779

13.1 This includes:

- Rs. 250 million, receivable from Globe Residency REIT (GRR), a REIT Scheme managed by Arif Habib Dolmen REIT Management Limited, (a related party) on account of sale of land.
- Rs. 148.148 million, receivable from Parkview Apartment REIT (PVAR), a REIT Scheme managed by Arif Habib Dolmen REIT Management Limited, (a related party) on account of sale of land.

13.2 Represents development cost billed to customers as per the terms of their sale agreement.

13.3 Represents development cost incurred but not billed to customers as of reporting date, however the same will be billed to the respective customers in accordance with the terms of the sale contract.

13.4 As of June 30, 2024 and 2023, the ageing analysis of unimpaired trade debts are as follows:

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Past due but not impaired				
	Total	Not yet Due	> 30 days upto 120 days	> 121 days upto 180 days	180 days and above
----- (Rupees in '000) -----					
Sales of plots and bungalows:					
Related party					
Globe Residency REIT	250,000	250,000	-	-	-
Parkview Apartment REIT	148,148	-	-	-	148,148
Haji Abdul Ghani	3,412	-	-	-	3,412
Other than related parties	85,590	-	1,220	5,300	79,070
	487,150	250,000	1,220	5,300	230,630
Utilities infrastructure charges					
Other than related parties	93,632	-	93,632	-	-
	93,632	-	93,632	-	-
Development charges incurred:					
Other than related parties - billed and unbilled	580,309	580,309	-	-	-
2024	1,161,091	830,309	94,852	5,300	230,630

	Past due but not impaired				
	Total	Not yet Due	> 30 days upto 120 days	> 121 days upto 180 days	180 days and above
----- (Rupees in '000) -----					
Sales of plots and bungalows:					
Related party					
Globe Residency REIT	250,000	250,000	-	-	-
Gymkhana Apartment REIT	3,727,250	3,727,250	-	-	-
Parkview Apartment REIT	2,304,900	2,304,900	-	-	-
NN Apartment REIT	2,887,125	2,887,125	-	-	-
Signature Residency REIT	619,600	-	619,600	-	-
Abdul Ghani	3,412	-	3,412	-	-
Other than related parties	113,893	32,075	27,563	-	54,255
	9,906,180	9,201,350	650,575	-	54,255
Utilities infrastructure charges					
Other than related parties	172,391	-	172,391	-	-
	172,391	-	172,391	-	-
Development charges incurred:					
Other than related parties - billed and unbilled	618,208	426,377	191,831	-	-
2023	10,696,779	9,627,727	1,014,797	-	54,255

13.5 The maximum amount outstanding at any time during the year calculated by reference to month end balances are as follows:

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		----- (Rupees in '000) -----	
Haji Abdul Ghani		3,412	3,412
Gymkhana Apartment REIT		-	3,727,250
Parkview Apartment REIT		148,148	2,304,900
NN Apartment REIT		-	2,887,125
Signature Residency REIT		-	619,600
Global Residency REIT		250,000	250,000
		2024	2023
	Note	----- (Rupees in '000) -----	
14. LOANS AND ADVANCES - Considered good			
Loans - secured			
Executives	14.2	4,745	5,871
Employees		2,131	1,736
	14.1	6,876	7,607
Loans - unsecured			
Loan to a related party - Naya Nazimabad Apartment REIT	14.4	485,133	-
Advances - unsecured			
Suppliers	14.5	334,051	489,951
Contractors		211,428	194,195
Employees for expenses		6,119	1,467
Purchase of properties	14.3	14,150	139,150
		565,748	824,763
		1,057,757	832,370
14.1	Represents interest free loans given to employees for various reasons in accordance with the terms of the employment. These loans are repayable within twelve months and are secured against staff gratuity fund.		
14.2	The movement in loans to employees and executives are as follows:		
		2024	2023
		----- (Rupees in '000) -----	
Balance as of 01 July		7,607	9,805
Loans obtained during the year		21,956	9,585
Adjusted during the year		(22,687)	(11,783)
Balances as of 30 June		6,876	7,607
14.3	Represents advances (as partial payments) given for purchase of multiple properties under the terms of agreement agreed between the Company and third parties.		
14.4	The Company has entered into an arrangement with Naya Nazimabad Apartment REIT (REIT Scheme) (a related party) in relation to Short-Term Advance for acquisition of Real Estate by the REIT Scheme to the extent of Rs.500 million. This carries markup rate at 3 month's KIBOR plus 1.80 percent payable quarterly.		

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		----- (Rupees in '000) -----	
14.5	Included herein advances to related parties for purchase of concrete, as follows:		
	- Safemix Concrete Limited	6,026	83,469
		6,026	83,469
15.	TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES	2024	2023
	Note	----- (Rupees in '000) -----	
	Trade deposits - Unsecured		
	Considered good		
	- Security deposit with Sindh Building Control Authority	3,345	3,345
	- Others	14,723	14,723
		18,068	18,068
	Considered doubtful		
	- Guarantee margin	225	225
	- Contractors	2,680	2,680
		2,905	2,905
	Allowances for expected credit losses	(2,905)	(2,905)
		18,068	18,068
	Prepayments		
	Insurance	651	1,365
	Others	7,492	4,214
		8,143	5,579
	Other receivables - Unsecured		
	Sales tax refundable - considered doubtful	4,703	4,703
	Excise duty refundable - considered good	574	574
	Receivable from related parties - considered good	1,014,698	636,538
	Others - considered good	32,542	19,876
		1,052,517	661,691
	Allowances for expected credit losses	(289,188)	(288,614)
		763,329	373,077
		789,540	396,724
15.1	Included herein Rs. 14.7 million deposited with Honorable High Court of Sindh in respect of labor case pending adjudication.		

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		----- (Rupees in '000) -----	
15.2	Included herein receivables from related parties, as follows:		
		Note	
	- NN Maintenance Company (Private) Limited subsidiary company	697,576	477,847
	- International Builders and Developers (Private) Limited		
	- associate	307	280
	- Rahat Residency REIT	16,623	14,745
	- Haji Abdul Ghani	369	369
	- Naya Nazimabad apartment REIT	30,439	49,153
	- Gymkhana apartment REIT	-	6,023
	- Parkview apartment REIT	8,935	5,910
	- Meezan Centre apartment REIT	10,908	3,263
	- Globe Residency REIT	94,167	18,150
	- Sapphire Bay Development Company Limited	10,874	2,299
	- Arif Habib Engineering and development consultants (Pvt) Limited	144,500	58,500
		15.3	
		1,014,698	636,538

15.3 As of June 30, 2024, the ageing analysis of unimpaired receivable from related parties are as follows:

	Total	Past due but not impaired			
		Not yet due	> 30 days upto 120 days	> 121 days upto 180 days	180 days and above
- NN Maintenance Company (Private)	697,576	-	137,407	70,302	489,867
- International Builders and	307	-	-	-	307
- Rahat Residency REIT	16,623	-	1,878	-	14,745
- Haji Abdul Ghani	369	-	-	-	369
- Naya Nazimabad apartment REIT	30,439	30,439	-	-	-
- Parkview apartment REIT	8,935	-	-	-	8,935
- Meezan Centre apartment REIT	10,908	-	-	-	10,908
- Globe Residency REIT	94,167	-	76,017	-	18,150
- Sapphire Bay Development	10,874	10,874	-	-	-
- Arif Habib Engineering and development consultants (Pvt) Limited	144,500	-	24,000	24,000	96,500
2024	1,014,698	41,313	239,302	94,302	639,781

15.4 The maximum amount outstanding from related parties at any time during the year calculated by reference to month end balances are as follows:

	2024	2023
	----- (Rupees in '000) -----	
- NN Maintenance Company (Private) Limited - subsidiary company	706,460	477,847
- International Builders and Developers (Private) Limited - associate	307	280
- Naya Nazimabad apartment REIT	88,413	49,153
- Haji Abdul Ghani	369	369
	795,549	527,649

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

16. SHORT-TERM INVESTMENTS	Note	2024	2023
		----- (Rupees in '000) -----	
At amortized cost			
Term deposit receipts (TDRs)	16.1	13,000	13,000
Designated at fair value through profit or loss			
Equity instruments	16.2 & 16.3 & 16.4	124,200	126,316
Debt securities at fair value through profit or loss			
Investment in Unquoted TFCs of:			
- Term Finance Certificate of Commercial Bank I	16.5	844,475	844,730
- Term Finance Certificate of Commercial Bank II	16.6	725,850	729,675
		<u>1,707,525</u>	<u>1,713,721</u>

16.1 This carries mark-up at 7.4 to 10.39% (2023: 7.4% to 9%) having maturity upto one year i.e. latest by April 05, 2024.

16.2 As of June 30, 2024, the details of equity instruments designated at FVTPL held by the Company are as follows:

Company name	Number of shares		Fair value	
	2024	2023	2024	2023
	----- (Rupees in '000) -----			
Globe Residency REIT	9,200,000	9,200,000	124,200	126,316
	<u>9,200,000</u>	<u>9,200,000</u>	<u>124,200</u>	<u>126,316</u>

16.3 The movement of equity instruments is as follows:

	Note	2024	2023
Balance as at July 01		126,316	-
Cost of investments made		-	101,200
Unrealized (loss) / gain for the year - net	37	(2,116)	25,116
Balance as at June 30		<u>124,200</u>	<u>126,316</u>

16.4 The fair value of equity instruments designated at FVTPL falls under Level 1 of the fair value hierarchy (i.e. quoted market prices).

16.5 This represents the investment in 8,500 Term Finance Certificates (TFCs) having face value of Rs. 100,000/- each. These TFCs have been issued by the commercial bank as redeemable capital and carry interest at the rate of 6 month average KIBOR + 2% per annum (payable semi-annually). The rating of the said TFC's is AA-.

16.6 This represents the investment in 150,000 Term Finance Certificates (TFCs) having face value of Rs. 5,000/- each. These TFCs have been issued by the Bank Alfalah Limited (BAFL) as redeemable capital and carry interest at the rate of 6 month average KIBOR + 2% per annum (payable semi-annually). The rating of the said TFC's is AA.

17. UNCLAIMED DEPOSITS

Represents amount withheld and transferred to the State Bank of Pakistan as per Section 31 of the Banking Companies Ordinance, 1962, since no transaction has taken place in the Company's bank account for a period of ten years.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

18. CASH AND BANK BALANCES	Note	2024	2023
		----- (Rupees in '000) -----	
Cash in hand		33,521	14,066
Cheques in hand		48	2,600
Cash at banks in:			
- current accounts		54,058	62,529
- deposit accounts	18.1	140,404	3,119
		194,462	65,648
		<u>228,031</u>	<u>82,314</u>

18.1 These carry markup at the rate ranging between 18 percent to 21 percent per annum (2023: 12 percent to 19 percent per annum).

19. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2024	2023		2024	2023
----- Number of shares -----			----- (Rupees in '000) -----	
		Ordinary shares of Rs.10 each		
8,600,000	8,600,000	Issued for cash	86,000	86,000
47,200,000	47,200,000	Issued under the financial restructuring arrangement	472,000	472,000
		Bonus shares issued:		
113,902,382	50,425,641	Opening	1,139,023	504,256
-	63,476,741	Issued during the year	-	634,767
113,902,382	113,902,382	Closing	1,139,023	1,139,023
(54,268,643)	(54,268,643)	Shares cancelled due to merger	(542,686)	(542,686)
27,332,729	27,332,729	Shares issued in lieu of merger	273,327	273,327
176,432,216	176,432,216	Right shares issued	1,764,322	1,764,322
		Shares issued on conversion from preference shares		
61,661,763	61,661,763		616,618	616,618
<u>380,860,447</u>	<u>380,860,447</u>		<u>3,808,604</u>	<u>3,808,604</u>

19.1 The major shareholders of the Company as at June 30, 2024 and June 30, 2023 are as follows:

	2024	2023	2024	2023
	----- % holding -----		----- (Rupees in '000) -----	
Haji Abdul Ghani	12%	12%	456,458	451,973
Arif Habib Corporation Limited	16%	10%	594,956	380,611
Arif Habib Equity (Private) Limited	29%	29%	1,092,433	1,092,433
			<u>2,143,847</u>	<u>1,925,016</u>

19.2 The ordinary share holders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares, as and when declared by the Company. All shares carry one vote per share without restriction.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

19.3 Movement in ordinary shares issued on conversion of preference share capital is as below:

	2024	2023	2024	2023
	----- Number of Shares -----		----- (Rupees in '000) -----	
Opening	61,661,763	61,661,763	616,618	616,618
Shares issued on conversion of preference shares during the year	-	-	-	-
Closing	<u>61,661,763</u>	<u>61,661,763</u>	<u>616,618</u>	<u>616,618</u>

20. RESERVES	Note	2024	2023
		----- (Rupees in '000) -----	
Capital reserves			
Tax holiday reserve	20.1	11,966	11,966
Share premium	20.2	2,746,327	2,746,327
		<u>2,758,293</u>	<u>2,758,293</u>
Revenue reserve			
General reserves	20.3	63,500	63,500
Un-appropriated profits		9,958,939	10,473,927
		<u>10,022,439</u>	<u>10,537,427</u>
		<u>12,780,732</u>	<u>13,295,720</u>

20.1 This reserve was created under Section 15BB of the repealed Income Tax Act, 1922. Under the aforesaid section, the Company was required to set aside a fixed percentage of the tax exempted, due to tax holidays, as a reserve not distributable to the shareholders.

20.2 This reserve can only be utilised by the Company for the purpose specified in Section 81 of the Companies Act, 2017.

20.3 Represents reserve created out of profit up to the period 1994-1995 for future contingencies and dividends.

21. REVALUATION SURPLUS ON LANDS	Note	2024	2023
		----- (Rupees in '000) -----	
Balance as at July 01:			
Development properties		4,133,524	4,186,359
Property and equipment		4,683,831	4,207,831
		<u>8,817,355</u>	<u>8,394,190</u>
Surplus arising on revaluation of lands during the year			
Transfer to unappropriated profit on sale of development properties		-	1,349,027
		<u>(67,455)</u>	<u>(925,862)</u>
Balance as at June 30		<u>8,749,900</u>	<u>8,817,355</u>
Represented by:			
Development properties		4,066,069	4,133,524
Property and equipment	6.1.1	4,683,831	4,683,831
		<u>8,749,900</u>	<u>8,817,355</u>

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

22. LONG-TERM FINANCINGS - Secured	Note	2024	2023
		----- (Rupees in '000) -----	
Term finance loan I	22.1	-	375,200
Term finance loan II	22.2	1,783,963	2,292,061
Term finance loan III	22.3	1,000,000	1,000,000
Term finance loan IV	22.4	900,000	900,000
Sukuk certificates	22.5	1,244,648	1,742,333
Diminishing musharakah I	22.6	375,000	535,714
Diminishing musharakah II	22.7	624,449	810,530
Diminishing musharakah III	22.8	785,714	1,000,000
Islamic refinance facility	22.9	343,436	289,064
		7,057,210	8,944,902
Current maturity of long-term financings		(3,132,112)	(2,319,667)
		3,925,098	6,625,235

22.1 The company has fully repaid the principal during the year.

22.2 The Company has obtained term finance facility of Rs. 2,500 million from a commercial bank for the completion of under construction projects. It carries mark-up at the rate of 6 months KIBOR plus 1 percent per annum and is repayable in 10 semi-annual installment with 12 months grace period. The facility is secured by equitable mortgage charge over land at project site with 30% margin over market value / with 20% margin over forced sales value, whichever is higher. The Company has incurred transaction cost of Rs.12.5 million to obtain said financing.

22.3 The Company has obtained term finance facility of Rs. 1,000 million from a commercial bank for the completion of under construction projects. It carries mark-up at the rate of 6 months KIBOR plus 1 percent per annum and is repayable in 03 semi-annual installment with 18 months grace period. The facility is secured by equitable mortgage charge over land at project site with 25% margin over market value. The facility is secured by equitable mortgage charge over land of Rs. 1,333.334 million located at Block H and Block Q, Naya Nazimabad Karachi.

22.4 The Company has obtained a term finance facility of Rs. 900 million from a commercial bank to finance the ongoing infrastructure development including utility (electricity) infrastructure development of Block A, C and D of Naya Nazimabad project. The loan is repayable in bullet payment at maturity. It carries mark-up at the rate of 6 month KIBOR plus 1 percent per annum. The facility is secured by equitable mortgage charge over land amounting to Rs. 1200 million.

22.5 The Company has issued privately placed sukuk certificates aggregating to Rs. 2,993 million having face value of Rs.100,000/- each to eligible institutions / investors (i.e. the certificate holders or beneficiaries) for a period of 8 years (inclusive of 2 years grace period) to make payment of commercial land purchased in the year 2018. These carry markup at the rate of 6 months KIBOR plus 1.75 percent per annum and are redeemable in 12 equal installments starting from April 04, 2021 till October 04, 2026. The Company is liable to pay annual trustee fee of Rs.0.75 million to Pak Brunei Investment Company Limited (the trustee) under the trust deed dated September 14, 2018. The facility is secured by equitable mortgage charge over land of Rs. 4,285.714 million against 49 plots located at Tapo Manghopir, Taluka Gadap Town, District Karachi and other assets (i.e. stand-by letter of credits, collection account and sponsors support agreements). The Company has incurred transaction cost of Rs. 47.776 million to obtain said financing.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- 22.6** Represent diminishing musharaka facility of Rs. 750 million from a commercial bank to finance the ongoing infrastructure development of Naya Nazimabad project for a period of 5 years with eighteen months grace period. It carries mark-up at the rate of 3 month KIBOR plus 1 percent per annum. The musharaka units are to be purchased by December 2025. The facility is secured by equitable mortgage charge and registered mortgage over land at project site, pledge of shares with at least 30% margin and personal guarantee of related parties.
- 22.7** The Company has obtained diminishing musharaka facility of Rs. 1,000 million from a commercial bank to finance the ongoing infrastructure development of Naya Nazimabad. This loan is repayable in 5 years with 12 months grace period. It carries mark-up at the rate of 3 month KIBOR plus 1.10 percent per annum. The musharaka units are to be purchased by September 2026. The facility is secured by equitable mortgage charge and registered mortgage over land at project site, first exclusive charge with 25% margin on property having market value and forced sales value of Rs. 1,558 million and Rs. 1,247 million respectively and personal guarantee of director of the Company. The Company has incurred transaction cost of Rs. 5 million to obtain said facility.
- 22.8** The Company has obtained diminishing musharaka facility of Rs. 1,000 million from a commercial bank to finance the ongoing infrastructure development of Naya Nazimabad project. The loan is repayable in 5 years with eighteen months grace period which installment was due from June 2023. It carries mark-up at the rate of 3 month KIBOR plus 1 percent per annum. The musharaka units are to be purchased by December 2026. The facility is secured by equitable mortgage charge and registered mortgage over land at project site with 43.18% margin and personal guarantee of directors of the Company along with personal net worth statement amounting to Rs. 1,333.34 million.
- 22.9** The Company has obtained long-term financing from a commercial bank having a limit of Rs 1,000 million under Islamic Refinance facility for combating COVID-19 by State Bank of Pakistan. It carries a flat mark-up at the rate of 3 percent per annum with no floor or cap and is repayable in 18 quarterly installments commencing from April 2022 discounted at effective rate of interests at 6.65% percent per annum. The differential mark-up has been recognised as government grant which will be amortised to interest income over the period of the facility. The facility is secured by equitable mortgage charge over land at project site with market value of Rs. 1,336 million with 25% margin. As of the reporting date, the Company has drawdown Rs. 609.63 (2023: 450) million.

In addition, the Company has obtained diminishing musharaka facility of Rs. 550 million for a period of 10 years to the SBP refinance facility. It carries markup mark-up rate of 3 month KIBOR plus 1.00% per annum and is repayable in 20 equal quarterly installment. As of the reporting date, the said facility remains fully unutilised.

23. DEFERRED GRANT

As at July 1, 2023
Recognised during the year
Released to profit or loss
As at June 30, 2024

Current portion shown under current liabilities
Non-current portion

	2024	2023
	----- (Rupees in '000) -----	
	70,991	98,626
	43,101	-
	(37,619)	(27,635)
	76,474	70,991
	34,693	28,872
	41,781	42,119
	76,474	70,991

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

24. DEFERRED LIABILITY - GRATUITY

24.1 General description

As stated in note 4.14 to these financial statements, the Company operates a retirement benefit plan (the Plan) namely approved funded gratuity scheme for all its permanent employees to provide post retirement benefits to all full-time management staff employees. Actuarial valuation of these plans is carried out every year and the latest actuarial valuation was carried out as at June 30, 2024.

Plan assets held in trust are governed by local regulations which mainly includes repealed Trust Act 1882 (now Sindh Trusts Act, 2020), Companies Act, 2017, Income Tax Rules, 2002 and Rules under the Trust deed of the Plans. Responsibility for governance of the Plans, including investment and funding decisions and contribution schedules lies with the Board of Trustees. The Company appoints the trustees and all trustees are employees of the Company.

24.2 Principal actuarial assumptions

The latest actuarial valuation for defined benefit plan scheme was carried out as at June 30, 2024 using the Projected Unit Credit Method (PUCM). The following significant assumptions were used for the actuarial valuation:

	2024	2023
Discount rate %	16.25	16.25
Expected rate of increase in salary levels %	15.50	16.25
Expected rate of return on plan assets %	8.11%	8.11%
Average retirement age of the employee	60 years	60 years

24.3 Reconciliation of amount payable to defined benefit plan

	2024	2023
	----- (Rupees in '000) -----	
Present value of defined benefit obligation	89,999	73,730
Less: Fair value of plan assets	(293)	(280)
Payable	3,971	3,231
	<u>93,676</u>	<u>76,681</u>

24.4 Movement in present value of defined benefit obligation

	2024	2023
	----- (Rupees in '000) -----	
Present value of obligation as at July 1	73,730	61,273
Current service cost	14,228	11,925
Past service cost (Credit)	2,570	-
Interest cost	10,889	7,682
Benefits paid during the year	(12,334)	(5,851)
Liability transferred from other group company	1,415	-
Liability transferred to other group company	(233)	(715)
Benefits due but not paid	(1,110)	(736)
Actuarial loss on re-measurement of obligation	844	152
Present value of obligation as at June 30	<u>89,999</u>	<u>73,730</u>

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	----- (Rupees in '000) -----	
24.5 Movement in payable to defined benefit plan			
Opening liability		76,681	66,189
Charge for year to profit or loss	24.8	27,611	19,118
Other comprehensive loss / (gain)	24.9	907	757
Net liability transferred from / (to) other group company		1,182	(715)
Contributions to the fund		(12,705)	(8,668)
Closing liability		<u>93,676</u>	<u>76,681</u>

24.6 Movement in fair value of plan assets

Fair value of plan assets as at July 1	280	2,281
Contributions	12,705	8,668
Interest Income on plan assets	76	489
Benefits paid	(12,705)	(10,553)
Return on plan assets excluding interest income	(63)	(605)
Fair value of plan assets as at June 30	<u>293</u>	<u>280</u>

24.7 The plan assets comprise of bank balances only.

24.8 Expense recognised in profit or loss

Current service cost	14,228	11,925
Past service cost (Credit)	2,570	-
Interest cost on defined benefit obligation	10,888	7,682
Interest income on plan assets	(76)	(489)
	<u>27,610</u>	<u>19,118</u>

24.9 Actuarial loss / (gain) on re-measurement of plan assets / obligation comprise of:

Actuarial losses / (gains) from changes in financial assumptions	(50)	134
Experience adjustments	894	18
	844	152
Return on plan assets excluding interest income	63	605
Total remeasurements chargeable in other comprehensive income	<u>907</u>	<u>757</u>

24.10 The plan exposes the company to the following risks:

Mortality risk: Mortality rates are based on State Life Corporation (SLIC 2001-2005) ultimate mortality rates with 1 year setback as per recommendation of Pakistan Society of Actuaries "PSOA".

Investment risk: The risk of the investment underperforming and not being sufficient to meet the liability. This is managed by formulating an investment policy and guidelines based on which investments are made after obtaining approval from trustees of fund.

Salary increase risk: The risk that the final salary at the time of cessation of service is higher than what was assumed. Since the benefit is calculated on the final salary, the benefit amount increases similarly.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Withdrawal risk: The risk that the actual mortality / withdrawal experience is different. The effect depends upon the beneficiaries service/age distribution and benefit.

24.11 Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected rate of salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant:

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
	%	----- (Rupees in '000) -----	
Sensitivity analysis			
Discount rate	1	83,738	(97,078)
Salary growth rate	1	97,084	(83,620)

24.12 The expected gratuity expense for the year ending June 30, 2025 works out to Rs. 30.65 million.

24.13 The weighted average duration of the defined benefit obligation at June 30, 2024 is 7 years (2023: 7 years).

25. TRADE AND OTHER PAYABLES	Note	2024	2023
		----- (Rupees in '000) -----	
Creditors and Contractors	25.1	341,737	125,669
Accrued liabilities		84,459	98,694
Retention money		185,643	206,295
Withholding tax payable		8,986	33,685
Other payables:			
- on cancellation of plots		8,917	8,917
- against other projects		3,096,893	1,746,626
- against musharaka partners		359,454	-
- against broker market		10,440	67,400
- non-violation charges		88,256	88,669
- Signature Residency REIT		58,628	147,467
		4,243,413	2,523,422

25.1 Included herein amount payable to the following related parties:

Power Cement Limited	10,256	-
Rotocast Engineering Company (Private) Limited	238	-
	10,494	-

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

26. PREFERENCE SHARES

26.1 Issued, subscribed and paid-up preference shares

2024	2023		2024	2023
No. of Shares			----- (Rupees in '000) -----	
45,150,200	45,150,200	Preference shares of Rs.10 each	451,502	451,502
(45,099,700)	(45,099,700)	Shares cancelled on conversion into ordinary shares	(450,997)	(450,997)
<u>50,500</u>	<u>50,500</u>		<u>505</u>	<u>505</u>

26.2 The preference shares are convertible into ordinary shares at conversion price of 80% of the weighted average of closing price of the ordinary share (adjusted for any bonus or right shares announced by the Company subsequent to the issue) quoted in the daily quotation of Pakistan Stock Exchange Limited during the three months immediately prior to the relevant conversion date in a ratio to be determined by dividing the aggregate face value of the preference shares plus any accumulated dividends and/or accrued dividend by the conversion price.

- The shares were issued under the provision of Section 86 of the repealed Companies Ordinance, 1984 (the repealed Ordinance) read with Section 90 of the repealed Ordinance and the Companies Share Capital (Variation in Rights and Privileges) Rules, 2000.
- The financial capital of the Company and the issue of the shares were duly approved by the shareholders of the Company at the Extraordinary General Meeting held on May 07, 2011 and return of allotment of shares was filed under Section 73(1) of the repealed Ordinance.
- Dividend on the shares is appropriation of profit both under the repealed ordinance (now Act) and the tax laws.
- The preference shareholders have the right to convert these shares into ordinary shares.

27. ACCRUED MARK-UP	Note	2024	2023
		----- (Rupees in '000) -----	
Accrued markup on :			
- long-term financings		491,320	255,149
- short-term borrowings	27.1	121,752	193,185
		<u>613,072</u>	<u>448,334</u>

27.1 This includes markup payable to Arif Habib Corporation Limited, Arif Habib, Arif Habib Limited and Haji Abdul Ghani - related parties of Rs. 10.558 million, Rs. Nil million, Rs. Nil million, and Rs. 0.76 million (2023: Rs. 28.618 million, 10.814 million, 2.071 million and Rs. 0.76 million).

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

28. CONTRACT LIABILITIES	Note	2024	2023
		----- (Rupees in '000) -----	
Advance from customers	28.1	26,644	60,192
Liability against performance obligation	28.2	269,959	448,649
Advance against Club house Membersip		179,163	125,000
		475,766	633,841

28.1 Advance from customers		2024	2023
		----- (Rupees in '000) -----	
Advance against:			
- plots and bungalows		11,690	45,238
- flats and commercial sites		14,954	14,954
		26,644	60,192

28.2 Liability against performance obligation

Represents portion of development charges received from customers against which the Company is obliged to incur development charges in future.

29. SHORT-TERM BORROWINGS - Secured	Note	2024	2023
		----- (Rupees in '000) -----	
Musharakah arrangement	29.1	295,000	300,000
Running finance under mark-up arrangements	29.2	628,549	1,400,155
Running finance under mark-up arrangements	29.3	588,825	1,134,067
From related parties - unsecured			
Sapphire Bay Development Company Limited (SBDCL)	29.4	180,524	180,524
Arif Habib Corporation Limited (AHCL)	29.5	200,000	614,250
Arif Habib Limited (AHL)		-	352,000
Arif Habib (AH)		-	100,000
		1,892,898	4,080,997

29.1 Represents running musharakah facility from a commercial bank of Rs. 300 million for financing needs of the project. This carries markup rate of KIBOR plus 2.15 percent per annum and renewal of the facility is under process and the extension period has been granted by the commercial bank. The facility is secured by token mortgage of Rs. 0.1 million and remaining through equitable mortgage charge over specified piece of land with 30% margin and personal guarantees of the directors.

29.2 Represents running finance facility availed from a commercial bank of Rs. 600 million (2023: Rs. 600 million). This carries markup rate at 3 months KIBOR plus 2.5 percent payable quarterly and is secured by token mortgage of Rs. 0.1 million and remaining as equitable mortgage charge of land of the Company and is also secured by personal guarantees of all sponsoring directors of the Company. As of reporting date, the facility is unutilised to the extent of Rs. 0.872 million (2023: Rs. 39.968 million). It includes Rs. 28.537 million of book overdraft.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- 29.3** During the year, the Company has obtained running finance facility availed from a commercial bank of Rs. 1,000 million. This carries markup rate at 3 months KIBOR plus 2.5 percent payable quarterly and is secured as equitable mortgage charge over fixed assets amounting to Rs. 1,333.33 million (inclusive of 25% margin) of the Company and is also secured by personal guarantees of sponsoring director of the Company. As of reporting date, the facility is unutilised to the extent of Rs. 1.742 million (2023: Rs. Nil million)
- 29.4** Represents financing facility availed from a related party to finance the working capital and project requirement. The loan is repayable on demand and carries markup at the rate of 3 month's KIBOR plus 1.75 percent per annum.
- 29.5** Represents financing facility availed from a related party to finance the working capital and project requirement. The loan is repayable on demand and carries markup at the rate of 3 month's KIBOR plus 1.80 percent per annum.

30. CONTINGENCIES AND COMMITMENTS

30.1 Contingencies

30.1.1 Existing business

a) Tax related contingencies

- i) Returns of income for tax years 2008 to 2010, 2012 and 2014 were filed under Section 114 of the Income Tax Ordinance, 2001 (the Ordinance) which were deemed to be assessment orders issued by the Commissioner Inland Revenue under Section 120 of the Ordinance. The deemed assessment orders were amended by the taxation authorities under Section 122 of the Ordinance by creating a demand of Rs. 39.791 million, Rs. 80.257 million, Rs. 194.035 million, Rs. 1,003.447 million and Rs. 533.742 million respectively, on account of various matters including disallowances for certain expenses. Being aggrieved, the Company had filed appeals before Commissioner Inland Revenue (Appeals) [CIR(A)] and was allowed partial relief for tax years 2008 to 2010, 2012 and 2014 aggregating to Rs.1,368.895 million. The Company later filed appeal before Appellate Tribunal Inland Revenue (ATIR) which are pending adjudication. However, in year 2019, an appeal effect order was issued for the tax year 2012 whereby, a demand of Rs. 6.64 million has been created and paid by the Company under protest. The Company, based on the opinion of its tax advisor, is confident that there will be no unfavourable outcome in above appeals. Accordingly, no provisions were made in these financial statements.
- ii) In year 2017, taxation authorities issued an assessment order in respect of tax year 2011 and made certain disallowances and additions resulting in a reduction in loss for the year from Rs. 1,497.06 million to Rs. 147.48 million. Being aggrieved, the Company filed appeals against these order before CIR(A), however, the CIR(A) upheld the assessment order. The Company later filed appeal before ATIR which is pending adjudication. The Company, based on opinion of its tax advisor, is confident that the case will be decided in favour of the Company. Accordingly, no provisions were made in these financial statements.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- iii) In year 2018, the deemed assessment orders for the tax years 2013 and 2017 were amended by the taxation authorities creating a demand of Rs. 220.22 million and Rs. 486.162 million, respectively. The Company later filed appeal before CIR(A), which was disposed off in year 2020 and the demand was enhanced from Rs. 220.22 million to Rs. 324.58 million for tax year 2013. Being aggrieved, the Company filed appeal before ATIR, which were adjudicated in favor of the Company in year 2020 except for immaterial assessments. The Company, based on the opinion of its tax advisor, is confident of the favourable outcome. Accordingly, no provision has been made in these financial statements.
- iv) In year 2021, the taxation authorities issued an assessment order in respect of tax year 2015 and made certain disallowances and additions resulting in a tax demand of Rs. 527.15 million. Being aggrieved, the Company filed appeals against this order before CIR(A). The Company, based on opinion of its tax advisor, is confident that the case will be decided in favour of the Company. Accordingly, no provisions were made in these financial statements.
- v) In year 2019, the taxation authorities issued an assessment order in respect of tax year 2018 and made certain disallowances and additions resulting in the tax demand of Rs. 658.81 million. Being aggrieved, the Company filed appeals against these order before CIR(A). In year 2021, CIR(A) remanded back the appeal to the relevant Commissioner. Later the Company filed appear before ATIR which is pending adjudication. The Company, based on opinion of its tax advisor, is confident that the case will be decided in favour of the Company. Accordingly, no provisions were made in these financial statements.
- vi) Alternate Corporate Tax (ACT) was applicable on the Company at rate of 17% of accounting income after certain adjustments as mentioned in Section 113(c) of the Income Tax Ordinance, 2001 through Finance Act 2014. Accordingly, the Company had made a provision for ACT for the year ended June 30, 2014 but obtained stay order from the Honourable High Court of Sindh (SHC) against applicability of ACT since tax year 2015 based on the grounds of brought forward losses. Later, the Company had reversed provision previously created of Rs. 131.273 million relating to prior years. Accordingly, the tax provision based on ACT having an aggregated impact of Rs.761.07 million has not been accounted for in these financial statements, instead the Company continues to record the tax provision based on minimum tax under Section 113 of the Income Tax Ordinance, 2001 upto tax year 2018. In year 2019, the Company had adjusted its brought forward losses against taxable income and accordingly, provision for the tax year 2019 and onwards are based on higher of Corporate Tax or ACT

In year 2019, the Company had received demand notice from Deputy Commissioner Inland Revenue (DCIR) of Rs. 187.098 million in respect of a non-payment of Alternate Corporate Tax (ACT) for the tax year 2018 .The Company had challenged the applicability of Alternative Corporate Tax vide C.P D-2982 of 2019 before SHC. In this regard, an interim order had been granted by SHC that no coercive action is to be taken against the Company till the pendency of the matter before SHC.

- vii) The Company has filed constitutional petition before the High Court of Sindh (SHC) vide Constitutional Petition No. 2564 of 2014 dated May 15, 2014 challenging vires of Workers Welfare Ordinance, 1971. SHC has admitted constitutional petition for regular hearing and issued interim stay order from recovery of Workers' Welfare Fund (WWF) impugned demand by Federal Board of Revenue for the tax year 2013. The management, based on the opinion of the tax advisor, is expecting favourable outcome on the said matter. Accordingly, no liability for WWF since 2014 to 30 June 2024 has been accounted for in these financial statements having an aggregate impact of Rs.155.244 million (2023: Rs. 155.244 million).

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- viii) The Company has filed a constitutional petition D-4971 of 2017 dated July 28, 2017 in Honorable High Court of Sindh (SHC) against imposition of tax on undistributed profits under Section 5A of Income Tax Ordinance, 2001. The management is confident of the favourable outcome of this petition, as stay has been granted on similar petitions filed by other companies. Although, the Company has complied with the requirements related to distribution of profits for the years but the petition in this regarding is still pending before SHC.

b) Other contingencies

- i) As at June 30, 2024, several cases were filed against the Company before various court of laws relating to title / possession / encroachment of land, claims, settlements of dues, etc, the amount of which cannot be determined. The management, based on the opinion of the legal counsel expects that the outcome of all these cases will be in favour of the Company, as they have a reasonable defense in the cases filed. Accordingly, no provision has been made in these financial statements.
- ii) Guarantees issued by the commercial banks on behalf of the Company of Rs. 497.87 million (2023: Rs. 404.39 million).
- iii) This represents Rs. 14.7 million deposited with Honorable High Court of Sindh in respect of labor case pending adjudication.

30.1.2 Former business

As at June 30, 2024, there are several cases aggregating to Rs. 15.73 million (2023: Rs. 15.73 million) which were filed on former Javedan Cement Limited (now Javedan Corporation Limited) relating to their former business (i.e. cement business operation) before various court of laws, which majorly pertains to the gross annual rental value, trade license fee, excise duty, title / possession / encroachment of leasehold land for mining purpose allotted to the Company, etc., which are still pending for decision at various forum. The management, based on the opinion of the legal counsels, expects that the outcome of all these cases will be in favour of the Company, as they have a reasonable defense in the cases filed. Accordingly, no provision has been made in these financial statements.

30.2 Commitments	Note	2024	2023
		----- (Rupees in '000) -----	
Capital commitments		<u>1,088,428</u>	<u>2,740,848</u>
Ijarah rentals	30.2.1	<u>11,455</u>	<u>17,902</u>

- 30.2.1** The Company has various ijarah agreements with a financial institution in respect of purchase of vehicles for a period upto five years and are payable in monthly installments latest by April 2027. Taxes and repairs are to be borne by the Company (lessee), however, major repairs and insurance costs are to be borne by the lessors. These payments are secured against promissory notes in favor of the lessors for the entire amount of the ijarah rentals and security deposits of Rs. 3.603 million (2023: Rs. 7.503 million). Future minimal rentals payable under ijarah agreements as at reporting date are as follows:

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		----- (Rupees in '000) -----	----- (Rupees in '000) -----
Not later than one year		5,235	6,447
Later than one year but not later than five years		6,220	11,455
		<u>11,455</u>	<u>17,902</u>
31. REVENUE FROM CONTRACTS WITH CUSTOMERS - NET	Note	2024	2023
		----- (Rupees in '000) -----	----- (Rupees in '000) -----
Local sales, at a point in time			
Plots	31.2	4,096,165	15,382,767
Bungalows		75,110	464,810
		<u>4,171,275</u>	<u>15,847,577</u>
Development and utility charges reimbursable from customers		724,616	1,007,843
Cancellation and forfeiture		(680,968)	(28,160)
Trade discount		-	(46)
		<u>(680,968)</u>	<u>(28,206)</u>
		<u>4,214,923</u>	<u>16,827,214</u>
31.1	Revenue recognised during the year that was included in the contract liabilities at the beginning of year amounted to Rs. 308.69 million (2023: Rs. 45.36 million).		
31.2	Revenue totalling Rs 646 million from related party was returned during the year.		
32. COST OF SALES	Note	2024	2023
		----- (Rupees in '000) -----	----- (Rupees in '000) -----
Cost of development properties sold:			
- plots		1,273,181	6,286,405
- bungalows		7,315	499,482
	12	<u>1,280,496</u>	<u>6,785,887</u>
Development charges:			
- Development and utility charges incurred and apportioned		427,422	1,007,843
		<u>1,707,918</u>	<u>7,793,730</u>
33. MARKETING AND SELLING EXPENSES			
Sales promotions		23,975	38,870
Exhibitions and events		5,719	46,786
Commission		8,815	6,943
		<u>38,509</u>	<u>92,599</u>
34. FLYOVER COST			

The company has obtained permission from government of Sindh to construct flyover connecting Manghopir road with North Nazimabad and beyond to the project sites. In this regard, the Company has incurred expenditure of Rs 729.24 million during the year

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	----- (Rupees in '000) -----	
35. ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits	35.1	255,375	232,222
Fees and subscriptions		20,766	19,525
Depreciation	6.1	41,415	37,009
Amortization		1,150	1,150
Vehicle running		15,082	14,477
Legal, professional and consultancy		14,970	2,190
Repair and maintenance		20,206	8,864
Software license and maintenance		6,400	17,707
Rent, rates and taxes		2,151	1,328
Utilities		93,975	82,291
Donation	35.2	5,674	13,655
Communication		3,861	3,749
Travelling and conveyance		3,561	4,201
Ijarah rentals		5,827	4,970
Insurance		9,739	10,210
Printing and stationery		10,946	8,359
Auditors' remuneration	35.3	5,773	3,589
Entertainment		2,206	2,416
Meetings and conventions		2,471	1,800
Security		604	11
Caretaking charges		21,668	2,544
Others		6,383	9,100
		550,203	481,367

35.1 Included herein Rs. 27.61 million (2023: Rs.19.18 million) in respect of employees retirement benefits.

35.2 No director(s) or their spouse had any interest in any donees to which donations were made.

		2024	2023
	Note	----- (Rupees in '000) -----	
35.3 Auditors' Remuneration			
Yousuf Adil			
Annual audit of financial statements			
- standalone		1,045	750
- consolidation		275	300
Review of half yearly financial statements		350	200
Code of Corporate Governance and other assurance services		2,120	875
Out of pocket expense		60	109
		3,850	2,234

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
Note	----- (Rupees in '000) -----	
Reanda Haroon Zakaria Aamir Salman Rizwan & Company		
Annual audit of financial statements		
- standalone	1,045	750
- consolidation	275	230
Review of half yearly financial statements	350	200
Code of Corporate Governance	193	125
Out of pocket expense	60	50
	1,923	1,355
	5,773	3,589
36. FINANCE COSTS - NET		
Dividend on preference shares	4.13 61	61
Mark-up on:		
- long-term financings	1,843,242	1,902,543
- short-term borrowings	462,648	404,425
	2,305,890	2,306,968
Bank and other charges	7,284	6,256
	2,313,235	2,313,285
Less: Borrowing cost capitalized in the cost of qualifying asset	(1,691,186)	(1,499,157)
Finance Cost	622,049	814,128
Mark-up Income on loans and advances	61,680	282,869
Mark-up on TDR's and TFC's	394,308	11,300
Finance Income	455,988	294,169
Finance Costs - Net	166,061	519,959
37. OTHER INCOME	2024	2023
	----- (Rupees in '000) -----	
Income from financial assets		
Remeasurement gain on investment designated at FVTPL	805,727	139,169
	805,727	139,169
Income from non-financial assets		
Transfer Fees	72,695	77,530
Rental income from sport facilities	36,199	34,625
Rental income from others	91,623	34,612
Remeasurement gain on investment properties	51,370	28,576
Amortisation of deferred grant	33,105	27,635
Dividend Income	27,600	-
Others	54,983	36,998
	367,575	239,976
	1,173,302	379,145
38.	This represents tax under section 100D of the Income Tax Ordinance, 2001, representing levy in terms of the requirements of IFRIC 21.	

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

39. TAXATION	Note	2024 ----- (Rupees in '000) -----	2023
Current	39.1	249,243	136,944
Prior		(108,007)	(28,365)
Deferred		303,191	-
		<u>444,427</u>	<u>108,579</u>

39.1 The assessments of the Company for and upto tax year 2023 have been completed or deemed to be assessed under Section 120 of the Income Tax Ordinance, 2001 except for contingencies related to tax matters as disclosed in note 30.1.1 to these financial statements.

40. EARNINGS PER SHARE	2024 ----- (Rupees in '000) -----	2023
Basic		
Profit after tax (Rupees in '000)	<u>1,703,627</u>	<u>6,741,951</u>
Weighted average number of ordinary shares (In numbers)	<u>380,860,447</u>	<u>380,860,447</u>
Earnings per share (In Rupees)	<u>4.47</u>	<u>17.70</u>
Diluted		
Profit attributable to ordinary shareholders (Rupees in '000)	<u>1,703,670</u>	<u>6,741,951</u>
Weighted average number of ordinary shares in issue (In numbers)	<u>380,860,447</u>	<u>380,860,447</u>
Adjustment for conversion of convertible preference share (In numbers)	<u>17,987</u>	<u>15,524</u>
Weighted average number of ordinary shares for diluted earning per share (In numbers)	<u>380,878,434</u>	<u>380,875,971</u>
Earnings per share - (In Rupees)	<u>4.47</u>	<u>17.70</u>

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

41. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Aggregate amounts charged in the financial statements are as follows:

	Chief Executive		Directors		Executives	
	2024	2023	2024	2023	2024	2023
	----- (Rupees in '000) -----					
Managerial remuneration	10,305	11,808	-	-	93,797	65,862
Medical	1,031	1,808	-	-	9,380	6,600
Fuel allowance	1,356	1,174	-	-	12,823	8,542
Mobile allowance	-	-	-	-	1,430	923
Lease rentals	-	-	-	-	4,784	3,179
House rent	-	-	-	-	-	2,048
Special allowance	3,720	945	-	-	8,112	3,234
Drivers allowance	-	-	-	-	-	300
Utility Allowance	-	-	-	-	-	280
Conveyance Allowance	-	-	-	-	2,546	631
Internet allowance	-	-	-	-	168	71
Meal allowance	-	-	-	-	1,105	84
Bonus	2,509	984	-	-	17,798	5,489
	18,921	16,718	-	-	151,942	97,242
Number of Persons	1	1	-	-	54	35

41.1 No remuneration is paid / payable to the directors of the Company for current and prior years, other than those disclosed in note 41.3 to these financial statements.

41.2 In addition, the Chief Executive and certain executives of the Company have also been provided with Company's owned and maintained cars in accordance with their entitlements as per rules of the Company.

41.3 During the year, the Company has paid Rs. 1.350 million (2023: Rs. 1.80 million) to a non-executive Director on account of board meeting fees.

42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company finances its operations through equity, borrowings and management of working capital with a view of maintaining and appropriate mix between various sources of finance to minimize risks. Taken as a whole, the Company is exposed to market risk, credit risk, and liquidity risk. No changes were made in the objectives, policies or processes and assumptions during the year ended June 30, 2024. The policies for managing each of these risks are summarised below:

42.1 Financial assets and liabilities are carried at amortised cost except for short-term investments of Rs. Nil (2023: Rs. Nil million) carried at fair value through profit or loss and their respective maturities are as follows:

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Interest bearing			Non-Interest bearing			Total
Maturity upto one year	Maturity after one year but less than five years	Total	Maturity upto one year	Maturity after one year but less than five years	Total	

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

Financial assets

Long-term deposits	-	-	-	9,525	9,525	9,525
Long-term investment	-	-	-	6,521,452	6,521,452	6,521,452
Trade debts	-	-	-	1,142,460	-	1,142,460
Loans	-	-	-	492,009	-	492,009
Trade deposits and other receivables	-	-	-	780,823	-	780,823
Short-term investments	13,000	-	13,000	124,200	-	137,200
Cash and bank balances	140,404	-	140,404	87,627	-	228,031
2024	153,404	-	153,404	2,627,119	6,530,977	9,311,500

Financial liabilities

Long-term financings	3,132,112	3,925,098	7,057,210	-	-	7,057,210
Trade and other payables	-	-	-	4,234,427	-	4,234,427
Accrued mark-up	613,072	-	613,072	-	-	613,072
Short-term borrowings	1,892,898	-	1,892,898	-	-	1,892,898
Unpaid preference dividend	-	-	-	363	-	363
Unclaimed dividend	9,859	-	9,859	-	-	9,859
2024	5,647,941	3,925,098	9,573,039	4,234,790	-	13,807,829

Interest bearing			Non-Interest bearing			Total
Maturity upto one year	Maturity after one year but less than five years	Total	Maturity upto one year	Maturity after one year but less than five years	Total	

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

Financial assets

Long-term deposits	-	-	-	11,719	11,719	11,719
Long-term investment	-	-	-	2,422,870	2,422,870	2,422,870
Trade debts	-	-	-	10,696,779	-	10,696,779
Loans	-	-	-	7,607	-	7,607
Trade deposits and other receivables	-	-	-	390,571	-	390,571
Short-term investments	13,000	-	13,000	126,316	-	139,316
Cash and bank balances	3,119	-	3,119	79,195	-	82,314
2023	16,119	-	16,119	11,300,468	2,434,589	13,735,057

Financial liabilities

Long-term financings	2,319,667	6,625,235	8,944,902	-	-	8,944,902
Trade and other payables	-	-	-	2,489,737	-	2,489,737
Accrued mark-up	448,334	-	448,334	-	-	448,334
Short-term borrowings	4,080,996	-	4,080,996	-	-	4,080,996
Unpaid preference dividend	-	-	-	303	-	303
Unclaimed dividend	6,544	-	6,544	-	-	6,544
2023	6,855,541	6,625,235	13,480,776	2,490,040	-	15,970,816

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The carrying values of all financial assets and liabilities reflected in these financial statements approximate to their fair values.

42.2 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and other price risk. The sensitivity analyses in the following sections relate to the position as at June 30, 2024.

42.2.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short-term financing arrangements at floating interest rates to meet its business operations and working capital requirements.

42.2.2 Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, on the Company's profit before tax (through impact on floating rate borrowings). There is no direct impact on Company's equity. This analysis excludes the impact of movement in market variables on the carrying values of provisions and on non-financial assets and liabilities of the Company. Further, interest rate sensitivity does not have an asymmetric impact on the Company's result.

	(Increase) / decrease in basis points	Effect on profit before tax
		(Rupees in '000)
2024	+10%	(887,363)
	+10%	<u>887,363</u>
2023	+10%	(1,295,491)
	+10%	<u>1,295,491</u>

42.2.3 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As of reporting date, the Company is not exposed to currency risk, since the Company do not have any assets and liabilities in foreign currency.

42.2.4 Other price risk

Other price risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market prices such as equity price risk. Equity price risk is the risk arising from uncertainties about future values of investments securities. As at reporting date, the Company is not exposed to equity price risk, as disclosed in (note 16).

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

42.3 Credit risk

42.3.1 Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharging an obligation. The financial assets excludes statutory receivables / assets and includes investments, trade debts, deposits, other receivables, loans and cash and bank balances at amortized cost. Out of the total financial assets of Rs. 11,873 million (2023: Rs.17,461 million), the financial assets which are subject to credit risk amounted to Rs. 11,354 million (2023: Rs.17,390 million). The Company's credit risk is primarily attributable to its trade debts and bank balances. The Company has large number of customers, including corporate and individuals, due to large number and diversity of its customer base, concentration of credit risk with respect to trade debtors is limited.

The credit quality of financial assets that are past due but not impaired is disclosed in note 13.4 to these financial statements. As at reporting date, there are no financial assets that would otherwise be past due or impaired whose terms have been renegotiated.

42.3.2 The Company monitors the credit policy of its financial assets with reference to historical performance of such assets and available external credit ratings. The carrying values of financial assets which are neither past due nor impaired are as under:

	Note	2024 ----- (Rupees in '000) -----	2023
Long-term deposits	9	9,525	11,719
Long-term investment	10	6,521,452	2,422,870
Trade debts	13	925,161	10,642,524
Loan to employees and related party	14	492,009	7,607
Trade deposits and other receivables	15	780,823	390,571
Short-term investments	16	1,707,525	1,713,721
Bank balances	18	194,462	65,648
		10,630,957	15,254,660

42.3.3 The credit quality of Company's bank balances can be assessed with reference to external credit ratings as follows:

Bank Balances by short-term rating category	Rating Agency	2024 ----- (Rupees in '000) -----	2023
A-1	PACRA	8	15
A-1	VIS	2	47,468
A-1+	PACRA	155,780	23,155
A-1+	VIS	38,167	3
A-3	VIS	505	(4,993)
		194,462	65,648

42.4 Liquidity risk

Liquidity risk represents the risk that a Company will encounter difficulties in meeting obligations with the financial liabilities. The financial liabilities excludes statutory liabilities and provisions and includes long-term and short-term financing, trade and other payables, unpaid / unclaimed dividends and accrued markup. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of various financing facilities.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The table below summarizes the maturity profile of the Company's financial liabilities at amortized cost at June 30, 2024 and 2023 based on contractual undiscounted payment dates and present market interest rates:

2024					
Carrying amount	Contractual cash flows	Less than 6 months	6 to 12 months	1 to 2 years	2 to 5 years

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

Financial liabilities

Long-term financings	7,057,210	7,057,210	551,552	2,580,560	2,219,667	1,705,431
Trade and other payables	4,234,427	4,234,427	4,234,427	-	-	-
Accrued mark-up	613,072	613,072	613,072	-	-	-
Short term borrowings	1,892,898	1,892,898	1,892,898	-	-	-
Unpaid preference dividend	363	363	363	-	-	-
Unclaimed dividend	9,859	9,859	9,859	-	-	-
	13,807,829	13,807,829	7,302,171	2,580,560	2,219,667	1,705,431

2023					
Carrying amount	Contractual cash flows	Less than 6 months	6 to 12 months	1 to 2 years	2 to 5 years

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

Financial liabilities

Long-term financings	8,944,902	8,944,902	551,552	1,768,115	2,219,667	4,405,568
Trade and other payables	2,489,737	2,489,737	2,489,737	-	-	-
Accrued mark-up	448,334	448,334	448,334	-	-	-
Short term borrowings	4,080,997	4,080,997	4,080,997	-	-	-
Unpaid preference dividend	303	303	303	-	-	-
Unclaimed dividend	6,544	6,544	6,544	-	-	-
	15,970,817	15,970,817	7,577,467	1,768,115	2,219,667	4,405,568

42.5 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measure using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants at in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participants ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1:** Quoted market price.
- Level 2:** Valuation techniques (market observable)
- Level 3:** Valuation techniques (non - market observables)

The fair value hierarchy of assets are disclosed in these financial statements as follows:

	Note
- Lands under property and equipment	6.1
- Lands under investment properties	8.1.2
- equity instruments designated at FVTPL	16.4

42.5.1 The Company held the following financial instruments measured at fair value:

Financial assets - Designated at FVTPL	Total	Level 1	Level 3	Level 3
	----- (Rupees in '000) -----			
June 30, 2024	<u>4,800,511</u>	<u>124,200</u>	<u>1,570,325</u>	<u>3,105,986</u>
June 30, 2023	<u>4,013,591</u>	<u>126,316</u>	<u>1,574,405</u>	<u>2,312,870</u>

Description of unobservable inputs to valuation

The significant unobservable inputs used in fair value measurement categorised within Level 3 of the fair value hierarchy, as at June 30, 2024 as shown below:

	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Unquoted units Naya Nazimabad Apartment REIT	Discount rate	19.2% - 20.2%	.5% increase in the discount rate to 20.2% could result in decrease in fair value by PKR 108.69 million.

42.6 Capital management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business sustain future development of the business and maximize shareholders value. No changes were made in the objectives, policies or processes during the year ended June 30, 2024.

The Company manages its capital structure and makes adjustment to it in the light of changes in economic conditions. The Company monitors capital using a debt equity ratio, which is net debt divided by total capital plus net debt. Equity comprises of share capital and revenue reserves. The gearing ratio as at June 30, 2024 and 2023 are as follows:

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	----- (Rupees in '000) -----	
Long-term financings	22	7,057,210	8,944,902
Preference shares	26	505	505
Accrued mark-up	27	613,072	448,334
Short-term borrowings	29	1,892,898	4,080,997
Total debts		9,563,685	13,474,738
Less: Cash and bank balances	18	(228,031)	(82,314)
Net debts		9,335,654	13,392,424
Issued, subscribed and paid-up capital	19	3,808,604	3,808,604
Capital reserves	20	2,758,293	2,758,293
Revenue reserves	20	10,022,439	10,537,427
Other component of equity - revaluation surplus on lands	21	8,749,900	8,817,355
Total equity		25,339,236	25,921,679
Total capital		34,674,890	39,314,103
Gearing ratio		26.92%	34.07%

43. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiary, associates, directors and their close family members, key management personnel and post employment benefit plan. All transactions with related parties are entered into at agreed terms as approved by the Board of Directors of the Company. The details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	2024	2023
	----- (Rupees in '000) -----	
Subsidiary Companies		
NN Maintenance Company (Private) Ltd [NNMC]		
Expenses incurred on behalf of NNMC by the Company	458,724	354,885
Amount paid by NNMC to the Company	207,780	151,427
Expenses incurred by NNMC on behalf of the Company	31,215	23,340
Sapphire Bay Development Company Limited [SBDCL]		
Short term borrowing from SBDCL	-	180,524
Markup income on advance against issuance of Shares	21,627	25,498
Markup income received on advance against issuance of Shares	35,000	-
Markup expense on loan received from SBDCL	43,445	23,203
Expenses incurred on behalf of SBDCL by the Company	-	4

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	----- (Rupees in '000) -----	
<u>Associates - Common directorship</u>		
Signature Residency REIT [SRR]		
Sale of plots	-	817,600
Receipt against sale of plots	487,600	-
Issuance of units	132,000	-
Advances received against sale of apartments	-	179,843
Expenses incurred on behalf of SRR by the Company	4,826	32,376
Paid against collection received	84,512	-
Gymkhana Apartment REIT [GAR]		
Sale of plots	-	3,727,250
Receipt against sale of land	3,727,250	-
Short term advance extended	1,996,379	-
Short term advance received	1,996,379	-
Mark-up income on Short term advance extended	8,004	-
Mark-up income received on Short term advance extended	8,004	-
Expenses incurred on behalf of GAR by the Company	31,733	6,023
Receipt against expenses incurred on behalf of GAR by the Company	31,733	-
Naya Nazimabad Apartment REIT [NNAR]		
Sale of plots	-	5,824,625
Receipts against sale of land	2,887,125	-
Short term advance extended	4,022,550	-
Short term advance received	3,537,417	-
Markup income on short-term-advance extended during the period	32,049	-
Received Markup on short-term-advance extended during the period	30,958	-
Expenses incurred on behalf of NNAR by the Company	44,639	-
Expenses incurred received on behalf of NNAR by the Company	32,394	-
Park view Apartment REIT [PVAR]		
Sale of plots	-	2,304,900
Receipt against sale of land	2,156,752	-
Expenses incurred on behalf of PVAR by the Company	3,026	5,909
Meezan Centre REIT [MCR]		
Sale of plots	1,298,750	-
Receipt against sale of land	1,298,750	-
Expenses incurred on behalf of MCR by the Company	7,645	3,263
Globe Residency REIT		
Receipts against sale of land	-	450,000
Advances received against sale of apartments / Sale of wastage steel	9,615	29,944
Advance against purchase of Apartments	662,690	-
Expenses incurred on behalf of GRR by the Company	121,271	48,970
Expenses incurred received on behalf of GRR by the Company	35,640	-

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	----- (Rupees in '000) -----	
Arif Habib Corporation Limited		
Short-term borrowing obtained during the period	4,560,000	1,100,000
Short-term borrowing Paid during the period	4,974,250	-
Sale of plots	646,000	-
Sale return of plot	646,000	-
Sale of Units of NN Apartment REIT	-	485,750
Markup expense on short term-borrowing	76,760	36,114
Markup paid during the period	94,820	7,496
Received against musharaka	273,400	-
Arif Habib Equity (Pvt) Limited		
Sale of plots	-	605,156
Advance adjusted against sale of plots	-	402,093
Advance received against purchase of commercial sites	-	203,063
Purchase of Residential plots during the year	170,000	-
Payment of Residential plots during the year	170,000	-
Development charges billed	-	13,000
Development charges received	-	13,000
Arif Habib Limited		
Short-term borrowing extended during the period	-	750,000
Re-Payment of Short-term borrowing extended during the period	-	1,550,000
Short-term borrowing obtained during the period	640,000	630,000
Short-term borrowing paid during the period	992,000	-
Sale of Units of NN Apartment REIT	-	278,000
Markup expense on short term-borrowing obtained during the period	37,320	2,071
Markup paid on short term-borrowing obtained during the period	39,391	-
Markup income on short-term-borrowing extended during the period	-	246,778
Markup income received on short-term-borrowing extended during the period	-	246,778
Purchase of Term Finance Certificates	-	1,602,317
Power Cement Limited		
Advance adjusted	-	48,000
Purchase of construction material	66,081	102,349
Paid against the purchase of construction material	71,995	59,481
Safe Mix Concrete Limited		
Advance adjusted against concrete for hospital	77,442	54,338
Purchase of construction material	92,550	34,806
Paid against the purchase of construction material	15,107	32,733

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	----- (Rupees in '000) -----	
<u>Associates - Common directorship</u>		
Rotocast Engineering Co. (Private) Limited		
Services received during the year	-	1,623
Paid against services received	-	1,494
Rent prepaid during the year	2,151	1,328
Rent expense charged during the year	2,151	1,328
Other Services	-	36
International Builders and Developers (Private) Limited		
Expenses incurred by the Company on behalf of International Builders and Developers (Private) Limited	27	94
<u>Associated persons</u>		
Haji Abdul Ghani		
Sale of plots	-	214,133
Advance adjusted against sale of plots	-	130,691
Advance against Club house Membersip	-	40,000
Received against purchase of commercial site	-	80,000
Received against musharaka	69,214	-
Development charges billed	-	4,200
Development charges received	-	4,200
<u>Key management personnel (Other than CEO - Note 41)</u>		
Arif Habib - Director		
Sale of plots	-	558,087
Advance adjusted against sale of plots	-	75,317
Advance against Club house Membersip	-	31,000
Development charges billed	-	2,800
Development charges received	-	2,800
Purchase of Residential plots during the year	42,500	-
Payment of Residential plots during the year	42,500	-
Short-term loans received during the year	850,000	2,430,000
Short-term loans paid during the year	950,000	2,330,000
Mark-up expense on short term-borrowing	16,315	56,509
Mark-up paid on short term-borrowing	72,728	-
<u>Post employment benefit plan</u>		
Gratuity fund trust - contribution paid during the year	24	12,705
		8,668

43.1 The outstanding receivable and payable balances as of June 30, 2024 and 2023 are disclosed in their respective notes to these financial statements.

Javedan Corporation Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

44. INFORMATION ABOUT OPERATING SEGMENTS

For management purposes, the activities of the Company are organized into one operating segment i.e. development of real estate. The Company operates in the said reportable operating segment based on the nature of products, risks and returns, organizational and management structure and internal financial reporting systems. Accordingly, the figures reported in these financial statements are related to the Company's only reportable segment.

Gross turnover of the Company is generated from customers located in Pakistan only.

Non-current assets of the Company are confined within Pakistan and consist of property and equipment, long-term deposits and investment properties.

45. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and to reflect the substance of the transactions.

46. GENERAL

46.1 Number of employees as at June 30, 2024 was 236 (2023: 234) and average number of employees during the year was 240 (2023: 229).

46.2 SUBSEQUENT EVENT

The Board of Directors of the Company in their meeting held on September 19, 2024 have proposed a final cash dividend for the year ended June 30, 2024 of Rs. 4 (2023: Rs. 6) per unit amounting to Rs.1,523.44 million (2023: Rs.2,285.16 million). The aforementioned proposed entitlement are to be approved by the members of the Company in their Annual General Meeting (AGM) scheduled to be held on October 26, 2024. These unconsolidated financial statements do not reflect the said appropriation.

47. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 19th Sep, 2024 by the Board of Directors of the Company.



Chief Financial Officer



Chief Executive Officer



Director

**INDEPENDENT AUDITORS'
REPORT OF
CONSOLIDATED
FINANCIAL STATEMENTS**

Independent Auditors' Report

To the members of Javedan Corporation Limited

Opinion

Opinion

We have audited the annexed consolidated financial statements of Javedan Corporation Limited and its subsidiary companies (the Group), which comprise the consolidated statement of financial position as at June 30, 2024, and the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information, 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 the audit.

In our opinion, and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of the Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:



Following are the key audit matters:

Key audit matter	How the matter was addressed in our audit
1. Contingencies	
<p>Refer notes 32.1.1 (a) to the accompanying consolidated financial statements)</p> <p>The Group has contingent liabilities in respect of income tax matters, which are pending adjudication at various levels with the taxation authorities, courts and other legal forums.</p> <p>Contingencies require management to make judgements and estimates in relation to the interpretation of tax laws, statutory rules and regulations, and the probability of outcome and financial impact, if any, on the Group for disclosure and recognition and measurement of any provisions that may be required against such contingencies.</p> <p>Due to significance of amounts involved, inherent uncertainties with respect to the outcome of matters and use of significant management judgements and estimates to assess the same including related financial impacts, we considered contingent liabilities relating to income tax a key audit matter.</p>	<p>Our audit procedures in respect of tax contingencies included, amongst others, we obtained and checked details of the pending tax related matters and discussed the same with the Group's management.</p> <p>We checked the correspondence of the Group with the relevant authorities, tax advisors, including judgments or orders passed by the competent authorities in relation to the issues involved or matters which have similarities with the issues involved.</p> <p>We obtained and checked confirmations from the Group's external tax advisors for their views on the probable outcome of the open tax assessments and other tax related contingencies.</p> <p>We involved internal specialists to assess management's conclusions on contingent matters and to evaluate the consistency of such conclusions with the views of the external legal / tax advisors engaged by the Group.</p> <p>We also evaluated the adequacy of disclosures made in respect of tax contingencies in accordance with the requirements of the financial reporting standards as applicable in Pakistan.</p>
2. Revenue Recognition	
<p>(Refer notes 5.3.2(ii), 5.16.1 and 33)</p> <p>The Group earns revenue from sale of units which includes open plots, bungalows, of the housing scheme 'Naya Nazimabad. The recognition of revenue relating to each type of sale depends on the nature of contractual arrangements with the customers.</p> <p>Revenue is recorded in accordance with the requirements of IFRS 15 which provides a comprehensive model of revenue recognition and requires the Company to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying the model to contracts with customers.</p>	<p>We performed a range of audit procedures in relation to revenue including the following:</p> <ul style="list-style-type: none"> • Evaluated the appropriateness of the Group's revenue recognition accounting policy. • Obtained understanding of design and evaluate implementation of controls designed to check that revenue is recognised in the appropriate accounting period and based on transfer of control of goods to the customer. • Performed testing of sales transactions on a sample basis to check that the related revenues are recorded appropriately at the correct quantity and price when control of goods has been transferred to the customer.

Key audit matter	How the matter was addressed in our audit
<p>During the year, the Group reported a revenue of Rs. 4,494 million, which includes a significant portion of sales amounting to Rs.1,944 million made to the related parties in the ordinary course of business under the contractual arrangements.</p> <p>We identified revenue recognition as a key audit matter due to significant sale to related parties.</p>	<ul style="list-style-type: none"> • Performed sales cut-off procedures by agreeing sample of transactions occurred on and around the year end to the evidence of deliveries to check that sales are recorded in the correct accounting period. • Considered the adequacy of the disclosures in respect of revenues in accordance with the applicable financial reporting standards. • Performed sales cut-off procedures by agreeing sample of transactions occurred on and around the year end to the evidence of deliveries to check that sales are recorded in the correct accounting period. • Considered the adequacy of the disclosures in respect of revenues in accordance with the applicable financial reporting standards. • For related party sales transactions, we reviewed agreements and minutes of Board of Directors for approval of said transactions. We involved our external experts to assess the reasonableness of selling prices.
<p>3. Valuation of development properties</p>	
<p>(Refer note 13 to the accompanying financial statements)</p> <p>The Group's development properties ('DP') acquired or being constructed for sale in ordinary course of business constitutes the 'Naya Nazimabad' Project which is located in Karachi, principally comprising open plots, bungalows, etc.</p> <p>As of June 30, 2024, DP amounted to Rs. 17,494 million and constitutes 42% of the total assets of the Group and is measured at the lower of cost or net realizable value (NRV).</p> <p>Due to its materiality and significance in terms of judgements and estimates involved in capitalization of cost incurred as a part of Project and valuation of underlying DP, we have considered this a key audit matter.</p>	<p>Our audit procedures amongst others included, review of controls around the valuation of DP by testing the underlying cost calculation; physical inspection of the Project site to ascertain the condition and existence of development properties, assessing the basis and appropriateness for cost capitalised in accordance with the applicable financial reporting standards.</p> <ul style="list-style-type: none"> • We also tested the development expenditure incurred and capitalized during the year from agreements, invoices and related documents supporting various components of the Project costs and checked related approvals. We also reviewed the minutes of the meetings at the Board level to identify any indicators of adjustments. • We assessed the reasonableness of the selling price used in the assessment of NRV of DP and compared with the cost on sample basis to ascertain the recording of DP at lower of cost or NRV.



Key audit matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> We also reviewed the related disclosures in accordance with the applicable financial reporting standards.
<p>4. Valuation of long-term investment in Debt Instruments</p>	
<p>(Refer notes 11.1)</p> <p>The Group has valued its investment in Naya Nazimabad Apartment REIT and Signature Residency REIT using the Discounted Cash Flow (DCF) methodology, resulting in a valuation of Rs. 3,258 million.</p> <p>The DCF model employed requires the estimation of future cash flows, discount rates, and terminal value, all of which are subject to significant management assumptions.</p> <p>Given the inherent subjectivity in these assumptions and their impact on the financial statements, we have identified the valuation of this investment as a key audit matter</p>	<p>We performed a range of audit procedures in relation to the valuation including the following:</p> <ul style="list-style-type: none"> We assessed the accuracy and completeness of the data provided by the management. We reviewed and analyzed relevant industry metrics for the reporting period, to evaluate the reasonableness of the assumptions used in the valuation. We examined the assumptions used in the financial model for NNAR and SRR, including their rationale and support, to ensure they were reasonable and consistent with industry practices. We reviewed the reasonableness of the discount rates applied in the valuation model by comparing them to current market rates and relevant benchmarks to ensure they were appropriate for the valuation. We engaged an auditor's expert to provide specialized insight and evaluation of the valuation techniques and assumptions used in calculation, ensuring that the methodologies applied were robust and aligned with industry standards.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements



represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditor's report are Mr. Nadeem Yousuf Adil (Yousuf Adil, Chartered Accountants) and Mr. Farhan Ahmed Memon (Reanda Haroon Zakaria & Company, Chartered Accountants).

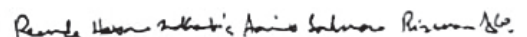


Yousuf Adil
Chartered Accountants

Karachi

Date: September 30, 2024

UDIN: AR2024100910YIAUzT9S



Reanda Haroon Zakaria Aamir Salman
Rizwan & Company
Chartered Accountants

UDIN: AR202410147sB5Z0uHmn

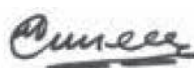
Javedan Corporation Limited

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	2024 ----- (Rupees in '000) -----	2023
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	9,786,022	8,756,588
Intangible assets	8	863	2,013
Investment properties	9	603,370	553,126
Long-term deposits	10	9,525	11,719
Long-term investments	11	6,411,452	2,312,870
Long term advances	12	973,503	2,135,697
Deferred tax assets - net		92,950	52,847
		17,877,685	13,824,860
CURRENT ASSETS			
Development properties	13	17,494,615	15,280,240
Trade debts	14	1,361,206	10,814,366
Loans and advances	15	1,729,066	847,072
Trade deposits, prepayments and other receivables	16	1,495,104	1,105,846
Short-term investments	17	1,707,525	1,713,721
Unclaimed deposits	18	941	782
Cash and bank balances	19	292,099	124,116
		24,080,556	29,886,143
TOTAL ASSETS		41,958,241	43,711,003
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Authorised			
390,000,000 (2023: 390,000,000) ordinary shares of Rs.10/- each			
		3,900,000	3,900,000
Issued, subscribed and paid-up capital			
Capital reserves	20	3,808,604	3,808,604
Revenue reserves	21	2,758,293	2,758,293
Other component of equity - revaluation surplus on lands	22	10,009,594	10,594,568
		8,749,900	8,817,355
		25,326,391	25,978,820
NON-CURRENT LIABILITIES			
Long-term financings	23	3,925,098	6,625,235
Deferred grant	24	41,781	42,119
Deferred tax liability		303,192	-
Deferred liability - gratuity	25	101,650	83,381
		4,371,721	6,750,735
CURRENT LIABILITIES			
Trade and other payables	26	4,355,039	2,468,356
Advance against issue of shares	27	1,774,157	990,000
Preference shares	28	505	505
Accrued mark-up	29	546,424	448,334
Contract liabilities	30	476,268	634,239
Short-term borrowings	31	1,712,374	3,900,472
Current maturity of non-current liabilities	21 & 22	3,166,805	2,348,539
Taxation - net		218,335	184,156
Unpaid preference dividend		363	303
Unclaimed dividend		9,859	6,544
		12,260,129	10,981,448
TOTAL EQUITY AND LIABILITIES		41,958,241	43,711,003
CONTINGENCIES AND COMMITMENTS	32		

The annexed notes from 1 to 49 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

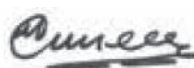
Javedan Corporation Limited

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----
Revenue from Contracts with Customers - Net	33	4,494,335	11,187,446
Cost of sales	34	(2,025,336)	(6,420,139)
Gross profit		2,468,999	4,767,307
Marketing and selling expenses	35	(38,529)	(92,600)
Flyover cost	36	(729,235)	(1,051,837)
Administrative expenses	37	(654,897)	(562,516)
Finance costs - Net	38	(123,915)	(464,071)
Other income	39	1,180,114	381,360
Loss on disposal of Investment Properties		-	(16,266)
Allowance for expected credit losses		(19,205)	-
Profit from continuing operation before levies and taxation		2,083,332	2,961,377
Levies	40	(32,533)	(118,502)
Profit from continuing operation before taxation		2,050,799	2,842,875
Taxation	41	(416,462)	(74,348)
Profit from continuing operation after taxation		1,634,337	2,768,527
Profit from discontinued operation after taxation		-	243,044
Gain on disposal of subsidiaries		-	4,995,946
		-	5,238,990
Profit for the year		1,634,337	8,007,517
		2024	2023
		----- (Rupees in '000) -----	----- (Rupees in '000) -----
Earnings per share - basic & diluted			
from continuing operation	42.1	4.29	7.27
from discontinued operation	42.2	-	13.76
Total basic earning per share		4.29	21.02

The annexed notes from 1 to 49 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

Javedan Corporation Limited

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ----- (Rupees in '000) -----	2023
Profit for the year		1,634,337	2,768,527
Other comprehensive income, net of tax			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax):			
Actuarial (loss) on remeasurement of defined benefit obligation	25.9	(1,603)	(874)
Revaluation surplus on lands		-	1,349,027
Total comprehensive income for the year, net of tax		1,632,734	4,116,680

The annexed notes from 1 to 49 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

Javedan Corporation Limited

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2024

Issued, subscribed and paid-up capital	Capital reserves		Revenue reserves		Other component of equity	Total Equity
	Share premium	Tax holiday reserve	General	Unappropriated profits	Revaluation surplus on lands	

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

Balance as at June 30, 2022

3,808,604 2,746,327 11,966 63,500 3,122,004 8,394,190 18,146,591

Profit for the year	-	-	-	-	8,007,517	-	8,007,517
Other comprehensive loss, net of tax	-	-	-	-	(873)	1,349,027	1,348,154
Total comprehensive income, net of tax	-	-	-	-	8,006,644	1,349,027	9,355,671

Revaluation surplus on lands realised on account of sale of development properties

- - - - - 925,862 (925,862) -

Interim dividend @ 40 percent on ordinary shares for the year ended June 30, 2022

- - - - - (1,523,442) - (1,523,442)

Balance as at June 30, 2023

3,808,604 2,746,327 11,966 63,500 10,531,068 8,817,355 25,978,820

Profit for the year	-	-	-	-	1,634,337	-	1,634,337
Other comprehensive loss, net of tax	-	-	-	-	(1,603)	-	(1,603)
Total comprehensive income, net of tax	-	-	-	-	1,632,734	-	1,632,734

Revaluation surplus on lands realised on account of sale of development properties

- - - - - 67,455 (67,455) -

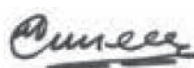
Final dividend @ 60 percent on ordinary shares for the year ended June 30, 2023

- - - - - (2,285,163) - (2,285,163)

Balance as at June 30, 2024

3,808,604 2,746,327 11,966 63,500 9,946,094 8,749,900 25,326,391

The annexed notes from 1 to 49 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

Javedan Corporation Limited

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		2,050,799	2,961,377
Profit before taxation - discontinuing operations net of income tax		-	5,238,990
Adjustments for non-cash items:			
Depreciation	7.1	42,042	37,652
Amortization	37	1,150	1,150
Provision for gratuity	25.8	31,388	19,119
Remeasurement gain on investment properties	9.1.1	50,244	(28,576)
Finance costs		116,606	274,562
Allowance for expected credit loss		19,205	
Gain on disposal of fixed asset		(842)	
Amortisation of deferred grant	36	(33,105)	(27,635)
Remeasurement (gain) on investment designated at FVTPL		(805,727)	(139,169)
Mark-up on saving accounts	39.	(414,660)	(69,508)
Operating profit before working capital changes		956,612	8,267,961
(Increase) / decrease in current assets			
Development properties		(2,214,375)	5,274,177
Trade debts		9,453,160	(10,405,430)
Contract cost assets		-	8,849
Contract assets		-	916,202
Loans and advances		(881,994)	1,036,715
Trade deposits and other receivables		(408,463)	(985,545)
Unclaimed deposits		(159)	-
		5,498,169	(4,155,032)
(Decrease) / increase in current liabilities			
Trade and other payables		1,886,683	1,912,024
Advance against issue of shares		784,157	-
Contract liabilities		(157,971)	(520,696)
Advance against sale of investment properties		-	(176,676)
		2,512,869	1,214,652
Cash flows generated from operations		9,417,650	5,327,581
(Payments) / receipts for:			
Income taxes and levies		(119,186)	(173,397)
Finance costs		(18,456)	(31,974)
Gratuity	25.6	(14,723)	(6,054)
Long-term deposits		2,194	1,653
		(150,171)	(209,772)
Net cash flows generated from operating activities		9,267,479	5,117,809
CASH FLOWS FROM INVESTING ACTIVITIES *			
Additions to property, plant and equipment	6.1 & 6.2	(1,079,841)	(4,363,931)
Sale proceeds from disposal of property, plant and equipment		9,200	3,845,894
Sale proceeds from disposal of investment properties		-	195,440
Advance against issuance of units		1,162,194	(2,135,697)
Investment in subsidiary companies		-	(2,312,870)
Investment in debt instruments		(3,292,855)	
Mark-up on saving accounts received	39.	414,660	69,508
Short-term investments - net		6,196	(1,561,552)
Net cash flows used in investing activities		(2,780,446)	(6,263,207)

Javedan Corporation Limited

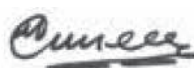
CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	----- (Rupees in '000) -----	
CASH FLOWS FROM FINANCING ACTIVITIES *			
Dividend paid		(2,281,848)	(1,521,148)
Long-term financings - net		(1,849,104)	(2,044,089)
Short-term borrowings - net		(2,188,098)	2,067,308
Net cash flows used in financing activities		(6,319,050)	(1,497,929)
Net decrease in cash and cash equivalents		167,983	(2,643,327)
Cash and cash equivalents at beginning of the year	19	124,116	2,767,443
Cash and cash equivalents at end of the year	19	292,099	124,116

* No non-cash item is included in investing and financing activities

The annexed notes from 1 to 49 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

1. STATUS AND NATURE OF BUSINESS

1.1 The Group companies comprise of Javedan Corporation Limited (JCL) and its subsidiary companies i.e. NN Maintenance Company (Private) Limited (NNMC) and Sapphire Bay Development Limited (SBDCL) that have been consolidated in these consolidated financial statements.

1.2 Holding Company

Javedan Corporation Limited (the Holding Company)

Javedan Corporation Limited (the Holding Company) was incorporated in Pakistan on June 08, 1961, as a public limited company under the repealed Companies Act, 1913 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. The registered office of the Company is located at Arif Habib Centre, 23, M.T Khan Road, Karachi.

1.3 The Holding Company has ceased its cement business since July 01, 2010 and the management has developed business diversification strategy for utilizing the Holding Company's land for developing a housing scheme, "Naya Nazimabad", that includes bungalows, open plots, flat sites and commercial sites. The Holding Company's layout plan of the project was approved by Lyari Development Authority vide letter number LDA/PP/2010/255 on March 02, 2011 and revised master plan approved vide letter No CTP/LDA/112 and has obtained No Objection Certificate from Sindh Building Control Authority having NOC # SBCA/D.D(D-II)/985/ADV-503/2011 on November 12, 2011 and revised NOC # SBCA/DD(D-II)/985 & 991/ADV-584/2013. The Holding Company is also the member of Association of Builders and Developers of Pakistan (ABAD).

1.4 Subsidiary Company

NN Maintenance Company (Private) Limited (the Subsidiary Company)

The Subsidiary Company was incorporated on November 29, 2019 under the Companies Act, 2017 (the Act). The principal activities of the Company are to carry out maintenance, other related business and work of development at Naya Nazimabad, a housing scheme of Javedan Corporation Limited. The Company commenced its operational activities from the month of January 01, 2020.

Sapphire Bay Development Limited (the Subsidiary Company)

The Subsidiary Company was incorporated on August 25, 2021 as a Public Unlited Company under Companies Act, 2017. The Company's principle line of business shall be marketing and development of all type of real estate including developed or undeveloped land, housing or commercial projects including commercial markets or multistoried building (for commercial or residential purposes), shopping centers, restaurants, hotels, recreational facilities etc. with the permission of concerned authorities and compliance with applicable laws and regulations.

2. STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRSs), issued by International Accounting Standard Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by Institute of Chartered Accountants of Pakistan (ICAP), as notified under Companies Act, 2017 (the Act) and, provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ from the IFRSs, the provisions of and directives issued under the Act have been followed.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

3. BASIS OF PREPARATION

3.1 Basis of measurement

These financial statements have been prepared under the historical cost convention except for:

- recognition of certain employees' retirement benefits at present value (Note 25);
- lands (i.e. freehold and leasehold) classified under property, plant and equipment at revalued amount (Note 7.1.1);
- investment properties at fair value (Note 9); and
- equity instruments designated at fair value through profit or loss (Note 17).

3.2 Functional and presentation currency

These financial statements are presented in Pakistani Rupees which is the Company's functional and presentation currency. All financial information presented in Pakistani Rupees has been rounded off to the nearest thousand rupees.

4 BASIS OF CONSOLIDATION

These consolidated financial statements comprises the financial statements of the Holding Company and its subsidiary companies as at June 30, 2024 here-in-after referred to as 'the Group'.
Subsidiary

Subsidiary is the entity over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement(s) with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the profit or loss from the date the Group gains control until the date the Group ceases to control the subsidiary.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition is recorded as goodwill. If the cost of acquisition is less than fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the profit or loss.

After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill acquired in a business combination is, on the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination. Goodwill is tested annually or whenever there is an indication of impairment exists. Impairment loss in respect of goodwill is recognised in profit or loss and is not reversed in future periods.

The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis and the carrying value of investments held by the Holding Company is eliminated against the subsidiaries' shareholders' equity in the consolidated financial statements.

All intra-group transactions, balances, income, expenses and unrealised gains and losses on transactions between Group companies are eliminated in full.

The subsidiary has same reporting period as that of the Holding Company, however, the accounting policies of subsidiary have been changed to conform with accounting policies of the Group, wherever needed.

When the ownership of a subsidiary is less than 100 percent and, therefore, a non-controlling interest (NCI) exists, the NCI is allocated on its share of the total comprehensive income of the period, even if that results in a deficit balance.

A change in the ownership interest of subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over subsidiary, it derecognises the assets (including goodwill) and liabilities of the subsidiary, carrying amount of any NCI, cumulative translation differences recognised in equity, and recognises fair value of consideration received, any investment retained, surplus or deficit in the profit or loss, and reclassifies the Holding Company share of component previously recognised in other comprehensive income to profit or loss, or retained earnings, as appropriate.

5. STANDARDS, AMENDMENTS, INTERPRETATIONS AND IMPROVEMENTS

5.1 New amendments that are effective for the year ended June 30, 2024

The following amendments are effective for the year ended June 30, 2024. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's unconsolidated financial statements other than certain additional disclosures.



Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Amendment or Improvements	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS practice statement 2 - Disclosure of accounting policies	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - International Tax Reform – Pillar Two Model Rules	January 01, 2023

5.2 Standards, amendments and improvements to the approved accounting standards that are not yet effective

The following amendments are effective for the year ended June 30, 2024. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's unconsolidated financial statements other than certain additional disclosures.

Amendment or Improvements	Effective date (annual periods beginning on or after)
Amendments to IFRS 16 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial instruments: Disclosures' - Supplier Finance Arrangements	January 01, 2024
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability	January 01, 2025
IFRS 17 'Insurance Contracts' - (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2026
Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' - Classification and measurement of financial instruments	January 01, 2026

Further, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan and are not expected to have any material impact on the Company's financial statements in the period of initial application.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Standards

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 18	Presentation and Disclosures in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures

5.3 ADOPTION OF NEW ACCOUNTING POLICY

5.3.1 Accounting for minimum taxes and final taxes

During May 2024, The Institute of Chartered Accountants of Pakistan (ICAP) issued a guide 'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the Guide) to provide guidance on accounting of minimum tax and final tax, as mentioned in the Income Tax Ordinance, 2001, under the requirements of relevant IFRS Accounting Standards and provide appropriate approaches to account for minimum taxes and final taxes in compliance with the requirements of IFRS Accounting Standards.

In view of the clarifications from ICAP, it has been established that minimum tax and final taxes do not meet the criteria of income tax expense as per IAS 12 (as these are not based on taxable profits), hence, it should be accounted for under IFRIC 21 'Levies' and IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

The Guide issued by ICAP provides approaches to account for minimum and final regime taxes according to the facts and circumstances as applicable to the Company. Accordingly, the Company has adopted the following approach:

The Company first designates the amount calculated on gross amount of revenue or other basis (such as receipts or other values etc. as provided in law)[It can be amended according to entity's nature of deduction] as a levy within the scope of IFRIC 21 "Levies"/IAS 37" Provisions, Contingent Liabilities and Contingent Assets" and recognise it as an Operating expenses (It can be amended as revenue taxes or other). Any excess over the amount designated as a levy is then recognised as current income tax expense falling under the scope of IAS 12.

Therefore, the deferred tax would be measured using the average effective rate of tax rather than the enacted/notified tax rate. The entity reassess its estimate for measuring deferred taxes in the future due to variation in the effective income tax rate even when the enacted rate of income tax is unchanged.

Similarly, any amount deducted as final taxes will be classified as a levy in the statement of profit or loss and there would be no deferred tax liability / (asset) recognised in case of final taxes.

Super tax charged to entities as per provisions of Income Tax Ordinance, 2001, will be classified as either 'Income Tax' or 'levy' in accordance with guidance provided in the Guide [i.e. if super tax calculation is based on taxable profits as defined in IAS 12, then, such super tax shall be recognised as 'income tax' otherwise such super tax shall qualify for recognition as 'levy' as per IFRIC 21 / IAS 37].

Advance taxes paid under any section of the Income Tax Ordinance, 2001, except minimum taxes paid under section 113, which are termed as levy as per the above guide will be classified as 'prepaid assets'.



Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The above changes have been accounted for in these financial statements as per the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. The adoption of this policy did not result any material differences except for reclassifications which are presented as below:

	Current Classification	Previous Classification
Note	----- (Rupees in '000) -----	
Effect on statement of profit or loss:		
For the year ended June 30, 2023		
Taxation:		
- Current year	152,584	271,086
- prior year	(283,65)	(28,365)
- Deferred tax	(49,871)	(49,871)
	74,348	192,850
	118,502	
Final taxes:		

Extract of P&L Presentation

Profit before final and revenue taxes	2,961,377
Final tax	(118,502)
Profit before income tax	2,842,875
Taxation	(74,348)
Profit after income tax	2,768,524

5.3.2 MATERIAL ACCOUNTING POLICY INFORMATION

The preparation of these consolidated financial statements in conformity with accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in the process of applying the Group's accounting policies. Judgments, estimates and assumptions are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. In the process of applying the Group's accounting policies, management has made the following judgments, estimates and assumptions which are significant to these consolidated financial statements:

(i) Free-hold and leasehold lands under property, plant and equipment

The Group's freehold land and leasehold land are carried at revalued amount, with changes in fair value being recognised in the other comprehensive income or loss. An independent valuation specialist is engaged by the Group to assess fair value of lands based on values with reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

(ii) Revenue recognition

The Group assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue. The Group has assessed that based on the sale and purchase agreements entered into with customers, where contracts are entered into to provide real estate assets to customer, the Group does not create an asset with an alternative use to the Group and usually has an enforceable right to payment for performance completed to date. In these circumstances, the Group recognises revenue over time, whereas, if this is not the case revenue is recognised at a point in time. In cases where the Group determines that performance obligations are satisfied at a point in time, revenue is recognised when control over the asset that is the subject of the contract is transferred to the customer. The Group determines the transaction price in respect of each of its contracts with customers and in making such judgment the Group assess the impact of any variable consideration in the contract (if any), due to discounts or penalties, the existence of any significant financing component in the contract and any non-cash consideration in the contract.

(iii) Development properties

The Group reviews the net realisable value of development properties to assess any diminution in the respective carrying values. Net realizable value (NRV) for completed development property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Group, based on comparable transactions identified by the Group for property in the same geographical market serving the same real estate segment. NRV in respect of development property under development is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete the development and the estimated costs necessary to make the sale, taking into account the time value of money, if material.

(iv) Recognition of tax and deferred tax

The provision for taxation is accounted for by the Group after taking into account the relevant laws and decisions taken by appellate authorities. Instances, where the Group's view differs from the view taken by the tax authorities at the assessment stage and where the Group considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities / assets.

Significant management judgement is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. The management consider tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.



Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

5.4 Property, plant and equipment

5.4.1 Owned

Property, plant and equipment (except for free-hold, leasehold land and other land) are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Free-hold and leasehold land are stated at revalued amount, which is the fair value at the date of revaluation. Subsequently, these are stated at revalued amounts less subsequent impairment losses, if any. Other land are stated at cost less accumulated impairment losses, if any. Depreciation is charged to profit or loss applying the reducing balance method. Depreciation on additions during the year is charged from the month of addition when the asset is available for use, whereas, no depreciation is charged in the month of disposal.

Rates of depreciation which are disclosed in note 7.1 to these financial statements are designed to write-off the cost over the estimated useful lives of the assets.

Major renewals and improvements for assets are capitalised and the assets so replaced, if any, are retired. Maintenance and normal repairs are charged to profit or loss, as and when incurred.

Assets residual values, useful lives and method of depreciation are reviewed and adjusted, if appropriate at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount at the reporting date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is charged to profit or loss.

5.4.2 Capital work-in-progress

Capital work-in-progress is stated at cost less accumulated impairment losses, if any, and consists of expenditure incurred in respect of operating fixed assets in the course of their acquisition, erection, construction and installation. The assets are transferred to relevant category of operating fixed assets when they are available for use.

5.4.3 Revaluation surplus on lands

A revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in the profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

An annual transfer from the asset revaluation surplus to unappropriated profit is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to unappropriated profit.

5.5 Intangible assets

These are stated at cost less accumulated amortisation and impairment losses, if any. Amortisation on additions is charged from the month in which an asset is available for use, while no amortisation is charged for the month in which the asset is disposed off. Amortisation is charged based on straight line method at the rates specified in note 7 to these financial statements.

5.6 Investment properties

Investment properties comprise of completed properties that are held to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business.

Investment properties are measured initially at cost including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and initial leasing commissions to bring the property to the condition necessary for it to be capable of operating. The carrying amount also includes the cost of replacing part of an existing investment property at the time that cost is incurred, if the recognition criteria is met. Subsequent to initial recognition, investment properties are stated at fair value which reflects market condition at reporting date. Gains or losses arising from changes in the fair values are included in the profit or loss in the period in which they arise, including the corresponding tax effect, if any. Fair values are determined based on an annual valuation performed by an accredited valuer.

Investment properties are derecognised when these have been disposed of or permanently withdrawn from use and no future economic benefit is expected from their disposal. Any gain or loss on disposal of an investment properties (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the profit or loss.

5.7 Right-of-use assets and leases liabilities

5.7.1 Group as a lessee

The Group assess at contract inception whether a contract is, or contain a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group acts as a lessee and applies a single recognition and measurement approach for all the leases except for short-term leases and leases of low value assets (if any). The Group recognises lease liability to make lease payments and right-of-use assets representing the right to use the underlying assets. As of reporting date, The Group has no contractual arrangement in place as a lessee.



Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

i) Right-of-use assets

The Group recognises right-of-use assets (ROU assets) at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, if any, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised ROU assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. ROU assets are subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option (if any) reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under its lease arrangements to lease the assets for additional terms under the contracts. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy). Any change is accounted for change in estimate and applied prospectively with corresponding change in ROU assets and lease liabilities.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

5.7.2 Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

5.8 Development properties

Property acquired, constructed or in the course of construction for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is classified as development properties and is measured at lower of cost and net realisable value. The Group will sell plots and bungalows and will not provide any construction services as a contractor engaged by the buyer. In addition, the buyer of constructed units does not have an ability to specify the major structural elements of the design or major structural changes before construction and / or construction is in progress. All project costs incurred or to be incurred are capitalised as a cost of development properties and mainly includes: costs / rights for free-hold and leasehold land; construction cost of bungalows; borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs necessary to bring the premises in saleable condition; and development charges.

Net realizable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date less estimated costs of completion and the estimated costs necessarily to be incurred to make the sale.

When a development property is sold, the carrying amount of the development property is recognized as an expense in the period in which the related revenue is recognized.

The cost of sales recognised in profit or loss is determined with reference to the directly and indirectly attributable costs incurred on the plots, bungalows, flats and commercial sites sold and any non-specific costs based on the total area of land sold for plots, bungalows, flats and commercial sites in relation to total area of land of the project (i.e. 1,367 acres). The development charges are recognised in profit or loss on the basis of reimbursable development costs recoverable to date from customers on plots / bungalows sold apportioned to total area of land sold in relation to total area of land. Development charges not recoverable from customers are borne by the Group and charged to profit or loss in the year, in which these are incurred. However if non-recoverable development charges are subsequently recovered from future sales to customers, the same will be credited to profit or loss.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

5.9 Financial instruments

5.9.1 Financial assets

5.9.1.1 Initial recognition and measurement

All financial assets are recognised initially at fair value and transaction cost, if any (except for financial assets at fair value through profit or loss, in which case, transaction cost is charged to profit or loss). Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade debts, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade debts are measured at the transaction price determined under IFRS 15.

"In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. the Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both."

5.9.1.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

a) Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. the Group measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

b) Financial assets designated at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met::

- the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in statement of other comprehensive income. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

c) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as dividend income in the profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments, if any, under this category.

d) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.



Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the Statement of profit or loss. This category includes listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as dividend income in the Statement of profit or loss when the right of payment has been established.

5.9.1.3 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

5.9.1.4 Impairment

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. The Group applies a simplified approach in calculating ECLs for its trade debts. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. Trade debts are secured against goods sold and have low credit risk.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The Group considers a financial asset in default when contractual payments terms with various customers are past due over by 30 and 60 days. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

5.9.2 Financial liabilities

5.9.2.1 Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

5.9.2.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit or loss. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

b) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method.

Amortised cost is the amount at which the financial liability is measured at initial recognition minus the principal repayments minus the cumulative amortisation using the EIR of any difference between that initial amount and the maturity amount. EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Gains and losses are recognised in statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.



Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

5.9.2.3 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

5.9.2.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

5.10 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The fair value less costs to sell calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs to sell of the asset.

In determining fair value less costs to sell, the recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other fair value indicators.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit or loss.

5.11 Cash and cash equivalents

Cash and cash equivalents are stated at cost and are defined as cash in hand, cash at banks and short-term highly liquid investments that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purpose of cash flow statement, cash and cash equivalents comprises cash in hand and bank balances.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

5.12 Preference shares

The Group classify a financial instrument (or its components) on initial recognition as a financial liability or as equity considering the substance of a contractual arrangement rather than its legal form. On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

5.13 Employees retirement benefits

5.13.1 Defined benefit plan - gratuity

The Group operates an approved funded gratuity scheme for all its eligible employees who have completed their minimum qualifying period of service with the Group. Provisions are made in the financial statements to cover obligation on the basis of actuarial valuation carried out annually by an independent actuary, using the Projected Unit Credit Method. Actuarial gain or loss (remeasurements) are immediately recognised in statement of other comprehensive income, as they occur. The amount recognised in the statement of financial position represents the present value of defined benefit obligations as reduced by the fair value of the plan assets. Current service costs and any past service costs together with net interest cost are charged to statement of profit or loss.

5.13.2 Compensated absences

The Group recognises the accrual for compensated absences in respect of employees' for which these are earned up to the reporting date.

5.14 Borrowing costs

All interest bearing financings and borrowings are initially recognised at fair value less directly attributable transaction costs. Subsequently, these are measured at amortised cost using effective interest rate method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are capitalised and added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in the year in which they are incurred. Income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from borrowing costs eligible for capitalisation.

5.15 Taxation

Current

Provision for current taxation is computed on taxable income at the current rates of taxation, after taking into account tax credits and rebates available, if any, in accordance with the provision of the Income Tax Ordinance, 2001. It also includes any adjustment to tax payable in respect of prior years. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime.



Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Deferred

Deferred tax is recognised using the balance sheet method, on all temporary differences arising at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, while deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax losses and unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forwards of unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date. Deferred tax is charged or credited to the profit or loss.

Deferred tax relating to items recognised directly in the other comprehensive income is recognised in the other comprehensive income and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.

5.16 Revenue recognition

5.16.1 Revenue from contracts with customers

Revenue from contracts with customers is recognised when the contract of goods and services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods and services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods and services before transferring them to the customer.

- i) Revenue from the sale of plots and bungalows is recognised at a point in time at which the performance obligation is satisfied and one of the below conditions are not met:
- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
 - the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
 - the Group's performance does not create an asset with an alternative use to the Group and

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

the Group has an enforceable right to payment for performance obligation completed to date.

For performance obligations where one of the above conditions are met, revenue is recognised over the time when the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or services, it creates a contract asset based on the amount of consideration earned by the performance. When the amount of consideration received from a customer exceeds the amount of revenue recognised, this gives rise to a contract liability.

- ii) Revenue on plots and bungalows cancelled during the period is recognized to the extent of amount forfeited at the time when the cancellation request is approved.
- iii) Reimbursable development costs incurred are recognised as an expense and its reimbursement from customers as a corresponding income in profit or loss under cost of sales. Development charges which are invoiced to customers are recognised as development charges billed, whereas, unbilled development charges represent value of development work executed but billed subsequently.

5.16.2 Other revenues

Revenue from other sources is recognized on the following basis:

- i) Rental income arising from investment properties is recognised, net of discounts, in accordance with the terms of lease contracts over the lease term on straight-line basis until such time the lessee exercises its option to purchase.
- ii) Profit on deposits is recognized on a time proportionate basis, by reference to the principal outstanding and at the applicable effective interest rate.
- iii) Gain on sale of property, plant and equipment / investment properties is recorded when title is transferred in favour of transferee.
- iv) Income from sale of scrap is recorded when risks and rewards are transferred to the customers which coincides with the time of dispatch of items.
- v) Other income (i.e. transfer fee, cancellation fees, income from cricket ground, etc.), if any, recognised on accrual basis.

5.17 Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are reviewed at each reporting date and accordingly adjusted to reflect current best estimates.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

5.18 Ijarah agreements

Payments made under ijarah arrangements / agreements are charged to the profit or loss on a straight line basis over the ijarah term.

5.19 Foreign currency translations

Transactions in foreign currencies are translated into Pakistani Rupee at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling at the reporting date. Exchange gains and losses are recognised in the profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

5.20 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognised in the financial statements in the period, in which these are approved. However, if these are approved after the reporting period but before the financial statements are authorised for issue, they are disclosed in the notes to the financial statements.

5.21 Earnings per share

The Group presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Whereas, diluted EPS is determined by adjusting the profit or loss attributable to ordinary share holders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

5.22 Government grant

Government grant is recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant related to an expense item, it is recognised in the statement of profit or loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

5.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. Segment results, assets and liabilities include items directly attributable to a segment. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment and intangible assets. Segment results, assets and liabilities include items directly attributable to a segment as well as those allocated on a reasonable basis.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

6. DETAILS OF RELATED PARTIES

Name of related parties	%age holding	Basis of relationship
Aisha Steel Mills Limited	-	Common directorship
Arif Habib Consultancy (Private) Limited	-	Common directorship
Black Gold Power Limited	-	Common directorship
Fatima Fertilizer Group Limited	-	Common directorship
Karachi Sports Foundation	-	Common directorship
Sachal Energy Development (Private) Limited	-	Common directorship
AH Aviation (Private) Limited	-	Common directorship
Arif Habib Corporation Limited	-	Common directorship
International Builders and Developers (Private) Limited	-	Common directorship
NCEL Building Management Limited	-	Common directorship
Pakarab Energy Limited	-	Common directorship
Pakistan Business Council	-	Common directorship
Pakistan Engineering Group Limited	-	Common directorship
Pakistan Opportunities Limited	-	Common directorship
Fatimid Foundation	-	Common directorship
Fatima Packaging Limited	-	Common directorship
Habib University Foundation	-	Common directorship
Karachi Education Initiative	-	Common directorship
Pakistan Centre for Philanthropy	-	Common directorship
Arif Habib Equity (Private) Limited	-	Common directorship
MCB-Arif Habib Savings & Investments Limited	-	Common directorship
Nooriabad Spinning Mills (Private) Limited	-	Common directorship
Parkview Group Limited	-	Common directorship
Rotocast Engineering Group (Private) Limited	-	Common directorship
Sukh Chayn Gardens (Private) Limited	-	Common directorship
Safemix Concrete Limited	-	Common directorship
Arif Habib Foundation	-	Common directorship
Fatimafert Limited	-	Common directorship
Fatima Cement Limited	-	Common directorship
Memon Health and Education Foundation	-	Common directorship
Pakarab Fertilizers Limited	-	Common directorship
REMMCO Builders & Developers Limited	-	Common directorship
Siddiqsons Energy Limited	-	Common directorship
Arif Habib Dolmen REIT Management Limited	-	Common directorship
Arif Habib Real Estate Services (Private) Limited	-	Common directorship
Power Cement Limited	-	Common directorship
Arif Habib Limited	-	Common directorship

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Name of related parties	%age holding	Basis of relationship
Go Real Estate	-	Associated person,
Mr. Haji Abdul Ghani	-	Associated person, major shareholder
Miss. Nida Ahsan	-	Close family member
Mr. Samad A. Habib - Chief Executive	-	Key management personnel
Mr. Arif Habib - Chairman	-	Key management personnel
Mr. Muhammad Ejaz - Director	-	Key management personnel
Mr. Abdullah Ghaffar - Director	-	Key management personnel
Miss. Darakshan Zohaib - Director	-	Key management personnel
Mr. Abdul Qadir - Director	-	Key management personnel
Mr. Alamgir A.Sheikh - Director	-	Key management personnel
Mr. Javed Kureishi - Director	-	Key management personnel
Mr. Kashif A. Habib - Director	-	Key management personnel
Mr. Muneer Gadar - CFO & Group Secretary	-	Key management personnel
JCL Gratuity Fund Trust	-	Employees' Gratuity Fund

2024 2023
Note ----- (Rupees in '000) -----

7. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	7.1	6,183,643	5,672,531
Capital work-in-progress	7.2	3,602,379	3,084,057
		9,786,022	8,756,588

Particulars	Cost / Revaluation Amount					Accumulated Depreciation				Revalued Amount / Written Down Value As At June 30, 2024	RATE
	As at July 01, 2023	Additions/ revaluation	Transfers *	Disposals / Reversal ***	As at June 30, 2024	As at July 01, 2023	Charge for the year	Disposals	As at June 30, 2024		
	----- (Rupees in '000) -----										%
Free-hold land (notes 7.1.1 and 7.1.2)	123,890	-	-	-	123,890	-	-	-	-	123,890	-
Lease-hold land (notes 7.1.1 and 7.1.2)	4,820,840	-	-	-	4,820,840	-	-	-	-	4,820,840	-
Other land (note 7.1.4)	424,523	-	-	-	424,523	-	-	-	-	424,523	-
Buildings on lease-hold land	40,619	-	-	-	40,619	26,732	1,397	-	28,129	12,490	10
Buildings on other land	143,181	-	511,914	-	655,095	30,108	15,573	-	45,681	609,414	10
Recreational facilities (note 7.1.5)	110,641	-	-	-	110,641	10,584	5,003	-	15,587	95,054	5
Furniture and fixtures	24,518	25,656	-	-	50,174	12,834	4,123	-	16,957	33,217	20
Office equipment	61,378	17,213	-	-	78,591	41,279	5,739	-	47,018	31,573	10 - 33
Medical equipment	5,535	-	-	-	5,535	1,101	102	-	1,203	4,332	10 - 33
Computer equipment	38,951	5,153	-	-	44,104	29,316	5,063	-	34,379	9,725	33
Vehicles	70,553	1,583	-	10,941	61,195	40,144	5,050	2,583	42,610	18,585	20
2024	5,864,629	49,605	511,914	10,941	6,415,207	192,098	42,049	2,583	231,564	6,183,643	

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Particulars	Cost / Revaluation Amount					Accumulated Depreciation				Revalued Amount / Written Down Value As At June 30, 2023	RATE
	As at July 01, 2022	Additions/ revaluation	Transfers *	Disposals / Reversal ***	As at June 30, 2023	As at July 01, 2022	Charge for the year	Disposals	As at June 30, 2023		
	----- (Rupees in '000) -----										%
Free-hold land (notes 7.1.1 and 7.1.2)	541,599	-	-	417,709	123,890	-	-	-	-	123,890	-
Lease-hold land (notes 7.1.1 and 7.1.2)	2,722,117	4,042,936	231,105	2,175,318	4,820,840	-	-	-	-	4,820,840	-
Other land (note 7.1.4)	1,381,814	-	294,973	1,252,264	424,523	-	-	-	-	424,523	-
Buildings on lease-hold land	40,619	-	-	-	40,619	25,180	1,552	-	26,732	13,887	10
Buildings on other land	137,803	5,378	-	-	143,181	18,092	12,016	-	30,108	113,073	10
Recreational facilities (note 7.1.5)	108,460	2,181	-	-	110,641	5,423	5,161	-	10,584	100,057	5
Furniture and fixtures	18,100	6,418	-	-	24,518	10,721	2,113	-	12,834	11,684	20
Office equipment	59,430	2,551	-	603	61,378	35,773	5,506	-	41,279	20,099	10 - 33
Medical equipment	5,147	388	-	-	5,535	985	116	-	1,101	4,434	10 - 33
Computer equipment	35,041	3,910	-	-	38,951	24,970	4,346	-	29,316	9,635	33
Vehicles	56,150	14,403	-	-	70,553	33,302	6,842	-	40,144	30,409	20
2023	5,106,280	4,070,606	526,078	3,845,894	5,864,629	154,446	37,652	-	192,098	5,672,531	

* Represent the transfer from Capital work-in-progress.

** Represents land transferred (i.e. amenities) from development properties to property, plant and equipment (note 13).

*** Represents land transferred to development properties.

7.1.1 The Company has carried out the last valuation exercise through an independent valuer in year 2023 which has resulted in net surplus of Rs. 1,349 million (note 22).

The fair values were determined with reference to market based evidence, based on active market prices and relevant enquiries and information as considered necessary, and adjusted for any difference in nature, location or condition of the specific properties. The fair value of said lands falls under level 3 of fair value hierarchy (i.e. significant observable inputs).

7.1.2 The forced sale value of freehold land and leasehold land are Rs. 3,856 million based on the latest revaluation carried out by an independent valuer on June 30, 2023, respectively.

7.1.3 The immovable assets (i.e. free-hold, leasehold land and other land) of the Company as at June 30, 2024 have a net area of 100.31 acres free-hold land, leasehold land and other land respectively, located at Naya Nazimabad, Deh, Manghopir, Gadap Town, Scheme 43, Karachi, and is used by the Company for business purposes.

7.1.4 Land classified as 'Other land' are amenity plots (i.e. land for construction of mosques and Public Building).

7.1.5 Recreational facilities are cricket and football ground.

7.1.6 The depreciation charge for the year has been allocated to administrative expenses.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	----- (Rupees in '000) -----	
7.2 Capital work-in-progress			
Opening		3,084,057	1,975,340
Additions to capital work-in-progress		1,030,236	1,108,716
Transfer from capital work-in-progress		(511,914)	-
Closing	7.2.1	<u>3,602,379</u>	<u>3,084,057</u>

7.2.1 The details of capital work-in-progress are as under:

Gymkhana (club house)	2,764,445	2,212,165
Jama masjid	-	388,579
Hospital	837,934	483,313
	<u>3,602,379</u>	<u>3,084,057</u>

8. INTANGIBLE ASSETS

	Cost			Rate	Accumulated Amortization			Net Book Value
	As At July 1, 2023	Addition During The Year	As At June 30, 2024		As At July 1, 2023	Charge During The Year	As At June 30, 2024	As At June 30, 2024
	----- (Rupees in '000) -----			%	----- (Rupees in '000) -----			
Software - 2024	5,751	-	5,751	20	3,738	1,150	4,888	863
Software - 2023	5,751	-	5,751	20	2,588	1,150	3,738	2,013

		2024	2023
	Note	----- (Rupees in '000) -----	
9. INVESTMENT PROPERTIES			
Open plots of land - at fair value	9.1	<u>603,370</u>	<u>553,126</u>

9.1 Investment properties comprise of various properties having aggregated area of 104,813 square yards (2023: 104,813 square yards) situated at Deh Mangopir and other locations in Karachi (note 9.1.5).

		2024	2023
	Note	----- (Rupees in '000) -----	
9.1.1 The movement in investment properties during the year is as follows:			
As at July 01		553,126	719,991
Disposal during the year		-	(195,440)
Remeasurement gain	9.1.2	50,244	28,575
As at June 30		<u>603,370</u>	<u>553,126</u>

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

9.1.2 An independent valuation was carried out by the Company through an independent professional valuer M/s Asif Associates (Private) Limited on June 30, 2024 and the fair value of Rs.603.37 million (2023: Rs.553.13 million) was determined with reference to market based evidence, active market prices and relevant information. Accordingly, the fair value adjustment of Rs. 50.24 million (2023: Rs. 28.58 million) is recognised in profit or loss. The fair value of investment property falls under level 2 of fair value hierarchy (i.e. significant observable inputs).

9.1.3 In order to make a fair and realistic evaluation of the assets the team of assessors visited the property on July 11, 2024 and subsequently, to check and verify the quantity and quality of the land. They also checked the present condition of the area to establish its present usage and possibility of the sale. They met and held discussions with a number of realtors dealing in property in these areas and investigated the price of similar property in the general vicinity.

9.1.4 The aggregated forced sale value of investment properties as per the latest valuation reports are Rs. 483.59 million (2023: Rs. 443 million).

9.1.5 The details of investment properties as of June 30, 2024 are as follows:

S.No	Location of investment properties	Land area	Valuation of property ----- (Rupees in '000) -----	Forced sale value
1.	Survey No 85 situated at Deh Halkani, Tappo Manghopir, Taluka Manghopir, District West Karachi.	12 acres and 10 ghuntas	55,125	44,100
2.	Survey no 79 situated at Deh Halkani, Tappo Manghopir, Taluka Manghopir, District West Karachi.	04 acres and 36 ghuntas	22,050	17,640
3.	Plots No 27-C to 36-C at N.C-1 Deh Orangi Town District West Karachi.	4,949 sq yds	95,190	76,152
4.	Plots No 11-C to 16- C at N.C-1 Deh Orangi Town District West Karachi.	3,385 sq yds	64,315	51,452
5.	Plots No 17-C to 26- C at N.C-1 Deh Orangi Town District West Karachi.	5,010 sq yds	95,190	76,152
6.	Plot No D-24 Survey No 32 situated at Deh Manghopir District West Karachi.	2,123 sq yds	59,500	47,600
7.	N.C. 182, Deh Khari Lakhi, Anwer Shamim Road, North Nazimabad, District Central, Karachi.	9,680 sq yds	212,000	169,600
			2024	2023
		Note	----- (Rupees in '000) -----	-----

10. LONG-TERM DEPOSITS

Utilities	4,701	4,701
Rent	500	500
Lease deposits	3,603	5,802
Others	721	716
	9,525	11,719

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ----- (Rupees in '000) -----	2023
11. LONG-TERM INVESTMENTS			
Debt Instruments - designated at fair value through profit and loss - Naya Nazimabad Apartment REIT			
Carrying Amount		2,312,870	2,173,750
Appreciation on remeasurement of investment		793,116	139,120
	11.1	3,105,986	2,312,870
Debt Instruments - designated at fair value through profit and loss - Signature Residency REIT			
Carrying Amount		132,000	-
Appreciation on remeasurement of investment		19,932	-
	11.1	151,932	-
Equity Instruments - designated at fair value through Profit and loss Sapphire Bay Islamic Development REIT			
Carrying Amount		3,153,534	-
Appreciation on remeasurement of investment		-	-
	11.2	3,153,534	-
		6,411,452	<u>2,312,870</u>

11.1 NNAR & SRR is a limited life (indicatively 7 years and 4 Years respectively), within which it will construct and sell the residential and commercial properties on this land. Thereafter, it will be liquidated and the leftover assets will be distributed to the unitholders. In the context of limited life entities, the ownership interests by default meet the financial liability definition of IAS 32, as there is a present obligation of the entity to deliver the cash to the owners upon liquidation and the liquidation is certain to occur and beyond the control of parties to the instrument. Considering this, the management has classified it as debt instrument. Further, since the contractual terms of the instrument do not give rise to, on specified dates, cash flows that are solely payments of principal and interest on the principal amount outstanding, the investment is classified at fair value through profit or loss.

11.2 The Company has invested PKR 3,500 million in Sapphire Bay Islamic Developmental REIT. It is a closed end shariah compliant developmental (PPP) REIT Scheme with perpetual life. The REIT has entered into a Public Private Partnership Agreement with Ravi Urban Development Authority for development, marketing and sale of Phase 1 Zone 3 Sapphire Bay at Ravi City (admeasuring 2,000 acres of land). The Company is a lead member in the project. For PKR 3,500 million invested 315 million unit at a face value of Rs 10 each has been issued and units in respect of advance outstanding as of reporting date of PKR 310 million will be issued subsequently. As at June 30, 2024 the face value of the units is equal to market value of the units.

	Note	2024 ----- (Rupees in '000) -----	2023
12. LONG TERM ADVANCES			
Advance against issuance of units	12.1.	310,813	2,135,697
Advance against investment properties	12.2.	662,690	-
		973,503	<u>2,135,697</u>

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	----- (Rupees in '000) -----	
12.1. Movement			
Opening		2,135,697	-
Advance provided during the year		1,328,650	2,135,697
Issuance of shares during the year		(3,153,534)	-
Closing	11.2.	<u>310,813</u>	<u>2,135,697</u>

12.2. This represents the aggregate of the initial down payment and subsequent periodic payments made to M/s. Globe Residency REIT, a related party, in respect of the purchase of 44 residential flats in Globe Residency REIT project situated at Naya Nazimabad, Deh Manghopir, Gadap Town, Karachi.

		2024	2023
	Note	----- (Rupees in '000) -----	
13. DEVELOPMENT PROPERTIES			
Land			
Opening balance		17,641,300	16,441,918
Add: Additions during the year		1,633,900	1,199,382
		<u>19,275,200</u>	<u>17,641,300</u>
Development expenditure incurred			
Opening balance		14,666,564	13,083,037
Add: Incurred during the year		821,687	1,583,527
		<u>15,488,251</u>	<u>14,666,564</u>
Borrowing costs related to development properties			
Opening balance		4,705,491	3,388,027
Add: Additions during the year	38	1,466,707	1,317,464
		<u>6,172,198</u>	<u>4,705,491</u>
		<u>40,935,649</u>	<u>37,013,355</u>
Transferred to:			
- property, plant and equipment		(597,080)	(597,080)
- investment properties		(40,291)	(40,291)
- cost of sales to date	34	(15,643,272)	(14,362,775)
- development charges incurred and apportioned to date	34	(6,105,369)	(5,677,947)
- disposal of assets		(1,055,022)	(1,055,022)
		<u>17,494,615</u>	<u>15,280,240</u>

13.1 The land under development properties having an area of 425.55 acre has been mortgaged / pledged with various financial institutions against financing facilities obtained.

		2024	2023
	Note	----- (Rupees in '000) -----	
14. TRADE DEBTS			
Secured, considered good			
Receivable against:			
- sales of plots and bungalows	14.1	487,150	9,906,180
- utilities infrastructure charges		93,632	172,391
- maintenance services		218,746	117,587

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ----- (Rupees in '000) -----	2023 -----
- development charges incurred:			
- billed	14.2	191,050	191,831
- un-billed	14.3	389,259	426,377
		580,309	618,208
		1,379,837	10,814,366
		(18,631)	-
Allowance for expected credit losses		1,361,206	10,814,366

14.1 This includes:

- Rs. 250 million, receivable from Globe Residency REIT (GRR), a REIT Scheme managed by Arif Habib Dolmen REIT Management Limited, (a related party) on account of sale of land.
- Rs. 148.148 million, receivable from Parkview Apartment REIT (PVAR), a REIT Scheme managed by Arif Habib Dolmen REIT Management Limited, (a related party) on account of sale of land.

14.2 Represents development cost billed to customers as per the terms of their sale agreement.

14.3 Represents development cost incurred but not billed to customers as of reporting date, however the same will be billed to the respective customers in accordance with the terms of the sale contract.

14.4 As of June 30, 2024 and 2023, the ageing analysis of unimpaired trade debts are as follows:

	Past due but not impaired				
	Total	Not yet due	> 30 days upto 120 days	> 121 days upto 180 days	180 days and above
----- (Rupees---000) -----					
Sales of plots and bungalows:					
Related party					
Globe Residency REIT	250,000	250,000	-	-	-
Parkview Apartment REIT	148,148	-	-	-	148,148
Abdul Ghani	3,412	-	-	-	3,412
Other than related parties	85,590	-	1,220	5,300	79,070
	487,150	250,000	1,220	5,300	230,630
Utilities infrastructure charges					
Other than related parties	93,632	93,632	-	-	-
	93,632	93,632	-	-	-
Maintenance services					
Related party					
Other than related parties	182,421	182,421	-	-	-
	182,421	182,421	-	-	-
Development charges incurred:					
Other than related parties - billed and unbilled	580,309	389,259	191,050	-	-
2024	1,343,512	915,312	192,270	5,300	230,630

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Past due but not impaired				
	Total	Not yet due	> 30 days upto 120 days	> 121 days upto 180 days	180 days and above
Sales of plots and bungalows:					
Related party					
Globe Residency REIT	250,000	250,000	-	-	-
Gymkhana Apartment REIT	3,727,250	3,727,250	-	-	-
Parkview Apartment REIT	2,304,900	2,304,900	-	-	-
NN Apartment REIT	2,887,125	2,887,125	-	-	-
Signature Residency REIT	619,600	-	619,600	-	-
Abdul Ghani	3,412	-	3,412	-	-
Other than related parties	113,893	32,075	27,563	-	54,255
	9,906,180	9,201,350	650,575	-	54,255
Utilities infrastructure charges					
Other than related parties	172,391	-	172,391	-	-
	172,391	-	172,391	-	-
Maintenance services					
Related party					
- Nida Ahsan	806	806	-	-	-
- Arif Habib	389	389	-	-	-
- Abdul Ghani	569	569	-	-	-
- Syed Muhammad Talha	278	278	-	-	-
Other than related parties	115,545	115,545	-	-	-
	117,587	117,587	-	-	-
Development charges incurred:					
Other than related parties - billed and unbilled	618,208	426,377	191,831	-	-
	618,208	426,377	191,831	-	-
2023	10,814,366	9,745,314	1,014,797	-	54,255

14.5 The maximum amount outstanding at any time during the year calculated by reference to month end balances are as follows:

	Note	2024 ----- (Rupees in '000) -----	2023
Haji Abdul Ghani		3,412	3,412
Gymkhana Apartment REIT		-	3,727,250
Parkview Apartment REIT		148,148	2,304,900
NN Apartment REIT		-	2,887,125
Signature Residency REIT		-	619,600
Global Residency REIT		250,000	250,000

15. LOANS AND ADVANCES - Considered good

Loans - secured

Executives	15.2	4,745	5,871
Employees		5,306	4,491
	15.1	10,051	10,362

Loans - unsecured

Loan to a related party - Naya Nazimabad Apartment REIT	15.4	485,133	-
---	------	---------	---

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		----- (Rupees in '000) -----	
Advances - unsecured			
Suppliers	15.5	344,135	498,133
Contractors		211,428	194,195
Employees for expenses		6,914	5,232
REIT management company		657,255	-
Purchase of properties	15.3	14,150	139,150
		1,233,882	836,710
		1,729,066	847,072

15.1 Represents interest free loans given to employees for various reasons in accordance with the terms of the employment. These loans are repayable within twelve months and are secured against staff gratuity fund.

		2024	2023
		----- (Rupees in '000) -----	
15.2 The movement in loans to executives are as follows:			
Balance as of 01 July		10,362	12,752
Loans obtained during the year		21,956	9,393
Adjusted during the year		(22,687)	(11,783)
Balances as of 30 June		9,631	10,362

15.3 Represents advances (as partial payments) given for purchase of various properties under the terms of agreement agreed between the Company and third parties.

15.4 The Company has entered into an arrangement with Naya Nazimabad Apartment REIT (REIT Scheme) (a related party) in relation to Short-Term Advance for acquisition of Real Estate by the REIT Scheme to the extent of Rs.500 million. This carries markup rate at 3 month's KIBOR plus 1.80 percent payable quarterly.

15.5 Included herein advances to related parties for purchase of cement and concrete, as follows:

		2024	2023
		----- (Rupees in '000) -----	
	Note		
- Safemix Concrete Limited		6,026	83,469
		6,026	83,469

16. TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Trade deposits - Unsecured

Considered good			
- Security deposit with Sindh Building Control Authority		3,345	3,345
- Others	16.1	14,723	14,723
		18,068	18,068

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----
Considered doubtful		
- Guarantee margin	225	225
- Contractors	2,680	2,680
	2,905	2,905
Allowances for expected credit losses	(2,905)	(2,905)
	18,068	18,068
Prepayments		
Insurance	4,052	3,657
Others	7,492	4,214
	11,544	7,871
Other receivables - Unsecured		
Sales tax refundable - considered doubtful	4,703	4,703
Reimbursable expenses	73,538	37,925
Excise duty refundable - considered good	574	574
Receivable from related parties - considered good	1,359,411	1,021,532
Others - considered good	32,542	19,876
	1,470,768	1,084,610
Allowances for expected credit losses	(5,276)	(4,703)
	1,465,492	1,079,907
	1,495,104	1,105,846

16.1 Included herein Rs. 14.7 million deposited with Honorable High Court of Sindh in respect of labor case pending adjudication.

	2024	2023
Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----
16.2 Included herein receivables from related parties, as follows:		
- International Builders and Developers (Private) Limited - associate	307	280
- Rahat Residency REIT	16,623	14,745
- Haji Abdul Ghani	369	369
- Naya Nazimabad apartment REIT	30,439	49,153
- Gymkhana apartment REIT	-	6,023
- Parkview apartment REIT	8,935	5,910
- Meezan Centre apartment REIT	10,908	3,263
- Globe Residency REIT	94,167	18,150
- Sapphire Bay Islamic Development REIT	1,053,163	865,139
- Arif Habib Engineering and development consultants (Pvt) Limited	144,500	58,500
	1,359,411	1,021,532

16.3 These are past due but not impaired.

16.4 The maximum amount outstanding from related parties at any time during the year calculated by reference to month end balances are as follows:

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ----- (Rupees in '000) -----	2023
- International Builders and Developers (Private) Limited - associate		307	280
- Naya Nazimabad apartment REIT		88,413	49,153
- Haji Abdul Ghani		369	369
		89,089	49,802

17. SHORT-TERM INVESTMENTS

At amortized cost

Term deposit receipts (TDRs)	17.1	13,000	13,000
------------------------------	------	--------	--------

Designated at fair value through profit or loss

equity Instruments	17.2 & 17.3 & 17.4	124,200	126,316
--------------------	--------------------	---------	---------

Debt securities at fair value through profit or loss

Investment in Unquoted TFCs of:			
- Term Finance Certificate of Commercial Bank I	17.5	844,475	844,730
- Term Finance Certificate of Commercial Bank II	17.6	725,850	729,675
		1,707,525	1,713,721

17.1 This carries mark-up at 7.4 to 10.39% (2023: 7.4% to 9%) having maturity upto one year i.e. latest by April 05, 2024.

17.2 As of June 30, 2024, the details of equity instruments designated at FVTPL held by the Company are as follows:

Company name	Number of shares		Fair value	
	2024	2023	2024	2023
	----- (Rupees in '000) -----			
Globe Residency REIT	9,200,000	9,200,000	124,200	126,316
	9,200,000	9,200,000	124,200	126,316

	Note	2024 ----- (Rupees in '000) -----	2023
17.3 The movement of equity instruments is as follows:			
Balance as at July 01		126,316	-
Cost of investments made		-	101,200
Investment dispose off during the year		-	-
Unrealized gain for the year - net	39.	(2,116)	25,116
Balance as at June 30		124,200	126,316

17.4 The fair value of equity instruments designated at FVTPL falls under Level 1 of the fair value hierarchy (i.e. quoted market prices).

17.5 This represents the investment in 8,500 Term Finance Certificates (TFCs) having face value of Rs. 100,000/- each. These TFCs have been issued by the commercial bank as redeemable capital and carry interest at the rate of 6 month average KIBOR + 2% per annum (payable semi-annually). The rating of the said TFC's is AA-.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

20.1 The major shareholders of the Group as at June 30, 2024 and June 30, 2023 are as follows:

	2024	2023	2024	2023
	----- % holding -----		----- (Rupees in '000) -----	
Haji Abdul Ghani	12%	12%	456,458	451,973
Arif Habib Corporation Limited	16%	10%	594,956	380,611
Arif Habib Equity (Private) Limited	29%	29%	1,092,433	1,092,433
			2,143,847	1,925,016

20.2 The ordinary share holders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares, as and when declared by the Group. All shares carry one vote per share without restriction.

20.3 Movement in ordinary shares issued on conversion of preference share capital is as below:

	2024	2023	2024	2023
	----- Number of Shares -----		----- (Rupees in '000) -----	
Opening	61,661,763	61,661,763	616,618	616,618
Shares issued on conversion of preference shares during the year	-	-	-	-
Closing	61,661,763	61,661,763	616,618	616,618

21. RESERVES	Note	2024	2023
		----- (Rupees in '000) -----	
Capital reserves			
Tax holiday reserve	21.1	11,966	11,966
Share premium	21.2	2,746,327	2,746,327
		2,758,293	2,758,293
Revenue reserve			
General reserves	21.3	63,500	63,500
Un-appropriated profits		9,946,094	10,531,068
		10,009,594	10,594,568
		12,767,887	13,352,861

21.1 This reserve was created under Section 15BB of the repealed Income Tax Act, 1922. Under the aforesaid section, the Group was required to set aside a fixed percentage of the tax exempted, due to tax holidays, as a reserve not distributable to the shareholders.

21.2 This reserve can only be utilised by the Group for the purpose specified in Section 81 of the Companies Act, 2017.

21.3 Represents reserve created out of profit up to the period 1994-1995 for future contingencies and dividends.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	----- (Rupees in '000) -----	
22. REVALUATION SURPLUS ON LANDS			
Balance as at July 01:			
Development properties		4,133,524	4,186,359
Property, plant and equipment		4,683,831	4,207,831
		8,817,355	8,394,190
Surplus arising on revaluation of lands during the year		-	1,349,027
Transfer to unappropriated profit on sale of development properties		(67,455)	(925,862)
Balance as at June 30		8,749,900	8,817,355
Represented by:			
Development properties		4,939,096	4,133,524
Property, plant and equipment	7.1.1	3,810,804	4,683,831
		8,749,900	8,817,355

		2024	2023
	Note	----- (Rupees in '000) -----	
23.1 Long Term Financing - Secured			
Term finance loan I	23.1	-	375,200
Term finance loan II	23.2	1,783,963	2,292,061
Term finance loan III	23.3	1,000,000	1,000,000
Term finance loan IV	23.4	900,000	900,000
Sukuk certificates	23.5	1,244,648	1,742,333
Diminishing musharakah I	23.6	375,000	535,714
Diminishing musharakah II	23.7	624,449	810,530
Diminishing musharakah III	23.8	785,714	1,000,000
Islamic refinance facility	23.9	343,436	289,064
		7,057,210	8,944,902
Current maturity of long-term financings		(3,132,112)	(2,319,667)
		3,925,098	6,625,235

23.1 The company has fully repaid the principal during the year.

23.2 The Group has obtained term finance facility of Rs. 2,500 million from a commercial bank for the completion of under construction projects. It carries mark-up at the rate of 6 months KIBOR plus 1 percent per annum and is repayable in 10 semi-annual installment with 12 months grace period. The facility is secured by equitable mortgage charge over land at project site with 30% margin over market value / with 20% margin over forced sales value, whichever is higher. The Group has incurred transaction cost of Rs. 12.5 million to obtain said financing.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- 23.3** The Group has obtained term finance facility of Rs. 1,000 million from a commercial bank for the completion of under construction projects. It carries mark-up at the rate of 6 months KIBOR plus 1 percent per annum and is repayable in 03 semi-annual installment with 18 months grace period. The facility is secured by equitable mortgage charge over land at project site with 25% margin over market value. The facility is secured by equitable mortgage charge over land of Rs. 1,333.334 million located at Block H and Block Q, Naya Nazimabad Karachi.
- 23.4** The Group has obtained a term finance facility of Rs. 900 million from a commercial bank to finance the ongoing infrastructure development including utility (electricity) infrastructure development of Block A, C and D of Naya Nazimabad project. The loan is repayable in bullet payment at maturity. It carries mark-up at the rate of 6 month KIBOR plus 1 percent per annum. The facility is secured by equitable mortgage charge over land.
- 23.5** The Group has issued privately placed sukuk certificates aggregating to Rs. 2,993 million having face value of Rs.100,000/- each to eligible institutions / investors (i.e. the certificate holders or beneficiaries) for a period of 8 years (inclusive of 2 years grace period) to make payment of commercial land purchased in the year 2018. These carry markup at the rate of 6 months KIBOR plus 1.75 percent per annum and are redeemable in 12 equal installments starting from April 04, 2021 till October 04, 2026. The Group is liable to pay annual trustee fee of Rs.0.75 million to Pak Brunei Investment Group Limited (the trustee) under the trust deed dated September 14, 2018. The facility is secured by equitable mortgage charge over land of Rs. 4,285.714 million against 49 plots located at Tapo Manghopir, Taluka Gadap Town, District Karachi and other assets (i.e. stand-by letter of credits, collection account and sponsors support agreements). The Group has incurred transaction cost of Rs. 47.776 million to obtain said financing.
- 23.6** Represent diminishing musharaka facility of Rs. 750 million from a commercial bank to finance the ongoing infrastructure development of Naya Nazimabad project for a period of 5 years with eighteen months grace period. It carries mark-up at the rate of 3 month KIBOR plus 1 percent per annum. The musharaka units are to be purchased by December 2025. The facility is secured by equitable mortgage charge and registered mortgage over land at project site, pledge of shares with at least 30% margin and personal guarantee of related parties.
- 23.7** The Group has obtained diminishing musharaka facility of Rs. 1,000 million from a commercial bank to finance the ongoing infrastructure development of Naya Nazimabad. This loan is repayable in 5 years with 12 months grace period. It carries mark-up at the rate of 3 month KIBOR plus 1.10 percent per annum. The musharaka units are to be purchased by September 2026. The facility is secured by equitable mortgage charge and registered mortgage over land at project site, first exclusive charge with 25% margin on property having market value and forced sales value of Rs. 1,558 million and Rs. 1,247 million respectively and personal guarantee of director of the Group. The Group has incurred transaction cost of Rs. 5 million to obtain said facility.
- 23.8** The Group has obtained diminishing musharaka facility of Rs. 1,000 million from a commercial bank to finance the ongoing infrastructure development of Naya Nazimabad project. The loan is repayable in 5 years with eighteen months grace period. It carries mark-up at the rate of 3 month KIBOR plus 1 percent per annum. The musharaka units are to be purchased by December 2026. The facility is secured by equitable mortgage charge and registered mortgage over land at project site with 43.18% margin and personal guarantee of directors of the Group along with personal net worth statement amounting to Rs. 1,333.34 million.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

23.9 The Company has obtained long-term financing from a commercial bank having a limit of Rs 1,000 million under Islamic Refinance facility for combating COVID-19 by State Bank of Pakistan. It carries a flat mark-up at the rate of 3 percent per annum with no floor or cap and is repayable in 18 quarterly installments commencing from April 2022 discounted at effective rate of interests at 6.65% percent per annum. The differential mark-up has been recognised as government grant which will be amortised to interest income over the period of the facility. The facility is secured by equitable mortgage charge over land at project site with market value of Rs. 1,336 million with 25% margin. As of the reporting date, the Company has drawdown Rs. 609.63 (2023: 450) million.

In addition, the Company has obtained diminishing musharaka facility of Rs. 550 million for a period of 10 years to the SBP refinance facility. It carries markup mark-up rate of 3 month KIBOR plus 1.00% per annum and is repayable in 20 equal quarterly installment. As of the reporting date, the said facility remains fully unutilised.

	2024	2023
Note	----- (Rupees in '000) -----	
24. DEFERRED GRANT		
As at July 1, 2023	70,991	98,626
Recognised during the year	43,101	-
Released to profit or loss	(37,619)	(27,635)
As at June 30, 2024	76,474	70,991
Current portion shown under current liabilities	34,693	28,872
Non-current portion	41,781	42,119
	76,474	70,991

25. DEFERRED LIABILITY - GRATUITY

25.1 General description

As stated in note 5.13 to these financial statements, the Group operates a retirement benefit plan (the Plan) namely approved funded gratuity scheme for all its permanent employees to provide post retirement benefits to all full-time management staff employees. Actuarial valuation of these plans is carried out every year and the latest actuarial valuation was carried out as at June 30, 2024.

Plan assets held in trust are governed by local regulations which mainly includes repealed Trust Act 1882 (now Sindh Trusts Act, 2020), Companies Act, 2017, Income Tax Rules, 2002 and Rules under the Trust deed of the Plans. Responsibility for governance of the Plans, including investment and funding decisions and contribution schedules lies with the Board of Trustees. The Group appoints the trustees and all trustees are employees of the Group.

25.2 Principal actuarial assumptions

The latest actuarial valuation for defined benefit plan scheme was carried out as at June 30, 2024 using the Projected Unit Credit Method (PUCM). The following significant assumptions were used for the actuarial valuation:

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	----- (Rupees in '000) -----	
Discount rate %		16.25	16.25
Expected rate of increase in salary levels %		15.50	16.25
Expected rate of return on plan assets %		8.11%	8.11%
Average retirement age of the employee		60 years	60 years
		2024	2023
	Note	----- (Rupees in '000) -----	
25.3 Reconciliation of amount payable to defined benefit plan			
Present value of defined benefit obligation	25.4	97,972	79,669
Less: Fair value of plan assets	25.6	(291)	(278)
Payable		3,969	3,990
	25.5	<u>101,650</u>	<u>83,381</u>
25.4 Movement in present value of defined benefit obligation			
Present value of obligation as at July 1		79,669	64,387
Current service cost		17,143	14,677
Past service cost (Credit)		2,570	-
Interest cost		11,751	8,022
Benefits paid		(13,591)	(6,188)
Liability transferred from other group Group		1,648	714
Liability transferred to other group Group		(1,647)	(714)
Benefits due but not paid		(1,110)	(1,497)
Actuarial loss on re-measurement of obligation		1,540	268
Present value of obligation as at June 30		<u>97,972</u>	<u>79,669</u>
25.5 Movement in payable to defined benefit plan			
Opening liability		83,380	69,441
Charge for year to profit or loss	25.8	31,388	22,209
Other comprehensive loss / (gain)	25.9	1,603	874
Net liability transferred from / (to) other group Group		-	-
Contributions to the fund		(14,721)	(9,144)
Closing liability		<u>101,650</u>	<u>83,380</u>
25.6 Movement in fair value of plan assets			
Fair value of plan assets as at July 1		278	2,279
Contributions		14,721	8,668
Interest Income on plan assets		76	489
Benefits paid		(14,721)	(10,553)
Benefits due but not paid		-	-
Adjustment of opening payable		-	-
Return on plan assets excluding interest income		(63)	(605)
Fair value of plan assets as at June 30		<u>291</u>	<u>278</u>

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

25.7 The plan assets comprise of bank balances only.

	2024	2023
	----- (Rupees in '000) -----	
25.8 Expense recognised in profit or loss		
Current service cost	17,144	14,677
Past service cost (Credit)	2,570	-
Interest cost on defined benefit obligation	11,750	8,021
Interest income on plan assets	(76)	(489)
	<u>31,388</u>	<u>22,209</u>

25.9 Actuarial loss / (gain) on re-measurement of plan assets / obligation comprise of:

Actuarial losses / (gains) from changes in financial assumptions	(76)	(164)
Experience adjustments	1,617	433
	<u>1,540</u>	<u>269</u>
Return on plan assets excluding interest income	63	605
Total remeasurements chargeable in other comprehensive income	<u>1603</u>	<u>874</u>

25.10 The plan exposes the company to the following risks:

- Mortality risk:** Mortality rates are based on State Life Corporation (SLIC 2001-2005) ultimate mortality rates with 1 year setback as per recommendation of Pakistan Society of Actuaries "PSOA".
- Investment risk:** The risk of the investment underperforming and not being sufficient to meet the liability. This is managed by formulating an investment policy and guidelines based on which investments are made after obtaining approval from trustees of fund.
- Salary increase risk:** The risk that the final salary at the time of cessation of service is higher than what was assumed. Since the benefit is calculated on the final salary, the benefit amount increases similarly.
- Withdrawal risk:** The risk that the actual mortality / withdrawal experience is different. The effect depends upon the beneficiaries service/age distribution and benefit.

25.11 Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected rate of salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant:

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Impact on defined benefit obligation		
Change in assumption	Increase in assumption	Decrease in assumption
%	----- (Rupees in '000) -----	

Sensitivity analysis

Discount rate	1	68,678	(79,443)
Salary growth rate	1	79,432	(68,599)

25.12 The expected gratuity expense for the year ending June 30, 2025 works out to Rs. 25.459 million.

25.13 The weighted average duration of the defined benefit obligation at June 30, 2024 is 7 years (2023: 7 years).

	Note	2024	2023
		----- (Rupees in '000) -----	
26. TRADE AND OTHER PAYABLES			
Creditors	26.1	341,737	125,669
Accrued liabilities		186,271	108,104
Retention money		185,643	206,295
Withholding tax payable		9,507	43,708
Book Overdraft		8,243	15,502
Other payables:			
- on cancellation of plots		8,917	8,917
- against other projects		3,096,893	1,656,625
- against musharaka partners		359,454	-
- against broker market		10,440	67,400
- non-violation charges		89,306	88,669
- Signature Residency REIT		58,628	147,467
		4,355,039	2,468,356

26.1 Included herein amount payable to the following related parties:

Power Cement Limited	10,256	-
Rotocast Engineering Company (Private) Limited	238	-
	10,494	-

	Note	2024	2023
		----- (Rupees in '000) -----	
27. ADVANCE AGAINST ISSUE OF SHARES			
	27.1	1,774,157	990,000

27.1 An association of consorteium members to achieve the objectives of the Ravi Urban Development Authority (RUDA) was formed on May 20, 2021. These members have given the following advances as at June 30, 2024 against issuance of Company's shares that is subject to change based on mutual consent;

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Name of investor

Rs in 000's.

- Fatima Fertilizer Company Limited	319,132
- Ghani Group Services Limited	217,132
- Soorty Group	209,846
- Stylers International (Pvt) Limited	188,423
- JW SEZ (Pvt) Limited	209,286
- Liberty Mills Limited	158,563
- DIN Group	217,132
- Ejaz Spinning Mills	100,000
- Mascon (Private) Limited	154,643
	1,774,157

28. PREFERENCE SHARES

28.1 Issued, subscribed and paid-up preference shares

2024	2023		2024	2023
---- (No of Shares) ----			----- (Rupees in '000) -----	
45,150,200	45,150,200	Preference shares of Rs.10 each	451,502	451,502
(45,099,700)	(45,099,700)	Shares cancelled on conversion into ordinary shares	(450,997)	(450,997)
50,500	50,500		505	505

28.2 The preference shares are convertible into ordinary shares at conversion price of 80% of the weighted average of closing price of the ordinary share (adjusted for any bonus or right shares announced by the Company subsequent to the issue) quoted in the daily quotation of Pakistan Stock Exchange Limited during the three months immediately prior to the relevant conversion date in a ratio to be determined by dividing the aggregate face value of the preference shares plus any accumulated dividends and/or accrued dividend by the conversion price.

- The shares were issued under the provision of Section 86 of the repealed Companies Ordinance, 1984 (the repealed Ordinance) read with Section 90 of the repealed Ordinance and the Companies Share Capital (Variation in Rights and Privileges) Rules, 2000.
- The financial capital of the Company and the issue of the shares were duly approved by the shareholders of the Company at the Extraordinary General Meeting held on May 07, 2011 and return of allotment of shares was filed under Section 73(1) of the repealed Ordinance.
- Dividend on the shares is appropriation of profit both under the repealed ordinance (now Act) and the tax laws.
- The preference shareholders have the right to convert these shares into ordinary shares.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		----- (Rupees in '000) -----	
29.	ACCRUED MARK-UP		
	Accrued markup on :		
	- long-term financings	491,320	255,149
	- short-term borrowings	55,104	193,185
		546,424	448,334

29.1 This includes markup payable to Arif Habib Corporation Limited, Arif Habib, Arif Habib Limited and Haji Abdul Ghani - related parties of Rs. 10.558 million, Rs. Nil million, Rs. Nil million, and Rs. 0.76 million (2023: Rs. 28.618 million, 57.403 million, 2.071 million and Rs.0.76 million).

		2024	2023
		----- (Rupees in '000) -----	
30.	CONTRACT LIABILITIES		
	Advance from customers	27,146	60,590
	Liability against performance obligation	269,959	448,649
	Advance against Club house Membersip	179,163	125,000
		476,268	634,239

30.1 Advance from customers

Advance against:			
- plots and bungalows		12,192	45,636
- flats and commercial sites		14,954	14,954
		27,146	60,590

30.2 Liability against performance obligation

Represents portion of development charges received from customers against which the Company is obliged to incur development charges in future.

		2024	2023
		----- (Rupees in '000) -----	
31.	SHORT-TERM BORROWINGS - Secured		
	Musharakah arrangement		
	Running finance under mark-up arrangements	295,000	300,000
	Running finance under mark-up arrangements	628,549	1,400,155
	Running finance under mark-up arrangements	588,825	1,134,067
	From related party - unsecured		
	Arif Habib Corporation Limited (AHCL)	200,000	614,250
	Arif Habib Limited (AHL)	-	352,000
	Arif Habib (AH)	-	100,000
		1,712,374	3,900,472

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- 31.1** Represents running musharakah facility from a commercial bank of Rs. 300 million for financing needs of the project. This carries markup rate of KIBOR plus 2.15 percent per annum and renewal of the facility is under process and the extension period has been granted by the commercial bank. The facility is secured by token mortgage of Rs. 0.1 million and remaining through equitable mortgage charge over specified piece of land with 30% margin and personal guarantees of the directors.
- 31.2** Represents running finance facility availed from a commercial bank of Rs. 600 million (2023: Rs. 600 million). This carries markup rate at 3 months KIBOR plus 2.5 percent payable quarterly and is secured by token mortgage of Rs. 0.1 million and remaining as equitable mortgage charge of land of the Company and is also secured by personal guarantees of all sponsoring directors of the Company. As of reporting date, the facility is unutilised to the extent of Rs. 0.872 million (2023: Rs. 39.968 million). It includes Rs. 28.537 million of book overdraft.
- 31.3** During the year, the Company has obtained running finance facility availed from a commercial bank of Rs. 1,000 million. This carries markup rate at 3 months KIBOR plus 2.5 percent payable quarterly and is secured as equitable mortgage charge over fixed assets amounting to Rs. 1,333.33 million (inclusive of 25% margin) of the Company and is also secured by personal guarantees of sponsoring director of the Company. As of reporting date, the facility is unutilised to the extent of Rs. 1.742 million (2023: Rs. Nil million)
- 31.4** Represents financing facility availed from a related party to finance the working capital and project requirement. The loan is repayable on demand and carries markup at the rate of 3 month's KIBOR plus 1.80 percent per annum.

32. CONTINGENCIES AND COMMITMENTS

32.1 Contingencies

32.1.1 Existing business

a) Tax related contingencies

- i) Returns of income for tax years 2008 to 2010, 2012 and 2014 were filed under Section 114 of the Income Tax Ordinance, 2001 (the Ordinance) which were deemed to be assessment orders issued by the Commissioner Inland Revenue under Section 120 of the Ordinance. The deemed assessment orders were amended by the taxation authorities under Section 122 of the Ordinance by creating a demand of Rs. 39.791 million, Rs. 80.257 million, Rs. 194.035 million, Rs. 1,003.447 million and Rs. 533.742 million respectively, on account of various matters including disallowances for certain expenses. Being aggrieved, the Group had filed appeals before Commissioner Inland Revenue (Appeals) [CIR(A)] and was allowed partial relief for tax years 2008 to 2010, 2012 and 2014 aggregating to Rs.1,368.895 million. The Group later filed appeal before Appellate Tribunal Inland Revenue (ATIR) which are pending adjudication. However, in year 2019, an appeal effect order was issued for the tax year 2012 whereby, a demand of Rs. 6.64 million has been created and paid by the Group under protest. The Group, based on the opinion of its tax advisor, is confident that there will be no unfavourable outcome in above appeals. Accordingly, no provisions were made in these financial statements.



Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- ii) In year 2017, taxation authorities issued an assessment order in respect of tax year 2011 and made certain disallowances and additions resulting in a reduction in loss for the year from Rs. 1,497.06 million to Rs. 147.48 million. Being aggrieved, the Group filed appeals against these order before CIR(A), however, the CIR(A) upheld the assessment order. The Group later filed appeal before ATIR which is pending adjudication. The Group, based on opinion of its tax advisor, is confident that the case will be decided in favour of the Group. Accordingly, no provisions were made in these financial statements.
- iii) In year 2018, the deemed assessment orders for the tax years 2013 and 2017 were amended by the taxation authorities creating a demand of Rs. 220.22 million and Rs. 486.162 million, respectively. The Group later filed appeal before CIR(A), which was disposed off in year 2020 and the demand was enhanced from Rs. 220.22 million to Rs. 324.58 million for tax year 2013. Being aggrieved, the Group filed appeal before ATIR, which were adjudicated in favor of the Group in year 2020 except for immaterial assessments. The Group, based on the opinion of its tax advisor, is confident of the favourable outcome. Accordingly, no provision has been made in these financial statements.
- iv) In year 2021, the taxation authorities issued an assessment order in respect of tax year 2015 and made certain disallowances and additions resulting in a tax demand of Rs. 527.15 million. Being aggrieved, the Group filed appeals against this order before CIR(A). The Group, based on opinion of its tax advisor, is confident that the case will be decided in favour of the Group. Accordingly, no provisions were made in these financial statements.
- v) In year 2019, the taxation authorities issued an assessment order in respect of tax year 2018 and made certain disallowances and additions resulting in the tax demand of Rs. 658.81 million. Being aggrieved, the Group filed appeals against these order before CIR(A). In year 2021, CIR(A) remanded back the appeal to the relevant Commissioner. Later the Group filed appear before ATIR which is pending adjudication. The Group, based on opinion of its tax advisor, is confident that the case will be decided in favour of the Group. Accordingly, no provisions were made in these financial statements.
- vi) Alternate Corporate Tax (ACT) was applicable on the Group at rate of 17% of accounting income after certain adjustments as mentioned in Section 113(c) of the Income Tax Ordinance, 2001 through Finance Act 2014. Accordingly, the Group had made a provision for ACT for the year ended June 30, 2014 but obtained stay order from the Honourable High Court of Sindh (SHC) against applicability of ACT since tax year 2015 based on the grounds of brought forward losses. Later, the Group had reversed provision previously created of Rs. 131.273 million relating to prior years. Accordingly, the tax provision based on ACT having an aggregated impact of Rs.761.07 million has not been accounted for in these financial statements, instead the Group continues to record the tax provision based on minimum tax under Section 113 of the Income Tax Ordinance, 2001 upto tax year 2018. In year 2019, the Group had adjusted its brought forward losses against taxable income and accordingly, provision for the tax year 2019 and onwards are based on higher of Corporate Tax or ACT.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

In year 2019, the Group had received demand notice from Deputy Commissioner Inland Revenue (DCIR) of Rs. 187.098 million in respect of a non-payment of Alternate Corporate Tax (ACT) for the tax year 2018. The Group had challenged the applicability of Alternative Corporate Tax vide C.P D-2982 of 2019 before SHC. In this regard, an interim order had been granted by SHC that no coercive action is to be taken against the Group till the pendency of the matter before SHC.

- vii) The Group has filed constitutional petition before the High Court of Sindh (SHC) vide Constitutional Petition No. 2564 of 2014 dated May 15, 2014 challenging vires of Workers Welfare Ordinance, 1971. SHC has admitted constitutional petition for regular hearing and issued interim stay order from recovery of Workers' Welfare Fund (WWF) impugned demand by Federal Board of Revenue for the tax year 2013. The management, based on the opinion of the tax advisor, is expecting favourable outcome on the said matter. Accordingly, no liability for WWF since 2014 to 30 June 2023 has been accounted for in these financial statements having an aggregate impact of Rs.155.244 million (2022: Rs. 155.244 million).
- viii) The Group has filed a constitutional petition D-4971 of 2017 dated July 28, 2017 in Honorable High Court of Sindh (SHC) against imposition of tax on undistributed profits under Section 5A of Income Tax Ordinance, 2001. The management is confident of the favourable outcome of this petition, as stay has been granted on similar petitions filed by other companies. Although, the Group has complied with the requirements related to distribution of profits for the years but the petition in this regarding is still pending before SHC.

b) Other contingencies

- i) As at June 30, 2024, several cases were filed against the Company before various court of laws relating to title / possession / encroachment of land, claims, settlements of dues, etc, the amount of which cannot be determined. The management, based on the opinion of the legal counsel expects that the outcome of all these cases will be in favour of the Company, as they have a reasonable defense in the cases filed. Accordingly, no provision has been made in these financial statements.
- ii) Guarantees issued by the commercial banks on behalf of the Company of Rs. 497.87 million (2023: Rs. 404.39 million).
- iii) This represents Rs. 14.7 million deposited with Honorable High Court of Sindh in respect of labor case pending adjudication.

32.1.2 Former business

As at June 30, 2024, there are several cases aggregating to Rs. 15.73 million (2023: Rs. 15.73 million) which were filed on former Javedan Cement Limited (now Javedan Corporation Limited) relating to their former business (i.e. cement business operation) before various court of laws, which majorly pertains to the gross annual rental value, trade license fee, excise duty, title / possession / encroachment of leasehold land for mining purpose allotted to the Company, etc., which are still pending for decision at various forum. The management, based on the opinion of the legal counsels, expects that the outcome of all these cases will be in favour of the Company, as they have a reasonable defense in the cases filed. Accordingly, no provision has been made in these financial statements.



Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	----- (Rupees in '000) -----	
32.2 Commitments			
Capital commitments		1,088,428	2,740,848
Ijarah rentals	32.2.1	11,455	17,902

32.2.1 The Company has various ijarah agreements with a financial institution in respect of purchase of vehicles for a period upto five years and are payable in monthly installments latest by April 2027. Taxes and repairs are to be borne by the Company (lessee), however, major repairs and insurance costs are to be borne by the lessors. These payments are secured against promissory notes in favor of the lessors for the entire amount of the ijarah rentals and security deposits of Rs. 3.603 million (2023: Rs. 5.802 million). Future minimal rentals payable under ijarah agreements as at reporting date are as follows:

	2024	2023
	----- (Rupees in '000) -----	
Not later than one year	5,235	6,447
Later than one year but not later than five years	6,220	11,455
	11,455	17,902

33. REVENUE FROM CONTRACTS WITH CUSTOMERS - NET		2024	2023
	Note	----- (Rupees in '000) -----	
Local sales, at a point in time			
Plots	33.2	4,096,165	9,558,142
Bungalows		75,110	464,810
		4,171,275	10,022,952
Development and utility charges reimbursable from customers		724,616	1,007,843
Cancellation and forfeiture		(680,968)	(28,160)
Trade discount		-	(46)
		(680,968)	(28,206)
Service income		279,412	184,857
		4,494,335	11,187,446

33.1 Revenue recognised during the year that was included in the contract liabilities at the beginning of year amounted to Rs. 308.69 million (2023: Rs. 45.36 million).

33.2 Revenue totalling Rs 646 million from related party was returned during the year.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

34. COST OF SALES	Note	2024 ----- (Rupees in '000) -----	2023
Cost of development properties sold:			
- plots		1,273,181	4,648,653
- bungalows		7,315	489,652
	13	1,280,496	5,138,305
Development charges:			
- Development and utility charges incurred and apportioned to customers		427,422	1,007,843
Cost of services rendered		317,418	273,991
		2,025,336	6,420,139

35. MARKETING AND SELLING EXPENSES

Sales promotions	23,975	38,870
Exhibitions and events	5,719	46,787
Commission	8,815	6,943
	38,509	92,600

36. FLYOVER COST

The company has obtained permission from government of Sindh to construct flyover connecting Manghopir road with North Nazimabad and beyond to the project sites. In this regard, the Company has incurred expenditure of Rs 729.235 million during the year

37. ADMINISTRATIVE EXPENSES	Note	2024 ----- (Rupees in '000) -----	2023
Salaries, wages and other benefits	37.1	324,385	287,853
Fees and subscriptions		20,853	19,560
Depreciation	7.1	42,042	37,652
Amortization		1,150	1,150
Vehicle running		15,082	14,477
Legal, professional and consultancy		15,150	2,355
Repair and maintenance		30,095	21,467
Software license and maintenance		8,644	18,980
Rent, rates and taxes		2,151	1,328
Utilities		93,975	82,291
Donation	37.2	5,674	13,655
Communication		3,863	4,050
Travelling and conveyance		3,561	4,201
Ijarah rentals		5,827	4,970
Insurance		15,418	14,918
Printing and stationery		10,946	8,359
Auditors' remuneration	37.3	6,323	4,004
Entertainment		12,003	8,967
Meetings and conventions		2,471	1,800
Security		604	11
Caretaking charges		21,668	-
Others		13,012	10,468
		654,897	562,516

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

37.1 Included herein Rs. 31.3 million (2023: Rs.22.20 million) in respect of employees retirement benefits.

37.2 No director(s) or their spouse had any interest in any donees to which donations were made.

	Note	2024 ----- (Rupees in '000) -----	2023
37.3 Auditors' Remuneration			
Yousuf Adil			
Annual audit of financial statements			
- standalone		1,045	750
- consolidation		275	300
Review of half yearly financial statements		350	200
Code of Corporate Governance and other assurance services		2,120	875
Out of pocket expense		60	109
		3,850	2,234
Reanda Haroon Zakaria Aamir Salman Rizwan & Company			
Annual audit of financial statements			
- standalone		1,045	750
- subsidiary companies		550	415
- consolidation		275	230
Review of half yearly financial statements		350	200
Code of Corporate Governance		193	125
Out of pocket expense		60	50
		2,473	1,770
		6,323	4,004
38. FINANCE COSTS - NET			
Dividend on preference shares	5.12	61	61
Mark-up on:			
- long-term financings		1,843,242	1,902,543
- short-term borrowings		440,830	381,222
		2,284,072	2,283,765
Bank and other charges		7,309	6,280
		2,291,442	2,290,045
Less: Borrowing cost capitalized in the cost of qualifying asset		(1,691,186)	(1,499,157)
Finance Cost		600,256	790,888
Mark-up Income on loans and advances		61,681	257,370
Mark-up on TDR's and TFC's		414,660	69,508
Finance Income		476,341	326,878
Finance Costs - Net		123,915	464,071

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	----- (Rupees in '000) -----	
39. OTHER INCOME		
Income from financial assets		
Remeasurement gain on investment designated at FVTPL	805,727	139,169
	805,727	139,169
Income from non-financial assets		
Transfer Fees	72,695	77,530
Rental income from sport facilities	36,199	34,625
Rental income from investment properties	91,623	34,612
Remeasurement gain on investment properties	51,370	28,576
Amortisation of deferred grant	33,105	27,635
Dividend Income	27,600	-
Others	61,795	39,213
	374,387	242,191
	1,180,114	381,360

40. This represents minimum tax and tax under section 100D of the Income Tax Ordinance, 2001, representing levy in terms of the requirements of IFRIC 21.

The Project is registered in the aforesaid tax scheme (i.e. under Section 100D and Eleventh Schedule to the Income Tax Ordinance, 2001). As per the scheme, the total levy for the REIT arrived at Rs. 348.33 million which is to be paid on a quarterly basis. Out of Rs. 348.33 million, Rs. 29.04 million (June 30, 2023: Rs. 116.16 million) relates to the current year and accordingly has been recognised in these financials statements.

	2024	2023
	----- (Rupees in '000) -----	
41. TAXATION		
Current	261,381	152,584
Prior	(108,007)	(28,365)
Deferred	263,088	(49,871)
	416,462	74,348

41.1 The assessments of the Company for and upto tax year 2023 have been completed or deemed to be assessed under Section 120 of the Income Tax Ordinance, 2001 except for contingencies related to tax matters as disclosed in note 30.1.1 to these financial statements.

42. EARNINGS PER SHARE

42.1 EARNINGS PER SHARE FROM CONTINUING OPERATION

	2024	2023
Basic		
Profit after tax (Rupees in '000)	1,634,337	2,768,527
Weighted average number of ordinary shares (In numbers)	380,860,447	380,860,447
Earnings per share (In Rupees)	4.29	7.27

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
Diluted		
Profit attributable to ordinary shareholders (Rupees in '000)	<u>1,634,380</u>	<u>8,007,517</u>
Weighted average number of ordinary shares in issue (In numbers)	<u>380,860,447</u>	<u>380,860,447</u>
Adjustment for conversion of convertible preference share (In numbers)	<u>17,987</u>	<u>15,524</u>
Weighted average number of ordinary shares for diluted earning per share (In numbers)	<u>380,878,434</u>	<u>380,875,971</u>
Earnings per share - (In Rupees)	<u>4.29</u>	<u>21.02</u>

4.2.2 EARNINGS PER SHARE FROM DISCONTINUING OPERATION

	2024	2023
Basic		
Profit after tax (Rupees in '000)	<u>-</u>	<u>5,238,990</u>
Weighted average number of ordinary shares (In numbers)	<u>-</u>	<u>380,860,447</u>
Earnings per share (In Rupees)	<u>-</u>	<u>13.76</u>
Diluted		
Profit attributable to ordinary shareholders (Rupees in '000)	<u>-</u>	<u>5,238,990</u>
Weighted average number of ordinary shares in issue (In numbers)	<u>-</u>	<u>380,860,447</u>
Adjustment for conversion of convertible preference share (In numbers)	<u>-</u>	<u>15,524</u>
Weighted average number of ordinary shares for diluted earning per share (In numbers)	<u>-</u>	<u>380,875,971</u>
Earnings per share - (In Rupees)	<u>-</u>	<u>13.76</u>

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

43. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Aggregate amounts charged in the financial statements are as follows:

	Chief Executive		Directors		Executives	
	2024	2023	2024	2023	2024	2023
	----- (Rupees in '000) -----					
Managerial remuneration	10,305	11,808	-	-	93,797	65,862
Medical	1,031	1,808	-	-	9,380	6,600
Fuel allowance	1,356	1,174	-	-	12,823	8,542
Mobile allowance	-	-	-	-	1,430	923
Lease rentals	-	-	-	-	4,784	3,179
House rent	-	-	-	-	-	2,048
Special allowance	3,720	945	-	-	8,112	3,234
Drivers allowance	-	-	-	-	-	300
Utility Allowance	-	-	-	-	-	280
Conveyance Allowance	-	-	-	-	2,546	631
Internet allowance	-	-	-	-	168	71
Meal allowance	-	-	-	-	1,105	84
Bonus	2,509	984	-	-	17,798	5,489
	18,921	16,718	-	-	151,942	97,242
Number of Persons	1	1	-	-	54	35

43.1 No remuneration is paid / payable to the directors of the Company for current and prior years, other than those disclosed in note 43.3 to these financial statements.

43.2 In addition, the Chief Executive and certain executives of the Company have also been provided with Company's owned and maintained cars in accordance with their entitlements as per rules of the Company.

43.3 During the year, the Company has paid Rs. 1.350 million (2023: Rs. 1.80 million) to a non-executive Director on account of board meeting fees.

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company finances its operations through equity, borrowings and management of working capital with a view of maintaining and appropriate mix between various sources of finance to minimize risks. Taken as a whole, the Company is exposed to market risk, credit risk, and liquidity risk. No changes were made in the objectives, policies or processes and assumptions during the year ended June 30, 2024. The policies for managing each of these risks are summarised below:

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

44.1 Financial assets and liabilities are carried at amortised cost except for short-term investments of Rs.Nil (2023: Rs. Nil million) carried at fair value through profit or loss and their respective maturities are as follows:

Interest bearing			Non-Interest bearing			Total
Maturity upto one year	Maturity after one year but less than five years	Total	Maturity upto one year	Maturity after one year but less than five years	Total	

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

Financial assets

Long-term deposits	-	-	-	9,525	9,525	9,525
Long-term investment	-	-	-	6,411,452	6,411,452	6,411,452
Trade debts	-	-	-	1,361,206	-	1,361,206
Loans	-	-	-	495,184	-	495,184
Trade deposits and other receivables	-	-	-	1,482,986	-	1,482,986
Short-term investments	13,000	-	13,000	124,200	-	137,200
Cash and bank balances	140,404	-	140,404	151,695	-	292,099
2024	153,404	-	153,404	3,615,271	6,420,977	10,189,652

Financial liabilities

Long-term financings	3,132,112	3,925,098	7,057,210	-	-	7,057,210
Trade and other payables	-	-	-	4,345,532	-	4,345,532
Accrued mark-up	546,424	-	546,424	-	-	546,424
Short-term borrowings	1,712,374	-	1,712,374	-	-	1,712,374
Unpaid preference dividend	-	-	-	363	-	363
Unclaimed dividend	9,859	-	9,859	-	-	9,859
2024	5,400,769	3,925,098	9,325,867	4,345,895	-	13,671,762

Interest bearing			Non-Interest bearing			Total
Maturity upto one year	Maturity after one year but less than five years	Total	Maturity upto one year	Maturity after one year but less than five years	Total	

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

Financial assets

Long-term deposits	-	-	-	11,719	11,719	11,719
Long-term investment	-	-	-	2,312,870	2,312,870	2,312,870
Trade debts	-	-	-	10,814,366	-	10,814,366
Loans	-	-	-	10,362	-	10,362
Trade deposits and other receivables	-	-	-	1,097,401	-	1,097,401
Short-term investments	13,000	-	13,000	126,316	-	139,316
Cash and bank balances	3,119	-	3,119	120,997	-	124,116
2023	16,119	-	16,119	12,169,442	2,324,589	14,510,150

Financial liabilities

Long-term financings	2,319,667	6,625,235	8,944,902	-	-	8,944,902
Trade and other payables	-	-	-	3,414,649	-	3,414,649
Accrued mark-up	448,334	-	448,334	-	-	448,334
Short-term borrowings	3,900,472	-	3,900,472	-	-	3,900,472
Unpaid preference dividend	-	-	-	303	-	303
Unclaimed dividend	6,544	-	6,544	-	-	6,544
2023	6,675,017	6,625,235	13,300,252	3,414,952	-	16,715,204

The carrying values of all financial assets and liabilities reflected in these financial statements approximate to their fair values.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

44.2 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and other price risk. The sensitivity analyses in the following sections relate to the position as at June 30, 2024.

44.2.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short-term financing arrangements at floating interest rates to meet its business operations and working capital requirements.

44.2.2 Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, on the Company's profit before tax (through impact on floating rate borrowings). There is no direct impact on Company's equity. This analysis excludes the impact of movement in market variables on the carrying values of provisions and on non-financial assets and liabilities of the Company. Further, interest rate sensitivity does not have an asymmetric impact on the Company's result.

	(Increase) / decrease in basis points	Effect on profit before tax
		(Rupees in '000)
2024	+10%	(869,311)
	+10%	869,311
2023	+10%	(1,277,438)
	+10%	1,277,438

44.2.3 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As of reporting date, the Company is not exposed to currency risk, since the Company do not have any assets and liabilities in foreign currency.

44.2.4 Other price risk

Other price risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market prices such as equity price risk. Equity price risk is the risk arising from uncertainties about future values of investments securities. As at reporting date, the Company is not exposed to equity price risk, as disclosed in (note 16).

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

44.3 Credit risk

44.3.1 Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharging an obligation. The financial assets excludes statutory receivables / assets and includes investments, trade debts, deposits, other receivables, loans and cash and bank balances at amortized cost. Out of the total financial assets of Rs. 11,742 million (2023: Rs. 17,099.352 million), the financial assets which are subject to credit risk amounted to Rs. 11,472 million (2023: Rs.16,012 million). The Company's credit risk is primarily attributable to its trade debts and bank balances. The Company has large number of customers, including corporate and individuals, due to large number and diversity of its customer base, concentration of credit risk with respect to trade debtors is limited.

The credit quality of financial assets that are past due but not impaired is disclosed in note 13.4 to these financial statements. As at reporting date, there are no financial assets that would otherwise be past due or impaired whose terms have been renegotiated.

44.3.2 The Group monitors the credit policy of its financial assets with reference to historical performance of such assets and available external credit ratings. The carrying values of financial assets which are neither past due nor impaired are as under:

		2024	2023
	Note	----- (Rupees in '000) -----	-----
Long-term deposits	10	9,525	13,372
Long-term investment	11	6,411,452	1,510,000
Trade debts	14	1,107,582	920,656
Loan to employees and related party	15	495,184	808,115
Trade deposits and other receivables	16	1,482,986	328,307
Short-term investments	17	1,707,525	13,000
Bank balances	19	258,530	1,608,534
		11,472,784	5,201,984

44.3.3 The credit quality of Group's bank balances can be assessed with reference to external credit ratings as follows:

Bank Balances by short-term rating category	Rating Agency	2024	2023
		----- (Rupees in '000) -----	-----
A-1	PACRA	8	15
A-1	VIS	2	88,039
A-1+	PACRA	253,417	23,155
A-1+	VIS	38,167	2
A-3	VIS	505	(4,993)
		292,099	106,218

44.4 Liquidity risk

Liquidity risk represents the risk that a Company will encounter difficulties in meeting obligations with the financial liabilities. The financial liabilities excludes statutory liabilities and provisions and includes long-term and short-term financing, trade and other payables, unpaid / unclaimed dividends and accrued markup. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of various financing facilities.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The table below summarizes the maturity profile of the Company's financial liabilities at amortized cost at June 30, 2024 and 2023 based on contractual undiscounted payment dates and present market interest rates:"

	2024					
	Carrying amount	Contractual cash flows	Less than 6 months	6 to 12 months	1 to 2 years	2 to 5 years
	----- (Rupees in '000) -----					
Financial liabilities						
Long-term financings	7,057,210	7,057,210	551,552	2,580,560	2,219,667	1,705,431
Trade and other payables	4,345,532	4,345,532	4,345,532	-	-	-
Accrued mark-up	546,424	546,424	546,424	-	-	-
Short term borrowings	1,712,374	1,712,374	1,712,374	-	-	-
Unpaid preference dividend	363	363	363	-	-	-
Unclaimed dividend	9,859	9,859	9,859	-	-	-
	13,671,762	13,671,762	7,166,104	2,580,560	2,219,667	1,705,431

	2023					
	Carrying amount	Contractual cash flows	Less than 6 months	6 to 12 months	1 to 2 years	2 to 5 years
	----- (Rupees in '000) -----					
Financial liabilities						
Long-term financings	8,944,902	8,944,902	552,552	1,768,115	2,219,667	4,405,568
Trade and other payables	3,414,649	3,414,649	3,414,649	-	-	-
Accrued mark-up	448,334	448,334	448,334	-	-	-
Short term borrowings	3,900,472	3,900,472	3,900,472	-	-	-
Unpaid preference dividend	303	303	303	-	-	-
Unclaimed dividend	6,544	6,544	6,544	-	-	-
	16,715,204	16,715,204	8,322,854	1,768,115	2,219,667	4,405,568

44.5 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measure using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants at in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participants ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted market price.

Level 2: Valuation techniques (market observable)

Level 3: Valuation techniques (non - market observables)

The fair value hierarchy of assets are disclosed in these financial statements as follows:

	Note
- Lands under property, plant and equipment	7.1.1
- Lands under investment properties	9.1.2
- Equity instruments designated at FVTPL	17.4

44.6 Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business sustain future development of the business and maximize shareholders value. No changes were made in the objectives, policies or processes during the year ended June 30, 2024.

The Group manages its capital structure and makes adjustment to it in the light of changes in economic conditions. The Group monitors capital using a debt equity ratio, which is net debt divided by total capital plus net debt. Equity comprises of share capital and revenue reserves. The gearing ratio as at June 30, 2024 and 2023 are as follows:

	Note	2024 ----- (Rupees in '000) -----	2023
Long-term financings	23	7,057,210	8,944,902
Preference shares	28	505	505
Accrued mark-up	29	546,424	448,334
Short-term borrowings	31	1,712,374	3,900,472
Total debts		9,316,513	13,294,213
Less: Cash and bank balances	19	(292,099)	(124,116)
Net debts		9,024,414	13,170,097
Issued, subscribed and paid-up capital	20	3,808,604	3,808,604
Capital reserves	21	2,758,293	2,758,293
Revenue reserves	21	10,009,594	10,594,568
Other component of equity - revaluation surplus on lands	22	8,749,900	8,817,355
Total equity		25,326,391	25,978,820
Total capital		34,350,805	39,148,917
Gearing ratio		26.27%	33.64%

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

45. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiary, associates, directors and their close family members, key management personnel and post employment benefit plan. All transactions with related parties are entered into at agreed terms as approved by the Board of Directors of the Company. The details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	2024	2023
	----- (Rupees in '000) -----	
Signature Residency REIT [SRR]		
Sale of plots	-	817,600
Receipt against sale of plots	487,600	-
Issuance of units	132,000	-
Advances received against sale of apartments	-	179,843
Expenses incurred on behalf of SRR by the Company	4,826	32,376
Paid against collection received	84,512	-
Gymkhana Apartment REIT [GAR]		
Sale of plots	-	3,727,250
Receipt against sale of land	3,727,250	-
Short term advance extended	1,996,379	-
Short term advance received	1,996,379	-
Mark-up income on Short term advance extended	8,004	-
Mark-up income received on Short term advance extended	8,004	-
Expenses incurred on behalf of GAR by the Company	31,733	6,023
Receipt against expenses incurred on behalf of GAR by the Company	31,733	-
Park view Apartment REIT [PVAR]		
Sale of plots	-	2,304,900
Receipt against sale of land	2,156,752	-
Expenses incurred on behalf of PVAR by the Company	3,026	5,909
Meezan Centre REIT [MCR]		
Sale of plots	1,298,750	-
Receipt against sale of land	1,298,750	-
Expenses incurred on behalf of MCR by the Company	7,645	3,263
Associates - Common directorship		
Globe Residency REIT		
Receipts against sale of land	-	450,000
Advances received against sale of apartments / Sale of wastage steel	9,615	29,944
Advance against purchase of Apartments	662,690	-
Expenses incurred on behalf of GRR by the Company	121,271	48,970
Expenses incurred received on behalf of GRR by the Company	35,640	-

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	----- (Rupees in '000) -----	
Arif Habib Corporation Limited		
Short-term borrowing obtained during the period	4,560,000	1,100,000
Short-term borrowing Paid during the period	4,974,250	-
Sale of plots	646,000	-
Sale return of plot	646,000	-
Sale of Units of NN Apartment REIT	-	485,750
Markup expense on short term-borrowing	76,760	36,114
Markup paid during the period	94,820	7,496
Received against musharaka	273,400	7,496
Arif Habib Equity (Pvt) Limited		
Sale of plots	-	605,156
Advance adjusted against sale of plots	-	402,093
Advance received against purchase of commercial sites	-	203,063
Purchase of Residential plots during the year	170,000	-
Payment of Residential plots during the year	170,000	-
Development charges billed	-	13,000
Development charges received	-	13,000
Arif Habib Limited		
Short-term borrowing extended during the period	-	750,000
Re-Payment of Short-term borrowing extended during the period	-	1,550,000
Short-term borrowing obtained during the period	640,000	630,000
Short-term borrowing paid during the period	992,000	-
Sale of Units of NN Apartment REIT	-	278,000
Markup expense on short term-borrowing obtained during the period	37,320	2,071
Markup paid on short term-borrowing obtained during the period	39,391	-
Markup income on short-term-borrowing extended during the period	-	246,778
Markup income received on short-term-borrowing extended during the period	-	246,778
Purchase of Term Finance Certificates	-	1,602,317
Power Cement Limited		
Advance adjusted	-	48,000
Purchase of construction material	66,081	102,349
Paid against the purchase of construction material	71,995	59,481
Safe Mix Concrete Limited		
Advance adjusted against concrete for hospital	77,442	54,338
Purchase of construction material	92,550	34,806
Paid against the purchase of construction material	15,107	32,733

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	----- (Rupees in '000) -----	
<u>Associates - Common directorship</u>		
Rotocast Engineering Co. (Private) Limited		
Services received during the year	-	1,623
Paid against services received	-	1,494
Rent prepaid during the year	2,151	1,328
Rent expense charged during the year	2,151	1,328
Other Services	-	36
International Builders and Developers (Private) Limited		
Expenses incurred by the Group on behalf of International Builders and Developers (Private) Limited	27	94
<u>Associated persons</u>		
Haji Abdul Ghani		
Sale of plots	-	214,133
Advance adjusted against sale of plots	-	130,691
Advance against Club house Membersip	-	40,000
Received against purchase of commercial site	-	80,000
Received against musharaka	69,214	-
Development charges billed	-	4,200
Development charges received	-	4,200
<u>Associates</u>		
Go Real Estate		
Development charges received	-	14,326
<u>Key management personnel (Other than CEO - Note 43)</u>		
Arif Habib - Director		
Advance received against purchase of commercial sites	-	-
Sale of plots	-	558,087
Advance adjusted against sale of plots	-	75,317
Advance against Club house Membersip	-	31,000
Development charges billed	-	2,800
Development charges received	-	2,800
Purchase of Residential plots during the year	42,500	-
Payment of Residential plots during the year	42,500	-
Short-term loans received during the year	850,000	2,430,000
Short-term loans paid during the year	950,000	2,330,000
Mark-up expense on short term-borrowing	16,315	56,509
Mark-up paid on short term-borrowing	72,728	-

Javedan Corporation Limited

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		----- (Rupees in '000) -----	
Post employment benefit plan			
Gratuity fund trust - contribution paid during the year	24	<u>14,723</u>	<u>8,668</u>

45.1 The outstanding receivable and payable balances as of June 30, 2024 and 2023 are disclosed in their respective notes to these financial statements.

46. INFORMATION ABOUT OPERATING SEGMENTS

For management purposes, the activities of the Group are organized into one operating segment i.e. development of real estate. The Group operates in the said reportable operating segment based on the nature of products, risks and returns, organizational and management structure and internal financial reporting systems. Accordingly, the figures reported in these financial statements are related to the Group's only reportable segment.

Gross turnover of the Group is generated from customers located in Pakistan only.

Non-current assets of the Group are confined within Pakistan and consist of property, plant and equipment, long-term deposits and investment properties.

47. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and to reflect the substance of the transactions.

48. GENERAL

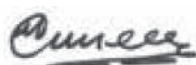
48.1 Number of employees as at June 30, 2024 was 578 (2023: 580) and average number of employees during the year was 584 (2023: 588).

48.2 SUBSEQUENT EVENT

The Board of Directors of the Company in their meeting held on September 19, 2024 have proposed a final cash dividend for the year ended June 30, 2024 of Rs. 4 (2023: Rs. 6) per unit amounting to Rs.1,523.44 million (2023: Rs.2,285.16 million). The aforementioned proposed entitlement are to be approved by the members of the Company in their Annual General Meeting (AGM) scheduled to be held on October 26, 2024. These consolidated financial statements do not reflect the said appropriation.

49. DATE OF AUTHORIZATION FOR ISSUE


These financial statements were authorized for issue on 19 September, 2024 by the Board of Directors of the Company.



Chief Financial Officer



Chief Executive Officer



Director

اظہار تشکر

کمپنی کے نصب العین کے حصول میں گراں قدر خدمات انجام دینے پر ہم اپنے ملازمین تعریف کرتے ہیں۔

ہماری مستقل مدد و اعانت کرنے پر بورڈ آف ڈائریکٹرز کی جانب سے ہم اپنے شیئر ہولڈروں، گاہکوں، کمپنوں، ملازمین، بینکوں، سپلائروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج کا بھی تہہ دل سے شکریہ ادا کرتے ہیں اور منتظر ہیں کہ آئندہ برسوں میں ملنے والی مزید کامیابیوں میں بھی وہ شریک رہیں گے۔

عارف حبیب

چیئرمین

عبدالصمد حبیب

چیف ایگزیکٹو

مورخہ 19 ستمبر 2024ء

شیئر ہولڈنگ کا نمونہ

کمپنیز ایکٹ 2017 کی دفعہ (f)(2) 227 کی مطابقت میں 30 جون 2024 تک کمپنی کی شیئر ہولڈنگ کا نمونہ رپورٹ ہذا کے ساتھ منسلک ہے۔

اسٹیک ہولڈرز کے لئے معلومات:

گزشتہ برسوں کا اہم عملیاتی اور مالیاتی ڈیٹا کا خلاصہ صفحہ نمبر 70 پر پیش کیا گیا ہے۔

کارپوریٹ گورننس کوڈ کی تعمیل

”سلیڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی تعمیل“ کا بیان رپورٹ ہذا کے ساتھ صفحہ نمبر 80 پر منسلک ہے۔

بورڈ کی قدر پیمائی

بہتر انتظام (گڈ گورننس) کے حصے کے طور پر بورڈ کوئی برسوں سے اپنی خود قدر پیمائی کرتا آ رہا ہے اور ایسے علاقوں کی نشان دہی کی ہے جن میں بہترین عالمی ضابطہ عمل کی مطابقت میں مزید بہتری کی گنجائش ہے۔ قدر پیمائی کے عمل کے دوران جن علاقوں پر توجہ مرکوز رہی وہ تھے بورڈ کی ترکیب، بورڈ کی ذیلی کمیٹیوں کی قدر پیمائی، منصوبہ بندی اور کارکردگی، بورڈ آف ڈائریکٹرز کا عملیہ (آپریشن)، مالیاتی جائزہ کاری اور تعمیل، انتظامیہ کے ساتھ بورڈ کے تعلقات، صدر نشین کی کارکردگی اور بحیثیت بورڈ کے انفرادی رکن ان کی کارکردگی کی قدر پیمائی۔

ماڈی تبدیلیاں اور وعدے/ معاہدے

مالیاتی سال کے اختتام اور رپورٹ ہذا کی تاریخوں کے درمیان بیلنس شیٹ سے متعلق ایسی کوئی ماڈی تبدیلیاں اور وعدے/ معاہدے نہیں کئے گئے ہیں جو کمپنی کی مالی حیثیت پر اثر انداز ہو سکیں۔

منسلکہ پارٹی کے ساتھ لین دین:

منسلکہ پارٹیوں کے ساتھ تمام ترین لین دین قابل اطلاق ریگولیشنز کی عین مطابقت میں کیا گیا ہے اور مالیاتی گوشواروں کے متعلقہ نوٹس میں ظاہر کر دیا گیا ہے۔

ریٹائرمنٹ مراعات میں سرمایہ کاری:

کمپنی کے ساتھ کم سے کم آزمائشی مدت پوری کر لینے والے تمام اہل ملازمین کے لئے کمپنی ایک منظور شدہ فنڈڈ گریجویٹ اسکیم چلاتی ہے۔ گریجویٹ فنڈ کی سرمایہ کاری کا حجم 0.29 بلین روپے ہے۔

اندرونی انضباط کا فریم ورک

انتظامیہ کی جانب سے اندرونی انضباط کی تیاری اور اس کے نفاذ کی صورت حال کی نگرانی بورڈ کرتا ہے اور کاروبار کے مؤثر انداز میں چلائے جانے، کمپنی کے اثاثہ جات کے تحفظ، قابل اطلاق قوانین و قواعد کی تعمیل اور قابل بھروسہ مالیاتی رپورٹنگ کی غرض سے کمپنی نے ایک مؤثر اندرونی مالیاتی انضباط کا نظام نافذ کیا ہے۔ بورڈ اکاؤنٹنگ اور رپورٹنگ کے انضباط میں خامیوں اور کمزوریوں پر انتظامیہ کے رد عمل کا جائزہ بھی لیتا ہے۔

کمپنی کا اندرونی آڈٹ کا شعبہ اندرونی انضباط کے نفاذ کا باقاعدگی سے جائزہ لیتا رہتا ہے، جبکہ آڈٹ کمیٹی اندرونی انضباط کے فریم ورک کے مؤثر ہونے اور مالیاتی گوشواروں کا جائزہ ہر تین ماہ بعد لیتی ہے۔

انتظامیہ نے واضح ساخت، اختیاراتی حد اور احتساب سے مزین، واضح پالیسیوں اور تفصیلی طریق کار پر مشتمل اندرونی انضباط کا مفصل نظام نافذ کیا ہے جو بورڈ کی آڈٹ کمیٹی اور بورڈ کو خطرات کے علاقوں کی واضح سمجھ فراہم کرتا اور ان خطرات کو کم کرنے والے انضباطی اقدامات کے نفاذ کے قابل بناتا ہے۔

خطرات کا انتظام اور تعمیل

اپنے آپریشنوں میں خطرات معلوم کرنے، ان کی شدت کا تخمینہ لگانے اور انہیں کم کرنے کے لئے ہمارے پاس خطرات کے انتظام کا فریم ورک موجود ہے۔ اس فریم ورک میں سخت تعمیلی اقدامات شامل ہیں جو تمام قانونی اور ضوابط کی شرائط کی تکمیل کو یقینی بناتا ہے اور اسٹیک ہولڈروں کے ساتھ کئے گئے وعدوں کو قائم رکھتا ہے۔

کاروبار کی نوعیت میں تبدیلی

30 جون 2024 کو اختتام تک پہنچنے والے مالی سال کے دوران کاروبار کی نوعیت میں کوئی تبدیلی عمل میں نہیں آئی ہے۔

ادائیگیوں، ادھار/قرضوں، ٹیکسوں اور ڈیوٹیوں کی عدم ادائیگی

زیر جائزہ مالی سال کے اختتام پر ٹیکسوں، قرضوں، ڈیوٹیوں اور محصولات کی مد میں کوئی رقم زائد المیعا دیا واجب الادا نہیں رہی۔

بیرونی آڈیٹرز

30 جون 2024 کو اختتام پذیر ہونے والے سال کے کمپنی کے مالیاتی گوشوارے M/S Reanda Haroon Zakaria Aamir Salman Rizwan & Co. چارٹرڈ اکاؤنٹنٹس اور میسرز یوسف عادل چارٹرڈ اکاؤنٹنٹس نے آڈٹ کئے ہیں۔ یہ آڈیٹرز 62 ویں سالانہ اجلاس عام کے اختتام پر ریٹائر ہو جائیں گے۔ اہل ہونے کے سبب M/S Reanda Haroon Zakaria Aamir Salman Rizwan & Co. چارٹرڈ اکاؤنٹنٹس اور میسرز یوسف عادل چارٹرڈ اکاؤنٹنٹس نے دوبارہ تقرری کے لئے اپنی خدمات پیش کی ہیں۔

آڈٹ کمیٹی کی سفارش پر آئندہ سالانہ اجلاس عام میں ممبران کی منظوری کی شرط پر بورڈ نے M/S Reanda Haroon Zakaria Aamir Salman Rizwan & Co. چارٹرڈ اکاؤنٹنٹس اور میسرز یوسف عادل چارٹرڈ اکاؤنٹنٹس کی 30 جون 2025 کو اختتام پذیر ہونے والی مدت کے لئے دوبارہ تقرری کی سفارش کی ہے۔

کمپنی کے شیئرز کی تجارت

30 جون 2024 کو اختتام پذیر ہونے والے سال کے دوران کمپنی کے چیئرمین/ ڈائریکٹر جناب عارف حبیب نے کمپنی کے 38,255,500 شیئرز فروخت کئے۔ ان کے سوا کسی ڈائریکٹر، ایگزیکٹوز اور ان کے شریک حیات اور نابالغ بچوں نے کمپنی کے شیئرز کی تجارت نہیں کی ہے۔

بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں ڈائریکٹرز کی حاضری

30 جون 2024 کو ختم ہونے والے سال کے دوران بورڈ کے چار (04)، آڈٹ کمیٹی کے چار (04) اور ہیومن ریسورس اینڈ ریومینیشن کمیٹی کا ایک (01) اجلاس منعقد ہوا۔ ڈائریکٹرز کی حاضری کی صورت حال درج ذیل ہے:-

نام ڈائریکٹر	بورڈ اجلاس		آڈٹ کمیٹی اجلاس		ایچ اینڈ آر کمیٹی اجلاس	
	منعقدہ	حاضری	منعقدہ	حاضری	منعقدہ	حاضری
جناب عارف حبیب	4	4	کوئی نہیں	کوئی نہیں	1	1
جناب صدائے حبیب	4	4	4*	4	1	1
جناب کاشف حبیب	4	3	4	4	کوئی نہیں	کوئی نہیں
جناب محمد اعجاز	4	2	4	4	1	1
جناب عبدالقادر سلطان	4	4	4	4	کوئی نہیں	کوئی نہیں
جناب عالمگیر اے شیخ	4	2	کوئی نہیں	کوئی نہیں	کوئی نہیں	کوئی نہیں
محترمہ درخشاں زوہیب	4	4	کوئی نہیں	کوئی نہیں	کوئی نہیں	کوئی نہیں
جناب عبداللہ غفار	4	4	4	4	کوئی نہیں	کوئی نہیں
جناب جاوید قریشی	4	4	کوئی نہیں	کوئی نہیں	1	1

* مدعو کیا گیا۔

* بورڈ نے اجلاسوں میں شرکت نہ کر سکنے والے ڈائریکٹرز کو رخصت عطا کی۔

ڈائریکٹرز کے معاوضے

نان ایگزیکٹو ڈائریکٹرز (بشمول انڈیپنڈنٹ ڈائریکٹرز) ماسوائے ان ڈائریکٹرز کے جو عارف حبیب گروپ آف کمپنیز میں کسی اور جگہ بھی بطور ایگزیکٹو ڈائریکٹرز خدمات انجام دے رہے ہیں، انہیں بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے عوض، جیسا کہ بورڈ کی جانب سے وقتاً فوقتاً منظور کیا جائے، معاوضہ ادا کیا جاتا ہے۔

مزید یہ کہ بورڈ کسی بھی ننان ایگزیکٹو ڈائریکٹر کو، جب اور جیسے، کوئی بھی اضافی کردار اور ذمہ داریاں سونپنے کا فیصلہ کرتا ہے، تو بورڈ طے کرے گا کہ اس ڈائریکٹر کو اسے سونپنے گئے کردار اور ذمہ داریوں کے عوض کیا معاوضہ ادا کیا جائے۔

معاوضے کی تفصیلات مالیاتی گوشواروں کے نوٹ 41 میں مہیا کر دی گئی ہیں۔

ہیومن ریسورس اینڈ ریوینشن کمیٹی

جناب جاوید قریشی..... چیئرمین

جناب عارف حبیب..... ممبر

جناب صداع حبیب..... ممبر

جناب محمد اعجاز..... ممبر

کریڈٹ ریٹنگ

VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ کی جانب سے آپ کی کمپنی کو A+ / A-1 (اے پلس / اے ون) کی اینٹائی ریٹنگ دی گئی ہے۔ ان عطاء کردہ ریٹنگز کا مطلب ہے ”مستحکم“۔ یہ کریڈٹ ریٹنگ طویل مدت میں بلند تر کریڈٹ کوالٹی اور قلیل مدت میں یقینی بروقت ادائیگیوں کو ظاہر کرتی ہے۔ یہ تصدیق نامہ کمپنی کی انتظامیہ کے مسلسل بڑھوتی کے ویژن کو اجاگر کرتا ہے اور توقع ہے کہ اس تصدیق نامے کے ذریعے مارکیٹ میں ہم پر اعتماد میں مزید اضافہ ہوگا۔

ممبر شپ

کمپنی ہذا کراچی چیمبر آف کامرس اینڈ انڈسٹری (KCCI) اور ایسوسی ایشن آف بلڈرز اینڈ ڈویلپرز (ABAD) کی رکنیت کی حامل ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

JCL پاکستان اسٹاک ایکسچینج میں لسٹڈ ہے۔ کمپنی کا بورڈ کارپوریٹ گورننس کے کوڈ پر عمل درآمد کرنے کے عہد پر کاربند ہے اور اپنے آپریشنز اور کارکردگی کی نگرانی اور مالیاتی اور غیر مالیاتی معلومات کی درستگی بڑھانے، تکمیل اور شفافیت یقینی بنانے کی اپنی ذمہ داری سے بخوبی آگاہ ہے۔

بورڈ یہ بیان کرنا چاہے گا کہ JCL کے کھاتوں کی کتب موزوں طور سے مرتب کی گئی ہیں اور موزوں اکاؤنٹنگ پالیسیاں اختیار کی گئی ہیں اور مالیاتی گوشواروں کی تیاری میں انہیں مستقل طور سے اختیار کیا گیا ہے؛ اور مالیاتی تخمینہ جات معقول اور چوکسی سے کئے گئے فیصلوں پر مبنی ہیں۔ مالیاتی گوشواروں کی تیاری کرتے ہوئے پاکستان میں قابل اطلاق عالمی مالیاتی رپورٹنگ معیارات پر عمل درآمد کیا گیا ہے۔ اندرونی انضباط کا نظام اپنے ڈیزائن میں مضبوط ہے جسے مؤثر طور سے نافذ کیا گیا ہے اور جس کی نگرانی کی جاتی ہے۔ اندرونی انضباط کے کنٹرول کی نگرانی جاری رہتی ہے جس کا مقصد اسے مزید بہتر بنانا ہے اور نظام کو مضبوط کرنا ہے۔ JCL کے مالیاتی گوشوارے اس کے معاملات، اس کے آپریشنز کے نتائج، نقدی کے بہاؤ اور ایکویٹی میں تبدیلی کے بیان کی غیر جانبدارانہ عکاسی کرتے ہیں۔ ٹیکسوں، ڈیوٹیوں، محصولات یا چارجز کے ضمن میں کوئی ماڈی ادائیگی غیر ادا شدہ نہیں رہی۔

کوڈ کی تعمیل کے ضمن میں بورڈ، ذریعہ ہذا تصدیق کرتا ہے کہ ایک طویل مدت کاروباری ادارے کے طور پر JCL کی اہلیت و صلاحیت پر کوئی شک و شبہ نہیں اور یہ کہ کارپوریٹ گورننس کے بہترین معمولات سے کوئی ماڈی انحراف نہیں کیا گیا ہے ماسوائے ان کے جن کا ذکر Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations-2019 میں کیا گیا ہے۔

بہتر کارپوریٹ گورننس اور غیر جانبدار اور شفاف معمولات کے ذریعے سبقت لے جانے کی JCL ہمیشہ سے جدوجہد کرتی آئی ہے۔

طریقوں سے اپنا حصہ ڈالا ہے تاکہ ملک میں معیار زندگی میں بہتری لائی جاسکے۔ اس ضمن میں کمپنی پاکستان کی مختلف سماجی انجمنوں اور این جی اوز کے ساتھ مل کر کام کر رہی ہے۔

جاویداں کارپوریشن لمیٹڈ، پاکستان ایسوسی ایشن آف دی بلاسٹڈ (PAB) کو عطیات دیتی ہے۔ یہ تنظیم بینائی سے معذور لوگوں کی بھلائی، بحالی، صحت، تعلیم اور انہیں روزگار کی فراہمی کے لیے کام کرتی ہے۔

جاویداں کارپوریشن ایسی کئی تنظیموں کو اسپانسر بھی کرتی ہے جن کی مرکزی سرگرمیوں میں تعلیم میں اعانت، ہنرمند کاریگروں کی تیاری، ماہانہ راشن کی فراہمی، شادی بیاہ، بیماریوں کے علاج اور ہسپتال کے اخراجات کی ادائیگی کے علاوہ مکانات کی تعمیر کے لیے مالی تعاون شامل ہیں۔

اسپورٹس سرگرمیوں کو اسپانسر کرنا:..... اسپورٹس کی سرگرمیوں پر کمپنی خصوصی توجہ دیتی ہے اور اس مقصد کی خاطر عالمی معیار کا کرکٹ، فٹبال اسٹیڈیم اور باسکٹ بال کورٹ تعمیر کیا ہے۔ دوران سال کمپنی نے ”نیاناظم آباد“ اور دیگر جگہوں پر مختلف ٹورنامنٹس کو اسپانسر کر کے شہر میں اسپورٹس سرگرمیوں کے فروغ میں اپنا کردار ادا کیا۔ کراچی کے نوجوانوں کو صحت مند سرگرمیوں میں مصروف رکھنے کی غرض سے کمپنی اپنے گراؤنڈ پر کرکٹ اور فٹبال اکیڈمیاں بھی چلاتی ہے۔

بورڈ کی ترکیب

بورڈ کی حالیہ ترکیب درج ذیل ہے:-

ڈائریکٹرز کی کل تعداد:

(الف) مرد 8

(ب) خاتون 1

ترکیب:

(الف) انڈیپنڈنٹ ڈائریکٹر 3

(ب) نان ایگزیکٹو ڈائریکٹر 4

(ج) ایگزیکٹو ڈائریکٹر 1

(د) خاتون ڈائریکٹر 1

بورڈ کی کمیٹیاں:

آڈٹ کمیٹی

جناب عبداللہ غفار..... چیئر مین

جناب محمد اعجاز..... ممبر

جناب کاشف اے حبیب..... ممبر

جناب عبدالقادر سلطان..... ممبر

<p>پائیدار و ماحول دوست تعمیراتی میٹر میں جاویداں میں ہم ماحول دوست تعمیراتی میٹر میں استعمال کر کے پائیدار مستقبل کو یقینی بنانے کے عہد پر کاربند ہیں۔ ہمارا نقطہ نظر ایسے میٹر میں ماحول دوست مہم کا حصول ہے جو حفاظتی معیارات کی تکمیل کرتے ہوں اور بہترین معمولات کے مطابق ہوں۔ ماحولیات پر مضر اثرات میں کمی لانے اور طویل مدت تک پائیدار رہنے والے میٹر میں کا انتخاب کر کے ہم آنے والی نسلوں کے لئے وسائل کے تحفظ میں اپنا کردار ادا کر رہے ہیں اور ساتھ ہی اپنے پروجیکٹوں میں معیار کے اعلیٰ ترین معیار اور ماحولیاتی ثبوت کو بھی برقرار رکھے ہوئے ہیں۔</p>	<p>پائیدار و ماحول دوست تعمیراتی میٹر میں جاویداں میں ہم ماحول دوست تعمیراتی میٹر میں استعمال کر کے پائیدار مستقبل کو یقینی بنانے کے عہد پر کاربند ہیں۔ ہمارا نقطہ نظر ایسے میٹر میں ماحول دوست مہم کا حصول ہے جو حفاظتی معیارات کی تکمیل کرتے ہوں اور بہترین معمولات کے مطابق ہوں۔ ماحولیات پر مضر اثرات میں کمی لانے اور طویل مدت تک پائیدار رہنے والے میٹر میں کا انتخاب کر کے ہم آنے والی نسلوں کے لئے وسائل کے تحفظ میں اپنا کردار ادا کر رہے ہیں اور ساتھ ہی اپنے پروجیکٹوں میں معیار کے اعلیٰ ترین معیار اور ماحولیاتی ثبوت کو بھی برقرار رکھے ہوئے ہیں۔</p>	
<p>ملازمین کی صحت و تحفظ: جامع تربیتی پروگرام اور سخت حفظ مراتب پر عمل کر کے اپنے پروجیکٹوں اور تنصیبات پر مصروف کار افرادی قوت کی صحت و حفاظت ہماری ترجیح ہے۔</p> <p>تنوع، مساوات اور شمولیت: ہر ایک کو مساوی مواقع فراہم کرنے اور ادارے میں شمولیت کا کلچر رائج کرنے کی ترویج کر کے ہم تنوع، مساوات اور شمولیت کے معمولات میں اضافہ کرنے پر کام کر رہے ہیں۔</p> <p>کیونٹی کی مشغولیت: JCL تعلیم، صحت اور سماجی بہبود کے ذریعے سرگرمی سے مقامی کمیونٹیوں کی مدد کرتی ہے۔</p>	<p>JCL جن میں کام کرتی ہے ان کمیونٹیوں پر مثبت اثر قائم رکھنے اور محفوظ، پُرشمولیت اور باختیار مقام کار پر یقین رکھتی ہے۔</p>	<p>سماجی ذمہ داری</p>
<p>مضبوط انتظامی فریم ورک: ہم ایسے قوی انتظامی اسٹرکچر کے حامل ہیں جو قابل اطلاق قوانین اور ضوابط پر عمل درآمد کو یقینی بناتا ہے اور ادارے میں اعلیٰ اخلاق اور ایمانداری کا کلچر رائج ہے۔</p> <p>نظام انتظام خطرات: ہم نے خطرات کے انتظام کا ایک جامع نظام نافذ کر رکھا ہے تاکہ ممکنہ خطرات کا پتہ لگا کر انہیں دور کیا جاسکے اور طویل مدت میں کاروبار کے ثبوت کو یقینی بنایا جاسکے۔</p>	<p>JCL کارپوریٹ گورننس کے اعلیٰ ترین معیارات اور اخلاقیات کو قائم رکھے ہوئے ہے تاکہ ہمارے کاروباری معاملات میں شفافیت، ایمانداری اور احتساب کو یقینی بنایا جاسکے۔</p>	<p>گورننس</p>

پائیداری کی رپورٹنگ

ہم نے پائیداری کی رپورٹنگ کا ایسا جامع فریم ورک تیار کیا ہے جو عالمی معیارات کے عین مطابق ہے۔ ہم سرگرمی سے اپنے اسٹیک ہولڈروں سے رابطے میں رہتے ہیں تاکہ ان کی مشاورت اور ان کی توقعات سمجھ سکیں، اس طرح یقینی بناتے ہیں کہ ہماری رپورٹنگ قابل بھروسہ اور معتبر ہے۔ پائیداری کے ہمارے عہد کو تازہ کرنے اور ESG مقاصد کے حصول کی اپنی کاوشوں کے اظہار کے لئے ہم اپنے رپورٹنگ کے معمولات کا باقاعدہ جائزہ لیتے اور اسے بہتر سے بہتر بنانے کی کوشش کرتے رہتے ہیں۔

کارپوریٹ سماجی ذمہ داری (CSR)

کمپنی کو ادراک ہے کہ قومی بھلائی کے کاموں میں حصہ لینا بھی اس کی ذمہ داری ہے۔ ایک ذمہ دار کارپوریٹ شہری ہونے کی حیثیت سے کمپنی نے متعدد سماجی شعبوں میں مختلف

نیاناظم آباد جم خانے کا آغاز ایک اہم سنگ میل ہے۔ ہم نے یہاں کے مکینوں کے لئے ٹینس، ٹیبل ٹینس، جم، اسکواش، سوئمنگ پول، باربی کیوریستوراں، بستر و ممبروں کا لاؤنج، بیکنوٹ ہال وغیرہ جیسی عالمی معیار کی سہولیات کا حامل ایک غیر مثالی اثاثہ تیار کر دیا ہے۔ جم خانہ کی رکنیت کی فروخت اطمینان بخش طریقے سے شروع ہو چکی ہے۔ ہمیں امید ہے کہ مزید سہولیات شروع کئے جانے کے ساتھ ساتھ رکنیت کی فروخت میں بھی اضافہ ہوتا رہے گا۔

اقتصادی صورتحال خصوصاً مہنگائی اور شرح سود میں کمی کے تناظر میں امید ہے کہ مجموعی کاروباری سرگرمیوں اور ریئل اسٹیٹ سیکٹر میں بہتری آئے گی۔ مارکیٹ کے بہتر حالات میں نیاناظم آباد مواقع سے بھرپور فائدہ اٹھانے کی بہترین پوزیشن میں ہے۔

ماحولیاتی، سماجی، انتظامی (ESG) اور پائیداری کی رپورٹنگ

ماحولیاتی، سماجی، انتظامی (ESG) رپورٹنگ

ماحولیات، سماج اور انتظام کے حوالے سے مقررہ شرائط و ضوابط اپنے کاروباری اور آپریشنل ماڈلوں کا حصہ بنانے کے معاملے میں جاویداں کارپوریشن لمیٹڈ (JCL) افتخار کی حامل ہے۔ ESG اور پائیداری رپورٹنگ کے لئے ہمارے مقرر کردہ مقاصد شفافیت، احتساب، اور اہم ترین شعبوں میں مسلسل بہتری لانے میں ہمارے خلوص نیت کو ظاہر کرتے ہیں:

کیٹیگری	عناصر	اقدامات
	ماحولیاتی تبدیلیوں سے موافقت: جاویداں میں اپنی کمیونٹی اور مکینوں کو بہتر معیار زندگی مہیا کرنے کی غرض سے مضر ماحولیاتی اثرات میں کمی لانا ہماری ترجیح ہے۔ ہم ایسے پائیدار اقدامات اٹھانے کا عہد کئے ہوئے ہیں جو ہمارے رہائشیوں کو صحت بخش اور رنگارنگ زندگی گزارنے کا ماحول پیدا کرنے میں مددگار ثابت ہوں۔	پائیدار آپریشن: فضلے کی مقدار میں کمی لانے، توانائی بچانے، اور ماحولیات پر مجموعی مضر اثرات میں کمی لانے والے ماحول دوست معمولات کا ہمارے سہولیات اور پروجیکٹوں میں نفاذ۔ سر سبز انفراسٹرکچر: سر سبز انفراسٹرکچر بنانے میں سرمایہ کاری جو ماحولیاتی معیار کو بہتر بنائے جیسے شجر کاری اور سرسبز علاقوں کی تعمیر۔
ماحولیاتی سرپرستی	پانی کی بچت: پانی نہ صرف ایک وسیلہ ہے بلکہ اس کے بغیر زندگی کا تصور محال ہے۔ بحیثیت پاکستانی شہری اور JCL کے ملازم ہم اس کی اہمیت سے اچھی طرح آگاہ ہیں۔ یہی وجہ ہے کہ ہم اس کے منوثر استعمال اور انتظام کو ترجیح دیتے ہیں۔	اپنی تنصیبات اور پروجیکٹوں میں پانی کی کھپت اور اس کے زیاں میں لانے والی جدید ترین ٹیکنالوجیوں کا استعمال۔ پانی کی ری سائیکلنگ اور اسے دوبارہ قابل استعمال بنانا: پانی کوری سائیکل کرنے اور اسے دوبارہ قابل استعمال بنانے والے نظاموں کی تیاری اور ان کا استعمال تاکہ ایک جانب تو مضر ماحولیاتی اثرات کو گھٹایا جا سکے اور دوسری جانب پانی کے بیرونی وسائل پر انحصار کم کیا جاسکے۔ آگاہی: پانی کے منوثر استعمال اور اس کی بچت کے بارے میں ملازمین اور مکینوں کو مسلسل آگاہی فراہم کرنا۔

کے دوران نیا ناظم آباد میں FL اور کمرشل سائنس حاصل کر کے مختلف REITs نے کافی سرمایہ کاری کی ہے۔ نتیجے میں آپ کی کمپنی نے مالی سال 2022-2023 میں سب سے زیادہ فروخت ریکارڈ کی۔ REIT کے تحت شروع کئے جانے والے تمام پروجیکٹ وسط سے طویل مدتی پروجیکٹ ہیں۔ جیسا کہ اوپر بتایا گیا ہے کہ زیر جائزہ سال کے دوران بھی REITs اور دیگر کارپوریٹ اداروں کو مزید کمرشل پلاٹ فروخت کئے گئے۔

زیر جائزہ مالی سال کے دوران (غیر منظم بنیادوں پر) کمپنی نے، 4,214 ملین روپے کی فروخت ریکارڈ کی جو گزشتہ برس کی اسی مدت کے دوران 16,827 ملین روپے رہی تھی۔ زیر جائزہ مدت کے دوران لاگت فروخت 1,707 ملین روپے رہی جو گزشتہ برس کی اسی مدت کے دوران 7,793 ملین روپے رہی تھی۔ اس مدت کے دوران انتظامی اخراجات 550 ملین روپے رہے جو گزشتہ برس اسی مدت کے مقابلے میں 14% زیادہ تھے۔ سال کے دوران دیگر آمدنی کی مد میں 1,173 ملین روپے حاصل ہوئے جبکہ گزشتہ برس کی اسی مدت کے دوران 379 ملین روپے حاصل ہوئے تھے۔ دیگر آمدنی میں REITs میں سرمایہ کاری کی از سر نو پیکائش سے ہونے والی بچتیں بھی شامل ہیں جن کی مالیت 806 ملین روپے ہے۔ اس مدت کے دوران کمپنی نے فلائی اوور کی تکمیل کے لئے 729 ملین روپے کے اخراجات کی ادائیگی کی۔ قبل از ٹیکس اور بعد از ٹیکس منافع بالترتیب 2,148 ملین روپے اور 1,703 ملین روپے رہا اور فی شیئر کمائی (بیسک اور ڈیلیوٹڈ) 4.47 روپے رہی۔

زیر جائزہ مدت کے دوران تجارتی قرضوں کے حجم میں کافی حد تک کمی آئی ہے جو 10,697 ملین روپے سے کم ہو کر صرف 1,142 ملین روپے رہ گئے ہیں۔ مزید یہ کہ مخصوص مدتی اور قلیل مدتی قرضوں میں 4,070 ملین روپے کی کمی ہوئی۔

ذیل میں (غیر منظم) مالیاتی نتائج کا تقابلی خلاصہ پیش کیا جا رہا ہے:-

تفصیلات	30 جون 2024	30 جون 2023
	(روپے ہزاروں میں)	
خالص فروخت	4,214,923	16,827,214
لاگت فروخت	(1,707,918)	(7,793,730)
خام منافع	2,507,005	9,033,484
منافع قبل از ٹیکس	2,148,054	6,850,530
منافع بعد از ٹیکس	1,703,627	6,741,951
فی شیئر کمائی (EPS) بنیادی اور ڈیلیوٹڈ (روپے)	4.47	17.70

30 جون 2024 کو اختتام کو پہنچنے والے مالی سال کے دوران منظم بنیادوں پر JCL کی آمدنی 4,494 ملین روپے رہی جو گزشتہ برس کی اسی مدت کے دوران 11,187 ملین روپے رہی تھی۔ کاروبار سے 1,634 ملین روپے کا منافع ہوا جو 4.29 روپے فی شیئر کمائی کی صورت میں ظاہر ہوا۔

مستقبل کا منظر نامہ

نیا ناظم آباد میں سکونت بڑھتی جا رہی ہے اور 1,800 سے زائد گھرانے یہاں مقیم ہیں جبکہ 2,000 سے زائد پارٹنمنٹس اور مکانات زیر تعمیر ہیں۔ اس پروجیکٹ میں مارکیٹ کا بھروسہ یہاں موجود پلاٹوں، پارٹنمنٹوں اور ریٹیل کی قیمتوں کے مستحکم رہنے اور بڑھنے سے ظاہر ہے۔ ہمیں پورا اعتماد ہے کہ نیا ناظم آباد مارکیٹ میں مڈل کلاس خاندانوں کے لئے بطور پسندیدہ ترین بستی اپنی حیثیت مزید مضبوط کرے گا۔

ڈائریکٹرز رپورٹ

محترم شیئر ہولڈرز

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے ہم 30 جون 2024 کو اختتام پذیر ہونے والے مالی سال کے آڈٹ شدہ غیر منظم اور منظم مالیاتی گوشوارے ہمراہ آڈیٹرز کی رپورٹ آپ کی خدمت میں پیش کرتے ہوئے دلی مسرت محسوس کر رہے ہیں۔

مالی سال 2023-2024 اجمالی جائزہ

گزشتہ برس کی طرح، جب کمپنی نے اپنی تاریخ کی سب سے زیادہ فروخت، بعد از ٹیکس منافع اور منافع منقسمہ کی ادائیگی ریکارڈ کی، زیر جائزہ سال کے دوران بھی، خاص طور سے اہم ترین پُر قدر تعمیرات کے حوالے سے کمپنی کی کارکردگی میں استحکام رہا۔ گزشتہ 12 سے 18 ماہ سے جاری مشکل حالات میں بھی آپ کی کمپنی اور نیا ناظم آباد پروجیکٹ، اندھیرے میں چراغ کی مانند روشن رہے ہیں۔

”پیس اپارٹمنٹس“ نیا ناظم آباد اپارٹمنٹس REIT کے تحت جون 2024 میں پیش کیا گیا۔ اس پیشکش پر مارکیٹ کا رد عمل انتہائی امید افزا رہا۔ ”گلوب ریڈیٹسی اپارٹمنٹس“، ”راحت ریڈیٹسی“، اور ”سگنچر ٹاور“ کے عنوان سے قبل ازیں پیش کئے جانے والے پروجیکٹوں کا تعمیراتی کام اپنے شیڈول کے مطابق جاری ہے۔

میزان بینک کے ساتھ (نفع و نقصان میں شراکت کی بنیاد پر تین ٹاوروں کی تعمیر و ترقی کی غرض سے) مشارکہ شراکت کی طرز پر نیا ناظم آباد اپارٹمنٹس REIT اور جم خانہ اپارٹمنٹس نے بھی بینک آف پنجاب کے ساتھ مشارکہ کی بنیاد پر معاہدے کئے۔

اپنے ریجنل آفس کے لئے یونائیٹڈ بینک لمیٹڈ نے 14,092 مربع گز کا ایک کمرشل پلاٹ خریدا ہے جبکہ بینک الفلاح بھی اپنی ”ڈیجیٹل لائف اسٹائل ایکسپریٹنس برانچ“ کے قیام کے لئے 9,465 مربع فٹ کی جگہ خریدنے کے آخری مراحل میں ہے۔ اس سے نیا ناظم آباد میں ترقی کے نئے دور کا آغاز ہوگا جو اسے دفاتر اور مالیاتی اداروں کا ایسا مرکز بنا دے گا جہاں رہائش، ملازمتیں اور جدید ترین طرز زندگی ایک ہی gated-community کے اندر دستیاب ہوں گے۔

2,185 ملین روپے کی لاگت سے نیا ناظم آباد دفلائی اور (جس سے پروجیکٹ تک آنے اور یہاں سے جانے کی صورتحال میں بہت زیادہ بہتری آئی ہے) کی تکمیل، نیا ناظم آباد جم خانہ (جس کی تعمیر اور دیگر منسلک لاگتوں کے ضمن میں اب تک 2,764 ملین روپے خرچ ہو چکے ہیں) اور جامع مسجد (632 ملین روپے تعمیراتی لاگت) نے یہ سال خصوصی بنادیا کیونکہ یہ پروجیکٹ نیا ناظم آباد کی ترقی کی علامت ثابت ہوں گے۔

نیا ناظم آباد نے پاکستان کا 77 واں یوم آزادی اپنے مکینوں کے ساتھ انتہائی جوش و جذبے سے منایا اور کھیلوں کے 12 مختلف مقابلوں کی میزبانی کی جس میں ایک ہزار سے زائد رہائشیوں نے حصہ لیا، خصوصی کرکٹ میچ، لائیو کنسرٹ کا انعقاد کیا گیا اور پورے نیا ناظم آباد کو برقی قہقہوں سے سجانے کے علاوہ شاندار آتش بازی کا مظاہرہ کیا گیا جس میں شہریوں کی بڑی تعداد نے حصہ لیا۔

مالیاتی جائزہ

مجموعی طور سے پروجیکٹ کا مرکز نگاہ REIT کے تحت انفتی انداز میں مخلوط تیاری (اپارٹمنٹس اور ٹیٹیل) ہے جو شفاف اور مالیاتی طور سے مؤثر ساخت ہے۔ چنانچہ گزشتہ دو برسوں

Category wise list of shareholders

As of June 30, 2024

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children			
MR. ARIF HABIB	1	1,283	0.00
MS. DARAKSHAN	1	2,994,358	0.79
MR. ABDUS SAMAD	1	60,217	0.02
MR. MUHAMMAD KASHIF	1	5,854,335	1.54
MR. ABDUL QADIR	1	213	0.00
Associated Companies, undertakings and related parties	11	241,633,351	63.44
NIT & ICP	1	141	0.00
Banks Development Financial Institutions, Non Banking Financial Financial Institutions.	5	312,008	0.08
Insurance Companies	-	-	-
Modarabas and Mutual Funds	1	39,000	0.01
General Public			
a. Local	2,930	72,643,600	19.07
b. Foreign	21	190,343	0.05
Foreign Companies	-	-	-
Others	41	57,131,598	15.00
Totals	3,015	380,860,447	100.00

Share holders holding 10% or more	Shares Held	Percentage
MR. ABDUL GHANI	45,645,808	11.98
AKD SECURITIES LIMITED	42,796,667	11.24
ARIF HABIB CORPORATION LIMITED	59,495,617	15.62
ARIF HABIB EQUITY (PVT) LTD	109,243,259	28.68

Pattern of Shareholding

As of June 30, 2024

Number of Shareholders	Shareholdings Slab	Total Shares Held	Number of Shareholders	Shareholdings Slab	Total Shares Held
1729	1 to 100	48,501	1	3860001 to 3865000	3,865,000
633	101 to 500	147,964	1	3995001 to 4000000	4,000,000
226	501 to 1000	170,458	1	4695001 to 4700000	4,700,000
251	1001 to 5000	564,338	1	5850001 to 5855000	5,854,335
54	5001 to 10000	409,479	1	6630001 to 6635000	6,632,312
21	10001 to 15000	258,169	1	7255001 to 7260000	7,257,825
17	15001 to 20000	307,314	1	9995001 to 10000000	10,000,000
4	20001 to 25000	84,356	1	10835001 to 10840000	10,839,167
6	25001 to 30000	166,120	1	13155001 to 13160000	13,157,546
6	30001 to 35000	196,800	1	16055001 to 16060000	16,057,500
2	35001 to 40000	76,422	1	16795001 to 16800000	16,800,000
2	40001 to 45000	84,200	1	17875001 to 17880000	17,875,414
3	45001 to 50000	149,792	1	28665001 to 28670000	28,669,676
3	50001 to 55000	162,990	1	42795001 to 42800000	42,796,667
1	55001 to 60000	58,800	1	49495001 to 49500000	49,495,617
1	60001 to 65000	60,217	1	109240001 to 109245000	109,243,258
2	75001 to 80000	159,210			
1	85001 to 90000	90,000	3015		380,860,447
2	90001 to 95000	182,280			
3	95001 to 100000	300,000			
2	100001 to 105000	203,480			
1	115001 to 120000	115,473			
2	150001 to 155000	305,049			
1	155001 to 160000	157,800			
1	160001 to 165000	165,000			
1	175001 to 180000	176,132			
1	185001 to 190000	187,000			
1	190001 to 195000	194,000			
1	205001 to 210000	205,051			
2	285001 to 290000	574,516			
1	295001 to 300000	300,000			
1	355001 to 360000	360,000			
1	360001 to 365000	362,490			
2	380001 to 385000	766,628			
3	425001 to 430000	1,283,040			
1	740001 to 745000	741,595			
1	1090001 to 1095000	1,092,980			
1	1510001 to 1515000	1,510,401			
1	1715001 to 1720000	1,717,717			
1	2155001 to 2160000	2,157,546			
1	2415001 to 2420000	2,415,951			
1	2855001 to 2860000	2,859,601			
1	2990001 to 2995000	2,994,358			
1	2995001 to 3000000	3,000,000			
2	3045001 to 3050000	6,092,912			



Form of Proxy

62nd Annual General Meeting

The Company Secretary
Javedan Corporation Limited
Arif Habib Centre
23, M.T. Khan Road
Karachi.

I/we _____ of _____ being a member(s)
of Javedan Corporation Limited holding _____ ordinary shares as per
CDC A/c. No. _____ hereby appoint Mr./Mrs./Miss _____
_____ of (full address) _____
_____ or failing him/her
Mr./Mrs./Miss _____ of (full address)

(being member of the company) as my/our Proxy to attend, act vote for me/us and on my/our behalf at the Sixty Second Annual General Meeting of the Company to be held on October 26, 2024 10:30 am and/or any adjournment thereof.

Signed this _____ day of _____ 2024.

Witnesses:

1. Name : _____
Address : _____
CNIC No. : _____
Signature : _____

2. Name : _____
Address : _____
CNIC No. : _____
Signature : _____

Signature on
Rs. 5/-
Revenue Stamp

NOTES:

1. A member entitled to attend and vote at the meeting may appoint another member as his / her proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.
2. Proxy shall authenticate his/her identity by showing his/her original CNIC / passport and bring folio number at the time of attending the meeting.
3. In order to be effective, the proxy Form must be received at the office of our Registrar CDC Share Registrar Services Limited Share Registrar Department, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahra-e-Faisal, Karachi, not less than 48 hours before the meeting duly signed and stamped and witnessed by two persons with their signature, name, address and CNIC number given on the form.
4. In the case of individuals attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy Form.
5. In the case of proxy by a corporate entity, Board of Directors resolution/power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted alongwith proxy Form.

میں مسٹی / مسماة _____ ساکن _____ ضلع _____

مسٹی / مسماة _____

ساکن _____ کو بطور مختار (پراکسی) مقرر کرتا ہوں تاکہ وہ میری جگہ اور میری طرف سے کمپنی کے

سالانہ اجلاس عام جو بتاریخ 26 اکتوبر، 2024 صبح 10:30 بجے منعقد ہو رہا ہے اس میں یا اس کے

کسی ملتوی شدہ اجلاس میں شرکت کرے اور ووٹ ڈالے۔

دستخط: _____ بروز/بتاریخ _____ 2024

گواہان:

1

2

نام: _____

نام: _____

پتہ: _____

پتہ: _____

شناختی کارڈ نمبر: _____

شناختی کارڈ نمبر: _____

دستخط: _____

دستخط: _____

دستخط ۵ روپے
ریونیواسٹیٹ

نوٹ:

- وہ رکن جسے یہ اجلاس یا اجلاس میں ووٹ کا حق حاصل ہے وہ کسی ناگزیر صورتحال میں اپنی جگہ کسی دوسرے (مخصوص) رکن کو یہ حق دے سکتا ہے کہ وہ رکن اُس کی پراکسی استعمال کرتے ہوئے، اُس کے بجائے اجلاس میں شریک ہو سکتا ہے، خطاب کر سکتا ہے یا ووٹ کا اندراج کر سکتا ہے۔
- پراکسی ثابت کرنے کے لئے اُسے اپنا اصل پاسپورٹ اور فوٹیو نمبر سے دکھانا لازمی ہے تاکہ اجلاس میں شرکت کی اجازت سے قبل اُس کی شناخت کی جاسکے۔
- موثر بنانے کے لئے، پراکسی فارم ہمارے رجسٹرار کے دفتر (ایم/ایس) سینٹرل ڈیپوزٹری کمپنی آف پاکستان، شیئر رجسٹرار ڈیپارٹمنٹ، سی ڈی سی ہاؤس، 99-B، ایس، ایم، سی، ایچ، ایس، شاہراہ فیصل، کراچی، پاکستان، میں اجلاس سے کم از کم 48 گھنٹے قبل وصول ہونا لازمی ہے۔ فارم میں تمام مطلوبہ معلومات، رکن کے دستخط اور مہر، نیز دو گواہان کی بنیادی معلومات یعنی نام پتے، دستخط اور شناختی کارڈ نمبر کا اندراج ضروری ہے۔
- انفرادی رکن کی صورت میں اصل اور پراکسی کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول منسلک کرنا لازمی ہے۔
- پراکسی کے کارپوریٹ ہونے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد، پاور آف اٹارنی، شناختی کارڈ اور پاسپورٹ کی تصدیق شدہ نقول، پراکسی فارم کے ساتھ منسلک کرنا ضروری ہے۔



REGISTERED OFFICE

Arif Habib Center 23, M T Khan Road
Karachi - 74000 PAKISTAN

SITE OFFICE:

Naya Nazimabad Manghopir Road,
Karachi - 75890



Call Us:

UAN: 111-511-611

Tel: +92 21 36770141-42



Email Us:

Email: info@jcl.com.pk

Website: www.jcl.com.pk