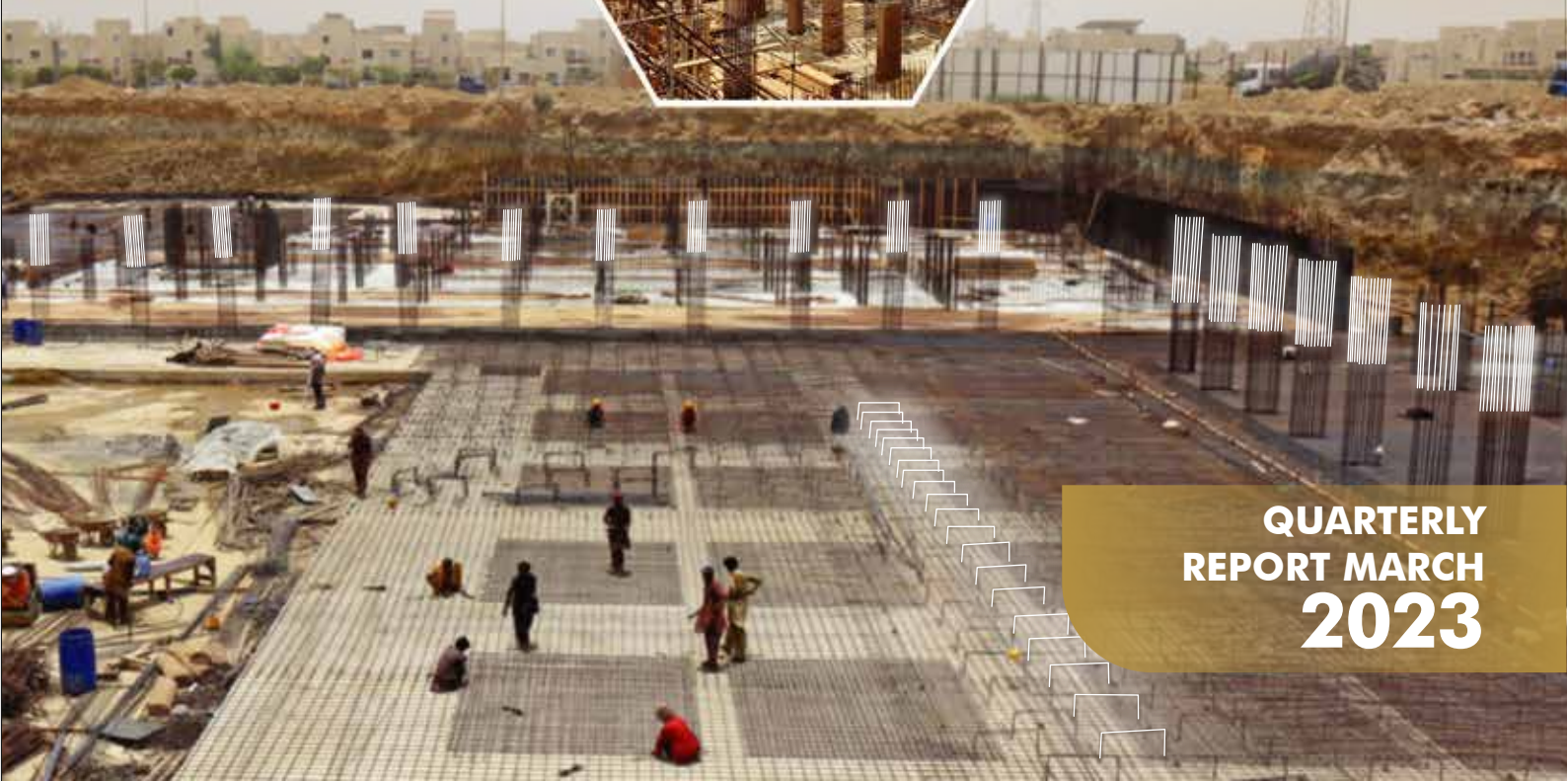
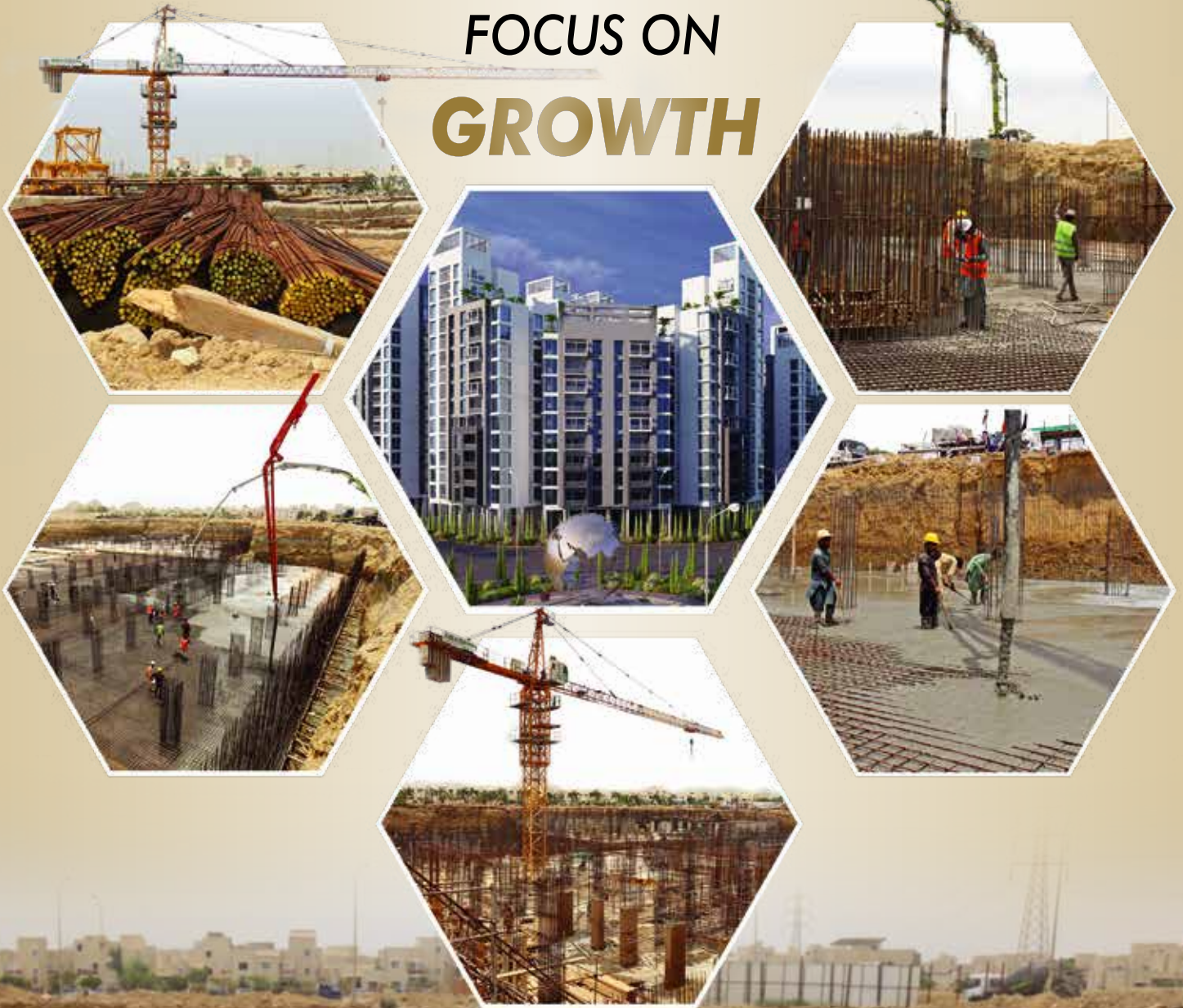
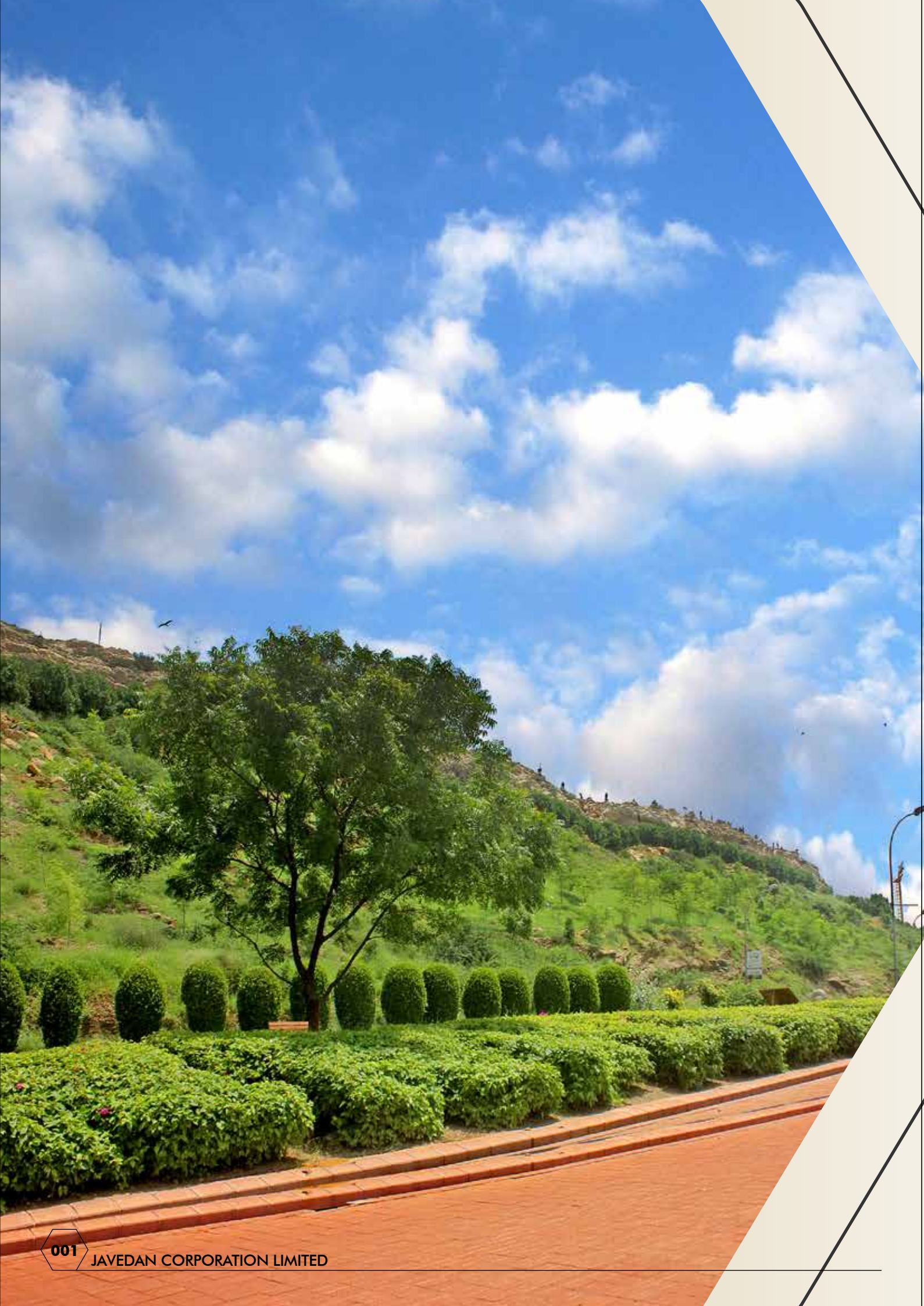


**FOCUS ON**  
**GROWTH**



**QUARTERLY**  
**REPORT MARCH**  
**2023**





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# 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
Alamgir A. Shaikh	Director
Abdul Qadir Sultan	Director
Darakshan Zohaib	Director

## Chief Financial Officer & Company Secretary

Muneer Gader

## 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

## Auditors

Yousuf Adil  
Chartered Accountants

Reanda Haroon Zakaria and Co.  
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  
Summit Bank 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 : 32460717-19  
Fax: 32466824  
Website: [www.jcl.com.pk](http://www.jcl.com.pk)

## Site Office:

Naya Nazimabad  
Manghopir Road  
Karachi – 75890  
Phones: +92 21 36770141-42  
Website: [www.nayanazimabad.com](http://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.

# **DIRECTORS' REVIEW REPORT**



# Directors' Review Report

## Dear Shareholders

On behalf of the board of directors, we are pleased to present the Condensed Interim Unconsolidated & Consolidated Financial Information for the quarter and nine-months period ended 31 March 2023 along with operational performance of the Company for the same period.

## Overview

We are pleased to inform you that your Company is making progress on all fronts. It has successfully completed the cycle of Globe Residency REIT transaction. Globe Residency Apartments were launched, with great success, back in November 2021. The apartment project was subsequently transferred into a REIT Scheme in March 2022. Globe Residency REIT Scheme (GRR) - the first developmental REIT Scheme in the country, was listed at Pakistan Stock Exchange on 28 December 2022.

The Company had offered 10% units of GRR, through offer for sale, to public, which was oversubscribed by 2.8 times. 5% units were offered to Real Estate Consultants, which were also fully subscribed. The balance 85% units were offered to existing ordinary shareholders of the Company.

After successful launch and subsequent sale of GRR during the period under review another apartment project - Signature Tower Block A was launched in January 2023, which has been, subsequently, transferred to Signature Residency REIT during the period under review. The launch of the apartment project was successful as 70% of apartment units have been booked at the.

Another REIT, namely, Naya Nazimabad Apartment REIT (NNAR) has also been formed and land admeasuring 46,597 sq yds has been sold to the REIT scheme. Arif Habib Development & Engineering Consultants (Private) Limited - Project Manager, is working on the launch of apartments and retail space under Naya Nazimabad Apartment REIT. We may expect these to be launched soon.

## Financial Performance

During the period, the Company has recorded Sale and Profit After Tax of PKR 9,746 million and 4,419 million respectively. Whereas Sale and Profit After Tax in the corresponding period were PKR 3,605 million and PKR 1,387 million, respectively.

Further, during the period, the cost of sales is recorded at PKR 3,847 million resulting in Gross Profit Margin of 61%. The administrative cost incurred, during the period, is PKR 383 million as compared to PKR 307 million incurred in the corresponding period. Flyover construction is progressing satisfactorily. The company incurred cost of PKR 881 million on the flyover construction during the period. Other Income earned during the period is PKR 190 million as compared to PKR 317 million earned over the corresponding period - increase of 77%

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

Particulars	31 March 2023	31 March 2022
	(Rupees in thousands)	
Net Sales	9,746,270	3,605,612
Cost of sales	(3,847,008)	(1,845,929)
Gross Profit	5,899,263	1,759,683
Profit before taxation	4,567,792	1,572,465
Profit after taxation	4,419,441	1,386,865
Earning per share - (in rupees)	11.60	3.64

On a consolidated basis profit from continuing operations is PKR 118 million translating into an EPS per share of Re. 0.31 per unit and profit from discontinued operation is PKR 1,061 million translating into earnings per share of Re 2.79.

### Operational Performance

We are extremely pleased to inform that work on Naya Nazimabad Flyover is progressing as per schedule. We expect it to be completed on time. The flyover will be a significant milestone for the development and growth of the project in future.

Further, the infrastructure development work of Block M has been completed and possession has also been offered to allottees in Block M.

Other infrastructure development work including Jama Masjid (2nd Phase), Naya Nazimabad Gymkhana and Naya Nazimabad Hospital is progressing as per schedule and all projects are expected to be completed within the planned timelines. On the auspicious occasion of Holy Month of Ramzan internal hall of Jama Masjid was open for prayers.

### Outlook

After the successful launch of Globe Residency Apartments and Signature Tower in Block A the apartments and retail space of Block B are being launched. Musharka Arrangement (partnership on profit or loss basis) with Meezan bank under Globe Residency REIT for three towers (approximately four hundred apartment units) is a significant achievement and a successful execution of Musharka Arrangement will pave the way for similar arrangement with Meezan and other banks in upcoming apartment projects under REITs.

With robust demand, completion of flagship value addition projects such as Naya Nazimabad Gymkhana & Naya Nazimabad Flyover within current financial year the value appreciation of Naya Nazimabad project should continue.

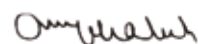
The recent inflation, interest rate hike, increase in cost of construction and overall slowdown in economy indeed concerning. However, despite these macroeconomic challenges the project specific positive developments depict a positive of your company.

### Acknowledgement

On behalf of the Board of Directors, we thank our customers and shareholders for their continued support in transforming the dream into reality. We would like to thank our Banks and Financial institutions who, over the years, have been critical in enabling the Company to deliver this project. We would also like to thank Securities and Exchange Commission of Pakistan and Pakistan Stock Exchange for their support to the project and appreciate all the employees of the Company for highly admirable efforts put in by them.



Samad A. Habib  
Chief Executive



Arif Habib  
Chairman

Dated: 27 April 2023





**CONDENSED INTERIM  
UNCONSOLIDATED  
FINANCIAL STATEMENTS**

FOR NINE MONTHS PERIOD ENDED MARCH 31, 2023

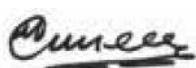
# Javedan Corporation Limited

## CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2023

	Note	(Unaudited) March 31, 2023	(Audited) June 30, 2022
----- (Rupees in '000) -----			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	6,939,724	6,924,951
Intangible assets		2,301	3,163
Investment properties	6	719,991	719,991
Long-term deposits		11,719	13,372
Long-term investments	7	3,047,500	1,510,000
Advance against issuance of units	8	1,472,871	-
		12,194,106	9,171,477
<b>CURRENT ASSETS</b>			
Development properties	9	18,626,786	19,499,396
Trade debts	10	4,735,978	1,040,253
Loans and advances	11	2,664,934	1,554,349
Trade deposits, prepayments and other receivables	12	515,021	335,572
Short-term investments		13,000	13,000
Unclaimed deposit		782	782
Cash and bank balances		122,962	1,645,816
		26,679,463	24,089,168
		38,873,569	33,260,645
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share Capital			
Authorised			
390,000,000 (June 30, 2022: 390,000,000) ordinary shares of Rs. 10/- each		3,900,000	3,900,000
Issued, subscribed and paid-up capital		3,808,604	3,808,604
Capital reserves		2,758,293	2,758,293
Revenue reserves		8,203,812	4,393,813
Other component of equity - revaluation surplus on lands		7,480,190	8,394,190
		22,250,899	19,354,900
<b>NON-CURRENT LIABILITIES</b>			
Long-term financings	13	6,947,128	7,537,129
Deferred grant		80,399	33,754
Deferred liability - gratuity		73,264	66,189
		7,100,791	7,637,072
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	1,995,415	706,633
Preference shares		505	505
Accrued mark-up		400,466	191,321
Contract liabilities		753,855	1,091,250
Advance against sale of investment properties		179,172	176,673
Short-term borrowings	15	3,434,086	1,833,164
Current maturity of non-current liabilities		2,614,905	2,116,734
Taxation - net		138,937	147,901
Unpaid preference dividend		288	242
Unclaimed dividend		4,250	4,250
		9,521,879	6,268,673
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>38,873,569</b>	<b>33,260,645</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	16		

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director



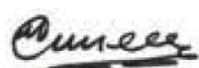
# Javedan Corporation Limited

## CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2023

	Note	For the Nine Months Ended		For the Quarter Ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Revenue from contracts with customers - net	17	9,746,270	3,605,612	1,420,634	3,392,590
Cost of sales	18	(3,847,008)	(1,845,929)	(480,275)	(1,643,228)
<b>Gross profit</b>		<b>5,899,263</b>	<b>1,759,683</b>	<b>940,359</b>	<b>1,749,362</b>
Marketing and selling expenses		(68,230)	(19,250)	(37,061)	(6,743)
Flyover cost		(880,805)	-	(358,703)	-
Administrative expenses		(383,336)	(307,396)	(121,473)	(96,869)
Finance costs	19	(315,947)	(39,846)	(136,268)	(15,258)
Other income	20	316,847	179,274	126,489	61,428
<b>Profit before taxation</b>		<b>4,567,792</b>	<b>1,572,465</b>	<b>413,343</b>	<b>1,691,920</b>
Taxation	21	(148,351)	(185,600)	(61,915)	(26,158)
<b>Profit for the period</b>		<b>4,419,441</b>	<b>1,386,865</b>	<b>351,428</b>	<b>1,665,762</b>
<b>Earnings per share</b>		----- Rupees -----			
Basic	22	11.60	3.64	0.92	4.37
Diluted	22	11.60	3.64	0.92	4.37

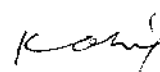
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Chief Financial Officer



Chief Executive Officer



Director

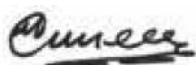
# Javedan Corporation Limited

## CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2023

	For the Nine Months Ended		For the Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Profit for the period	4,419,441	1,386,865	351,428	1,665,762
Other comprehensive income for the period - net of tax	-	-	-	-
<b>Total comprehensive income for the period - net of tax</b>	<b>4,419,441</b>	<b>1,386,865</b>	<b>351,428</b>	<b>1,665,762</b>

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director



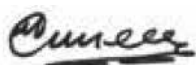
# Javedan Corporation Limited

## CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

### FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Issued, subscribed and paid-up capital	Capital reserves		Revenue reserves		Other component of equity	Total Equity
		Share premium	Tax holiday reserve	General	Unappropri- ated profits	Revaluation surplus on lands	
----- (Rupees in '000) -----							
<b>Balance as at July 01, 2021 (Audited)</b>	3,173,837	3,381,094	11,966	63,500	2,760,090	8,461,779	17,852,266
Issuance of 20% ordinary bonus shares for the year ended June 30, 2021 (i.e. 1 share for every 5 shares held)	634,767	(634,767)	-	-	-	-	-
Cost on issuance of shares	-	-	-	-	(1,511)	-	(1,511)
Loss for the period	-	-	-	-	1,386,865	-	1,386,865
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-
Total comprehensive income for the period, net of tax	-	-	-	-	1,386,865	-	1,386,865
Revaluation surplus on freehold land realised on account of sale of development properties	-	-	-	-	2,991	(2,991)	-
<b>Balance as at March 31, 2022 (Unaudited)</b>	<b>3,808,604</b>	<b>2,746,327</b>	<b>11,966</b>	<b>63,500</b>	<b>4,148,435</b>	<b>8,458,788</b>	<b>19,237,620</b>
Balance as at July 01, 2022 (Audited)	3,808,604	2,746,327	11,966	63,500	4,330,313	8,394,190	19,354,900
Interim dividend @ 40 percent on ordinary shares for the year ended June 30, 2020	-	-	-	-	(1,523,442)	-	(1,523,442)
Profit for the period	-	-	-	-	4,419,441	-	4,419,441
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-
Total comprehensive income for the period, net of tax	-	-	-	-	4,419,441	-	4,419,441
Revaluation surplus on freehold land realised on account of sale of development properties	-	-	-	-	914,000	(914,000)	-
<b>Balance as at March 31, 2023 (Unaudited)</b>	<b>3,808,604</b>	<b>2,746,327</b>	<b>11,966</b>	<b>63,500</b>	<b>8,140,312</b>	<b>7,480,190</b>	<b>22,250,899</b>

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

# Javedan Corporation Limited

## CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

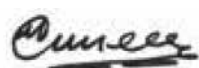
	Note	For the Nine months Ended	
		March 31, 2023	March 31, 2022
		----- (Rupees in '000) -----	
<b>Operating profit before working capital changes</b>	24	1,861,756	1,644,752
<b>Change in current assets</b>			
Development properties		824,380	(827,731)
Trade debts		(3,695,725)	(3,349,916)
Loans and advances		(1,110,585)	(1,574,062)
Trade deposits and other receivables		(179,449)	(93,361)
Short-term investments		(0)	1,258,802
		(4,161,379)	(4,586,267)
<b>Change in current liabilities</b>			
Trade and other payables		1,288,782	(301,856)
Payable to REIT scheme		-	546,396
Deferred grant		46,645	68,021
Contract liabilities		(337,395)	132,025
Advance against sale of investment properties		2,499	112,100
Unpaid preference dividend		46	45
		1,000,577	556,732
<b>Cash flows used in operations</b>		(1,299,046)	(2,384,783)
<b>Payments for:</b>			
Income taxes		(157,316)	(165,554)
Finance costs		(106,802)	-
Gratuity		(7,725)	(119)
Long-term deposits refunded / (paid)		1,653	(2,403)
<b>Net cash flows used in operational activities</b>		(1,569,236)	(2,552,859)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to property, plant and equipment		(915,406)	(466,683)
Sale proceeds from disposal of property, plant and equipment		874,588	14
Mark-up on saving accounts received		174,421	18,824
Advance against issuance of units		(1,472,871)	-
Disposal of investment - GRR		1,400,000	(10,000)
<b>Net cash flows used in investing activities</b>		60,732	(457,845)



**Javedan Corporation Limited**  
**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF**  
**CASH FLOWS (UNAUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2023**

Note	For the Nine months Ended	
	March 31, 2023	March 31, 2022
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid:		
- ordinary shares	(1,523,442)	(7)
Cost on issuance of shares	-	(1,511)
Long-term financing - net	(91,830)	3,094,376
Short-term borrowings - net	1,600,922	789,547
<b>Net cash (used in) / generated from financing activities</b>	<b>(14,350)</b>	<b>3,882,405</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(1,522,854)</b>	<b>871,701</b>
Cash and cash equivalents at beginning of the period	1,645,816	152,696
<b>Cash and cash equivalents at end of the period</b>	<b>122,962</b>	<b>1,024,397</b>

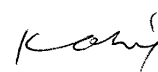
The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

### 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 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 Company is also the member of Association of Builders and Developers of Pakistan (ABAD). Subsequently to the reporting date, the Company has initiated steps to take relevant approvals for change in layout plan of Naya Nazimabad, which is expected to be completed in due course of time.
- 1.3** These Condensed interim financial Statements are the separate financial statements of the Company, in which investment in subsidiary has been accounted for at cost less accumulated impairment losses, if any. As of March 31, 2023, the Company has investments in following subsidiaries:

	<b>% of holding</b>
- NN Maintenance Company (Private) Limited (NNMC)	100
- Sapphire Bay Development Company Limited (SBDCL)	100
- NN Apartment REIT (NNAR)	100

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

<b>Location</b>	<b>Address</b>
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 condensed interim financial statements of the Company for the nine months period ended March 31, 2023 has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by International Accounting Standard Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

### 3. BASIS OF PREPARATION

**3.1** These condensed interim financial statements are un-audited but subject to limited scope review by the auditors and are being submitted to the shareholders as required under Section 237 of the Companies Act, 2017. These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2022.

**3.2** The figures of the condensed interim statement of profit or loss and statement of other comprehensive income for the quarter ended March 31, 2023 and March 31, 2022 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the nine months period ended March 31, 2023 and March 31, 2022.

**3.3** The preparation of these condensed interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgements made by the management in applying the Company's accounting policies and areas where assumptions and estimates are significant are same as those applied to the annual financial statements of the Company as at and for the year ended June 30, 2022. The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company as at and for the year ended June 30, 2022.

**3.4** These condensed interim financial statements is presented in Pakistan Rupees which is also the Company's functional currency and all financial information presented has been rounded off to the nearest thousand of rupees, otherwise stated.

### 4. SIGNIFICANT ACCOUNTING POLICIES

**4.1** The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements for the year ended June 30, 2022, except for the adoption of the new/amended standards, interpretations and improvements to accounting standards, which became effective for the current period.

The adoption of above standards, interpretations and improvement to standards did not have any material effect or either not relevant or did not have any material effect on the condensed interim financial information.

#### **4.2 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:**

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



# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

**Effective from accounting period beginning on or after**

- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16	January 01, 2022
- Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	January 01, 2022
- IAS 41 Agriculture - Taxation in fair value measurements	January 01, 2022
- IFRS 3 - Reference to the Conceptual Framework (Amendments)	January 01, 2023
- IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition	January 01, 2023
- Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
- Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12	January 01, 2023
Classification of liabilities as current or non-current - Amendment to IAS 1	January 01, 2023
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized

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

### Standards

**Effective from accounting period beginning on or after**

IFRS 1 - First-time Adoption of International Financial Reporting Standards	January 01, 2023
IFRS 17 – Insurance Contracts	January 01, 2023

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2022.

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Note	(Unaudited) March 31, 2023	(Audited) June 30, 2022
----- (Rupees in '000) -----			
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	5.1	4,079,436	4,949,610
Capital work-in-progress	5.4	2,860,288	1,975,341
		<u>6,939,724</u>	<u>6,924,951</u>
<b>5.1 Operating fixed assets</b>			
Opening Net Book Value		4,949,610	4,771,008
Add: Additions during the period / year	5.2	30,459	206,755
Less: Transfer/Disposal during the period / year	5.3	(874,588)	(38)
Less: Depreciation during the period / year		(26,045)	(28,115)
Closing Net Book Value		<u>4,079,436</u>	<u>4,949,610</u>
<b>5.2 Additions during the period / year</b>			
Other land		-	2,458
Buildings on other land		5,378	74,420
Recreational facilities		2,181	108,460
Furniture and fixtures		3,680	1,678
Office equipment		2,054	3,323
Medical equipment		388	190
Computer equipment		3,403	6,366
Vehicles		13,375	9,860
		<u>30,459</u>	<u>206,755</u>
<b>5.3 Transfer / Disposals during the period / year - at book value</b>			
Office equipment		-	38
Land		874,588	-
		<u>874,588</u>	<u>38</u>
<b>5.4 Capital work-in-progress</b>			
Opening		1,975,341	1,472,843
Additions during the period / year		884,947	685,378
Transfer to operating fixed assets		-	(182,880)
Closing	5.4.1	<u>2,860,288</u>	<u>1,975,341</u>
<b>5.4.1 The details of capital work-in-progress are as under:</b>			
Gymkhana (club house)		1,978,169	1,605,623
Jama masjid		392,738	304,839
Hospital		489,381	64,879
		<u>2,860,288</u>	<u>1,975,341</u>

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

### 6. INVESTMENT PROPERTIES

The last independent valuation was carried out by the management through an independent professional valuer as of June 30, 2022. As of March 31, 2023, the management expects no material change in the aforementioned fair value of investment properties and accordingly no adjustment has been incorporated in these condensed interim financial statements.

		(Unaudited) March 31, 2023	(Audited) June 30, 2022
7. LONG-TERM INVESTMENTS	Note		
		----- (Rupees in '000) -----	

#### Investment in subsidiaries at cost

- NN Maintenance Company (Private) Limited - subsidiary company	7.1	10,000	10,000
- Sapphire Bay Development Company Limited - subsidiary company	7.2	100,000	100,000
- Globe Residency REIT	7.3	-	1,400,000
- Naya Nazimabad Apartment REIT - subsidiary company	7.4	2,937,500	-
		<u>3,047,500</u>	<u>1,510,000</u>

**7.1** 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 subsidiary company commenced its operational activities effective from January 2020.

**7.2** Represent investment of 1 million ordinary shares having face value of Rs. 10 each, in a wholly owned subsidiary namely Sapphire Bay Development Company Limited. In-addition, the company has also given advance of Rs. 90 million on account of future issuance of ordinary shares.

**7.3** The Board of Directors and shareholders of the Company in their meeting held on August 27, 2022 and September 21, 2022 respectively, resolved to sale or otherwise disposing of up to 100% units of the GRR [a wholly owned subsidiary], including by way of Offer for Sale through Pakistan Stock Exchange, after obtaining all requisite regulatory approvals in accordance with the applicable laws, rules, and regulations. As of March 31, 2023 the company has disposed off complete 140,000,000 units.

**7.4** The Company has sold land measuring 46,597 square yards to NN Apartment REIT (NNAR, a REIT Scheme) for consideration in cash of Rs 2,887 million and in form of units of NNAR of Rs 2,937 million having face value of Rs. 10 each. Resultantly, NNAR becomes the subsidiary of the Company by virtue of 100% unit holdings in NNAR.

### 8. ADVANCE AGAINST ISSUANCE OF UNITS

The Company paid advance of Rs. 1.4 billion to Sapphire Bay Islamic Development REIT against issuance of its units. As per agreement, executed on November 18, 2021 (effective date), RUDA offered 2,000 acres of land to 17 consortium parties. The Company, based on this agreement and equity amount holding percentage, plays a lead role in this project.



# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Note	(Unaudited) March 31, 2023	(Audited) June 30, 2022
<b>9. DEVELOPMENT PROPERTIES</b> ----- (Rupees in '000) -----			
<b>Land</b>			
Opening balance		16,441,918	15,031,918
Add: Transfer from PPE / Additions during the period / year		874,588	1,410,000
	9.1	17,316,506	16,441,918
<b>Development expenditure incurred</b>			
Opening balance		12,028,016	10,938,044
Add: Incurred during the period / year		1,164,086	1,089,972
		13,192,102	12,028,016
<b>Borrowing costs related to development properties</b>			
Opening balance		3,388,027	2,683,235
Add: Capitalised during the period / year		935,723	704,792
		4,323,750	3,388,027
		34,832,358	31,857,961
<b>Transferred to:</b>			
- property, plant and equipment		(71,003)	(71,003)
- investment properties		(40,291)	(40,291)
- cost of sales to date	18	(11,012,694)	(7,576,888)
- development charges incurred and apportioned to date	18	(5,081,584)	(4,670,383)
		18,626,786	19,499,396

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

	Note	(Unaudited) March 31, 2023	(Audited) June 30, 2022
<b>10. TRADE DEBTS - secured, considered good</b> ----- (Rupees in '000) -----			
Receivable against:			
- sales of plots and bungalows	10.1, 10.2 & 10.3	4,144,989	795,171
- utilities infrastructure charges		2,309	1,913
- development charges incurred:			
- billed	10.4	223,073	49,597
- un-billed	10.5	365,607	193,572
		588,680	243,169
		4,735,978	1,040,253

**10.1.** 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.

**10.2.** This includes Rs.2,887 million being partial sale consideration receivable from Naya Nazimabad Apartment REIT (REIT Scheme) against sale of land measuring 46,597 sq.yards. This REIT Scheme is managed by Arif Habib Dolmen REIT Management Limited, a related party.

**10.3.** This includes Rs. 817.600 million receivable from Signature Residency REIT (REIT Scheme) against sale of land measuring 4,088 sq. yds. This REIT Scheme is managed by Arif Habib Dolmen REIT Management Limited, a related party. As per the terms agreed 13,200,000, units of REIT Scheme will be issued to the Company having face value of Rs. 10 each and remaining proceeds will be paid in cash amounting to Rs. 685.6 million.

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

- 10.4** Represents development cost billed to customers as per the terms of their sale agreement.
- 10.5** 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.

<b>11. Loans and advances</b>	<b>Note</b>	<b>(Unaudited) March 31, 2023</b>	<b>(Audited) June 30, 2022</b>
		----- (Rupees in '000) -----	
<b>Loans - secured</b>			
Executives		6,244	7,339
Employees		1,967	2,466
		8,211	9,805
<b>Loans - unsecured</b>			
Loan to a related party - Arif Habib Limited		1,550,000	800,000
<b>Advances - unsecured</b>			
Suppliers	11.1	651,618	544,566
Contractors		278,614	180,821
Employees for expenses		6,314	5,007
Purchase of properties		170,177	14,150
		1,106,723	744,544
		2,664,934	1,554,349
<b>11.1. Included herein advances to related parties for purchase of cement and concrete, as follows:</b>			
- Safemix Concrete Limited		85,564	133,313
- Power Cement Limited		6,670	30,501
		92,234	163,814
<b>12. TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>			
<b>Deposits</b>			
- Security deposit with Sindh Building Control Authority		3,345	3,345
- Others		13,723	12,409
- Guarantee margin		225	225
- Contractors		2,680	2,680
Provision for impairment		(2,905)	(2,905)
		17,068	15,754

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

	(Unaudited) March 31, 2023	(Audited) June 30, 2022
Note	----- (Rupees in '000) -----	
<b>Prepayments</b>		
Prepaid rent, insurance and expenses	9,724	6,691
<b>Other receivables - Considered good</b>		
Sales tax refundable	4,703	4,703
Excise duty refundable	574	574
Receivable from related parties - considered good	482,378	310,941
Others	5,277	1,612
	492,932	317,830
Provision for impairment	(4,703)	(4,703)
	<u>515,021</u>	<u>335,572</u>
	(Unaudited) March 31, 2023	(Audited) June 30, 2022
Note	----- (Rupees in '000) -----	
<b>12.1.</b>	Included herein receivables from related parties, as follows:	
- NN Maintenance Company (Private) Limited - subsidiary company	400,094	297,729
- International Builders and Developers (Private) Limited - associate	264	187
- Arif Habib Limited - associates	71,661	9,512
- Haji Abdul Ghani	369	369
- Naya Nazimabad apartment REIT	9,990	3,144
	<u>482,378</u>	<u>310,941</u>
<b>13. LONG-TERM FINANCINGS</b>		
Term finance loan I	408,935	510,231
Term finance loan II	1,791,756	1,988,589
Term finance loan III	1,000,000	1,000,000
SBP-Refinance Scheme	-	13,547
Sukuk certificates	1,990,910	2,238,642
Diminishing musharakah I	587,286	750,000
Diminishing musharakah II	872,492	996,415
Diminishing musharakah III	1,000,000	1,000,000
Diminishing musharakah IV	702,000	700,000
Islamic refinance facility	308,655	391,567
Term finance loan IV	900,000	-
	<u>9,562,033</u>	<u>9,588,991</u>
Current maturity of long-term financings	(2,614,905)	(2,051,862)
	<u>6,947,128</u>	<u>7,537,129</u>

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

- 13.1** There are no major changes in the terms and conditions of long-term financings as disclosed in note 21 to the annual audited financial statements of the Company for the year ended June 30, 2022, except for the new financing facility obtained during the current period as disclosed in notes 13.2 these condensed interim financial statements.
- 13.2.** 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.

	(Unaudited) March 31, 2023	(Audited) June 30, 2022
Note	----- (Rupees in '000) -----	
<b>14. TRADE AND OTHER PAYABLES</b>		
Creditors	94,763	60,769
Accrued liabilities	234,228	74,137
Retention money	146,521	119,009
Withholding tax payable	22,881	16,694
Other payables:		
- on cancellation of plots	8,917	8,917
- against other projects	14.2 1,084,717	20,770
- non-violation charges	89,634	86,030
- Globe Residency REIT (GRR)	1,899	320,307
- Signature Residency REIT (SRR)	14.1 311,855	-
	<u>1,995,415</u>	<u>706,633</u>

- 14.1.** Included herein Rs. 2.976 million and Rs. Nil (June 30, 2022: Rs. 2.976 million and Rs. 0.124 million) payable to Arif Habib Dolmen REIT Management Limited and Rotocast Engineering Company (Private) Limited respectively.
- 14.2.** This includes the amount of Rs. 1,064 million submitted by other consortium members to the Company for payment to Sapphire Bay Islamic Development REIT (refer note 8).



# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

	(Unaudited) March 31, 2023	(Audited) June 30, 2022
Note	----- (Rupees in '000) -----	
<b>15. SHORT-TERM BORROWINGS</b>		
<b>From related parties - unsecured</b>		
Sapphire Bay Development Company Limited (SBDCL)	179,604	-
Arif Habib	850,000	-
Arif Habib Corpoartion Limited	200,000	-
	1,229,604	-
<b>Other than related parties</b>		
Musharakah arrangement	300,000	300,000
Running finance under mark-up arrangements	598,643	599,736
Running finance under mark-up arrangements	1,305,839	933,428
	2,204,482	1,833,164
15.4	<u>3,434,086</u>	<u>1,833,164</u>

**15.1.** During the period, the management has obtained loan from SBDCL (a subsidiary Company) amounting to Rs. 179.604 million. The loan is an interest free loan and is payable on demand.

**15.2** 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.

**15.3** 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.

**15.4.** The terms and conditions of short term borrowings are same as disclosed in note 29 to the annual audited financial statements of the Company for the year ended June 30, 2022.

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

### 16. CONTINGENCIES AND COMMITMENTS

#### 16.1. Contingencies

##### 16.1.1. Existing business - Tax related contingencies

###### 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 unfavorable 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.
- 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 favorable 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 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 CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

- 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 Honorable 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 favorable outcome on the said matter. Accordingly, no liability for WWF since 2014 to 30 June 2022 has been accounted for in these financial statements having an aggregate impact of Rs. 155.244 million (2021: Rs. 123.571 million).
- 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 favorable 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 regard is still pending before SHC.

### 16.1.2. Other contingencies and commitments

There are no major changes in the status and nature of other contingencies (i.e. related to legal/other contingencies relating to existing business and former business) and commitments as disclosed in notes 30.1.1(b), 30.1.2 and 30.2, respectively to the annual audited financial statements of the Company for the year ended June 30, 2022.

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Nine Months ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>17. REVENUE FROM CONTRACTS WITH CUSTOMERS - NET</b>	----- (Un-audited) ----- ----- (Rupees in '000) -----			
Plots	9,025,037	3,288,486	1,154,203	3,240,000
Bungalows	330,662	-	91,941	-
	<u>9,355,699</u>	<u>3,288,486</u>	<u>1,246,144</u>	<u>3,240,000</u>
Development and utility charges reimbursable from customers	411,202	337,522	174,490	152,590
Trade discount	-	294	-	-
Cancellation / forfeitures	(20,631)	(20,690)	0	-
	<u>(20,631)</u>	<u>(20,396)</u>	<u>0</u>	<u>-</u>
	<u>9,746,270</u>	<u>3,605,612</u>	<u>1,420,634</u>	<u>3,392,590</u>
<b>18. COST OF SALES</b>				
Cost of development properties sold:				
- plots	3,424,623	1,508,407	305,786	1,490,638
- bungalows	11,183	-	-	-
	<u>3,435,806</u>	<u>1,508,407</u>	<u>305,786</u>	<u>1,490,638</u>
Development and utility charges incurred and apportioned to customers	411,202	337,522	174,490	152,590
	<u>3,847,008</u>	<u>1,845,929</u>	<u>480,275</u>	<u>1,643,228</u>

### 19. FINANCE COSTS

Included herein mark-up on long-term financings and short-term borrowings of Rs. 121.662 million and Rs. 190.217 million (March 31, 2022: Rs. 8.459 million and Rs. 30.697 million) respectively.

### 20. OTHER INCOME - Net

Included herein Rs. 63.265 million (March 31, 2022: Rs. 113.580 million) related to transfer fees from plots and bungalows and Rs. 165.153 million (March 31, 2022: Rs. 17.013 million) from Arif Habib Limited (related party) respectively.

	Nine Months ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>21. TAXATION</b>	----- (Un-audited) ----- ----- (Rupees in '000) -----			
Current	176,716	116,597	61,915	26,158
Prior	(28,365)	69,707	-	-
Deferred	-	(704)	-	-
	<u>148,351</u>	<u>185,600</u>	<u>61,915</u>	<u>26,158</u>



# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Nine Months ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>22. EARNINGS PER SHARE</b>	----- (Un-audited) ----- ----- (Rupees in '000) -----			
<b>Basic</b>				
Profit after tax (Rupees in '000)	4,419,441	1,386,865	351,428	1,665,762
Weighted average number of ordinary shares	380,860,447	380,860,447	380,860,447	380,860,447
Earnings per share - (In Rupees)	11.60	3.64	0.92	4.37
<b>Diluted</b>				
Profit after tax (Rupees in '000)	4,419,441	1,386,865	351,428	1,665,762
Weighted average number of ordinary shares in issue	380,860,447	380,860,447	380,860,447	380,860,447
Adjustment for conversion of convertible preference shares	13,187	16,066	13,187	14,748
Weighted average number of ordinary shares for diluted earnings per share	380,873,634	380,876,513	380,873,634	380,875,195
Earnings per share - (In Rupees)	11.60	3.64	0.92	4.37

### 23. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiary company, associates 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 period, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

	(Unaudited) March 31, 2023	(Unaudited) March 31, 2022
<b>Subsidiary Companies</b>	----- (Rupees in '000) -----	
<b>NN Maintenance Company (Private) Ltd [NNMC]</b>		
Expenses incurred on behalf of NNMC by the Company	229,972	174,987
Amount paid by NNMC to the Company	82,000	63,632
Expenses incurred by NNMC on behalf of the Company	5,095	35,801
Amount paid to NNMC by the Company	-	6,653
<b>NN Apartment REIT [NNAR]</b>		
Sale of plots	5,824,500	-

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

	(Unaudited) March 31, 2023	(Unaudited) March 31, 2022
	----- (Rupees in '000) -----	
<b>Signature Residency REIT [SRR]</b>		
Sale of plots	817,600	-
<b>Sapphire Bay Development Company Limited [SBDCL]</b>		
Investment made during the period	-	10,000
Advance against future issuance of shares	-	90,000
Short term borrowing from SBDCL	179,604	814,670
Expenses incurred on behalf of SBDCL by the Company	-	902
<b>Associates - Common directorship</b>		
<b>Globe Residency REIT</b>		
Receipts against sale of land	450,000	-
<b>Arif Habib Corporation Limited</b>		
Markup paid during the period	-	2,723
<b>Arif Habib Equity (Pvt) Limited</b>		
Sale of plots	605,156	-
Advance adjusted against sale of plots	402,093	-
Received against purchase of commercial site	203,063	-
Development charges billed	13,000	-
Development charges received	13,000	-
<b>Arif Habib Limited</b>		
Purchase of plots	-	1,410,000
Paid against purchase of plots	-	1,400,000
Short-term borrowing extended during the period	750,000	880,000
Re-Payment of Short-term borrowing extended during the period	-	880,000
Short-term borrowing obtained during the period	-	280,000
Markup income on short-term-borrowing extended during the period	165,153	17,013
Markup income received on short-term-borrowing extended during the period	93,493	17,013
Markup expense paid on short term-borrowing obtained during the period	7,559	315
<b>Rotocast Engineering Company (Private) Limited</b>		
Services received during the period	938	502
Paid against services received	1,095	502
Other services	-	1,190
Rent paid during the period	1,207	1,207
Rent expense charged during the period	906	906
<b>Power Cement Limited</b>		
Purchase of construction material	63,791	14,072
Paid against the purchase of construction material	43,939	11,673

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

	(Unaudited) March 31, 2023	(Unaudited) March 31, 2022
	----- (Rupees in '000) -----	
<b>Safe Mix Concrete Limited</b>		
Advance against construction material	-	140,000
Advance adjusted against concrete for hospital	54,020	-
Purchase of construction material	22,500	15,822
Paid against the purchase of construction material	27,537	15,407
<b>International Builders and Developers (Private) Limited</b>		
Expenses incurred by the Company on behalf of International Builders and Developers (Private) Limited	77	187
<b>Associated persons</b>		
<b>Haji Abdul Ghani</b>		
Sale of plots	214,133	-
Advance adjusted against sale of plots	130,691	-
Received against purchase of commercial site	60,000	-
Development charges billed	4,200	-
Development charges received	4,200	-
<b>Key management personnel</b>		
Arif Habib - Director		
Sale of plots	558,087	-
Advance adjusted against sale of plots	75,317	-
Received against purchase of commercial site	482,770	-
Development charges billed	2,800	-
Development charges received	2,800	-
Short-term loans received during the period	1,950,000	1,575,000
Short-term loans paid during the period	1,100,000	1,575,000
Mark-up expense on short term loan	9,920	894
<b>Post employment benefit plan</b>		
Gratuity fund trust - contribution paid during the period	7,725	119
<b>24. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (loss) before taxation	4,567,792	1,572,465
Adjustments for non-cash items:		
Depreciation	26,045	15,957
Amortization	863	863
Unrealized gain on equity instruments	(2,144)	-
Provision for gratuity	14,800	11,510
Finance costs	315,947	62,781
Mark-up on saving accounts	(174,421)	(18,824)
Sale to NN Apartment REIT for non-cash consideration	(2,887,125)	-
	<u>1,861,756</u>	<u>1,644,752</u>

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

### 25. INFORMATION ABOUT OPERATING SEGMENTS

For management purposes, the activities of the Company are organized into one operating segment i.e. development of real estate. Accordingly, the figures reported in these condensed interim 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, plant and equipment, long-term deposits and investment properties.

Revenue from any single customer does not comprises more than 10 percent of the Company's overall revenue related to sale of land and bungalows.

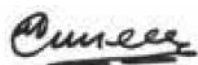
### 26. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 27, 2023 by the Board of Directors of the Company.

### 27. GENERAL

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

27.2 Figures have been rounded-off to the nearest thousands rupees, unless otherwise stated.



Chief Financial Officer

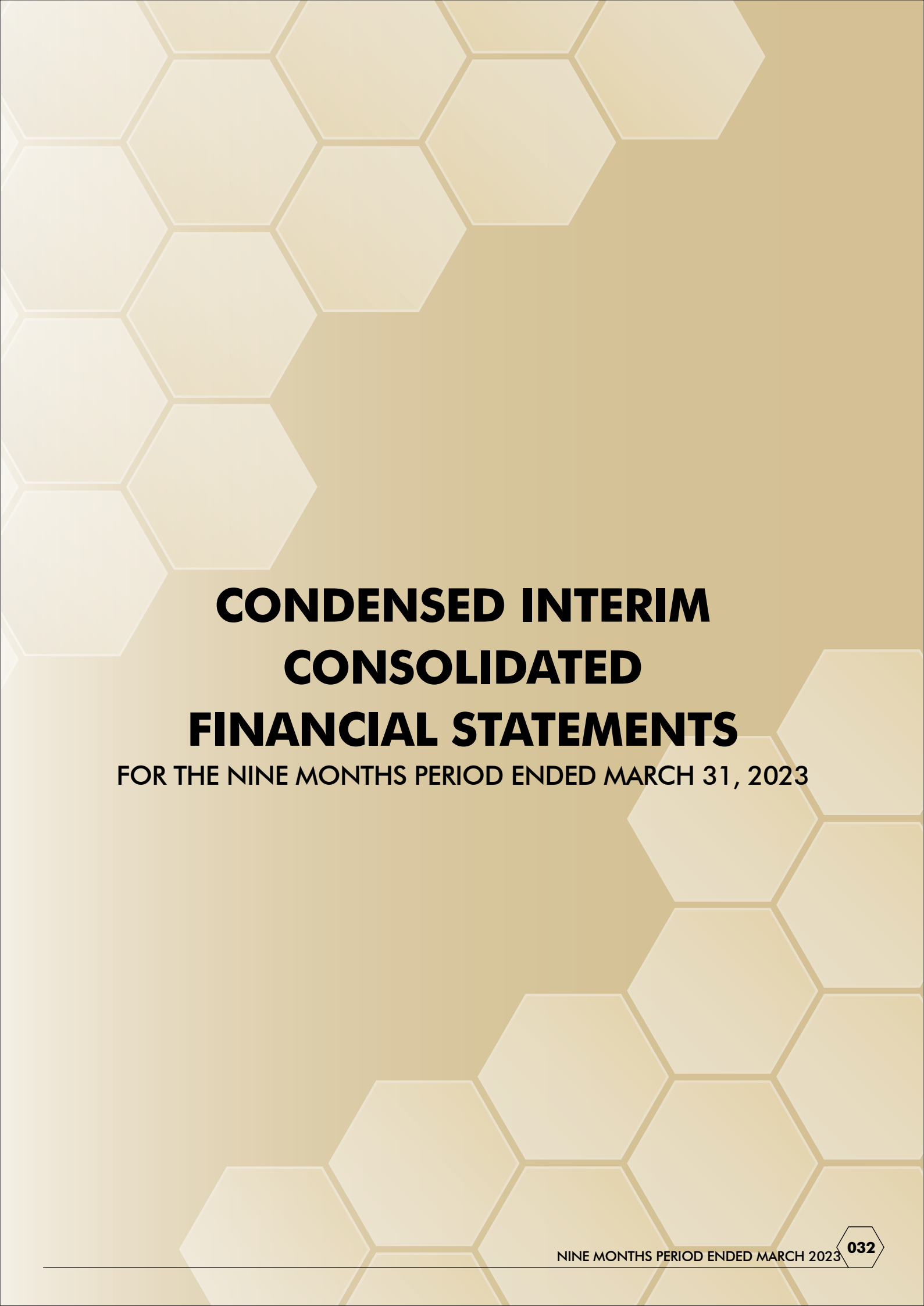


Chief Executive Officer



Director





**CONDENSED INTERIM  
CONSOLIDATED  
FINANCIAL STATEMENTS**

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

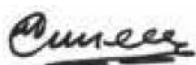
# Javedan Corporation Limited

## CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT March 31, 2023

	Note	(Unaudited) March 31, 2023	(Audited) June 30, 2022
----- (Rupees in '000) -----			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	6,991,762	6,927,174
Intangible assets		2,301	3,163
Investment properties	6	719,991	719,991
Long-term deposits		11,719	13,372
Contract cost assets		-	19,467
Deferred tax assets - net		36,445	36,445
Advance against issuance of units	7	1,472,871	-
		9,235,089	7,719,612
<b>CURRENT ASSETS</b>			
Development properties	8	20,274,368	20,554,417
Trade debts	9	1,945,267	408,936
Contract cost assets		-	8,849
Contract assets		-	916,202
Loans and advances	10	2,742,507	1,883,787
Trade deposits, prepayments and other receivables	11	797,390	146,207
Short-term investments		13,000	13,000
Unclaimed deposit		782	782
Cash and bank balances		237,629	2,767,443
		26,010,942	26,699,623
		35,246,031	34,419,235
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share Capital			
Authorised			
390,000,000 (June 30, 2021: 390,000,000) ordinary shares of Rs.10/- each			
		3,900,000	3,900,000
Issued, subscribed and paid-up capital			
		3,808,604	3,808,604
Capital reserves			
		2,758,293	2,758,293
Revenue reserves			
		3,756,464	3,185,502
Other component of equity - revaluation surplus on lands			
		7,480,190	8,394,190
		17,803,551	18,146,589
<b>NON-CURRENT LIABILITIES</b>			
Long-term financings	12	6,947,128	8,937,129
Deferred grant		80,399	33,754
Deferred liability - gratuity		76,516	69,441
		7,104,043	9,040,324
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	2,958,354	1,546,333
Preference shares		505	505
Accrued mark-up		400,466	205,809
Contract liabilities		753,937	1,158,000
Advance against sale of investment properties		179,172	176,676
Short-term borrowings	14	3,254,482	1,833,164
Current maturity of non-current liabilities		2,614,905	2,116,734
Taxation - net		172,078	190,609
Unpaid preference dividend		288	242
Unclaimed dividend		4,250	4,250
		10,338,437	7,232,322
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>35,246,031</b>	<b>34,419,235</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	15		

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



Chief Financial Officer



Chief Executive Officer



Director

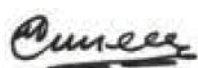
# Javedan Corporation Limited

## CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

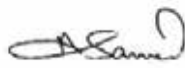
### FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2023

	Note	For the Nine Months Ended		For the Quarter Ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Revenue from contracts with customers - net *	16	4,050,339	3,669,445	1,467,396	3,414,766
Cost of sales	17	(2,362,910)	(1,968,725)	(537,357)	(1,696,350)
<b>Gross profit</b>		<b>1,687,428</b>	<b>1,700,720</b>	<b>930,039</b>	<b>1,718,416</b>
Marketing and selling expenses		(68,235)	(19,254)	(37,066)	(6,750)
Flyover cost		(880,805)	-	(358,703)	-
Administrative expenses		(535,610)	(345,478)	(145,602)	(101,818)
Finance costs	18	(315,969)	(39,857)	(136,276)	(15,255)
Other income	19	385,075	213,574	141,715	79,762
<b>Profit from continuing operation before taxation</b>		<b>271,884</b>	<b>1,509,705</b>	<b>394,107</b>	<b>1,674,355</b>
Taxation	20	(153,429)	(147,399)	(93,977)	(26,636)
<b>Profit from continuing operation after taxation</b>		<b>118,456</b>	<b>1,362,306</b>	<b>300,130</b>	<b>1,647,719</b>
Profit from discontinued operation after taxation	21	289,314	-	-	-
Gain on disposal of subsidiary	21	772,633	-	-	-
		1,061,947	-	-	-
<b>Net Income</b>		<b>1,180,402</b>	<b>1,362,306</b>	<b>300,130</b>	<b>1,647,719</b>
<b>----- Rupees -----</b>					
<b>Earnings per share - basic &amp; diluted</b>					
from continuing operation	22	0.31	3.58	0.79	4.33
from discontinued operation	22	2.79	-	-	-
<b>Total basic earning per share</b>		<b>3.10</b>	<b>3.58</b>	<b>0.79</b>	<b>4.33</b>

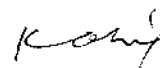
The annexed notes from 1 to 25 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

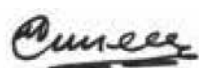
# Javedan Corporation Limited

## CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2023

	For the Nine Months Ended		For the Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Profit for the period	1,180,402	1,362,306	300,130	1,647,719
Other comprehensive income for the period - net of tax	-	-	-	-
<b>Total comprehensive income for the period - net of tax</b>	<b>1,180,402</b>	<b>1,362,306</b>	<b>300,130</b>	<b>1,647,719</b>

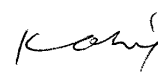
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Chief Financial Officer



Chief Executive Officer



Director

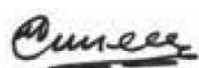
# Javedan Corporation Limited

## CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

### FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2023

	Issued, subscribed and paid-up capital	Capital reserves		Revenue reserves		Other component of equity	Advance against issue of shares	Total Equity
		Share premium	Tax holiday reserve	General	Unappropri- ated profits	Revaluation surplus on lands		
----- (Rupees in '000) -----								
<b>Balance as at July 01, 2021 (Audited)</b>	3,173,837	3,381,094	11,966	63,500	2,663,604	8,461,779	-	17,755,780
Issuance of 20% ordinary bonus shares for the year ended June 30, 2021 (i.e. 1 share for every 5 shares held)	634,767	(634,767)	-	-	-	-	-	-
Cost on issuance of shares	-	-	-	-	(1,511)	-	-	(1,511)
Loss for the period	-	-	-	-	1,362,306	-	-	1,362,306
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-	-
Total comprehensive income for the period, net of tax	-	-	-	-	1,362,306	-	-	1,362,306
Revaluation surplus on freehold land realised on account of sale of development properties	-	-	-	-	2,991	(2,991)	-	-
Advance against issue of shares	-	-	-	-	-	-	900,000	900,000
<b>Balance as at March 31, 2022 (Unaudited)</b>	3,808,604	2,746,327	11,966	63,500	4,027,390	8,458,788	900,000	20,016,575
Balance as at July 01, 2022 (Audited)	3,808,604	2,746,327	11,966	63,500	3,122,004	8,394,190	-	18,146,589
Interim dividend @ 40 percent on ordinary shares for the year ended June 30, 2020	-	-	-	-	(1,523,442)	-	-	(1,523,442)
Cost on issuance of shares	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	1,180,402	-	-	1,180,402
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-	-
Total comprehensive loss for the period, net of tax	-	-	-	-	1,180,402	-	-	1,180,402
Revaluation surplus on freehold land realised on account of sale of development properties	-	-	-	-	914,000	(914,000)	-	-
<b>Balance as at March 31, 2023 (Unaudited)</b>	3,808,604	2,746,327	11,966	63,500	3,692,964	7,480,190	-	17,803,551

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



Chief Financial Officer



Chief Executive Officer



Director



# Javedan Corporation Limited

## CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

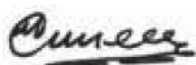
FOR THE NINE MONTHS ENDED MARCH 31, 2023

Note	For the Nine months Ended	
	March 31, 2023	March 31, 2022
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation - continuing operations	271,884	1,509,705
Profit before taxation - discontinuing operations net of income tax	1,061,947	
<b>Adjustments for non-cash items:</b>		
Depreciation	32,404	16,192
Amortization	863	863
Provision for gratuity	14,800	13,080
Finance costs	315,969	62,781
Mark-up on saving accounts	(9,268)	(52,866)
Gain on disposal of property, plant and equipment	-	-
<b>Operating profit before working capital changes</b>	<b>1,688,599</b>	<b>1,549,755</b>
<b>(Increase) / decrease in current assets</b>		
Development properties	1,215,772	(827,731)
Trade debts	(1,536,331)	(3,355,943)
Loans and advances	(858,720)	(1,485,736)
Advance Income Tax	-	-
Contract cost assets	28,316	-
Contract assets	916,202	-
Trade deposits and other receivables	(651,183)	(101,409)
Short-term investments	-	1,258,802
	(885,944)	(4,512,017)
<b>(Decrease) / increase in current liabilities</b>		
Trade and other payables	1,412,024	(289,466)
Payable to REIT Scheme	-	546,396
Deferred grant	46,645	68,021
Contract liabilities	(404,063)	132,241
Advance against sale of investment properties	2,496	112,100
Advance against issue of Shares	-	899,095
Unpaid preference dividend	45	45
	1,057,147	1,468,432
<b>Cash flows (used in) / generated from operations</b>	<b>1,859,802</b>	<b>(1,493,830)</b>
Payments for:		
Income taxes	(171,959)	(145,942)
Finance costs	(1,057,035)	-
Gratuity	(7,725)	(120)
Long-term deposits refunded / (paid)	1,653	(2,403)
<b>Net cash flows (used in) / generated from operations</b>	<b>624,736</b>	<b>(1,642,295)</b>

**Javedan Corporation Limited**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF**  
**CASH FLOWS (UNAUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2023**

Note	For the Nine months Ended	
	March 31, 2023	March 31, 2022
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(971,580)	(467,939)
Sale proceeds from disposal of property, plant and equipment	874,588	14
Advance against issuance of units	(1,472,871)	-
Mark-up on saving accounts received	9,268	52,866
Net cash flows used in investing activities	(1,560,595)	(415,059)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cost on issuance of shares	-	(1,511)
Dividend paid - Ordinary Shares	(1,523,442)	(6)
Long-term financing - net	(1,491,830)	3,094,376
Short-term borrowings - net	1,421,318	(25,123)
Net cash generated from financing activities	(1,593,955)	3,067,736
Net increase in cash and cash equivalents	(2,529,814)	1,010,382
Cash and cash equivalents at beginning of the period	2,767,443	153,562
Cash and cash equivalents at end of the period	237,629	1,163,944

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



Chief Financial Officer



Chief Executive Officer



Director

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

### 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), Sapphire Bay Development Limited (SBDCL) and Globe Residency REIT (GRR) that have been consolidated in these condensed interim consolidated financial information.

### 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 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 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 Company is also the member of Association of Builders and Developers of Pakistan (ABAD). Subsequently to the reporting date, the Company has initiated steps to take relevant approvals for change in layout plan of Naya Nazimabad, which is expected to be completed in due course of time.

### 1.4 Subsidiary companies

#### NN Maintenance Company (Private) Limited

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 Company Limited

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.

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

### Naya Nazimabad Apartment REIT (the Subsidiary Company "REIT Scheme")

Naya Nazimabad Apartment REIT (the scheme) was established under Trust Deed dated December 24, 2021, executed between Arif Habib Dolmen REIT Management Limited (AHDRML), as the REIT Management Company (RMC) and Central Depository Company of Pakistan Limited (CDCPL), as the Trustee; and is governed under the Real Estate Investment Trust Regulations, 2015 (REIT Regulations 2015), promulgated and amended from time to time by the Securities & Exchange Commission of Pakistan (SECP).

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

Location	Address
Registered office - Holding Company	Arif Habib Centre, 23, M.T Khan Road, Karachi.
Naya Nazimabad Sales centre	Naya Nazimabad, Deh, Manghopir road, Gadap town, Scheme #43, Karachi.
Naya Nazimabad Project	Naya Nazimabad, Deh, Manghopir road, Gadap town, Scheme #43, Karachi
Registered office - (NNMC) Subsidiary Company	Plot No. 103, Admin block, Naya Nazimabad, Mangopir Road, Karachi.
Registered office - (NNAR) Subsidiary Company	Arif Habib Centre, 23, M.T Khan Road, Karachi.
Registered office - (SBDCL) Subsidiary Company	Arif Habib Centre, 23, M.T Khan Road, Karachi.

## 2. STATEMENT OF COMPLIANCE

These condensed interim financial statements of the Company for the three months period ended September 30, 2022 has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by International Accounting Standard Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

### FOR THE NINE MONTHS ENDED MARCH 31, 2023

#### 3. BASIS OF PREPARATION

**3.1** These condensed interim financial statements are un-audited but subject to limited scope review by the auditors and are being submitted to the shareholders as required under Section 237 of the Companies Act, 2017. These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2022.

In preparing these condensed interim financial statements, the significant judgements made by the management in applying the Company's accounting policies and areas where assumptions and estimates are significant are same as those applied to the annual financial statements of the Company as at and for the year ended June 30, 2022. The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company as at and for the year ended June 30, 2022.

**3.2** These condensed interim financial statements is presented in Pakistan Rupees which is also the Company's functional currency and all financial information presented has been rounded off to the nearest rupees, otherwise stated.

#### 4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements for the year ended June 30, 2022, except for the adoption of the new/amended standards, interpretations and improvements to accounting standards, which became effective for the current period.

The adoption of above standards, interpretations and improvement to standards did not have any material effect or either not relevant or did not have any material effect on the condensed interim financial information.

	Note	(Unaudited) March 31, 2023	(Audited) June 30, 2022
----- (Rupees in '000) -----			
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	5.1	4,131,474	4,951,834
Capital work-in-progress	5.4	2,860,288	1,975,340
		<u>6,991,762</u>	<u>6,927,174</u>
<b>5.1 Operating fixed assets</b>			
Opening Net Book Value		4,951,834	4,771,989
Add: Additions during the period / year	5.2	86,632	208,754
Less: Transfer/Disposal during the period / year	5.3	(874,588)	(38)
Less: Depreciation during the period / year		(32,404)	(28,871)
Closing Net Book Value		<u>4,131,474</u>	<u>4,951,834</u>



# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

### FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Note	(Unaudited) December 31, 2022	(Audited) June 30, 2022
----- (Rupees in '000) -----			
<b>5.2</b>	<b>Additions during the period / year</b>		
Other land		-	2,458
Buildings on other land		22,564	74,420
Recreational facilities		2,181	108,460
Furniture and fixtures		8,862	2,342
Office equipment		2,287	3,706
Medical equipment		388	190
Computer equipment		3,403	7,318
Vehicles		46,947	9,860
		86,632	208,754
<b>5.3</b>	<b>Transfer / Disposals during the period / year - at book value</b>		
Office equipment		-	38
Land		874,588	-
		874,588	38
<b>5.4</b>	<b>Capital work-in-progress</b>		
Opening		1,975,340	1,472,843
Additions during the period / year		884,948	685,377
Transfer to operating fixed assets		-	(182,880)
Closing	5.4.1	2,860,288	1,975,340
<b>5.4.1</b>	The details of capital work-in-progress are as under:		
Gymkhana (club house)		1,978,169	1,605,623
Jama masjid		392,738	304,839
Hospital		489,381	64,879
		2,860,288	1,975,341

## 6. INVESTMENT PROPERTIES

The last independent valuation was carried out by the management through an independent professional valuer as of June 30, 2022. As of March 31 2023, the management expects no material change in the aforementioned fair value of investment properties and accordingly no adjustment has been incorporated in these condensed interim financial statements.

## 7. ADVANCE AGAINST ISSUANCE OF UNITS

The Company paid advance of Rs. 1.4 billion to Sapphire Bay Islamic Development REIT against issuance of its units. As per agreement, executed on November 18, 2021 (effective date), RUDA offered 2,000 acres of land to 17 consortium parties. The Company, based on this agreement and equity amount holding percentage, plays a lead role in this project.

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

### FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Note	(Unaudited) March 31, 2023	(Audited) June 30, 2022
----- (Rupees in '000) -----			
<b>8. DEVELOPMENT PROPERTIES</b>			
<b>Land</b>			
Opening balance		16,441,918	15,031,918
Add: Transfer from PPE / Additions during the period / year		874,588	1,410,000
	8.1	17,316,506	16,441,918
<b>Development expenditure incurred</b>			
Opening balance		13,083,037	10,938,044
Add: Incurred during the period / year		1,425,882	2,144,993
		14,508,919	13,083,037
<b>Borrowing costs related to development properties</b>			
Opening balance		3,388,027	2,683,235
Add: Capitalised during the period / year		935,723	704,792
		4,323,750	3,388,027
		36,149,175	32,912,982
<b>Transferred to:</b>			
- property, plant and equipment		(71,003)	(71,003)
- investment properties		(40,291)	(40,291)
- cost of sales to date	17	(9,365,112)	(7,576,888)
- development charges incurred and apportioned to date	17	(5,081,584)	(4,670,383)
- disposal of assets		(1,316,817)	-
		20,274,368	20,554,417

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

	Note	(Unaudited) March 31, 2023	(Audited) June 30, 2022
----- (Rupees in '000) -----			
<b>9. TRADE DEBTS - secured, considered good</b>			
<b>Receivable against:</b>			
- sales of plots and bungalows	9.1 & 9.2	1,257,864	95,171
- utilities infrastructure charges		2,309	1,913
- maintenance services		96,413	68,683
- development charges incurred:			
- billed	9.3	223,073	49,597
- un-billed	9.4	365,607	193,572
		588,681	243,169
		1,945,267	408,936

**9.1** 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.

**9.2** This includes Rs. 817.600 million receivable from Signature Residency REIT (REIT Scheme) against sale of land measuring 4,088 sq. yds. This REIT Scheme is managed by Arif Habib Dolmen REIT Management Limited, a related party. As per the terms agreed 13,200,000, units of REIT Scheme will be issued to the Company having face value of Rs. 10 each and remaining proceeds will be paid in cash amounting to Rs. 685.6 million.

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

- 9.3** Represents development cost billed to customers as per the terms of their sale agreement.
- 9.4** 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.

<b>10. Loans and advances</b>	<b>Note</b>	<b>(Unaudited) March 31, 2023</b>	<b>(Audited) June 30, 2022</b>
		----- (Rupees in '000) -----	
<b>Loans - secured</b>			
Executives		11,244	7,339
Employees		4,701	5,413
		<u>15,945</u>	<u>12,752</u>
<b>Loans - unsecured</b>			
Loan to a related party - Arif Habib Limited		1,550,000	800,000
<b>Advances - unsecured</b>			
Suppliers	10.1	672,257	551,269
Contractors		278,614	499,474
Employees for expenses		52,391	6,142
Advance Tax		3,123	-
Purchase of properties		170,177	14,150
		<u>1,176,562</u>	<u>1,071,035</u>
		<u>2,742,507</u>	<u>1,883,787</u>

- 10.1** Included herein advances to related parties for purchase of cement and concrete, as follows:

	<b>Note</b>	<b>(Unaudited) March 31, 2023</b>	<b>(Audited) June 30, 2022</b>
		----- (Rupees in '000) -----	
- Safemix Concrete Limited		85,564	133,313
- Power Cement Limited		6,670	30,501
		<u>92,234</u>	<u>163,814</u>

## 11. TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

### Deposits

Considered good			
- Security deposit with Sindh Building Control Authority		3,345	3,345
- Others		13,723	12,509
		<u>17,068</u>	<u>15,854</u>

### Considered doubtful

- Guarantee margin		225	225
- Contractors		2,680	2,680
		<u>2,905</u>	<u>2,905</u>
Provision for impairment		(2,905)	(2,905)
		<u>17,068</u>	<u>15,854</u>

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Note	(Unaudited) March 31, 2023	(Audited) June 30, 2022
----- (Rupees in '000) -----			
<b>Prepayments</b>			
Prepaid rent, insurance and expenses		10,665	8,474
Other receivables - Considered good			
Sales tax refundable		4,703	4,703
Reimbursable expenses		26,548	22,962
Excise duty refundable		574	574
Receivable from REIT Scheme		654,491	85,182
Receivable from related parties - considered good	11.1.	82,284	13,161
Others		5,760	-
		774,360	126,582
Provision for impairment		(4,703)	(4,703)
		<u>797,390</u>	<u>146,207</u>
<b>11.1. Included herein receivables from related parties, as follows:</b>			
- International Builders and Developers (Private) Limited - associate		264	187
- Arif Habib Limited - associates		71,661	9,512
- Haji Abdul Ghani		369	369
- Naya Nazimabad apartment REIT		9,990	3,093
		<u>82,284</u>	<u>13,161</u>
<b>12. LONG-TERM FINANCINGS</b>			
Term finance loan I		408,935	510,231
Term finance loan II		1,791,756	1,988,589
Term finance loan III		1,000,000	1,000,000
Term finance loan IV		-	1,400,000
SBP-Refinance Scheme		-	13,547
Sukuk certificates		1,990,910	2,238,642
Diminishing musharakah I		587,286	750,000
Diminishing musharakah II		872,492	996,415
Diminishing musharakah III		1,000,000	1,000,000
Diminishing musharakah IV		702,000	700,000
Islamic refinance facility		308,655	391,567
Term finance loan V	12.2	900,000	-
		9,562,033	10,988,991
Current maturity of long-term financings		(2,614,905)	(2,051,862)
	12.1	<u>6,947,128</u>	<u>8,937,129</u>

**12.1** There are no major changes in the terms and conditions of long-term financings as disclosed in note 24 to the annual audited financial statements of the Company for the year ended June 30, 2022, except for the new financing facility obtained during the current period as disclosed in notes 12.2 these condensed interim financial statements.

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

- 12.2** The Company has obtained 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.

	(Unaudited) March 31, 2023	(Audited) June 30, 2022
Note	----- (Rupees in '000) -----	
<b>13. TRADE AND OTHER PAYABLES</b>		
Creditors	110,586	205,873
Accrued liabilities	280,156	164,337
Retention money	146,521	119,009
Withholding tax payable	24,070	40,658
Unearned service fee	-	739
Other payables:		
- on cancellation of plots	8,917	8,917
- against other projects	1,984,717	920,770
- non-violation charges	89,634	86,030
- Globe Residency REIT	1,899	-
- Signature Residency REIT	311,855	-
13.1	2,958,354	1,546,333

- 13.1** Included herein Rs. 2.976 million and Rs. Nil million (June 30, 2022: Rs.2,976 and Rs.0.124) Payable to Arif Habib Dolmen REIT Management Limited and Rotocast Engineering Company (Private) Limited respectively.

	(Unaudited) March 31, 2023	(Audited) June 30, 2022
Note	----- (Rupees in '000) -----	
<b>14. SHORT-TERM BORROWINGS</b>		
<b>From related parties - unsecured</b>		
Arif Habib	850,000	-
Arif Habib Corporation Limited	200,000	-
	1,050,000	-
<b>Other than related parties</b>		
Musharakah arrangement	300,000	300,000
Running finance under mark-up arrangements	598,643	599,736
Running finance under mark-up arrangements	1,305,839	933,428
	2,204,482	1,833,164
	3,254,482	1,833,164



# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

- 14.1.** 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.
- 14.2.** 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.
- 14.3.** The terms and conditions of short term borrowings are same as disclosed in note 31 to the annual audited financial statements of the Company for the year ended 30 June 2022.

### 15. CONTINGENCIES AND COMMITMENTS

#### 15.1 Contingencies

##### 15.1.1 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.
- 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.

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

- 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 2022 has been accounted for in these financial statements having an aggregate impact of Rs.155.244 million (2021: Rs. 123.571 million).
- 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.

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

### b) Other contingencies and commitments

There are no major changes in the status and nature of other contingencies (i.e. related to legal/other contingencies relating to existing business and former business) and commitments as disclosed in notes 32.1.1(b), 32.1.2 and 32.2, respectively to the annual audited financial statements of the Company for the year ended June 30, 2022.

	Nine Months ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	----- (Un-audited) -----			
	----- (Rupees in '000) -----			
<b>16. REVENUE FROM CONTRACTS WITH CUSTOMERS - NET</b>				
Plots	3,200,412	3,288,486	1,143,045	3,240,000
Bungalows	330,662	-	103,099	-
Service Income	128,694	63,833	46,763	22,176
	<u>3,659,768</u>	<u>3,352,319</u>	<u>1,292,907</u>	<u>3,262,176</u>
Development and utility charges reimburseable from customers	411,202	337,522	174,490	152,590
Trade discount	-	294	-	-
Cancellation / forfeitures	(20,631)	(20,690)	-	-
	<u>(20,631)</u>	<u>(20,396)</u>	<u>-</u>	<u>-</u>
	<u>4,050,339</u>	<u>3,669,445</u>	<u>1,467,397</u>	<u>3,414,766</u>
<b>17. COST OF SALES</b>				
Cost of development properties sold:				
- plots	1,777,041	1,508,407	305,785	1,490,638
- bungalows	11,183	-	(0)	-
	<u>1,788,224</u>	<u>1,508,407</u>	<u>305,785</u>	<u>1,490,638</u>
Development and utility charges incurred and apportioned to customers	411,202	337,522	174,490	152,590
Cost of services rendered	163,484	122,796	57,082	53,122
	<u>2,362,910</u>	<u>1,968,725</u>	<u>537,357</u>	<u>1,696,350</u>
<b>18. FINANCE COSTS</b>				
Included herein mark-up on long-term financings and short-term borrowings of Rs. 121.662 million and Rs. 190.217 million (March 31, 2022: Rs. 8.459 million and Rs. 30.697 million) respectively.				
<b>19. OTHER INCOME - Net</b>				
Included herein Rs. 63.265 million (March 31, 2022: Rs. 113.580 million) related to transfer fees from plots and bungalows and Rs. 165.153 million (March 31, 2022: Rs. 17.013 million) from Arif Habib Limited (related party) respectively.				

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Nine Months ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	----- (Un-audited) -----			
	----- (Rupees in '000) -----			
<b>20. TAXATION</b>				
Current	181,794	117,454	55,854	35,761
Prior	(28,365)	69,707	-	-
Deferred	-	(39,762)	38,124	(9,125)
	<u>153,429</u>	<u>147,399</u>	<u>93,977</u>	<u>26,636</u>

### 21. DISCONTINUED OPERATIONS

As on 31 December 2022, the parent company has disposed off its entire investment in Globe Residency REIT (Subsidiary Company), resulting in loss of control. Accordingly results of the subsidiary till the date of disposal are presented as discontinued operations. The subsidiary was not a discontinued operation or classified as held for sale as at June 30 2022.

	December 31, 2022	June 30, 2022
<b>Results of GRR</b>		
Revenue	1,727,308	-
Cost of sale	(1,346,263)	-
Gross profit	381,045	-
Profit before taxation - discontinued operations	338,987	-
Taxation	49,673	-
Profit after taxation - discontinued operations	289,314	-
<b>Gain on Disposal of Subsidiary</b>	772,633	-
<b>Cash flows (used in) / generated from GRR</b>		
Net cash generated from operating activities	(708,308)	-
Net cash generated from investing activities	-	-
Net cash generated from financing activities	888,725	-
<b>Effect of Disposal on the financial position of the Group</b>		December 31, 2022
Property and equipments		487
Contract cost assets		26,996
Inventory property		538,954
Current portion of contract cost assets		11,751
Contract assets		1,518,680
Receivables and deposits		3,755
Advance for development expenditure		481,415
Cash and bank balances		340,809
<b>Total Assets</b>		<u>2,922,847</u>

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

### FOR THE NINE MONTHS ENDED MARCH 31, 2023

	December 31, 2022
Long term loan	1,166,667
Outstanding land consideration	250,000
Contract liabilities	84,507
Commission payable	14,981
Payable to suppliers	93,191
Payable to the REIT Management Company	12,986
Payable to the Central Depository Company of Pakistan Limited - Trustee	4,768
Payable to the Securities and Exchange Commission of Pakistan	5,723
Current portion of long term loan	233,333
Trade payables	40,215
Accrued expenses and other liabilities	328,626
Accrued profit on long term loan	60,483
<b>Total Liabilities</b>	<b>2,295,480</b>
<b>Net Assets</b>	<b>627,367</b>

22. EARNINGS PER SHARE	Nine Months ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	----- (Un-audited) ----- ----- (Rupees in '000) -----			
<b>Basic</b>				
Profit after tax (Rupees in '000)	1,180,402	1,362,306	300,130	1,647,719
Weighted average number of ordinary shares	380,860,447	380,860,447	380,860,447	380,860,447
Earnings per share - (In Rupees)	3.10	3.58	0.79	4.33
<b>Diluted</b>				
Profit after tax (Rupees in '000)	1,180,433	1,362,306	300,130	1,647,719
Weighted average number of ordinary shares in issue	380,860,447	380,860,447	380,860,447	380,860,447
Adjustment for conversion of convertible preference shares	12,366	16,066	12,366	14,748
Weighted average number of ordinary shares for diluted earnings per share	380,872,813	380,876,513	380,872,813	380,875,195
Earnings per share - (In Rupees)	3.10	3.58	0.79	4.33

### 23. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associates and their close family members, key management personnel and post employment benefit plan. 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:



# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

### FOR THE NINE MONTHS ENDED MARCH 31, 2023

	(Unaudited) March 31, 2023	(Unaudited) March 31, 2022
	----- (Rupees in '000) -----	
<b>Associates - Common directorship</b>		
<b>Globe Residency REIT</b>		
Receipts against sale of land	450,000	-
<b>Signature Residency REIT [SRR]</b>		
Sale of plots	817,600	-
<b>Arif Habib Corporation Limited</b>		
Markup paid during the period	-	2,723
<b>Arif Habib Equity (Pvt) Limited</b>		
Sale of plots	605,156	-
Advance adjusted against sale of plots	402,093	-
Received against purchase of commercial site	203,063	-
Development charges billed	13,000	-
Development charges received	13,000	-
<b>Arif Habib Limited</b>		
Purchase of plots	-	1,410,000
Paid against purchase of plots	-	1,400,000
Short-term borrowing extended during the period	750,000	880,000
Re-Payment of Short-term borrowing extended during the period	-	880,000
Short-term borrowing obtained during the period	-	280,000
Markup income on short-term-borrowing extended during the period	165,153	315
Markup income received on short-term-borrowing extended during the period	93,492	17,013
Markup income received on short-term-borrowing extended during the period	93,492	17,013
<b>Rotocast Engineering Company (Private) Limited</b>		
Services received during the period	938	502
Paid against services received	1,095	502
Other services	-	1,190
Rent paid during the period	1,207	1,207
Rent expense charged during the period	906	906
<b>Power Cement Limited</b>		
Purchase of construction material	63,791	14,072
Paid against the purchase of construction material	43,939	11,673
<b>Safe Mix Concrete Limited</b>		
Advance against construction material	-	140,000
Advance adjusted against concrete for hospital	54,020	-
Purchase of construction material	22,500	15,822
Paid against the purchase of construction material	27,537	15,407

# Javedan Corporation Limited

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2023

	(Unaudited) March 31, 2023	(Unaudited) March 31, 2022
	----- (Rupees in '000) -----	
<b>International Builders and Developers (Private) Limited</b>		
Expenses incurred by the Company on behalf of International Builders and Developers (Private) Limited	77	187
<b>Associated persons</b>		
<b>Haji Abdul Ghani</b>		
Sale of plots	214,133	-
Advance adjusted against sale of plots	130,691	-
Received against purchase of commercial site	60,000	-
Development charges billed	4,200	-
Development charges received	4,200	-
<b>Key management personnel</b>		
<b>Arif Habib - Director</b>		
Sale of plots	558,087	-
Advance adjusted against sale of plots	75,317	-
Received against purchase of commercial site	482,770	-
Development charges billed	2,800	-
Development charges received	2,800	-
Short-term loans received during the period	1,950,000	1,575,000
Short-term loans paid during the period	1,100,000	1,575,000
Mark-up expense on short term loan	9,920	894
<b>Post employment benefit plan</b>		
Gratuity fund trust - contribution paid during the period	7,725	120

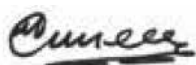
### 24. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 27, 2023 by the Board of Directors of the Company.

### 25. GENERAL

**25.1** Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and to reflect the substance of the transactions. However, there are no material reclassifications to report.

**25.2** Figures have been rounded-off to the nearest thousands rupees, unless otherwise stated.



Chief Financial Officer



Chief Executive Officer



Director