BIBOJEE GROUP

76TH ANNUAL REPORT 2023

GAMMON PAKISTAN LIMITED

COMPANY INFORMATION

Chairman

Lt Gen Ali Kuli Khan Khattak (Retd)	Chairman

Board of Directors

Mr. Khalid Kuli Khan Khattak	Director
Mrs. Ayesha Alamzeb Durrani	Director
Mr. Muhammad Kuli Khan Khattak	Director
Mr. Sikandar Kuli Khan Khattak	Director
Mr. Kamal Abdullah Malik	Independent Director
Mr. Fazal-ur-Rehman Khan Burki	Independent Director

Chief Executive Officer
Mr. Khalid Kuli Khan Khattak

Audit Committee

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

HR Committee
Mr. Fazal-ur-Rehman Khan Burki
Mrs. Ayesha Alamzeb Durrani
Mr. Sikandar Kuli Khan Khattak

Company Secretary
Mr. Amin ur Rasheed

Chief Financial Officer
Mr. Ghulam Murtaza Khurshid

Internal Auditor
Mr. Salman Khan ACA

External Auditor
M/S Rizwan & Co.
Chartered Accountants
Islamabad

Legal Advisor
Chanda Law Associates — Advocates
Rawalpindi

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

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

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

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

GAMMON PAKISTAN LIMITED
76th ANNUAL REPORT
JUNE 30, 2023

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MISSION STATEMENT

Regain for Gammon Pakistan Limited its position in the Construction Industry of Pakistan /abroad through as aggressive but prudent construction strategy

VISION STATEMENT

To be a Construction Company of international standard of repute which executes works confirming to the latest Engineering Practices and innovations. Employ most modern instrumentation/mechanization to provide technical services with the highest degree of Quality Control and Customer Satisfaction. The Management also promises complete Financial Transparency to all its shareholders and customers so that it is able to turn around and bring Gammon Pakistan Limited back to its original glory.

GAMMON PAKISTAN LIMITED
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 76th Annual General Meeting of Gammon Pakistan Limited (the Company) will be held at Gammon House, 400/2, Peshawar Road, Rawalpindi on Saturday October 28, 2023 at 11:00 A.M. to transact the following business.

ORDINARY BUSINESS

1. To confirm the Minutes of the 75th Annual General Meeting held on October 28, 2022.

2. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended, June 30, 2023 together with the Directors' and Auditors' reports thereon.

3. To appoint Auditors of the Company for the year to be ending on June 30, 2024 and to fix their remuneration.

4. To elect the Board of Directors in accordance with Section 159 of the Companies Act, 2017. The Board of Directors had fixed the number of Directors at Seven (7) of this term of three years, commencing from November 01, 2023. The names of retiring Directors are as under:

   I. Mr. Ali Kuli Khan Khattak
   II. Mr. Khalid Kuli Khan Khattak
   III. Mr. Muhammad Kuli Khan Khattak
   IV. Mr. Sikandar Kuli Khan Khattak
   V. Mrs. Ayesha Alamzeb Durrani
   VI. Mr. Kamal Abdullah Malik
   VII. Mr. Fazal-ur-Rehman Khan Burki

SPECIAL BUSINESS

To seek approval of the shareholders of the company to the following resolutions:

"RESOLVED THAT

Shares be issued to the two shareholders for consideration otherwise than cash in the capital of Gammon Pakistan Precast (Private) Limited in the following ratio:

1. 16,087,300 number of shares of Rs.10 each be issued to Gammon Pakistan Limited
2. 8,114,000 number of shares of Rs. 10 each be issued to Mr. Muhammad Shahbaz Anwer of Rajcon.

These shares are based on the transfer by Gammon Pakistan Limited land and old infrastructure on 261.35 kanals of land valued at Rs.160,873,000 and by Rajcon-Muhammad Shahbaz Anwar by installation of Machinery, equipment and other pre-cast manufacturing tools valued at Rs. 81,140,000 at this land".

The valuations of these assets have been done by the same Valuer for both companies.

A Statement of material facts as required under Section 134(3) of the Companies Act, 2017 will be sent to the shareholders along with the copy of Annual General Meeting Notice.

To consider any other business with the permission of the Chair.

BY ORDER OF THE BOARD

GHULAM MURTAZA KHURSHID
for COMPANY SECRETARY

Rawalpindi
Date: October 04, 2023

NOTES:

BOOK CLOSURE

The share transfer books of the Company will be closed from October 21, 2023 to October 28, 2023, both days inclusive. Transfer of shares received at our Share Registration office i.e., Vision Consulting Limited, 3-C, LDA Flats, Lawrence Road, Lahore at the close of business on October 20, 2023 will be treated in time for the purpose of entitlement.

CHANGE IN ADDRESSES AND CONSOLIDATION OF FOLIOS

Members of the Company are requested to immediately notify the change of address, if any, and ask for consolidation of their folio nos. provided any member holds more than one folio numbers.

FILING OF THE CONSENT LETTER

Any person who seeks to contest an Election to the office of Directors shall, whether he is retiring Director or otherwise, file with the company at its registered office not later than fourteen days before the date of Annual General Meeting, a notice of his/her intention to offer himself/herself for the Election of Directors in terms of Section 178 (3) of the Companies Ordinance, 1984 together with the relevant declarations as required under the Code of Corporate Governance.

E-VOTING

Pursuant to SECP S.R.O No. 43(1)/2016 dated January 22, 2016, the members can also exercise their right to vote through e-voting by giving their consent in writing at least 10 days before the date of meeting to the Company on the appointment of Execution Officer by the intermediary as a Proxy.

PARTICIPATION IN ANNUAL GENERAL MEETING

Any member entitled to attend and vote at this meeting shall be entitled to appoint any other member as his/her proxy to attend and vote in respect of him/her and the proxy instrument shall be received by the Company not later than 48 hours before the meeting.

INSTRUCTIONS FOR CDC ACCOUNT HOLDERS

CDC account holders will further have to follow the under mentioned guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan (SECP).

a. For attending the meeting:

i. In case of individuals, the account holder and/or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate his/her identity by showing his original Computerized National Identity Card (CNIC) or Original Passport at the time of attending the Meeting.

ii. In case of corporate entity, the Board of Director's Resolution/Power of Attorney with certified specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

iii. to attend the AGM via electronic means through video link. Members can download the app/software through https://zoom.us/download and login via video link to participate in the AGM proceedings. Shareholders are requested to get themselves registered at least ten (10) working days before the AGM by email at gammon1@dsl.net.pk by providing the following details:

Name of Shareholder	CNIC Number	Folio Number	Cell Number	Email address

Video-link for the meeting will be sent to members at their provided email addresses, enabling them to attend the meeting on the given date and time. Login facility will be opened thirty (30) minutes before the meeting time to enable the participants to join the meeting after the identification process. All members, entitled to attend the meeting, are entitled to appoint another person in writing as their proxy to attend on their behalf. A proxy must be a member of the Company.

b. For appointing proxies:

i. In case of individuals the account holder and/or person whose securities are in group account and their registration details are uploaded as per the regulations shall submit the proxy form as per the above requirements.

ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the Form.

iii. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

iv. The proxy shall produce his original CNIC or original Passport at the time of the meeting.

v. In case of corporate entity, the Board of Director's Resolution/Power of Attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

گیمن پاکستان لمیٹڈ

نوٹس برائے سالانہ اجلاس عام

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ گیمن پاکستان لمیٹڈ (کمپنی) کا 76واں سالانہ اجلاس عام، کمپنی کے رجسٹرڈ آفس گیمن ہاؤس 400/2، پشاور روڈ راولپنڈی میں بروز ہفتہ 28 اکتوبر 2023ء کو صبح 11 بجے مندرجہ ذیل کاروبار کے لین دین کیلئے منعقد ہوگا۔

عام کاروبار

1۔ 28 اکتوبر 2022ء کو منعقدہ 75ویں سالانہ اجلاس عام کی کاروائی کی توثیق کرنا۔

2۔ ڈائریکٹرز اور آڈیٹر کی رپورٹس کے ساتھ سالانہ آڈیٹڈ مالیاتی تفصیلات 30 جون 2023ء پر غور کرنا، اس کو اپنانا اور منظوری۔

3۔ مالی سال 24-2023 کیلئے آڈیٹر کا تقرر اور اس کا معاوضہ طے کرنا۔

4۔ کمپنیز ایکٹ 2017 کے سیکشن 159 کے مطابق بورڈ آف ڈائریکٹرز کا انتخاب کرنا۔ بورڈ آف ڈائریکٹرز نے یکم نومبر 2023 سے شروع ہونے والی تین سال کی اس میعاد کے لئے ڈائریکٹرز کی تعداد سات (7) مقرر کی ہے۔ ریٹائر ہونے والے ڈائریکٹرز کے نام درج ذیل ہیں:

I۔ جناب علی قلی خان خٹک

II۔ جناب خالد قلی خان خٹک

III۔ جناب محمد قلی خان خٹک

IV۔ جناب سکندر قلی خان خٹک

V۔ مسز عائشہ عالم زیب درانی

VI۔ جناب کمال عبداللہ ملک

VII۔ جناب فضل الرحمان خان برکی

خصوصی کاروبار

مندرجہ ذیل قراردادوں کے لیے کمپنی کے شیئر ہولڈرز سے منظوری حاصل کرنا:

"یہ فیصلہ کیا گیا

گیمن پاکستان پری کاسٹ (پرائیویٹ) لمیٹڈ کے کیپٹل میں نقد رقم کے علاوہ دو شیئر ہولڈرز کو حصص درج ذیل تناسب میں جاری کیے جائیں:

1۔ گیمن پاکستان لمیٹڈ کو 10 روپے کے حساب سے 16,087,300 تعدادی کے شیئرز جاری کیے جائیں۔

2۔ راجکان کے جناب محمد شہباز انور کو 10 روپے کے حساب سے 8,114,000 تعدادی کے شیئرز جاری کیے جائیں۔

یہ حصص گیمن پاکستان لمیٹڈ کی جانب سے زمین اور پرانے انفراسٹرکچر کی بصورت 261.35 کنال اراضی پر مبنی ہے جس کی قیمت 160,873,000 روپے ہے اور اس زمین پر راجکان کے محمد شہباز انور کی جانب سے مشینری، آلات اور دیگر پری کاسٹ مینوفیکچرنگ کے نصب شدہ ٹولز ہیں جسکی مالیت 81,140,000 روپے ہے۔

ان اثاثوں کی مالیاتی قدر کا تعین دونوں کمپنیوں کے لیے ایک ہی ویلیوئر کے ذریعے کیا گیا ہے۔

کمپنیز ایکٹ 2017 کے سیکشن 134 (3) کے تحت درکار مادی حقائق کا بیان، حصص یافتگان کو سالانہ جنرل میٹنگ نوٹس کی کاپی کے ساتھ بھیجا جائے گا۔

صاحب صدر کی اجازت سے کسی دیگر امور پر غور وخوص۔

بحکم بورڈ

غلام مرتضیٰ خورشید

برائے کمپنی سیکرٹری

راولپنڈی

مورخہ: 04 کتوبر 2023ء

<u>نوٹس:</u>

<u>کتابچہ:</u>

کمپنی کے حصص منتقلی کی کتابیں 21 اکتوبر 2023ء تا 28 اکتوبر 2023ء (بشمول دونوں ایام) بند رہیں گی۔ کمپنی کے حصص کی منتقلی بذریعہ شیئر رجسٹرار میسرز ویژن کنسلٹنگ لمیٹڈ، C-3، ایل ڈی اے فلیٹس، فرسٹ فلور، لارنس روڈ، لاہور ہوگی۔ جس میں 20 اکتوبر 2023ء کو شام 5 بجے کاروبار بند ہونے تک وصول ہونے والے تبادلوں کو اندراج کیلئے بروقت تصور کیا جائے گا جو کہ سالانہ اجلاس عام میں شرکت اور ووٹنگ کیلئے اہل ہوں گے۔

<u>ایڈریسز میں تبدیلی اور فولیوز کا یکجا کرنا:</u>

ممبران سے درخواست ہے کہ اپنے پتوں میں تبدیلی اگر کوئی ہو تو کمپنی کو فی الفور مطلع کریں اور ایک سے زیادہ فولیو نمبرز ہونے کی صورت میں فولیو نمبرز کو یکجا کرنے کی بابت کمپنی کو کہیں۔

<u>رضامندی کے خط کی فائلنگ:</u>

کوئی بھی شخص جو ڈائریکٹرز کے دفتر کے لیے الیکشن لڑنا چاہتا ہے، چاہے وہ ڈائریکٹر ریٹائر ہو رہا ہو یا دوسری صورت میں، کمپنی کے پاس اس کے رجسٹرڈ آفس میں سالانہ جنرل میٹنگ کی تاریخ سے چودہ دن پہلے، اس کا نوٹس فائل کرے گا، یہ کہ کمپنیز آرڈیننس 1984 کے سیکشن 178 (3) کے مطابق وہ کوڈ آف کارپوریٹ گورننس کے تحت مطلوبہ متعلقہ اعلانات کے ساتھ خود کو ڈائریکٹرز کے انتخاب کے لیے پیش کرنے کا ارادہ رکھتا/رکھتی ہے۔

<u>ای ووٹنگ</u>

SECP S.R.O. نمبر 43(1)/2016 مورخہ 22 جنوری 2016 کے مطابق، ممبران کمپنی کو میٹنگ کی تاریخ سے کم از کم 10 دن پہلے تحریری طور پر اپنی رضامندی دے کر ای ووٹنگ کے ذریعے پراکسی کے طور پر ثالث کے ذریعہ ایگزیکیوشن آفیسر کی تقرری پر اپنے ووٹ کا حق استعمال کر سکتے ہیں۔

سالانہ اجلاس میں شرکت:

اجلاس میں شرکت اور ووٹ دینے کا مستحق کوئی رکن اپنی بجائے شرکت اور ووٹ دینے کیلئے دیگر کسی رکن کو اپنا/اپنی پراکسی مقرر کرسکتا/سکتی ہے۔ پراکسی کی تقرری اجلاس کے وقت سے کم از کم 48 گھنٹے قبل کمپنی کو لازماً وصول ہوجانی چاہیئے۔

سی ڈی سی اکاؤنٹ ہولڈرز کیلئے ہدایات:

سی ڈی سی اکاؤنٹ ہولڈرز کو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کے جاری کردہ سرکلر نمبر 1 مورخہ 26 جنوری 2020ء میں دی گئی ہدایات پر عمل کرنا ہوگا۔

الف۔ اجلاس میں شرکت کیلئے:

1۔ ایسے افراد جو گروپ کی صورت میں اکاؤنٹ ہولڈر ہیں یا وہ شخص جو سیکورٹیز گروپ اکاؤنٹ میں ہے اور انکی رجسٹریشن کی تفصیلات ضابطوں کے مطابق اپ لوڈ کی گئی ہیں، اجلاس میں شرکت کے وقت اپنا اصل کمپیوٹرائز ڈ قومی شناختی کارڈ (CNIC) یا اصل پاسپورٹ دکھا کر اپنی شناخت ثابت کرے گا۔

2۔ بصورت کارپوریٹ اداروں کے نمائندے اس مقصد کیلئے درکار، نمونوں کے دستخط، بمع بورڈ کی قرارداد/پاور آف اٹارنی ساتھ لائیں۔

3۔ ویڈیو لنک کے ذریعے شرکت کرنے کیلئے، اراکین ایپ/سافٹ ویئر کو http://zoom.us/download کے ذریعے ڈاؤن لوڈ کر سکتے ہیں اور AGM کی کاروائی میں حصہ لینے کیلئے ویڈیو لنک کے ذریعے لاگ ان کر سکتے ہیں۔ شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ AGM سے کم از کم 2 (دو) کاروباری ایام پہلے ای میل gammon1@dsl.net.pk پر درج ذیل معلومات فراہم کر کے خود کو رجسٹر کروائیں۔

ای میل ایڈریس	موبائل نمبر	فولیو نمبر	شناختی کارڈ نمبر	شیئر ہولڈر کا نام

میٹنگ کا ویڈیو لنک ممبران کو ان کے فراہم کردہ ای میل ایڈریس پر بھیجا جائے گا تاکہ وہ دی گئی تاریخ اور وقت پر میٹنگ میں شرکت کر سکیں۔ لاگ ان کی سہولت میٹنگ کے وقت سے 30 (تیس) منٹ پہلے کھول دی جائے گی تاکہ شرکاء کو شناخت کے عمل کے بعد میٹنگ میں شامل کیا جا سکے۔ شیئر ہولڈرز کی شناخت اور تصدیق کیلئے درکار تمام رسمی کاروائیوں کو مکمل کرنے کے بعد اپنے آلات کے ذریعے میٹنگ کی کاروائی میں لاگ ان اور شرکت کر سکیں گے۔ تمام ممبران، جو میٹنگ میں شرکت کے حقدار ہیں، اپنی طرف سے شرکت کیلئے کسی دوسرے شخص کو تحریری طور پر اپنا پراکسی مقرر کرنے کے حقدار ہیں۔ ایک پراکسی کا کمپنی کا رکن ہونا ضروری ہے۔

ب۔ پراکسی مقرر کرنے کیلئے:

1۔ ایسے افراد جو گروپ کی صورت میں اکاؤنٹ ہولڈر ہیں یا وہ شخص جو سیکورٹیز گروپ اکاؤنٹ میں ہے انکی رجسٹریشن کی تفصیلات ضابطوں کے مطابق اپ لوڈ کی گئی ہیں وہ مندرجہ بالا ضروریات کے مطابق پراکسی فارم جمع کرائیں گے۔

2۔ پراکسی فارم کے گواہ دو افراد ہوں گے جن کا نام، پتہ اور شناختی کارڈ نمبر فارم میں درج ہوں گے۔

3۔ مالکان اور پراکسی کے شناختی کارڈ کی تصدیق شدہ کاپیاں یا پاسپورٹ پراکسی فارم کیساتھ پیش کیئے جائیں گے۔

4۔ پراکسی میٹنگ کے وقت اپنا اصل شناختی کارڈ یا پاسپورٹ پیش کرے گا۔

5۔ بصورت کارپوریٹ ادارہ، بورڈ آف ڈائریکٹرز کی قرارداد/ پاور آف اٹارنی بمع دستخط کا نمونہ پراکسی فارم کیساتھ کمپنی کو پیش کیئے جائیں گے (تاوقتیکہ اس سے قبل پیش کر دیئے گئے ہیں)۔

CHAIRMAN REVIEW

I am pleased to present the review for the year ended June 30, 2023, highlighting the Company's performance and role of the Board of Directors (the Board) of Gammon Pakistan Limited (GPL) in guiding the management to carry out its responsibility for the benefit of all its stakeholders.

REVIEW OF BOARD'S PERFORMANCE

The Board, being responsible for the management of the company, formulates all significant policies and strategies. The board is governed by relevant laws & regulations and its obligations, rights, responsibilities, and duties, as are specified and prescribed therein.

The Board provides strategic direction to the management and fulfills its fiduciary responsibilities with a sense of commitment. During the period, four Board meetings / four Audit committee meetings and one HR & Remuneration committee meeting were held during the year 2022-23.

The Board strictly monitored its own performance along with the performance of its sub-committees. In addition to it, the board also ensured the compliance with all applicable rules and best practices of the Company.

Best practices of corporate governance have been embedded into the Company's culture to maintain highest level of professionalism and business conduct. Risk management framework, effective internal controls and audit functions have been implemented to ensure that the day-to-day operations follow the overall strategy formulated by the Board.

Accordingly, the Board has completed its annual self-evaluation for the year 2022-23 and I am pleased to report that the overall performance benchmarked on the basis of criteria set for the year 2022-23, remained satisfactory.

REVIEW OF BUSINESS PERFORMANCE

In view of the current economic uncertainties, GPL remains vigilant of the market dynamics and despite losses stands well-positioned to continue, focusing on improved service standards and expanding its footprint. Despite the overall business decline observed in the entire country during the period of considerstion and the global economc recession GPL is on track to make a strong recovery, and the Company is poised to reap the benefits for future growth.

Expectations were high about announcements of some good mega Public Sector Development Projects (PSDP), specially from arriving Government but unfortunately, we are facing extreme political and economic uncertainty along with a big disaster of heavy floods in the country for an overall unfavourable environment.

We are very much hopeful to acquire some mega projects at good rates that will definitely enhance our Company's financial performance. Neverthless, lack of Working Capital is a substantial hurdle, for which all the effort input will be made to bridge the gap.

ACKNOWLEDGMENT

On behalf of the Board, I would like to acknowledge and express my appreciation for our Shareholders, Suppliers and Contractors for their unshaking confidence in the Board and the Company's Management. I would also like to put on record my utmost thanks to the Board for their contribution, the Management and the workforce for their efforts and hard work.

Lt Gen Ali Kuli Khan Khattak (Retd)
Chairman

Dated: October 04, 2023

چیئرمین کا جا ٔ ہ

مجھے 30 جون 2023ءکوختم ہونے والے سال کا جا ٔ ہ پیش کرتے ہوئے خوشی ہو رہی ہے، جس میں کمپنی کی کارکردگی اور گیمن پ کستان لمیٹڈ (جی پی ایل) کے بورڈ آف ڈا ٔ یکٹرز (بورڈ) کے انتظامیہ کی رہنمائی میں کردار کوا جا گ کیا گ یا ہے کہ انتظامیہ تمام اسٹیک ہولڈرز کے فا ٔ ے کے لیے اپنی ذمہ داری بخوبی نبھا سکے۔

بورڈ کی کارکردگی کا جا ٔ ہ:

بورڈ، کمپنی کے انتظام کا ذمہ دار ہونے کے ن طے، تمام اہم پ لیسیاں اور حکمت عملی تیار کر ت ہے۔ بورڈ متعلقہ قوا وضوابط اور اس کی ذمہ داریوں، حقوق اور فرائض کے ذریعے یجا ت ہے، جیسا کہ اس میں بیان اور تجو ٔ کیا گ یا ہے۔

بورڈ نہا ت دی ت داری سے اپنی ذمہ داری کو پورا کرتے ہوئے، خلوص اور ر پ عزم طر سے انتظامیہ کو صحیح سمت اور حکمتِ عملی فراہم کر ت ہے۔ اس مدت کے دوران سال 2022-23 کے دوران چار بورڈ کے اجلاس، چار آڈٹ کمیٹی کے اجلاس اور ا نی وسائل اور معاوضے کی کمیٹی کا ای اجلاس منعقد ہوئے۔

بورڈ نے اپنی ذ کمیٹیوں کی کارکردگی کے ساتھ ساتھ اپنی کارکردگی کی بھی سختی سے نگرانی کی۔ اس کے علاوہ، بورڈ نے کمپنی کے تمام قابل اطلاق قوا اور بہترین طر ں کی تعمیل کو بھی یقینی بنا یا۔

کارپور ٹ گور کے بہترین طر ں کو اعلیٰ درجے کی پیشہ وارانہ مہارت اور کارو ری طرزِ عمل کو ق ر ار ر کیلئے کمپنی کے طر کار میں شامل کیا گ یا ہے۔ رسک مینجمنٹ فریم ورک، موثر ا رونی کنٹرول اور آڈٹ کے افعال کو ن فذ کیا گ یا ہے کہ یقینی بنا یا جا سکے کہ روزمرہ افعال بورڈ کے ذریعہ وضع کردہ مجموعی حکمت عملی کے مطابق ہوں۔

اس کے مطابق، بورڈ نے سال 2022-23 کیلئے اپنی سالانہ خود تشخیصی مکمل کر لی ہے اور مجھے یہ خوشی ہوئی ہے کہ سال 2022-23 کیلئے مقرر کردہ معیار کی ن ی د پ مجموعی کارکردگی کا معیار اطمینان بخش رہا۔

کارو ری معا ت کا جا ٔ ہ:

موجودہ معاشی غیر یقینی صورتحال کے پیشِ ، گیمن پ کستان لمیٹڈ مارکیٹ کے ا ر پ ٹ ھاؤ کے مطابق سروس کے معیار کو بہتر بنانے اور اپنی ت قی کو ق ر ار ر کیلئے بھرپور کوشش کر رہی ہے۔ زیرِ غور مدت کے دوران پورے ملک میں مجموعی طور پ کارو ر میں کمی اور عالمی اقتصادی کساد ز اری کے وجود GPL بحالی کی راہ پ گامزن ہے اور ءاللہ کمپنی مستقبل کی ت قی حاصل کرنے کیلئے تیار ہے۔

کچھ اچھے میگا پبلک سیکٹر ڈویلپمنٹ پ اجیکٹس (PSDP) کے اعلا ت کے رے میں آنے والی نئی حکومت سے بہت زی دہ توقعات تھیں، لیکن قسمتی سے، ہمیں ملک میں بھاری سیلاب کی ای ٹ ی تباہی کے ساتھ ساتھ انتہائی سیاسی اور اقتصادی غیر یقینی صورتحال کا سامنا ہے۔

ہم اچھے ن خوں پ کچھ میگا پ وجیکٹس حاصل کرنے کے لیے بہت پ امید ہیں جو یقینی طور پ ہماری کمپنی کی مالی کارکردگی کو بہتر بنا

گے۔بہرحال،ورکنگ کیپیٹل کی کمی ای بڑی رکاوٹ ہے،جس کے لیےتمام کوششیں اس خلاکو پ کرنے کے لیےکی جا گی۔

اعتراف

بورڈ آف ڈا ٔ یکٹر کی طرف سے میں اپنے شیئر ہولڈر اور کمپنی کے سپلا ٔ ز اور ٹھیکیداروں کی قدر کرت ہوں جو کہ ان کا بورڈ آف ڈا ٔ یکٹر اور کمپنی کی انتظامیہ پ اعتماد ہے۔اسکے علاوہ میں بورڈ آف ڈا ٔ یکٹر کی شر ت ،انتظامیہ اور کارکنوں کی کوششوں اور محنت کا شکریہ ادا کرت ہوں۔

لیفٹیننٹ جنرل علی قلی خان خٹک (ریٹا ٔ ڈ)

چیئرمین

04 اکتو. 2023ء

DIRECTORS REPORT

The directors of your Company have pleasure in presenting their report, together with the 76th Annual Report, containing Audit Report and the Audited Financial Statements of the Company for the year ended June 30, 2023.

PERFORMANCE REVIEW

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

Particulars	2023 (Rupees)	2022 (Rupees)
Contract Income	6,677,706	24,331,831
Contract Expenditure	(16,804,360)	(26,240,916)
Net contract (Loss)	(10,126,654)	(1,909,085)
Profit before taxation	4,112,329	1,030,282
Taxation	3,435,040	(7,397,854)
Profit	7,547,369	(6,367,572)

As compared to the previous year, revenue is increased due to increase in other income of the company comprising yearly rate increase over time with respect to investment property, moreover, the austerity measures taken and reduction in admin expenses by the management. The savings also contributed to it, which earned by cut down of un-necessary expenses in the form of overheads occurred due to unduly prolonged Project works, after the closure of ongoing projects.

Auditors report reflects certain areas which need attention, management responded to it. As of the matter of the contract assets, it is subject to the resolution of final bill with the clients and will be addressed after the final bill is made and claimed with clients, as described in the previous directors' reports. Contract Receivables are raised due to the method of calculating revenue on the basis of stage of completion, whereas projects took extensive time in addition to the forecast time-line. It will be adjusted in the books of accounts in due course of time. Expected loss will be realized in parts in books of accounts depending on the reliable transaction confirmation and void of recovery.

The revenue from the contracts has sharply reduced after handing over of certain Projects. We are striving hard to acquire some new projects but arranging the BG facilities and running finance is the main difficulty in the way. Nonetheless, all our efforts are still being made to acquire new Projects as we continue to participate in the bidding process of feasible Projects. Gammon Pakistan Limited

(GPL) is also striving hard to acquire Projects through joint ventures with financially strong parties and hopefully we may have success in the near future.

The Project of Maritime Technologies Complex Project at Fateh Jang near Islamabad is Completed and is in the process of final bill with the client. It is under arbitration due to difficulties in final bill and claim of retention money due to inconsistencies during the project execution from client side, design and location changes, risk and cost part of the work, as well as allied factors beyond control. In spite of the complications, Management is dealing with matter with concern and using all faculties to finalize it to a success. The Project of Old Bannu Road Structure Bridges is nearly on the same lines and being resolved with full capacity for the recovery of receivables, we are progressing well and expect to settle the matter amicably before the end of this financial year.

DIVIDEND

The Board has not recommended any dividend for the year due to financial constraints.

GENERAL ECONOMIC REVIEW

Economic conditions are deteriorating due to rising commodity prices and a large fiscal deficit have inflated the import bill, putting the country on the verge of a balance of payments crisis. The currency has sunk to an all-time low, while international reserves have dwindled to barely one month import cover. The government faces a tricky balancing, on one hand, it needs to trim the budget deficit in order to gain access to IMF funds. This led it, as part of its new FY 2024 budget, to unveil new austerity measures in June, such as cuts to fuel subsidies and imposition of new taxes along with enhancement of tax net rigorously. On the other hand, it wants to avoid exacerbating inflation, which could pull the rug out from under the economy or even the government itself, resulting into the protests broke out over the rising cost of living and blackouts caused by fuel shortages.

GDP growth is set to a further slowdown (as compared to preceding year), in FY 2024 (July 2023–June 2024) after two years of above-average growth of a former Govt's period. A key factor to watch is the drag on activity from higher commodity prices. Two other key factors are the speed of fiscal consolidation and the stability of the governing coalition. Both will be necessary for the IMF deal needed to avoid a balance of payments crisis. Focus Economics panelists project growth of mere 1.7% in FY 2024. According to Pakistan Economic Survey 2022-23 After realising 3.4% in 2022, the growth is projected to slow down to 2.8% in global growth, 2023 before rising to 3.0% in 2024. In FY 2024, our panel forecasts GDP growth of 1.7% depend on political and consequently economic stability.

FUTURE PROSPECTS

Despite financial constraints our efforts are in process to get further business. It is expected that some more work will be awarded to your company by some clients in the near future.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Directors confirm compliance with Corporate and Financial Reporting Framework of the Securities and Exchange Commission of Pakistan and Listed Companies (Code of Corporate Governance) Regulation, 2019 (CCG Regulations) for the following matters:

1. The financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.

2. Appropriate accounting policies have been consistently applied in preparation of these financial statements and accounting estimates are based on reasonable and prudent judgments.

3. The Company has maintained proper books of accounts.

4. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of these financial statements.

5. The system of internal control is sound in design and has been effectively implemented and monitored. The process of monitoring internal controls will continue as on-going process with objective to strengthen the controls and bring improvements in the system.

6. There are no doubts about the Company's ability to continue as a going concern.

7. There has been no material departure from the best practices of CCG Regulations.

8. There are no statutory payments on account of taxes, duties levies and charges which are outstanding as at June 30, 2023, except for those disclosed in the financial statements.

9. No trades in the shares of the Company were carried-out by the Directors, CEO, CFO, Company Secretary and their spouses and minor children during the year ended June 30, 2023.

COMPOSITION OF THE BOARD

The Composition of the Board is in line with the requirements of the CCG Regulations. The Company encourages representation of independent and nonexecutive directors, as well as gender diversity on its Board.

The current composition of the Board is as follows:

Total number of directors 07

Male	06
Female	01

Independent Directors	02
Other Non-executive Directors	04
Executive Directors	01

Apart from their mandatory job requirements, the performance of the Board of our Company is evaluated annually along the following parameters, both at individual and collective level.

i. Effectiveness in bringing in a mix of gender, talents, skills and diversified perspectives.
ii. Integrity, credibility, trustworthiness and active participation of members.
iii. Follow-up and review of annual targets set by the management.
iv. Ability to provide guidance and direction to the Company.
v. Ability to identify aspects of the organization's performance requiring action.
vi. Review of succession planning of management.
vii. Ability to assess and understand the risk exposures of the Company.
viii. Contribution and interest with regard to improving health safety and environment, employment and other policies and practices in the Company.
ix. Safeguarding the Company against unnecessary litigation and reputational risk.

The overall performance of the Board measured on the basis of above-mentioned parameters for the year was satisfactory. The Board members effectively bring the diversity to the Board and constitute a mix of independent and non executive directors. The Board is also effective in formulating the corporate goals for the company.

BOARD AUDIT COMMITTEE

The Board Audit Committee assists the Board in fulfilling its oversight responsibilities, primarily in reviewing and reporting financial and non-financial information to share-holders, systems of internal control and risk management and the audit process. It has autonomy to call for information from the management and to discuss directly with the external auditors or advisors as considered appropriate. The Chief Financial Officer regularly attends the Board Audit Committee meetings by invitation to present the accounts. After each meeting, the Chairman of the Committee reports to the Board. The Committee met 4 time.

The names of committee members are as follows:

Mr. Kamal Abdullah Malik	- Independent Director	Chairman
Mr. Muhammad Kuli Khan Khattak	- Non-Executive Director	Member
Mr. Sikandar Kuli Khan Khattak	- Non-Executive Director	Member
Mr. Salman Khan - ACA	- Head of internal Audit	Secretary

The Audit committee has reviewed the quarterly, half-yearly and annual financial statements, besides the internal audit function, material audit findings and recommendations of the internal audit department.

In addition to above meetings, Audit Committee met with external auditors without Chief Financial Officer (CFO) and Head of Internal Audit (HIA). Audit Committee also met the head of internal audit and other members of the internal audit function without the CFO and the external auditors being present

HR AND REMUNERATION COMMITTEE

The Committee meets to review and recommend all elements of the compensation, organization and employee development policies relating to the senior executive's remuneration and to approve all matters relating to the remunerations of the senior executives. The CEO of the Company attended the Human Resource and Remuneration Committee meeting held. The Committee met once during 2022-23.

The names of committee members are as follows:

Mr. Fazal ur Rehman Khan Burki - Chairman
Mrs. Ayesha Alamzeb Durrani - Member
Mr. Sikandar Kuli Khan Khattak - Member

MEETINGS OF BOARD AND ITS COMMITTEES IN 2022-23

During the year 2022-23, Board meetings (BOD), Audit committee (BAC) and HR & Remuneration committee (HR&R) meetings were held. The number of meetings attended by each director during the year is given here under:

Sr. No.	Director	Committee Members		Attendance		
		Board Audit Committee	HR & RC	Board Meetings	Board Audit Committee	HR & RC
1	Lt Gen Ali Kuli Khan Khattak (Retd)	-	-	4/4	-	-
2	Mr. Khalid Kuli Khan Khattak	-	-	4/4	-	-
3	Mrs. Ayesha Alamzeb Durrani	-		3/4	-	1/1
4	Mr. Sikandar Kuli Khan Khattak			2/4	2/4	0/1
5	Mr. Muhammad Kuli Khan Khattak		-	3/4	3/4	-
6	Mr. Kamal Abdullah Malik		-	4/4	4/4	-
7	Mr. Fazal ur Rehman Khan Burki	-		4/4	-	1/1

Leave of absence was granted to directors who could not attend the board meetings due to their busy schedule and other appointments.

PERFORMANCE EVALUATION OF BOARD OF DIRECTORS AND COMMITTEES OF THE BOARD

Pursuant to the CCG Regulations, the Board recognized that it continually needs to monitor and improve its performance. This is achieved through the annual performance evaluation and ongoing Board development activities. During the year, the Board has appraised its performance of Board as a whole as well as individual director and its committees. The overall conclusion of this year's review based on availability feedback has been found satisfactory.

DIRECTORS REMUNERATION

For information on remuneration of Directors and CEO in the year 2022-23, please refer notes to the financial statements.

KEY OPERATING AND FINANCIAL DATA (SIX YEARS SUMMARY)

Key operating and financial data of six years is annexed to the report.

PATTERN OF SHAREHOLDING

The statement of the pattern of shareholding as at June 30, 2023 and additional information is annexed to the report.

CONTRIBUTION OF OUR COMPANY TOWARDS GOVERNMENT AND SOCIAL SECTOR

We wish to give hereunder our Company's revenue contribution towards the Government, Semi Government sectors, banks and social sector during the year ended June 30, 2023.

GOVERNMENT SECTOR

		(Rs. In Million)
Income Tax paid	(Note 16 of Financials)	5.92
Power & Fuel	(Note 28 of Financials)	0.34

HEALTH, SAFETY AND ENVIRONMENT

We strongly believe in maintaining the highest standards in health, safety and environment to ensure the well-being of the people who work with us, as well as of the communities where we operate.

SUBSEQUENT EVENTS

No material changes or commitments affecting the financial position of the Company have taken place between the end of the financial year and the date of the Report.

COMMENTS ON "EMPHASIS OF MATTER" PARAGRAPH IN THE AUDITOR'S REPORT

The Company's Board of Directors are of the opinion that the case is already in the court of law and no conclusion can be drawn with certainty before it is decided by the competent court and till that time it can not be considered a liability contingency or otherwise, moreover, it doesn't have any direct impact on the financials, since no receivable or payable stands against the person in question.

APPOINTMENT OF AUDITORS

The Company's Auditors M/s DFK Rizwan & Co Chartered Accountants, 114- A, Tipu Block, New Garden Town, Lahore, Punjab, retired and offered themselves for reappointment. The Board of Directors of the Company as recommended by the Board Audit Committee, hereby recommends that the retiring auditors be re-appointed.

ACKNOWLEDGMENT

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

We would also like to express our gratitude to our bankers, clients and suppliers for their co-operation, support and trust reposed in the Company.

Khalid Kuli Khan Khattak
Chief Executive Officer

گیمن پ کستان لمیٹڈ

ڈائ یکٹرزر پورٹ

آپ کی کمپنی کے ڈائ یکٹرز 30 جون 2023ء کوختم ہونے والے سال کے لیےآ ڈٹ ر پورٹ معہ کمپنی کے آ ڈٹ شدہ مالیاتی بیا ت پ مشتمل 76ویں سالانہ ر پورٹ کے ساتھ اپنی ر پورٹ پیش کرنے میں خوشی محسوس کرتے ہیں۔

کارکردگی کا جا ہ

کمپنی کی ی دی سر می تمام قسم کے تعمیراتی کام بلخصوص پُلوں اورعمارتوں کی تعمیر ہے۔پچھلے سال کے مقابلے میں کمپنی کے مالیاتی ئج کی اہم یں مندرجہ ذیل ہے:۔

	30جون2023ء	30جون2022ء
	(روپے)	(روپے)
پ اجیکٹس سے آمدن	6,677,706	24,331,831
پ اجیکٹس کا چ	(16,804,360)	(26,240,916)
مجموعی نقصان	(10,126,654)	(1,909,085)
قبل از ٹیکس منافع / نقصان	4,112,329	1,030,282
ٹیکس	3,435,040	(7,397,854)
بعداز ٹیکس منافع / نقصان	7,547,369	(6,367,572)

پچھلے سال کے مقابلے میں، آمدنی میں اضافہ کمپنی کی د آمدنی میں اضافے کی وجہ سے ہوا ہے جس میں سرمایہ کاری کی جا اد کے حوالے سے وقت کے ساتھ ساتھ سالانہ شرح میں اضافہ شامل ہے، مزی یہ کہ انتظامیہ کی جا سے اٹھائے گئے کفای شعاری کے اقدامات اور انتظامیہ کے ا اجات میں کمی ہے۔بچتوں نے بھی اس میں اپنا حصہ ڈالا، جو جاری منصوبوں کی بندش کے بعد غیر ضروری پ اجیکٹ کے کاموں کی وجہ سے اوور ہیڈز کی صورت میں غیر ضروری ا اجات کو کم کر کے حاصل ہوا۔

آ ڈیٹرز کی ر پورٹ کچھ ایسے شعبوں کی عکاسی کرتی ہے جن پ توجہ دینے کی ضرورت ہے، انتظامیہ نے اس کا جواب دی ۔معاہدے کے ا ثوں کے معاملے کے طور پ ، یہ کلا کے ساتھ حتمی بل کے حل سے مشروط ہے اور حتمی بل بنانے اور کلا کے ساتھ دعویٰ کرنے کے بعد اس پ توجہ دی جائے گی، جیسا کہ سابقہ ڈائ یکٹرز کی رپورٹس میں بیان کیا ی ہے۔تکمیل کے مرحلے کی ی دپ آمدنی کا حساب لگانے کے طر کار کی وجہ سے معاہدے کی وصولیوں کے حدف میں اضافہ ہو ہے، ۔ کہ پ اجیکٹس نے پیشین گوئی کی ٹ ئم لائن کے علاوہ بہت زی دہ وقت لیا۔اسے وقت کے ساتھ حساب کتابوں میں اڈ جسٹ کیا جائے گا۔قابل اعتماد لین دین کی تصدیق اور وصولی کے طل ہونے پ اکاؤنٹس کی کتابوں کے حصوں میں متوقع نقصان کا ا راج ہوگا۔

کچھ پ وجیکٹس کو حوالے کرنے کے بعد معاہدوں سے حاصل ہونے والی آمدنی میں تیزی سے کمی آئی ہے۔ہم کچھ نئے پ اجیکٹس حاصل کرنے

کی بھرپور کوشش کر رہے ہیں لیکن ۔ ی دی مسئلہ فنانسگ سہولیات کو حاصل کرنے میں دشواری ہے، جس نے کمپنی کی بحالی کو ۔ ی طرح متاثر کیا ہے۔ بحرحال ہماری تمام کوششیں نئے پراجیکٹس کے حصول کیلئے جاری ہیں، مزید یہ کہ ہم منا پراجیکٹس کی بڈ میں حصہ لینے کا عمل جاری رکھے ہوئے ہیں۔ گیمن پاکستان لمیٹڈ مالی طور پر مضبوط پارٹیوں کے ساتھ مشترکہ منصوبوں کے ذریعے پراجیکٹس حاصل کرنے کی بھرپور کوشش کر رہی ہے اور امید ہے کہ ہمیں کامیابی حاصل ہوگی۔

اسلام آباد کے قریب فتح جنگ میں میری ٹائم ٹیکنالوجیز کمپلیکس کا پروجیکٹ مکمل ہو چکا ہے اور کلائنٹ کے پاس حتمی بل کی تکمیل کے مراحل میں ہے۔ حتمی بل میں مشکلات اور کلائنٹ کی طرف سے پروجیکٹ کی تکمیل کے دوران عدم مطابقت، ڈیزائن اور مقام کی تبدیلیوں، کام کے خطرے اور لاگت کے حصے کے ساتھ ساتھ کنٹرول سے باہر منسلک عوامل کی وجہ سے ثالثی کے تحت روبہ عمل ہے۔ پیچیدگیوں کے باوجود، انتظامیہ معاملے سے ذمہ داری کے ساتھ رہی ہے اور اسے کامیابی کے لیے حتمی شکل دینے کے لیے تمام فیکلٹیز کا استعمال کر رہی ہے۔ پابنوں روڈ سٹرکچر پل کا منصوبہ تقریباً انہی مراحل میں ہے اور وصولیوں کی ریکوری کے لیے پوری صلاحیت کو بروئے کار لایا جا رہا ہے، ہم بہتر طور سے آگے بڑھ رہے ہیں اور امید کرتے ہیں کہ اس مالی سال کے اختتام تک معاملات خوش اسلوبی سے طے پا جائیں گے۔

<u>ڈیویڈنڈ</u>

بورڈ نے مالی رکاوٹوں کی وجہ سے اس سال کسی قسم کا منافع نہ دینے کی سفارش کی ہے۔

<u>عام اقتصادی جائزہ</u>

اشیاء کی قیمتوں میں اضافے کی وجہ سے معاشی حالات خراب ہو رہے ہیں اور ایک بڑے مالیاتی خسارے نے درآمدی بل کو بڑھا دیا ہے، جس سے ملک ادائیگیوں کے توازن کے بحران کے دہانے پر کھڑا ہے۔ کرنسی اب تک کی کم ترین سطح پر آ گئی ہے، جبکہ بین الاقوامی ذخائر بمشکل ایک ماہ کے درآمدی احاطہ تک کم ہو گئے ہیں۔ حکومت کو ایک مشکل توازن کا سامنا ہے، اور اسے آئی ایم ایف کے فنڈز تک رسائی حاصل کرنے کے لیے بجٹ خسارے کو کم کرنے کی ضرورت ہے۔ حکومت نے اپنے نئے مالی سال 2024 کے بجٹ کے حصے کے طور پر، جون میں کفایت شعاری کے نئے اقدامات کی منظوری کی، جیسے ایندھن کی سبسڈی میں کٹوتی اور ٹیکس کو سختی سے بڑھانے کے ساتھ نئے ٹیکسوں کا نفاذ۔ دوسری طرف، حکومت افراط زر کو بڑھانے سے بچنا چاہتی ہے، جو معیشت پر خود حکومت کے گرنے کا باعث بن سکتی ہے حال ہی میں ایندھن کی قلت کی وجہ روزمرہ زندگی میں پیدا ہونے والی مشکلات اور بڑھتی ہوئی لوڈ شیڈنگ پر احتجاج شروع ہوئے ہیں۔

سابقہ حکومت کے دور میں دو سال قبل کی جی ڈی پی گروتھ کے بعد مالی سال 2024 (جولائی 2023 - جون 2024) میں کمی ہونے والی ہے۔ زیرِ ایک اہم عنصر اجناس کی قیمتوں میں اضافے کی وجہ سے معاشی سرگرمی میں کمی ہے۔ دو دیگر اہم عوامل مالیاتی استحکام کی رفتار اور حکومتی اتحاد کا استحکام ہیں۔ اس سلسلے میں ادائیگیوں کے توازن کے بحران سے بچنے کے لیے اور درکار آئی ایم ایف معاہدے کے لیے دونوں ضروری ہوں گے۔ مختلف معاشی ماہرین کی رائے کے مطابق مالی سال 2024 میں محض 1.7 فیصد کی نمو کو پیش کرتے ہیں۔ پاکستان اکنامک سروے 2022-23 کے مطابق 2022 میں 3.4 فیصد تک پہنچنے کے بعد، 2023 میں 3.024 فیصد تک بڑھنے سے پہلے عالمی نمو میں 2.8 فیصد تک اضافے کا امکان ہے۔ مالی سال 2024 میں، ہمارے بینک کا جی ڈی پی کی شرح نمو 1.7 فیصد کی پیشن گوئی ہے جس کا انحصار سیاسی اور اس کے نتیجے میں معاشی استحکام پر ہے۔

مستقبل کا نقطہ

اگرچہ مالی رکاوٹوں کی وجہ سے آپ کی کمپنی کو مستقبل میں نئے کام حاصل کرنے میں مشکلات کا سامنا ہے لیکن امید کی جاتی ہے کہ مستقبل میں کچھ محکموں کی جانب سے آپ کی کمپنی کو کچھ نئے کام دیئے جائیں گے۔

کارپوریٹ اور مالی رپورٹنگ فریم ورک

ڈائریکٹرز، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور لسٹڈ کمپنیاں (کوڈ کارپوریٹ گورننس) ریگولیشنز، 2019 (سی سی جی ریگولیشنز) کے کارپوریٹ اور مالی رپورٹنگ فریم ورک کی تعمیل کی تصدیق کرتے ہیں۔

1۔ کمپنی کے حسابات جس میں اکاؤنٹ کی کتابیں، نفع اور نقصان کا اکاؤنٹ، بیلنس شیٹ اور دیگر حسابات مروجہ قوانین کے تحت تیار کیے گئے ہیں۔

2۔ کمپنی کے حسابات تیار کرنے کیلئے مناسب مالیاتی پالیسیوں کا استعمال کیا ہے۔

3۔ کمپنی نے حسابات کی کتابیں موثر طریقے سے تیار کی ہیں۔

4۔ بین الاقوامی اکاؤنٹنگ معیار جو کہ پاکستان میں لاگو ہوتے ہیں، ان کو مالیاتی حسابات کی تیاری میں اور اداروں میں اپنایا گیا ہے۔

5۔ اندرونی کنٹرول کا نظام درست ہے اور اسے مؤثر طریقے سے لاگو کیا گیا اور نگرانی کی گئی ہے۔ اندرونی کنٹرول کی نگرانی کے عمل کو مضبوط بنانے اور نظام میں بہتری لانے کے مقصد کے ساتھ آگے بڑھتے ہوئے عملی طور پر جاری رہے گا۔

6۔ کمپنی کی قابلیت کے بارے میں کوئی تشویش یا شک وشبہ نہیں۔

7۔ لسٹڈ کمپنیوں (کارپوریٹ گورننس) کا ضابطوں، 2019 (سی سی جی ریگولیشنز) کے بہترین طریقوں کے مطابق ہیں۔

8۔ 30 جون 2023 پر کمپنی کے ذمہ کسی بھی قسم کا قانونی ٹیکس، لیوی یا چارجز نہیں ہیں ماسوائے ان ادائیگیوں کے جو ان حسابات میں بتائی گئی ہیں۔

9۔ 30 جون 2023 پر اِس کمپنی کے ڈائریکٹرز، چیف ایگزیکٹو، سی ایف او، کمپنی سیکرٹری اور ان کے اہل خانہ اور ان کے چھوٹے بچوں نے کمپنی کے شیئر میں خرید وفروخت نہیں کی ہے۔

بورڈ کی ساخت

بورڈ کی تشکیل سی سی جی قوانین کے مطابق ہے۔ کمپنی آزاد اور دوسرے غیر ایگزیکٹو ڈائریکٹر کے ساتھ ساتھ اپنے بورڈ میں نمائندگی کی حوصلہ افزائی کرتی ہے۔

بورڈ کی حالیہ تشکیل کچھ اس طرح ہے۔

ڈائریکٹرز کی کل تعداد	7
مرد	6
خاتون	1
آزاد ڈائریکٹر	2
دوسرے غیر ایگزیکٹو ڈائریکٹر	4

ایگزیکٹوڈائریکٹر
1
ان کی لازمی زمت کی ضروریت کے علاوہ ہماری کمپنی کے بورڈ کی کارکردگی کا ہر سال ا ادی اوراجتماعی سطح پہ مندرجہ ذیل عوامل کے ساتھ جائزہ لیا جاتا ہے۔

1۔ قابلیت، مہارت اور متنوع نقطہ کے تحت افراد کا ملنا۔

2۔ سالمیت، ساکھ، اعتماد اور ممبروں کی فعال شر ت ۔

3۔ انتظامیہ کے ذریعہ طے شدہ سالانہ اہداف کی پیروی اور جائزہ۔

4۔ کمپنی کو رہنمائی اور ہدایت فراہم کرنے کی اہلیت۔

5۔ کمپنی کی کارکردگی کے ایسے پہلوؤں کی ہی کرنے کی اہلیت جس میں کاروائی کی ضرورت ہوتی ہے۔

6۔ انتظامیہ کی جانشینی کی منصوبہ بندی کا جائزہ۔

7۔ کمپنی کو درپیش خطرات کی ہی کرنا اور سمجھنے کی قابلیت۔

8۔ کمپنی کے زمین کی صحت، کام کرنے کے ماحول اور د پالیسیوں اور طر ں کو بہتر بنانے کے سلسلے میں شرا ت اور دلچسپی۔

9۔ غیر ضروری قانونی چارہ جوئی وغیرہ سے کمپنی کی حفاظت کرنا۔

اس سال کیلئے بورڈ کی مجموعی کارکردگی تسلی بخش تھی۔ بورڈ کے ارکان نے مئوثر طر کیساتھ مل کر جن میں آزاد اور غیر ایگزیکٹوڈائریکٹر شامل ہیں نے کام کیا اور بورڈ نے کمپنی کے کارپوریٹ اہداف کو تشکیل دینے میں مئوثر کردار بھی ادا کیا ہے۔

<u>بورڈ آڈٹ کمیٹی</u>

بورڈ کی آڈٹ کمیٹی نے نگرانی کی ذمہ داریوں کو پورا کرنے میں بورڈ کی مدد کی ہے، بنیادی طور پر مالی اور غیر مالیاتی معلومات کو مشترکہ حصول، داخلی کنٹرول کے م اور خطرے کے انتظام اور آڈٹ کے عمل کے لئے انتظامیہ سے معلومات حاصل کرنے اور بیرونی آڈیٹر مشیروں کے ساتھ . اہ را ت مشورہ کرنے کیلئے خودمختار ہے جو منا سب سمجھا جاتا ہے۔ چیف فنانس آفیسر . قاعدگی سے اکاؤنٹس پیش کرنے کیلئے دعوت کے ذریعے بورڈ آڈٹ کمیٹی کے اجلاسوں میں شر ت کرتے ہیں۔ ہر میٹنگ کے بعد کمیٹی کے چیئرمین بورڈ کو رپورٹ کرتے ہیں۔ کمیٹی نے 22-2021 کے دوران 4 . ر قات کی ہے۔

کمیٹی کے ارکان کے نام مندرجہ ذیل ہیں:

1۔	جناب کمال عبداللہ	آزادڈائریکٹر	چیئرمین
2۔	جناب محمد قلی خان خٹک	غیرایگزیکٹوڈائریکٹر	رکن
3۔	جناب سکندر قلی خان خٹک	غیرایگزیکٹوڈائریکٹر	رکن
4۔	جناب سلمان خان	کمیٹی سیکرٹری	اندرونی آڈٹ کا سر. اہ

آڈٹ کمیٹی نے اندرونی آڈٹ منصوبہ کے علاوہ اور آڈٹ کے نتائج اور اندرونی آڈٹ ڈیپارٹمنٹ کی سفارش پہ، سہ ماہی، نصف اور سالانہ مالی معا ت کا جائزہ لیا ہے۔

مندرجہ . لا اجلاسوں کے علاوہ، آڈٹ کمیٹی نے بیرونی آڈیٹر کے ساتھ الگ اور بعد میں چیف فنانس آفیسر (سی ایف او) اور اندرونی آڈٹ کے سر. اہ (ایچ آئی اے) کے ساتھ بھی قات کی ہے۔

ا نی وسائل اور معاوضے کی کمیٹی

کمپنی نے سینئر ایگزیکٹوز کے معاوضے سے متعلق معاوضہ، تنظیم اور زم کی تی کی پالیسیوں کے تمام عناصر کا جائزہ اور سفارش کرنے اور انتظامی کمیٹی کے ممبران اور مینیجمنٹ کمیٹی کے ممبروں کے متعلق تمام معا ت کو منظور کرنے کیلئے قات کی۔ کمپنی کے سی ای او نے منعقد ہونے والے ا نی وسائل اور معاوضہ کمیٹی کے اجلاس میں شر کی۔ کمیٹی نے 2022-23 کے دوران ای ر قات کی۔

کمیٹی کے ارکان کے م مندرجہ ذیل ہیں:

1۔	جناب فضل الرحمن خان۔ کی	چیئرمین
2۔	مسز عائشہ عالم زیب درانی	رکن
3۔	جناب سکندر قلی خان خٹک	رکن

سال 2022-23 کے دوران بورڈ اور اسکی کمیٹیوں کے اجلاس

سال 2022-23 کے متعلق، چار بورڈ کی میٹنگ، چار آڈٹ کمیٹی اور ای ا نی وسائل اور معاوضے کی کمیٹی کی میٹنگ منعقد ہو ۔ سال کے دوران ہر ڈائریکٹر کی طرف سے شر کی میٹنگ کی تعداد یہاں درج کی گئی ہے:

نمبر شمار	ڈائریکٹر کے م	کمیٹی کے ممبران: آڈٹ کمیٹی	کمیٹی کے ممبران: ا نی وسائل اور معاوضے کی کمیٹی	حاضری: بورڈ	حاضری: آڈٹ کمیٹی	حاضری: ا نی وسائل اور معاوضے کی کمیٹی
1۔	لیفٹیننٹ جنرل علی قلی خان خٹک (ر)			4/4	-	-
2۔	جناب خالد قلی خان خٹک			4/4	-	-
3۔	مسز عائشہ عالم زیب درانی			3/4	-	1/1
4۔	جناب سکندر قلی خان خٹک			2/4	2/4	0/1
5۔	جناب محمد قلی خان خٹک			3/4	3/4	-
6۔	جناب کمال عبداللہ			4/4	4/4	-
7۔	جناب فضل الرحمن۔ کی			4/4	-	1/1

ڈائریکٹر کی درخوا جس میں انہوں نے ذاتی مصروفیات کی بنا اجلاس میں حاضر ہونے سے معذرت کی جس کو قبول کیا ۔

بورڈ کے ڈائریکٹرز اور کمیٹیوں کے بورڈ کی کارکردگی کا جائزہ

ای سال کے دوران بورڈ نے مجوعی طور افرادی کارکردگی کے ساتھ ساتھ اپنی کارکردگی کی سحص کا ضابطہ عمل کیا ہے بورڈ آڈٹ کمیٹی اور ا نی وسائل اور معاوضے کی کمیٹی کی کارکردگی کی جانچ ل کی گئی ہے۔ سال کیلئے مقرر کردہ عوامل کے تحت بورڈ کی مجموعی کارکردگی تسلی بخش رہی ہے۔

ڈائریکٹرز کا معاوضہ

سال 2022-23 میں ڈائریکٹرز اور سی ای او کے معاوضے کے رے میں معلومات کے لیے، اہ کرم اس سالانہ رپورٹ کا جائزہ کریں۔

آپریٹنگ اور مالی اعداد وشمار (گزشتہ چھ سال کے)

شیئر ہولڈرز اور جملہ آپریٹنگ اور مالی اعداد وشمار اس کتاب میں موجود ہیں۔

شیئر ہولڈر کا پیٹرن

30 جون 2023ء پر شیئر ہولڈنگ کے پیٹرن اور اس سے متعلق اضافی معلومات اس رپورٹ میں شامل کی گئی ہیں۔

حکومت اور سماجی شعبہ کی طرف سے ہماری کمپنی کی شراکت

30 جون 2023 کو ختم ہونے والے سال کے دوران آپ کی کمپنی نے حکومت، سرکاری شعبوں، بینکوں اور سماجی شعبے کو مندرجہ ذیل ادائیگی کی ہے۔

		رقم ملین میں
ا۔	حکومتی اداروں کو ادا کیے	
	ا ٹیکس کی مد میں	5.92
	بجلی اور گیس کی مد میں	0.34

صحت، حفاظت اور ماحول

ہم اس پر یقین رکھتے ہیں کہ صحت، حفاظت اور ماحول میں اعلیٰ ترین معیار کو برقرار رکھنے کیلئے ہم لوگوں کے ساتھ ساتھ کام کرنے والے لوگوں کی خوشحالی کو یقینی بنانا چاہتے ہیں۔

بعد میں آنے والے واقعات

اس مالی سال کے اختتام اور رپورٹ کی تاریخ کے درمیان کمپنی کی مالی پوزیشن پر اثر انداز ہونے والے کوئی معاملات یا وعدے نہیں کئے گئے ہیں۔

آڈیٹر کی رپورٹ کے پیراگراف پر تبصرہ

کمپنی کے بورڈ آف ڈائریکٹرز کی رائے ہے کہ یہ مقدمہ پہلے ہی عدالت میں ہے اور مجاز عدالت کی طرف سے اس کا فیصلہ کرنے سے پہلے کوئی نتیجہ قطعی طور پر نہیں نکالا جا سکتا اور اس وقت تک اسے ایک ادائیگی یا اسکے عکس تصور نہیں کیا جا سکتا، مزید برآں، اس کا مالیات پر کوئی اہم اثر نہیں پڑتا، کیونکہ زیر بحث شخص کے خلاف کوئی قابل وصولی یا قابل ادائیگی معاملہ نہیں ہے۔

آڈیٹر کی تقرری

کمپنی کے آڈیٹر میسرز ڈی ایف کے رضوان اینڈ کمپنی چارٹرڈ اکاؤنٹنٹ، 114-A، ٹیپو بلاک، نیو گارڈن ٹاؤن، لاہور جو اس سال ریٹائر ہو گئے ہیں

نے دوبارہ تقرری کے لیے مات پیش کی ہیں۔ کمیٹی کی بورڈ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹر نے ان کی دوبارہ تقرری کے لیے سفارش کی ہے۔

اعتراف

سال کے دوران کمپنی کی انتظامیہ، انجینئرز اور زمین کی محنت اور لگن قابلِ تعریف ہے اور ہم تعاون، حمایت اور اعتماد کیلئے اپنے گاہکوں، سپلائرز اور چھوٹے ٹھیکیداروں کے تہہ دِل سے مشکور ہیں۔

خالد قلی خان خٹک

چیف ایگزیکٹو آفیسر

CODE OF CONDUCT

INTRODUCTION

It has been said that the essence of a successful and visionary company is the ability to preserve its core values and to stimulate progress. Corporate ethics is the practice of our shared values. These shared values define who we are and what we can expect from each other. It is a code which applies to all Directors & Employees.

Our integrity and reputation depend on our ability to do the right thing, even when it's not the easy thing. The Code of Conduct is a collection of rules and policy statements intended to assist employees and directors in making decisions about their conduct in relation to the Firm's business. The Code is based on our fundamental understanding that no one at Gammon Pakistan Limited should sacrifice integrity.

Each of us is accountable for our actions, and each of us is responsible for knowing and abiding by the policies that apply to us. Directors & Executives have a special responsibility, through example and communication, to ensure that employees under their supervision understand and comply with the Code and other relevant supporting policies and procedures.

All Directors, Executives and Employees are expected to understand the laws and business regulations related to their work and comply fully so that our shareholders, customers, suppliers, stakeholders and the Government have complete faith in the way we operate and that our business decisions are made ethically and in the best interest of the Company.

You can look at the Code of Conduct to guide your decisions in a variety of circumstances. However, no rulebook can anticipate every situation. Ultimately, the personal integrity and honesty of every GPL employee will define the character of our Company. Never underestimate the importance of your own ethical conduct in the business and success of Gammon Pakistan Limited.

This code is in alignment with Company's Vision and Values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the day-to-day affairs of the Company.

The Board of Directors, Executives and all its employees will adopt this Code of Conduct and Ethics as a Testimony of commitment to adhere to the standards of loyalty, honesty, integrity and the avoidance of conflict of interest.

This model Code of Conduct shall be reviewed by the Board from time to time. The regulatory orders and any amendments to this Code shall be approved by the Board of Directors.

DEFINITION AND INTERPRETATION

In this Code, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning given to them below:

1. "The Company" means "Gammon Pakistan Limited".
2. "Board/Board of Directors" shall mean the Board of Directors of the Company.
3. "Directors" means the Directors of the Company appointed or elected from time to time pursuant to Articles of Association.
4. "The Chairman" means the Chairman of the Board of Directors.
5. "Board Members" shall mean the Members on the Board of Directors of the Company.
6. "Whole-time Directors" or "Executive Director" shall mean the Board Members who are in whole- time employment of the Company.
7. "Non-Executive Directors" shall mean the Board Members who are Directors and not in employment of the Company.
8. "Executives" shall mean employees of the Company who are members of its core management team excluding Board of Directors and would comprise all General Managers / Functional Heads and top Management of the Company.

CORPORATE RESPONSIBILITY

The key to corporate integrity lies with all of us. Everyone has a responsibility to up hold this dedication to corporate ethics on a daily basis. We all must:

1. Know and follow this conduct code.
2. Know and comply with the requirements and expectations that apply to our jobs.
3. Take responsibility for our own conduct.
4. Report violations of this conduct code to appropriate management.

This code defines following broad corporate values that shape our business practices;

COMPOSITION OF THE BOARD

The Board of Directors of the Company should always be balance of executive, non-executive and independent directors in accordance with Code of Corporate Governance 2019, Companies Ordinance 1984.

LEGAL/COMPLIANCE OBLIGATIONS

The Company's activities and operations will be carried out in strict compliance with all applicable laws and the highest ethical standards. Meeting our legal obligations and cooperating with, local, national and international authorities, lay a solid foundation for the corporate values. As individual employees, must strive to be aware of and understand laws applicable to business and area of responsibility.

INTEGRITY & HONESTY

Corporate integrity and honesty are the foundation of our business conduct code. By maintaining the highest level or corporate integrity through open, honest, and fair dealings, we earn trust for ourselves and from everyone with whom we come in contact. Our employees, holding the trust of the Company, are expected to uphold the highest professional standards.

CONFIDENTIALITY

Every employee is obligated to protect the Company's confidential information. All information developed or shared as a result of the business process proprietary to the Company must be treated as confidential.

CORPORATE RECORDS

Company documents and records are part of the Company's assets, and employees are charged with maintaining their accuracy and safety. Employees are required to use excellent record-management skills by recording information accurately and honestly, and retaining records as long as necessary to meet business objectives and government regulations. Financial records must accurately reflect all financial transactions of the Company. No false, artificial, or misleading entries shall be made in the books and records of the Company for any reason.

CONFLICT OF INTEREST

A conflict of interest exists when a personal interest or activity of an employee influences or interferes with employee's performance of duties, responsibilities or loyalties to the Company. All employees must avoid any personal or business influences or relationships that affect, or appear to affect, their ability to act in the best interest of the Company. Wherever, such conflict occurs it must be disclosed to at-least the next senior level of authority.

UNAUTHORIZED USE OF CORPORATE ASSETS

Every employee is obligated to protect the assets of the Company. Company property, such as fixed assets, office supplies, production equipment, products, and buildings, may not be used for personal reasons. Expenses may not be charged to the Company unless they are for Company's purposes.

RESPECT FOR PEOPLE & TEAM WORK

We are dedicated to dignity and respect and we owe nothing less to each other. This high level of respect for one another enters into every aspect of our dealings with colleagues and those we come into contact within each working day, and reflects greatly on how our corporate culture is perceived. We know it well that none of us acting alone can achieve success.

SAFETY AND HEALTH

We are all responsible for maintaining a safe workplace by following safety and health rules and practices. We are responsible for immediately reporting accidents, injuries, and unsafe equipment, practices or conditions to a supervisor or other designated person. We are committed to keep our workplace free from hazards.

DEDICATION TO QUALITY

Our quality policy is an integral part of our business philosophy and we are committed to provide total customer satisfaction.

CORPORATE IMAGE

Company's reputation and identity arc among the Company's most valuable assets. As part of keeping and furthering the corporate image, we believe in conducting business legally, morally and ethically, and in sharing the success that business brings. All employees, particularly those in management, are expected to conduct themselves in a manner that reflects positively on the company's image and identity, both internal and external. No one should act in a way, or make any statement in any media, that adversely affects the reputation or image of the Company with employees, customers or the community at large.

STAKEHOLDERS

Stakeholders are valuable equal partners for us with whom a long-term, fair and trustworthy relationship should be built and maintained with appropriate information disclosure through public relations, investor relations and other activities. Shareholders own the Company and on the basis of their entrustment, we will put in our best efforts to protect their investment value and to maximize their return under the prevailing business environment. Moreover, business with suppliers, vendors, contractors and other independent businesses, who demonstrate high standards of ethical business behavior will always be priority for all the Directors and Executives of the Company and will not knowingly do business with any persons or businesses that operate in violation of applicable laws and regulations, including employment, health, safety and environmental laws. Measures will be taken to assure that suppliers, vendors and contractors understand the standards applicable to our Company and we expect the same from them as well.

COMPLIANCE OF LAW

The Board Members and Executives shall comply with all laws, rules and regulations relating to the business of the Company i.e., Companies Ordinance 1984, Code of Corporate Governance, Listing Regulations and Articles of Association etc.

DIRECTORSHIPS

Unless specifically permitted by the Board of Directors and regulatory authorities, the Board Members and Executives shall not serve as Director of more than seven listed companies unless otherwise permitted by law, including this Company (excluding the listed subsidiaries of listed holding companies where applicable). All Executives of the Company shall obtain prior approval of the Chief Executive/Managing Director of the Company for accepting Directorship of any other company or partnership or a firm.

PREVENTION OF INSIDER TRADING

The Board Members and Senior Management personnel shall comply with the Code of Internal Procedures and conduct for prevention of insider trading in dealing with securities of the Company and the CEO and executives do not hold any interest in the shares of the Company other than the disclosed in the pattern of shareholding.

CORPORATE DISCLOSURE PRACTICES

The Board Members and all executives shall comply with the Code of Corporate Governance in letter and spirit.

AUDIT FUNCTION

The Board of Directors will ensure the transparency and independence Audit Function of the Company.

RELATED PARTY TRANSATIONS

The details of all related party transactions shall be placed before the Audit Committee of the Company and upon recommendations of the Audit Committee the same shall be placed before the Board for review and approval as indicated in section 35 (x) of Code of Corporate Governance.

PROTECTION OF ASSETS

The Board Members and Senior Management Personnel shall protect the Company's assets including physical assets, information and intellectual rights and shall not use the same for personal gain.

AMENDMENTS TO THE CODE

The provisions of this Code can be amended / modified by the Board of Directors of the Company from time to time and all such amendments / modifications shall take effect from the date stated therein.

PLACEMENTS OF THE CODE ON WEBSITE

This Code and any amendment thereto shall be hosted on the website of the Company.

FINANCIAL REPORTING

The Company quarterly unaudited / audited financial statements shall be published and circulated along with Director's review on the affairs of the Company unless otherwise permitted by law / approvals by regulatory authorities.

CONSEOUENCES OF NON-COMPLIANCE OF THIS CODE

In the event of non-compliance of the code by a Director, CEO or executive as the case may be, the matter shall be presented by the Company Secretary before the Board of Directors & action will be taken in light of the decision given by the Board.

ACKNOWLEDGEMENT OF RECEIPT OF THE CODE

All Board Members and Executives shall acknowledge receipt of this Code or any modification(s) thereto, in the acknowledgement form as attached and forward the same to the Company Secretary indicating that they have received, read, understood and agreed to comply with this Code.

Khalid Kuli Khan Khattak
(Chief Executive Officer)

THE COMPANIES ORDINANCE 1984 **FORM 34**

(Section 236(1) and 464)

PATTERN OF SHAREHOLDING

1 CUIN (Incorporation Number) | 0 | 0 | 0 | 0 | 1 | 1 | 7 |

2 Name of Company **GAMMON PAKISTAN LIMITED**

3 Pattern of holding of the shares held by the shareholders | 3 | 0 | 0 | 6 | 2 | 0 | 2 | 3 |

4. No. of Shareholders	Shareholdings	Total Share held
1394	Shareholding from 1 to 100 shares	56,080
510	Shareholding from 101 to 500 shares	136,522
150	Shareholding from 501 to 1000 shares	120,395
178	Shareholding from 1001 to 5000 shares	449,168
51	Shareholding from 5001 to 10000 shares	396,279
19	Shareholding from 10001 to 15000 shares	241,641
17	Shareholding from 15001 to 20000 shares	302,236
8	Shareholding from 20001 to 25000 shares	172,654
5	Shareholding from 25001 to 30000 shares	133,098
3	Shareholding from 30001 to 35000 shares	100,146
2	Shareholding from 35001 to 40000 shares	74,533
2	Shareholding from 40001 to 45000 shares	81,219
3	Shareholding from 45001 to 50000 shares	145,500
2	Shareholding from 50001 to 55000 shares	105,500
1	Shareholding from 55001 to 60000 shares	56,378
2	Shareholding from 60001 to 65000 shares	122,932
2	Shareholding from 70001 to 75000 shares	150,000
1	Shareholding from 75001 to 80000 shares	79,535
2	Shareholding from 80001 to 85000 shares	165,377
4	Shareholding from 85001 to 90000 shares	352,509
2	Shareholding from 95001 to 100000 shares	196,000
2	Shareholding from 135001 to 140000 shares	277,726
1	Shareholding from 140001 to 145000 shares	143,000
1	Shareholding from 150001 to 155000 shares	151,000
1	Shareholding from 320001 to 325000 shares	323,203
1	Shareholding from 805001 to 810000 shares	806,973
1	Shareholding from 2560001 to 2565000 shares	2,561,071
1	Shareholding from 20365001 to 20370000 shares	20,365,556
2366	**TOTAL**	**28,266,231**

5. Categories of Shareholders		Share held	Percentage %
5.1	Directors, CEO, & their spouses/minor children	81,638	0.29
5.2	Associated Companies/ Joint Stock Companies undertakings and related parties	20,380,657	72.10
5.3	Investmetn Corporation of Pakistan	11,401	0.04
5.4	Banks, DFIs, NBFIs, Modarabas, etc	551	0.00
5.5	Insurance Company	60	0.00
5.6	Share holders holding 10 %		
	Bibojee Services (Pvt) Ltd	20,369,056	72.06
	Ahmed Kuli Khan Khattak	3,368,044	11.92
5.7	General Public		
	a. Local	7,584,737	26.83
	b. Foreign	207,187	0.73

6	Signature of Chief Executive / Company Secretary	
7	Name of Signatory	**AMIN UR RASHEED**
8	Designation	Company Secretary
9	NIC Number	14301-4575764-3
10	Date	30 06 2023

Note: *In case there are more than one class of shares carrying voting rights, the information regarding each such class shall be given separately*

DETAILS OF PATTERN OF SHAREHOLDING AS PER
REQUIREMENTS OF CODE OF CORPORATE GOVERNANCE

CATEGORIES OF SHAREHOLDERS		SHARE HELD
1	ASSOCIATED COMPANIES UNDERTAINGS & RELATED PARTIES:	
	M/S BIBOJEE SERVICES (PVT) LIMITED	20,369,056
2	DIRECTORS, CEO & THEIR SPOUSE AND MINOR CHILDREN:	
	LT GEN (RETD) ALI KULI KHAN KHATTAK	81,438
	MR. FAZAL UR REHMAN KHAN BURKI	100
	MR. KAMAL ABDULLAH	100
	*MR. KHALID KULI KHAN KHATTAK	-
	*MRS AYESHA ALAMZEB DURRANI	-
	*MUHAMMAD KULI KHAN KHATTAK	-
	*MR. SIKANDAR KULI KHAN KHATTAK	-

*** Directors on behalf of Bibojee Services (Pvt) Limited**

3	EXECUTIVES	NIL
4	JOINT STOCK COMPANIES	11,601
5	N..I.T. & I.C.P	
	M/S INVESTMENT CORPORATION OF PAKISTAN	11,401
	KARACHI INVESTMENT TRUST LIMITED	
6	BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON-BANKING FINANCE, INSTITUTIONS, INSURANCE COMPANIES, MODARBAS & MUTUAL FUNDS	551
7	INSURANCE COMPANY	60
8	FOREIGN SHAREHOLDERS	207,187
9	GENERAL PUBLIC AND OTHER SHAREHOLDERS	7,584,737
10	SHAREHOLDERS HOLDING 10% OR MORE:	
	M/S BIBOJEE SERVICES (PVT) LIMTIED	20,369,056
	MR. AHMED KULI KHAN KHATTAK	3,368,044

Statement of Compliance for Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company: **Gammon Pakistan Limited**
Year ended: **June 30, 2023**

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of Directors are seven (7), as following:

    a. Male: 6
    b. Female: 1

2. The composition of the Board is as follows:

Category	Names
Executive Directors	Mr. Khalid Kuli Khan Khattak
Non-Executive Directors	Lt Gen Ali Kuli Khan Khattak (Retd) Mrs. Ayesha Alamzeb Durrani Mr. Sikandar Kuli Khan Khattak Mr. Muhammad Kuli Khan Khattak
Independent Directors	Mr. Kamal Abdullah Malik Mr. Fazal Ur Rehman Khan Burki

3. The Directors have confirmed that none of them is serving as a director with more than seven listed companies, including this company;

4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;

5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / Shareholders as empowered by the relevant provisions of the Act and the Regulations;

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of the Board meeting;

8. The Board have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and the Regulations;

9. The Board will arrange Directors' Training program for the following:

Name of Director
Mr. Kamal Abdullah Malik Mrs. Ayesha Alamzeb Durrani

Following Directors meet the exemption criteria of minimum of 14 years of education and 15 years of experience on the Boards of listed companies, hence are exempt from Directors' training program:

Names of Directors
Lt Gen Ali Kuli Khan Khattak (Retd)

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed committees comprising of members given below:

a) Audit Committee

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

b) HR and Remuneration Committee

Names	Designation held
Mr. Fazal Ur Rehman Khan Burki	Chairman
Mrs. Ayesha Alamzeb Durrani	Member
Mr. Sikandar Kuli Khan Khattak	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;

14. The frequency of meetings (quarterly / half yearly / yearly) of the committee were as per following:

a) Audit Committee

four meetings were held during the financial year ended June 30, 2023.

b) HR Nomination and Remuneration Committee

One meeting of HR and Remuneration Committee was held during the financial year ended June 30, 2023.

15. The board has set up an effective internal audit function, which is considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with;

19. Explanations for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Sr. No.	Requirement	Explanation of Non-Compliance	Regulation Number
1	**Nomination Committee** The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	Currently, the Board has not constituted a ***separate*** nomination committee and the functions are being performed by the human resource and remuneration committee. The Board shall consider to constitute ***separate*** nomination committee after next election of directors.	29

Sr. No.	Requirement	Explanation of Non-Compliance	Regulation Number
2	**Disclosure of significant policies on website** The Company may post key elements of its significant policies, brief synopsis of terms of reference of the Board's committees on its website and key elements of the directors' remuneration policy.	Although these are well circulated among the relevant employees and directors, the Board shall consider posting such policies and synopsis on its website in near future.	35
4	**Responsibilities of the Board and its members** The Board is responsible for adoption of corporate governance practices by the company.	Non-mandatory provisions of the Regulations are partially complied. The company is deliberating on full compliance with all the provisions of the Regulations.	10(1)
5	**Directors' Training** Companies are encouraged to arrange training for the remaining director under the Directors' Training Program from year July 2020.	The Company has planned to arrange Directors' Training Program certification for Remaining over the next few years.	19(3)

20. The two elected independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently, as per applicable laws and regulations. As they fulfill the necessary requirements as per applicable laws and regulations, hence, appointment of a third independent director is not warranted.

Lt Gen Ali Kuli Khan Khattak (Retd)
Chairman

October _______, 2023, Rawalpindi

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Gammon Pakistan Limited

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Gammon Pakistan Limited** (the Company) for the year ended June 30, 2023 in accordance with the requirements of regulation 36 of the Regulations.

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

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

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2023.

Further, we would like to highlight that:

- As per paragraph 19.1 of (Code of Corporate Governance) Regulations, 2019 appropriate arrangements for orientation courses and training for two of the directors have not been carried out.

Rizwan & Co

RIZWAN AND COMPANY
Chartered Accountants

ISLAMABAD
Date: 07 October 2023

UDIN: CR202310101GI0kZhO8z

INDEPENDENT AUDITORS' REPORT

To the members of Gammon Pakistan Limited

Report on the Audit of Financial Statements

Qualified Opinion

We have audited the annexed financial statements of **Gammon Pakistan Limited** ("the Company"), which comprise the statement of financial position as at June 30, 2023, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

Except for the matters described in the Basis for Qualified Opinion section of our report, in our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, statement of comprehensive income, statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017, in the manner so required and respectively give a true and fair view of the state of the Company's affairs for the year ended June 30, 2023 and of the profit, total comprehensive income, changes in equity and its cash flows for the year then ended.

Basis for Qualified Opinion

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

a) Contract receivables amounting to Rupees 45.06 million, allowance of expected loss amounting to Rupees 141.570 million, net contract assets amounting to Rupees 65.05 million, joint ventures partner advances amounting to Rupees 30.059 million as disclosed in notes 10, 10.1, 11 and 24 respectively could not be verified in absence of the direct confirmations from the involved parties. Further, no written efforts are available to recover/settle these old balances. The consequential cumulative effect of this matter has neither been determined nor adjusted in these financial statements.

b) As fully explained in note 22.5 after lapse of considerable time the company could not make the arrangement to pay the provident fund amounting to Rupees 1.563 million to the relevant employees as instructed by the Securities and exchange Commission of Pakistan and unclaimed dividend as disclosed in note 23 amounting to Rupees 1,442,230 has not been kept in unpaid dividend account under Section 244 of the Companies Act, 2017. The effect of these matters has not been adjusted appropriately in these financial statements.

Emphasis of Matter

Without further qualifying our opinion:

a) we also draw attention to the Note 46.2 to the financial statements which explains that certain financial transactions pertaining to the ex CFO of the Company are under investigation internally as well as by external agency and the impact of such investigation, if any, will be accounted for in the period during which such investigation is completed.

Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter
a) Contingencies and Company's exposure to litigation risk In our judgment, the Company has significant litigation cases and other contingencies, details of which are disclosed in note 25.2 to the accompanying financial statements. Given the nature and amounts involved in such cases and contingencies, and the appellate forums at which these are pending, the ultimate outcome and the resultant accounting in the financial statements is subject to significant judgment, which can change over time as new facts emerge and each legal case progresses and the contingency crystallizes, and therefore, we have identified this as key audit matter.	Our audit procedures amongst others, included the following: - We obtained confirmations from legal advisors for current status on pending previous cases and any new cases filed during the year and assessing the advice given; - Checked orders by relevant authorities on previous lawsuits / cases appearing in the financial statements; - Reading correspondence of the Company with regulatory departments and the Company's external counsel, where available; - Discussing open matters and developments with the management of the Company; We evaluated that appropriate disclosures and presentation have been made in these financial statements.
b) Revenue recognition The Company generates its revenue from long term projects. Revenue from such projects is recognized over a period of time by measuring progress towards complete satisfaction of the performance obligation. The extent of progress towards completion is measured by using the input method whereby actual cost incurred to date is compared with the total estimated cost of the project. During the year ended June 30, 2023, the Company recognized an amount of Rs. 6.7 million as revenue from such projects. The application of the input method requires significant management judgment when estimating the total cost to complete the project. This estimate is revalued at the end of each reporting date to reflect current circumstances. We considered revenue from projects as a key audit matter due to significant management judgment and estimation involved. Refer to note 4.17 & 26 to the financial statements	Our audit procedures amongst others, included the following: - Obtained understanding of the internal processes used to record actual cost incurred; - Obtained understanding of the cost estimation process and techniques adopted by the management for determination of estimated total cost to complete the project; - Assessed the reliability of management's estimates by comparing the actual results of delivered projects to previous estimates; - Performed test of detail procedures over actual cost incurred during the year; - Checked the extent of progress towards completion by comparing actual costs as per the Company's accounting records to the estimated total costs of the projects; and - Assessed the adequacy of related disclosures in the financial statements
c) Control environment relating to the financial reporting process and related IT systems The IT control environment relating to the financial reporting process and the application controls of individual IT system shave an impact on the selected audit approach. As the financial statements are based on	Our audit procedures included evaluation of the financial reporting process and related control environment, as well as testing of the effectiveness of controls including general IT controls. Our audit procedures focused on testing the reconciliation and approval controls as well as on evaluating the administration of access rights. Our audit procedures extensively consisted of

extensive number of data flows from multiple IT systems, consequently the financial reporting control environment is determined as a key audit matter.	several substantive procedures as well as data analysis relating to the most significant balances on the statement of profit or loss and statement of financial position.

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to

continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

Based on our audit, except for the matters referred in paragraphs (a) & (b) of Basis for Qualified Opinion section above, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) No zakat was deductible at source under the Zakat and Usher Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Rashid Iqbal FCA.

Rizwan & Co

Rizwan and Company
Chartered Accountants

Islamabad:
Date: 05 October 2023

UDIN: AR202310101Gw5TdPKA4

GAMMON PAKISTAN LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2023

GAMMON PAKISTAN LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

	NOTE	2023	2022
ASSETS		**Rupees**	
NON CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	5	**300,176,778**	299,085,009
Investment property	6	**479,831,160**	477,509,859
Long term investments	7	**1,800,413**	1,800,413
Long term security deposits	8	**1,200,600**	1,863,528
		783,008,951	780,258,809
CURRENT ASSETS			
Stores, spares and loose tools	9	**12,270,654**	12,266,142
Contract receivables	10	**45,065,957**	45,918,093
Contract asset	11	**65,049,779**	65,049,779
Loans and advances	12	**37,792,983**	56,340,235
Other receivables	13	**796,800**	1,321,918
Trade deposits and short term prepayments	14	**-**	325,701
Tax refunds due from Government	15	**85,272,052**	83,685,590
Advance tax - net	16	**5,224,331**	1,586,462
Cash and bank balances	17	**2,120,883**	1,206,292
		253,593,439	267,700,212
TOTAL ASSETS		**1,036,602,390**	1,047,959,021
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	18	**282,662,310**	282,662,310
Capital reserves			
Share premium reserve		**15,380,330**	15,380,330
Revaluation surplus on property, plant and equipment	19	**428,814,751**	426,804,439
		444,195,081	442,184,769
Revenue reserve			
Accumulated profit		**77,498,678**	69,022,574
		804,356,069	793,869,653
NON-CURRENT LIABILITIES			
Deferred liability	20	**7,552,434**	8,132,065
Deferred taxation	21	**29,326,126**	33,361,724
		36,878,560	41,493,789
CURRENT LIABILITIES			
Trade and other payables	22	**163,865,989**	181,093,807
Unclaimed dividends	23	**1,442,230**	1,442,230
Joint venture partner's advances	24	**30,059,542**	30,059,542
		195,367,761	212,595,579
TOTAL EQUITY AND LIABILITIES		**1,036,602,390**	1,047,959,021
CONTINGENCIES AND COMMITMENTS	25	**-**	-

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

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

GAMMON PAKISTAN LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2023

	NOTE	2023	2022
		Rupees	
Contract income	26	6,677,706	24,331,831
Contract expenditure	27	(16,804,360)	(26,240,916)
Net contract (Loss)		(10,126,654)	(1,909,085)
Operating expenses			
General and administrative expenses	28	(30,512,714)	(29,269,201)
Other operating expenses	29	(3,242,648)	(39,260,713)
		(33,755,362)	(68,529,914)
Other income	30	45,764,816	62,497,421
Net operating Profit/(loss)		1,882,801	(7,941,578)
Finance cost	31	(91,772)	(26,702)
Fair value gain on investment property	32	2,321,301	8,998,562
Profit before taxation		4,112,329	1,030,282
Taxation	33	3,435,040	(7,397,854)
Net Profit/(Loss) after taxation		7,547,369	(6,367,572)
(Loss) per share:			
(Loss) per share - basic and diluted	34	0.27	(0.23)

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

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

GAMMON PAKISTAN LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023

	NOTE	2023	2022
		Rupees	
(Loss) after taxation		**7,547,369**	(6,367,572)
Other comprehensive income			
Item that will not be reclassified to profit and loss:			
Revaluation surplus on property, plant and equipment	**19**	**2,913,485**	7,482,293
Related deferred tax impact	**19**	**(98,538)**	122,020
		2,814,947	7,604,313
Gain on remeasurement of defined benefit liability	**20.3**	**124,100**	277,930
Total other comprehensive income for the year		**2,939,047**	7,882,243
Total comprehensive income for the year		**10,486,416**	1,514,671

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

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

GAMMON PAKISTAN LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2023

		Share capital	Reserves			
			Capital		Revenue	
		Issued, subscribed and paid-up capital	Share premium reserve	Revaluation surplus on property, plant and equipment	Accumulated Profits	Total
	NOTE	Rupees				
Balance as at July 1, 2021		282,662,310	15,380,330	420,072,719	74,239,623	792,354,982
Total comprehensive income for the year ended June 30, 2022						
(Loss) for the year		-	-	-	(6,367,572)	(6,367,572)
Revaluation of property, plant and equipment - net of deferred tax		-	-	7,604,313	-	7,604,313
Gain on remeasurement of defined benefit liability		-	-	-	277,930	277,930
		-	-	7,604,313	(6,089,642)	1,514,671
Transfer from revaluation surplus on property, plant and equipment:						
- on account of incremental depreciation-net of deferred tax	**19**	-	-	(870,368)	870,368	-
- upon disposal of revalued property, plant and equipments		-	-	(2,225)	2,225	-
Balance as at June 30, 2022		282,662,310	15,380,330	426,804,439	69,022,574	793,869,653
Total comprehensive income for the year ended June 30, 2023						
Profit for the year		**-**	**-**	**-**	**7,547,369**	**7,547,369**
Revaluation of property, plant and equipment - net of deferred tax		**-**	**-**	**2,814,947**	**-**	**2,814,947**
Gain on remeasurement of defined benefit liability		**-**	**-**	**-**	**124,100**	**124,100**
		-	**-**	**2,814,947**	**7,671,469**	**10,486,416**
Transfer from revaluation surplus on property, plant and equipment:						
- on account of incremental depreciation-net of deferred tax	**19**	**-**	**-**	**(804,635)**	**804,635**	**-**
- upon disposal of revalued property, plant and equipment		**-**	**-**	**-**	**-**	**-**
Balance as at June 30, 2023		**282,662,310**	**15,380,330**	**428,814,752**	**77,498,678**	**804,356,069**

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

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

GAMMON PAKISTAN LIMITED
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2023

	NOTE	2023	2022
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(Loss) before working capital changes	36	4,196,111	(5,591,172)
Changes in working capital:			
Decrease / (increase) in current assets			
Stores, spares and loose tools		(4,512)	2,780,992
Contract receivables		852,136	3,492,124
Contract asset		-	48,039,672
Loans and advances		18,547,252	(35,692,132)
Other receivables		525,118	374,292
Trade deposits and short term prepayments		325,701	(7,395)
(Decrease) in current liabilities			
Trade and other payables		(17,227,818)	53,171
Contract liability		-	(12,476,031)
		3,017,877	6,564,693
Cash generated from operations		7,213,988	973,521
Bank charges paid	31	(7,847)	(26,702)
Income tax paid		(5,923,427)	(4,201,530)
Gratuity paid		(821,050)	(91,450)
		(6,752,324)	(4,319,682)
Net cash (used in) operating activities		461,664	(3,346,161)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets	5	(210,000)	(460,950)
Long term investments		-	(500,000)
Long term security deposits		662,928	(292,200)
Disposal of fixed assets/store, spares & loose tools as scrap		-	161,906
Net cash (used in)/generated from investing activities		452,928	(1,091,244)
Net (decrease)/increase in cash and cash equivalents		914,592	(4,437,405)
Cash and cash equivalents at the beginning of the year		1,206,292	5,643,697
Cash and cash equivalents at the end of the year	17	2,120,883	1,206,292

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

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

1 CORPORATE AND GENERAL INFORMATION

1.1 Legal status and operations

The Company was incorporated under the repealed Companies Act, 1913 (now the Companies Act, 2017) on August 12, 1947 as a Public Company Limited by shares. It's shares are quoted on Pakistan Stock Exchange Limited (Formerly Karachi Stock Exchange Limited, Lahore Stock Exchange Limited and Islamabad Stock Exchange Limited).

The principal activity of the Company is execution of civil construction works.

The Company is a subsidiary of Bibojee Services (Private) Limited (the holding company), a Private Company incorporated in Pakistan.

The registered office of the Company is situated at Gammon House, 400/2 Peshawar Road, Rawalpindi.

Geographical locations and addresses of all business units are as follows:

Sr.No	Location	Address
1	Head office	Mouza Chuhr Harpal, Near Chuhr Chowk, Main Peshawar Road, Rawalpindi Cantt.
2	Rawalpindi	Mouza Harka, Main Chakbeli Road, Tehsil & Distt. Rawalpindi.
3	Hyderabad	Plot no 23,24/1,27 and 28 Deh Sari, Qasimabad, Taluka Qasimabad, Distt. Hyderabad.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act , 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for certain fixed assets which have been stated at revalued amount, investment properties which have been stated at fair value, recognition of certain staff retirement benefits at present value and certain other items as disclosed in relevant accounting policies.

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

2.3 Functional and presentation currency

These financial statements have been presented in Pak Rupees (PKR), which is the functional and presentation currency of the Company.

2.4 **Key judgments and estimates**

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

- Useful lives, residual values and depreciation method and revalued amounts of property, plant and equipment - Note 4.1 & 5
- Fair value of investment property - Note 4.2 & 6
- Allowance for expected credit loss (ECL) on contract receivables and loans and advances - Note 4.6, 4.7, 10 & 12
- Obligation of defined benefit obligation - Note 4.16 & 20
- Estimate of revenue and cost - Note 4.17
- Impairment of financial instruments based upon expected credit loss model - Note 4.19
- Estimation of provisions - Note 4.21
- Estimation of contingent liabilities - Note 4.22
- Current income tax expense, provision for current tax and recognition of deferred tax asset - Note 4.15, 21 & 33

3 NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED STANDARDS

3.1 **Amendments to published approved accounting standards that are effective in current year and are relevant to the Company**

Following amendments to published approved accounting standards are mandatory for the Company's accounting periods beginning on or after 01 January, 2022

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets') effective for the annual period beginning on or after 01 January 2022 amends IAS 1 'Presentation of Financial Statements' by mainly adding paragraphs which clarifies what comprise the cost of fulfilling a contract. Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16 'Property, Plant and Equipment') effective for the annual period beginning on or after 1 January 2022. Clarifies that sale proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2 'Inventories'. The standard also removes the requirement of deducting the net sale proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

3.2 **Amendments to published approved accounting standards that are effective in current year but not relevant to the Company**

There are other amendments to published approved accounting standards that are mandatory for accounting periods beginning on or after 01 July 2022 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not stated in these financial statements.

3.3 **Amendments to published approved accounting standards that are not yet effective but relevant to the Company**

The following International Financial Reporting Standards (IFRS) as notified under the Companies Act, 2017 and the amendments and interpretations there to will be effective for accounting periods beginning on or after January 01, 2023:

Classification of liabilities as current or non-current (Amendments to IAS 1 'Presentation of Financial Statements') effective for the annual period beginning on or after 01 January 2024. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

Disclosure of Accounting Policies (Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Making Materiality Judgement') effective for annual periods beginning on or after 01 January 2023. These amendments are intended to help preparers in deciding which accounting policies to disclose in their financial statements. Earlier, IAS 1 states that an entity shall disclose its 'significant accounting policies' in their financial statements. These amendments shall assist the entities to disclose their 'material accounting policies' in their financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 'Income taxes') effective for annual periods beginning on or after 01 January 2023. These amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations.

Change in definition of Accounting Estimate (Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors) effective for annual periods beginning on or after 01 January 2023. This change replaced the definition of Accounting Estimate with a new definition, intended to help entities to distinguish between accounting policies and accounting estimates.

There are number of other standards, amendments, improvements and interpretations to the approved accounting standards that are not yet effective and are also not relevant to the Company and therefore, have not been presented here.

3.4 **Standards and amendments to approved published standards that are not yet effective and not considered relevant to the Company**

There are other standards and amendments to published approved accounting standards that are mandatory for accounting periods beginning on or after 01 July 2023 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not stated in these financial statements.

4 SIGNIFICANT ACCOUNTING POLICIES

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

4.1 Property, plant and equipment

Initial recognition

All items of property, plant and equipment are initially recorded at cost.

Subsequent measurement

Items of property, plant and equipment are stated at cost / revalued amount less accumulated depreciation and any identified impairment loss, if any, except for freehold land, which is stated at revalued amount.

Depreciation

Depreciation is charged to profit and loss account on straight-line basis on the cost or valuation of all fixed assets from / to the date of acquisition / deletion, except for freehold land, to write-off ninety percent of the value over the useful life of the assets. The remaining ten percent is written-off on retirement is considered the residual value.

Revaluation surplus on property, plant and equipment

Any revaluation increase arising on the revaluation of land, buildings and plant and machinery is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of land, buildings and plant and machinery is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders. The surplus on revaluation buildings and plant and machinery to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.

Disposal

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised as other income in the statement of profit or loss. In case of the sale or retirement of a revalued items, the attributable revaluation surplus remaining in the surplus on revaluation of such item is transferred directly to the unappropriated profit.

Judgment and estimates

The useful lives, residual values and depreciation method are reviewed on a regular basis. The Company revalues its operating fixed assets on regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

4.2 Investment properties

Recognition and measurement

Investment properties represent the properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at its cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

Derecognition

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognized.

When an item of property, plant and equipment is transferred to investment property following a change in its use and differences arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognized in surplus on revaluation of property, plant and equipment if it is a gain. Upon disposal of the item related surplus on revaluation of property, plant and equipment is transferred to retained earnings. Any loss arising in this manner is recognized immediately in the income statement.

Leases

With regard to activities as a lessor, the Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases. Rental income from investment property that is leased to a third party under an operating lease is recognised in the statement of profit or loss on a straight-line basis over the lease term and is included in ‘other income’ under note 30.

4.3 **Impairment of non-financial assets other than inventories**

The assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognised in the statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The Company recognises the reversal immediately in the statement of profit or loss, unless the asset is carried at a revalued amount in accordance with the revaluation model. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

The Company assesses at each balance sheet date whether there is any indication that assets other than stores and spares and stock in trade and deferred tax assets may be impaired. If such an indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss, if any. Where carrying values exceed the estimated recoverable amount, assets are written down to the recoverable amounts and the resulting impairment loss is recognized as expense in the profit and loss account, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

4.4 **Investments at amortized cost**

These are carried at amortized cost less impairment loss, if any. Investments with fixed or determinable payments and fixed maturity where management has both the positive intent and ability to hold to maturity are classified at amortized cost using the effective interest method. Gain and losses are recognized in the profit and loss account when the investments are derecognized or impaired, as well as through the amortization process.

4.5 Stock of materials, stores, spares and loose tools

Measurement

Stock of materials, stores, spares and loose tools is valued at the lower of cost and net realizable value.

Cost is calculated using the weighted average method and comprises direct materials, direct labour costs and direct overheads that have been incurred in bringing the inventories to their present location and condition.

Net realizable value represents the estimated selling price in the ordinary course of the business less all estimated costs of completion and estimated costs necessary to be incurred in order to make the sale.

Cost of materials is determined using the first-in-first out method.

Cost of stores, spares and loose tools is determined using the weighted average method.

Impairment

At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the cost of sales in the statement of profit or loss.

Judgments and estimates

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made periodically on inventories for excess inventories, obsolescence and decline in net realizable value and an allowance is recorded against the inventory balances for any such decline.

4.6 Contract receivables

Measurement

Contract receivables are measured at original invoice amount less an estimate made for doubtful receivable balance at the year-end.

A provision for impairment of contract receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognised in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

Judgments and estimates

The allowance for expected credit of the Company is based on the assessment as per IFRS 9 and management's continuous evaluation of the recoverability of the outstanding contract receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness, past collection history of each customer along with future indications and macro-economic factors of the industry, economy and country.

4.7 Loans and advances

These are stated at cost less provision for doubtful advances, if any.

A provision for impairment of advances is established when there is objective evidence that the Company will not be able to adjust all advances according to the original terms of the advances. The amount of the provision is recognised in the statement of profit or loss.

Judgments and estimates

The allowance for expected credit of the Company is based on the assessment as per IFRS 9 and management's continuous evaluation of the reliability of the advances.

4.8 **Other receivables**

Other receivables are recognized at nominal amount which is fair value of the consideration to be received in future.

4.9 **Cash and cash equivalents**

Cash and cash equivalents are carried in the financial statements at cost. For the purposes of cash flow statement, cash and cash equivalents comprise of cash-in-hand and bank balances.

4.10 **Borrowings and borrowing costs**

All borrowings are recorded at the proceeds received. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are charged to income in the period in which these are incurred.

4.11 **Trade and other payables**

Creditors relating to trade and other payables are carried at cost which is the fair value of consideration to be paid in the future for goods and services received, whether or not billed to the Company.

4.12 **Dividend distribution**

Dividend distribution to the Company's shareholders is recognised as a liability in the period in which the dividends are approved by the company's shareholders.

4.13 **Joint venture partner's advances (including share of accrued profit)**

Profit / loss on advances obtained from a joint venture partner is recognized on 'accrual basis' in accordance with the agreed percentage.

4.14 **Dividend and appropriation to reserves**

Dividend distribution to the Company's shareholders and appropriation to reserves are recognized in the period in which these are approved.

4.15 **Taxation**

Income tax expense comprises current and deferred tax.

Income tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognized in other comprehensive income or directly in equity (if any), in which case the tax amounts are recognized directly in other comprehensive income or equity.

Current

Provision for current taxation is based on taxable income on current rates of taxation after taking into account the rebates and tax credits available, if any, minimum tax, corporate tax and alternative corporate tax as per section 113C, whichever is higher in accordance with the provisions of the Income Tax Ordinance, 2001.

The Company recognizes tax liabilities for pending tax assessments using estimates based on expert opinion obtained from tax/legal advisors. Differences, if any, between the income tax provision and the tax liability finally determined is recorded when such liability is so determined.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted.

Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

Off-setting

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities, and they relate to income taxes levied by the same tax authority.

4.16 **Defined benefit plan (gratuity)**

The Company measures defined benefit liabilities (assets) at the present value of its obligation under defined benefit plan at the reporting date minus the fair value at the reporting date of plan assets out of which the obligations are to be settled directly. The obligation under defined benefit plan is determined using the projected unit credit method.

Actuarial gains and losses are recognised in the other comprehensive income in the period in which they occur. Past-service costs are recognised immediately in the statement of profit or loss.

In determining the liability for long-service payments management must make an estimate of salary increases over the following five years, the discount rate to calculate present value over next five years, and the number of employees expected to leave before they receive the benefits.

4.17 **Revenue recognition**

Revenue is recognized overtime as per IFRS 15 "Revenue from Contracts with Customers" on the basis of input method on the execution of contract activities where the outcome of the construction contract can be estimated reliably as measured by the proportion that contract work performed to date bears to the estimated total contract work. Variable consideration due to contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of the construction contract cannot be estimated reliably, contract revenue is recognized to the extent of the contract costs incurred that probably will be recoverable. Contract costs are recognized as expense in the period in which they are incurred.

-Revenue from rental income is recognized on 'accrual basis'.
-Interest income is also recognized on 'accrual basis'.

Contract revenue and cost

Input method is applied on a cumulative basis in each accounting period to the current estimates of total contract revenue and total contract costs. Any change in these estimates will affect the contract revenue and contract costs accordingly.

4.18 **Foreign currency transactions**

Transactions in foreign currencies are initially recorded at the rates of exchange ruling on the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated into Pak Rupees at the exchange rates prevailing on the balance sheet date. All exchange differences are charged to profit and loss account.

4.19 **Financial Instruments**

4.19.1 **Financial assets**

The Company classifies its financial assets in the following categories: at fair value through profit or loss, fair value through other comprehensive income and amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. All the financial assets of the Company as at statement of financial position date are carried at amortized cost.

Amortized cost

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as at fair value through profit or loss:

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

Impairment

The Company recognizes loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost and contract assets. The Company measures loss allowance at an amount equal to lifetime ECLs.

The Company recognizes loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost and contract assets. The Company measures loss allowance at an amount equal to lifetime ECLs.

At each reporting date, the Company assesses whether the financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

4.19.2 **Financial liabilities**

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

4.19.3 **Recognition and measurement**

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortized cost or cost, as the case may be. The particular measurement methods adopted are disclosed in the individual policy statements associated with each item.

4.19.4 **Derecognition**

The financial assets are de-recognized when the Company losses control of the contractual right that comprise the financial assets. The financial liabilities are de-recognized when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expired.

4.20 **Off-setting of financial assets and liabilities**

Financial assets and liabilities are off-set and the net amount is reported in the financial statements only when there is a legally enforceable right to set-off the recognized amounts and the Company intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously

4.21 **Provisions**

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

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as finance cost in the statement of profit or loss.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

4.22 **Contingent liabilities**

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

4.23 **Contract asset / liability**

The Company recognizes contract asset against the cost incurred and estimated earning which is in excess of the amount billed to the customer to date. The Company recognizes the contract liability against the amount billed to the customer which is in excess of the cost incurred and estimated earning of the contract to date.

4.24 **Segment reporting**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Company’s other components. The Company has only one reportable segment.

4.25 **Joint ventures and joint operations.**

The Company's share in transactions and balances related to joint operations, in which the Company has a working interest, are combined on a line by line basis with similar items in the Company's financial statements. While equity method accounting is used for joint ventures.

4.26 **Earnings per share**

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

4.27 **Related party transactions**

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

5 OPERATING FIXED ASSETS

The following is the statement of operating fixed assets:

Description	Freehold land	Buildings on freehold land	Plant and machinery	Furniture and fixtures	Computers and accessories	Motor vehicles, cycles and boats	Construction equipments	Total
	Rupees							
Year ended June 30, 2023								
Net carrying value basis								
Opening book value	**279,508,701**	**13,591,440**	**3,379,807**	**1,039,570**	**677,737**	**684,964**	**202,790**	**299,085,009**
Additions	**-**	**-**	**-**	**-**	**210,000**	**-**	**-**	**210,000**
Revaluation surplus/(deficit)	**2,573,699**	**339,786**	**-**	**-**	**-**	**-**	**-**	**2,913,485**
Deletions - NBV	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation charge	**-**	**(339,786)**	**(750,567)**	**(213,432)**	**(182,038)**	**(483,162)**	**(62,732)**	**(2,031,717)**
Closing net book value	**282,082,400**	**13,591,440**	**2,629,240**	**826,139**	**705,699**	**201,802**	**140,058**	**300,176,778**
Gross carrying value basis								
Cost/revalued amount	**282,082,400**	**13,931,226**	**7,342,012**	**2,084,188**	**1,640,644**	**3,221,078**	**418,200**	**310,719,748**
Revaluation adjustments	**-**	**(339,786)**	**-**	**-**	**-**	**-**	**-**	**(339,786)**
	282,082,400	**13,591,440**	**7,342,012**	**2,084,188**	**1,640,644**	**3,221,078**	**418,200**	**310,379,962**
Accumulated depreciation		**(339,786)**	**(4,712,773)**	**(1,258,048)**	**(934,945)**	**(3,019,276)**	**(278,142)**	**(10,542,970)**
Revaluation adjustments	**-**	**339,786**	**-**	**-**	**-**	**-**	**-**	**339,786**
	-	**-**	**(4,712,773)**	**(1,258,048)**	**(934,945)**	**(3,019,276)**	**(278,142)**	**(10,203,184)**
	282,082,400	**13,591,440**	**2,629,239**	**826,140**	**705,699**	**201,802**	**140,058**	**300,176,778**
Year ended June 30, 2022								
Net carrying value basis								
Opening book value	271,605,649	14,355,055	4,114,252	1,236,748	649,236	1,110,626	81,770	293,153,336
Additions	-	-	30,000	15,500	190,450	50,000	175,000	460,950
Revaluation surplus/(Deficit)	7,903,052	(420,759)	-	-	-	-	-	7,482,293
Deletions - NBV	-	-	(4,347)	-	-	-	-	(4,347)
Depreciation charge	-	(342,856)	(760,098)	(212,678)	(161,949)	(475,662)	(53,980)	(2,007,223)
Closing net book value	279,508,701	13,591,440	3,379,807	1,039,570	677,737	684,964	202,790	299,085,009
Gross carrying value basis								
Cost/revalued amount	279,508,701	13,934,296	7,342,012	2,084,188	1,430,644	3,221,078	418,200	307,939,119
Revaluation adjustments	-	(342,856)	-	-	-	-	-	(342,856)
	279,508,701	13,591,440	7,342,012	2,084,188	1,430,644	3,221,078	418,200	307,596,263
Accumulated depreciation		(342,856)	(3,962,206)	(1,044,616)	(752,908)	(2,536,114)	(215,410)	(8,854,110)
Revaluation adjustments	-	342,856	-	-	-	-	-	342,856
	-	-	(3,962,206)	(1,044,616)	(752,908)	(2,536,114)	(215,410)	(8,511,254)
Net book value	279,508,701	13,591,440	3,379,806	1,039,572	677,736	684,964	202,790	299,085,009
Depreciation rate % per Annum	**-**	**2.5 to 2.8**	**6 to 30**	**9 to 18**	**12 to 15**	**9 to 18**	**6 to 24**	

5.1 Freehold land of the Company is located at Chakbeli road near Rawat and Peshawar road, District Rawalpindi, Punjab, and Taluka Qasimabad, Distt hyderabad, Sindh, with an area of 50.9 kanal, 5.1 kanal and 5.8 kanal respectively. Details of workshop and residential buildings of the company constructed on this land are as follows:

LOCATION	PARTICULAR	COVERED AREA (In Sq.Ft)
Mouza Harka, Main Chakbeli Road, Tehsil and District Rawalpindi	**Stores and godowns for stores and spares.**	**7,056**
Mouza Chuhr Harpal, Near Chuhr Chowk, Main Peshawar Road, Rawalpindi Cantt.	**Gammon house Head office**	**4,004**

5.2 Depreciation has been allocated as follows:

	NOTE	2023	2022
		Rupees	
Contract expenditure	**27**	**813,299**	814,078
General and administrative expenses	**28**	**1,218,418**	1,193,145
		2,031,717	2,007,223

5.3 The revaluation surplus on property, plant and equipment is a capital reserve and is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

5.4 This represents surplus on book values resulted from revaluation of operating fixed assets based on fair value / market value estimated by independent valuers adjusted only by surplus realized on disposal of revalued assets and incremental depreciation arising out of revaluation. Revaluation of land and buildings was based upon fair market value and valuation for other operating assets was conducted during 2019 which was based upon depreciated replacement costs to reflect the residual service potential of the assets taking account of age, condition and obsolescence. Details of revaluations are as follows:

Independent valuer	**Revaluation dates**
M/s Impulse (Private) Limited	June 30, 2023
M/s Impulse (Private) Limited	June 30, 2022
M/s Impulse (Private) Limited	June 30, 2021
M/s Impulse (Private) Limited	June 30, 2020
M/s Impulse (Private) Limited	June 30, 2019
M/s Impulse (Private) Limited	June 30, 2017
M/s Impulse (Private) Limited	June 30, 2016

5.5 The forced sale value of the revalued freehold land and buildings at date of statement of financial position has been assessed at Rs. 250,488,400/-.

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

	2023 **Rupees**
Freehold land	120,988
Buildings on freehold land	3,022,495
Plant and machinery	1,324,644
Furniture and fixture	972,605
Computers and accessories	980,106
Motor vehicles, cycles and boats	63,454
Construction equipment	273,403

	NOTE	**2023**	2022
6 INVESTMENT PROPERTY		**Rupees**	
Carrying amount as at June 30,			
Rural land	**6.2**	**121,626,000**	120,577,299
Gammon House - land and building	**6.3**	**358,205,160**	356,932,560
		479,831,160	477,509,859

6.1 The movement in this account is as follows:

Opening balance		**477,509,859**	468,511,297
Net fair value gain on revaluation shown in statement of profit or loss	**6.4**	**2,321,301**	8,998,562
Carrying amount as at June 30		**479,831,160**	477,509,859

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

6.3 This represents part of Gammon House which is held to earn rentals and for capital appreciation and shown under the head "Investment property". The Company has adopted fair value model for valuation. In 2013, management purchased and installed two billboards at Gammon House which had been treated as additions to investment properties.

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

Forced sale value of the investment property at date of statement of financial position is assessed at Rs. 408,691,600/-

There are no non-cancellable fixed rate operating leases over the Company's investment property, land and buildings.

		NOTE	2023	2022
			Rupees	
7	**LONG TERM INVESTMENTS**			
	Unquoted			
	Subsidiaries			
	Gammon Pakistan Precast (Private) Limited (96.2% Holding).	**7.1**	**500,000**	500,000
	Amortized cost			
	Defense Savings Certificates	**7.2**	**500,000**	500,000
	Accrued interest		**800,413**	800,413
			1,800,413	1,800,413

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

7.2 This represents one certificate (2022: one) having face value of Rs. 500,000, having a maturity period of 10 years i.e. February 2017, carrying profit (effective rate) at 10.03 % per annum. The Company has deposited the certificate as security and is pledged in favour of Director of Works and Chief Engineer, Pakistan Navy, Islamabad for provisional enlistment against construction of sailors' barracks at PNS Qasim, Manora, Karachi. The Defense Saving Certificate, which matured during 2017, will be reinvested after release of the pledged certificate.

		NOTE	2023	2022
			Rupees	
8	**LONG TERM SECURITY DEPOSITS**			
	Tender money deposit	**8.2**	**-**	353,928
	Others security deposits	**8.3**	**1,200,600**	1,509,600
			1,200,600	1,863,528

8.1 Long term security deposits represent deposits against receipt of non-financial services. These are carried at nominal value as effect by amortization is not material in respect of these financial statements.

		2023	2022
		Rupees	
8.2	**Balance written off during the year**		
	Tender Money Deposits as at	**353,928**	-
	Written off during the period	**(353,928)**	-
		-	-

8.3 Balance written off during the year

Other Security Deposits as at	**1,509,600**	-
Written off during the period	**(309,000)**	-
	1,200,600	-

9 STORES, SPARES AND LOOSE TOOLS

	NOTE	2023	2022
		Rupees	
Consumable materials		**176,655**	176,655
Stores	**9.1 & 9.2**	**11,304,363**	11,299,851
Spares		**569,019**	569,019
Loose tools		**20,575**	20,575
Other stocks		**200,042**	200,042
		12,270,654	12,266,142

9.1 Balance as at June 30	**22,305,219**	22,300,707
Impairment - obsolete and slow moving item	**(11,000,856)**	(11,000,856)
	11,304,363	11,299,851

9.2 Stores and spares also include items which may result in capital expenditure but are not distinguishable at the time of purchase. However, the stores and spares consumption resulting in capital expenditure are capitalized in cost of respective assets.

10 CONTRACT RECEIVABLES

	NOTE	2023	2022
		Rupees	
Owned			
Unsecured - considered good			
Against billings:			
- work-in-progress		**-**	2,629,467
- completed contracts		**76,107,565**	73,478,098
		76,107,565	76,107,565
Provision for expected credit loss	**10.1**	**(73,512,276)**	(75,150,387)
		2,595,289	957,178
Against retention money:			
- work-in-progress		**-**	34,756,979
- completed contracts		**80,537,519**	47,908,425
		80,537,519	82,665,404
Provision for expected credit loss	**10.1**	**(38,066,851)**	(37,704,489)
		42,470,668	44,960,915
Joint venture:			
- against billings		**17,054,553**	17,054,553
- against retention money		**12,936,380**	12,936,380
		29,990,933	29,990,933
Provision for expected credit loss	**10.1**	**(29,990,933)**	(29,990,933)
		-	-
		45,065,957	45,918,093

10.1 Management, in the prior years, carried out an exercise to identify long outstanding receivable balances comprising of progress billings and retention money which are not likely to be received due to various reasons. Similarly, during the year, management carried out the ECL assessment and identified provision for expected credit loss as follows:

	NOTE	2023	2022
		Rupees	
Opening balance		**142,845,809**	142,845,809
Charge during the year		**(1,275,749)**	-
		141,570,060	142,845,809

11 CONTRACT ASSET

	NOTE	2023	2022
Under the following captions:			
Contract asset on incomplete projects		**65,049,779**	103,625,367
Written off during the year		**-**	(38,575,588)
Net contract asset	**11.1**	**65,049,779**	65,049,779

11.1 **This comprises as follows:**

		2023	2022
Cost incurred on incomplete projects		**1,875,995,062**	1,859,190,702
Estimated earnings		**204,237,252**	214,363,906
		2,080,232,314	2,073,554,608
Billings to date		**(2,015,182,535)**	(2,008,504,829)
		65,049,779	65,049,779

12 LOANS AND ADVANCES

	NOTE	2023	2022
Unsecured - considered good			
To employees / project managers for expenses		**475,763**	11,741,897
To Gammon Pakistan Precast Limited	**12.1**	**26,757,948**	32,532,878
To suppliers		**8,410,170**	6,034,189
To sub - contractors		**3,021,720**	6,031,271
		38,665,601	56,340,235
Doubtful advances		**27,319,819**	27,409,210
		65,985,420	83,749,445
Written off during the year		**(872,618)**	-
Provision for expected credit loss	**12.2**	**(27,319,819)**	(27,409,210)
		(28,192,437)	(27,409,210)
		37,792,983	56,340,235
Due from joint venture partners		**-**	932,586
Provision for expected credit loss	**12.2**	**-**	(932,586)
		-	-
		37,792,983	56,340,235

12.1 This represent expenses paid on behalf of subsidiary to meet expenses of various on-going projects and is adjustable in due course of time.

12.2 Management, in the previous years, carried out an exercise to identify long outstanding receivable balances comprising of advances to staff and suppliers, which are not likely to be received due to various reasons. Similarly during the year, management carried out the assessment and identified provision for expected credit losses as follows:

	NOTE	2023	2022
		Rupees	
Opening balance		**28,341,796**	28,508,436
Reversed/charge during the year		**(1,021,977)**	(166,640)
		27,319,819	28,341,796

13 OTHER RECEIVABLES

	Note	2023	2022
Unsecured:			
- Considered good			
Other receivables	13.1	**796,800**	1,321,918

13.1 This represents receivables in respect of rental income. It also includes receivables from related parties as follows:

	2023	2022
	Rupees	
Janana De Maluchu Textile Limited	**73,205**	60,500
Ghandhara Industry Limited	**66,550**	332,750
Bannu Woolen Mills Limited	**197,190**	830,789
	336,945	1,224,039

13.2 **Aging of receivable from related parties:**

	2023	2022
1-90 days	**336,945**	1,224,039
90-180 days	**-**	-
Over 180 days	**-**	-
	336,945	1,224,039

13.3 Maximum balance due from related party at end of any month during the year is Rs. 8,337,622 (2022: Rs. 1,224,039).

	NOTE	2023	2022
		Rupees	
14 TRADE DEPOSITS AND SHORT TERM			
Prepaid insurance		**-**	290,643
Prepayments		**-**	35,058
		-	325,701
15 TAX REFUNDS DUE FROM GOVERNMENT			
Considered good			
Balance as at July 01,		**83,685,590**	85,011,349
Advance income tax	16	**1,586,462**	(1,325,759)
		85,272,052	83,685,590
16 ADVANCE TAX - NET			
Balance as at July 01,		**1,586,462**	1,325,759
Transferred to tax refunds due from Government		**(1,586,462)**	-
		-	1,325,759
Provision for taxation		**(699,096)**	(5,266,586)
Advance income tax		**5,923,427**	5,527,289
		5,224,331	1,586,462
17 CASH AND BANK BALANCES			
Cash in hand		**51,825**	252,574
Cash at bank: local currency			
- Current accounts	17.1	**1,170,219**	53,958
- Savings accounts	17.2	**9,396**	10,317
- Deposit accounts	17.3	**889,443**	889,443
		2,069,058	953,718
		2,120,883	1,206,292

17.1 It include Rupees 7,995/- (2022: RS. 7,995/-) attached under the instructions of Sindh Revenue Board in prior years against the order no 72 in 2018 for the departmental recovery of Rupees 51.696 million. On December 23, 2020 the Commissioner Appeals order in favor of the company and the company is under process to detach these bank accounts.

17.2 PLS accounts, during the current financial year, carried profit at the rates ranging from 12.25% to 19.5% (2022: 5.5% to 12.25%) per annum.

17.3 The entire balance as at June 30, 2023 and June 30, 2022 is under a bank's lien against guarantees issued by the bank.

18 SHARE CAPITAL

Issued, subscribed and paid up capital

Number of ordinary shares of Rs.10/- each			NOTE	2023	2022
2023	2022			Rupees	
22,627,320	22,627,320	Fully paid in cash		**226,273,200**	226,273,200
2,562,845	2,562,845	Issued as fully paid bonus shares		**25,628,450**	25,628,450
3,076,066	3,076,066	Issued against conversion of loans		**30,760,660**	30,760,660
28,266,231	28,266,231			**282,662,310**	282,662,310

18.1 **This includes shares held by related parties**

Bibojee Services (Private) Limited - Parent Company			
20,369,056 (2022: 20,369,056) ordinary shares of Rs 10 each	**18.2**	**203,690,560**	203,690,560
Directors and their spouses / minor children			
95,855 (2022: 95,855) ordinary shares of Rs 10 each		**958,550**	958,550
		204,649,110	204,649,110

18.2 The parent company Bibojee Services (Private) Limited held 72.06% shares (2022: 72.06% shares) in Gammon Pakistan Limited as at June 30, 2023.

18.3 All ordinary shareholders have same rights regarding voting, board selection, right of first refusal and block voting.

18.4 **Authorized share capital:**

This represents 30,000,000 (2022: 30,000,000) ordinary shares of Rs. 10/- each amounting to Rs. 300,000,000 (2022: Rs. 300,000,000).

19 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

The revaluation surplus on property, plant and equipment is restated and now presented as a separate capital reserve in the financial statements.

	NOTE	2023	2022
		Rupees	
Balance brought forward		**434,997,486**	428,744,197
Add: Revaluations during the year		**2,913,485**	7,482,293
Less:			
Transferred to equity in respect of incremental depreciation charged during the year - net of deferred tax		**804,635**	870,368
Realized on disposal of revalued assets - net of deferred tax		**-**	2,225
Related deferred tax liability during the year transferred to statement of profit or loss		**328,654**	356,411
		1,133,289	1,229,004
		436,777,683	434,997,486
Less:Related deferred tax effect :			
Opening balance - as previously reported		**8,193,047**	8,671,478
Revaluation during the year		**98,538**	(122,020)
Adjustment on account of disposal		**-**	(909)
Incremental depreciation charged during the year transferred to statement of profit or loss		**(328,654)**	(355,502)
		7,962,931	8,193,047
		428,814,751	426,804,439

20 DEFERRED LIABILITY

20.1 **Gratuity**

The company operates an unfunded gratuity scheme. The scheme provides for terminal benefits for all its permanent employees whose period of service exceeds six months. Employees are entitled to gratuity on the basis of one gross salary for each completed one year of service after the minimum qualifying period. Annual charge is based on actuarial valuation carried out as at June 30, 2023 using Projected Unit Credit Method.

The company faces the following risks on account of gratuity:

Final salary risk: The risk that the final salary at the time of cessation of service is greater than what the company has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

20.2 The amounts recognised in the statement of financial position are determined as follows:

	NOTE	2023	2022
		Rupees	
Present value of the defined benefit obligation	20.3	**1,493,221**	3,030,550
Benefits due but not paid during the year		**6,059,213**	5,101,515
		7,552,434	8,132,065

20.3 **Reconciliation of net defined benefit liability**

	2023	2022
Present value of defined benefit obligations	**3,030,550**	4,319,738
Benefits due but not paid as at June 30	**5,101,515**	3,680,965
Service cost	**81,813**	139,796
Interest on defined benefit obligations	**283,706**	360,946
Benefit due but not paid at the year end	**(6,059,213)**	(5,101,515)
Actuarial (gain) / loss	**(124,100)**	(277,930)
Benefits paid during the year	**(821,050)**	(91,450)
	1,493,221	3,030,550

20.4 **Remeasurement chargeable to statement of other comprehensive income**

Remeasurement (gain) / loss on defined		
Actuarial (gain) / loss due to Change in financial assumptions	**-**	-
Actuarial (gain) / loss due to experience adjustment	**(124,100)**	(277,930)
	(124,100)	(277,930)

20.5 **The amounts recognised in the statement of profit or loss:**

Current service costs	**81,813**	139,796
Interest cost	**283,706**	360,946
	365,519	500,742

20.6 **Changes in the present value of the defined benefit obligation are as follows:**

Opening defined benefit obligation	**8,132,065**	8,000,703
Service cost	**81,813**	139,796
Interest cost	**283,706**	360,946
Actuarial (gains) / losses	**(124,100)**	(277,930)
Benefits paid	**(821,050)**	(91,450)
	7,552,434	8,132,065

20.7 **Principal actuarial assumptions (financial and demographic) at the end of the reporting period (expressed as weighted averages) are as follows:**

Discount rate as at June 30, 2023	16.25%
Future salary increases	15.25%
Proportion of employees opting for early retirement	0.506% to 14.344%
Mortality rate	SLIC (2001-5) Mortality table
Average expected remaining working lifetime of members	5 Years
Average duration of liability	5 years

20.8 **Comparison of five years**

Comparison of present value of defined benefit obligation and experience adjustment on obligation for the current and preceding four years is as follows:

	2023	2022	2021	2020	2019
	Rupees				
Present value of defined benefit obligation	**1,493,221**	3,030,550	4,319,738	5,532,839	5,959,980

20.9 There are no plan assets, therefore, disclosure in respect to plan assets required as per IAS-19 "Employee Benefits" has not been made in these financial statements.

20.10 The charge in respect of defined benefit plan for the year ending June 30, 2024 is estimated to be Rs. 342,617.

20.11 **Sensitivity analysis**

The impact of 1% change in following variables on defined benefit obligation is as follows:

	2023	
	1 % increase in assumption	**1 % decrease in assumption**
	Rupees	
Discount rate	**1,420,766**	**1,569,406**
Salary increase	**1,569,371**	**1,420,749**

20.12 **Expected future payments**

Within one year	**829,407**
More than one year but less than five years	**4,583,696**
Above five years	**7,842,613**
	13,255,716

21 DEFERRED TAXATION

The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement.

	NOTE	2023	2022
		Rupees	
Deferred tax liability-net	**21.1**	**29,326,126**	33,361,724
Tax rate		**29%**	29%

21.1 **Deferred tax liability-net**

21.1.1 **Analysis of change in deferred tax**

The gross movement in the deferred tax liability during the year is as follows:

	NOTE	2023	2022
		Rupees	
Opening balance		**33,361,724**	31,352,476
Charged to statement of profit or loss	**33**	**(4,134,136)**	2,131,268
Charged to other comprehensive income	**19**	**98,538**	(122,020)
		29,326,126	33,361,724

	NOTE	2023	2022
		Rupees	

21.1.2 **Net deferred tax liability is comprised of as**

	2023	2022
Deferred tax liabilities		
Accelerated tax depreciation allowed	**98,152,957**	97,551,262
Surplus on revaluation of PPE	**7,962,929**	8,193,045
Gratuity payable	**2,190,206**	2,358,299
Deferred tax asset		
Provision for doubtful receivables	**(41,055,317)**	(41,425,285)
Provision for doubtful loan and advances	**(7,922,748)**	(8,219,121)
Deferred tax asset on brought forward losses	**(19,816,376)**	(14,910,951)
Provision for overseas loan	**(10,185,525)**	(10,185,525)
	29,326,126	33,361,724

21.2 Deferred tax asset of Rs. 19,816,376/- due to brought forward losses has been recognized in the current financial statements, as in the opinion of the management there is certainty regarding realisability of the amount (2022: Rs. 14,910,951)

		NOTE	2023	2022
			Rupees	
22	**TRADE AND OTHER PAYABLES**			
	Directors current accounts	**22.1**	**17,061,614**	27,421,300
	Sundry creditors	**22.2**	**31,392,997**	29,306,198
	Advance rent		**2,197,662**	2,058,626
	Due to sub-contractors	**22.3**	**25,543,699**	37,086,273
	Accrued expenses	**22.4**	**40,993,395**	37,086,273
	Due to employees and others	**22.5**	**9,009,261**	9,865,033
	Taxes payable		**840,221**	1,462,510
	Joint venture partners' share of profit		**1,620,715**	1,620,715
	Other provisions	**22.6**	**35,122,500**	35,122,500
	Workers walfare fund payable		**83,925**	-
			163,865,989	181,029,428

22.1 This includes advances paid by directors in order to meet day to day expenses from Chairman Gen. (Rtd) Mr. Ali kuli khan and Director Khalid Kuli Khan amounting to Rs 13,038,300/-(2022 : Rs 12,538,300) and Rs 4,023,314/- (2022: Rs14,883,000) respectively which are interest free and reimbursable on demand.

		2023	2022
22.2	**Balance written back during the year**		
	Payable as at June 30	**32,376,669**	62,465,935
	Written back	**(983,672)**	(33,159,737)
		31,392,997	29,306,198
22.3	**Balance written back during the year**		
	Payable as at June 30	**26,988,036**	37,086,273
	Written back	**(1,444,337)**	-
		25,543,699	37,086,273
22.4	**Balance written back during the year**		
	Payable as at June 30	**41,135,059**	37,150,652
	Written back	**(141,664)**	-
		40,993,395	37,150,652
22.5	**Balance written back during the year**		
	Payable as at June 30	**9,114,789**	9,865,033
	Written back	**(105,528)**	-
		9,009,261	9,865,033

22.5.1 This balance includes amounts aggregating Rs. 1.563 million (2022: Rs. 1.563 million) payable in respect of the loans obtained from the Company's Employees' Provident Fund (the Fund) during the period from 1995 to 1999. The SECP, during May 2008, had issued show-cause notices to some of the existing directors as well as ex-directors under various sections of the repealed Companies Ordinance, 1984 (the Ordinance). The SECP, vide its three orders dated 25 June, 2009, had imposed penalties aggregating Rs. 1.005 million under various sections of the Ordinance on some of the existing directors and ex-directors in their personal capacity.

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

22.6 These represent provisions made for the potential liability, in respect of borrowings of Saudi Riyals 2.50 million and Saudi Riyals 5 million during the year 1986 for the Saudi Operations of the company, that the company may have to incur as a result of settlement of overseas dues of National Bank of Pakistan in accordance with the Incentive Scheme under the State Bank of Pakistan's Circular No.19 of 05 June,1997 (For further detail please refer note 25.2(a) of these financial statements).

	NOTE	**2023**	2022
		Rupees	
23 UNCLAIMED DIVIDENDS			
		1,442,230	1,442,230

24 JOINT VENTURE PARTNER'S ADVANCES

These advance have been obtained under various Joint Venture agreements to finance the ongoing projects. The joint venture partner is entitled to share 50% of the projects' profit financed out of these advances.

25 CONTINGENCIES AND COMMITMENTS

25.1 Contingent assets

The Company had lodged a claim with National Highway Authority amounting Rs. 201.177 million (2022: Rs. 201.177 million) against M/s Bayinder for recovery of losses suffered by the Company attributable to the cessation of work at Islamabad - Peshawar Motorway Project.

25.2 Contingent liabilities

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

In view of the above and since the company has made provision for the contingent liability (note 22.6 above) in the financial statements in accordance with the Incentive Scheme under the State Bank of Pakistan's Circular No. 19 of 05 June, 1997, the management is of the opinion that there is no further requirement for any provision on this account as no adverse effect is expected. The same has been endorsed by the Company's Board of Directors (BOD) and the legal advisor in his opinion. Furthermore, the BOD has agreed to settle any liability that may arise consequent upon the outcome of the above matter.

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

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

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

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

25.3 **Commitments**

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

(a) Guarantees issued by a commercial bank and insurance companies in respect of financial and operational obligations of the Company to various institutions and corporate bodies, aggregate Rs. 50.062 million (2022: Rs. 50.062 million).

(b) There were no commitments for capital expenditures as at the balance sheet date (2022: Nil).

		NOTE	2023 Rupees	2022
26	**CONTRACT INCOME**			
	Own projects		**6,677,706**	24,331,831
27	**CONTRACT EXPENDITURE**			
	Materials		**3,559,733**	5,094,327
	Salaries and wages		**7,385,044**	14,523,435
	Maintenance and hiring of plants		**344,627**	1,377,495
	Project insurance		**290,643**	455,846
	Cartage, traveling and conveyance		**2,407,140**	770,390
	Site auxiliary works and temporary hutting		**163,900**	309,470
	Electricity		**39,669**	16,025
	Depreciation	**5.2**	**813,299**	814,078
	Petrol, oil and lubricants		**1,235,550**	1,614,990
	Sundry expenses		**564,755**	1,264,860
			16,804,360	26,240,916

		NOTE	2023 Rupees	2022
28	**GENERAL AND ADMINISTRATIVE EXPENSES**			
	Salaries and benefits		**15,784,007**	16,140,135
	Staff retirement benefits - gratuity		**365,519**	500,742
	Repair and maintenance		**438,222**	684,979
	Rent, rates and taxes		**5,039,009**	2,456,525
	Telephone and fax		**298,303**	173,445
	Advertisement and publicity		**108,700**	43,331
	Legal and professional charges		**1,789,094**	1,884,500
	Power and electricity		**344,312**	1,439,905
	Travelling and conveyance		**1,453,084**	1,339,864
	Works in view		**15,505**	104,000
	Fee and subscription		**493,606**	609,536
	Other sundry expenses		**3,164,935**	2,699,094
	Depreciation	**5.2**	**1,218,418**	1,193,145
			30,512,714	29,269,201

29 OTHER OPERATING EXPENSES

Auditor remuneration	**29.1**	**685,125**	685,125
Contract asset written off during the year	**11**	**-**	38,575,588
Loan and advance written off during the year	**12**	**1,894,595**	-
Long term security deposit written off during the year	**8**	**662,928**	-
		3,242,648	39,260,713

29.1 Auditor remuneration

Statutory audit	**498,750**	498,750
Half yearly review	**165,375**	165,375
Fee for other certifications	**21,000**	21,000
	685,125	685,125

30 OTHER INCOME

Income from financial assets:			
Profit on deposit and PLS accounts		**19,085**	63,803
Income from non-financial assets:			
Sundry creditors written back during the year	**22.2**	**983,672**	33,159,737
Reversal of provision against loan and advances/Contract Receivable		**1,021,977**	166,640
Accrued expenses written back during the year	**22.4**	**141,664**	-
Due to subcontractors written back during the year	**22.3**	**1,444,337**	-
Provision reversed during the year	**10.1**	**1,275,749**	
Employees Payable written back	**22.5**	**105,528**	-
Rental income on investment property		**37,503,248**	25,771,458
Gain on sale of obsolete fixed assets/stores & spares		**3,269,556**	3,335,783
		45,764,816	62,497,421

31 FINANCE COST

Bank charges	7,847	26,702
Worker walfare fund	83,925	-
	91,772	26,702

32 FAIR VALUE GAIN ON INVESTMENT PROPERTY

The Company as at June 30, 2023 revalued all of its investment property. The revaluation exercise was carried out by Impulse (Private) Limited and the revaluation resulted in fair value gain amounting to Rs. 2,321,302 (2022: Rs. 8,998,562).

	NOTE	2023	2022
		Rupees	

33 TAXATION

Current year		**699,096**	5,266,586
Deferred tax		**(4,134,136)**	2,131,268
		(3,435,040)	7,397,854

33.1 No numeric tax rate reconciliation is presented in these financial statements for the year ended June 30, 2023 as the provision for current taxation is based on taxable income at current rates of minimum tax, corporate tax and alternative corporate tax as per section 113C, whichever is higher in accordance with the provisions of the Income Tax Ordinance, 2001.

33.2 The applicable income tax rate for the Tax Year 2021 and beyond is 29% on account of changes made to Income Tax Ordinance, 2001 through Finance Act 2020. Therefore, deferred tax is computed at the rate of 29% applicable to the period when temporary differences are expected to be reversed / utilised.

34 EARNING PER SHARE - BASIC AND DILUTED

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

		2023	2022
Gain/(Loss) after tax	***RUPEES***	**7,547,369**	(6,367,572)
Weighted average number of ordinary shares at the end of the year	***NUMBERS***	**28,266,231**	28,266,231
Basic and diluted gain/ (loss) per share	***RUPEES***	**0.27**	(0.23)

34.1 **Earning per share comprises as follows:**

Distributable loss		**0.18**	(0.54)
Undistributable - unrealised fair value gains		**0.08**	0.32
		0.27	(0.23)

34.2 Under the provisions of Companies Act, 2017 unrealized gain on fair value of investment property is not distributable as dividend.

35 RELATED PARTY TRANSACTIONS

Related parties comprise of the holding company, subsidiaries, associated companies, directors and executives. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under relevant notes. Remuneration of directors and executives are disclosed in note 37 whereas other significant transactions with related parties are disclosed here:

Name of the Related Party	Relationship	Transaction during the year	2023	2022
			Rupees	
a) Subsidiary				
Gammon Pakistan Precast (Private) Limited	Shareholder	Shares acquired	**-**	500,000
		Loan Provided	**15,494,217**	32,532,878
		Repayment	**21,269,147**	-
b) Associated Companies				
Ghandhara Nissan Limited	Common Directorship	Rental income	**4,092,825**	3,690,500
		Rental received	**(4,092,825)**	(3,690,500)
Ghandhara Industries Limited	Common Directorship	Rental income	**4,059,550**	3,357,750
		Rental received	**(4,325,750)**	(3,025,000)
Janana De Malucho Textile Mills Limited	Common Directorship	Rental income	**254,705**	225,500
		Rental received	**(242,000)**	(220,000)
Rehman Cotton Mills Limited	Common Directorship	Rental income	**242,000**	220,000
		Rental received	**(242,000)**	(220,000)
Bannu Woollen Mills Limited	Common Directorship	Rental income	**11,609,188**	3,072,766
		Rental received	**(11,863,576)**	(2,364,520)
Bibojee Services (Private) Limited	Common Directorship	Generator Purchased	**-**	30,000
		Amount Paid	**-**	(30,000)
The Ghandhara Tyre & Rubber Company Limited	Common Directorship	Purchases	**460,170**	40,638
		Amount Paid	**-**	(40,638)

35.1 The status of outstanding balances of related parties as at June 30, 2023 are included in other receivable (note 13.1) and trade and other payables (note 22).

36 PROFIT BEFORE WORKING CAPITAL CHANGES

	NOTE	2023	2022
		Rupees	
Profit before taxation		**4,112,329**	1,030,282
Adjustment for:			
Depreciation	**5**	**2,031,717**	2,007,223
Staff retirement benefits - gratuity	**20.5**	**365,519**	500,742
Disposal of fixed assets		**-**	(157,560)
Fair value gain on investment property	**6**	**(2,321,301)**	(8,998,562)
Finance cost	**31**	**7,847**	26,702
		83,782	(6,621,455)
		4,196,111	(5,591,172)

37 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

a) The aggregate amount charged in the financial statements for remuneration, including all benefits to Chief Executive, Directors and Executives of the company is as follows:

	2023				2022			
	Chief Executive	Directors	Executives	Total	Chief Executive	Directors	Executives	Total
	------------------------ Rupees ------------------------				------------------------ Rupees ------------------------			
Managerial remuneration	-	-	4,348,128	4,348,128	-	-	3,714,974	3,714,974
House rent	-	-	869,626	869,626	-	-	743,003	743,003
Medical	-	-	869,626	869,626	-	-	743,003	743,003
Utilities	-	-	869,626	869,626	-	-	743,003	743,003
Others	-	-	1,739,251	1,739,251	-	-	1,485,936	1,485,936
Total	-	-	8,696,256	8,696,256	-	-	7,429,920	7,429,920
Number of persons	1	7	3	11	1	7	2	10

b) No remuneration was paid to the chief executive and to the directors during the current year and preceding financial years.

c) The Chief Executive and certain executives are also provided with cars for business and personal use in accordance with the Company car scheme.

38 FINANCIAL ASSETS AND LIABILITIES

The Company's exposure to interest rate risk on its financial assets and liabilities are summarized as follows:

	2023				
		Interest/mark up bearing			
	Total	Maturity upto one year	Maturity after one year	Sub-total	Non interest / mark up bearing
			Rupees		
Financial assets					
Financial assets carried at amortized cost					
Long term investments	**1,800,413**	**-**	**1,300,413**	**1,300,413**	**500,000**
Long term security deposits	**1,200,600**	**-**	**-**	**-**	**1,200,600**
Contract receivables	**45,065,957**	**-**	**-**	**-**	**45,065,957**
Other receivables	**796,800**	**-**	**-**	**-**	**796,800**
Contract asset	**65,049,779**	**-**	**-**	**-**	**65,049,779**
Cash and bank balances	**2,120,883**	**898,839**	**-**	**898,839**	**1,222,044**
	116,034,432	**898,839**	**1,300,413**	**2,199,252**	**113,835,180**
Financial liabilities					
Financial liabilities carried at amortized cost					
Trade and other payables	**163,865,989**	**-**	**-**	**-**	**163,865,989**
Unclaimed dividends	**1,442,230**	**-**	**-**	**-**	**1,442,230**
Deferred liability	**7,552,434**	**-**	**-**	**-**	**7,552,434**
Joint venture partner's advances	**30,059,542**	**-**	**-**	**-**	**30,059,542**
	202,920,195	**-**	**-**	**-**	**202,920,195**
On balance sheet gap	**(86,885,763)**	**898,839**	**1,300,413**	**2,199,252**	**(89,085,015)**
Off Balance sheet Items					
Financial contingencies and commitments	**(136,794,238)**	**-**	**-**	**-**	**(136,794,238)**
Total Gap	**(223,680,001)**	**898,839**	**1,300,413**	**2,199,252**	**(225,879,253)**

	2022				
		Interest/mark up bearing			
	Total	Maturity upto one year	Maturity after one year	Sub-total	Non interest / mark up bearing
			Rupees		
Financial assets					
Financial assets carried at amortized cost					
Long term investments	1,800,413	-	1,300,413	1,300,413	500,000
Long term security deposits	1,863,528	-	-	-	1,863,528
Contract receivables	45,918,093	-	-	-	45,918,093
Other receivables	1,321,918	-	-	-	1,321,918
Contract asset	65,049,779	-	-	-	65,049,779
Cash and bank balances	1,206,292	899,760	-	899,760	306,532
	117,160,023	899,760	1,300,413	2,200,173	114,959,850
Financial liabilities					
Financial liabilities carried at amortized cost					
Trade and other payables	181,093,807	-	-	-	181,093,807
Unclaimed dividends	1,442,230	-	-	-	1,442,230
Deferred liability	8,132,065	-	-	-	8,132,065
Joint venture partner's advances	30,059,542	-	-	-	30,059,542
	220,727,644	-	-	-	220,727,644
On balance sheet gap	(103,567,621)	899,760	1,300,413	2,200,173	(105,767,794)
Off Balance sheet Items					
Financial contingencies and commitments	(136,794,238)	-	-	-	(136,794,238)
Total Gap	(240,361,859)	899,760	1,300,413	2,200,173	(242,562,032)

38.1 Effective interest rates are mentioned in the respective notes to the financial statements.

39 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

39.1 Risk management policies

The Company's objective in managing risks is the creation and protection of share holders' value. Risk is inherent in the Company's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Company's continuing profitability. The Company is exposed to credit risk, liquidity risk and market risk (which includes interest rate risk and price risk) arising from the financial instruments it holds.

The Company finances its operations through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

39.2 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail to perform as contracted and arises principally from trade and other receivables. The Company's policy is to enter into financial contracts with reputable counter parties in accordance with the internal guidelines and regulator requirements.

Exposure to credit risk

The carrying amounts of the financial assets represent the maximum credit exposures before any credit enhancements. Out of total financial assets, the financial assets which are subject to credit risk amounted to Rs. 114,182,194 (2022: Rs. 115,107,036). The carrying amounts of financial assets exposed to credit risk at reporting date are as under:

	NOTE	**2023**	2022
		Rupees	
Long term security deposits	**8**	**1,200,600**	1,863,528
Contract receivables	**10**	**45,065,957**	45,918,093
Other receivables	**13**	**796,800**	1,321,918
Contract asset	**11**	**65,049,779**	65,049,779
Bank balances	**17**	**2,069,058**	953,718
		114,182,194	115,107,036

The aging of contract receivables at the reporting date is:

	2023	2022
Not past due	**-**	-
Past due 1-30 days	**-**	-
Past due 30-90 days	**-**	-
Past due 90 days	**45,065,957**	45,918,093
	45,065,957	45,918,093

All the trade contract receivables at balance sheet date represent domestic parties.

To manage exposure to credit risk in respect of trade receivables, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Where considered necessary, advance payments are obtained from certain parties.

The exposure to banks is managed by dealing with major bank and monitoring exposure limits on continuous basis.

Concentration of credit risk

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

39.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The followings are the contractual maturities of financial liabilities, including interest payments if any and excluding the impact of netting agreements, if any:

	2023						
	Carrying Amount	**Contractual Cash Flow**	**Six Month or Less**	**Six to Twelve Month**	**One to Two Year**	**Two to Five Year**	**Over Five Year**
	----------*Rupees*----------						
Trade and Other Payable	**163,865,989**	**163,865,989**	**163,865,989**	**-**	**-**	**-**	**-**
Unclaimed Dividend	**1,442,230**	**1,442,230**	**-**	**1,442,230**	**-**	**-**	**-**
Deferred Liability	**7,552,434**	**-**	**-**	**-**	**-**	**7,552,434**	**-**
Joint Venture partner's advance	**30,059,542**	**30,059,542**	**30,059,542**	**-**	**-**	**-**	**-**
	202,920,195	**195,367,761**	**193,925,531**	**1,442,230**	**-**	**7,552,434**	**-**

	2022						
	Carrying Amount	Contractual Cash Flow	Six Month or Less	Six to Twelve Month	One to Two Year	Two to Five Year	Over Five Year
	----------*Rupees*----------						
Trade and Other Payable	181,093,807	181,093,807	181,093,807	-	-	-	-
Unclaimed Dividend	1,442,230	1,442,230	-	1,442,230	-	-	-
Deferred Liability	8,132,065	-	-	-	-	8,132,065	-
Joint Venture partner's advance	30,059,542	30,059,542	30,059,542	-	-	-	-
	220,727,644	212,595,579	211,153,349	1,442,230	-	8,132,065	-

39.4 **Market risk**

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

a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arise in financial instruments that are denominated in foreign currencies i.e. in a currency other then the functional currency in which they are measured.

Presently the Company is not exposed to foreign currency risk except contingencies as disclosed in note 25.2(a) to these financial statements.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from long term loans and short borrowings. The Company believes that it is not exposed to any significant interest rate risk.

The Company is not exposed to any material interest rate risk, except fixed rate financial instrument (long term investment- note 7) which has a fixed rate of interest, therefore, no sensitivity analysis has been presented.

c) Other price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

At the year end the Company is not exposed to price risk since there are no financial instruments whose fair value or future cash flows will fluctuate because of changes in market prices.

40 FAIR VALUE MEASUREMENT

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in arms length transactions.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.
The financial instruments that are not traded in active market are carried at cost and are tested for impairment according to IFRS 9. The carrying amount of trade receivables and payables are assumed to approximate their fair values.
The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments, if relevant.

	June 30,2023		June 30,2022	
	Carrying Amount	**Fair value**	Carrying Amount	Fair Value
	Rupees			
Assets Carried at Amortized Cost				
Contract receivables	**45,065,957**	**45,065,957**	45,918,093	45,918,093
Contract asset	**65,049,779**	**65,049,779**	65,049,779	65,049,779
Loans and advances	**37,792,983**	**37,792,983**	56,340,235	56,340,235
Other receivables	**796,800**	**796,800**	1,321,918	1,321,918
Cash and bank balances	**2,120,883**	**2,120,883**	1,206,292	1,206,292
	150,826,402	**150,826,402**	169,836,317	169,836,317

	June 30,2023		June 30,2022	
	Carrying Amount	**Fair value**	Carrying Amount	Fair Value
	Rupees			
Liabilities Carried at Amortized Cost				
Trade and Other Payable	**163,865,989**	**163,865,989**	181,093,807	181,093,807
Unclaimed Dividend	**1,442,230**	**1,442,230**	1,442,230	1,442,230
Joint Venture partner's	**30,059,542**	**30,059,542**	30,059,542	30,059,542
	195,367,761	**195,367,761**	212,595,579	212,595,579

As at June 30, 2023 the Company did not hold any financial instruments carried at fair value. Moreover, investment property and operating fixed assets are measured at fair value.

The investment property and freehold land and building in operating fixed assets are valued on June 30, 2023 carried out by external independent valuer M/s Impulse (Private) Limited.

	As at June 30,2023			
	Level 1	**Level 2**	**Level 3**	**Total**
	Rupees			
Assets				
Investment Property Carried at Fair Value		**-**	**479,831,160**	**479,831,160**
Freehold Land and Building	**-**	**-**	**295,673,840**	**295,673,840**
	-	**-**	**775,505,000**	**775,505,000**

	As at June 30,2022			
	Level 1	Level 2	Level 3	Total
	Rupees			
Assets				
Investment Property Carried at Fair Value		-	477,509,859	477,509,859
Freehold Land and Building	-	-	293,100,141	293,100,141
	-	-	770,610,000	770,610,000

	NOTE	**2023**	2022
		Rupees	
Reconciliation of net increase in level 3 fair values:			
Fair value at beginning of the year		**770,610,000**	754,472,000
Depreciation charged during the year	**5**	**(339,786)**	(342,856)
Remeasurement recognized in profit or		**2,321,301**	8,998,562
Remeasurement recognized in OCI		**2,913,485**	7,482,294
Fair value at end of the year		**775,505,000**	770,610,000

The Company has revalued its freehold land, buildings on June 30, 2023 and plant and machinery on June 30, 2019 by independent valuer M/s Impulse (Private) Limited on the basis of market values of similar properties. The fair value of free hold land, buildings and plant and machinery is a level 3 recurring fair value measurement.

Interest rate used for determining fair value

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve at the reporting date plus an adequate credit spread. For instruments carried at amortized cost, since majority of the interest bearing instruments are variable rate based instruments, there is no difference in carrying amount and the fair value. Further, for fixed rate instruments, since there is no significant difference in market rate and the rate of instrument and therefore most of the fixed rate instruments are of short term in nature, fair value significantly approximates to carrying value.

Fair value hierarchy

International Financial Reporting Standard (IFRS) 13, "Fair Value Measurement" requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The table below analysis financial instruments carried at fair value by valuation method. The different values have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: input other than quoted prices included with in Level 1 that are observable for assets and liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of the fair value hierarchy are recognized at the end of the reporting period during which the change the occurred. However, there is no transfers between levels during the year.

40.1 **Determination of fair values**

A number of the Company's accounting polices and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined of measurement and / or disclosure purposes based on the following methods.

Non-derivate financial asset

The fair value of non-derivate financial asset is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. The fair value is determined for disclosure purposes.

Non-derivate financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

41 DISCLOSURE REQUIREMENT FOR ALL SHARE ISLAMIC INDEX

With reference to circular no. 14 of 2016 dated April 21, 2016, issued by the Securities and Exchange Commission of Pakistan relating to "All Shares Islamic Index", the Company does not have investment, bank balance or other operations having Islamic mode therefore, individual items required by circular no.

42 CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as net profit after taxation divided by total shareholders' equity. The Board of Directors also monitors the level of dividend to ordinary shareholders. There were no changes to the Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirements.

The capital structure of the Company is as follows:

	NOTE	**2023**	2022
		Rupees	
Equity		**804,356,069**	793,869,653
Gearing ratio		**-**	-

43 JOINT VENTURES

43.1 The Joint Venture for execution of Bong Canal Bridge, Mangla with Sarwar Construction (Private) Limited was in the ratio of 60:40 and the Company recognized its own share i.e. 60% of income and expenses in the preceding years' financial statements.

43.2 As approved by the Board of Directors, the management had entered into Joint Venture arrangements for the execution of the following Projects in prior years:

	Project value Rs. in million	**Profit sharing ratio Investor**
Khalifa Gul Nawaz Medical Complex, Bannu	402.36	50%
Durrani Public School, Bannu - Phase II	295	50%
Hawad / Nurar Bridges, Bannu	176.42	50%

44 INFORMATION ABOUT BUSINESS SEGMENTS

For management purposes, the activities of the Company have been divided into own projects and joint ventures. The Company operates in these business segments based on risk and return, organizational and management structure and internal financial reporting systems. Operating results of joint ventures have not been separately disclosed in these financial statements as these do not meet the minimum thresholds prescribed by IFRS 8 (Operating Segments).

The Company's operations are confined to Pakistan in terms of customers; accordingly, the figures reported in these financial statements relate to the Company's business segments relating to Pakistan.

45 NUMBER OF EMPLOYEES

	2023	2022
Number of employees as at June 30,	**19**	22
Average number of employees during the year	21	21

46 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS

46.1 MANAGEMENT ASSESSMENT OF GOING CONCERN

The Company has taken all necessary steps to ensure smooth and adequate continuation of its business in order to maintain business performance despite slowed down economic activity under COVID. The lockdowns have caused disruptions in the supply chain including completion of projects and transportation of labour at site resulting in a decline in revenue. It is also expected that the outbreak may result in lower demand in future due to continuing COVID crisis. Due to the expectation that there may be lower business activity in future, the management has assessed the going concern assumption used for the preparation of these financial statements.

Further the company has earned an operational gain during the current year amounting to Rs 1.882 Million. Further it has managed to meet the day to day working capital requirements and to repay all the administrative cost through the rental income earned from investment properties. However, the

Further the company has earned an operational gain during the current year amounting to Rs 1.882 Million. Further it has managed to meet the day to day working capital requirements and to repay all the administrative cost through the rental income earned from investment properties. However, the management is confident of the Company's ability to continue as a going concern based on its concentrated effort to re-profile the operational activities and utilization of improved liquidity in cost efficient operational levels of machinery and related projects. The Company undertook following significant operational measures in order to generate liquidity and profitable projects/ventures:

• New Chief Operating officer, Project Director and Chief Financial Officer hired in place of ineffective predecessors;

• The company is going to develop thier own housing and commercial projects for which necessary approvals are in process;

• On 01 September 2020 the company entered into a joint venture agreement for 15 years with Rajcon-a construction and engineering company having expertise in pre-fabricated buildings and construction for future projects. The Owner of Rajcon also appointed as Chief Operating Officer of the company to develop, acquire and manage the future projects for the Company.

46.2 **INVESTIGATION AGAINST EX-CFO**

Based on in-house internal audit report the EX-CFO of the company during the period from 01 January 2018 to 29 December 2020 was involved in certain financial transactions amounting to Rs 26.804 million, which is being investigated internally. Moreover, FIR has been lodged against him subsequent to June 30, 2021. The transactions mainly done out of books and the impact of such investigation/FIR, if any, will be accounted for in the period during which such case is completed.

47 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on _____04 Oct 2023_________ by the Board of Directors of the Company.

47.1 **GENERAL**

Amounts printed in the financial statements have been rounded off to the nearest of rupee, unless otherwise stated.

The corresponding figures have been rearranged and reclassified in note 22.1 and 22.2, for the purposes of comparison and better presentation. However, no significant reclassification has been made.

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

INDEPENDENT AUDITORS' REPORT

To the members of Gammon Pakistan Limited

Report on the Audit of Consolidated Financial Statements

Qualified Opinion

We have audited the annexed consolidated financial statements of **Gammon Pakistan Limited and its subsidiary company Gammon Pakistan Precast (Pvt) Limited** ("the Group"), which comprise the consolidated statement of financial position as at June 30, 2023, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

Except for the matters described in the Basis for Qualified Opinion section of our report, in our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as on June 30, 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Qualified Opinion

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

a) Contract receivables amounting to Rupees 45.06 million, allowance of expected loss amounting to Rupees 141.570 million, net contract assets amounting to Rupees 65.05 million, joint ventures partner advances amounting to Rupees 30.059 million as disclosed in notes 12, 12.1, 13 and 27 respectively could not be verified in absence of the direct confirmations from the involved parties. Further, no written efforts are available to recover/settle these old balances. The consequential cumulative effect of these matters has neither been determined nor adjusted in these consolidated financial statements.

b) As fully explained in note 25.5 after lapse of considerable time the holding company could not make the arrangement to pay the provident fund amounting to Rupees 1.563 million to the relevant employees as instructed by the Securities and exchange Commission of Pakistan and unclaimed dividend as disclosed in note 26 amounting to Rupees 1,442,230 has not been kept in unpaid dividend account under Section 244 of the Companies Act, 2017. The effect of these matters has not been adjusted appropriately in these consolidated financial statements.

Emphasis of Matter

Without further qualifying our opinion:

a) we also draw attention to the Note 49.2 to the consolidated financial statements which explains that certain financial transactions pertaining to the ex CFO of the holding company are under investigation internally as well as by external agency and the impact of such investigation, if any, will be accounted for in the period during which such investigation is completed.

Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter
a) Contingencies and Group's exposure to litigation risk In our judgment, the Group has significant litigation cases and other contingencies, details of which are disclosed in note 28.2 to the accompanying consolidated financial statements. Given the nature and amounts involved in such cases and contingencies, and the appellate forums at which these are pending, the ultimate outcome and the resultant accounting in the financial statements is subject to significant judgment, which can change over time as new facts emerge and each legal case progresses and the contingency crystallizes, and therefore, we have identified this as key audit matter.	Our audit procedures amongst others, included the following: - We obtained confirmations from legal advisors for current status on pending previous cases and any new cases filed during the year and assessing the advise given; - Checked orders by relevant authorities on previous lawsuits / cases appearing in the consolidated financial statements; - Reading correspondence of the Group with regulatory departments and the Group's external counsel, where available; - Discussing open matters and developments with the management of the Holding Company and its subsidiary; We evaluated that appropriate disclosures and presentation have been made in these consolidated financial statements.
b) Revenue recognition The Holding Company generates its revenue from long term projects. Revenue from such projects is recognized over a period of time by measuring progress towards complete satisfaction of the performance obligation. The extent of progress towards completion is measured by using the input method whereby actual cost incurred to date is compared with the total estimated cost of the project. During the year ended June 30, 2023, the Holding Company recognized an amount of Rs. 6.68 million as revenue from such projects. The application of the input method requires significant management judgment when estimating the total cost to complete the project. This estimate is revalued at the end of each reporting date to reflect current circumstances. We considered revenue from projects as a key audit matter due to significant management judgment and estimation involved. Refer to note 5.17 & 29 to the consolidated financial statements	Our audit procedures amongst others, included the following: - Obtained understanding of the internal processes used to record actual cost incurred; - Obtained understanding of the cost estimation process and techniques adopted by the management for determination of estimated total cost to complete the project; - Assessed the reliability of management's estimates by comparing the actual results of delivered projects to previous estimates; - Performed test of detail procedures over actual cost incurred during the year; - Checked the extent of progress towards completion by comparing actual costs as per the Holding Company's accounting records to the estimated total costs of the projects; and - Assessed the adequacy of related disclosures in the consolidated financial statements

c) Control environment relating to the financial reporting process and related IT systems The IT control environment relating to the Group's financial reporting process and the application controls of individual IT systems have an impact on the selected audit approach. As the Consolidated financial statements are based on extensive number of data flows from multiple IT systems, consequently the Group's financial reporting control environment is determined as a key audit matter.	Our audit procedures included evaluation of the Group's financial reporting process and related control environment, as well as testing of the effectiveness of controls including general IT controls. Our audit procedures focused on testing the reconciliation and approval controls as well as on evaluating the administration of access rights. Our audit procedures extensively consisted of several substantive procedures as well as data analysis relating to the most significant balances on the consolidated statement of profit or loss and consolidated statement of financial position.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Rashid Iqbal FCA.

Rizwan & Co

Rizwan and Company
Chartered Accountants

Islamabad:
Date: 06 October 2023

UDIN: AR202310101J12IcDHNg

GAMMON PAKISTAN LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
June 30, 2023

GAMMON PAKISTAN LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

	NOTE	2023	2022
		Rupees	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	6	**312,911,852**	309,139,235
Investment property	7	**479,831,160**	477,509,859
Precommencement expenditure	8	**6,560,811**	6,925,300
Work in Progress		**703,358**	-
Long term investments	9	**1,300,413**	1,300,413
Long term security deposits	10	**1,200,600**	1,863,528
		802,508,194	796,738,335
CURRENT ASSETS			
Stores, spares and loose tools	11	**16,186,447**	16,234,411
Contract receivables	12	**45,065,957**	45,918,093
Contract asset	13	**65,049,779**	65,049,779
Loans and advances	14	**16,243,107**	29,193,221
Other receivables	15	**5,073,726**	1,369,228
Trade deposits and short term prepayments	16	**-**	325,701
Tax refunds due from Government	17	**85,272,052**	83,685,590
Advance Tax - net	18	**5,242,173**	1,831,937
Cash and bank balances	19	**3,257,746**	2,168,146
		241,390,987	245,776,106
TOTAL ASSETS		**1,043,899,181**	1,042,514,441
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	20	**282,662,310**	282,662,310
Capital reserves			
Share premium reserve		**15,380,330**	15,380,330
Revaluation surplus on property, plant and equipment	21	**428,814,751**	426,804,439
		444,195,081	442,184,769
Revenue reserve-Accumulated profit		**69,212,505**	53,329,441
Equity attributable to owners of the holding company		**796,069,896**	778,176,520
Non-controlling interest	22	**(304,847)**	(577,116)
		795,765,049	777,599,404
NON-CURRENT LIABILITIES			
Deferred liability	23	**7,552,434**	8,132,065
Deferred taxation	24	**29,326,126**	34,124,936
		36,878,560	42,257,001
CURRENT LIABILITIES			
Trade and other payables	25	**176,918,743**	191,037,331
Unclaimed dividends	26	**1,442,230**	1,442,230
Taxation		**2,835,057**	118,933
Joint venture partner's advances	27	**30,059,542**	30,059,542
		211,255,572	222,658,036
TOTAL EQUITY AND LIABILITIES		**1,043,899,181**	1,042,514,441
CONTINGENCIES AND COMMITMENTS	28	**-**	-

The annexed notes from 1 to 50 form an integral part of these financial statements

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

GAMMON PAKISTAN LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2023

	NOTE	2023	2022
		Rupees	
Revenue	29	**48,502,321**	32,260,703
Contract expenditure/cost of good sold	30	**(39,326,794)**	(35,783,014)
Gross profit/ (loss)		**9,175,527**	(3,522,311)
Operating expenses			
General and administrative expenses	31	**(40,894,533)**	(43,172,730)
Other operating expenses	32	**(3,442,648)**	(39,530,713)
		(44,337,181)	(82,703,443)
Other income	33	**46,840,410**	62,630,597
Net operating profit/ (loss)		**11,678,756**	(23,595,157)
Finance Cost	34	**(92,612)**	(26,703)
Fair value gain on investment property	35	**2,321,301**	8,998,562
Profit/ (loss) before taxation		**13,907,445**	(14,623,297)
Taxation	36	**1,319,153**	(8,034,524)
Profit/ (loss) after taxation		**15,226,598**	(22,657,821)
Profit or loss attributable to:			
Equity holders of the holding company		**14,954,329**	(22,060,705)
Non-controlling interests	22	**272,269**	(597,116)
		15,226,598	(22,657,821)
Earnings per share:			
Earnings per share - basic and diluted	37	**0.53**	(0.78)

The annexed notes from 1 to 50 form an integral part of these financial statements.

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

GAMMON PAKISTAN LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023

	NOTE	2023	2022
		Rupees	
Profit/ (loss) after taxation		**15,226,598**	(22,657,821)
Other comprehensive income			
Item that will not be reclassified to profit and loss:			
Revaluation surplus on property, plant and equipment	21	**2,913,485**	7,482,293
Related deferred tax impact	21	**(98,538)**	122,020
		2,814,947	7,604,313
(Loss)/gain on remeasurement of defined benefit liability	23.3	**124,100**	277,930
Total other comprehensive income for the year		**2,939,047**	7,882,243
Total comprehensive (loss)/income for the year		**18,165,645**	(14,775,579)
Total comprehensive (loss)/income attributable to:			
Equity holders of the holding company		**17,893,376**	(14,178,463)
Non-controlling interests		**272,269**	(597,116)
		18,165,645	(14,775,579)

The annexed notes from 1 to 50 form an integral part of these financial statements.

CHIEF EXECUTIVE	**CHIEF FINANCIAL OFFICER**	**DIRECTOR**

GAMMON PAKISTAN LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2023

	NOTE	Share capital	Reserves			Non-controlling interest	Total
			Capital		Revenue		
		Issued, subscribed and paid-up capital	Share premium reserve	Revaluation surplus on property, plant and equipment	Accumulated Profits		
		---Rupees---					
Balance as at July 1, 2021		282,662,310	15,380,330	420,072,719	74,239,623	-	792,354,982
Total comprehensive income for the year ended June 30, 2022							
(Loss) for the year		-	-	-	(22,060,705)	-	(22,060,705)
Revaluation of property, plant and equipment - net of deferred tax		-	-	7,604,313	-		7,604,313
Gain on remeasurement of defined benefit liability		-	-	-	277,930	-	277,930
		-	-	7,604,313	(21,782,775)	-	(14,178,462)
Transfer from revaluation surplus on property, plant and equipment:							
- on account of incremental depreciation-net of deferred tax	21	-	-	(870,368)	870,368	-	-
- upon disposal of revalued property, plant and equipments		-	-	(2,225)	2,225	-	-
		-	-	(872,593)	872,593	-	-
Non-controlling interest:							
Share of (loss) (4%)		-	-	-	-	20,000	20,000
Share of net assets		-	-	-	-	(597,116)	(597,116)
		-	-	-	-	(577,116)	(577,116)
Balance as at June 30, 2022		282,662,310	15,380,330	426,804,439	53,329,441	(577,116)	777,599,404
Total comprehensive income for the year ended June 30, 2023							
Profit/ (loss) for the year		-	-	-	**14,954,329**	-	**14,954,329**
Revaluation of property, plant and equipment - net of deferred tax		-	-	**2,814,947**	-	-	**2,814,947**
Gain on remeasurement of defined benefit liability		-	-	-	**124,100**	-	**124,100**
		-	-	**2,814,947**	**15,078,429**	-	**17,893,376**
Transfer from revaluation surplus on property, plant and equipment:							
- on account of incremental depreciation-net of deferred tax	21	-	-	**(804,635)**	**804,635**	-	-
- upon disposal of revalued property, plant and equipment		-	-	-	-	-	-
		-	-	**(804,635)**	**804,635**	-	-
Non-controlling interest:							
Share of (loss) (4%)		-	-	-	-	-	-
Share of net assets		-	-	-	-	**272,269**	**272,269**
		-	-	-	-	**272,269**	**272,269**
Balance as at June 30, 2023		**282,662,310**	**15,380,330**	**428,814,751**	**69,212,505**	**(304,847)**	**795,765,049**

The annexed notes from 1 to 50 form an integral part of these financial statements.

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

GAMMON PAKISTAN LIMITED
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2023

	NOTE	2023	2022
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) before working capital changes	39	**15,612,921**	(20,092,801)
Changes in working capital:			
Decrease / (increase) in current assets			
Stores, spares and loose tools		**47,964**	(1,187,277)
Contract receivables		**852,136**	3,492,124
Contract asset		**-**	48,039,672
Loans and advances		**12,950,114**	(8,545,118)
Other receivables		**(3,704,498)**	326,982
Trade deposits and short term prepayments		**325,701**	(7,395)
Increase/(decrease) in current liabilities			
Trade and other payables		**(14,120,014)**	9,996,695
Contract liability		**-**	(12,476,031)
		(3,648,597)	39,639,652
Cash generated from operations		**11,964,324**	19,546,851
Bank charges paid	34	**(8,687)**	(26,703)
Income tax paid		**(5,941,269)**	(4,201,530)
Gratuity paid		**(821,050)**	(91,450)
		(6,771,006)	(4,319,683)
Net cash (used in) operating activities		**5,193,318**	15,227,168
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets	6	**(4,063,288)**	(11,302,636)
Work in progress		**(703,358)**	-
Precommencement expenditure	8	**-**	(7,289,790)
Investment in subsidary		**-**	(500,000)
Long term security deposits		**662,928**	(292,200)
Disposal of fixed assets/store, spares & loose tools as scrap		**-**	161,907
Net cash generated / (used in) investing activities		**(4,103,718)**	(19,222,719)
CASH FLOWS FROM FINANCING ACTIVITIES			
Shares issued by subsidairy		**-**	520,000
Net cash generated from financing activities		**-**	520,000
Net (decrease)/increase in cash and cash equivalents		**1,089,600**	(3,475,551)
Cash and cash equivalents at the beginning of the year		**2,168,146**	5,643,697
Cash and cash equivalents at the end of the year	19	**3,257,746**	2,168,146

The annexed notes from 1 to 50 form an integral part of these financial statements.

CHIEF EXECUTIVE CHIEF FINANCIAL OFFICER DIRECTOR

1 THE GROUP AND ITS OPERATIONS

1.1 **The group consists of:**

Holding Company

- Gammon Pakistan Limited

Subsidiary Company

- Gammon Pakistan Precast (Private) Limited

GAMMON PAKISTAN LIMITED

The Company was incorporated under the repealed Companies Act, 1913 (now the Companies Act, 2017) on August 12, 1947 as a Public Company Limited by shares. It's shares are quoted on Pakistan Stock Exchange Limited (Formerly Karachi Stock Exchange Limited, Lahore Stock Exchange Limited and Islamabad Stock Exchange Limited). The principal activity of the Company is execution of civil construction works. The registered office of the Company is situated at Gammon House, 400/2 Peshawar Road, Rawalpindi.

The Company is a subsidiary of Bibojee Services (Private) Limited (the holding company), a private company incorporated in Pakistan.

Geographical locations and addresses of all business units are as follows:

Sr.No	Loacation	Address
1	Head office	Gammon House, 400/2 Peshawar Road, Rawalpindi.
2	Rawalpindi	Mouza Harka, Main Chakbeli Road, Tehsil & Distt. Rawalpindi.
3	Hyderabad	Plot no 23,24/1,27 and 28 Deh Sari, Qasimabad, Taluka Qasimabad, Distt. Hyderabad.

GAMMON PAKISTAN PRECAST (PRIVATE) LIMITED

The Company was incorporated under the Companies Act, 2017 on November 16, 2021 as a Private Company Limited by shares. The principal activity of the Company is to carry on the business of all kind of cement, concrete precast products, its manufacturing/trade/installation on site work and all kind of construction business. The registered office of the Company is situated at Gammon House, 400/2 Peshawar Road, Rawalpindi. Gammon Pakistan Limited has 96.2% ownership in the share capital of Gammon Pakistan Precast (Private) Limited.

Geographical locations and addresses of all business units are as follows:

Sr.No	Loacation	Address
1	Head office	Gammon House, 400/2 Peshawar Road, Rawalpindi.
2	Rawalpindi	Mouza Harka, Main Chakbeli Road, Tehsil & Distt. Rawalpindi.

2 BASIS OF PREPARATION

2.1 **Statement of compliance**

These consolidated financial statements have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017 (the Act), Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017 (the Act) and provisions of and directives issued under the Companies Act, 2017. However, provisions of and the directives issued under the Companies Act, 2017 have been followed where those provisions are not consistent with the requirements of the IFRSs as notified under the Companies Act, 2017.

2.2 **Basis of measurement**

These consolidated financial statements have been prepared under the historical cost convention except for certain fixed assets which have been stated at revalued amount, investment properties which have been stated at fair value, recognition of certain staff retirement benefits at present value and certain other items as disclosed in relevant accounting policies.

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

2.3 **Functional and presentation currency**

These consolidated financial statements have been presented in Pak Rupees, which is the functional and presentation currency of the Group.

2.4 **Key judgments and estimates**

The preparation of consolidated financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the Consolidated financial statements, are documented in the following accounting policies and notes, and relate primarily to:

- Useful lives, residual values and depreciation method and revalued amounts of property, plant and equipment - Note 5.1 & 6
- Fair value of investment property - Note 5.2 & 7
- Allowance for expected credit loss (ECL) on contract receivables and loans and advances - Note 5.6, 5.7, 12 & 14
- Obligation of defined benefit obligation - Note 5.16 & 23
- Estimate of revenue and cost - Note 5.17
- Impairment of financial instruments based upon expected credit loss model - Note 5.19
- Estimation of provisions - Note 5.21
- Estimation of contingent liabilities - Note 5.22
- Current income tax expense, provision for current tax and recognition of deferred tax asset - Note 5.15, 24 & 36.

3 NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED STANDARDS

3.1 **Amendments to published approved accounting standards that are effective in current year and are relevant to the Group**

Following amendments to published approved accounting standards are mandatory for the Group's accounting periods beginning on or after 01 January, 2022

- **Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets')** effective for the annual period beginning on or after 01 January 2022 amends IAS 1 'Presentation of Financial Statements' by mainly adding paragraphs which clarifies what comprise the cost of fulfilling a contract. Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

- **Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16 'Property, Plant and Equipment')** effective for the annual period beginning on or after 1 January 2022. Clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2 'Inventories'. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as

3.2 **Amendments that are effective in current year and not relevant to the Group**

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2022 but are considered not to be relevant or do not have any significant impact on the Group's Consolidated financial statements and are therefore not detailed in these Consolidated financial statements.

3.3 **Amendments to published approved accounting standards that are not yet effective but relevant to the Group**

Following amendments to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 01 January 2023 or later periods:

- **Classification of liabilities as current or non-current (Amendments to IAS 1 'Presentation of Consolidated financial statements')** effective for the annual period beginning on or after 01 January 2024. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting

- **Disclosure of Accounting Policies (Amendments to IAS 1 'Presentation of Consolidated financial statements' and IFRS Practice Statement 2 'Making Materiality Judgement')** effective for annual periods beginning on or after 01 January 2023. These amendments are intended to help preparers in deciding which accounting policies to disclose in their Consolidated financial statements. Earlier, IAS 1 states that an entity shall disclose its 'significant accounting policies' in their Consolidated financial statements. These amendments shall assist the entities to disclose their 'material accounting policies' in their Consolidated financial statements.

- **Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 'Income taxes')** effective for annual periods beginning on or after 01 January 2023. These amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations.

- **Change in definition of Accounting Estimate (Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors)** effective for annual periods beginning on or after 01 January 2023. This change replaced the definition of Accounting Estimate with a new definition, intended to help entities to distinguish between accounting policies and accounting estimates.

There are number of other standards, amendments, improvements and interpretations to the approved accounting standards that are not yet effective and are also not relevant to the Group and therefore, have not been presented here.

3.4 **Standards and amendments to approved published standards that are not yet effective and not considered relevant to the Group**

There are other standards and amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2023 but are considered not to be relevant or do not have any significant impact on the Group's Consolidated financial statements and are therefore not detailed in these Consolidated financial statements.

4 BASIS OF CONSOLIDATION

These consolidated financial statements include the financial statements of Gammon Pakistan Limited ("the Holding Company") and its subsidiary company, Gammon Pakistan Precast (Private) Limited ("the Subsidiary Company"), which is 96.2%.

The Subsidiary Company

A subsidiary company is an entity over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. A subsidiary company is fully consolidated from the date on which control is transferred to the Group and is derecognized from the date the control ceases. These consolidated financial statements include the Holding Company and the Subsidiary Company in which the Holding Company directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of the directors of the Subsidiary Company.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of the subsidiary company is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities (including contingent liabilities) assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gain or losses arising from such measurement are recognized in consolidated profit or loss.

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

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

Any contingent considerations to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified an equity is not re-measured, and its subsequent settlement is accounted for within equity.

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

Inter-company transactions, balances and unrealized gains on transactions between the Group companies, are eliminated. Unrealized losses are also eliminated. When necessary, amounts reported by the Subsidiary have been adjusted to conform with the Group's accounting policies.

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

Changes in ownership interests in subsidiary without change of control

Transactions with non - controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the Subsidiary Company is recorded in equity. Gains or losses on disposals to non - controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control or significant influence, any retained interest in the entity is premeasured to its fair value, with the change in carrying amount recognized in consolidated statement of profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed off the related assets or liabilities. This mean that amounts previously recognized in other comprehensive income are reclassified to consolidated statement of profit or loss.

5 SIGNIFICANT ACCOUNTING POLICIES

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

5.1 Property, plant and equipment

Initial recognition

All items of property, plant and equipment are initially recorded at cost.

Subsequent measurement

Items of property, plant and equipment are stated at cost / revalued amount less accumulated depreciation and any identified impairment loss, if any, except for freehold land, which is stated at revalued amount.

Depreciation

Depreciation is charged to profit and loss account on straight-line basis on the cost or valuation of all fixed assets from / to the date of acquisition / deletion, except for freehold land, to write-off ninety percent of the value over the useful life of the assets. The remaining ten percent is written-off on retirement is considered the residual value.

Revaluation surplus on property, plant and equipment

Any revaluation increase arising on the revaluation of land, buildings and plant and machinery is recognised in other comprehensive income and presented as a separate component of equity as “Revaluation surplus on property, plant and equipment”, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of land, buildings and plant and machinery is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Group's shareholders. The surplus on revaluation buildings and plant and machinery to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.

Disposal

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised as other income in the statement of profit or loss. In case of the sale or retirement of a revalued items, the attributable revaluation surplus remaining in the surplus on revaluation of such item is transferred directly to the unappropriated profit.

Judgment and estimates

The useful lives, residual values and depreciation method are reviewed on a regular basis. The Group revalues its operating fixed assets on regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

5.2 **Investment properties**

Recognition and measurement

Investment properties represent the properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at its cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

Derecognition

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognized.

When an item of property, plant and equipment is transferred to investment property following a change in its use and differences arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognized in surplus on revaluation of property, plant and equipment if it is a gain. Upon disposal of the item related surplus on revaluation of property, plant and equipment is transferred to retained earnings. Any loss arising in this manner is recognized immediately in the income statement.

Leases

With regard to activities as a lessor, the Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases. Rental income from investment property that is leased to a third party under an operating lease is recognised in the statement of profit or loss on a straight-line basis over the lease term and is included in ‘other income’ under note 33.

5.3 **Impairment of non-financial assets other than inventories**

The assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognised in the statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The Group recognises the reversal immediately in the statement of profit or loss, unless the asset is carried at a revalued amount in accordance with the revaluation model. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

The Group assesses at each balance sheet date whether there is any indication that assets other than stores and spares and stock in trade and deferred tax assets may be impaired. If such an indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss, if any. Where carrying values exceed the estimated recoverable amount, assets are written down to the recoverable amounts and the resulting impairment loss is recognized as expense in the profit and loss account, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

5.4 **Investments at amortized cost**

These are carried at amortized cost less impairment loss, if any. Investments with fixed or determinable payments and fixed maturity where management has both the positive intent and ability to hold to maturity are classified at amortized cost using the effective interest method. Gain and losses are recognized in the profit and loss account when the investments are derecognized or impaired, as well as through the amortization process.

5.5 **Stock of materials, stores, spares and loose tools**

Measurement

Stock of materials, stores, spares and loose tools is valued at the lower of cost and net realizable

Cost is calculated using the weighted average method and comprises direct materials, direct labour costs and direct overheads that have been incurred in bringing the inventories to their present location and condition.

Net realizable value represents the estimated selling price in the ordinary course of the business less all estimated costs of completion and estimated costs necessary to be incurred in order to make the

Cost of materials is determined using the first-in-first out method.

Cost of stores, spares and loose tools is determined using the weighted average method.

Impairment

At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the cost of sales in the statement of profit or loss.

Judgments and estimates

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made periodically on inventories for excess inventories, obsolescence and decline in net realizable value and an allowance is recorded against the inventory balances for any such decline.

5.6 **Contract receivables**

Measurement

Contract receivables are measured at original invoice amount less an estimate made for doubtful receivable balance at the year-end.

A provision for impairment of contract receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognised in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

Judgments and estimates

The allowance for expected credit of the Group is based on the assessment as per IFRS 9 and management's continuous evaluation of the recoverability of the outstanding contract receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness, past collection history of each customer along with future indications and macro-economic factors of the industry, economy and country.

5.7 **Loans and advances**

These are stated at cost less provision for doubtful advances, if any.

A provision for impairment of advances is established when there is objective evidence that the Group will not be able to adjust all advances according to the original terms of the advances. The amount of the provision is recognised in the statement of profit or loss.

Judgments and estimates

The allowance for expected credit of the Group is based on the assessment as per IFRS 9 and management's continuous evaluation of the reliability of the advances.

5.8 **Other receivables**

Other receivables are recognized at nominal amount which is fair value of the consideration to be received in future.

5.9 **Cash and cash equivalents**

Cash and cash equivalents are carried in the financial statements at cost. For the purposes of cash flow statement, cash and cash equivalents comprise of cash-in-hand and bank balances.

5.10 **Borrowings and borrowing costs**

All borrowings are recorded at the proceeds received. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are charged to income in the period in which these are incurred.

5.11 **Trade and other payables**

Creditors relating to trade and other payables are carried at cost which is the fair value of consideration to be paid in the future for goods and services received, whether or not billed to the Group.

5.12 **Dividend distribution**

Dividend distribution to the Group's shareholders is recognised as a liability in the period in which the dividends are approved by the Group's shareholders.

5.13 **Joint venture partner's advances (including share of accrued profit)**

Profit / loss on advances obtained from a joint venture partner is recognized on 'accrual basis' in accordance with the agreed percentage.

5.14 **Dividend and appropriation to reserves**

Dividend distribution to the Group's shareholders and appropriation to reserves are recognized in the period in which these are approved.

5.15 **Taxation**

Income tax expense comprises current and deferred tax.

Income tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognized in other comprehensive income or directly in equity (if any), in which case the tax amounts are recognized directly in other comprehensive income or equity.

Current

Provision for current taxation is based on taxable income on current rates of taxation after taking into account the rebates and tax credits available, if any, or one and half percent of turnover and corporate tax as per section 113c, whichever is higher in accordance with the provisions of the Income Tax Ordinance, 2001.

The Group recognizes tax liabilities for pending tax assessments using estimates based on expert opinion obtained from tax/legal advisors. Differences, if any, between the income tax provision and the tax liability finally determined is recorded when such liability is so determined.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have

Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

Off-setting

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities, and they relate to income taxes levied by the same tax authority.

5.16 **Defined benefit plan (gratuity)**

The Group measures defined benefit liabilities (assets) at the present value of its obligation under defined benefit plan at the reporting date minus the fair value at the reporting date of plan assets out of which the obligations are to be settled directly. The obligation under defined benefit plan is determined using the projected unit credit method.

Actuarial gains and losses are recognised in the other comprehensive income in the period in which they occur. Past-service costs are recognised immediately in the statement of profit or loss.

In determining the liability for long-service payments management must make an estimate of salary increases over the following five years, the discount rate to calculate present value over next five years, and the number of employees expected to leave before they receive the benefits.

5.17 **Revenue recognition**

Revenue is recognized overtime as per IFRS 15 "Revenue from Contracts with Customers" on the basis of input method on the execution of contract activities where the outcome of the construction contract can be estimated reliably as measured by the proportion that contract work performed to date bears to the estimated total contract work. Variable consideration due to contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of the construction contract cannot be estimated reliably, contract revenue is recognized to the extent of the contract costs incurred that probably will be recoverable. Contract costs are recognized as expense in the period in which they are incurred.

-Revenue from rental income is recognized on 'accrual basis'.
-Interest income is also recognized on 'accrual basis'.

Contract revenue and cost

Input method is applied on a cumulative basis in each accounting period to the current estimates of total contract revenue and total contract costs. Any change in these estimates will affect the contract revenue and contract costs accordingly.

5.18 **Foreign currency transactions**

Transactions in foreign currencies are initially recorded at the rates of exchange ruling on the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated into Pak Rupees at the exchange rates prevailing on the balance sheet date. All exchange differences are charged to profit and loss account.

5.19 **Financial Instruments**

5.19.1 **Financial assets**

The Group classifies its financial assets in the following categories: at fair value through profit or loss, fair value through other comprehensive income and amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. All the financial assets of the Group as at statement of financial position date are carried at amortized cost.

Amortized cost

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as at fair value through profit or loss:

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

Impairment

The Group recognizes loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost and contract assets. The Group measures loss allowance at an amount equal to lifetime ECLs.

The Group recognizes loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost and contract assets. The Group measures loss allowance at an amount equal to lifetime ECLs.

At each reporting date, the Group assesses whether the financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

5.19.2 **Financial liabilities**

All financial liabilities are recognized at the time when the Group becomes a party to the contractual provisions of the instrument.

5.19.3 **Recognition and measurement**

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortized cost or cost, as the case may be. The particular measurement methods adopted are disclosed in the individual policy statements associated with each item.

5.19.4 **Derecognition**

The financial assets are de-recognized when the Group loses control of the contractual right that comprise the financial assets. The financial liabilities are de-recognized when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expired.

5.20 **Off-setting of financial assets and liabilities**

Financial assets and liabilities are off-set and the net amount is reported in the financial statements only when there is a legally enforceable right to set-off the recognized amounts and the Group intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

5.21 **Provisions**

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

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as finance cost in the statement of profit or loss.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss unless the provision was originally recognised as part of

5.22 **Contingent liabilities**

A contingent liability is disclosed when the Group has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Group; or the Group has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

5.23 **Contract asset / liability**

The Group recognizes contract asset against the cost incurred and estimated earning which is in excess of the amount billed to the customer to date. The Group recognizes the contract liability against the amount billed to the customer which is in excess of the cost incurred and estimated earning of the contract to date.

5.24 **Segment reporting**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Group's other components. The Group has only one reportable segment.

5.25 **Joint ventures and joint operations.**

The Group's share in transactions and balances related to joint operations, in which the Group has a working interest, are combined on a line by line basis with similar items in the Group's consolidated financial statements. While equity method accounting is used for joint ventures.

5.26 **Earnings per share**

The Group presents earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

5.27 **Related party transactions**

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

6 OPERATING FIXED ASSETS

The following is the statement of operating fixed assets:

Description	Freehold land	Buildings on freehold land	Plant and machinery	Furniture and fixtures	Computers and accessories	Motor vehicles, cycles and boats	Construction equipments	Total
	Rupees							
Year ended June 30, 2023								
Net carrying value basis								
Opening book value	**279,508,701**	**17,447,715**	**9,464,367**	**1,052,235**	**733,546**	**729,881**	**202,790**	**309,139,235**
Revaluation surplus/(deficit)	**2,573,699**	**339,786**	**-**	**-**	**-**	**-**	**-**	**2,913,485**
Additions		**-**	**3,818,288**	**-**	**210,000**	**35,000**	**-**	**4,063,288**
Deletions - NBV	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation charge	**-**	**(438,665)**	**(1,808,458)**	**(215,667)**	**(188,239)**	**(490,395)**	**(62,732)**	**(3,204,156)**
Closing net book value	**282,082,400**	**17,348,836**	**11,474,197**	**836,568**	**755,307**	**274,486**	**140,058**	**312,911,852**
Gross carrying value basis								
Cost/revalued amount	**282,082,400**	**17,787,501**	**17,920,923**	**2,099,087**	**1,702,654**	**3,305,078**	**418,200**	**325,315,843**
Revaluation adjustments	**-**	**(438,665)**	**-**	**-**	**-**	**-**	**-**	**(438,665)**
	282,082,400	**17,348,836**	**17,920,923**	**2,099,087**	**1,702,654**	**3,305,078**	**418,200**	**324,877,178**
Accumulated depreciation	**-**	**(438,665)**	**(6,446,726)**	**(1,262,519)**	**(947,347)**	**(3,030,592)**	**(278,142)**	**(12,403,991)**
Revaluation adjustments	**-**	**438,665**	**-**	**-**	**-**	**-**	**-**	**438,665**
	-	**-**	**(6,446,726)**	**(1,262,519)**	**(947,347)**	**(3,030,592)**	**(278,142)**	**(11,965,326)**
	282,082,400	**17,348,836**	**11,474,197**	**836,568**	**755,307**	**274,486**	**140,058**	**312,911,852**
Year ended June 30, 2022								
Net carrying value basis								
Opening book value	271,605,649	14,355,055	4,114,252	1,236,748	649,236	1,110,626	81,770	293,153,336
Revaluation surplus/(Deficit)	7,903,052	(420,759)	-	-	-	-	-	7,482,293
Additions	-	3,955,154	6,790,622	30,400	252,460	99,000	175,000	11,302,636
Deletions - NBV	-	-	(4,347)	-	-	-	-	(4,347)
Depreciation charge	-	(441,735)	(1,436,160)	(214,913)	(168,150)	(479,745)	(53,980)	(2,794,683)
Closing net book value	279,508,701	17,447,715	9,464,367	1,052,235	733,546	729,881	202,790	309,139,235
Gross carrying value basis								
Cost/revalued amount	279,508,701	17,889,450	14,102,634	2,099,088	1,492,655	3,270,078	418,200	318,780,806
Revaluation adjustments	-	(441,735)	-	-	-	-	-	(441,735)
	279,508,701	17,447,715	14,102,634	2,099,088	1,492,655	3,270,078	418,200	318,339,071
Accumulated depreciation	-	(441,735)	(4,638,267)	(1,046,853)	(759,109)	(2,540,197)	(215,410)	(9,641,571)
Revaluation adjustments	-	441,735	-	-	-	-	-	441,735
	-	-	(4,638,267)	(1,046,853)	(759,109)	(2,540,197)	(215,410)	(9,199,836)
Net book value	279,508,701	17,447,715	9,464,367	1,052,235	733,546	729,881	202,790	309,139,235
Depreciation rate % per Annum	**-**	**2.5 to 2.8**	**6 to 30**	**9 to 18**	**10 to 15**	**9 to 18**	**6 to 24**	

6.1 Freehold land of the Company is located at Chakbeli road near Rawat and Peshawar road, District Rawalpindi, Punjab, and Taluka Qasimabad, Distt hyderabad, Sindh, with an area of 50.9 kanal, 5.1 kanal and 5.8 kanal respectively. Details of workshop and residential buildings of the company constructed on this land are as follows:

LOCATION	PARTICULAR	COVERED AREA (In Sq.Ft)
Mouza Harka, Main Chakbeli Road, Tehsil and District Rawalpindi	**Stores and godowns for stores and spares.**	**7,056**
Mouza Chuhr Harpal, Near Chuhr Chowk, Main Peshawar Road, Rawalpindi Cantt.	**Gammon house Head office**	**4,004**

6.2 Depreciation has been allocated as follows:

	NOTE	2023	2022
		Rupees	
Contract expenditure	**30**	**1,871,190**	1,490,140
General and administrative expenses	**31**	**1,332,966**	1,304,543
		3,204,156	2,794,683

6.3 The revaluation surplus on property, plant and equipment is a capital reserve, and is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

6.4 This represents surplus on book values resulted from revaluation of operating fixed assets based on fair value / market value estimated by independent valuers adjusted only by surplus realized on disposal of revalued assets and incremental depreciation arising out of revaluation. Revaluation of land and buildings was based upon fair market value and valuation for other operating assets was conducted during 2019 which was based upon depreciated replacement costs to reflect the residual service potential of the assets taking account of age, condition and obsolescence. Details of revaluation are as follows:

Independent valuer	**Revaluation dates**
M/s Impulse (Private) Limited	June 30, 2023
M/s Impulse (Private) Limited	June 30,2022
M/s Impulse (Private) Limited	June 30,2021
M/s Impulse (Private) Limited	June 30, 2020
M/s Impulse (Private) Limited	June 30, 2019
M/s Impulse (Private) Limited	June 30, 2017
M/s Impulse (Private) Limited	June 30, 2016

6.5 The forced sale value of the revalued freehold land and buildings at date of statement of financial position has been assessed at Rs. 250,488,400.

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

	#	**2023** **Rupees**
Freehold land		120,988
Buildings on freehold land		3,022,495
Plant and machinery		1,324,644
Furniture and fixture		972,605
Computers and accessories		980,106
Motor vehicles, cycles and boats		63,454
Construction equipment		273,403

7 INVESTMENT PROPERTY	**NOTE**	**2023** **Rupees**	2022
Carrying amount as at June 30,			
Rural land	**7.2**	**121,626,000**	120,577,299
Gammon House - land and building	**7.3**	**358,205,160**	356,932,560
		479,831,160	477,509,859

7.1 The movement in this account is as follows:

Opening balance		**477,509,859**	468,511,297
Net fair value gain on revaluation shown in profit and loss account	**7.4**	**2,321,301**	8,998,562
Carrying amount as at June 30		**479,831,160**	477,509,859

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

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

In 2013, management purchased and installed two billboards at Gammon House which had been treated as additions to investment properties.

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

Forced sale value of the investment property at date of statement of financial position is assessed at Rs. 408,691,600.

There are no non-cancellable fixed rate operating leases over the Group's investment property, land and buildings.

		NOTE	2023	2022
			Rupees	
8	**PRE-COMMENCEMENT EXPENDITURES**			
	Opening balance		**7,289,790**	-
	Add: Additon during the year		**-**	7,289,790
			7,289,790	7,289,790
	Less: Amortization		**(728,980)**	(364,490)
			6,560,811	6,925,300

8.1 It represents pre-comencement expenditures of subsidiary company that is amortized over the period of twenty years using straight line method.

		NOTE	2023	2022
			Rupees	
9	**LONG TERM INVESTMENTS**			
	Amortized cost			
	Defense Savings Certificates	**9.1**	**500,000**	500,000
	Accrued interest		**800,413**	800,413
			1,300,413	1,300,413

9.1 This represents one certificate (2022: one) having face value of Rs. 500,000, having a maturity period of 10 years i.e. February 2017, carrying profit (effective rate) at 10.03 % per annum. The Company has deposited the certificate as security and is pledged in favour of Director of Works and Chief Engineer, Pakistan Navy, Islamabad for provisional enlistment against construction of sailors' barracks at PNS Qasim, Manora, Karachi. The Defense Saving Certificate, which matured during 2017, will be reinvested after release of the pledged certificate.

		NOTE	2023	2022
			Rupees	
10	**LONG TERM SECURITY DEPOSITS**			
	Tender money deposit		**-**	353,928
	Others security deposits		**1,200,600**	1,509,600
			1,200,600	1,863,528

10.1 Long term security deposits represent deposits against receipt of non-financial services. These are carried at nominal value as effect by amortization is not material in respect of these financial statements.

			2023	2022
			Rupees	
10.2	**Balance written off during the year**			
	Tender Money Deposits as at June 30		**353,928**	-
	Written off		**(353,928)**	-
			-	-
10.3	**Balance written off during the year**			
	Other Security Deposits as at June 30		**1,509,600**	-
	Written off		**(309,000)**	-
			1,200,600	-
11	**STORES, SPARES AND LOOSE TOOLS**			
	Consumable materials		**176,655**	176,655
	Stores	**11.1 & 11.2**	**15,220,156**	15,268,120
	Spares		**569,019**	569,019
	Loose tools		**20,575**	20,575
	Other stocks		**200,042**	200,042
			16,186,447	16,234,411
11.1	Balance as at June 30		**26,221,012**	26,268,976
	Impairment - obsolete and slow moving item		**(11,000,856)**	(11,000,856)
			15,220,156	15,268,120

11.2 Stores and spares also include items which may result in capital expenditure but are not distinguishable at the time of purchase. However, the stores and spares consumption resulting in capital expenditure are capitalized in cost of respective assets.

		NOTE	2023	2022
			Rupees	
12	**CONTRACT RECEIVABLES**			
	Owned			
	Unsecured - considered good			
	Against billings:			
	- work-in-progress		**-**	2,629,467
	- completed contracts		**76,107,565**	73,478,098
			76,107,565	76,107,565
	Written off during the year		**-**	-
	Provision for expected credit loss	**12.1**	**(73,512,276)**	(75,150,387)
			(73,512,276)	(75,150,387)
			2,595,289	957,178
	Against retention money:			
	- work-in-progress		**-**	34,756,979
	- completed contracts		**80,537,519**	47,908,425
			80,537,519	82,665,404
	Provision for expected credit loss	**12.1**	**(38,066,851)**	(37,704,489)
			42,470,668	44,960,915

	NOTE	2023	2022
		Rupees	
Joint venture:			
- against billings		**17,054,553**	17,054,553
- against retention money		**12,936,380**	12,936,380
		29,990,933	29,990,933
Provision for expected credit loss	**12.1**	**(29,990,933)**	(29,990,933)
		-	-
		45,065,957	45,918,093

12.1 Management, in the prior years, carried out an exercise to identify long outstanding receivable balances comprising of progress billings and retention money which are not likely to be received due to various reasons. Similarly, during the year, management carried out the ECL assessment and identified provision for expected credit loss as follows:

	NOTE	2023	2022
		Rupees	
Opening balance		**142,845,809**	142,845,809
Charge during the year		**(1,275,749)**	-
		141,570,060	142,845,809

13 CONTRACT ASSET

	NOTE	2023	2022
Under the following captions:			
Contract asset on incomplete projects		**65,049,779**	103,625,367
Written off during the year		**-**	(38,575,588)
Net contract asset	**13.1**	**65,049,779**	65,049,779

13.1 **This comprises as follows:**

		2023	2022
Cost incurred on incomplete projects		**1,875,995,062**	1,859,190,702
Estimated earnings		**204,237,252**	214,363,906
		2,080,232,314	2,073,554,608
Billings to date		**(2,015,182,535)**	(2,008,504,829)
		65,049,779	65,049,779

14 LOANS AND ADVANCES

	NOTE	2023	2022
Unsecured - considered good			
To employees / project managers for expenses		**4,859,621**	15,770,551
To suppliers		**9,234,384**	7,391,399
To sub - contractors		**3,021,720**	6,031,271
		17,115,725	29,193,221
Doubtful advances		**27,319,819**	27,409,210
		44,435,544	56,602,431
Written off during the year		**(872,618)**	-
Provision for expected credit loss	**14.1**	**(27,319,819)**	(27,409,210)
		(28,192,437)	(27,409,210)
		16,243,107	29,193,221
Due from joint venture partners		**-**	932,586
Provision for expected credit loss	**14.1**	**-**	(932,586)
		-	-
		16,243,107	29,193,221

14.1 Management, in the previous years, carried out an exercise to identify long outstanding receivable balances comprising of advances to staff and suppliers, which are not likely to be received due to various reasons. Similarly during the year, management carried out the assessment and identified provision for expected credit losses as follows:

	NOTE	2023 Rupees	2022 Rupees
Opening balance		**28,341,796**	28,508,436
Reversed/charged during the year		**(1,021,977)**	(166,640)
		27,319,819	28,341,796

15 OTHER RECEIVABLES

	NOTE	2023 Rupees	2022 Rupees
Unsecured:			
- Considered good			
Other receivables	**15.1**	**5,073,726**	1,369,228

15.1 This represents receivables in respect of rental income. It also includes receivables from related parties as follows:

	2023 Rupees	2022 Rupees
Janana De Maluchu Textile Limited	**73,205**	60,500
Ghandhara Industry Limited	**66,550**	332,750
Bannu Woolen Mills Limited	**197,190**	830,789
	336,945	1,224,039

15.2 **Aging of receivable from related parties:**

	2023	2022
1-90 days	**336,945**	1,224,039
90-180 days	**-**	-
Over 180 days	**-**	-
	336,945	1,224,039

15.3 Maximum balance due from related party at end of any month during the year is Rs. 8,337,622 (2022: Rs. 1,224,039).

16 TRADE DEPOSITS AND SHORT TERM

	NOTE	2023 Rupees	2022 Rupees
Prepaid insurance		**-**	290,643
Prepayments		**-**	35,058
		-	325,701

17 TAX REFUNDS DUE FROM GOVERNMENT

	NOTE	2023	2022
Considered good			
Balance as at July 01,		**83,685,590**	85,011,349
Advance income tax	**18**	**1,586,462**	(1,325,759)
		85,272,052	83,685,590

18 TAXATION - NET

	NOTE	2023	2022
Balance as at July 01,		**1,831,937**	1,325,759
Prior year income tax adjustment		**(245,475)**	-
Transferred to tax refunds due from Government		**(1,586,462)**	-
		-	1,325,759
Provision for taxation		**(699,096)**	(5,021,111)
Advance income tax		**5,941,269**	5,527,289
		5,242,173	1,831,937

		NOTE	2023 Rupees	2022
19	**CASH AND BANK BALANCES**			
	Cash in hand		**1,058,124**	1,214,428
	Cash at bank: local currency			
	- Current accounts	**19.1**	**1,300,783**	53,958
	- Savings accounts	**19.2**	**9,396**	10,317
	- Deposit accounts	**19.3**	**889,443**	889,443
			2,199,622	953,718
			3,257,746	2,168,146

19.1 It include Rupees 7,995/- (2022: RS. 7,995/-) attached under the instructions of Sindh Revenue Board in prior years against the order no 72 in 2018 for the departmental recovery of Rupees 51.696 million. On December 23, 2020 the Commissioner Appeals order in favor of the company and the company is under process to detach these bank accounts.

19.2 PLS accounts, during the current financial year, carried profit at the rates ranging from 12.25% to 19.5% (2022: 5.5% to 12.25%) per annum.

19.3 The entire balance as at June 30, 2023 and June 30, 2022 is under a bank's lien against guarantees issued by the bank.

20 SHARE CAPITAL

Issued, subscribed and paid up capital

Number of ordinary shares of Rs.10/- each 2023	2022		NOTE	2023 Rupees	2022
22,627,320	22,627,320	Fully paid in cash		**226,273,200**	226,273,200
2,562,845	2,562,845	Issued as fully paid bonus shares		**25,628,450**	25,628,450
3,076,066	3,076,066	Issued against conversion of loans		**30,760,660**	30,760,660
28,266,231	28,266,231			**282,662,310**	282,662,310

20.1 **This includes shares held by related parties as follows:**

	NOTE	2023	2022
Bibojee Services (Private) Limited - Parent of Holding Company			
20,369,056 (2022: 20,369,056) ordinary shares of Rs 10 each	**20.2**	**203,690,560**	203,690,560
Directors and their spouses / minor children			
95,855 (2022: 95,855) ordinary shares of Rs 10 each		**958,550**	958,550
		204,649,110	204,649,110

20.2 The parent of holding company Bibojee Services (Private) Limited held 72.06% shares (2022: 72.06% shares) in Gammon Pakistan Limited as at June 30, 2023.

20.3 All ordinary shareholders have same rights regarding voting, board selection, right of first refusal and block voting.

20.4 **Authorized share capital:**

This represents 30,000,000 (2022: 30,000,000) ordinary shares of Rs. 10/- each amounting to Rs. 300,000,000 (2022: Rs. 300,000,000).

21 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

The revaluation surplus on property, plant and equipment is restated and now presented as a separate capital reserve in the financial statements.

	NOTE	2023	2022
		Rupees	
Balance brought forward		**434,997,486**	428,744,197
Add: Revaluations during the year		**2,913,485**	7,482,293
Less:			
Transferred to equity in respect of incremental depreciation charged during the year - net of deferred tax		**804,635**	870,368
Realized on disposal of revalued assets - net of		**-**	2,225
Related deferred tax liability during the year transferred to profit and loss account		**328,654**	356,411
		1,133,289	1,229,004
		436,777,682	434,997,486
Less:Related deferred tax effect :			
Opening balance - as previously reported		**8,193,047**	8,671,478
Revaluation during the year		**98,538**	(122,020)
Adjustment on account of disposal		**-**	(909)
Incremental depreciation charged during the year transferred to profit and loss account		**(328,654)**	(355,502)
		7,962,931	8,193,047
		428,814,751	426,804,439

22 NON-CONTROLLING INTEREST

22.1 Summary of non-controlling interest

Opening balance	**(577,116)**	-
Share of net asset	**-**	20,000
Income/ (Loss) for the year	**272,269**	(597,116)
	(304,847)	(577,116)

23 DEFERRED LIABILITY

23.1 Gratuity

The Holding Company operates an unfunded gratuity scheme. The scheme provides for terminal benefits for all its permanent employees whose period of service exceeds six months. Employees are entitled to gratuity on the basis of one gross salary for each completed one year of service after the minimum qualifying period. Annual charge is based on actuarial valuation carried out as at June 30, 2023 using Projected Unit Credit Method.

The Holding Company faces the following risks on account of gratuity:

Final salary risk: The risk that the final salary at the time of cessation of service is greater than what the Holding Company has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

23.2 The amounts recognised in the consolidated statement of financial position are determined as follows:

	NOTE	2023	2022
		Rupees	
Present value of the defined benefit obligation		**1,493,221**	3,030,550
Benefits due but not paid during the year		**6,059,213**	5,101,515
		7,552,434	8,132,065

23.3 **Reconciliation of net defined benefit liability**

Present value of defined benefit obligations	**3,030,550**	4,319,738
Benefits due but not paid as at June 30	**5,101,515**	3,680,965
Service cost	**81,813**	139,796
Interest on defined benefit obligations	**283,706**	360,946
Benefit due but not paid at the year end	**(6,059,213)**	(5,101,515)
Actuarial (gain) / loss	**(124,100)**	(277,930)
Benefits paid during the year	**(821,050)**	(91,450)
	1,493,221	3,030,550

23.4 **Remeasurement chargeable to statement of other comprehensive income**

Remeasurement (gain) / loss on defined		
Actuarial (gain) / loss due to Change in financial assumptions	**-**	-
Actuarial (gain) / loss due to experience adjustment	**(124,100)**	(277,930)
	(124,100)	(277,930)

23.5 **The amounts recognised in the statement of profit or loss:**

Current service costs	**81,813**	139,796
Interest cost	**283,706**	360,946
	365,519	500,742

23.6 **Changes in the present value of the defined benefit obligation are as follows:**

Opening defined benefit obligation	**8,132,065**	8,000,703
Service cost	**81,813**	139,796
Interest cost	**283,706**	360,946
Actuarial (gains) / losses	**(124,100)**	(277,930)
Benefits paid	**(821,050)**	(91,450)
	7,552,434	8,132,065

23.7 **Principal actuarial assumptions (financial and demographic) at the end of the reporting period (expressed as weighted averages) are as follows:**

Discount rate as at June 30, 2023	16.25%
Future salary increases	15.25%
Proportion of employees opting for early retirement	0.506% to 14.344%
Mortality rate	SLIC (2001-5) Mortality table
Average expected remaining working lifetime of members	5 Years
Average duration of liability	5 years

23.8 **Comparison of five years**

Comparison of present value of defined benefit obligation and experience adjustment on obligation for the current and preceding four years is as follows:

	2023	2022	2021	2020	2019
	Rupees				
Present value of defined benefit obligation	**1,493,221**	3,030,550	4,319,738	5,532,839	5,959,980

23.9 There are no plan assets, therefore, disclosure in respect to plan assets required as per IAS-19 "Employee Benefits" has not been made in these financial statements.

23.10 The charge in respect of defined benefit plan for the year ending June 30, 2024 is estimated to be Rs. 342,617.

23.11 **Sensitivity analysis**

The impact of 1% change in following variables on defined benefit obligation is as follows:

	2023	
	1 % increase in assumption	**1 % decrease in assumption**
	Rupees	
Discount rate	**1,420,766**	**1,569,406**
Salary increase	**1,569,371**	**1,420,749**

23.12 **Expected future payments**

Within one year	**829,407**
More than one year but less than five years	**4,583,696**
Above five years	**7,842,613**
	13,255,716

24 DEFERRED TAXATION

The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement.

	NOTE	**2023**	2022
		Rupees	
Deferred tax liability-net	**24.1**	**29,326,126**	34,124,936
Tax rate		**29%**	29%

24.1 **Deferred tax liability-net**

24.1.1 **Analysis of change in deferred tax**

The gross movement in the deferred tax liability during the year is as follows:

	NOTE	**2023**	2022
		Rupees	
Opening balance		**34,124,936**	31,352,476
Charged to statement of profit or loss	**36**	**(4,897,348)**	2,894,480
Charged to other comprehensive income	**21**	**98,538**	(122,020)
		29,326,126	34,124,936

24.1.2 **Net deferred tax liability is comprised of as**

	2023	2022
Deferred tax liabilities		
Accelerated tax depreciation allowed	**98,152,957**	98,314,474
Surplus on revaluation of PPE	**7,962,929**	8,193,045
Provision for gratuity	**2,190,206**	2,358,299
Deferred tax asset		
Provision for doubtful receivables	**(41,055,317)**	(41,425,285)
Provision for doubtful loan and advances	**(7,922,748)**	(8,219,121)
Deferred tax asset on brought forward losses	**(19,816,376)**	(14,910,951)
Provision for overseas loan	**(10,185,525)**	(10,185,525)
	29,326,126	34,124,936

24.2 Deferred tax asset of Rs. 19,816,376/- due to brought forward losses has been recognized in the current financial statements, as in the opinion of the management there is certainty regarding realisability of the amount (2022: Rs. 14,910,951)

	NOTE	**2023**	2022
		Rupees	
25 TRADE AND OTHER PAYABLES			
Directors current accounts	**25.1**	**28,561,614**	33,421,300
Sundry creditors	**25.2**	**31,792,267**	29,812,812
Advance rent		**2,197,662**	2,058,626
Due to sub-contractors	**25.3**	**25,543,699**	37,086,273
Accrued expenses	**25.4**	**41,862,919**	37,501,677
Due to employees and others	**25.5**	**9,009,261**	9,865,033
Advance from customers		**283,960**	3,085,885
Taxes payable		**840,221**	1,462,510
Joint venture partners' share of profit		**1,620,715**	1,620,715
Other provisions	**25.7**	**35,122,500**	35,122,500
Workers walfare fund payable		**83,925**	-
		176,918,743	191,037,331

25.1 This includes advances paid by directors of Holding Company in order to meet day to day expenses from Chairman Gen. (Rtd) Mr. Ali kuli khan and Director Khalid Kuli Khan amounting to Rs 13,038,300/-(2022 : Rs 12,538,300) and Rs 4,023,314/- (2022: Rs 14,883,000) respectively and from directors of the subsidiary company to meet the initial working capital requirements of the subsidiary company.These advances are interest free and will be settled in due course of time.

	NOTE	**2023**	2022
		Rupees	
25.2 **Balance written back during the year**			
Payable as at June 30		**32,775,939**	62,972,549
Written back		**(983,672)**	(33,159,737)
		31,792,267	29,812,812
25.3 **Balance written back during the year**			
Payable as at June 30		**26,988,036**	37,086,273
Written back		**(1,444,337)**	-
		25,543,699	37,086,273
25.4 **Balance written back during the year**			
Payable as at June 30		**42,004,583**	37,501,677
Written back		**(141,664)**	-
		41,862,919	37,501,677
25.5 **Balance written back during the year**			
Payable as at June 30		**9,114,789**	9,865,033
Written back		**(105,528)**	-
		9,009,261	9,865,033

25.6 This balance includes amounts aggregating Rs. 1.563 million (2022: Rs. 1.563 million) payable in respect of the loans obtained from the Company's Employees' Provident Fund (the Fund) during the period from 1995 to 1999. The SECP, during May 2008, had issued show-cause notices to some of the existing directors as well as ex-directors under various sections of the repealed Companies Ordinance, 1984 (the Ordinance). The SECP, vide its three orders dated 25 June, 2009, had imposed penalties aggregating Rs. 1.005 million under various sections of the Ordinance on some of the existing directors and ex-directors in their personal capacity.

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

25.7 These represent provisions made for the potential liability, in respect of borrowings of Saudi Riyals 2.50 million and Saudi Riyals 5 million during the year 1986 for the Saudi Operations of the company, that the company may have to incur as a result of settlement of overseas dues of National Bank of Pakistan in accordance with the Incentive Scheme under the State Bank of Pakistan's Circular No.19 of 05 June,1997 (For further detail please refer note 28.2(a) of these financial statements).

		NOTE	**2023** Rupees	2022 Rupees
26	**UNCLAIMED DIVIDENDS**			
	Unclaimed dividend		**1,442,230**	1,442,230
26.1	**The reconciliation of carrying amount is as follows:**			
	Opening balance		**1,442,230**	1,442,230
	Dividends declared		**-**	-
	Interest on dividend		**-**	-
	Less: Dividends paid		**-**	-
			1,442,230	1,442,230

27 JOINT VENTURE PARTNER'S ADVANCES

These advance have been obtained under various Joint Venture agreements to finance the ongoing projects. The joint venture partner is entitled to share 50% of the projects' profit financed out of these advances.

28 CONTINGENCIES AND COMMITMENTS

28.1 **Contingent assets**

The Holding Company had lodged a claim with National Highway Authority amounting Rs. 201.177 million (2022: Rs. 201.177 million) against M/s Bayinder for recovery of losses suffered by the Company attributable to the cessation of work at Islamabad - Peshawar Motorway Project.

28.2 **Contingent liabilities**

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

In view of the above and since the company has made provision for the contingent liability (note 22.6 above) in the financial statements in accordance with the Incentive Scheme under the State Bank of Pakistan's Circular No. 19 of 05 June, 1997, the management is of the opinion that there is no further requirement for any provision on this account as no adverse effect is expected. The same has been endorsed by the Company's Board of Directors (BOD) and the legal advisor in his opinion. Furthermore, the BOD has agreed to settle any liability that may arise consequent upon the outcome of the above matter.

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

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

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

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

28.3 **Commitments**

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

(a) Guarantees issued by a commercial bank and insurance companies in respect of financial and operational obligations of the Company to various institutions and corporate bodies, aggregate Rs. 50.062 million (2022: Rs. 50.062 million).

(b) There were no commitments for capital expenditures as at the balance sheet date (2022: Nil).

	NOTE	**2023**	2022
		Rupees	
29 REVENUE			
Contract income-Own projects		**6,677,706**	24,331,831
Sale		**41,824,615**	7,928,872
		48,502,321	32,260,703

		NOTE	2023 Rupees	2022
30	**CONTRACT EXPENDITURE/COST OF GOOD SOLD**			
	Materials consumed		**14,339,291**	11,215,833
	Salaries and wages		**9,376,450**	15,637,057
	Maintenance and hiring of plants		**1,920,346**	1,617,127
	Project insurance		**290,643**	455,846
	Entertainment		**1,522,196**	-
	Cartage, traveling and conveyance		**2,552,000**	1,092,339
	Site auxiliary works and temporary hutting		**1,066,743**	309,470
	Electricity		**1,610,834**	550,988
	Depreciation	**6.2**	**1,871,190**	1,490,140
	Petrol, oil and lubricants		**3,846,936**	2,133,008
	Sundry expenses		**930,165**	1,281,206
			39,326,794	35,783,014
31	**GENERAL AND ADMINISTRATIVE EXPENSES**			
	Salaries and benefits		**22,912,045**	23,393,174
	Staff retirement benefits - gratuity		**365,519**	500,742
	Repair and maintenance		**1,547,706**	1,331,430
	Rent, rates and taxes		**5,123,541**	2,892,878
	Telephone and fax		**332,303**	220,045
	Advertisement and publicity		**150,850**	180,531
	Petrol, oil and lubricants		**281,138**	1,801,383
	Legal and professional charges		**1,789,094**	1,862,000
	Power and electricity		**344,312**	1,439,905
	Travelling and conveyance		**1,736,522**	2,054,104
	Hiring of Machinery		**620,729**	170,200
	Works in view		**15,505**	104,000
	Fee and subscription		**497,116**	1,100,921
	Precommmencement expenditure		**364,490**	364,490
	Depreciation	**6.2**	**1,332,966**	1,304,543
	Other sundry expenses		**3,480,698**	4,452,384
			40,894,533	43,172,730
32	**OTHER OPERATING EXPENSES**			
	Auditor remuneration	**32.1 & 32.2**	**885,125**	955,125
	Contract asset written off during the year	**13**	**-**	38,575,588
	Loan and advances written off during the year	**14**	**1,894,595**	-
	Long term security deposits written off during the year	**10**	**662,928**	-
			3,442,648	39,530,713
32.1	**Auditor remuneration**			
	Gammon Pakistan Limited			
	Statutory audit		**498,750**	603,750
	Half yearly review		**165,375**	165,375
	Fee for other certification		**21,000**	21,000
			685,125	790,125
32.2	**Gammon Pakistan Precast (Private) Limited**			
	Statutory audit		**192,500**	157,500
	Out of pocket expenses		**7,500**	7,500
			200,000	165,000

		NOTE	2023 Rupees	2022 Rupees
33	**OTHER INCOME**			
	Income from financial assets:			
	Profit on deposit and PLS accounts		**19,085**	63,803
	Income from non-financial assets:			
	Sundry creditors written back during the year	**25.2**	**983,672**	33,159,737
	Reversal of provision against loan and advances/Contract Receivable	**14.1**	**1,021,977**	166,640
	Accrued expenses written back during the year		**141,664**	-
	Due to subcontractors written back during the year		**1,444,337**	-
	Provision reversed during the year		**1,275,749**	-
	Employees Payable written back		**105,528**	-
	Rental income on investment property		**37,503,248**	25,771,458
	Gain on sale of obsolete fixed assets/stores & spares		**3,269,556**	3,468,959
	Misc. Income		**1,075,594**	-
			46,840,410	**62,630,597**
34	**FINANCE COST**			
	Bank charges		**8,687**	26,703
	Worker walfare fund		**83,925**	-
			92,612	26,703

35 FAIR VALUE GAIN ON INVESTMENT PROPERTY

The Company as at June 30, 2023 revalued all of its investment property. The revaluation exercise was carried out by Impulse (Private) Limited and the revaluation resulted in fair value gain amounting to Rs. 2,321,302 (2022: Rs. 8,998,562).

		NOTE	2023 Rupees	2022 Rupees
36	**TAXATION**			
	Current year		**3,415,220**	5,140,044
	Prior year adjustment		**162,975**	-
	Deferred tax		**(4,897,348)**	2,894,480
			(1,319,153)	8,034,524

36.1 No numeric tax rate reconciliation is presented in these consolidated financial statements for the year ended June 30, 2023 as the income of the Group is subject to separate taxation regime under the Income Tax Ordinance, 2001.

36.2 The applicable income tax rate for the Tax Year 2023 and beyond is 29% on account of changes made to Income Tax Ordinance, 2001 through Finance Act 2020. Therefore, deferred tax is computed at the rate of 29% applicable to the period when temporary differences are expected to be reversed / utilised.

37 EARNINGS PER SHARE - BASIC AND DILUTED

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

		2023	2022
Profit / (Loss) attributable to shareholders of holding company	***RUPEES***	**14,954,329**	(22,060,705)
Weighted average number of ordinary shares at the end of the year	***NUMBERS***	**28,266,231**	28,266,231
Basic and diluted (loss) per share	***RUPEES***	**0.53**	(0.78)

37.1 **Earnings per share comprises as follows:**

	2023	2022
Distributable loss	**0.45**	(1.10)
Undistributable - unrealised fair value gains	**0.08**	0.32
	0.53	(0.78)

37.2 Under the provisions of Companies Act, 2017 unrealized gain on fair value of investment property is not distributable as dividend.

38 RELATED PARTY TRANSACTIONS

Related parties comprise of the holding company, subsidiaries, associated companies, directors and executives. The Group in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under relevant notes. Remuneration of directors and executives are disclosed in note 40 whereas other significant transactions with related parties are disclosed here.

Name of the Related Party	Relationship	Transaction during the year	2023	2022
			Rupees	
Associated Companies				
Ghandhara Nissan Limited	Common Directorship	Rental income	**4,092,825**	3,690,500
		Rental received	**(4,092,825)**	(3,690,500)
Ghandhara Industries Limited	Common Directorship	Rental income	**4,059,550**	3,357,750
		Rental received	**(4,325,750)**	(3,025,000)
Janana De Malucho Textile Mills Limited	Common Directorship	Rental income	**254,705**	225,500
		Rental received	**(242,000)**	(220,000)
Baberi Cotton Mills Limited	Common Directorship	Rental income	**-**	-
		Rental received	**-**	-
Rehman Cotton Mills Limited	Common Directorship	Rental income	**242,000**	220,000
		Rental received	**(242,000)**	(220,000)
Bannu Woollen Mills Limited	Common Directorship	Rental income	**11,609,188**	3,072,766
		Rental received	**(11,863,576)**	(2,364,520)
Bibojee Services (Private) Limited	Common Directorship	Generator Purchased	**-**	30,000
		Amount Paid	**-**	(30,000)
The Ghandhara Tyre & Rubber Company Limited	Common Directorship	Purchases	**460,170**	40,638
		Amount Paid	**-**	(40,638)

38.1 The status of outstanding balances of related parties as at June 30, 2023 are included in other receivable (note 15.1) and trade and other payables (note 25).

	NOTE	2023	2022
		Rupees	
39 PROFIT BEFORE WORKING CAPITAL CHANGES			
Profit/ (Loss) before taxation		**13,907,445**	(14,623,297)
Adjustment for:			
Depreciation	**6**	**3,204,156**	2,794,683
Precommencement expenditure		**364,490**	364,490
Staff retirement benefits - gratuity		**365,519**	500,742
Disposal of fixed assets/store, spares & loose tools as scrap		**-**	(157,560)
Fair value gain on investment property	**7**	**(2,321,301)**	(8,998,562)
Finance cost	**34**	**92,612**	26,703
		1,705,476	(5,469,504)
		15,612,921	(20,092,801)

40 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

a) The aggregate amount charged in the consolidated financial statements for remuneration, including all benefits to Chief Executive, Directors and Executives of the Holding Company is as follows:

	2023				2022			
	Chief Executive	Directors	Executives	Total	Chief Executive	Directors	Executives	Total
	------------------------ Rupees ------------------------				------------------------ Rupees ------------------------			
Managerial remuneration	-	-	4,348,128	4,348,128	-	-	3,714,974	3,714,974
House rent	-	-	869,626	869,626	-	-	743,003	743,003
Medical	-	-	869,626	869,626	-	-	743,003	743,003
Utilities	-	-	869,626	869,626	-	-	743,003	743,003
Others	-	-	1,739,251	1,739,251	-	-	1,485,936	1,485,936
Total	-	-	8,696,256	8,696,256	-	-	7,429,919	7,429,919
Number of persons	1	7	3	11	1	7	2	10

b) No remuneration was paid to the chief executive during the year and to the directors during the current year and preceding financial years.

c) The Chief Executive and certain executives are also provided with cars for business and personal use in accordance with the Holding Company's car scheme.

41 FINANCIAL ASSETS AND LIABILITIES

The Group's exposure to interest rate risk on its financial assets and liabilities are summarized as follows:

	2023				
		Interest/mark up bearing			
	Total	Maturity upto one year	Maturity after one year	Sub-total	Not interest / mark up bearing
			Rupees		
Financial assets					
Financial assets carried at amortized cost					
Long term investments	**1,300,413**	**-**	**1,300,413**	**1,300,413**	**-**
Long term security deposits	**1,200,600**	**-**	**-**	**-**	**1,200,600**
Contract receivables	**45,065,957**	**-**	**-**	**-**	**45,065,957**
Other receivables	**5,073,726**	**-**	**-**	**-**	**5,073,726**
Contract asset	**65,049,779**	**-**	**-**	**-**	**65,049,779**
Cash and bank balances	**3,257,746**	**898,839**	**-**	**898,839**	**2,358,907**
	120,948,221	**898,839**	**1,300,413**	**2,199,252**	**118,748,969**
Financial liabilities					
Financial liabilities carried at amortized cost					
Trade and other payables	**176,918,743**	**-**	**-**	**-**	**176,918,743**
Unclaimed dividends	**1,442,230**	**-**	**-**	**-**	**1,442,230**
Deferred liability	**7,552,434**	**-**	**-**	**-**	**7,552,434**
Joint venture partner's advances	**30,059,542**	**-**	**-**	**-**	**30,059,542**
	215,972,949	**-**	**-**	**-**	**215,972,949**
On balance sheet gap	**(95,024,728)**	**898,839**	**1,300,413**	**2,199,252**	**(97,223,980)**
Off Balance sheet Items					
Financial contingencies and commitments	**(136,794,238)**	**-**	**-**	**-**	**(136,794,238)**
Total Gap	**(231,818,966)**	**898,839**	**1,300,413**	**2,199,252**	**(234,018,218)**

	2022				
		Interest/mark up bearing			
	Total	Maturity upto one year	Maturity after one year	Sub-total	Not interest / mark up bearing
			Rupees		
Financial assets					
Financial assets carried at amortized cost					
Long term investments	1,300,413	-	1,300,413	1,300,413	-
Long term security deposits	1,863,528	-	-	-	1,863,528
Contract receivables	45,918,093	-	-	-	45,918,093
Other receivables	1,369,228	-	-	-	1,369,228
Contract asset	65,049,779	-	-	-	65,049,779
Cash and bank balances	2,168,146	899,760	-	899,760	1,268,386
	117,669,187	899,760	1,300,413	2,200,173	115,469,014
Financial liabilities					
Financial liabilities carried at amortized cost					
Trade and other payables	191,037,331	-	-	-	191,037,331
Unclaimed dividends	1,442,230	-	-	-	1,442,230
Deferred liability	8,132,065	-	-	-	8,132,065
Joint venture partner's advances	30,059,542	-	-	-	30,059,542
	230,671,168	-	-	-	230,671,168
On balance sheet gap	(113,001,981)	899,760	1,300,413	2,200,173	(115,202,154)
Off Balance sheet Items					
Financial contingencies and commitments	(85,184,000)	-	-	-	(85,184,000)
Total Gap	(198,185,981)	899,760	1,300,413	2,200,173	(200,386,154)

41.1 Effective interest rates are mentioned in the respective notes to the financial statements.

42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

42.1 Risk management policies

The Group’s objective in managing risks is the creation and protection of share holders’ value. Risk is inherent in the Group’s activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Group’s continuing profitability. The Group is exposed to credit risk, liquidity risk and market risk (which includes interest rate risk and price risk) arising from the financial instruments it holds.

The Group finances its operations through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

42.2 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail to perform as contracted and arises principally from trade and other receivables. The Group’s policy is to enter into financial contracts with reputable counter parties in accordance with the internal guidelines and regulator requirements.

Exposure to credit risk

The carrying amounts of the financial assets represent the maximum credit exposures before any credit enhancements. Out of total financial assets, the financial assets which are subject to credit risk amounted to Rs. 134,832,791 (2022: Rs. 144,347,567). The carrying amounts of Group's financial assets exposed to credit risk at reporting date are as under:

	NOTE	**2023**	2022
		Rupees	
Long term security deposits	**10**	**1,200,600**	1,863,528
Contract receivables	**12**	**45,065,957**	45,918,093
Loans and advances	**14**	**16,243,107**	29,193,221
Other receivables	**15**	**5,073,726**	1,369,228
Contract asset	**13**	**65,049,779**	65,049,779
Bank balances	**19**	**2,199,622**	953,718
		134,832,791	144,347,567

The aging of contract receivables at the reporting date is:

	2023	2022
Not past due	**-**	-
Past due 1-30 days	**-**	-
Past due 30-90 days	**-**	-
Past due 90 days	**45,065,957**	45,918,093
	45,065,957	45,918,093

All the Group's trade contract receivables at balance sheet date represent domestic parties.

To manage exposure to credit risk in respect of trade receivables, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Where considered necessary, advance payments are obtained from certain parties.

The exposure to banks is managed by dealing with major bank and monitoring exposure limits on continuous basis.

Concentration of credit risk

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

42.3 **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The followings are the contractual maturities of financial liabilities, including interest payments if any and excluding the impact of netting agreements, if any:

	2023						
	Carrying Amount	**Contractual Cash Flow**	**Six Month or Less**	**Six to Twelve Month**	**One to Two Year**	**Two to Five Year**	**Over Five Year**
	Rupees						
Trade and Other Payable	**176,918,743**	**176,918,743**	**176,918,743**	**-**	**-**	**-**	**-**
Unclaimed Dividend	**1,442,230**	**1,442,230**	**-**	**-**	**1,442,230**	**-**	**-**
Deferred Liability	**7,552,434**	**-**	**-**	**-**	**-**	**7,552,434**	**-**
Joint Venture partner's advance	**30,059,542**	**30,059,542**	**30,059,542**	**-**	**-**	**-**	**-**
	215,972,949	**208,420,515**	**206,978,285**	**-**	**1,442,230**	**7,552,434**	**-**

	2022						
	Carrying Amount	Contractual Cash Flow	Six Month or Less	Six to Twelve Month	One to Two Year	Two to Five Year	Over Five Year
	Rupees						
Trade and Other Payable	191,037,331	191,037,331	191,037,331	-	-	-	-
Unclaimed Dividend	1,442,230	1,442,230	-	-	1,442,230	-	-
Deferred Liability	8,132,065	-	-	-	-	8,132,065	-
Joint Venture partner's advance	30,059,542	30,059,542	30,059,542	-	-	-	-
	230,671,168	222,539,103	221,096,873	-	1,442,230	8,132,065	-

42.4 **Market risk**

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

a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arise in financial instruments that are denominated in foreign currencies i.e. in a currency other then the functional currency in which they are measured.

Presently the Group is not exposed to foreign currency risk except contingencies as disclosed in note 28.2 to these consolidated financial statements.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from long term loans and short borrowings. The Group believes that it is not exposed to any significant interest rate risk.

The Group is not exposed to any material interest rate risk, except fixed rate financial instrument (long term investment- note 9) which has a fixed rate of interest, therefore, no sensitivity analysis has been presented.

c) Other price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

At the year end the Group is not exposed to price risk since there are no financial instruments whose fair value or future cash flows will fluctuate because of changes in market prices.

43 FAIR VALUE MEASUREMENT

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in arms length transactions.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

The financial instruments that are not traded in active market are carried at cost and are tested for impairment according to IFRS 9. The carrying amount of trade receivables and payables are assumed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments, if relevant.

	June 30,2023		June 30,2022	
	Carrying Amount	**Fair value**	Carrying Amount	Fair Value
	Rupees			
Assets Carried at Amortized Cost				
Contract receivables	**45,065,957**	**45,065,957**	45,918,093	45,918,093
Contract asset	**65,049,779**	**65,049,779**	65,049,779	65,049,779
Loans and advances	**16,243,107**	**16,243,107**	29,193,221	29,193,221
Other receivables	**5,073,726**	**5,073,726**	1,369,228	1,369,228
Cash and bank balances	**3,257,746**	**3,257,746**	2,168,146	2,168,146
	134,690,315	**134,690,315**	143,698,467	143,698,467

	June 30,2023		June 30,2022	
	Carrying Amount	**Fair value**	Carrying Amount	Fair Value
	Rupees			
Liabilities Carried at Amortized Cost				
Trade and Other Payable	**176,918,743**	**176,918,743**	191,037,331	191,037,331
Unclaimed Dividend	**1,442,230**	**1,442,230**	1,442,230	1,442,230
Joint Venture partner's advance	**30,059,542**	**30,059,542**	30,059,542	30,059,542
	208,420,515	**208,420,515**	222,539,103	222,539,103

As at June 30, 2023 the Group did not hold any financial instruments carried at fair value. Moreover, investment property and operating fixed assets are measured at fair value.

The investment property and freehold land and building in operating fixed assets were valued on June 30, 2023 carried out by external independent valuer M/s Impulse (Private) Limited.

	As at June 30,2023			
	Level 1	**Level 2**	**Level 3**	**Total**
	Rupees			
Assets				
Investment Property Carried at Fair Value		**-**	**479,831,160**	**479,831,160**
Freehold Land and Building	**-**	**-**	**299,431,236**	**299,431,236**
	-	**-**	**779,262,396**	**779,262,396**

	As at June 30,2022			
	Level 1	Level 2	Level 3	Total
	Rupees			
Assets				
Investment Property Carried at Fair Value		-	477,509,859	477,509,859
Freehold Land and Building	-	-	296,956,416	296,956,416
	-	-	774,466,275	774,466,275

	NOTE	**2023**	2022
		Rupees	
Reconciliation of net increase in level 3 fair values:			
Fair value at beginning of the year		**774,466,275**	754,472,000
Depreciation charged during the year		**(438,665)**	(441,734)
Additions		**-**	3,955,154
Remeasurement recognized in profit or		**2,321,301**	8,998,562
Remeasurement recognized in OCI		**2,913,485**	7,482,293
Fair value at end of the year		**779,262,396**	774,466,275

The Holding Company has revalued its freehold land, buildings on June 30, 2023 and plant and machinery on June 30, 2019 by independent valuer M/s Impulse (Private) Limited on the basis of market values of similar properties. The fair value of free hold land, buildings and plant and machinery is a level 3 recurring fair value measurement.

Interest rate used for determining fair value

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve at the reporting date plus an adequate credit spread. For instruments carried at amortized cost, since majority of the interest bearing instruments are variable rate based instruments, there is no difference in carrying amount and the fair value. Further, for fixed rate instruments, since there is no significant difference in market rate and the rate of instrument and therefore most of the fixed rate instruments are of short term in nature, fair value significantly approximates to carrying value.

Fair value hierarchy

International Financial Reporting Standard (IFRS) 13, "Fair Value Measurement" requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The table below analysis financial instruments carried at fair value by valuation method. The different values have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: input other than quoted prices included with in Level 1 that are observable for assets and liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of the fair value hierarchy are recognized at the end of the reporting period during which the change the occurred. However, there is no transfers between levels during the year.

43.1 **Determination of fair values**

A number of the Group's accounting polices and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined of measurement and / or disclosure purposes based on the following methods.

Non-derivate financial asset

The fair value of non-derivate financial asset is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. The fair value is determined for disclosure purposes.

Non-derivate financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

44 DISCLOSURE REQUIREMENT FOR ALL SHARE ISLAMIC INDEX

With reference to circular no. 14 of 2016 dated April 21, 2016, issued by the Securities and Exchange Commission of Pakistan relating to "All Shares Islamic Index", the Company does not have investment, bank balance or other operations having Islamic mode therefore, individual items required by circular no. 14 of 2016 have not been disclosed.

45 CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as net profit after taxation divided by total shareholders' equity. The Board of Directors also monitors the level of dividend to ordinary shareholders. There were no changes to the Group's approach to capital management during the year and the Group is not subject to externally imposed capital requirements.

The capital structure of the Group is as follows:

	NOTE	**2023** **Rupees**	2022
Equity		**795,765,049**	777,599,404
Gearing ratio		**-**	-

46 JOINT VENTURES

46.1 The Joint Venture for execution of Bong Canal Bridge, Mangla with Sarwar Construction (Private) Limited was in the ratio of 60:40 and the Holding Company recognized its own share i.e. 60% of income and expenses in the preceding years' financial statements.

46.2 As approved by the Board of Directors, the management had entered into Joint Venture arrangements for the execution of the following Projects in prior years:

	Project value Rs. in million	Profit sharing ratio Investor
Khalifa Gul Nawaz Medical Complex, Bannu	402.36	50%
Durrani Public School, Bannu - Phase II	295	50%
Hawad / Nurar Bridges, Bannu	176.42	50%

47 INFORMATION ABOUT BUSINESS SEGMENTS

For management purposes, the activities of the Group have been divided into own projects and joint ventures. The Group operates in these business segments based on risk and return, organizational and management structure and internal financial reporting systems. Operating results of joint ventures have not been separately disclosed in these financial statements as these do not meet the minimum thresholds prescribed by IFRS 8 (Operating Segments).

The Group's operations are confined to Pakistan in terms of customers; accordingly, the figures reported in these financial statements relate to the Group's business segments relating to Pakistan.

48 NUMBER OF EMPLOYEES

	2023	2022
	Numbers	
As at June 30	**19**	22
Average during the year	**21**	21

49 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS

49.1 MANAGEMENT ASSESSMENT OF GOING CONCERN

The Group has taken all necessary steps to ensure smooth and adequate continuation of its business in order to maintain business performance despite slowed down economic activity under COVID. The lockdowns have caused disruptions in the supply chain including completion of projects and transportation of labour at site resulting in a decline in revenue. It is also expected that the outbreak may result in lower demand in future due to continuing COVID crisis. Due to the expectation that there may be lower business activity in future, the management has assessed the going concern assumption used for the preparation of these consolidated financial statements.

Further the Group has earned an operational gain during the current year amounting to Rs 11.678 million.Further it has managed to meet the day to day working capital requirements and to repay all the administrative cost through the rental income earned from investment properties. However, the management is confident of the Group’s ability to continue as a going concern based on its concentrated effort to re-profile the operational activities and utilization of improved liquidity in cost efficient operational levels of machinery and related projects. The Group undertook following significant operational measures in order to generate liquidity and profitable projects/ventures:

- New Chief Operating officer, Project Director and Chief Financial Officer hired in place of ineffective predecessorsin the preceding financial year;
- The company going to develop thier own housing and commercial projects for which necessary approvals are in process.
- On 01 September 2020 the Company entered into a joint venture agreement for 15 years with Rajcon- a construction and engineering company having expertise in pre-fabricated buildings and construction for future projects. The Owner of Rajcon also appointed as Chief Operating Officer of the company to develop, acquire and manage the future projects for the company.

49.2 **INVESTIGATION AGAINST EX-CFO**

Based on in-house internal audit report the EX-CFO of the company during the period from 01 January 2018 to 29 December 2020 was involved in certain financial transactions amounting to Rs 26.804 million, which is being investigated internally. Moreover, FIR has been lodged against him subsequent to June 30, 2021. The transactions mainly done out of books and the impact of such investigation/FIR, if any, will be accounted for in the period during which such case is completed.

50 DATE OF AUTHORIZATION FOR ISSUE

These consolidated financial statements were authorized for issue on 04 Oct 2023 by the Board of Directors of the Company.

50.1 **GENERAL**

Amounts printed in the consolidated financial statements have been rounded off to the nearest of rupee, unless otherwise stated.

The corresponding figures have been rearranged, regrouped and reclassified for the purposes of comparison and better presentation, whereever necessary. However, no significant reclassification or rearrangement has been made.

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

SUMMARY OF KEY OPERATING DATA

		2018	2019	2020	2021	2022	2023
PROFIT AND LOSS ACCOUNT							
Contract income	Rupees in Million	318.17	201.39	184.639	75.716	24.331	6.677
Net Contract profit /loss	Rupees in Million	52	22.006	11.124	(23.21)	(1.91)	(10.126)
BALANCE SHEET							
Shareholders' equity	Rupees in Million	569.905	732.62	785.77	792.354	793.869	804.356
Operating Fixed Assets	Rupees in Million	144.7	266.279	288.573	293.153	299.085	300.176
Current Assets	Rupees in Million	310.68	328.029	356.703	292.19	267.7	253.59
Current Liabilities	Rupees in Million	207.753	230.342	269.16	225.018	212.595	195.367
Cash and Cash Equivalents at year end	Rupees in Million	4.15	1.885	1.204	5.543	1.206	2.12

SAY NO TO CORRUPTION