# ANNUAL REPORT **2017**







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### **COMPANY INFORMATION**

#### **Board of Directors**

Arif Habib Samad A. Habib Alamgir A. Shaikh Abdul Qadir Hassan Ayub Adhi Kashif A. Habib Muhammad Ejaz Mohammed Siddiq Khokhar Faisal Anees Bilwany

#### Chief Financial Officer & Company Secretary

Syed Muhammad Talha

#### Audit Committee

Abdul Qadir Kashif A. Habib Muhammad Ejaz Owais Ahmed

#### HR & Remuneration Committee

Arif Habib Samad A. Habib Muhammad Ejaz Chairman Chief Executive Director Director Director Director Director Director

Chairman Member Member Secretary

Chairman Member Member



#### Auditors

Reanda Haroon Zakaria & Co. Chartered Accountants

#### Bankers

Allied Bank Limited Al-Baraka Pakistan Limited Askari Bank Limited Bank Al-Falah Limited BankIslami Pakistan Limited Faysal Bank Limited Habib Bank Limited

#### **Registered Office**

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

#### Site Office:

Naya Nazimabad, Manghopir Road, Karachi -75890 Tel : 92-21-32061997-98, 32061903-04 Fax: 92-21-36770144 Website: www.nayanazimabad.com Deloitte Yousuf Adil Chartered Accountants

MCB Bank Limited National Bank of Pakistan NIB Bank Limited Sindh Bank Limited Summit Bank Limited United Bank Limited The Bank of Punjab

#### Share Registrar

Central Depository Company of Pakistan Limited, CDC House, 99-B, Block 'B' S.M.C.H.S Shahrah-e-, Faisal, Karachi.



# Vision

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



### Mission

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

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

# **Notice of Annual General Meeting**

Notice is hereby given that 55th Annual General Meeting of Javedan Corporation Limited will be held at Stock Exchange Building, Stock Exchange Road, Karachi on November 27th , 2017 at 04:30 p.m.to transact the following business: Ordinary Business

1. To confirm the minutes of Annual General Meeting of the shareholders held on October 25, 2016.

- 2. To receive, consider and adopt annual audited financial statements for the year ended June 30, 2017 together with the Reports of the Auditors and Director thereon.
- 3. To appoint Auditors for the year ending June 30, 2018 and to fix their remuneration.
- 4. To consider and approve final cash dividend for the year ended June 30, 2017 @ 25% i.e at PKR 2.5 per ordinary share as recommended by the Board of Directors.

#### Special Business

#### 5. To consider and if thought fit to pass the following Special Resolution with or without modification(s):

The Company after due and careful consideration of the proposal for re-alignment of Company's overall authorized capital by reallocation of Authorised Capital to remain available as decided by the directors for issuance of Ordinary/Preference Shares of the Company, and pass the following special resolutions to give effect to same :

**RESOLVED THAT,** the existing Clause V of the Memorandum of Association of the Company shall be deleted and replaced with the following new clause V in the Memorandum of Association of the Company:

"The Authorised Share Capital of the Company is Rs. 2,900,000,000 (Rs. Two Billion Nine Hundred Million only) which may be utilized to issue Ordinary Shares of Rs. 10/- each and/or Preference Shares of Rs. 10/- each of the Company as the Board of Directors of the Company may decide from time to time in accordance with the Companies Act, 2017 and the rules and regulations made by the Securities and Exchange Commission of Pakistan from time to time. The Preference Shares shall carry such rights and privileges and be subject to such conditions as provided in the Company's Article of Association. The Company shall have the power to increase, reduce, consolidate, sub-divide or re-organize the capital of the Company and divide the shares in the capital and kinds thereof for the time being into several classes in accordance with the provisions of the Companies Act, 2017 and the rules and regulations made by the Securities and Exchange Commission of Pakistan from time to time.

**Further Resolved That** the Chief Executive Officer or Company Secretary be and is hereby authorized to take and do and/or cause to be taken or done any/all necessary actions, deeds, agreements, contracts, appointments and things which are or may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, agreements, contracts, appointments and things which are necessary, incidental and/or consequential to aforesaid resolutions

Statement under Section 134(3) of the Companies Act 2017 containing material facts concerning special business to be transacted as special resolution at the Annual General Meeting is attached with the notice.

#### Any Other Business

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

A statement as required under section 134(3) of the Companies Act, 2017 is being sent to the members along with this notice.

By Order of the Board

Syed Muhammad Talha Company Secretary

Karachi: November 06, 2017

#### Notes:

- 1. Share transfer books will remain closed from November 21, 2017 to November 27, 2017 (both days inclusive).
- 2. All Members are entitled to attend and vote at the meeting. A member may appoint a proxy who needs to be a Member of the Company.
- 3. Transfer received in order at the office of our Share Registrar M/s. Central Depository Company of Pakistan Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi 74400 at the close of the business on Monday, November 20, 2017, will be considered in time for the determination of entitlement of shareholders to attend and vote at the meeting.
- 4. Any change of addresses of Members should be notified immediately to the Company's Registered Office or Share Registrar's Office.
- 5. CDC Account Holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan:

#### A. Attending the Meeting:

- i. In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per Regulations, shall authenticate his 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 Directors' resolution / power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.

#### B. For Appointing Proxies:

- i. In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per Regulations, shall submit the proxy form as per requirement by the Company.
- 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 along with proxy form to the Company.

### STATEMENT U/S 134(3) OF THE COMPANIES ACT, 2017 WITH RESPECT TO SPECIALBUSINESS AS CONTAINED IN THE NOTICE OF ANNUAL GENERAL MEETING TO BE HELD ON NOVEMBER 27th, 2017.

### This Statement sets out the material facts concerning the Special Business to be transacted at the Annual General Meeting of the Company to be held on November 27, 2017.

The Company wishes to reallocate the Authorised Capital as Authorized Capital for Ordinary / preference Shares, as decided by the board of directors, and in order to do so wishes to amend its Memorandum of Association by passing a special resolution.

The interest of the Directors in the proposed special resolutions is that of their being the directors/shareholders of the Company and/or the nominees of the institutional shareholders.

#### INSPECTION OF DOCUMENTS

A copy of the Memorandum and Articles of the Company being altered is available for inspection at the Company's Registered Office of the Company.





### **Core Values and Code of Conduct**

#### Overview

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

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

#### **Objectives:**

JCL follows ethical and responsible business practices when conducting its operations

#### Responsibilities

#### To Our Employees:

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

#### To Our Customers:

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

#### This means that we:

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



#### To Our Suppliers:

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

#### To Our Shareholders:

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

#### Health, safety, enviroment & community

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

#### Compliance with the laws of country

We always confine to the prevailing laws, Utmost care is taken by us to discharge all our legal responsibilities.

#### Internal control and financial reporting

We have implemented a very sound and reliable internal control system in our organization, which is well understood by all of our employees and parties dealing with us.

Financial planning is a core activity of our system through which we ensure efficient and effective utilization of financial and human resources.

Financial reporting system employed by us is very effective and transparent is being relied upon by society at large.



### **Board of Directors'**









### Mr. Arif Habib

Mr. Arif Habib is the Chairman of Javedan Corporation Limited. He is also the Chairman of Aisha Steel Mills Limited, Pakarab Fertilizers Limited, Fatima Fertilizer Company Limited, Fatimafert Limited, and Sachal Energy Development (Pvt.) Limited. He is also the Chief Executive of Arif Habib Corporation Limited.

Mr. Arif Habib remained the elected President/Chairman of Karachi Stock Exchange for six times in the past and was a Founding Member and Chairman of the Central Depository Company of Pakistan Limited. He has served as a Member of the Privatisation Commission, Board of Investment, Tariff Reforms Commission and Securities & Exchange Ordinance Review Committee. Over the years he has been nominated on the Board of Directors of a number of companies by the Government of Pakistan.

Mr. Habib participates significantly in welfare activities. He is one of the trustees of Fatimid Foundation and Memon Health & Education Foundation as well as a director of Pakistan Centre for Philanthropy, Karachi Education Initiative and Karachi Sports Foundation.

#### **Corporate Responsibilities**

Arif Habib Corporation Limited (Chief Executive)

#### As Chairman

- . Aisha Steel Mills Limited
- . Arif Habib Consultancy (Private) Limited
- . Arif Habib Foundation
- . Black Gold Power Limited
- . Fatima Fertilizer Company Limited
- . Fatimafert Limited
- . Javedan Corporation Limited
- . Karachi Sports Foundation
- . Pakarab Fertilizers Limited
- . Sachal Energy Development (Private) Limited

#### As Director

- . Arif Habib Real Estate Services (Private) Limited
- . Fatima Cement Limited
- . International Builders and Developers (Private) Limited
- . International Complex Projects Limited
- . NCEL Building Management Limited
- . Pakarab Energy Limited
- . Pakistan Business Council
- . Pakistan Engineering Company Limited
- . Pakistan Opportunities Limited

#### As Honorary Trustee/Director

- . Fatimid Foundation
- . Karachi Education Initiative
- . Memon Health and Education Foundation
- . Pakistan Centre for Philanthropy



### Mr. Samad A. Habib

Cheif Executive

Mr. Samad A. Habib is the Chief Executive of Javedan Corporation Limited. Mr. Samad A. Habib has more than 15 years of experience, including 9 years of working in the financial services industry in various senior management roles. He began his career with Arif Habib Corporation Limited (the holding company of Arif Habib Group) and has served the company in various executive positions including Executive Sales and Business Promotions, Company Secretary, Head of Marketing, etc.

In September 2004, he was appointed the Chairman and Chief Executive of Arif Habib Limited. As Chairman he was responsible for the strategic direction of the company and was actively involved in capital market operations and corporate finance activities such as serving corporate clients, institutional clients, high net worth individuals, and raising funds for clients through IPO's, private placements etc. He resigned from that position in January 2011.

Mr. Samad A. Habib holds a Master's degree in Business Administration.

#### **Corporate Responsibilities**

. Javedan Corporation Limited (Chief Executive)

#### As Director

- . Arif Habib Equity (Pvt.) Limited
- . Arif Habib Foundation
- . Arif Habib Dolmen REIT Management Limited
- . Arif Habib Real Estate Services (Pvt.) Limited
- . MCB-Arif Habib Savings & Investments Limited
- . International Complex Projects Limited
- . Nooriabad Spinning Mills (Pvt.) Limited
- . Pakarab Fertilizers Limited
- . Pakistan Opportunities Limited
- . Parkview Company Limited
- . Power Cement Limited
- . REMMCO Builders & Developers Limited
- . Rotocast Engineering Company (Pvt.) Limited
- . Safemix Concrete Limited
- . Sweetwater Dairies Pakistan (Pvt.) Limited



### Mr. Kashif A. Habib

Mr. Kashif A. Habib is the Director of Javedan Corporation Limited. He is the Chief Executive of Power Cement Limited and Safe Mix Concrete Limited. Being a member of the Institute of Chartered Accountants of Pakistan (ICAP) he completed his articleship from A.F. Ferguson & Co. (a member firm of Price Waterhouse Coopers), where he gained experience of a diverse sectors serving clients spanning the Financial, Manufacturing and Services industries.

He has to his credit four years of experience in Arif Habib Corporation Limited as well as over five years' experience as an Executive Director in cement and fertilizer companies of the group.

#### **Corporate Responsibilities**

- . Power Cement Limited (Chief Executive)
- . Safe Mix Concrete Limited (Chief Executive)

#### As Director

- . Aisha Steel Mills Limited
- . Arif Habib Corporation Limited
- . Arif Habib Equity (Private) Limited
- . Arif Habib Foundation
- . Arif Habib Real Estate Services (Pvt.) Limited
- . Black Gold Power Limited
- . Bubber Sher (Pvt.) Limited
- . Fatimafert Limited
- . Fatima Fertilizer Company Limited
- . Fatima Cement Limited
- . Javedan Corporation Limited
- . Memon Health and Education Foundation
- . Nooriabad Spinning Mills (Private) Limited
- . Pakarab Fertilizers Limited
- . REMMCO Builders & Developers Limited
- . Reliance Sacks Limited
- . Rotocast Engineering Company (Pvt.) Limited



### Mr. Muhammad Ejaz

Director

Muhammad Ejaz is the Director of Javadan Corporation Limited . He is the founding Chief Executive of Arif Habib Dolmen REIT Management Limited, which has successfully launched South Asia's first listed REIT fund. He has been associated with Arif Habib Group since August 2008 and sits on the board of several group companies. He has spear headed several group projects when these were at a critical stage during their execution.

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

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

He actively participates in the group's CSR initiatives and is the Managing Trustee for Jinnah Foundation Memorial Trust, which renders services in the fields of health and education with emphasis on female literacy.

#### Corporate Responsibilities

. Arif Habib Dolmen REIT Management Limited (Chief Executive)

#### As Director

- . Aisha Steel Mills Limited
- . Arif Habib Corporation Limited
- . Arif Habib Real Estate Services (Pvt.) Limited
- . Javedan Corporation Limited
- . Power Cement Limited
- . REMMCO Builders & Developers Limited
- . Sachal Energy Development (Pvt.) Limited



### Mr. Abdul Qadir Sultan

Mr. Abdul Qadir Sultan is a Qualified Chartered Accountant from the Institute of Chartered Accountants of Pakistan (ICAP). He is currently working as the Head of Branchless Banking Audits and Special Projects at Telenor Microfinance Bank Limited (A subsidiary of the Telenor Group). He completed his article ship from

A.F.Ferguson & Co. one of the finest accountancy firms in Pakistan. He has a working experience of over 12 years in various diversified capacities. His last assignment was as the Head of Internal Audit at AKD Investment Management Limited (The Asset Management Company of the AKD Group managing a portfolio of over Rs. 5 billion). He is a certified director from ICAP and holds a diploma in Islamic Finance from CIMA (UK). Mr. Sultan takes keen interest in the promotion of education, trade and industry and strongly advocates these causes through various professional, corporate and trade platforms. He is also a member of the PAIB Committee of ICAP and the Rotary Club of Karachi.



# Alamgir A. Shaikh

Mr. Alamgir Anwer Shaikh is a businessman. He is associated with Chamber of Commerce and Industries where he served as Advisor to the office of Chairman Banking & Insurance Committee, Chairman Renovation Committee, Chairman & Advisor Export Committee and Hilal Foods and Imports Development. He is also serving as President of Snooker Association of Pakistan and also represented Habib Bank and Karachi Region as domestic hockey player. In 2014 he was appointed as Vice President of Asian Federation of Snooker. In honor of recognition to his efforts in the sports of snooker the President of Pakistan awarded him "President's Award for Performance Excellence".



### Faisal Anees Bilwany

Faisal Anees Bilwany is architect at Faisal Bilwany Associates. He has practical knowledge of dealing with Construction and real estate Business. He is a member of Pakistan Council of Architects and Town Planners (PCATP) and Licensed architect of Sindh Building Control Authority (SBCA) and Defence Housing Authority (DHA). He has done Local and international projects and has a vast experience of residential and commercial projects.





Mr. Hassan Ayub is very young and energetic. He has practical knowledge of dealing with Construction and Real-Estate Business. He is currently associated with Defence property and also doing Automobile business. He has working experience in various diversified capacities.



#### Mr. Mohammed Siddiq Khokhar Director

Mr. Muhammed Siddiq Khokhar holds Master Degrees in Economics and in Islamic studies. Also acquired L.L.M. Degrees from Karachi University. He is the Members of Karachi Bar Association and enrolled with Sindh Bar Council. He is an Advocate High Court. and practising in the field of Civil, Criminal, Corporate and Labour matters. He is the partner in a Law house namely SANDHU AND SIDDQUE ASSOCIATES.

He has gained extensive experience in the area of Finance, Economics, Management and legal matters and attained the position of SENIOR ECONOMIST; in PCSIR Ministry of Science and Technology; Government of Pakistan, where he prepared many pre-feasibility reports, which were approved, recognized and implemented by the ECNEC, Government of Pakistan for commercial production.

He is well known critic on finance, accounts and various appraisals in the corporate world and his contribution in this respect has been appreciated by the higher ups. He has contributed many articles on economy, finance and budget etc in th various newspaper and magazines of high repute.

At present, he is the Director of Golden Arrow Selected Fund and Chairman, Audit Committee. He has also served the Board of First Dawood Investment Bank Limited as Director, nominated by National Investment Trust, He has remained an independent Director in Network Micro Finance Bank Limited (Now APNA MICROFINANCE BANK LTD).

Mr. Siddiq Khokhar is the certified director by Securities and Exchange Commission of Pakistan and Insitute of Chartered Accountant of Pakistan as required under corporate governance.t



### Syed Muhammad Talha

CFO & Company Secretary

Syed Muhammad Talha is the Fellow member of the Associations of Certified Chartered Accountants and holds a Master's degree in Commerce from Karachi University. He completed his article ship from EY Ford Rhodes and Co, Chartered Accountants, where he gained experience of diverse sectors serving clients spanning the Financial, Manufacturing, Trading and Service industries. Before joining the Company he served Al-Abbas Group and Ghulam Faruqe Group.

Syed Muhammad Talha is also the Chief Financial Officer of Safe Mix Concrete Limited and International Builders and Developers (Pvt) Limited. Further, he is also serving as a Director of Safe Mix Concrete Limited. He is associated with the group for more than 8 years. He has a working experience of 15 years in various diversified capacities including property operations.



# **Organizational Structure**



# Directors' Report to the Shareholders

On behalf of the Board of Directors of the Company, I am pleased to present the Annual Report of the Company for the year ended June 30, 2017 together with the audited financial statements for the year in accordance with the approved accounting standards, regulatory and legal requirements.

#### Market Review

The real estate market of Pakistan has consistently gained momentum throughout the country backed by rapid urbanization, strong Foreign Direct Investment, CPEC city based infrastructure projects and the robust demand for housing. The economic benefits of a potent real estate sector cascade across over fifty complementary industries intertwined with the positivity radiated by reduced interest rate regimes. The estimated shortfall of 10 million housing units is augmented by a further 750,000 units per annum while the total combined delivery capacity of the public and private sector is estimated at 350,000 units per year thus maintaining an unyielding demand for quality housing.

#### **Financial Review**

During the year under review, the financial performance of the Company has been noteworthy with a gross profit of Rs.1,872 million compared to Rs.934 million during the previous year, exhibiting an increase of 50%. This lead to profit-after-tax of Rs.1,095 million as compared to Rs.695 million last year. This translates to an enhanced earning per share of Rs.7.60 as compared with Rs.4.57 last year. The equity of the company has increased from Rs. 2,581 million to Rs.4,080 million. A summary of financial results is as follows:

Particulars	June 30, 2017 (Audited)	June 30, 2016 (Audited)	
	(Rupees in	(Rupees in thousands)	
Net Sales Cost of sales Gross Profit Profit before taxation Profit after taxation EPS - Basic (in rupees) EPS - Diluted (in rupees)	2,467,969 (595,735) 1,872,234 1,492,987 1,095,373 7.60 5.65	1,227,915 (292,961) 934,954 600,382 695,616 4.57 3.64	

The boost in sales revenues represents recognition of the sale of bungalows after completion and the sale of remaining inventories of Phase 1 during the year. Higher sales and improved recovery from customers resulted in improved liquidity and lower utilization of running finance throughout the financial year. This resulted in a diminished cost of finance from Rs.180 million to Rs.70 million.

Since launch, the Company financial position has improved impressively as presented as follows:-

Particulars	2012 (Launching year)	2017		
	(Rup	(Rupees)		
Accumulated (Losses)/Profit	(4,736,311,000)	4,080,848,000		
Issued Capital	581,282,000	2,022,013,000		
Banking Obligations	4,679,495,381	1,833,242,000		
Plots Prices	7,200 per square yard	28,000 per		
		square yard		

#### Dividend

The Board of Directors in its meeting held on November 04, 2017 has proposed a final Cash Dividend at the rate of PKR 2.50 per share i.e. 25% which will be submitted for approval of the members at the Annual General Meeting to be held on November 27, 2017. This entitlement shall be available to those shareholders whose names appear on the shareholders register at the close of business on 20th November 2017.

#### **Development Snapshot**

During the year under review the company has started handing over possession of plots and Bungalows to customers. As a result, several homes are now occupied or in the process of being occupied marking the birth of a community.



After initiating the handing over of bungalows, Naya Nazimabad has become a living community now

The Company has also started issuing subleases to the allottees thus transferring absolute ownership rights and making their properties bankable. Allottees are already starting construction of their houses afterby obtaining approval from Naya Nazimabad and SBCA.



Left: CEO Javedan Corporation Limited, Mr. Samad Habib handing over lease doucments to allottee, Mr. Nadeem Hafeez. Right: CFO Javedan Corporation Limited, Mr. Muahmmad Talha handing over bungalow keys to cricket super star Mr. Asad Shafiq.



Chairman Javedan Corporation Limited, Mr. Arif Habib with Mr. Aqeel Karim Dhedi and CEO Javedan Corporation Limited, Mr. Samad Habib along with the management of JCL inaugurating the construction of houses on plots in Block A

The remaining infrastructure development and construction of bungalows is being undertaken under the supervision of consultants Engineering Associates and ARCOP. We aim to hand over the remaining plots and bungalows of Phase 1 during current financial year.



Installation of Street Poles & Lights on Club Road in Block A (left) and Block C (right)

The Company has signed agreement with K Electric for the supply of 70 megawatts electricity through an underground network. Technically designed overhead storage tanks ensure 24 hour distribution of water to all residents. You will be pleased to note that SSGC has granted approval for domestic gas supply after lifting of the city wide moratorium and we aim to lay all gas lines during this financial year.



Signs **70IMW** Power Supply Agreement for 'Naya-Nazimabad' Housing Scheme

#### **Other Projects**

#### Mini Mart

The company has completed the construction of Mini Mart (super market). It will facilitate NN Allottees to get the daily necessities within the secured boundary wall.



Completion of First Super Market adjacent to the Administration Block

#### Jama Masjid

The Construction of Central Jama Masjid is in full swing providing a spiritual center at the heart of Naya Nazimabad. The 187 feet tall minaret is expected to be completed within couple of months becoming the first land mark of the project.



Construction of Central Jama Masjid

#### Football Ground

The Company has successfully finished development of a football ground which is now open for local tournaments. Recently, a successful football tournament was held at our ground with the participation of eight of the city's renowned teams



Inauguration Ceremony of Azadi Cup Football Tournament at Naya Nazimabad Football Ground

#### Naya Nazimabad Gymkhana

Naya Nazimabad Gymkhana is being developed adjacent to the existing international standard cricket stadium through the construction of these facilities, club members will have access to various recreational and sporting facilities including Swimming, Tennis, Gymnasium, Badminton Court, Squash Court, Table Tennis, Banquet Halls, Yoga, Sauna & Jacuzzi, Restaurants, Cards and Billiards room, Library and Children's Game Zone etc.



Various sporting and leisure facilities are being offered at Naya Nazimabad Gymkhana

The Honorable Chief Minister of Sindh visited Naya Nazimabad and laid the foundation stone of Naya Nazimabad Gymkhana. Speaking on the occasion, CM Sindh said, "A healthy and competitive society are our top priorities and facilities such as Naya Nazimabad Gymkhana will engage our youth in positive activities. We collectively need to provide our youth with similar avenues which will nurture their potential and help them focus on healthy lifestyle activities."



Feb 4, 2017: Chief Minister Sindh Syed Murad Ali Shah inaugurating the Stone Laying Ceremony of Naya Nazimabad Gymkhana

Naya Nazimabad Gymkhana has 6 floors dedicated to fully furnished and well-equipped guest rooms. Construction is expected to be completed within 3 years. We are hopeful that this project shall not only add value to the lifestyle of our growing community of residents but also prove to be a profitable venture in future.

#### Parks and Green Areas

Dedicated to health of our residents, the Company has developed its own nursery with over 20,000 plants. To date, more than 25,000 plants have been planted at Naya Nazimabad.



Greenery and plantation can be observed across Naya Nazimabad

#### **External Development**

While we ensure high quality internal development, we are also focusing on the external / outer development to uplift the area and its economy as a whole. For this purpose, the Company is developing a wedding Hall just outside the boundary of the project. The construction work shall be completed within 1 month. Further, the Company is constructing a multipurpose commercial project for bank branch, restaurants, shops etc. which shall also be completed during this calendar year.



Multipurpose commercial project for bank branch, shops and restaurants

Access improvement to Naya Nazimabad via broadening the road infrastructure is one of the top priorities of the management. The Company actively purchased shops and residences along the road approaching Naya Nazimabad and demolished them to widen the access. As a result, access times have been improved along with providing a hassle free drive. The introduction of Green Line and Orange Line buses in the city are further improving the connectivity of the project with the City. A key station on the route is just 2 KM away from Naya Nazimabad. The Company has planned to provide a shuttle service from Naya Nazimabad to Sakhi Hasan Bus Terminal, North Nazimabad.

Construction work on 4000 road connecting to North Karachi has commenced and is expected to be completed soon. We are now working on the development of 2000 road connecting Naya Nazimabad to Rashid Minhas Road and the signal free corridor



#### Future Outlook

The Phase 1 of the project launched in November 2011 has entered in final phase of completion and is expected to be complete in a year's time. This has resulted in higher revenue recording in year under review and is expected to continue further in the current year supplemented by sale of balance inventories. This will help in paying off debt borrowed for whole of the project. The company has decided to buy back the commercial land portion to develop apartments, Shops and Show rooms to be launched soon.

Construction of Gymkhana Club has also been started and its memberships will be opened soon. Thereafter company's balance land of 600 acres will be launched. All these initiatives will contribute significantly to the bottom line of the financials of the company.

In view of the above future of your company in medium to long term looks bright.

#### Corporate Social Responsibility (CSR)

We consider CSR as a fundamental sustainable business practice to contribute voluntarily to a better society. JCL strives to be a good corporate citizen and we have always shown strong commitment and support for public health, sports and promotion of education along with generous contributions to various social and charitable causes.

#### Adoption of 2 KM Area

The Company has adopted a 2 KM area from Naya Nazimabad to Sakhi Hasan, North Nazimabad and placed streetlights in the surrounding area in coordination with KE. Removal of garbage, cleaning and maintenance of the road is being undertaken on a daily basis. Extensive plantation is also being done in surrounding areas. The management of Naya Nazimabad ensures cleanliness and lighting 24 x 7 by engaging professional teams and maintenance staff along with the vehicles / machinery working day and night.



Streetlighting and plantation on the access road to Naya Nazimabad

#### Partnership with HANDs

With an emphasis of empowering education in the country, JCL continues its support for government schools in Karachi in collaboration with Hands to transform it into model educational campuses for the country. It includes:

- Support to improve quality education in early primary classes for selected Govt. Schools.
- Make aware and train parents, communities, local government and education department.
- Improve basic physical facilities in the selected schools.
- Train and develop teaching staff.
- In order to improve Household livelihood status of poor community/Students, provision of Livelihood support to poor communities/students for the income generating activities.



#### Naya Nazimabad and MMIH

Ensuing its commitment to supporting quality healthcare projects in the country, your Company has continued to extend its support to Memon Medical Institute Hospital. Naya Nazimabad heartily supported and sponsored a charitable fund raiser hosted by Memon Medical Institute Hospital. A colorful family event was held for two days at MMIH where thousands of families visited and enjoyed fun filled activities, concerts, magic show, food and shopping gala. Naya Nazimabad received the Gold Sponsorship shield for this event.



Chairman Javedan Corporation Limited, Mr. Arif Habib receiving sponsorship shield at inauguration ceremony of Family Fiesta organized by Memon Medical Institute Hospital

#### Naya Nazimabad and Karachi Kings

In continuation to its commitment to promoting sports at all levels, Naya Nazimabad Cricket Ground has been selected as the home ground of Karachi Kings, making it the first PSL franchise to have an International Standard Ground where Karachi Kings can train and practice and may use it for future talent hunt programs.



Chief Minister Sindh Syed Murad Ali Shah addressing guests at Send-Off Ceremony of Karachi Kings Team for PSL 2017

Karachi Kings arranged a grand Family Festival in Naya Nazimabad during PSL tournament. Along with the live streaming of all PSL matches on huge screen, musical concerts, qawali nights, food courts, basant festival, pet shows and grand fireworks etc. Some of the very entertaining and appreciable happenings were the live performances by Asim Azher, Shazia Khushk, Naeem Abbas Rufi, Ahmed Jahanzeb, Saleem Javed and Hasan Jahangir. Qawwali nights with Jamshed Sabri and Taji Brothers were also very much appreciated. Thousands of families from all around the city visited Naya Nazimabad and enjoyed a month long event in pleasing and festive environment.



Karachi Kings Family Festival at Naya Nazimabad

#### Naya Nazimabad and Karachi Kings Ramadan Tournament

Naya Nazimabad conducts a floodlit Cricket Tournament every year at Lawai Cricket Stadium during the month of Ramadan. The quarter final, semifinal and the final matches were broadcast on Geo Super. DG SBCA Mr. Agha Maqsood Abbas and the Chief Executive of the Green Line Bus Service Mr. Saleh Farooqi attended the events and appreciated the efforts of Naya Nazimabad while enjoying the tournament.



Left: CEO Javedan Corporation Mr. Samad Habib presenting Shield to Chief Executive of the Green Line Bus Service Mr. Saleh Farooqi. Right: Chairman & CEO of Javedan Corporation with DG SBCA Agha Maqsood Abbass and Crickter Anwer Ali

Semi Final matches were honored by Chief Minister Sindh, Syed Murad Ali Shah, Sport Minter Sindh Mr. Muhammad Bux Khan Mahar and Mayor Karachi Waseem Akhtar.



Right: Chairman JCL, Mr. Arif Habib presenting a shield to the Chief Minister Sindh Syed Murad Ali Shah at prize distribution ceremony of Semi Final Match of Ramadan Cup 2017. Left: Chairman & CEO of Javedan Corporation with Mayor Karachi Waseem Akhter and Rehan Hashmi

Other renowned personalities from sport and leisure also visited Naya Nazimabad during Ramadan Cup festival. Some of these were President, Pakistan Billiards and Snooker Association, Mr. Alamgir Shiekh, CEO K-Electric, Mr. Tayyab Tareen who also inaugurated the tournament and GEO Super Business Unit Head, Mr. Muhammad Ali who honored the prized distribution ceremony at Final Match along with seasoned cricketer Shahid Khan Afridi, Pakistan Captain Sarfaraz Ahmed.



Shahid Khan Afridi and Captain Sarfaraz Ahmed at Ramadan Cup, Naya Nazimabad
In the final match, Governor Sindh Mr. Muhammad Zubair was the Chief Guest and distributed the prizes and appreciated the efforts made by the Chairman, Mr. Arif Habib and the management for promoting Sports and developing Naya Nazimabad.



Chairman JCL, Mr. Arif Habib presenting shield to the Governor Sindh Mr. Muhammad Zubir at prize distribution ceremony of Final Match of Ramadan Cup 2017

Governor Sindh Mr. Muhammad Zubir and Chairman JCL, Mr. Arif Habib presenting trophy to the captain of winning team of Ramadan Cup 2017

#### Naya Nazimabad Honouring the Champions

Naya Nazimabad appreciated the young Pakistani players who played in the ICC Champions Trophy for the first time and won the title. Naya Nazimabad hosted a reception for the winning Captain, Sarfaraz Ahmed, Fakhar Zaman, Imad Waseem and Roman Raees. The Chairman Mr. Arif Habib and the CEO Mr. Samad A. Habib also congratulated the team for their success and presented cash award to honour them for their victory.



#### Naya Nazimabad and ABAD

Naya Nazimabad participated in ABAD International Expo 2017 in August at Karachi Expo Center. The exhibition received overwhelming response from the Karachites. During the event, the then DG Rangers Gen. Bilal Akbar visited Naya Nazimabad stall along with the Chairman, Mr. Arif Habib.



DG Rangers at Naya Nazimabad stall, ABAD International Expo 2017

#### Karachi Sports Foundation

Karachi Sports Foundation organized the first cricket Superstar Talent Hunt at Naya Nazimabad Cricket Stadium. The idea was to conduct a free and fair selection of young cricketers across the nation. Selection camps were setup in Karachi and Lahore to shortlist 24 candidates for the final talent hunt. The coaches and selectors for the show were renowned international cricketers like Sir Andy Roberts from West Indies, Dany Morrison from New Zealand, Damien Martyn from Australia and Jonty Rhodes from South Africa. The selected candidates will be going to Australia for further training.



Chairman JCL, Mr. Arif Habib at the Cricket Superstar Talent Hunt held at Naya Nazimabad

#### Others

Naya Nazimabad supported ARY's initiative to revive the eminence of hockey, the national game of Pakistan and sponsored the tournament Pakistan Cup. The tournament was held at National Hockey Stadium Karachi.



Naya Nazimabad participated in My Karachi – Oasis of Harmony 2017, the exhibition organized by Karachi Chamber of Commerce & Industry (KCCI) in April 2017 at Expo Centre, Karachi.

JCL has also contributed to disable persons and welfare associations during this period.

#### Health and Safety

Sustainable development has been at the top of our agenda at all times and in the pursuit of this objective, protection and preservation of the environment has remained an integral component of our operations. Our comprehensive policies guide us to address environment, safety and occupational health issues with effective implementation through a collaborative mechanism by involving employees, suppliers and customers. It is the primary responsibility of a reputable organization to provide healthy and safe environment to its workers and employees at workplace. Your company always takes necessary measures to maintain and improve a safe environment in compliance with international standards. The company has also arranged group insurance policy for all its employees.

The Company submitted Environmental Monitoring Report prepared by M/s Environmental Management Consultants (EMC) for the Company on quarterly basis. The overall indicators improve day by day at NNN. This Environmental Monitoring Report follows the IEE conditions of monitoring the Project activities to check compliance against the legal requirements. Environmental Monitoring is an activity to be undertaken by the administration over the entire project cycle showing its commitment towards meeting environmental regulations / standards and good housekeeping practices as well as maintaining health and safety standards.

#### Environment Excellence and CSR Award

Javedan Corporation Limited won the 14th Annual Environment Excellence Award 2017 on best performance in the fields of environmental protection, conservation, and sustainable socio-economic development.

Javedan Corporation Limited won CSR award 2017 for the second consecutive year in the category of "BEST PRACTICES IN CSR".



Manager Sales & Marketing – Naya Nazimabad, Mr. Ahmer Ali Rizvi receiving CSR Award 2017

#### Corporate and Financial Reporting Framework

The Board and management of the Company are committed to ensure that requirements of the Code of Corporate Governance are fully met. The Company has adopted strong Corporate Governance practices with an aim to enhance the accuracy, comprehensiveness and transparency of financial and non-financial information. The following statements are a manifestation of its commitment toward compliance:

- a. The financial statements together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984. These statements prepared by the management of the Company present fairly the state of affairs of its operations cash flows & changes in equity.
- b. The Company has maintained proper books of account as required by the Companies Ordinance, 1984.
- c. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- d. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departures therefrom has been adequately disclosed and explained;
- e. The system of internal control is sound in design and has been effectively implemented and monitored;
- f. There are no significant doubts upon the company's ability to continue as a going concern:
- g. There has been no material departure from the best practice of Corporate Governance, as detailed in Listing Regulations:
- h. As required by Code of Corporate Governance, we have included the following information in this report;
- i. Statement of Pattern of shareholding has been provided separately in the annual report.
- j. Statement of shares held by Associated Undertakings and related persons has been provided separately
- k. Statement of Board Meeting held during the year and attendance of each Director
- I. Key operating and financial statistics for the last six years have been provided separately.

#### Modification in Auditors' report emphasis

The auditors have drawn attention related to uncertainties relating to outcome of certain litigations and their impact on the Company.

#### Attendance of Board of Directors' and Board Committee Meetings

A statement showing the names of the persons who were directors of the company during the financial year along with their attendance at Board meetings is annexed as Annexure I.

#### Audit Committee

The Board of Directors has established an Audit Committee in compliance with the Code of Corporate Governance, which comprises of the following members:

Mr. Abdul Qadir	Chairman	Non-Executive Director
Mr. Kashif Habib	Member	Non-Executive Director
Mr. Muhammad Ejaz	Member	Non-Executive Director

The Audit Committee reviewed the quarterly, half-yearly and annual financial statements before submission to the Board and their publication. The Audit Committee also reviewed internal auditor's findings and held separate meetings with internal and external auditors as required under the Code of Corporate Governance. A statement showing the names of the persons who were member of the audit committee of the company company during the financial year along with their attendance at Audit committee meetings is annexed as Annexure I.

#### Human Resource (HR) and Remuneration Committee

The Board of Directors has established HR and Remuneration Committee in compliance with the Code of Corporate Governance, which comprises of the following members:

Mr. Arif Habib	Chairman	Non-Executive Director
Mr. Samad A. Habib	Member	Chief Executive Officer
Mr. Muhammad Ejaz	Member	Non-Executive Director

The HR and Remuneration Committee work to encourage highly qualified specialists to take employment at Javedan Corporation Limited and to ensure that conditions are in place for them to work effectively and remain motivated.

#### **Statutory Payments**

All outstanding payments are of normal and routine nature.

#### Statutory Compliance

During the year the Company has complied with all applicable provision, filed all returns / forms and furnished all the relevant `information as required under the Companies Ordinance 1984 and allied laws and rules, the Securities and Exchange Commission of Pakistan (SECP) Regulations and the Listing Regulations.

#### Internal Control

Your Company has adequate internal control procedures commensurate with the size of operations and the nature of the business. These controls ensure efficient use and protection of Company's financial and non-financial resources. Regular internal audit and checks ensure that responsibilities are executed effectively. The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them, from time to time.

#### Code of Conduct for Employees of the Company

The following principles constitute the code of conduct for the employees

- Punctual, focused and faithful to the Company.
- Devotion of time and efforts to productive activities.
- Polite helpful and cooperative with other employees.
- Observing company policies & regulations.
- Avoiding of favouritism.
- Promote and protect the interest of the company.
- Deal fairly, professionally and equitably with other employees.
- Exercise prudence in using company resources.

- Observe confidentiality in company matters.
- Observe cost effective practices in daily activities.
- Avoid making personal gains.
- Teamwork and responsibility in spite of obstacles and difficulties

#### Memberships

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

#### DIRECTOR'S TRAINING PROGRAM

The directors are either exempt or have already attended the directors' training as required under the Code of Corporate Governance in previous years.

#### **External Auditors**

The Auditors M/s. Reanda Haroon Zakaria & Company, Chartered Accountants, and M/s Deloitte Yousuf Adil Saleem & Co., Chartered Accountants were retired. M/s. Reanda Haroon Zakaria & Company, Chartered Accountants, being eligible offer himselves for re-appointment and EY Ford Rhodes and Company, Chartered Accountants has shown his consent for appointment.

The Audit Committee and Board of Directors recommended as joint auditors of the company for the financial year 2017-2018 in the ensuing Annual General Meeting.

#### Secretarial Compliance Certificate

The Company Secretary has furnished a Secretarial Compliance Certificate a part of the Annual Return filed with the Commission to certify that the Secretarial & Corporate requirements of the Companies Ordinance, 1984, Memorandum & Articles of Association of the Company and the Listing Regulations has been duly complied with.

#### Pattern of Shareholding

A statement showing pattern of shareholding of the Company and additional information as at June 30, 2017 is annexed with report.

#### Information to Stakeholders

Key Operating and financial data of previous years has been summarized and presented at Page No. 43

#### Post Balance Sheet Events

There have been no material changes since 30th June 2017 to the date of this report except the declaration of a final cash dividend @ 25% which is subject to the approval of the members at the 55th Annual General Meeting to be held on 27th November 2017. The effect of such declaration shall be reflected in the next year's financial statements.

#### **Related Party Transaction**

In order to comply with the requirements of Listing Regulations, the company has presented all Related Party Transactions before the Audit Committee and Board for their review and approval. These transactions have been approved by the Audit Committee and Board in their respective meetings. The details of all Related Party Transactions have been provided in Note 37 of the annexed audited financial statements.

#### Trading in Company's Shares

The Directors, Chief Executive and Chief Financial Officer & Company Secretary and Head of internal Audit and their spouses and minor children did not carry out any transaction in the shares of the Company during the year.

#### Investment in Retirement Benefits

The company operates an approved funded gratuity scheme for all its eligible employees who have completed their minimum qualifying period of service with the company. The value of the investments of the gratuity fund is PKR Rs. 6.03 million

#### Acknowledgements

On behalf of the Board of Directors, I thank my customers and shareholders for your support in defining this year as an extraordinary year for Javedan Corporation Limited. Your unwavering confidence inspires and enables us to fulfil our core purpose of creating long-term value for all our stakeholders, and in underlining JCL as an organization that earns trust and goodwill and establishing a brand name. I would like to thank our banks and financial institutions who over the years have been critical in enabling the Company to deliver this project. I would also like to thank Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange, Sindh Board of Revenue, LDA, Sindh Building Control Authority, Environmental Protection Agency and above all Government of Sindh for their support to the project. I also appreciate all the employees of the Company for the hard work put in by them. May Allah bless us in our efforts. Ameen.

November 04, 2017

Chief Executive

# Annexure I

#### Statement showing attendance at Board Meetings

From 1st July 2016 to 30th June 2017

Name	Designation	Total	Eligible to attend	Attended	Leaves Granted	Remarks
Mr. Arif Habib	Chairman	4	4	4	-	_
Mr. Samad A. Habib	Chief Executive	4	4	3	1	-
Mr. Abdul Qadir Sultan	Director	4	4	3	1	-
Mr. Muhammad Ejaz	Director	4	4	2	2	-
Mr. Kashif A. Habib	Director	4	4	3	1	-
Mr. Faysal Anees Bilwani	Director	4	4	3	1	-
Mr. Mohammad Siddique Khokha	<b>r</b> Director	4	4	4	-	-
Mr. Hasan Ayub	Director	4	4	1	3	-
Mr. Alamgir A. Sheikh	Director	4	4	2	2	-

#### Statement showing attendance at Audit Meetings

From 1st July 2016 to 30th June 2017

Name	Designation	Total	Eligible to attend	Attended	Leaves Granted	Remarks
Mr. Abdul Qadir Sultan	Chaiman	4	4	3	1	-
Mr. Muhammad Ejaz	Member	4	4	3	1	-
Mr. Kashif A. Habib	Member	4	4	3	1	-

# **Performance Review Report**

We are pleased to present herewith the performance review report for the Six years

Key financial Data at a Glance		2017	2016	2015	2014	2013	2012
Investment Measure							
Ordinary Share Capital	Rs/Mn	1,570	1,293	1,166	583	581	581
Preference share	Rs/Mn	451	914	1,120	1,120	1,127	1,127
Reserves	Rs/Mn	2,058	373	(78)	(1, 176)	(3,125)	(4,673)
Ordinary Share Holder's Equity	Rs/Mn	4,080	2,581	2,208	527	(1,416)	(2,952)
Dividend On Ordinary Shares	Rs/Mn	-	-	-	-	-	-
Dividend Per Ordinary Share	Rs	-	-	-	-	-	-
Profit/(Loss) Before Taxation	Rs/Mn	1,492	600	1,005	842	723	(746)
Profit/(Loss) After Taxation	Rs/Mn	1,095	695	800	842	711	(336)
Earning Per Share	Rs	7.60	4.57	7.10	10.25	12.23	(5.78)
Measurement Of Financial Status							
Current Assets to Current Liabilities	X:1	4.12	3.59	2.70	1.96	2.69	4.45
Debt Equity Ratio	X:1	0.45	0.89	1.88	8.73	1.48	(3.32)
Total Debt Ratio	X:1	0.30	0.36	0.38	0.46	0.43	0.41
Sales	Rs/Mn	2,467	1,227	1,260	1,876	2,395	-
Cost of Goods Sold As % of Sales	%	24.13	23.86	33.65	30.18	46.18	_
Profit Before Taxation As % to Sales	%	60.49	48.89	79.79	44.89	30.18	-
Profit After Taxation As % to Sales	%	44.38	56.65	63.50	44.89	29.68	_
	/0	11.50	00.00	00.00	11,00	20,00	

# **JCL - BIRD'S EYE VIEW**



# **Graphical Representation**





## Total Assets

16,000,000,000 14,000,000,000 12,000,000,000 10,000,000,000 8,000,000,000 6,000,000,000 4,000,000,000



## Total Liabilities





### Profit/(loss) Before Taxation





### BANKING OBLIGATIONS



### GROSS PROFIT MARGIN



### EARNING PER SHARE





#### PROFIT AFTER TAX





## Debt to Equity



Assets and Liabilities

12,000,000,000 10,000,000,000 8,000,000,000 6,000,000,000 4,000,000,000 2,000,000,000



■ Assets ■ Liabilities



Sales to Total Assets



DELOITTE YOUSUF ADIL Chartered Accountants Cavish Court, A-35, Block 7 & 8 KCHSU, Sharea Faisal Karachi – 75350 Pakistan

## REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of Javedan Corporation Limited, (the Company) for the year ended June 30, 2017 to comply with the Regulations of Pakistan Stock Exchange Limited where the Company is listed.

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

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

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

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

Fritte Yousuf Adil

DELOITTE YOUSUF ADIL Chartered Accountants

Engagement Partner Hena Sadiq

Karachi Dated: November 04, 2017

Reanda Honon Zaharia on

**REANDA HAROON ZAKARIA & CO.** Chartered Accountants

Engagement Partner Mohammad Iqbal Abdul Aziz

Karachi Dated: November 04, 2017

# STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE JAVEDAN CORPORATION LIMITED

FOR THE YEAR ENDED JUNE 30, 2017

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

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

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors (the Board). At present the Board includes:

Category	Names
Independent Director	Mr. Muhammad Siddiq Khokar Mr. Abdul Qadir Mr. Alamgir A. Shaikh
Non-Executive Directors	Mr. Arif Habib Mr. Muhammad Ejaz Mr. Hasan Ayub Mr. Mohammad Kashif Habib Mr. Faisal Anees Bilwani
Executive Director	Mr. Samad A. Habib

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

- 2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
- 3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loans to a banking company, a DFI or an NBFI or, being a member of a stock exchange, has been declared as defaulter by that stock exchange.
- 4. No Casual Vacancies occurred during the year.
- 5. The Company has prepared a 'Code of Conduct' and has ensured that the appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures. The same is also available on company's website.
- 6. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
- 7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the Board.

- 8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
- 9. The company stands complied with the requirement of having at least half of the board DTP certified at all times as prescribed under the clause 5.19.7 of the CCG as the total number of the certified directors of the company stands six out of total nine directors.
- 10. No new appointment of CFO/Company Secretary has been made during the year.
- 11. The Directors' report for the year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
- 12. The financial statements of the Company were duly endorsed by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) before approval of the Board.
- 13. The Directors, CEO, and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
- 14. The Company has complied with all the corporate and financial reporting requirements of Code.
- 15. The Board has formed an Audit Committee which comprises of three members, of whom all are non-executive directors and chairman is independent.
- 16. The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the Code. The terms of reference of the committee have been formed and advised to the committee for compliance.
- 17. The Board has formed an HR and Remuneration Committee. It comprises three members, of whom two are non-executive directors including the chairman of the committee.
- 18. The board has set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the company.
- 19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on the code of ethics as adopted by the ICAP.
- 20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Listing Regulations and auditors have confirmed that they have observed IFAC guidelines in this regard.
- 21. The 'closed period', prior to the announcement of interim and final results, and business decisions, which may materially affect the market price of the Company's securities, was determined and intimated to directors, employees and stock exchange.
- 22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.

- 23. The company has complied with the requirements relating to maintenance of register of persons having access to inside information by a designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of persons from the said list.
- 24. We confirm that all other material principles enshrined in the Code have been complied.

Samad A. Habib Chief Executive Officer

DELOITTE YOUSUF ADIL Chartered Accountants Cavish Court, A-35, Block 7 & 8 KCHSU, Sharea Faisal Karachi – 75350 Pakistan

#### REANDA HAROON ZAKARIA & CO. Chartered Accountants M-1 & M-4 - Progressive Plaza Beaumont Road Karachi Pakistan

## Auditors' Report to the Members

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

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

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

- a. in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- b. in our opinion :
  - i. the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied except as disclosed in note 3.19 to the financial statements with which we concur;
  - ii. the expenditure incurred during the year was for the purpose of the Company's business; and
  - iii. the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- c. in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and give the information required by the Companies Ordinance, 1984 in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2017 and of the profit, its comprehensive income, its cash flows and changes in equity for the year then ended; and
- d. in our opinion, no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

DELOITTE YOUSUF ADIL Chartered Accountants Cavish Court, A-35, Block 7 & 8 KCHSU, Sharea Faisal Karachi – 75350 Pakistan REANDA HAROON ZAKARIA & CO. Chartered Accountants M-1 & M-4 - Progressive Plaza Beaumont Road Karachi Pakistan

#### Emphasis of matter

We draw attention to note 25 to the financial statements which describes the uncertainties relating to outcome of certain litigations and their impact on the Company. Our opinion is not qualified in this respect.

Privitle Yousuf Adie DELOITTE YOUSUF ADIL

Chartered Accountants

Engagement Partner Hena Sadiq

Karachi Dated: November 04, 2017

Reanda Honon Isharia on

**REANDA HAROON ZAKARIA & CO.** Chartered Accountants

**Engagement Partner** Mohammad Iqbal Abdul Aziz

Karachi Dated: November 04, 2017

## BALANCE SHEET AS AT JUNE 30, 2017

Restated 2017 2016 ASSETS Note ------Rupees in '000------Non-current assets 1,607,116 Property and equipment 5 1,627,159 Intangible assets 6 1,139 7 Deferred taxation 397,120 769,541 4,836 Long term security deposits 8 4,331 Total non-current assets 2,029,115 2,382,127 Current assets Trade debts 9 2,436,952 1,447,368 Development properties 10 9,783,059 9,143,180 445,204 Advances 11 155,186 Deposits, prepayments and other receivables 12 13,767 14,240 Cash and bank balances 13 25,402 34,086 Total current assets 12,414,366 11,084,078 13,466,205 **Total assets** 14,443,481 EQUITY AND LIABILITIES Authorised share capital Ordinary and Preference share capital 14 2,900,000 2,900,000 Issued, subscribed and paid-up share capital Ordinary share capital 14 1,570,510 1,293,683 Preference share capital 14 451,502 914,713 Reserves 15 2,058,836 373,482 2,581,878 4,080,848 Surplus on revaluation of freehold land 16 6,148,628 6,354,660 Non-current liabilities 17 1,188,038 1,120,432 Long term finance Liabilities against assets subject to finance lease 18 953 1,973 Deferred liabilities 19 15,928 10,212 Total non-current liabilities 1,204,919 1,132,617 **Current liabilities** 856,470 Trade and other payables 20 628,113 Mark-up accrued 21 17,767 82,052 Advance from customers 22 985,774 1,451,435 265,373 Liability against performance obligation 23 285,482 Short term borrowings 24 213,166 734,700 Current maturity of: Long term finance 17 432,038 451,000 Liabilities against assets subject to finance lease 1,572 18 1,194 Total current liabilities 3,009,086 3,397,050 Contingencies and commitments 25 Total equity and liabilities 14,443,481 13,466,205

The annexed notes form an integral part of these financial statements.

Director

## **PROFIT AND LOSS ACCOUNT**

FOR THE YEAR ENDED JUNE 30, 2017

FOR THE TEAR ENDED JOINE 30, 2017			Restated
		2017	2016
	Note	Rupees	in '000
Sales of plots and bungalows Cost of sales	26 10	2,467,969 (595,735) 1,872,234	1,227,915 (292,961) 934,954
Development cost Gross profit	27	- 1,872,234	934,954  934,954
Expenses			
Administrative expenses Marketing and selling expenses Finance cost	28 29 30	(214,648) (122,161) (72,585) (409,394)	(166,912) (34,877) (181,229) (383,018)
Other income Profit before taxation	31	<u> </u>	48,446
Taxation			
Current Deferred	32 7.1	(25,193) (372,421) (397,614)	(12,279) 107,513 95,234
Profit after taxation		1,095,373	695,616
		Ru	Restated pees
Earnings per share			
Basic	33	7.60	4.57
Diluted	33	5.75	3.64

The annexed notes form an integral part of these financial statements.

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## **STATEMENT OF COMPREHENSIVE INCOME**

FOR THE YEAR ENDED JUNE 30, 2017

	2017	2016
	Rupee	es in '000
Profit after taxation	1,095,373	695,616
Other comprehensive loss		
Items that will not be reclassified subsequently to profit and loss account		
Actuarial loss on re-measurement of defined benefit obligation	(2,579)	(476)
Total comprehensive income for the year	1,092,794	695,140

The annexed notes form an integral part of these financial statements.

Director

## **CASH FLOW STATEMENT**

FOR THE YEAR ENDED JUNE 30, 2017

FOR THE YEAR ENDED JUNE 30, 2017			Restated
		2017	2016
	Note	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
CASHT LOWSTROM OF ERATING ACTIVITIES			
Profit before taxation		1,492,987	600,382
Adjustments: Depreciation Amortization Finance cost Profit on deposits Liabilities written-back Provision for sales return Provision for impairment Provision for impairment Provision in respect to employees' gratuity fund	28 28 30 31 31 26 12 12 12 19.8	11,367 1,139 72,585 (1,434) - 51,323 4,703 2,904 6,674	8,595 2,107 181,229 (186) (5,696) - - - - 5,423
Cash flow from operating activities before working capital changes		1,642,248	791,854
Working capital changes			
(Increase) / decrease in current assets Trade debts Development properties Advances Deposits, prepayments and other receivables		(1,040,907) (542,635) <b>290,018</b> (7,134) (1,300,658)	2,320,188 (1,000,924) (393,024) <u>666</u> 926,906
Increase / (decrease) in current liabilities Trade and other payables Advance from customers Liability against performance obligation		(31,840) 465,661 (20,109) 413,712	99,428 360,201 285,482 745,111
Net cash generated from operations		755,302	2,463,871
Income tax paid Finance cost paid Gratuity paid Long term deposits paid <b>Net cash generated from operating activities</b>		(21,568) (234,114) (3,537) (505) 495,578	(9,799) (670,044) (3,610) (891) 1,779,527
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b> Payment made for purchase of property and equipment Proceeds from sale of property and equipment Interest received		(32,328) 920 1,434	(12,582) 1,865 186
Net cash used in investing activities		(29,974)	(10,531)

# **CASH FLOW STATEMENT**

FOR THE YEAR ENDED JUNE 30, 2017

,		Restated
	2017	2016
Note	Rupees	s in '000
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt / (Repayment) of long-term finance	500,000	(295,721)
Repayments of long term syndicated loan	(451,356)	-
(Repayment of) / Proceeds from finance lease	(1,398)	1,820
Repayment of short term borrowings-net	(521,534)	(1,553,863)
Net cash used in financing activities	(474,288)	(1,847,764)
Net decrease in cash and cash equivalent	(8,684)	(78,768)
Cash and cash equivalents at beginning of the year	34,086	112,854
Cash and cash equivalents at end of the year 13	25,402	34,086

The annexed notes form an integral part of these financial statements.

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Director

## **STATEMENT OF CHANGES IN EQUITY**

FOR THE YEAR ENDED JUNE 30, 2017

					Revenue	Reserves	
	Ordinary share capital (Note 14.1)	Share premium (Note 14.2)	Preference share capital (Note 14.2)	Capital reserve (Note 15.1)	General reserve (Note 15.2)	Unapproriated profit/ (accumulated losses)	Total
				Rupees in '000			
Balance as at June 30, 2015	1,166,526	7,987	1,120,213	11,966	63,500	(161,477)	2,208,715
Total comprehensive income for the year ended June 30, 2016							
Profit for the year Other comprehensive loss	-	-	-	-	-	695,616 (476)	695,616 (476)
Total comprehensive income	-	-	-	-	-	695,140	695,140
Transfer of surplus on revaluation of freehold land	-	-	-	-	-	181,725	181,725
Transaction with the owners							
Conversion of preference shares into ordinary shares	127,157	170,789	(205,500)	-	-	-	92,446
Dividend at 12% on conversion of preference shares into ordinary shares	-	-	-	-	-	(92,446)	(92,446)
Dividend on prefrence shares at 12%	-	-	-	-	-	(503,702)	(503,702)
Balance as at June 30, 2016	1,293,683	178,776	914,713	11,966	63,500	119,240	2,581,878
Total Comprehensive income for the year ended June 30, 2017							
Profit for the year Other comprehensive loss		-	-	-	-	1,095,373 (2,579)	1,095,373 (2,579)
Total comprehensive income	-	-	-	-	-	1,092,794	1,092,794
Transfer of surplus on revaluation of freehold land	-	-	-	-	-	206,032	206,032
Transaction with the owners							
Reversal of dividend payable on preference shares converted into ordinary shares	-	-	-	-	-	305,185	305,185
Conversion of preference shares into ordinary shares	276,826	491,570	(463,211)	-	-	(305,185)	-
Dividend on Preference Shares at 12%	-	-	-	-	-	(105,043)	(105,043)
Balance as at June 30, 2017	1,570,509	670,346	451,502	11,966	63,500	1,313,023	4,080,846

The annexed notes form an integral part of these financial statements.

Director

## **NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2017

#### 1 STATUS AND NATURE OF BUSINESS

- 1.1 Javedan Corporation Limited (the Company) was incorporated in Pakistan on June 08, 1961, as a public limited company under the repealed Companies Act, 1913 (now Companies Ordinance, 1984 (repealed)) and is listed on Pakistan Stock Exchange Limited. The registered office of the Company is located at Arif Habib Centre, 23, M.T Khan Road, Karachi.
- 1.2 The Company has ceased its cement business since July 01, 2010 and management has developed business diversification strategy for utilizing the Company's land for developing a housing scheme, "Naya Nazimabad", which will include bungalows, open plots, flat sites, commercial sites, apartments, malls, shopping centres and shops etc. The housing project is located at Manghopir, Karachi. The Company's layout plan of the project was approved by Lyari Development Authority vide letter number LDA/PP/2010/255 on March 02, 2011 and revised master plan approved vide letter No CTP/LDA/112 and has obtained No Objection Certificate from Sindh Building Control Authority having NOC # SBCA/D.D.(D-II)/985/ADV-503/2011 on November 12, 2011 and revised NOC # SBCA/DD(D-II)/985 & 991/ADV-584/2013. The company is also the member of Association of Builders and Developers of Pakistan (ABAD) and chamber of commerce and indurstries.

#### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

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

During the year, the Companies Act, 2017 was enacted on May 30, 2017 and came into force at once. Subsequently, the Securities and Exchange Commission of Pakistan (SECP) has notified through Circular No. 23 of October 04, 2017 that companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Therefore, these financial statements have been prepared under the Companies Ordinance, 1984.

#### 2.2 Basis of measurement

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

- recognition of certain employee benefits at present value.
- freehold land appearing in property and equipment.

#### 2.3 Functional and presentation currency

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

## 2.4 Amendments to accounting standards and IFRS interpretations that are effective for the year ended June 30, 2017

The following amendments to accounting standards and interpretations are effective for the year ended June 30, 2017. These interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective for period beginning on or after
Amendments to IFRS 10 'Consolidated Financial Statements', IFRS 12 'Disclosure of Interests in Other Entities' and IAS 28 'Investments in Associates and Joint Ventures' - Investment Entities: Applying the consolidation exception	January 1, 2016
Amendments to IFRS 11 'Joint Arrangements' - Accounting for acquisitions of interests in joint operations	January 1, 2016
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure initiative	January 1, 2016
Amendments to IAS 16 'Property Plant and Equipment' and IAS 38 'Intangible Assets' - Clarification of acceptable methods of depreciation and amortization	January 1, 2016
Amendments to IAS 16 'Property Plant and Equipment' and IAS 41 'Agriculture' - Measurement of bearer plants	January 1, 2016
Amendments to IAS 27 'Separate Financial Statements' - Equity method in separate financial statements	January 1, 2016

Certain annual improvements have also been made to a number of IFRSs, which have not ben enumerated here for brevity.

#### 2.5 Amendments to accounting standards and IFRS interpretations that are not yet effective

The following amendments to accounting standards and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

# Effective from accounting period beginning on or after:

Amendments to IFRS 2 'Share-based Payment' - Clarification on the classification and measurement of share-based payment transactions	January 1, 2018
Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' - Sale or contribution of assets between an investor and its associate or joint venture	Effective from accounting period beginning on or after a date to be determined. Earlier application is permitted.
Amendments to IAS 7 'Statement of Cash Flows' - Amendments as a result of the disclosure initiative	January 1, 2017
Amendments to IAS 12 'Income Taxes' - Recognition of deferred tax assets for unrealised losses	January 1, 2017
Amendments to IAS 40 'Investment Property': Clarification on transfers of property to or from investment property	January 01, 2018. Earlier application is permitted.
IFRIC 22 'Foreign Currency Transactions and Advance Consideration': Provides guidance on transactions where consideration against non-monetary prepaid asset / deferred income is denominated in foreign currency.	January 01, 2018. Earlier application is permitted.
IFRIC 23 'Uncertainty over Income Tax Treatments': Clarifies the accounting treatment in relation to determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments	January 1, 2019

Certain annual improvements have also been made to a number of IFRSs, which have not ben enumerated here for brevity.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 First Time Adoption of International Financial Reporting Standards
- IFRS 9 Financial Instruments

under IAS 12 'Income Taxes'.

- IFRS 14 Regulatory Deferral Accounts
- IFRS 15 Revenue from Contracts with Customers
- IFRS 16 Leases
- IFRS 17 Insurance Contracts

#### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Property and equipment

#### Operating fixed assets

#### Owned

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and impairment loss, if any. Freehold land is stated at revalued amount, being the fair value at the date of revaluation; revaluation is performed with sufficient regularity such that the carrying amount does not differ in materially from that which would be determined using the fair value at the reporting date.

Assets' residual values and their useful lives are reviewed and adjusted at each reporting date, if significant and appropriate.

Depreciation is charged to income applying the reducing balance method at the rates specified in the note 5.1. Depreciation on all additions is charged from the month in which the asset is available for use and no depreciation is charged from the month of disposal.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit and loss account during the financial year in which they are incurred.

Assets are derecognized when disposed or when no future economic benefits are expected from its use or disposal. Gains or losses on disposal of assets, if any, are recognized in profit and loss account, as and when incurred.

Assets held under finance lease

Assets subject to finance lease are recorded at lower of present value of minimum lease payments at the inception of lease term and their fair value on that date.

Assets subject to finance lease are depreciated over their expected useful lives on the same basis as owned assets.

#### 3.2 Intangible assets

Intangible assets are stated at cost less accumulated amortization and any identified impairment loss. Amortization on additions is charged from the month in which an asset is available for use, while no amortization is charged for the month in which the asset is disposed off. Amortization is charged based on straight line method at the rates specified in note 6.

Gains and losses arising from the retirement or disposal of assets are recognized in profit and loss account.

#### 3.3 Development properties

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is classified as development properties and is measured at the lower of cost and net realizable value.

#### Cost includes:

- Freehold and leasehold rights for land
- Amounts paid to contractors for construction of bungalows
- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs
- Development charges paid to:
- Lyari Development Authority at the rate of Rs. 234 per square yard for outer development work
- Contractors for developing inner perimeter, including but not limited to road development, amenities and utilities and other infrastructure

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

The cost of sales recognized in profit and loss on disposal is determined with reference to the costs incurred on the property sold and an allocation of any non-specific costs based on the total land sold in relation to total land held.

The development charges are recognized in profit and loss on the basis of reimbursable development costs recoverable from customer to date apportioned to total land sold in relation to total land held.

#### 3.4 Trade debts

Trade debts comprises receivables against sale of plots and bungalows and receivable against reimbursable development charges incurred. Development charges which are invoiced to customers are recognised as development charges-billed. Development charges-unbilled represents value of development work executed but billed subsequent to reporting date in accordance with the terms of the contract.

#### 3.5 Cash and cash equivalents

Cash and cash equivalents for cash flow purposes include cash in hand, current and deposit accounts held with banks and book overdraft if any.

#### 3.6 Interest bearing loans and borrowings

All loans and borrowings are initially recognized at fair value less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method.

#### 3.7 Trade and other payables

Liabilities for creditors and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for the goods and / or services received, whether billed to the Company or not.

#### 3.8 Employees retirement benefits

#### Deferred liabilities- defined benefit plan

The Company operates an approved funded gratuity scheme for all its eligible employees who have completed their minimum qualifying period of service with the Company. Provisions are

made in the financial statements to cover obligation on the basis of actuarial valuation carried out annually by an independent actuary, using the projected unit credit method. Actuarial gain/losses are recognized in 'statement of comprehensive income' in the year in which they arise and past service cost are recognized immediately in profit and loss account.

The amount recognized in the balance sheet represent the present value of the defined benefit obligation at the reporting date less the fair value of plan assets.

#### Compensated absences

The Company accounts for all accumulated compensated absences when employees render services that increase their entitlement to future compensated absences.

#### 3.9 Taxation

#### Current

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credit, rebates and exemptions available, if any, or minimum tax on turnover or Alternate Corporate Tax (ACT), whichever is higher. The charge for the current tax also includes adjustments where necessary, relating to prior years which arise from assessment finalized during the year.

#### Deferred

Deferred income tax is provided using the balance sheet liability method for all temporary differences at the reporting date between tax base of assets and liabilities and their carrying amounts for financial reporting purposes. The amount of deferred tax provided is based on the expected manner of realization or the settlement of the carrying amounts of assets and liabilities, using the tax rates enacted or substantively enacted at the reporting date.

Deferred income tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profit for the foreseeable future will be available against which such temporary differences and tax losses can be utilized.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of deferred tax asset to be utilized.

#### 3.10 Provisions

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

#### 3.11 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument and de-recognized when the Company loses control of the contractual rights that comprise the financial asset and in case of financial liability when the obligation specified

in the contract is discharged, cancelled or expired. Any gain or loss on recognition/ derecognition of the financial assets and financial liabilities is taken to profit and loss account.

#### 3.12 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset 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 to settle the liabilities simultaneously.

#### 3.13 Impairment

#### 3.13.1 Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Any impairment loss arising on financial assets is recognized in profit and loss account.

#### 3.13.2 Non-financial assets

The Company assesses at each reporting date whether there is any indication that assets, other than deferred tax asset, may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in profit and loss account. The recoverable amount is the higher of an asset's 'fair value less costs to sell' and 'value in use'.

Where impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized. Reversal of impairment loss is recognized as income.

#### 3.14 Revenue recognition

#### 3.14.1 Revenue from sales of development properties

Revenue from the sale of plots and bungalows is recognized when the equitable interest in a property vests in a buyer and all the following conditions have been satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership in property;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the property sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and

- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Reimbursable development costs are recognized in profit and loss on the basis of development cost recoverable from customer to date apportioned to total land sold.

During current year, management believes that Company's pattern of sales can be forecasted with reasonable accuracy and therefore, has decided to maintain a provision of 2% of gross sales to account for expected sales returns.

#### 3.14.2 Other revenue

Revenue from other sources is recognized on the following basis:

- Profit on deposits is recognized on a time proportionate basis, by reference to the principal outstanding and at the applicable effective interest rate.
- Gain on sale of fixed assets is recorded when title is transferred in favour of transferee.
- Income from sale of scrap is recorded when risks and rewards are transferred to the customers which coincides with the time of dispatch of items.
- Revenue on plots and bungalows cancelled during the period is recognized to the extent of amount forfeited at the time when the cancellation request is approved.
- Miscellaneous income is recognized on occurrence of transactions.

#### 3.15 Foreign currencies

Transactions in currencies other than Pak Rupees are recorded at the rates of exchange prevailing on the date of transaction. Monetary assets and liabilities that are denominated in foreign currencies are translated into Pak Rupees at the rates prevailing on the reporting date.

Exchange differences arising on translation are included in profit and loss account.

#### 3.16 Borrowing cost

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized. All other borrowing costs are recognized as an expense in the period in which they are incurred. Qualifying assets are assets that necessarily take substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from borrowing costs eligible for capitalization.

#### 3.17 Dividends

Dividend distribution to the Company's shareholders is recognized as a liability in the year in which the dividends are approved by the competent authority.

#### 3.18 Earnings per share

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

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary share holders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

#### 3.19 Change in Accounting Policy

During the year, the Company has changed its policy relating to recognition of reimbursable development expenditure recoverable from customers.

In previous years, the Company recognised development expenditure recovered from customers as a reimbursement of cost incurred because project was in its initial stage and the timing and probability of recovery of additional development cost incurred was not certain. During current year, management believes that the project has reached a stage where it is determinable with reasonable certainty that the development cost incurred are recoverable in full and probability of flow of economic benefits can be ascertained reliably.

As per revised policy, the Company has recognised development cost incurred as an expense and its reimbursement as corresponding income through profit and loss. This change has been accounted for in the financial statements in accordance with 'IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors' and the application of this policy would result in recognition of revenue and expense as follows:

	2017	2016	2015
		Rupees in '000	
Development cost incurred and apportioned to customers	577,480	245,526	232,189

The above mentioned change in policy does not have any impact on equity in the financial statements for the year ended June 30, 2015 and June 30, 2016 and therefore balance sheet for June 30, 2015 have not been disclosed.

	2016					
As previously reported	As restated	Re-statement				
Rupees in '000						

#### Effects of change in accounting policy are as follows:

Effect on	Balance	Sheet
-----------	---------	-------

Deposits, prepayments and other receivables	781,740	14,240	(767,500)
Development properties Impact of reclassification (note 38)	8,276,668 (57,971) 8,218,697	9,143,180 - 9,143,180	866,512 57,971 924,483
Trade debts Liability against performance obligation Advance from customers	1,198,664 - 865,569 10,282,930	1,447,368 285,482 985,774 11,861,804	248,704 (285,482) (120,205) 767,500
Effect on Profit and loss account Development cost - Development cost reimbursable from customers - Development cost incurred & apportioned to customers		 245,526 (245,526)	

#### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with the approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas where assumptions and estimates are significant to the Company's financial statements or where judgment is exercised in application of accounting policies are as follows:

- (i) Review of useful life and residual value of property, plant and equipment and intangibles (note 3.1, 5.1 and 6);
- (ii) Valuation of free-hold land (note 16)
- (iii) Review of net realizable value of development properties (note 3.3 and 10);
- (iv) Revenue recognition (note 3.14 and 26)
- (v) Provision for sales return (note 3.14)
- (vi) Provision for taxation including deferred tax asset (note 3.9, 7 and 32);and
- (vii) Provision for defined benefit obligation / planned assets (note 3.8 and 19)

The accounting policies, underlying estimates and judgements and methods of computation adopted in preparation of this financial statement are the same as those applied in the preparation of the annual audited financial statements of the company for the year ended June 30, 2016 except as disclosed in note 3.19 and note 4.1 to these financial statements.

#### 4.1 Revenue

During the year, the company revised its estimate of revenue recognition from sales of plots upon receipt of 25% of sales value to 20% of total sales value. The change in estimate is applicable from July 01, 2016.

Had there been no change in estimate of revenue recognition from sale of plots, the sales for the year would have been reduced by 279.82 million.

			2017	2016
		Note	Rupees	s in '000
5.	PROPERTY AND EQUIPMENT			
	Operating fixed assets	5.1	1,565,176	1,549,145
	Capital work in process	5.2	61,983	57,971
			1,627,159	1,607,116

### 5.1 Operating fixed assets

	COST / REVALUATION *					ACCUMULATED DEPRECIATION				Written
Particulars	As at July 01, 2016	Additions	Disposals	As at June 30, 2017	Rate %	As at July 01, 2016	Charge for the year	Disposals	As at June 30, 2017	down value as at June 30, 2017
		Rupees	in '000				F	Rupees in '000	)	
Owned										
Free hold land *	1,498,599	_	-	1,498,599	0	-	-	-	_	1,498,599
Buildings on free-hold land	33,267	-	-	33,267	10	13,826	1,954	-	15,780	17,488
Buildings on lease-hold land	1,171	-	-	1,171	10	1,133	4	-	1,137	34
Furniture and fixtures	6,909	4,989	-	11,898	10	3,390	1,017	-	4,407	7,491
Office equipment	19,040	788	-	19,828	10 to 33	10,263	2,029	-	12,292	7,536
Computer equipment	14,953	1,596	(81)	16,468	33	10,769	952	(56)	11,665	4,803
Vehicles	15,258	20,944	(1,550)	34,652	20	6,297	4,286	(655)	9,928	24,724
Leased										
Vehicles	11,996	-	-	11,996	20	6,370	1,125	-	7,495	4,501
	1,601,193	28,317	(1,631)	1,627,879		52,048	11,367	(711)	62,704	1,565,176

	COST / REVALUATION *			1	ACCUMULATED	DEPRECIATION		Written		
Particulars	As at July 01, 2015	Additions	Disposals	As at June 30, 2016	Rate %	As at July 01, 2015	Charge for the year	Disposals	As at June 30, 2016	down value as at June 30, 2016
		Rupees	in '000				F	Rupees in '000	)	
Owned										
Free hold land *	1,498,599	-	-	1,498,599	0	-	-	-	-	1,498,599
Buildings on free-hold land	33,117	150	-	33,267	10	11,672	2,154	-	13,826	19,441
Buildings on lease-hold land	1,171	-	-	1,171	10	1,129	4	-	1,133	38
Furniture and fixtures	6,303	606	-	6,909	10	2,064	1,326	-	3,390	3,519
Office equipment	17,032	2,075	(67)	19,040	10 to 33	7,976	2,331	(44)	10,263	8,777
Computer equipment	13,739	1,214	-	14,953	33	10,423	346	-	10,769	4,184
Vehicles	11,351	5,906	(1,999)	15,258	20	5,592	1,475	(770)	6,297	8,961
Leased										-
Vehicles	9,365	2,631	-	11,996	20	5,411	959	-	6,370	5,626
	1,590,677	12,582	(2,066)	1,601,193		44,267	8,595	(814)	52,048	1,549,145

## 5.1.1 Details of disposals of assets are as follows:

Description	Cost	Accumulated	Sale Procede	WDV	Gain / Loss on Disposal	Mode of Disposal	Particulars of purchaser
<b>Vehicles</b> Toyota Corolla GLI	1,550	655	895	895	-	Negotiation	Mirza Ibn e Hassan (Employee)
<b>Computer equipment</b> Laptop HP Pro Book 450	81 <b>1,631</b>	56 <b>711</b>	25 <b>920</b>	25 <b>920</b>	-	Negotiation	Mirza Ibn e Hassan (Employee)
2017	2016						
----------------	------	--	--	--			
Rupees in '000							

50,665

7,306

57,971

57,971

4,012

61,983

#### 5.2 Capital work in process

Opening Additions during the year Closing

#### 6. INTANGIBLE ASSETS

	Cost			Amortization				Net Book
	As at July 1, 2016	Addition during the year	As at June 30, 2017	Rate %	As at July 01, 2016	During the year	As at June 30, 2017	value as at June 30, 2017
		Rupees in '000	)			Rupees ir	ı '000	
Computer software	4,998	-	4,998	20	4,583	415	4,998	-
Rights	5,534		5,534	20	4,810	724	5,534	
	10,532	-	10,532		9,393	1,139	10,532	-

	Cost			Amortization			Net Book	
	As at July 1, 2015	Addition during the year	As at June 30, 2016	Rate %	As at July 01, 2015	During the year	As at June 30, 2016	value as at June 30, 2016
		Rupees in '000	)		Rupees in '000			
Computer software	4,998	-	4,998	20	3,583	1,000	4,583	415
Rights	5,534	_	5,534	20	3,703	1,107	4,810	724
	10,532	-	10,532		7,286	2,107	9,393	1,139

**2017 2016** 

#### 7. DEFERRED TAXATION

#### Deferred tax on deductible temporary differences

Liabilities against subject to finance lease Goodwill Gratuity Minimum tax Assessed tax losses	644 4,778 81,452 313,453 400,327	1,099 92,431 3,166 56,259 704,867 857,822
Deferred tax on taxable temporary differences		
Accelerated depreciation allowance on property, plant and equipment Assets subject to finance lease Development properties	(1,857) (1,350) 	(1,233) (1,744) (2,977)
Less: Deferred tax asset un-recognized	- 397,120	(85,304)

	July 1, 2015	Recognized in profit and loss account	Unrecognized deferred tax arisen during the year	June 30, 2016	Recognized in profit and loss account	Unrecognized deferred tax arisen during the year	June 30, 2017
			R	upees in '000			
Deferred tax liabilities arising in respect of:							
Accelerated tax depreciation	(1,374)	141	-	(1,233)	(624)	-	(1,857)
Assets subject to finance lease	(1,265)	(479)	-	(1,744)	394	-	(1,350)
	(2,639)	(338)	-	(2,977)	(230)	-	(3,207)
Less: deferred tax assets arising in respect of:							
Liabilities subject to finance lease	552	547	_	1,099	(455)	-	644
Goodwill	190,825	(98,394)	-	92,431	(92,431)	-	-
Gratuity	2,168	998	-	3,166	1,612	-	4,778
Minimum tax impact	52,292	3,967	-	56,259	25,193	-	81,452
Assessed tax losses	833,577	(128,710)	-	704,867	(391,414)	-	313,453
	1,079,414	(221,592)	-	857,822	(457,495)	-	400,327
Deferred tay (not recognized) (recognized	(111 717)	329,443		(85,304)	85,304		
Deferred tax (not recognised)/recognized	(414,747) 662,028	107,513		( ) /	(372,421)		- 397,120

During the year the Company has recognized deferred tax expense amounting to Rs. 372.421 million (2016: deferred tax income Rs. 107.513 million) on the assumption that company will be able to recover deferred tax asset from future profitability.

			2017	2016
8.	Long Term Security Deposits		Rupee	s in '000
	K - Electric Orix Leasing Pakistan Limited Others		1,819 340 2,677 4,836	1,819 516 1,996 4,331
			2017	Restated
	Not	te	2017 Rupee	2016 s in '000
9.	TRADE DEBTS - Considered good			
	Receivable against sale of plots and bungalows 9. less: provision for sales return	1	2,134,087 (51,323) 2,082,764	1,198,664 - 1,198,664
	Development charges - billed 9.	2	76,849	81,815
	Development charges - unbilled 9.	3	277,339 2,436,952	166,889 1,447,368

- **9.1** It includes receivable from related parties amounting to Rs. 949.558 million (2016: Rs. 148.123 million).
- **9.2** This represents development expenditures billed to customers as per the terms of their sale agreement.

**9.3** This represents development expenditures incurred but not billed to customers as on reporting date. Subsequent to reporting date, management intends to raise bills to respective customers in accordance with the terms of the sales contract.

				Restated
			2017	2016
		Note	Rupee	s in '000
10.	DEVELOPMENT PROPERTIES			
	Land Land for development		8,151,484	8,151,484
	<b>Development expenditure</b> Opening balance Add: Incurred during the year		2,933,827 1,715,852 4,649,679	1,920,977 1,012,850 2,933,827
	Borrowing costs related to development Opening balance Add: Capitalized during the year Less: Markup previously capitalized waived-off by the sponsors	30.	1,129,454 97,244 - 1,226,698 14,027,861	1,054,004 106,346 (30,896) 1,129,454 12,214,765
	<b>Transferred to cost of sales to date</b> Transferred to development charges incurred and apportioned to date	10.1	(2,985,371) (1,259,431) 9,783,059	(2,389,634) (681,951) <u>9,143,180</u>

**10.1** This includes cost of sales charged to profit and loss account for the year ended June 30, 2017 amounting to Rs. 595.735 million (2016: Rs. 292.961 million).

#### 11. ADVANCES

#### Considered good

Advances to suppliers		74,393	67,521
Advances to contractors	11	64,010	359,245
Advances against services and expenses		16,783	18,438
		155,186	445,204

**11.1** During the year the Company has entered into several contracts with different contractors for the construction of bungalows and infrastructure work.

		neotacea
	2017	2016
Note	Rupee	s in '000
DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Deposits		
Guarantee margin	225	225
With contractors	2,679	2,679
Security deposit with Sindh Building Control Authority	3,345	3,345
Others	71	61
	6,320	6,310
Provision for impairment	(2,904)	-
	3,416	6,310
Prepayments	1,219	2,007
repayments	1,215	2,001
Other receivables		
	34	
International Builders and Developers (Private) Limited - a related party	54	-
Sales tax refundable	4 702	4 702
	4,703	4,703
Excise duty refundable	574	574
Others	8,524	646
	13,801	5,923
Provision for impairment	(4,703)	-
	13,767	14,240

Restated

#### 13. CASH AND BANK BALANCES

12.

Cash in hand		7,942	495
Cash at banks in			
Current accounts		16,771	21,161
Deposit accounts	13.1	689	12,430
		17,460	33,591
		25,402	34,086

13.1 These carry markup at the rate ranging between 6% to 7.5% per annum (2016: 4% to 6% per annum).

#### 14. SHARE CAPITAL

#### Authorized Share Capital



#### 14.1 Issued, subscribed and paid-up ordinary share capital

2017	2016		2017	2016
Number	of Shares		Rupee	es in '000
8,600,000	8,600,000	Issued for cash	86,000	86,000
47,200,000	47,200,000	Issued under the financial restructuring arrangement	472,000	472,000
200,000	200,000	Issued as fully paid bonus shares	2,000	2,000
(54,268,643)	(54,268,643)	Shares cancelled due to merger	(542,686)	(542,686)
27,332,729	27,332,729	Shares issued in lieu of merger	273,327	273,327
87,390,414	87,390,414	Right shares issued	873,904	873,904
40,596,528	12,913,899	Shares issued on conversion of preference shares	405,965	129,138
157,051,028	129,368,399		1,570,510	1,293,683

#### 14.1.1 Movement in shares issued on conversion of preference shares

	Opening Shares issued on conversion of preference shares during the year Closing	12,913,899 27,682,629 40,596,528	198,156 12,715,743 12,913,899
14.1.2	Shares held by associated undertakings		
	Arif Habib Corporation Limited International Complex Project Limited	11,879,533 44,693,245 56,572,778	11,879,533 36,273,000 48,152,533

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

#### 14.2 Issued, subscribed and paid-up preference share capital

2017	2016		2017	2016
Number	of Shares		Rupees	s in '000
91,471,300	112,021,300	12% Redeemable, cumulative and convertible preference shares of Rs.10 each	914,713	1,120,213
(46,321,100) 45,150,200	(20,550,000) 91,471,300	Shares cancelled on conversion into ordinary shares	(463,211) 451,502	(205,500) 914,713

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

- The shares were issued under the provision of Section 86 of the Companies Ordinance, 1984 (the Ordinance) read with Section 90 of the Ordinance and the Companies Share Capital (Variation in Rights and Privileges) Rules, 2000.
- The financial capital of the Company and the issue of the shares were duly approved by the shareholders of the Company at the Extraordinary General Meeting held on May 07, 2011.
- Return of allotment of shares was filed under section 73(1) of the Ordinance.
- The Company is required to set-up a reserve for the redemption of preference shares, under section 85 of the Ordinance, in respect of the shares redeemed which effectively makes redeemable preference shares as part of equity.
- Dividend on the shares is appropriation of profit both under the Ordinance and the tax laws.
- The requirements of the Ordinance take precedence over the requirements of International Financial Reporting Standards.
- The preference shareholders have the right to convert these shares into ordinary shares.
- 14.2.1 During the year, 46,321,000 (2016: 20,550,000) preference shares were converted into 27,682,629 (2016: 12,715,743) ordinary shares at conversion price of 80% of the weighted average closing price of the ordinary shares quoted in the daily quotation of Pakistan Stock Exchange Limited during the three months immediately prior to the relevant conversion date in a ratio of aggregate face value of the preference shares plus accumulated dividends thereon to conversion price.

			2017	2016
15.	RESERVES	Note	Rupee	is in '000
	Capital reserves			
	Tax holiday reserve	15.1	11,966	11,966
	Share premium	14.2.1	670,347	178,776
			682,313	190,742
	Revenue reserve			
	General reserves	15.2	63,500	63,500
	Unappropriated profit		1,313,023	119,240
			1,376,523	182,740
			2,058,836	373,482

- **15.1** This was created under section 15BB of the repealed Income Tax Act, 1922. Under the aforesaid section, the Company was required to set aside a fixed percentage of the tax exempted, due to tax holidays, as a reserve not distributable to the shareholders.
- **15.2** This represents reserve created out of profit up to the period 1994-1995 for future contingencies and dividends.

		2017	2016
16.	Note SURPLUS ON REVALUATION OF FREEHOLD LAND	Rupee	es in '000
	As at July 1		
	Development properties 16.1 Property and equipment	5,286,318 1,068,342 6,354,660	5,468,043 <u>1,068,342</u> 6,536,385
	Transfer of surplus on revaluation of freehold land in development properties to retained earnings 16.2 As at June 30	(206,032) 6,148,628	(181,725) 6,354,660
	Represented by:		
	Development properties Property and equipment	5,080,286 1,068,342 6,148,628	5,286,318 1,068,342 6,354,660

16.1 The Company carried out revaluation of its free hold land from M/s. Younus Mirza and Company on January 5, 2009, who determined the fair value of freehold land to be Rs. 5.20 billion on the basis of market value as of December 24, 2008 resulting in surplus on revaluation amounting to Rs. 4.50 billion. Again on June 25, 2010, the Company carried out revaluation from M/s. Joseph Lobo (Private) Limited who determined the fair value of freehold land under market value basis, amounting to Rs. 8.38 billion resulting in a surplus on revaluation amounting to Rs. 3.18 billion.

Although the freehold land has been reclassified as inventory in the current assets of the company, the surplus on revaluation of freehold land has been retained because of the restriction as per Section 235 of Companies Ordinance, 1984 (Repealed), and is transferred to equity as and when realized on sale of freehold land.

**16.2** During the year the Company transferred Rs. 206.032 million (2016: Rs. 181.7 million) from surplus on revaluation of freehold land in development properties to retained earnings on the basis of sale of 36.57 acres (2016: 32.26 acres) of land.

			2017	2016
17.	LONG TERM FINANCE - SECURED	Note	Rupees	in '000
	From banking companies			
	Allied Bank Limited Debt asset swap arrangement	17.1.1	230,076	391,345
	National Bank of Pakistan Limited Term Finance Certificates	17.2.1	690,000	876,962

		2017	2016
	Note	Rupee	s in '000
BankIslami Pakistan Limited			
	1701		100 105
Term Finance	17.3.1	-	103,125
Diminishing Musharika	17.3.2	200,000	200,000
		200,000	303,125
			, -
Syndicated loan facility	17.4	500,000	
Syndicated toan facility	11.4	500,000	_
Total long term financing		1,620,076	1,571,432
Current maturity of long term finance		(432,038)	(451,000)
		1,188,038	1,120,432

#### 17.1 Facility obtained from Allied Bank Limited

#### 17.1.1 Debt asset swap arrangement

Accrued markup up to February 23, 2011 (effective date) amounting to Rs. 87.769 million plus the markup on the medium term finance facility for the grace period from February 23, 2011 to August 23, 2012 calculated at fixed rate 15% equivalent to Rs. 273.497 million (total Rs. 361.266 million) was settled by the Company in kind through transferring equivalent value of its 75 acres land to the bank on August 23, 2012. Transfer charges were borne by the bank. All legal expenses, documentation and related charges, government excise, levies and surcharge were paid by the Company.

"The Company was required to buy back the land acquired by the bank on February 24, 2014, i.e. after 3 years from the transaction date at acquisition cost of Rs. 361.26 million inflated at the rate of 12% with effect from February 23, 2011 plus transfer charges, legal charges etc.

The Company is in negotiation with the Bank to settle the outstanding liability at Rs. 391.345 million, and waive additional mark up on the overdue mark up, as it is not in accordance with prevailing banking regulations. As per legal counsel, the Company is expecting favorable settlement, therefore the remaining liability amounting to Rs.115.557 million has not been accounted for in these financial statements and is disclosed as contingent liability in note 25.1 (g).

#### 17.2 Facility obtained from National Bank of Pakistan

#### 17.2.1 Term Finance Certificates

Total amount of facility is Rs. 920.35 million, which will be paid in nine equal semi-annual installments, having the last installment to be paid till April 2021. The facility carries markup at the rate of six months KIBOR + 2.5%.

#### The facility is secured by:

- a) Pledge of 35 million shares of Arif Habib Corporation Limited;
- b) Mortgage over 41.3 acres of land comprising of commercial plots for an amount of Rs. 1,988 million.
- c) Mortgage over 16.14 acres of land comprising of residential plots for an amount of Rs. 235.480 million.

#### 17.3 Facility obtained from BankIslami Pakistan Limited

- **17.3.1** The Company obtained loan facility in 2014 from BankIslami Pakistan Limited (BIPL) amounting to Rs 200 million at a markup rate of 3 Months KIBOR + 2.5% per annum (subject to floor and cap of 11% and 20% respectively). The loan was secured against exclusive charge on the company's land of 27.09 acres located at Mangophir, Karachi. During the year, the company repaid the remaining loan amount in five equal installments; each of Rs. 20.625 million; hence, no outstanding balance stood as of June 30, 2017.
- **17.3.2** The Company had obtained loan facility in 2016 by entering into diminishing musharika agreement with BankIslami Pakistan Limited (BIPL) amounting to Rs. 200 million at the rate of KIBOR + 3% per annum (subject to floor and cap of 9% and 20%, respectively), the loan amount is payable in 3 years and is secured against charge on the company's land of 17,280 sq. yards located at Mangophir, Karachi. During the year, there were no repayments, as the grace period of the loan extends to September 30, 2017. Thereafter, loan will be repaid in eight equal quarterly installments of Rs. 25 million each.

#### 17.4 Syndicated loan facility

During the year, the Company has obtained syndicated loan facility of Rs. 800 million from a consortium of banks led by The Bank of Punjab. The loan is subject to KIBOR + 2.35%, and is secured against 122 plots located at Naya Nazimabad. The loan has been obtained for construction of gymkhana at Naya Nazimabad, Karachi. As at year end, the company has only drew Rs. 500 million from the facility.

#### 18. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

	2107			2016	
Minimum lease payments	Financial charges for future periods	Principal out- standing	Minimum lease payments	Financial charges for future periods	Principal out- standing
		Rupees	in '000		
1,337	143	1,194	1,953	381	1,572
0.07		0.50	0 1 0 0	1.07	1 0 7 0
997	44	953	2,160	187	1,973
2,334	187	2,147	4,113	568	3,545

18.1 The Company has entered into lease agreements with financial institutions for lease of vehicles. Lease rentals are payable in monthly instalments. Financial charges included in lease rentals are determined on the basis of discount factors applied at the rates ranging from 8.87% to 12.86% per annum (2016: 12.86% to 16% per annum). At the end of lease term, the Company has an option to acquire the assets, subject to adjustment of security deposits.

#### 19. DEFERRED LIABILITIES

#### 19.1 General description

General description of the approved funded gratuity scheme and accounting policy for recognizing actuarial gains and losses is disclosed in note 3.8 to the financial statements.

#### 19.2 Principal actuarial assumptions

The latest actuarial valuation for defined benefit plan scheme was carried out as at June 30, 2017 using the Projected Unit Credit Method (PUCM). The following significant assumptions were used for the actuarial valuation:

	2017	2016
Discount rate %	7.75	7.25
Expected rate of increase in salary levels %	7.75	7.25
Expected rate of return on plan assets %	7.75	7.25
Average retirement age of the employee	60 years	60 years

Mortality rates assumed were based on the SLIC 2001-2005 mortality table.

The expected return on plan assets is based on the prevailing bank rate.

10.2	Deconciliation of amount poweble to defined benefit plan	Note	2017 Rupees in	2016
19.3	Reconciliation of amount payable to defined benefit plan			
	Present value of defined benefit obligation Less: Fair value of plan assets	19.4 19.6 19.5	21,123 (5,195) 15,928	12,957 (6,181) 6,776
19.4	Movement in present value of defined benefit obligation			
	Present value of obligation as at July 1 Current service cost Interest cost Benefits paid Actuarial gain on measurement of obligation Present value of obligation as at June 30		15,295 6,061 981 (3,537) 2,323 21,123	12,957 4,894 1,087 (3,610) (33) 15,295
19.5	Movement in payable to defined benefit plan			
	Opening liability / (asset) Expense for the year Other comprehensive income Contributions to the fund Closing liability	19.8	10,212 6,674 2,579 (3,537) 15,928	6,776 5,423 476 (2,463) 10,212
19.6	Movement in fair value of plan assets			
	Fair value of plan assets as at July 1 Return on plan assets Contributions Benefits paid Actuarial loss on measurement of plan assets Fair value of plan assets as at June 30 2017		5,083 368 3,537 (3,537) (256) 5,195	6,181 2,463 558 (3,610) (509) 5,083

#### 19.7 The plan assets comprise bank balances only.

**19.7.1** These carry mark-up at rates ranging from 4% to 7% (2016: 4% to 6%).

#### 19.8 The amount recognized in the profit and loss account is as follows:

Current service cost	6,062	4,894
Interest cost on defined benefit obligation	981	1,087
Interest income on plan assets	(369)	(558)
	6,674	5,423

#### 19.9 Actuarial loss on premeasurement of obligation / plan assets comprise of

	2017	2016	2017	2016
	A	Actuarial loss on measurement of		of
	Plan assets Obligation		gation	
	Rupees	in '000	Rupee	s in '000
Experience adjustment	(256)	(509)	2,323	33

#### 19.10 The plan exposes the company to the following risks:

Longevity risk: The risk arises when the actual lifetime of retirees is longer than expectation. This risk is measured at the plan level over the entire retiree population.

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

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

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

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

Sensitivity analysis	Impact on	defined benefit	obligation
	Change in assumption	Increase in assumption	Decrease in assumption
	%	Rupees	in '000
Discount rate Salary growth rate	1 1	19,653 22,803	(22,820) (19,640)

- **19.12** The expected gratuity expense for the year ending June 30, 2018 works out to Rs. 7.519 million.
- **19.13** The weighted average duration of the defined benefit obligation at June 30, 2017 is 7 years (2016: 7 years).

			2017	2016
		Note	Rupees	s in '000
20.	TRADE AND OTHER PAYABLES			
	Creditors		13,358	12,695
	Accrued liabilities		237,660	309,208
	Retention money payable		23,346	5,995
	Power Cement Limited - a related party		7,842	541
	Withholding tax payable		10,022	9,096
	Payable against cancellation of plots		13,467	-
	Dividend accrued on preference shares		303,560	503,702
	Unclaimed dividend		2,834	2,834
	Income tax payable		16,024	12,399
			628,113	856,470
21.	MARKUP ACCRUED			
	Accrued markup on long term finance		15,121	63,099
	Accrued markup on short term borrowings		2,646	18,953
	Accided markup on short term borrowings	21.1	17,767	82,052
		$\angle \bot$ , $\bot$	11,101	02,032

**21.1** This includes markup payable to related party amounting to Rs. 1.34 million (2016: Nil).

				Restated
			2017	2016
		Note	Rupee	s in '000
22.	ADVANCE FROM CUSTOMERS			
	Advance against plots and bungalows	22.1	1,327,124	865,570
	Advance against development cost incurred		124,311	120,204
			1,451,435	985,774

22.1 This represents amount received from customers in respect of booking of plots and bungalows, as per respective payment plans on which sales have not been recognized, since such transactions do not meet the recognition criteria. This includes amount received from related parties amounting to Rs. 131.03 million (2016: Rs.102.37 million).

#### 23. LIABILITY AGAINST PERFORMANCE OBLIGATION

This represents the portion of development cost received from customers against which the Company carries an obligation to incur development cost in future.

			2017	2016
•	SHORT TERM BORROWINGS	Note	Rupee	s in '000
	From banking companies - secured			
	Summit Bank Limited - a related party Sindh Bank Limited	24.1 24.2	- 213,166 213,166	135,000 599,700 734,700

- 24.1 This represents short-term running finance and term finance obtained from Summit Bank amounting to Rs. 85 million and Rs. 50 million respectively. Both facilities carry markup at the rate of 3 months KIBOR + 4% and are secured by mortgage over 35.55 acres inclusive of margin and personal guarantee of Mr. Arif Habib (sponsor). During the year, the company has repaid both its running finance and term finance facilities.
- 24.2 The facility carries markup rate of 11% per annum payable in quarterly instalments and is secured by token mortgage of Rs. 0.1 million and remaining as equitable mortgage of land measuring 97,520 sq. yards for 796 plots owned by the Company in "Naya Nazimabad". Beside this, the facility is also secured by personal guarantee of all sponsoring directors of the Company. The available finance facility amounting to Rs. 600 million (2016: Rs. 600 million) and un-availed facility at year end 2017 is Rs. 386.5 million (2016: Rs. 0.3 million).

#### 25. CONTINGENCIES AND COMMITMENTS

#### 25.1 Contingencies

24.

- a) Guarantees issued by commercial banks on behalf of the Company amounting to Rs. 6 million (June 30, 2016: Rs. 6 million).
- b) In 2003 the Company received Form PT-13 from Excise and Taxation Officers, assessing authority Deputy District Officer Property Tax (O) Division (DDO) demanding Gross Annual Rental Value (GARV) amounting to Rs. 28.078 million U/S 9(b) of the Urban Immoveable Property Tax Act, 1958. The Company filed objections with the concerned authority with the view that Company factory does not fall with in the jurisdiction of Deputy District Officers (Property Tax) (O) Division and proposed assignment made in respect of Company factory is without jurisdiction. The concerned authority reduced the GARV to Rs. 5.722 million and thereafter, issue a show cause notice regarding outstanding amount including penalty which comes to aggregate amounting to Rs. 7.108 million. The Company has filed Constitution Petition in the High Court of Sindh. The case is still pending. Based on legal advice, management of the Company is confident that the case will be decided in favour of the Company on the reason mentioned above. Hence no provision is made in these financial statements.
- c) Town Municipal Administration Gadap, Karachi sent a notice requiring the Company to get a trade license and deposit Rs. 8.625 million as trade license fee for the year 2001 to 2006. The Company filed a constitution petition before the High Court of Sindh to declare that respondents have no jurisdiction to impose and recover trade license fee on the ground that the City District Government and Town Municipal Administration Gadap, can not legally impose the trade license fee in the absence of bye-laws required to be framed under the provision of Section 192 of Sindh Local Government Ordinance, 2001. The case is still pending. Based on legal advice, management is confident that case will be decided in the favour of the Company and hence no provision is made in these financial statements.

- d) From 1993-94 to 1998-99, the excise duty was levied and recovered from the Company being wrongly worked out on retail price based on the misinterpretation of sub-section 2 of Section 4 of the Central Excise Act, 1944 by the Central Board of Revenue. Such erroneous basis of working of excise duty has been held, being without lawful authority, by the Supreme Court of Pakistan as per its judgment dated February 15, 2007 in the civil appeal Nos. 1388 & 1389 of 2002, civil appeal Nos. 410 to 418 of 2005, civil appeal No. 266 of 2006, civil appeal No. 267 of 2006 and civil appeal No. 395 of 2006. Accordingly, the Company has filed an application to the Collector of Federal Excise and Sales Tax to refund the excess excise duty amounting to Rs. 564.813 million. The case is pending before Collector. Based on legal advice, management is confident that the final outcome of the case will be in favour to the Company.
- e) The Company is a party to various cases for different pieces of land. These cases pertain to title, possession and encroachment of land. The Company's legal counsel has determined that the financial impact of these cases is not material as of reporting date. Further, they also expect that the outcome of these cases to be in favour of the Company. Considering the legal counsel's best estimate of the financial impact and the expectation of favourable outcome, no provision has been made in these financial statements.
- f) The Company has filed constitutional petition before the High Court of Sindh (the Court) vide Constitutional Petition No. 2564 of 2014 challenging vires of Workers Welfare Ordinance, 1971. The Court has admitted constitutional petition for regular hearing and issued interim stay order from recovery of WWF impugned demand by Federal Board of Revenue for the tax year 2013. Based on legal advice, management is expecting positive outcome of the petition in view of the judgement passed by the Supreme Court of Pakistan on the said matter.
- g) Contingency related to ABL mark up is disclosed in note 17.1.1 to these financial statements.
- h) Alternate Corporate Tax (ACT) was applicable on the Company at rate of 17% of accounting income after certain adjustments as mentioned in section 113 (c) of Income tax Ordinance 2001 through Finance Act 2014. Accordingly, the Company had made a provision for ACT for the year ended June 30, 2014 but obtained stay order from the High Court of Sindh against applicability of ACT in tax year 2015. Therefore, the provision against ACT amounting to Rs 131.273 million was reversed in prior year. The Company has recognized liability for tax years 2015, 2016 and 2017 based on minimum tax under section 113. Based on its tax consultants advice, aggregate amount of ACT of Rs. 648 million has not been accounted for in these financial statements due to the pending litigation.
- i) Income tax assessments of the Company have been finalized up to and including tax year 2016. However, the Commissioner of Income tax may, at any time during the period of five years from the date of filing of return, select the deemed assessment for audit.
- j) Assistant Commissioner Inland Revenue (ACIR) raised a demand of Rs. 1,003 million under section 122(1) for tax year 2012 by disallowing certain items. The Company filed an appeal there against before the Commissioner Inland Revenue (CIR) who through his order dated May 29, 2015, has reduced demand to Rs.106.027 millions by modifying order passed by ACIR. The Company filed an appeal against the order of CIR at the Tribunal, which is in process. Based on its tax consultants advice, management is confident that the case will be decided in favour of the Company. Accordingly, no effect of the order has been taken in these financial statements.
- k) For assessment year 2008, 2009 and 2010, the Company has received notices of demand under section 132(2) of the Income Tax Ordinance, 2001 from Commissioner Inland Revenue raising demand Rs. 39.791 million, 80.257 million and 194.035 million for tax year 2008, 2009 and 2010 respectively. The Company has filed appeals against the orders under section 122 of the

Ordinance, which is in process. Based on its tax consultants advice, management is confident that case will be decided in the favour of the Company, therefore no provision has been made in these financial statements.

- I) Taxation authorities have passed assessment order in respect of tax year 2014 and made certain disallowances and additions resulting in an additional tax demand of Rs. 533.7 million. The company has filed appeals against these orders against before CIR (Appeals). Based on its tax consultants advice, management is confident that the case will be decided in favour of the Company. Accordingly, no effect of the order has been taken in these financial statements.
- m) Taxation authorities have passed assessment order in respect of tax year 2011 and made certain disallowances and additions resulting in an reduction in loss for the year from Rs. 1,497.006 million to Rs. 147.479 million. The company has filed appeals against these orders against before CIR (Appeals).Based on its tax consultants advice, management is confident that the case will be decided in favour of the Company. Accordingly, no effect of the order has been taken in these financial statements.
- n) The Company has filed a constitutional petition D-4971 of 2017 in High Court of Sindh against imposition of tax on reserves under section 5A of Income Tax Ordinance, 2001. Management is confident regarding the outcome of the petition as stay has been granted on similar petitions filed by other companies. No provision has been recorded in these financial statements in this regard.

			2017	2016
		Note	Rupee	s in '000
25.2	Commitments			
	Guarantee in favour of Sindh Building Control Authority (SBCA) 2	5.2.1	_	6,960
			-	6,960
25.2.1	The guarantee was obtained from BankIslami and has expired d	uring the	year.	
26.	SALES OF PLOTS AND BUNGALOWS			
	Sale of plots and Bungalows	26.1	2,566,137	2,760,070
	Less: Sales return	26.2	(46,845)	(1,532,155)
	Less: provision for sales return		(51,323)	-

- **26.1** This includes sales of bungalows of Rs. 395.109 million (2016: nil).
- 26.2 It includes Rs. 46.845 million on account of cancellation of allotment of plots during the year.

(51,323) 2,467,969

1.227.915

27.	DEVELOPMENT COST	Note	<b>2017</b> Rupees	Restated 2016 in '000
	Development cost reimbursable from customers		577,480	245,526
	Less: Development cost incurred & apportioned to customers		(577,480)	(245,526)
28.	ADMINISTRATIVE EXPENSES			
	Salaries, wages and other benefits	28.1 & 28.2	87,502	70,996
	Fees and subscriptions		5,942	6,192
	Depreciation	5.1	11,367	8,595
	Amortization	6.	1,139	2,107
	Vehicle running		13,785	12,068
	Legal and professional		3,451	2,898
	Repair and maintenance Rent, rates and taxes		18,216 5,849	9,046 4,270
	Utilities		28,888	4,270 25,446
	Donation	28.3	3,732	3,589
	Communication	20.0	3,619	3,885
	Travelling and conveyance		1,643	1,631
	Insurance		3,105	2,452
	Printing and stationery		2,609	2,452
	Auditors' remuneration	28.4	1,703	1,703
	Entertainment		3,449	2,243
	Meetings and conventions		295	407
	Bad debt expense		8,303	-
	General		10,051	6,932
			214,648	166,912

- **28.1** This includes an amount of Rs. 6.67 million (2016: Rs. 5.42 million) in respect of employees retirement benefits.
- 28.2 Number of employees as at June 30, 2017 are 378 (2016: 379). It includes contractor's employees totalling 254 (2016: 252) and average number of employees during the year 2017 were 300.
- **28.3** No director(s) or their spouse had any interest in any donees to which donations were made.

#### 28.4 Auditors' Remuneration

#### Deloitte Yousuf Adil

Haroon Zakaria & Co.		
Annual audit of financial statements Review of half yearly financial statements Code of Corporate Governance and others Tax related services	477 169 53 150 849 1,703	477 174 53 145 <u>849</u> 1,703

#### 29. MARKETING AND SELLING EXPENSES

These include media buying costs, TV commercial production costs, consultancy charges and printing material cost, arrangement and advertisement costs of Ramadan Peace Cup Tournament, and Karachi Kings Tournament that have been incurred as part of advertisement campaign launched to promote the project.

			2017	2016
30.	FINANCE COST	Note	Rupees	in '000
	Mark-up on long term financing Mark-up on short term borrowings Mark-up on finance lease Bank charges		115,069 32,418 276 22,066	220,408 65,641 220 1,306
	Less: Amount capitalized in the cost of qualifying asset	10.	169,829 (97,244) 72,585	287,575 (106,346) 181,229
	Average rate of capitalisation		4.86%	4.79%
31.	OTHER INCOME			
	Income from financial assets Profit on deposits Income from non-financial assets		1,434	186
	Income from cancellation of bookings Liabilities written back Miscellaneous		12,536 - 16,177	25,529 5,696 17,035
			30,147	48,260

			2017	2016
		Note	Rupees	in '000
32.	TAXATION			
	Current tax			
	For the year Deferred tax	7.1	(25,193) (372,421) (397,614)	12,279 (107,513) (95,234)

**32.1** Contingencies related to tax are disclosed in note 25.1 to these financial statements.

				Restated
			2017	2016
33.	EARNINGS PER SHARE	Note	Rupees	s in '000
	Basic			
	Profit after tax (Rupees in '000) less: Dividend on preference shares (Rupees in '000) Profit attributable to ordinary shareholders (Rupees in '000)		1,095,373 (105,043) 990,330	695,616 (117,166) 578,450
	Weighted average number of ordinary shares		130,278,513	126,564,456
	Earnings per share - (In Rupees)		7.60	4.57
	Diluted			
	Profit attributable to ordinary shareholders (Rupees in '000)		1,095,373	695,616
	Weighted average number of ordinary shares		190,379,399	<b>1</b> 91,107,820
	Earnings per share - (In Rupees)		5.75	3.64

**33.1** Earnings per share for year ended June 30, 2016 has been restated to account for preference dividend pertaining to and declared in the year 2016, which was erroneously not considered in prior year financial statements.

#### 34. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Aggregate amounts charged in the financial statements are as follows:

	2017	2016	2017	2016
	Chief Execut	tive Officer	Exec	utive
	Rupees	in '000	Rupee	s in '000
Managerial remuneration	8,640	7,855	54,890	33,285
Medical expenses	785	785	4,929	3,329
Bonus	-	655	-	2,901
	9,425	9,295	59,819	39,515
Number of Persons	1	1	53	30

The Chief Executive Officer and other executives have also been provided with Company maintained cars

The Directors have not drawn any remuneration from the Company.

35.	FINANCIAL INSTRUMENTS AND RISK MANAGEMENT	2017	2016
35.1	Financial instrument by category	Rupees	s in '000
	Loans and receivables		
	Security deposits Trade debts Deposits and other receivables Cash and bank balances	4,836 2,436,952 7,271 25,402 2,474,461	4,331 1,447,368 6,956 34,086 1,492,741
	Financial liabilities at amortized cost		
	Long term financing Liabilities against assets subject to finance lease Short term borrowings Trade and other payables Mark-up accrued	1,620,076 2,147 213,166 602,067 17,767 2,455,223	1,571,432 3,545 734,700 834,975 82,052 3,226,704

#### 35.2 Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management. The responsibility includes developing and monitoring the Company's risk management policies. To assist the Board in discharging its oversight responsibility, management has been made responsible for identifying, monitoring and managing the Company's financial risk exposures. The Company's exposure to the risks associated with the financial instruments and the risk management policies and procedures are summarized as follows:

#### 35.3 Credit risk and concentration of credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. 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 ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Company does not have any significant exposure to a single customer.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	2017	2016
	Rupees	in '000
g term security deposits	4,836	4,331
ebts	2,436,952	1,447,368
nd other receivables	7,271	7,271
Ces	17,460	33,591
	2,466,519	1,492,561

The Company is exposed to credit risk from its operating activities primarily for trade debts and other receivables, deposits and balances with banks and financial institutions, and other financial instruments.

#### Aging of past due but not impaired trade debts are as follows:

	2017	2016
	Rupee	s in '000
past due	2,037,764	1,132,481
st due 1-90 days	181,568	314,887
lue 91-180 days	8,764	-
181-270 days	94,079	-
ue 270-365 days	6,164	-
an one year	108,614	-
	2,436,952	1,447,368

**35.3.1** The Company believes that it is not exposed to major concentration of credit risk as the trade debts relates to sale of land to various customers and such sales can be cancelled by the Company on non payment of overdue balances.

The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings. The names and credit ratings of major banks, where the Company maintains bank balances as per latest ratings are as follows:

Name of bank	Rating	Credit rating	
Name of Dank	agency	Short-term	Long-term
Al-Baraka Bank (Pakistan) Limited	PACRA	Al	A
Allied Bank Limited Askari Bank Limited	PACRA PACRA	A1+ A1+	AA+ AA+
Bank Al-falah Limited BankIslami Pakistan Limited	PACRA PACRA	A1+ A1+	AA+ AA+
Habib Bank Limited MCB Bank Limited	PACRA PACRA	A1+ A1+	AA+
Meezan Bank Limited	JCR-VIS	A1+ A-1+	AA+ AA
National Bank of Pakistan NIB Bank Limited	PACRA PACRA	A1+ A1+	AAA AAA
Sindh Bank Limited Summit Bank Limited	JCR-VIS JCR-VIS	A-1+ A-1	AA A-
Bank of Punjab Limited The Bank of Punjab	PACRA JCR-VIS	A-1 A1+ A-1+	A- AA AAA
The Bank of Fanjab	5011 110	/ \	

#### 35.4 Liquidity risk

Liquidity risk reflects the Company's inability in raising funds to meet commitments. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to manage 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 stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to fulfil its obligation, monitoring balance sheet liquidity ratios against internal and external requirements and maintaining debt financing plans.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows:

	2017					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years	Two to five years
			Rupees	in '000		
Financial liabilities						
0	1,620,076	(1,620,076)	(215,519)	(302,769)	(300,038)	(801,750)
Liabilities against assets		( )	(= )	()	( )	
subject to finance lease	2,147	(2,147)	(519)	(685)	(943)	-
Trade and other payables	602,067	(602,067)	(578,721)	(23,346)	-	-
Short term borrowings	213,166	(213,166)	(213,166)	-	-	-
Mark-up accrued	17,767	(17,767)	(17,767)	-	-	-
	2,455,223	(2,455,223)	(1,025,692)	(326,800)	(300,981)	(801,750)

	2016					
	Carrying amount				One to two years	Two to five years
			Rupees	in '000		
Long term finance Liabilities against assets	1,571,432	1,571,432	(220,231)	(230,769)	(399,663)	(720,769)
subject to finance lease	3,545	(3,545)	(1,085)	(489)	(1,064)	(907)
Trade and other payables	834,975	(834,975)	(828,980)	(5,995)	-	-
Short term borrowings	734,700	(734,700)	(734,700)	-	-	-
Mark-up accrued	82,052	(82,052)	(82,052)			
	3,226,704	(83,840)	(1,867,048)	(237,253)	(400,727)	(721,676)

#### 35.5 Market risk

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

#### a) Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions with foreign undertakings. The Company is not exposed to foreign currency risk as the Company is not involved in the foreign currency transactions.

#### b) Interest rate risk

The 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.

The Company does not have significant interest bearing assets. Majority of the interest rate risk arises from Company's long-term financing and short-term borrowings. At the reporting date the interest rate profile of the Company's interest bearing financial liabilities is:

	2017	2016
Fixed rate instruments	Rupee	es in '000
Fixed rate instruments		
Financial assets - Deposit accounts	689	12,430
Financial liabilities - Short term loans	213,166	599,700
Variable rate instruments		
Financial liabilities - Long term and short term loans - Liabilities against assets subject to finance lease	1,620,076 2,147	1,706,432 

	Impact on Loss for	Profit and 100 bp
	Increase	(Decrease)
As at June 30, 2017		
Cash flow sensitivity	16,222	16,222
As at June 30, 2016 Cash flow sensitivity	17,100	17,100

#### c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), 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 reporting date, the Company is not exposed to this risk.

#### 35.6 Capital risk management

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure the Company may adjust the amount of dividends paid to shareholders, issue new shares and take other measures commensurate with the circumstances.

Consistent with others in the industry, the Company monitors capital on the basis of the its gearing ratio. This is calculated as net debt divided by total capital plus net debt. Net debt is calculated as total borrowings from financial institutions less cash and bank balances. Total capital is calculated as equity as shown in the balance sheet and net debt.

	2017	2016
	Rupee	s in '000
Total borrowings	1,835,389	2,309,677
Cash and bank balances	(25,402)	(34,086)
Net debt	1,809,987	2,275,591
Total equity	4,080,848	2,581,878
Total Capital	5,890,835	4,857,469
Gearing ratio	31%	47%

#### 36. FAIR VALUE HIERARCHY

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

The Company uses the following hierarchy for determining and disclosing the fair value of financial and non-financial assets by valuation technique:

Level 1: quoted prices in active markets for identical assets.

- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

	2017				
	Level 1	Level 2	Level 3	Total	
		Rupees	in '000		
Free hold land	-	1,498,599	-	1,498,599	
	-	1,498,599	-	1,498,599	
	2016				
	Level 1	Level 2	Level 3	Total	
		Rupees	in '000		
Free hold land	-	1,498,599	-	1,498,599	
		1,498,599		1,498,599	

#### 37. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated undertakings, key management personnel and post employment benefit plan. The Company carries out transactions with various related parties as per agreements. Amounts due from / to related parties are shown under respective notes. Other significant transactions with related parties are as follows:

	2017	2010
	2017	2016
	Rupe	es in '000
Associates		
Purchase of cement (OPC/SRC)	88,503	69,062
Payments made for purchase of cement	81,063	68,521
Purchase of concrete	63,509	67,931
Payments made for purchase of concrete	65,386	67,986
Sale of plots	1,003,773	1,450,000
Receipt from sale of residential plots	202,338	1,389,000
Loan received	-	320,000
Loan repaid / adjusted	-	1,570,000
Mark-up expense capitalized	-	13,001
Mark-up paid	39	13,001
Amount received for amenities	-	120,000

2017	2016
Rupe	es in '000

#### Key management personnel

Sale of plots / bungalows Sale of residential plots Receipt against sale of residential plots Sale of Commercial Plots Loan received Loan repaid	1,130 1,130 - - -	- 159,840 300,000 430,000 430,000
Other related party		
Sale of residential plots Sale of commercial plots Receipts against sale of residential plots Loan received Markup waived Loan repaid / adjusted	56,338 - 56,338 - - -	- 600,000 - 100,000 30,896 600,000

#### 38. CORRESPONDING FIGURES

Comparative information has been re-classified or re-arranged in these financial statements, wherever necessary, to facilitate comparison and to confirm with changes in presentation in the current year.

Reclassified from	Reclassified to	Rupees in 000
Development properties	Capital work in process	57,971

#### 39. NON-ADJUSTING EVENT AFTER BALANCE SHEET DATE

The Board of Directors in its meeting held on November 4, 2017, has proposed a cash dividend of Rs. 2.5 per share amounting to Rs. 392.628 million for approval of the members at the Annual General Meeting to be held on November 27, 2017.

#### 40. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on November 04, 2017 by the Board of Directors of the Company.

#### 41. GENERAL

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

Director

Javedan Corporation Limited 95

# **Pattern of Shareholding**

As at June 30, 2017

#### 1. Incorporation Number 0001313

2. Name of the Company JAVEDAN CORPORATION LIMITED

3. Pattern of holding of the shares held by the shareholders as at June 30, 2017

# Of Shareholders		Shareholdings	'Slab	Total Shares Held
2026	1	to	100	55,010
546	101	to	500	145,280
285	501	to	1000	222,289
290	1001	to	5000	775,308
68	5001	to	10000	521,418
24	10001	to	15000	321,289
14	15001	to	20000	262,500
16	20001	to	25000	385,000
8	25001	to	30000	230,500
7	30001	to	35000	233,395
5	35001	to	40000	192,022
2	40001	to	45000	82,500
3	45001	to	50000	150,000
7	50001	to	55000	369,500
1	60001	to	65000	65,000
1	65001	to	70000	70,000
2	90001	to	95000	184,500
2	100001	to	105000	208,500
1	115001	to	120000	119,500
2	130001	to	135000	268,000
1	140001	to	145000	142,000
1	150001	to	155000	151,500
1	155001	to	160000	160,000
2	170001	to	175000	349,500
1	175001	to	180000	176,000
2	195001	to	200000	399,000
2	200001	to	205000	407,583
1	220001	to	205000	223,000
5	295001	to	300000	1,497,000
1	395001	to	400000	400,000
1	400001	to	405000	400,500
1	600001	to	605000	600,117
1	775001	to	780000	776,000
1	970001	to	975000	971,000
1	1395001		1400000	1,400,000
1	1495001	to to	1500000	1,500,000
1	2135001	to	2140000	2,138,000
	2655001		2660000	2,658,000
1	2735001	to to	2740000	2,737,718
1	2920001	to	2925000	2,924,934
1	3020001	to	3025000	3,022,500
1	320001	to	3205000	3,204,000
1	3495001	to	3500000	3,500,000
1	4655001	to	4660000	4,656,277
1	4950001			4,050,277 4,951,953
		to	4955000	
1	4960001 5465001	to to	4965000 5470000	4,964,300 5,466,546
1	6025001	to	6030000	6,029,272
1	6655001			6,657,132
		to	6660000	
1	7565001	to to	7570000	7,569,829
1	10250001	to	10255000	10,253,875
1	11875001	to	11880000	11,879,533
1	15325001	to	15330000	15,329,203
	44690001	to	44695000	44,693,245
3351				157,051,028

# **Category wise list of shareholders**

As at June 30, 2017

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children			
ARIF HABIB	1	10,253,875	6.53
ABDUS SAMAD	1	34,895	0.02
MOHAMMAD KASHIF	1	2,737,718	1.74
HASSAN AYUB	1	5	0.00
ABDUL QADIR	1	100	0.00
MUHAMMAD SIDDIQ KHOKHAR	1	44	0.00
Associated Companies, undertakings and related parties			
ARIF HABIB CORPORATION LIMITED	1	11,879,533	7.56
INTERNATIONAL COMPLEX PROJECTS LTD	1	44,693,245	28.46
Executive	1	12,698	0.01
Public Sector Companies and Corporations	3	13,773	0.01
Banks, development finance institutions, non-banking finance companie	es,		
insurance companies, takaful, modarabas and pension funds	8	9,438,593	6.01
Mutual Funds			
CDC - TRUSTEE AKD OPPORTUNITY FUND	1	3,022,500	1.92
General Public			
a. Local	3289	51,105,110	32.54
b. Foreign Investors	1	298,500	0.19
c. Others	40	23,560,439	15.00
Totals	3351	157,051,028	100.00

Share holders holding 5% or more	Shares Held	Percentage
ABDUL GHANI	11,082,066	7.06
ARIF HABIB	10,253,875	6.53
ARIF HABIB CORPORATION LIMITED	11,879,533	7.56
ARIF HABIB LIMITED	15,369,203	9.79
INTERNATIONAL COMPLEX PROJECTS LTD	44,693,245	28.46
SHUNAID QURESHI	10,227,829	6.51

# **FINANCIAL CALENDAR**

### For the year ended June 30, 2018

For the Financial year ended June 30, 2018 financial result will be announced as per the following tentative schedule:

1st Quarter ended on September 30, 2017	November 04, 2017
2nd Quarter ended on December 31, 2017	February 23, 2018
3rd Quarter ended on March 31, 2018	April 27, 2018
4th Quarter ended on June 30, 2018	September 14, 2018

### **Form of Proxy** 55<sup>th</sup> Annual General Meeting

The Company Secreta	ry	
Javedan Corporation	Limited	
Arif Habib Centre		
23, M.T. Khan Road		
Karachi.		
1/1/10	of	heing a memher(s)
of Javedan Corporatio		ordinary shares as per
CDC A/c. No	hereby appoint Mr./Mrs./Miss	
	of (full address)	
		or failing him/her
Mr./Mrs./Miss		

(being member of the company) as my/our Proxy to attend, act vote for me/us and on my/our behalf at the Fifty Four Annual General Meeting of the Company to be held on November 27, 2017 and/or any adjournment thereof.

Sig	gned this	day of	2017.	
Wi	tnesses:			
1.				Signature on
	Address :			Rs. 5/-
	CNIC No. :			Revenue Stamp
	Signature :			
2.	Name :			
	Address :			
	CNIC No. :			
	Signature :			

NOTES:

- 1. A member entitled to attend and vote at the meeting may appoint another member as his / her proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.
- 2. Proxy shall authenticate his/her identity by showing his/her original CNIC / passport and bring folio number at the time of attending the meeting.
- 3. In order to be effective, the proxy Form must be received at the office of our Registrar M/s. Central Depository Company of Pakistan, Share Registrar Department, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahra-e-Faisal, Karachi, not later than 48 hours before the meeting duly signed and stamped and witnessed by two persons with their signature, name, address and CNIC number given on the form.
- 4. In the case of individuals attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy Form.
- 5. In the case of proxy by a corporate entity, Board of Directors resolution/power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted alongwith proxy Form.

يراكسي فارم سالانه جزل اجلاس کمپنی سیکریٹری جاديدان كاريوريش لمينژ عارف حبيب سينثر 23، ايم ٹي خان روڈ 21.5-میں مسلَّمی / مسماً ۃ ۔۔۔۔۔ ضلع بحثيت ممبر جاديدان كاريوريثن كميثذ، مسلمي / مسماّة \_\_\_\_\_ ساکن ..... کوبطور مختار (پراکس) مقرکرتا ہوں تا کہ وہ میری جگہ اور میری طرف سے کمپنی کے سالانہ اجلاب عام جو ہتاریخ 27 نومبر، 2017 منعقد ہور ہاہے میں اوران کے سی ملتوی شدہ اجلاس میں ووٹ ڈالے۔ دستخط:----- بروز/ بتاريخ----- 2017 گوایان: 2 1 نام:\_\_\_\_\_نام نام:----- نام ----:# ----:2 د شخط۵ روپے ریوینیواسٹیمپ شاختی کارڈنمبر:\_\_\_\_\_ شناختي كاردنمبير:\_\_\_\_\_ وستخط: \_\_\_\_\_ دستخط: \_\_\_\_\_ نوب: وہ رُکن جے بیاجلاس یا جلاس میں ووٹ کاحق حاصل ہے وہ کسی ناگز برصورتحال میں اپنی جگہ کسی دوسرے (مخصوص) رُکن کو بیچق دے سکتا ہے کہ وہ رُکن اُس کی پراکسی استعال کرتے ہوئے ، اُس کے بچائے اجلاس میں شریک ہوسکتا ہے، خطاب کر سکتا ہے یا ووٹ کا اندراج كرسكتاب-پراکسی ثابت کرنے کے لئے اُسے اپنااصل پاسپورٹ اور فولیونمبر ہے دکھا نالازمی ہے تا کہ اجلاس میں شرکت کی اجازت سے قبل اُس کی شناخت کی جاسکے۔ متوثر بنانے کے لئے، پراکسی فارم ہمارے رجسرا رکے دفتر (ایم/ایس) سینٹرل ڈیپوزیٹری کمپنی آف پاکستان، شیئر رجسرار ڈیپار شنٹ، ی ڈی سی باؤس، B-B9، ایس، ایم، ی، ایچ، ایس، شاہراہ فیصل، کراچی، پاکستان، میں اجلاس ہے کم از کم 48 تھنے قبل وصول ہونالازم ہے۔فارم میں تمام مطلوبہ معلومات ، رُکن کے دینخط اور مہر، نیز دوگواہان کی بنیادی معلومات یعنی نام یے ،دینخط اور شناختی کارڈ نمبر کااندراج ضروری ہے۔ انفردی رُکن کی صورت میں اصل اونرا در براکسی کے شناختی کا رڈیا یا سپورٹ کی تصدیق شدہ فقول منسلک کرنالا زمی ہے۔ پراکس کے کارپوریٹ ہونے کی صورت میں بورڈ آف ڈائیر یکٹر کی قرار داد، یا درآف اٹارنی، شاختی کارڈ اور پاسپورٹ کی تصدیقی شدہ نقول، پراکسی فارم کے ساتھ منسلک کرنا ضروری ہے۔





01 بولائى 2016 تا 30 بون 2017

تبجره	رخصت	حاضر	ابل برائے	کل	عبده	نام
	حاصل کی	2 91	حاضرى			
		4	4	4	چيئر مين	مسٹر عارف حبیب
	1	3	4	4	چیف ایگزیکٹو	مسٹر صداے حبیب
	1	3	4	4	ڈائر پکٹر	مسٹر عبد القادر سلطان
	2	2	4	4	ڈائر یکٹر	مسٹر حجد اعجاز
	1	3	4	4	ڈائر پکٹر	مسٹر کاشف اے حبیب
	1	3	4	4	ڈائر یکٹر	مسٹر فیصل انیس بلوانی
		4	4	4	ڈائر یکٹر	مسٹر محد صدیق کھو کھر
	3	1	4	4	ڈائر پکٹر	مسٹر حسن ایوب
	2	2	4	4	ڈائر یکٹر	مسٹر عالمگیر اے شیخ

آدم ميكنكز ميں حاضري ظاہر كرنيوالا اسٹيمنٹ

01 جولائى 2016 تا 30 يون 2017

تبقره	رخصت	حاضر	اہل برائے	كل	عہدہ	ان
5	حاصل کی	źn	حاضري			
	1	3	4	4	چيتر مين	مسٹر عبدالقادر سلطان
	1	3	4	4	ممبر	مسٹر محد اعجاز
	1	3	4	4	ممبر	مسٹر کاشف اے حبیب

کمپنی کے شیئرز کی تجارت

دوران سال جائزہ کمپنی کے ڈائر یکٹرز، چیف ایگزیکٹواور چیف فنانشل آفیسر و کمپنی سیکریٹر می اور انٹرنل آڈٹ کے سربراہ اور ان کے نثر کاءحیات اور بچوں نے کمپنی کے شیئرز کی کوئی خرید وفر وخت نہیں کی ہے۔

### ریٹائزمنٹ میںفٹس میں سرمایہ کاری

اپنے ان تمام اہل ملاز مین کیلئے جو کمپنی میں ملازمت کی کم از کم اہلیتی معیاد پوری کر چکے ہیں ، کمپنی ایک منظور شدہ فنڈڈ گریجویٹی اسکیم چلار بی ہے۔ گریجویٹی فنڈ کی سرمایہ کاریوں کی مالیت 5.92 ملین روپے ہے۔

بورڈ آف ڈائر یکٹر ز کی جانب سے میں اپنے گاہوں اور شیئر ہولڈ روں کا تہہ دل سے شکر گزار ہوں کہ سال جاریہ کو جاویداں کار پوریش کمیڈ کیلئے ایک غیر معمولی، یاد گار اور شاندار سال بنانے کیلئے انہوں نے اپنا بھر پور تعاون فراہم کیا۔ ہم پر آپ کو غیر متز لزل بھر وسا اور اعتماد ہمیں اس قابل بناتا ہے کہ اپنے تمام تر اسٹیک ہولڈ روں کیلئے طویل المدتی قدر تخلیق کرنے کے اولین مقصد کو حاصل کر سکیں اور JCL کو ایک ایی آر گنائز دیش میں تبدیل کر سکیں جو لوگوں کا بھر وساجیتی ہے ، بہترین سا کھ قائم کرتی ہے اور بر انڈنام تخلیق کرتی ہے۔ میں اس تع شکر یہ ادار کنا چاہوں گاجو بر سہابر سے اس بے مثال پر وجیک کو بہترین انداز میں پیش کرنے میں ہمارے میں اس تی بینک اور مالیاتی اداروں کا بھی شکر یہ اداکر ناچاہوں گاجو بر سہابر سے اس بے مثال پر وجیک کو بہترین انداز میں پیش کرنے میں ہمارے میں سی سیکور ٹیز اینڈ ایک پیش آف پاکستان، پاکستان اسٹاک ایک چینی مند کو بہترین انداز میں پیش کرنے میں ہمارے ساتھ کھڑے ہیں۔ میں سیکیور ٹیز اینڈ اور سب سے بڑھ کر حکومت سندھ کا بھی شکر یہ اداکر ناچاہوں گاجنہوں کا ایک ڈی اے ، سندھ بلڈ نگ کنٹر ول اخدار ٹی کمیٹن کے میں اپنے کہام مالا میں ایک پر ونیک ان ایک واور سب سے بڑھ کر حکومت سندھ کا بھی شکر یہ اداکر ناچاہوں گاجنہوں نے اس پر وجیک کو تعاون اور اعمار میں کی کنٹر ول اخدار ٹی کی کنٹر ول اخدار ٹی کر ہم میں کہ کو کی ہوں کی متر ول اخدار پر میں کی کو مالا ہوں کی حاصل نہیں کر سی حد میں اور میڈ دی ہوں اور شکر یہ اداکر تاہوں کو جنگ کو تعاون اور اعتماد فراہم کیا۔ میں سیکو ٹی ن

فمرائ حبيب

اظهار تشكر

چيف ايگزيکڻو نومبر 2017،04

### ايكسثر ثل آڈيٹرز

موجودہ آڈیٹر زمیسر زبارون ذکریااینڈ کمپنی، چارٹرڈاکا کو نٹینٹس اور میسر زڈیلائٹ یوسف عادل سلیم اینڈ کمپنی، چارٹرڈاکا کو نٹینٹس نے اہل ہونے پر کمپنیز آرڈینٹس 1984 کی نثر الط کے مطابق 30 جون 2018 کو اختتام پذیر ہونیوالے سال کیلیے خود کو دوبارہ تقر رکیلیے پیش کیا ہے۔ جبکہ 'ای وائی فورڈ رہوڈز اینڈ کمپنی'، چارٹرڈاکا کو نٹینٹز نے تقر رکیلیے اپنی دلچیسی ظاہر کی ہے۔ آڈٹ کمیٹی اور بورڈ آف ڈئز کیٹرز نے آئندہ اجلاس عام میں سال 2017-2018 کے لئے ان کمپنیوں کے بطور جوائٹ آڈیٹر ز تقر رکی سفارش کی ہے۔

## سيكريثيريل كميلائنس سرثيفكيث

سمپنی سیکریٹری نے کمیشن کو فراہم کر دہ سالانہ ریٹرن کے حصے کے طور پر سیکریٹیریل کمپلا تنس سر ٹیفکیٹ جمع کرادیا ہے جس میں تصدیق کی گئی ہے کہ کمپنیز آرڈیننس1984، میمور نڈم اور آرٹیکل آف ایسو تی ایشن آف دی کمپنی اور لسٹنگ ریگولیشنز کی پوری طرح تعمیل کی گئی ہے۔

### شيتر ہولڈنگ کا پیڑن

30جون 2017 تک کمپنی کی شیئر ہولڈنگ کا پیٹرن ظاہر کرنیوالا اسٹیٹنٹ اور دیگر اضافی معلومات زیر نظر رپورٹ کے ساتھ منسلک ہیں۔

### استيك بولذرزكيليح معلومات

گزشتہ برسوں کی اہم آپر ٹینگ اور مالیاتی معلومات صفحہ نمبر 43 پر پیش کر دیا گیاہے۔

بلینس شیٹ کے بعد کے واقعات

رپورٹ ہلزامیں 30 جون 2017 سے تاحال کوئی مادی تبدیلیاں رونمانہیں ہوئی ہیں ماسوائے 25 حتی نقد منافع منتسمہ کے اعلان کے جو 27 نو مبر 2017 کو منعقد ہونیوالے 55 ویں سالانہ اجلاس عام میں ممبر ان کی منظوری سے مشروط ہے۔ اس اعلان کے اثرات آئندہ سال کے مالیاتی گوشواروں میں ظاہر ہوں گے۔

**متعلقہ پارٹی کے ساتھ کاروبار** اسٹنگ ریگولیشنز کی شرائط کی تحمیل کرتے ہوئے کمپنی نے متعلقہ پارٹیوں کے ساتھ تمام ترلین دین کی تفصیلات، جائزے اور منظوری کی غرض سے آڈٹ کمیٹی اور بورڈ کو پیش کر دی ہیں۔ متعلقہ اجلاسوں میں ان سودوں کی منظوری آڈٹ کمیٹی اور بورڈ کی جانب سے دی جاچک ہے۔ متعلقہ پارٹی کے ساتھ تمام تر سودوں کی تفصیلات منسلک کر دہ آڈٹ شدہ فنانشل اسٹیٹمنٹس کے ساتھ نوٹ 37 میں فراہم کر دی گئی ہیں۔ طور سے ادا کی جارہی ہیں۔ بورڈ آف ڈائر یکٹرز کی آڈٹ کمیٹی، انٹرنل کنٹر ول سسٹمز کی موزونیت اور اثر پذیر کی کا جائزہ لیتی ہے اور انہیں مضبوط تر بنانے کی غرض سے د قثاً فو قثاً تجاویز پیش کرتی ہے۔

### حميني ملازمين كيليح ضابطه اخلاق

درج ذیل اصول ملاز مین کیلیے ضابطہ اخلاق کی تشکیل کرتے ہیں:

- وقت کے پابند، ذمہ داریوں پر مر تکذاور کمپنی سے وفادار۔
  - وقت اور محنت بارآ ورسر گرمیوں میں استعال کرنا۔
  - دیگر ملازمین کے ساتھ خو د اخلاق، مد دگار اور پُر تعاون۔
    - کمپنی کی پالیسیوں اور قواعد وضوابط پر عمل کرنا۔
      - سفارش ادر اقرباء پر دری سے احتراز۔
      - کمپنی کے مفادات کی ترویج و تحفظ۔
- دیگر ملاز مین کے ساتھ منصفانہ، پیشہ ورانہ اور مساویانہ روہیہ۔
  - تحمینی کے دسائل انتہائی مختاط طور سے استعال کرنا۔
    - کمپنی کے معاملات میں اخفائے راز برتنا۔
- روز مردہ سر گرمیوں میں کم سے کم لاگت دالے معمولات اپنا۔
  - ذاتی فوائد کے حصول سے احتراز۔
- رکاوٹوں اور مشکلات کی صورت میں ذمہ داری محسوس کرنا اور ٹیم ورک۔

ممبر شپ حیثیت

کمپنی اہذا کراچی چیمبر آف کامرس اینڈانڈسٹری (KCCI)اور ایسوسی ایشن آف بلڈرز اینڈ ڈویلچرز (ABAD) کی با قاعدہ ممبر ہے۔

### دائريك رز رينك پروگرام

سمپنی کے ڈائر یکٹرز ٹریننگ کے حصول کی شرط سے مبر ؓ اہیں یا پھر گزشتہ سالوں میں کوڈ آف کارپوریٹ گور نینس کی شرط کے مطابق ڈائر یکٹرز ٹریننگ میں شرکت کرچکے ہیں۔

ہیومن ریسورس اینڈر یمیونریش کمیٹی

آڈٹ سمیٹی نے کارپوریٹ گورنینس کے کوڈ کی تغمیل کرتے ہوئے ایچ آراینڈریمیونریشن سمیٹی قائم کر دی ہے جو درج ذیل ممبر ان پر مشتمل ہے:

مسٹر عارف حبیب	چيتر مين	نان ایگیز بیٹو حمبر
مسٹر صدامے حبیب	ممبر	چیف ایگزیکٹو آفیسر
مسٹر حجد اعجاز	ممبر	نان ایگیزیکٹو حمبر

اپچ آر اینڈریمیونریش کمیٹی اعلی ترین قابلیت کے حامل ماہرین کو جاوید اں کارپوریشن کمیٹڈ میں ملازمت حاصل کرنے کیلئے حوصلہ افزائی کا کام کرتی ہے اور ان کے لئے موزوں حالاتِ کارمیں موجو دگی کویقینی بناتی ہے تا کہ وہ مئو ثر طور سے کام کرنے کے ساتھ ساتھ ہر دم متحرک رہ سکیں۔

## قانونى ادائتيكياں

تمام واجب الاداادائيگياں عمومی نوعيت کی اور حسب معمول ہيں۔

**قانون کی تغمیل** دوران سال کمپنی نے تمام قابل اطلاق قانونی شقات کی <sup>تغ</sup>یل کی، تمام ریٹر نز /فار مز جمع کرائے اور کمپنیز آرڈیننس1984 اور دیگر منسلکہ و متعلقہ قوانین و قواعد، سیکیور ٹیز کمیشن آف پاکستان(SECP) کے قواعد وضوابط اور لسٹنگ ریگو لیشنز کے تحت مطلوب تمام معلومات مہیاکر دی ہیں۔

**انٹرٹل کنٹرول** آپ کی کمپنی نے اپنے آپریشنز کے حجم کی مناسبت اور کاروبار کی نوعیت کے مطابق موزوں انٹرٹل کنٹر ول قائم کیا ہوا ہے۔ یہ کنٹر ول کمپنی کے مالیاتی اور غیر مالیاتی وسائل کے تحفظ کو یقینی بنا تاہے۔ با قاعد گی سے انٹرٹل آڈٹ اور نگر انیاں اس بات کو یقینی بناتے ہیں کہ تفویض کر دہ ذمہ داریاں متوثر

#### ا م مشده بورڈ آف ڈائر یکٹر زنے کارپوریٹ گورنینس کے

مالی سال کے دوران کمپنی کے ڈائر یکٹر زرینے والے افراد کے ناموں کی اسٹیٹمنٹ ہمراہ بورڈ میڈنگز میں ان کی حاضر ی بھی انیکژر I کے طور پر منسلک

# بور ڈ آف ڈائریکٹر زکی حاضری اور پور ڈ کمیٹی کی میلنگز

آڈٹ کمیٹی

مسٹر عبد القادر

مسٹر محمد اعجاز

مسٹر کاشف حبیب

آڈیٹر زریورٹ میں ترمیم آڈیٹر زنے چند مخصوص مقدمات کے نتائج اور کمپنی پر پڑنے والے ان کے اثرات کی جانب توجہ مبذول کر وائی ہے۔

انحراف کوموزوں طریقے سے ظاہر کیا گیااور اسکی وضاحت کی گئی ہے۔

e. انٹرنل کنٹرول کا سسٹم اپنے ڈیزائن میں مضبوط ہے، اسکانفاذ و نگرانی متو تر طور سے کئے گئے ہیں۔

f. کمپنی کی کاروبار چلانے کی صلاحیت میں کسی قشم کا قابل ذکر شک نہیں۔ g. اسٹنگ ریگولیشنز میں درج تفصیلات کے مطابق کارپوریٹ گورنینس کے بہترین معمولات سے کسی قشم کامادّی انحراف نہیں کیا گیاہے۔ h. کوڈ آف کارپوریٹ گورنینس کی شر ائط کی بھیل کرتے ہوئے ہم نے اس رپورٹ میں درج ذیل معلومات شامل کی ہیں۔ i. شیئر ہولڈنگ کے پیٹرن کی اسٹیٹمنٹ، سالانہ ریورٹ میں علیحدہ سے دے دی گئی ہے۔ j. ایسوسی ایٹڈانڈر ٹیکنگز اور متعلقہ افراد کی ملکیت میں موجو د شیئر ز کی اسٹیٹمنٹ علیحدہ سے دی گئی ہے۔ k. دوران سال ہو نیوالی یورڈ میٹنگز اور ہر ڈائر یکٹر کی حاضر ی کی اسٹیٹنٹ۔ گزشتہ چھ برسوں کے اہم آ پر ٹینگ اور مالیاتی اعداد و شار علیٰحدہ سے دیئے گئے ہیں۔

d. فنانشل اسٹیٹمنٹس کی تیاری میں پاکستان پر قابل اطلاق انٹر نیشنل فنانشل رپور ٹنگ اسٹینڈرڈز پر عمل درآ مد کیا گیاہے اور اس میں کسی بھی
داری ہے کہ وہ اپنے کار کنوں، ملاز موں کو صحتند اور محفوظ ماحول کار فراہم کرے۔ آپ کی کمپنی محفوظ ماحول قائم رکھنے کی غرض سے ہمیشہ عالمی معیارات کی مطابقت سے ضروری اقد امات الطاتی ہے۔ کمپنی نے اپنے تمام ملاز مین کیلئے گروپ انشور نس پالیسی کا انتظام بھی کیا ہے۔ یہ کمپنی ماحولیات کے تحفظ کیلئے گوئی کسر الطان ہیں کیلئے گروپ انشور نس پالیسی کا انتظام بھی کیا ہے۔ یہ کمپنی ماحولیات کے تحفظ کیلئے گوئی کسر الطان ہیں کھر ہی کا انتظام بھی کیا ہے۔ یہ کمپنی نے اپنے تمام ملاز مین کیلئے گروپ انشور نس پالیسی کا انتظام بھی کیا ہے۔ یہ کمپنی ماحولیات کے تحفظ کیلئے کوئی کسر الطان ہیں رکھر ہی۔ ماحولیات کے تحفظ کو اپنی بلند ترین ترجیح قرار دیتی ہے اور ماحولیات کے تحفظ کیلئے کوئی کسر الطان ہیں رکھر ہی۔ کمپنی نے میسر ز انو ائر نمنٹل میٹر منٹ رندی (EMC) کی سہ ماہی بنیاد پر تیار کر دہ انو ائر نمنٹل مانیٹر نگ رپورٹ جن کر ادی ہے۔ سر گر میوں ک مردہ بنیا دوں پر اشار یوں میں بہتر کی آرہ ہی ہے۔ یہ انو ائر نمنٹل مانیٹر نگ رپورٹ قلمی کوئی سر گھنے کی سر گر میوں ک مانیٹر نگ کی EEE کی شر الط کی تعمیل کرتے ہوئے تیار کی گئی ہے۔ ماحولیات پر نگر انی رکھنا وہ صر گر می ہے جو انتظام یہ ماہم دولات کے در میں کی سر خالوں کی سر اندی ہے۔ یہ میں بہتر کی آرہ ہے۔ یہ انو ائر نمنٹل مانیٹر نگ ریورٹ قانونی شر الط کی تعمیل پر نظر رکھنے والی پر وجیک کی سر گر میوں ک مانیٹر نگ کی EEE کی شر الط کی تعمیل کرتے ہوئے تیار کی گئی ہے۔ ماحولیات پر نگر انی رکھنا وہ سر گر می ہے جو انتظام یہ انجام دیتی ہے اور جس ک دریے پر وجیکٹ کے ہر پہلو پر شر وی ہے آخر تک نگر انی کی جاتی ہے جس سے ماحولیاتی قواعد / معیارات کی تعمیل سے میادوس کی سر تھی معمولات کے ساتھ ساتھ صحت ادر تحفظ کے معیارات سے ان کی وابستگی کا اظہار ہو تاہے۔

انوائر نمنٹل ایکسی لینس اینڈ سی ایس آر ایوارڈ

ماحولیاتی تحفظ، حفاظتی اقدامات ادر مستقل سوشیوا کنامک ترقی کے شعبوں میں بہترین کار کردگی کا مظاہر ہ کرنے پر جادیداں کارپوریشن لمیٹڈ نے 14 واں انوائر نمنٹل ایکسی لینس ایوارڈ 2017 حاصل کیا۔

جاویداں کارپوریش کمیٹڈنے ''سی ایس آرمیں بہترین معمولات پر عمل درآمد'' کی کیٹگری میں مسلسل دوبار سی ایس آرایوارڈ 2017حاصل کیا۔

كار پوريث ايند فنانشل ر پور ننگ فريم درك

سمپنی کے بورڈاور انتظامیہ اس بات کو یقینی بنانے کاعہد کئے ہوئے ہیں کہ کوڈ آف کار پوریٹ گورنینس کی شر ائط کی یحمیل اس کی روح کے مطابق کی جائے۔ سمپنی نے مالیاتی اور غیر مالیاتی معلومات میں در متگی، جامعیت اور شفافیت بڑھانے کے مقصد کے حصول کیلئے سخت کار پوریٹ گورنینس معمولات کا نفاذ کیاہے۔ درج ذیل بیانات کوڈ آف کار پوریٹ گورنینس کے بہترین معمولات کی تغمیل سے سمپنی کے مضبوط عہد سے وابستگی کا ثبوت ہیں:

- a. فنانشل اسٹیٹمنٹ اور اس پر درج نوٹس کمپنیز آرڈیننس 1984 میں متعین کر دہ اصولوں کی مطابقت میں ہیں۔ کمپنی کی انتظامیہ کے تیار کر دہ بیہ اسٹیٹمنٹس کمپنی کے آپریشنز کی صورتحال، نفذی کے بہائو اور ایکویٹی میں تبدیلیوں کی صورتحال جائز طور سے پیش کرتے ہیں۔ کمد دیک زیمہ مین
  - b. کمپنی نے کمپنیز آرڈیننس 1984 کی شرائط کی پنجیل کرتے ہوئے کھانتہ جات موزوں طور سے مرتب کتے ہیں۔
- ی. فنانشل اسٹیٹمنٹس کی تیاری میں موزوں اکائونٹنگ معمولات مشقلاً اپنائے گئے ہیں اور اکائونٹنگ تخمینہ جات مناسب اور مختاط اندازوں پر مبنی ہیں۔

## «نياناظم آباد"اور آباد

اگست کے مہینے میں کراچی ایکسپوسینٹر میں ہونیوالی '' آباد انٹر نیشنل ایکسپو'' میں '' نیاناظم آباد '' نے بھر پور حصہ لیا۔ اس نمائش کو کراچی والوں کی جانب سے بھر پور پذیر ائی ملی۔ اس نمائش کے دوران اس وقت کے ڈی جی رینجبر ز، جنرل بلال اکبر نے چیئر مین جناب عارف حبیب کی معیت میں '' نیا ناظم آباد ''کے اسٹال کا دورہ کیا تھا۔

## کراچی اسپورٹس فائونڈیشن

نیا ناظم آباد کر کٹ اسٹیڈیم میں کراچی اسپورٹس فاکونڈیشن نے پہلی بار کر کٹ سپر اسٹار ٹیلنٹ ہنٹ کا منفر د پر وگرام منعقد کیا۔ اس پر وگرام کا مقصد تھا کہ پورے ملک سے صاف، شفاف اور آزاد طریقے سے نوجوان کر کٹروں کا انتخاب کیا جائے۔ اس مقصد کیلئے کراچی اور لاہور میں سلیشن کیمپس لگائے گئے تا کہ ''نیاناظم آباد''کر کٹ اسٹیڈیم میں ہونیوالے فائنل ٹیلنٹ ہنٹ کیلئے چو میں کھلاڑیوں کا انتخاب کیا جاسے۔ اس ٹیلنٹ ہنٹ کے کوچ اور سیکٹر زملکی ماہرین نہیں بلکہ ویسٹ انڈیزے سر اینڈی رابرٹس، نیوزی لینڈ کے ڈپنی موریسن، آسٹریلیا کے ڈیمین مارٹن اور جنوبی افریقا کے جو نتی رہوڈز جیسے مایہ ناز کھلاڑی تھے۔ اسٹیلنٹ ہنٹ منٹ کیڈوں کو کا دینڈ کے ڈپنی موریسن، آسٹریلیا کے ڈیمین مارٹن اور جنوبی افریقا

**ر بگر** "نیاناظم آباد"نے پاکستان کے قومی کھیل'ہاکی' کے ملک میں احیاء کے ARY کے اقدام میں حصہ ڈالتے ہوئے پاکستان کپ ٹورنامنٹ کو اسپانسر کمیا۔ بیہ ٹورنامنٹ نیشنل ہاکی اسٹیڈیم کراچی میں کھیلا گیا۔

"نیاناظم آباد"نے "میر اکراچی… ہم آہنگی کا نخلیتان2017"میں حصہ لیا۔ یہ نمائش کراچی چیمبر آف کامر س اینڈ انڈسٹر ی(KCCI)نے ایکسپو سینٹر کراچی میں اپریل2017 میں منعقد کی تھی۔

اس مدت کے دوران JCL نے معذور افراد کی بھلائی کے علاوہ دیگر دیلفیئر ایسو سی ایشن کو بھی عطیات دیئے۔

#### صحت وتحفظ

مستقل بہتری و ترقی ہمارے ایجنڈے میں ہمیشہ سر فہرست رہی ہے اور یہ مقصد حاصل کرتے ہوئے ماحولیات کا تحفظ اور حفاظت ہماری کا و شوں کا لاز می جزور ہاہے۔ ہماری جامع پالیسیوں نے ماحولیات، تحفظ اور بیماریوں سے بچائو کے مسائل کو اپنے ملاز مین، سپلا ترز اور گاہوں کو شامل کرکے ایک اجتماعی مکینز م کام میں لاتے ہوئے مئو ثر نفاذ کے ذریعے مخاطب کرنے میں ہماری ہمیشہ رہنمائی کی ہے۔ کسی بھی نیک نام آر گنائزیشن کی بیہ بنیا دی ذمہ کو مخطوظ کیااور ڈعیروں داد سمیٹی۔ اس فیسٹیول کے دوران کراچی بھر سے ہز اروں فیملیاں "نیاناظم آباد" آئیں اور مہینے بھر تک جاری رہنے والے اس فیسٹیول سے لطف اندوز ہوئیں۔

" نياناظم آباد" اور كراچى كنگزر مضان تورنامن

ر مضان کے مبارک مہینے میں "نیاناظم آباد"ہر سال"لوائی کر کٹ اسٹیڈیم" میں فلڈلائٹ کر کٹ ٹورنامنٹ کا انعقاد کرتا ہے۔ گزشتہ ٹورنامنٹ ک کوارٹر فائنل، سیمی فائنل اور فائنل مقابلے 'جیو سپر' پر نشر کئے گئے تھے۔ اس ٹورنامنٹ کے دوران "نیاناظم آباد" کے دورے کے موقع پر سندھ بلڈنگ کنٹر ول اتھارٹی کے ڈائریکٹر جزل، مسٹر آغا مقصود عباس اور گرین لائن بس سروس کے چیف ایگزیکٹو، مسٹر صالح فاروتی ٹورنامنٹ سے مخطوط بھی ہوتے اور انہوں نے "نیاناظم آباد"کی کاوشوں کو سر اہاتھا۔

ٹورنامنٹ کے سیمی فائنل مقابلوں میں وزیر اعلیٰ سندھ سید مر ادعلی شاہ، وزیر کھیل سندھ جناب محمہ بخش خان مہراور میئر کراچی، جناب وسیم اختر نے رونق بخشی۔

ر مضان کپ فیسٹیول میں کھیل و تفریح کے شعبے سے منسلک دیگر کٹی اہم شخصیات بھی ''نیاناظم آباد'' تشریف لائی تھیں جن میں پاکستان بلیئرڈ اینڈ اسنو کر ایسوسی ایشن کے صدر جناب عالمگیر شیخ، کے الیکٹر ک کے CEO چناب طیب ترین، جنہوں نے ٹورنامنٹ کا افتتاح کیا اور جیو سپر کے برنس ہیڈ جناب محمد علی، جنہوں نے فائنل شیچ کے اختتام پر انعامات تقسیم کئے جانے کی تقریب کو رونق بخشی اور بوم بوم شاہد خان آ فریدی اور پاکستان کر کٹ ٹیم کے کپتان جناب سر فر از احمد شامل شیا

فا <sup>ن</sup>نل پیچ میں گورنر سندھ جناب محمد زبیر مہمان خصوصی تھے جنہوں نے کھلاڑیوں میں انعامات تقسیم کئے۔ اس موقع پر انہوں نے کھیلوں کی سر گرمیوں کو ترویخ دینے ادر اس قدر خوبصورت ہائوسنگ سوسا ئٹی تیار کرنے پر چیئر مین جناب عارف حبیب ادر "نیا ناظم آباد" کی انتظامیہ کو مبار کباد پیش کی۔

# "نیاناظم آباد" نے چمپئنز کی عزت افزائی کی

"نیاناظم آباد" نے ان نوجوان کھلاڑیوں کی عزت افزائی کی جنہوں نے پہلی بار آئی سی سی چمپئنز ٹرافی میں شرکت کی اور ٹائٹل جیتا۔ اس سلسلے میں "نیاناظم آباد" نے فاتح کپتان سر فراز احمد، فخر زمان، عماد وسیم اور رومن رئیس کے اعزاز میں عشائیہ دیا۔ اس موقع پر چیئر مین جناب عارف حبیب اور CEO جناب صمد اے حبیب نے کھلاڑیوں کو کامیابی پر مبار کباد دی اور ان کی عزت افزائی کرتے ہوئے نقد انعامات پیش کئے۔

## HANDs کے ساتھ شراکت

ملک میں تعلمی شعبہ کو مضبوط بنانے کی اہمیت تسلیم کرتے ہوئے Hands، JCL تنظیم کی شراکت میں کراچی کے سرکاری اسکولوں کی اعانت جاری رکھے ہوئے ہے تاکہ ان اسکولوں کو مثالی تعلیمی در سگاہوں میں تبدیل کیا جاسکے۔ ان اعانتی اقد امات میں شامل ہیں:

- چنیدہ سرکاری اسکولوں کی ابتدائی پر ائمری کلاسوں میں معیار تعلیم میں بہتری لانا۔
- والدین، مختلف کمیونٹیز، لوکل گور نمنٹ اور ایجو کیشن ڈپار ٹمنٹ کو آگاہی اور تربیت فراہم کرنا۔
  - چنیدہ اسکولوں میں بنیادی طبعی سہولیات میں بہتر ی لانا۔
    - ٹیچنگ اسٹاف کی تربیت کرنا۔
- فریب برادریوں / طلباء کی گھریلو حالت میں بہتری لانے کی غرض سے آمدنی دینے والی سر گرمیوں کی ترویج کرکے غریب
   کمیونٹیوں / طلباء کومالی اعانت فراہم کرنا۔

## نياناظم آباد اور MMIH-

ملک میں صحت کے معیاری منصوبوں کی اعانت کرنے کے اپنے عہد کی پنجمیل کو یقینی بنانے کی غرض سے آپ کی کمپنی نے میمن میڈیکل انسٹیٹیوٹ ہاسپٹل کی اعانت جاری رکھی ہوئی ہے۔ "نیاناظم آباد" نے میمن میڈیکل انسٹیٹیوٹ ہاسپٹل کی جانب سے عطیات جمع کر نیوالی ایک سر گرمی میں پرجوش طریقے سے شرکت کی۔ MMIH میں دوروز تک ایک رنگارنگ فیملی پروگرام جاری رہا جس میں ہز اروں فیملیوں نے شرکت کی اور مزید ار سر گرمیوں، کنسر ٹس، میجک شوز، فوڈ اور شاپنگ گالا سے لطف اندوز ہوئے۔ اس ایونٹ کے انعقاد میں حصہ لینے پر "نیاناظم آباد" کو گولڈ

«نیاناظم آباد» اور کراچی کنگز

ہر سطح پر اسپورٹس خصوصاً کرکٹ کی تروینج میں اپنے کر دار بھرپور طور سے اداکرنے کے عہد پر عمل پیرار ہتے ہوئے ''نیا ناظم آباد کرکٹ گرائونڈ''کو کراچی کنگز کاہوم گرائونڈ بنادیا گیا ہے۔ کراچی کنگز اس طرح وہ پہلی PSL فرنچائز بن گئی ہے جسے عالمی معیار کاایسا کرکٹ گرائونڈ میسر ہے جہاں وہ تربیت بھی کرسکتی ہے اور پریکٹس بھی اور اسے آئندہ کے ٹیلنٹ ہنٹ پر وگراموں کیلیے بھی استعال کرسکتی ہے۔

PSL ٹورنامنٹ کے دوران کراچی کنگزنے ''نیا ناظم آباد'' میں ایک گرینڈ فیملی فیسٹیول کا انعقاد کیا تھا جس میں PSL کے تمام میچوں کو وسیع و عریض اسکرینوں پر دکھاتے جانے کے علادہ میوزیکل کنسرٹس، قوالی نائٹس، فوڈ کورٹس، بسنت فیسٹیول، پیٹ شوز کا انعقاد کیا گیا تھا اور شاندار آتش بازی کا مظاہرہ بھی کیا گیا تھا۔ اس دوران ہونیوالے میوزیکل کنسرٹ میں عاصم اظہر، شازیہ خشک، نعیم عباس روفی، احمہ جہانزیب، سلیم جاوید اور حسن جہا مگیر نے اپنے فن کا مظاہرہ کیا۔ اسی طرح قوالی نائٹ میں جشید صابری اور تا جی اور ان کی کا مظاہرہ کرکے سامعین وحاضرین نارتھ کراچی سے جوڑنے والے 4000روڈ کی تعمیر شروع کی جاچک ہے اور توقع ہے کہ یہ جلد ہی پایہ یہ بیمیل تک پینچ جائے گ۔ کمپنی اب" یاناظم آباد"کوراشد منہاس روڈ اور سکنل فری کوریڈورسے جوڑنے کی غرض سے 2000روڈ پر کام کرر ہی ہے۔

## آئندہ منتقبل کے امکانات

مذکوره بالاصور تحال کی روشن میں آپ کی کمپنی کامستنقبل، وسط مدت اور طویل مدت، دونوں میں روشن د کھائی دیتاہے۔

### كار بوريد ساجى دمه داريان (CSR)

بہتر سماج کی تعمیر و تفکیل کیلئے ہم ساجی ذمہ داریوں کی ادائیگی کو متحکم کاروبار کی بنیاد تصور کرتے ہیں۔JCL ایک اچھاکار پوریٹ سٹیزن بننے کیلئے ہر دم کو ششیں کرتی رہتی ہے اور ہم نے عوامی صحت ، کھیلوں اور تعلیم کو بڑھاوا دینے کے عہد سے اپنی مضبوط وابستگی کا ہمیشہ اظہار کیاہے ، یہی وجہ ہے کہ مختلف ساجی اور خیر اتی مقاصد میں دل کھول کر شریک ہوتے ہیں۔

# 2 كلوميٹر علاقے كو كودلينا

سمپنی نے "نیاناظم آباد" سے سخی حسن تک 2 کلو میٹر کاعلاقہ گودلیا ہے اور کے الیکٹر ک کے تعاون سے اس علاقے میں اعلیٰ معیار کی اسٹریٹ لا نئس کی تنصیب کر دمی ہے۔ اسی طرح اس سڑک اور ارد گر د کے علاقے سے کچر ااٹھائے جانے، صفائی ستھر ائی اور دیکھ بھال کا کام بھی روزانہ کی بنیا دوں پر کیا جارہا ہے۔ ارد گر د کے وسیع علاقے میں شجر کاری کی جارہی ہے۔ چو بیس گھنٹے صفائی ستھر ائی اور روشنی کے انتظام کو یقینی بنانے کی خاطر "نیا ناظم آباد" کی انتظام سے پیشہ ور ٹیموں اور منٹیننس اسٹاف کی مد دلیتی ہے اور اس مقصد کیلئے رات دی مختلف گاڑیاں اور مشینر کی کا استعال کیا جاتا ہے۔ معزز وزیر اعلیٰ سند ھ''نیاناظم آباد'' کا دورہ کرکے''نیاناظم آباد کلب'' کا سنگ بنیا در کھ چکے ہیں۔ اس موقع پر وزیر اعلیٰ سند ھ نے کہا: ''صحت مند اور مسابقتی معاشرے کا قیام ہماری اولین ترجیح ہے اور 'نیاناظم آباد جیم خانہ' جیسی سہولیات ہمارے نوجوانوں کو مثبت سر گر میوں میں مصروف رکھیں گی۔ اپنے نوجوانوں کو ان کی صلاحیتوں کو جِلابخشنے اور اچھے کھلاڑی ادر صحتمند شہر ی بنے میں مد د دینے والے مواقع فراہم کرناہم سب کی اجتماعی ذمہ داری ہے۔''

نیاناظم آباد جیم خانہ چھ منازل پر مشتمل ہے جو مکمل طور سے آراستہ گیسٹ رومز پر مشتمل ہیں۔ توقع ہے کہ اسکی تعمیر تین برس کے عرصے میں مکمل ہو گی۔ ہم امید کرتے ہیں کہ بیہ پر وجیکٹ نہ صرف''نیاناظم آباد'' کی قدر میں اضافہ کرے گابلکہ بذات خود بھی مستقبل میں ایک منافع بخش اکائی ثابت ہو گا۔

**پار کس اور سمر سبز علاقہ** اپنے مکینوں کو صحتہ ندماحول فراہم کرنے کے عہد پر کاربند آپ کی کمپنی نے خود اپنی نر سری تیاری کی ہے جس میں 20،000 پودے ہیں ۔ یہی نہیں آج تک کمپنی ''نیاناظم آباد''کی حدود میں 25،000 سے زائد پودے لگاچکی ہے۔

## پیر ونی ترقی اعلی معیار کی اندرونی ترقی کے ساتھ ساتھ ہم نے اپنی توجہ پر وجیک کی ہیرونی اور اسے باہر کے علاقے کی ترقی پر بھی مرکوز کی ہوئی ہے تا کہ ایک جانب تو پر وجیک کی مجموعی صورت میں بہتری لائی جاسے اور دوسر کی جانب اس علاقے کی معیشت بھی مضبوط بنائی جاسے۔ اس مقصد کیلئے کمپنی، پر وجیکٹ کی دیوار کے باہر ہی ایک ویڈنگ ہال تغمیر کررہی ہے جسکی تغمیر کاکام ایک ماہ کی مدت میں مکمل کر لیا جائے گا۔ اس کے علاوہ کمپنی ایک ایسا کشیر المقاصد پر وجیکٹ بھی تیار کررہی ہے جو بینک کی بر این اس دکانوں وغیرہ کے مقاصد کیلئے استعمال کیا جاسے گا۔ اس پر وجیکٹ کی تیار کی جاری تقویمی سال میں مکمل ہونے کا امکان ہے۔

سڑک چوڑی کر کے "نیاناظم آباد"تک رسائی میں بہتری لانااس پر وجیکٹ کی انتظامیہ کی اولین ترجیحات میں شامل ہے۔ اس مقصد کیلئے کمپنی نے "نیاناظم آباد" کے راتے میں آنیوالی دکانیں اور دیگر املاک خرید کر انہیں گر ایا اور اس طرح سڑک کو وسعت دی جس سے "نیاناظم آباد" تک پہنچنے میں مزید آسانی پیدا ہو گئی ہے اور یہاں تک پہنچنے میں کم وقت لگتا ہے۔ شہر میں گرین لائن اور اور نج لائن بس منصوبے شروع ہونے سے بھی پر وجیکٹ کو مرکز شہر سے منسلک کرنے میں مدد دیں گے۔ اس منصوبے کا ایک اہم اسٹیشن" نیاناظم آباد" سے محض کو کلو میٹر کے فاصلے پر بنایا جارہا ہے۔ کمپنی نے "نیاناظم آباد" سے سخی حسن بس ٹر میں نار تھ ناظم آباد تک شٹل سروس شر وع کرنے کا منصوبہ بھی بنایا ہے۔ با قیماندہ انفرااسٹر کچر کی تیاری اور بقیہ بنگلوں کی تعمیر مشہورد معروف کنسکٹنٹس انجینئر نگ ایسوسی ایٹس اور آر کوپ کی تگرانی میں جاری ہے۔ فیز 1 کے باقی رہ جانیوالے پلاٹ اور بینگلے رواں مالی سال کے دوران ہی گاہکوں کے حوالے کر دیناہم نے اپناہدف بنایا ہے۔

بجلی کی فراہمی کیلئے کمپنی نے کے الیکٹر ک کے ساتھ زیر زمین نیٹ ورک کے ذریعے 70 میگاداٹ بجلی کی فراہمی کا معاہدہ کیا ہے۔ تکنیکی بنیا دوں پر ڈیزائن کر دہ اوور ہیڈ اسٹور بنج ٹینک تمام مکینوں کو چو ہیں گھنٹے پانی کی بلار کاوٹ فراہمی کو یقینی بنائیں گے۔ آپ کو یہ جان کر خو شی ہو گی کہ شہر بھر میں عائد پابندی اٹھالینے سے بعد SSGC نے گیس سپلائی کے گھریلو کنکشنوں کی منظوری دے دی ہے اور روالی مالی سال کے دوران گیس لا سنوں کی تنصیب کی پیمیل ہماراہدف ہے۔

دیگر پروجیکٹس

منى مارك

سمپنی نے منی مارٹ (سپر مار کیٹ) کی تعمیر مکمل کرلی ہے جس سے ''نیاناظم آباد'' کے الاٹیوں کو چہادر دیواری کے اندر ہی روز مرہ کی ضروری اشیاء خرید نے میں آسانی ہو گی۔

**جامع مسجیر** مرکز می جامع مسجد کی نتمیر کا کام پوری رفتارے جاری ہے جو''نیاناظم آباد'' کے قلب میں ایک روحانی مرکز ثابت ہو گی۔187 فٹ بلند مسجد کے میناروں کی نتمیر چند ماہ میں مکمل ہوجائیگی جو اس پر وجیکٹ کا پہلاسنگ میل ثابت ہو گا۔

**فٹربال گر اتو نڈ** <sup>کمپن</sup>ی نے ایک فٹبال گرائونڈ کی تغمیر و تیاری مکمل کرلی ہے جو اب مقامی ٹورنامنٹس کیلئے بھی کھول دیا گیا ہے۔حال ہی میں اس گرائونڈ میں ایک کامیاب فٹبال ٹورنامنٹ کاانعقاد کیا گیاجس میں کراچی کی آٹھ معروف فٹبال ٹیموں نے حصہ لیا۔

**نیاناظم آباد جیم خانہ** نیاناظم آباد جیم خانہ بین الاقوامی معیار کے کرکٹ اسٹیڈیم سے متصل تعمیر کیا جارہا ہے۔ان سہولیات کی تعمیر سے کلب کے ممبر ان بھی پیراکی، ٹینس، جمنازیم، بیڈ منٹن کورٹ، اسکواکش کورٹ، ٹیبل ٹینس، بینکو کٹس، یو گا، سونا اور جاکوزی، ریستوران، تاش اور بلیئرڈز روم، لا تبریری، پچوں کے گیم زون جیسی تفریحی اور کھیلوں کی سہولیات سے مستفیز ہو سکیں گے۔

695.616 1.095.373	منافع بعداز نيكس
لروپوں میں) 4.57 (روپوں میں)	فى شيئر آمدنى_بىيك
3.64 (روپول ميس) 5.65 (روپول ميس)	فی شیئر آمدنی۔ڈلیوٹ

فروخت سے حاصل ہو نیوالی مجموعی آمدنی یحمیل کے بعد بنگلوں کی فروخت اور دوران سال فیز 1 کی بقیہ انونٹریز کی فروخت کی مرہون منت رہی۔ زیادہ فروخت اور گاہکوں کی جانب سے ادائیگیوں کی صور تحال میں بہتری آنے سے لیکویڈیٹی کی صور تحال بہتر ہوئی اور پورے سال کے دوران کمپنی کی مالیات کے استعمال کی شرح میں کمی رہی۔ اس کے نتیج میں مالیاتی اخراجات 180 ملین روپے سے کم ہو کر صرف70 ملین روپ رہے۔

اپنی شروعات سے ہی تمپنی نے مالیاتی استحکام کے حوالے سے متاثر کن کار کر دگی کا مظاہر ہ کیا ہے جو درج ذیل ہے:

تفصيل	2012(لا پچگ کاسال)	2017
اجتماعی نقصانات / منافع	(4:736:311:000)	4+080+848+000
سرمابير اجراء	581,282,000	2:022:013:000
بدیکاری کی ذمہ داریاں	4،679،495،381	1:833:242:000
پلاٹوں کی قیمت	7،200 في مربع كز	28،000 في مربع گز

## دُيويدُندُ (منافع)

04 نومبر 2017 کو منعقد ہونیوالی اپنی میٹنگ میں بورڈ آف ڈائر یکٹر زنے مبلغ 2.50 روپے فی شیئر یعنی 25 فیصد کی شرح سے حتمی نقد منافع مقسمہ دیئے جانے کی تجویز دمی جو 27 نومبر 2017 کو منعقد ہونیو الے سالانہ اجلاس عام میں ممبر ان کی منظوری کے لئے پیش کی جائیگی۔

# ترقى كى جھلكياں

زیر جائزہ سال کے دوران آپ کی کمپنی نے گاہوں کو پلاٹوں اور بنگلوں کا قبضہ دینا شر وع کر دیاہے جس کے نتیج میں متعدد مکانات آباد ہو چکے ہیں یا آباد ہورہے ہیں اور اس طرح" نیاناظم آباد" کی اپنی کمیو نٹی تخلیق ہور ہی ہے۔

اسکے علادہ کمپنی نے الاٹیوں کو سب لیز بھی جاری کرنا شروع کر دی ہے۔ اس طرح نہ صرف یہ کہ ہمارے گا کہوں کو ملکیت کے مکمل حقوق حاصل ہوں گے بلکہ وہ اپنے گھروں / پلاٹوں کو بینک مقاصد کیلئے بھی کام میں لاسکیں گے۔ چند گا کہک ایسے بھی ہیں جنہوں نے "نیانا ظم آباد" اور SBCA سے منظوری حاصل کرکے پلاٹوں پر اپنے مکانات کی تعمیر شروع کر دی ہے۔

ڈائز کٹرزر پورٹ بنام شیتر ہولڈرز

سمپنی کے بورڈ آف ڈائر یکٹرز کی جانب سے منظور شدہ اکائونٹنگ، ریگولیٹر می اور قانونی معیارات کی مطابقت سے تیار کردہ آڈٹ شدہ مالیاتی اسٹیٹمنٹس کے ہمراہ30جون2017 کواختتام پذیر ہونیوالے سال کی ڈائر یکٹر زر پورٹ پیش کرتے ہوئے میں انتہائی مسرت محسوس کررہا ہوں۔

### ماركيث كاجائزه

شہر کاری کے تیزر فتار عمل، مضبوط غیر ملکی براہ راست سرمایہ کاری، CPEC کے شہر وں پر مبنی انفر ااسٹر کچر پر وجیکٹس اور مکانات کی تیزی سے بڑھتی ہوئی طلب کے پیش نظر پاکستان کی رئیل اسٹیٹ کی صنعت نے مستفل رفتار حاصل کر لی ہے۔ ایک قومی رئیل اسٹیٹ سیکٹر کے معاشی فوائد کم تر شرح سود کے مثبت اثرات میں ضم ہو کر چھن چھن کر کم و میش پچاس ذیلی صنعتوں تک پہنچتے ہیں۔ ملک کو پہلے ہی 10 ملین ہائوستگ یو نٹس کی کمی کا سامنا ہے جس میں سالانہ 750،000 یو نٹس کا اضافہ ہو رہا ہے جبکہ پبلک اور پر ائیویٹ سیکٹر کی ہائوستگ یو نٹس تی کی ک صرف350،000 یو نٹس ہے چنانچہ معیاری مکانات کی طلب جوں کی توں بر قرار ہے۔

## **مالیاتی جائزہ** زیر جائزہ سال کے دوران کمپنی کی مالیاتی کار کر دگی شاند ارر ہی ہے۔زیر جائزہ سال میں کمپنی کا خام منافع 50 فیصد اضافے کے نتیج میں 1،872 ملین روپے رہاجو گزشتہ بر س934 ملین روپے رہا تھا۔ اسی طرح گزشتہ سال 695 ملین روپے کی بہ نسبت زیر جائزہ سال کے دوران منافع بعد از ٹیکس 1،095 ملین روپے رہا۔ اس سے ظاہر ہو تاہے کہ فی شیئر آمدنی 7.60 روپے رہی جو انتہائی متاثر کن ہے جبکہ گزشتہ بر س فی شیئر آمدنی 4.57 روپ رہی تھی۔ کمپنی کی ایکویٹی بھی 2،581 ملین روپے سے بڑھ کر 4،080 ملین روپے تک پیچی گئی ہے۔ ذیل میں آپ کے ملاحظے کیلئے آپ کی کمپنی کے مالیاتی نتائے پیش کئی جارہے ہیں:

30 جون 2016 ( آڈٹ شدہ )	30جون 2017 (آڈٹ شدہ)	تفصيل
(بٹر ار روپے)		
1:227:915	2:467:969	خالص فروخت
(292,961)	(595،735)	اخراجاتِ فروخت
934،954	1:872:234	خام منافع
600:382	1،492،987	منافع قبل از قیکس



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