



JAVEDAN
CORPORATION LIMITED



Condensed Interim
Financial Report

For Six Months
2nd Quarter Ended December 31st, 2017



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COMPANY INFORMATION

Board of Directors

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

Chairman
 Chief Executive
 Director
 Director
 Director
 Director
 Director
 Director

Chief Financial Officer & Company Secretary

Syed Muhammad Talha

Audit Committee

Abdul Qadir
 Kashif A. Habib
 Muhammad Ejaz
 Owais Ahmed

Chairman
 Member
 Member
 Secretary

HR & Remuneration Committee

Arif Habib
 Samad A. Habib
 Muhammad Ejaz

Chairman
 Member
 Member



Auditors

Reanda Haroon Zakaria & Co.
Chartered Accountants

EY Ford Rhodes
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

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

Registered Office

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

Share Registrar

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

Site Office:

Naya Nazimabad, Manghopir Road, Karachi -75890
Tel : 021-111-511-611 Fax: 92-21-36770144
Website: www.nayanazimabad.com

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors of Javedan Corporation Limited (JCL) takes pleasure in presenting the financial performance of the company and development progress of the project together with the interim financial information reviewed by auditors for the period ended December 31, 2017.

Financial Performance

You will be pleased to note that your company achieved sales of Rs. 1,349 million as compared to the sale of Rs.838 million in the corresponding period of last year resulting in the increase in profit before tax of Rs. 737 million as compared to last year of Rs.298 million. The increase in revenues represents recognition of sale of bungalows and remaining plot inventories of Phase -1 with a premium in the form of price appreciation. Further, the Company has recorded Profit after Tax (PAT) of Rs.435 million as against PAT of Rs. 279 million in the corresponding period of last year translated into EPS for the half year which is recorded at PKR.2.68 as compared to the previous EPS of Rs.1.72.

Following is a comparative summary of financial results:

Particulars	December 31, 2017	December 31, 2016
	(Un-Audited)	(Un-Audited)
	(Rupees in thousands)	
Net sales	1,349,391	838,617
Cost of sales	(453,798)	(323,179)
Gross Profit	895,593	515,438
Profit before Taxation	737,520	298,034
Taxation	(302,355)	(18,852)
Profit after taxation	435,165	279,182
EPS - Basic (in rupees)	2.68	1.72
EPS - Diluted (in rupees)	2.40	1.51

Development Performance

Infrastructure development in Phase -1 is almost complete and the Company has handed over a substantial number of plots and bungalows to its customers. The remaining inventory is projected to be delivered during this financial year. The Company is now focusing on the construction and development of amenities, parks and access improvement.



Central Jama Mosque

The Construction of Central Jama Mosque is being carried out at a very fast pace with the grey structure almost complete including the 187 feet tall minaret. Once finished, the mosque will become a land mark with its main hall being one of the largest in Pakistan. The span of the pillar-less hall is also one of the largest in sub-continent. Completion of finishing and embellishments is expected by early 2020.



Naya Nazimabad Gymkhana

Naya Nazimabad Gymkhana is being developed under the supervision of renowned consultants adjacent to the existing international standard cricket ground. The Gymkhana includes various recreational and sports facilities, leisure, food and social spaces.



Football Ground

The recently completed football ground is now fully operational and hosts several tournaments and competitions. Currently; construction of Pavilion is underway to facilitate players, coaching staff and spectators.



External Development

Naya Nazimabad not only focuses the internal development but also cherishes a vibrant neighbourhood. We have adopted 2 KM area outside Naya Nazimabad to ensure cleanliness, lighting, safety and the maintenance of plantation in the area on daily basis. A beautiful wedding hall has been constructed diagonally opposite to our main gate making Naya Nazimabad a part of the community memories from next month. A multipurpose commercial building for bank branch, restaurants and retail space just outside our project is in advanced stages of construction bringing a more vibrant spot for business and leisure.

Access Improvement is an ongoing process with all entry / exit points being constantly improved. A large number of shops / properties along Anwar Shahmim Road (from Sakhi Hasan) have been purchased and demolished to widen the road and reduce the drive time along this previously congested route.

Construction work on 4000 road connecting to North Karachi has commenced and is expected to be completed soon. Further, the Company is now working on the development of 2000 road connecting Naya Nazimabad to Rashid Minhas Road. The Federal government has provided its commitment to support the local government for the reconstruction of Manghopir Road by approving its PC 1. The Green line Metro Bus system for the city is expected to be completed by June 2018 which will facilitate rapid public transport for our allottees with the closest station just 2 KM away from the project.

Future Outlook

The Company is expecting to recognize sale of Phase 1A inventory and bungalows as per accounting policy during this financial year. We are in the phase of acquisition for development of our commercial district amounting to Rs.6 billion financed through the issuance of 50 % right shares and 50 % through privately placed Musharaka Sukuk. We have successfully issued 50% right shares at a premium price of Rs. 35/- per share reflecting the confidence of the sponsors and shareholders. We are now in negotiation with banks for arranging Sukuk facility of PKR 3 billion to finance the remaining 50 % acquisition of land. JCL has for the first time been through credit rating scrutiny conducted by JCR-VIS and achieved (A+) and (AA-) entity rating and Sukuk rating respectively. Growing population, urbanization and the augmented housing backlog in Karachi has led to robust demand for residential and retail space. Accordingly, the projected financial numbers suggest impressive returns for the shareholders.

Acknowledgement

The management of the Company would like to thank all financial institutions, the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange, customers and staff members who have been associated with the Company for their support and cooperation. We would also like to thank Board of Revenue, LDA, Sindh Building Control Authority, Environmental Protection Agency and above all Chief Minister Sindh and his Government for their support to the project. May Allah bless us in our efforts, A'meen!



Samad A. Habib
Chief Executive
Feb 20, 2018

Independent Auditors' Report to the Members on Review of Condensed Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of Javedan Corporation Limited (the Company) as at December 31, 2017 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity, together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial information") for the half year then ended. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2017 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Emphasis of matter

We draw attention to note 13 to the condensed interim financial information which describes the uncertainties relating to outcome of certain litigations and their impact on the Company.

Other matters

The condensed interim financial information of the Company for the six months period ended 31 December 2016 and annual financial statements for the year ended 30 June 2017 were reviewed and audited by Deloitte Yousuf Adil Chartered Accountants and Reanda Haroon Zakaria & Co. Chartered Accountants who through their reports, dated 24 February 2017 and 04 November 2017, expressed an unqualified conclusion and opinion thereon. However, emphasis of matter paragraph was included in review report drawing attention towards recoverability of deferred tax asset which depends on future profitability of the Company and emphasis of matter paragraph was included in audit report drawing attention towards uncertainties relating to outcome of certain litigations and their impact on the Company.

EY Ford Rhodes
EY Ford Rhodes
Chartered Accountants
Arif Nazeer

Karachi
Date: February 20, 2018


Reanda Haroon Zakaria
Reanda Haroon Zakaria & Co.
Chartered Accountants
Muhammad Haroon

BALANCE SHEET (UN-AUDITED)

AS AT DECEMBER 31, 2017

		(Un-audited) December 31, 2017	(Audited) June 30, 2017
ASSETS	Note	-----Rupees in '000-----	
NON-CURRENT ASSETS			
Property and equipment	6	1,628,555	1,627,159
Deferred taxation	7	112,089	397,120
Long-term security deposits		7,551	4,836
		<u>1,748,195</u>	<u>2,029,115</u>
CURRENT ASSETS			
Trade debts		1,898,187	2,436,952
Development properties	8	16,770,576	9,783,059
Advances		224,567	155,186
Trade deposits, short-term prepayments and other receivables		16,281	13,767
Cash and bank balances		228,279	25,402
		<u>19,137,890</u>	<u>12,414,366</u>
		<u>20,886,085</u>	<u>14,443,481</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
Ordinary and preference share capital	9	<u>2,900,000</u>	<u>2,900,000</u>
Issued, subscribed and paid-up capital			
Ordinary shares	9	1,780,836	1,570,510
Preference shares	9	1,320	451,502
Share premium		1,154,559	670,346
Reserves		1,615,257	1,388,490
		<u>4,551,972</u>	<u>4,080,848</u>
ADVANCE AGAINST SUBSCRIPTION OF RIGHT ISSUE	10	2,364,493	-
SURPLUS ON REVALUATION OF FREEHOLD LAND		5,969,175	6,148,628
NON-CURRENT LIABILITIES			
Long-term financing - secured		1,006,326	1,188,038
Liabilities against assets subject to finance lease - secured		847	953
Deferred liabilities		18,771	15,928
		<u>1,025,944</u>	<u>1,204,919</u>
CURRENT LIABILITIES			
Trade and other payables	11	4,054,751	612,089
Mark-up accrued		25,573	17,767
Advance from customers	12	1,494,510	1,451,435
Liability against performance obligations		342,768	265,373
Short-term borrowings - secured		595,845	213,166
Current maturity of non-current liabilities		436,366	433,232
Taxation - net		24,688	16,024
		<u>6,974,501</u>	<u>3,009,086</u>
CONTINGENCIES AND COMMITMENTS			
	13		
TOTAL EQUITY AND LIABILITIES		<u>20,886,085</u>	<u>14,443,481</u>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.


Chief Executive


CHIEF FINANCIAL OFFICER


Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2017

Note	For the Half year Ended		For the Quarter Ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
	-----Rupees in '000-----		-----Rupees in '000-----	
Sales of plots and bungalows	1,349,391	838,617	593,710	190,435
Cost of sales	(453,798)	(323,179)	(188,923)	(52,752)
Development cost	-	-	-	-
Gross profit	895,593	515,438	404,787	137,683
Administrative expenses	(122,883)	(95,113)	(60,924)	(50,039)
Marketing and selling expenses	(16,918)	(86,570)	(11,888)	(59,735)
Finance cost	(25,567)	(42,668)	(12,451)	(18,084)
Other income	7,295	6,947	3,133	4,974
Profit before taxation	737,520	298,034	322,657	14,799
Taxation - current	(17,324)	(8,386)	(9,767)	(1,904)
- deferred	(285,031)	(10,466)	(177,960)	(10,466)
	(302,355)	(18,852)	(187,727)	(12,370)
Profit for the period	435,165	279,182	134,930	2,429
Earnings per share	(Rupees)			
Basic	2.68	1.72	0.83	(0.20)
Diluted	2.40	1.51	0.74	0.01

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.


Chief Executive


CHIEF FINANCIAL OFFICER


Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2017

	For the Half year Ended		For the Quarter Ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
	-----Rupees in '000-----		-----Rupees in '000-----	
Profit for the period	435,165	279,182	134,930	2,429
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	435,165	279,182	134,930	2,429

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.


 Chief Executive


 CHIEF FINANCIAL OFFICER


 Director

CONDENSED INTERIM CASH FLOW STATEMENT - (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2017

	For the Half year Ended	
	December 31, 2017	December 31, 2016
	-----Rupees in '000-----	
CASH GENERATED FROM OPERATIONS		
Profit before taxation	737,520	298,034
Adjustments		
Depreciation	5,848	4,821
Amortisation	-	970
Finance cost	25,567	42,668
Profit on deposit account	(407)	(72)
Provision for gratuity	3,760	-
Loss on disposal of operating fixed assets	24	-
	<u>34,792</u>	<u>48,387</u>
Operating profit before working capital changes	<u>772,312</u>	<u>346,421</u>
Working capital changes		
(Increase) / decrease in current assets		
Trade debts	538,765	(130,720)
Development properties	(6,936,388)	(43,358)
Advances	(69,381)	99,161
Trade deposits, short-term prepayments and other receivables	(2,514)	(136,067)
	<u>(6,469,518)</u>	<u>(210,984)</u>
Increase / (decrease) in current liabilities		
Trade and other payables	3,733,639	14,882
Advance from customers	43,075	363,850
Liability against performance obligations	77,395	-
	<u>3,854,109</u>	<u>378,732</u>
Cash (used in) / generated from operations	<u>(1,843,097)</u>	<u>514,169</u>
CASH FLOW FROM OPERATING ACTIVITIES		
Income taxes paid	(8,665)	(14,648)
Finance cost paid	(63,793)	(151,295)
Gratuity paid	(917)	1,833
Dividend paid	(439,563)	-
Long-term deposits paid	(2,715)	-
	<u>(515,653)</u>	<u>(164,110)</u>
Net cash (used in) / generated from operating activities	<u>(2,358,750)</u>	<u>350,059</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditures	(3,184)	(18,115)
Additions to capital work-in-progress	(4,084)	-
Interest received	407	72
Net cash used in investing activities	<u>(6,861)</u>	<u>(18,043)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Receipts against subscription of right issue of shares	2,364,493	-
Repayment of long-term financing	(178,250)	(157,731)
Liabilities against assets subject to finance lease - net	(434)	(644)
Short term borrowings - net	382,679	(50,000)
Net cash generated from / (used in) financing activities	<u>2,568,488</u>	<u>(208,375)</u>
Net increase in cash and cash equivalent	<u>202,877</u>	<u>123,641</u>
Cash and cash equivalents at beginning of the period	<u>25,402</u>	<u>34,086</u>
Cash and cash equivalents at end of the period	<u>228,279</u>	<u>157,727</u>

The annexed notes from 1 to 19 form an integral part of these

financial statements.


Chief Executive


CHIEF FINANCIAL OFFICER


Director

STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2017

	Ordinary share capital	Preference share capital	Capital Reserves		Revenue Reserves		Total
			Share Premium	Others	General reserve	Un-appropriated profit	
----- Rupees in '000 -----							
Balance as at July 01, 2016 (Audited)	1,293,683	914,713	178,776	11,966	63,500	119,240	2,581,878
Profit for the period	-	-	-	-	-	279,182	279,182
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	279,182	279,182
Surplus on revaluation of land realized on account of land sold	-	-	-	-	-	115,769	115,769
Transaction with the owners							
Dividend @ 12% on preference shares convertible into ordinary shares	-	-	-	-	-	(56,102)	(56,102)
Balance as at December 31, 2016 (Unaudited)	<u>1,293,683</u>	<u>914,713</u>	<u>178,776</u>	<u>11,966</u>	<u>63,500</u>	<u>458,089</u>	<u>2,920,727</u>
Balance as at July 01, 2017 (Audited)	1,570,510	451,502	670,346	11,966	63,500	1,313,023	4,080,847
Profit for the period	-	-	-	-	-	435,165	435,165
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	435,165	435,165
Surplus on revaluation of land realized on account of land sold	-	-	-	-	-	179,453	179,453
Transaction with the owners							
Reversal of dividend payable on preference shares converted into ordinary shares	-	-	-	-	-	302,672	302,672
Conversion of preference shares into ordinary shares	210,326	(450,182)	484,213	-	-	(244,357)	-
Final dividend @ 2.5% on ordinary shares for the year ended June 30, 2017	-	-	-	-	-	(446,084)	(446,084)
Dividend @ 12% on preference shares convertible into ordinary shares	-	-	-	-	-	(81)	(81)
Balance as at December 31, 2017 (Unaudited)	<u>1,780,836</u>	<u>1,320</u>	<u>1,154,559</u>	<u>11,966</u>	<u>63,500</u>	<u>1,539,791</u>	<u>4,551,972</u>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.


Chief Executive


CHIEF FINANCIAL OFFICER


Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 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 Act, 2017) and is listed on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at Arif Habib Center, 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 includes bungalows, open plots, flat sites, commercial sites and will include 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 a member of Association of Builders and Developers of Pakistan (ABAD) and Chamber of Commerce and Industries.

2. STATEMENT OF COMPLIANCE

"Effective from May 30, 2017, the Companies Act, 2017 (the Act) has been promulgated, however, Securities and Exchange Commission of Pakistan (SECP) vide its circular No. 23 of 2017 dated October 04, 2017 communicated its decision that the 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. Furthermore, Institute of Chartered Accountants of Pakistan has obtained clarification from SECP regarding the said circular, and explains that this circular also covers interim financial statements of companies for the periods ending on or before December 31, 2017. Accordingly, these condensed interim financial statements have been prepared in accordance with International Accounting Standard - 34 'Interim Financial Reporting' and provisions of and directives issued under the Ordinance. In case where requirement differ, the provision of or directives issued under the Ordinance have been followed.

The Company is currently assessing the full impact of the promulgation of the Act on the financial statements, it is expected that it will result in change in accounting treatments and enhanced disclosures in the annual financial statements which will be incorporated in the financial statements of the Company for the year ended June 30, 2018."

3. BASIS OF PREPARATION

- 3.1 These condensed interim financial statements are un-audited but subject to limited scope review by the auditors and are being submitted to the shareholders as required under Section 245 of the Ordinance. These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2017.

3.2 The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended December 31, 2017 and December 31, 2016 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the half year ended December 31, 2017 and December 31, 2016.

3.3 These condensed interim financial information are presented in Pakistani Rupees which is also the Company's functional and presentation currency.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual audited financial statements for the year ended June 30, 2017.

4.1 New amended and revised standards and interpretations of IFRSs

"The Company has adopted the following amendments and improvements in IFRSs which became effective for the current period:

Standard or Interpretation

IAS 7 Statement of Cash Flows – Disclosure Initiative (Amendment)

IAS 12 Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)

Improvements to Accounting Standards issued by the IASB in September 2014

IFRS 12 Disclosure of Interests in Other Entities - Clarification of the scope of the disclosure requirements in IFRS 12

The adoption of the above amendments and improvements to accounting standards did not have any effect on the condensed interim financial statements.

The Company expects that such improvements to the standards do not have any material impact on the Company's financial statements for the period.

5. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

5.1 The preparation of these condensed interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

5.2 In preparing these condensed interim financial statements, the significant judgements made by the management in applying the Company's accounting policies and areas where assumptions and estimates are significant are same as those applied to the annual audited financial statements for the year ended June 30, 2017. The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended June 30, 2017.

		December 31, 2017 (Unaudited)	June 30, 2017 (Audited)
	Note	-----Rupees in '000-----	
6. PROPERTY AND EQUIPMENT			
Operating fixed assets	6.1	1,562,488	1,565,176
Capital work-in-progress	6.2	66,067	61,983
		<u>1,628,555</u>	<u>1,627,159</u>
6.1 Operating fixed assets			
Opening book value		1,565,176	1,549,146
Additions during the period / year	6.1.1	3,184	28,317
		<u>1,568,360</u>	<u>1,577,463</u>
Disposals during the period / year at book value	6.1.2	(24)	(920)
Depreciation charge for the period / year		(5,848)	(11,367)
		<u>1,562,488</u>	<u>1,565,176</u>
6.1.1 Additions during the period / year			
Furniture and fixtures		546	4,989
Office equipment		1,207	788
Computer equipment		565	1,596
Vehicles - owned		866	20,944
		<u>3,184</u>	<u>28,317</u>
6.1.2 Disposals during the period / year at book value			
Vehicles - owned		-	895
Computer equipment		24	25
		<u>24</u>	<u>920</u>
6.2 Capital work-in-progress			
Opening balance		61,983	57,971
Additions during the period / year		4,084	4,012
Closing balance		<u>66,067</u>	<u>61,983</u>
7. DEFERRED TAXATION			
Deferred tax asset on deductible temporary differences			
Liabilities against assets subject to finance lease		514	644
Deferred liabilities		5,631	4,778
Provision for sales return		16,806	-
Minimum tax		-	81,452
Unused tax losses		93,086	313,453
		<u>116,037</u>	<u>400,327</u>
Deferred tax liabilities on taxable temporary difference			
Property and equipment - owned and leased		(3,948)	(3,207)
		<u>112,089</u>	<u>397,120</u>

	December 31, 2017 (Unaudited)	June 30, 2017 (Audited)
Note	-----Rupees in '000-----	
8. DEVELOPMENT PROPERTIES		
Land for development	8,151,484	8,151,484
Additions during the period / year	6,128,187	-
	14,279,671	8,151,484
Development expenditure		
Opening balance	4,649,679	2,933,827
Incurred during the period / year	1,352,446	1,715,852
	6,002,125	4,649,679
Borrowing costs		
Opening balance	1,226,698	1,129,454
Incurred during the period / year	46,032	97,244
	1,272,730	1,226,698
	21,554,526	14,027,861
Transferred to cost of sales to date	(3,439,165)	(2,985,371)
Transferred to development charges recoverable from customers to date	(1,344,785)	(1,259,431)
	16,770,576	9,783,059

8.1 Includes commercial plots purchased from related parties amounting to Rs. 5,514 million.

9. SHARE CAPITAL

December 31, 2017 (Unaudited) Rupees in '000

December 31, 2017	June 30, 2017
(Unaudited)	Audited
-----Rupees in '000-----	
2,900,000	2,900,000

Authorised share capital
December 31, 2017 June 30, 2017
 Number of shares

290,000,000	290,000,000	Ordinary shares of Rs.10/- each and 12% Redeemable, cumulative and convertible preference shares of Rs.10/- each
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Issued, subscribed and paid up ordinary share capital

December 31, 2017 (Unaudited) Rupees in '000

December 31, 2017	June 30, 2017
(Unaudited)	Audited
-----Rupees in '000-----	
86,000	86,000
472,000	472,000
2,000	2,000
(542,686)	(542,686)
273,327	273,327
873,904	873,904
616,291	405,965
1,780,836	1,570,510

December 31, 2017 June 30, 2017
 Number of shares

8,600,000	8,600,000	Issued for cash
47,200,000	47,200,000	Issued under the financial restructuring arrangement
200,000	200,000	Issued as fully paid bonus shares
(54,268,643)	(54,268,643)	Shares cancelled due to merger
27,332,729	27,332,729	Shares issued in lieu of merger
87,390,414	87,390,414	Right shares issued
61,629,104	40,596,528	Shares issued on conversion from preference shares
178,083,604	157,051,028	

Issued subscribed and paid up preference share capital

December 31, 2017 (Unaudited) Rupees in '000

December 31, 2017	June 30, 2017
(Unaudited)	Audited
-----Rupees in '000-----	
451,502	914,713
(450,182)	451,502
1,320	451,502

December 31, 2017 June 30, 2017
 Number of shares

45,150,200	91,471,300	12% Redeemable, cumulative and convertible preference shares of Rs.10/- each
(45,018,200)	(46,321,100)	Shares cancelled on conversion into ordinary shares during the period
132,000	45,150,200	

10. Includes amount received against subscription of shares from related parties amounting to Rs. 1,719 million.

11. **TRADE AND OTHER PAYABLES**

		December 31, 2017 (Unaudited)	June 30, 2017 Audited
	Note	-----Rupees in '000-----	
Creditors		8,518	13,358
Payable against purchase of commercial land	11.1	3,857,760	-
Accrued liabilities		87,684	237,660
Retention money		32,094	23,346
Power Cement Limited - related party		9,187	7,842
Withholding tax		35,718	10,022
Payable against cancellation of plots		13,467	13,467
Dividend accrued on preference shares		968	303,560
Unclaimed dividend		9,355	2,834
		4,054,751	612,089

11.1 Includes due to related parties amounting to Rs. 3,740 million against the purchase of commercial land (refer note 8.1).

12. **ADVANCE FROM CUSTOMERS**

Represents amount received from customers in respect of booking of plots and bungalows as per the payment plan on which sales has not been recognised since it does not meet the recognition criteria. It includes amount received from related parties amounting to Rs. 11.085 million (June 30, 2017: Rs. 131.03 million).

13. **CONTINGENCIES AND COMMITMENTS**

The status and nature of contingencies and commitments are same as that disclosed in an annual audited financial statements of the Company for the year ended June 30, 2017 except as stated below:

Capital commitments in respect of construction of Gym Khana

873,992	-
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14. **DEVELOPMENT COST**

	Note	For the Half year Ended		For the Quarter Ended	
		December 31, 2017 (Unaudited)	December 31, 2016 (Unaudited)	December 31, 2017 (Unaudited)	December 31, 2016 (Unaudited)
		-----Rupees in '000-----		-----Rupees in '000-----	
Development cost reimbursable from customers		85,353	288,740	46,944	115,496
Development cost incurred and apportioned to customers		(85,353)	(288,740)	(46,944)	(115,496)
		-	-	-	-

15. ADMINISTRATIVE EXPENSES

	For the Half year Ended		For the Quarter Ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	-----Rupees in '000-----		-----Rupees in '000-----	
Salaries, wages and other benefits	56,571	41,859	25,131	21,700
Fees and subscription	7,354	1,894	4,674	207
Depreciation	5,848	4,821	2,981	2,698
Amortisation	-	970	-	443
Vehicles running expenses	6,252	6,858	3,114	3,718
Legal and professional	2,615	2,451	755	1,799
Repairs and maintenance	9,321	5,045	6,110	2,950
Rent, rates and taxes	3,466	2,315	1,891	1,116
Utilities	13,975	13,845	6,744	6,874
Donation	1,483	2,338	708	627
Communication	2,251	1,765	693	1,043
Travelling and conveyance	363	937	238	797
Insurance	2,856	1,599	1,809	861
Printing and stationery	2,074	1,635	1,192	1,030
Auditors' remuneration	300	350	300	350
Entertainment	2,739	1,857	1,608	1,074
Meeting and convention	160	322	160	322
General	5,255	4,252	2,816	2,430
	<u>122,883</u>	<u>95,113</u>	<u>60,924</u>	<u>50,039</u>

Note

15.1

15.1 None of the directors or their spouses have any interest in the donees' funds.

16. EARNINGS PER SHARE

	For the Half year Ended		For the Quarter Ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	-----Rupees in '000-----		-----Rupees in '000-----	
Basic				
Profit for the period attributable to ordinary shareholders	435,082	223,080	134,858	(25,622)
Weighted average numbers of ordinary shares	162,537,787	129,368,399	162,537,787	129,368,399
Earnings per share - (Rupees)	2.68	1.72	0.83	(0.20)
Diluted				
Profit for the period	435,164	279,182	134,929	2,429
Weighted average numbers of ordinary shares	181,375,874	185,352,945	181,375,874	185,352,945
Earnings per share - (Rupees)	2.40	1.51	0.74	0.01

17. BALANCES / TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associates, key management personnel and post employment benefit plan. Details of balances and transactions with related parties during the period, other than those which have been disclosed elsewhere in this condensed interim financial information, are as follows:

	December 31, 2017 (Unaudited)	June 30, 2017 (Audited)
	-----Rupees in '000-----	
Balances with related parties		
Associates		
Arif Habib Corporation Limited		
Payable against purchase of commercial land	<u>1,221,587</u>	<u>-</u>
Arif Habib Equity (Pvt.) Ltd.		
Payable against purchase of commercial land	<u>2,356,161</u>	<u>-</u>
Power Cement Limited		
Payable against cement	<u>9,187</u>	<u>7,842</u>
Safe Mix Concrete Limited		
Payable against concrete	<u>1,250</u>	<u>2,112</u>
Directors, Sponsor and Close Family members		
Payable against purchase of commercial land	161,996	-
Advance from customers	11,085	131,030
Liability against performance obligations	833	-
Advances	<u>5,269</u>	<u>-</u>
Others		
Trade debts	<u>481,585</u>	<u>649,362</u>
Transactions with related parties		
Associates		
Arif Habib Corporation Limited		
Purchase of commercial land	2,167,587	-
Paid against commercial land	946,000	-
Advance paid against subscription of right issue	<u>233,337</u>	<u>-</u>
Arif Habib Equity (Pvt.) Ltd.		
Purchase of commercial land	2,356,161	-
Advance paid against subscription of right issue	<u>894,013</u>	<u>-</u>
Power Cement Limited		
Purchase of cement	48,564	43,739
Paid against purchase of cement	<u>47,219</u>	<u>38,674</u>

December 31, June 30,
2017 2017
(Unaudited) (Audited)
-----Rupees in '000-----

Safe Mix Concrete Limited

Purchase of concrete	18,332	36,678
Paid against purchase of concrete	<u>20,444</u>	<u>34,571</u>

Directors, Sponsor and Close Family members

Purchase of commercial land	989,894	-
Paid against commercial land	827,898	-
Sale of plots and bungalows	45,316	112,189
Mark-up expense capitalised	-	39
Receipt against sales of plots and bungalows	24,030	-
Advance paid against subscription of right issue	591,750	-
Advances	<u>5,269</u>	<u>-</u>

Post employment benefit plan

Gratuity fund trust - gratuity paid during the period	<u>917</u>	<u>2,161</u>
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18. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial statements was authorised for issue on February 20, 2018 by the Board of Directors of the Company.

19. GENERAL

Figures have been rounded-off to the nearest thousands rupees.



Chief Executive



CHIEF FINANCIAL OFFICER



Director

اظہار تشکر

کمپنی کی انتظامیہ تمام مالیاتی اداروں، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان اسٹاک ایکسچینج، اپنے معزز گاہکوں اور اپنے اسٹاف کے اراکین کی شکر گزار ہے کہ انہوں نے جاویداں کارپوریشن لمیٹڈ کا بھرپور ساتھ دیتے ہوئے اپنا بہترین تعاون فراہم کیا۔ اس کے علاوہ ہم بورڈ آف ریونیو، لیاری ڈیولپمنٹ اتھارٹی، سندھ بلڈنگ کنٹرول اتھارٹی، انوائزمنٹل پروٹیکشن ایجنسی اور سب سے بڑھ کر وزیر اعلیٰ سندھ اور ان کی حکومت کے بھی شکر گزار ہیں جنہوں نے اس پراجیکٹ کو بھرپور اعانت فراہم کی۔

دعا ہے کہ اللہ تعالیٰ ہماری محنت و جدوجہد کو کامیابی عطاء فرمائے۔ آمین!

سرگرمیوں کا ایک اہم حصہ بن جائے گا۔ بینکوں کی شاخیں، ریسٹوران اور ریٹیل کے کاروبار کی غرض سے اگلے مرحلے میں ایک کثیر المقاصد عمارت کی تعمیر کی جائے گی جو مقامی برادری کو کاروبار اور تفریح کے مواقع فراہم کرے گی۔

راستوں کی بہتری ہمہ وقت جاری و ساری عمل ہے اور تمام تر داخلی و خارجی مقامات میں مسلسل بہتری لائی جا رہی ہے۔ (سٹی حسن کی جانب سے آنے والے) انور شیخ روڈ پر واقع دکانوں / املاک کی ایک بڑی تعداد خرید کر اس سڑک کو مزید وسعت دیتے ہوئے ”نیاناظم آباد“ تک پہنچنے کے وقت میں کافی کمی لائی گئی ہے جو قبل ازیں سڑک کے تنگ ہونے کے باعث ممکن نہیں تھی۔

نارتھ کراچی سے ملانے والے 4000 روڈ کی تعمیر کا کام شروع کیا جا چکا ہے جسکی تعمیر جلد ہی مکمل ہو جانے کی توقع ہے۔ مزید برآں کمپنی ہذا 2000 روڈ کی تعمیر پر کام کر رہی ہے تاکہ ”نیاناظم آباد“ کو راشد منہاس روڈ سے جوڑا جاسکے۔ وفاقی حکومت نے لوکل گورنمنٹ کو اعانت فراہم کرتے ہوئے منگھو پیر روڈ کی دوبارہ تعمیر کی پٹی سی ون منظور کر کے ایک مستحسن اقدام اٹھایا ہے۔ توقع ہے کہ کراچی شہر میں تعمیر کیا جانے والا گرین لائن میٹرو بس سسٹم جون 2018 میں مکمل ہو جائے گا جس سے ہمارے پروجیکٹ کے الٹیوں کو ٹرانسپورٹ کی تیز رفتار سہولت میسر آجائے گی کیونکہ اس کا ایک اہم اسٹیشن ہمارے پروجیکٹ ”نیاناظم آباد“ سے صرف 2 کلو میٹر کے فاصلے پر واقع ہو گا۔

مستقبل کا منظر

کمپنی ہذا اپنی اکانونٹنگ پالیسی کے تحت فیئر A-1 کی فروخت جاری مالیاتی سال کے دوران کر دینے کی توقع کر رہی ہے۔ اس وقت ہم مبلغ 6 بلین لاگت والی اپنی کمرشل ڈسٹرکٹ کیلئے زمین کے حصول کے مرحلے میں ہیں جس کے لئے 50 فیصد مالیات رائٹ شیئرز اور 50 فیصد مالیات پرائیویٹ پبلسڈ مشارکہ سکو کے ذریعے حاصل کی جائیگی۔ ہم مبلغ / 35 روپے فی شیئر کی پریمیم قیمت پر 50 فیصد رائٹ شیئرز کا اجراء کامیابی سے مکمل کر چکے ہیں جو اسپانسرز اور شیئرز ہولڈروں کے ہم پر بھروسہ اور اعتماد کا مظہر ہے۔ اب ہم باقی ماندہ 50 فیصد زمین کے حصول کی غرض سے مبلغ 103 ارب پاکستانی روپے حاصل کرنے کیلئے سکو کے انتظام کی خاطر بینکوں سے مذاکرات کر رہے ہیں۔ JCL بجلی بار JCR-VIS کی منعقد کردہ کریڈٹ ریٹنگ کی تشخیص کے عمل سے گزری ہے اور اس نے (A+) ایٹائی ریٹنگ اور (AA-) سکو ریٹنگ حاصل کی ہے۔ بڑھتی ہوئی آبادی، شہروں پر آبادی کے دباؤ اور کراچی میں مکانات کی قلت نے رہائشی اور کمرشل ریٹیل کاروبار کیلئے جگہوں کی طلب میں تیزی سے اضافہ کیا ہے۔ یہی وجہ ہے کہ تعمیر کردہ مالیاتی اعداد و شمار ہمارے شیئرز ہولڈروں کو متاثر کن آمدنیوں کی نوید دے رہے ہیں۔

ترقیاتی کارکردگی

فیزا 1 میں انفراسٹرکچر کی تیار تقریباً مکمل ہے اور کمپنی نے پلاٹوں اور بنگلوں کی اچھی خاصی تعداد اپنے گاہکوں کے حوالے کر دی ہے۔ تخمینہ لگایا گیا ہے کہ باقیماندہ انویسٹری مالی سال جاری کے دوران اسٹریٹز کے حوالے کر دی جائیگی۔ اب کمپنی نے اپنی توجہ مدنی سہولیات، پارکوں اور راستوں کی تیاری پر مرکوز کر دی ہے۔

مرکزی جامع مسجد

مرکزی جامع مسجد کی تعمیر تیز رفتاری سے جاری ہے اور 187 فٹ اونچے پینار سمیت گرے اسٹریکچر کی تعمیر تقریباً مکمل ہو چکی ہے۔ تکمیل کے بعد یہ مسجد ایک مثال بن جائیگی اور اسکا مرکزی ہال پاکستانی مساجد کے وسیع و عریض ترین ہالوں میں شامل ہو جائیگا۔ ستونوں سے عاری اس ہال کی وسعت برصغیر میں سب سے زیادہ کبھی جارہی ہے۔ رنگ و روغن اور آرائش کے بعد توقع ہے کہ یہ مسجد 2020ء تک مکمل ہو جائے گی۔

نیاناظم آباد جیم خانہ

نیاناظم آباد جیم خانہ عالمی معیار کے کرکٹ اسٹیڈیم سے متصل جگہ پر مشہور و معروف کنسلٹنٹس کی نگرانی میں تعمیر کیا جا رہا ہے۔ اس جیم خانے میں متعدد تفریحی اور اسپورٹس کی سہولیات، وقت گزاری، کھانے پینے اور سماجی سرگرمیوں کی جگہیں شامل کی گئی ہیں۔

فٹبال گراؤنڈ

حال ہی میں تکمیل شدہ فٹ بال گراؤنڈ اب پوری طرح سے آپریشنل ہو چکا ہے اور یہاں کئی ٹورنامنٹس اور مقابلوں کی میزبانی کی گئی ہے۔ تاہم حالیہ طور سے کھلاڑیوں، کوچنگ اسٹاف اور ناظرین کی سہولت کی خاطر پولیٹن کی تعمیر کا کام جاری ہے۔

بیرونی ترقی

”نیاناظم آباد“ نہ صرف پروجیکٹ کی اندرونی ترقی پر توجہ دیتا ہے بلکہ اسکی توجہ ایک رنگارنگ علاقہ تعمیر کرنے پر بھی مرکوز ہے۔ ہم نے ”نیاناظم آباد“ کے باہر 2 کلو میٹر کا علاقہ گود لیا ہے جس میں روزمرہ بنیاد پر صفائی ستھرائی، روشنی، سبزہ اگانے اور اسکے تحفظ کو یقینی بنایا جاتا ہے۔ ہمارے مین گیٹ کے مقابل ایک انتہائی خوبصورت شادی ہال تریچھے انداز میں تعمیر کیا گیا ہے جس کی بدولت آئندہ ماہ سے ”نیاناظم آباد“ مقامی برادری کی سماجی

قابل احترام شیئر ہولڈرز

جاویداں کارپوریشن لمیٹڈ (JCL) کا بورڈ آف ڈائریکٹرز آپ کی خدمت میں کمپنی کی مالیاتی کارکردگی اور پروجیکٹ کی ترقیاتی صورتحال ہمراہ مورخہ 31 دسمبر 2017 کو اختتام پذیر ہونے والی مدت کی آڈیٹرز کی جائزہ شدہ معلومات پیش کرتے ہوئے دلی مسرت محسوس کر رہا ہے۔

مالیاتی کارکردگی

یہ جان کر آپ کو خوشی ہوگی کہ گزشتہ برس اسی مدت کے دوران ہونیوالی مبلغ 838 ملین روپے کی فروخت کی بہ نسبت آپ کی کمپنی نے مبلغ 1,349 ملین روپے کی فروخت کا ہدف حاصل کیا جسکے نتیجے میں قبل از ٹیکس منافع بڑھ کر مبلغ 737 ملین روپے رہا جو گزشتہ سال اسی مدت کے دوران مبلغ 298 ملین روپے رہا تھا۔ ریونیو میں اضافہ بنگلوں کی فروخت اور فیئر 1 کی باقی ماندہ پلاٹ انویسٹرز کی قیمتوں میں اضافے کی صورت میں پرییم کے ساتھ فروخت کو ظاہر کرتا ہے۔ مزید یہ کہ کمپنی نے گزشتہ برس اسی مدت کے دوران کے مبلغ 279 ملین روپے کی بہ نسبت زیر جائزہ مدت کے دوران مبلغ 435 ملین روپے کا بعد از ٹیکس (PAT) منافع ریکارڈ کیا ہے۔ یعنی دوسری ششماہی کے دوران فی شیئر آمدنی (EPS) مبلغ 2.68 روپے رہا جو پہلی ششماہی کے دوران مبلغ 1.72 روپے رہا تھا۔

ذیل میں مالیاتی نتائج کے خلاصے کا موازنہ پیش کیا جا رہا ہے۔

تفصیلات	31 دسمبر 2017 (جائزہ شدہ)	31 دسمبر 2016 (جائزہ شدہ)
 روپے ہزاروں میں.....	
خالص فروخت	1,349,391	838,617
لاگت فروخت	(453,798)	(323,179)
خام منافع	895,593	515,438
منافع قبل از ٹیکس	737,520	298,034
ٹیکس	(302,355)	(18,852)
منافع بعد از ٹیکس	435,165	279,182
EPS (فی شیئر کمائی) ... بنیادی (روپے)	2.68	1.72
EPS (فی شیئر کمائی) ... ڈیویڈنڈ (روپے)	2.40	1.51

JAVEDAN CORPORATION LIMITED

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