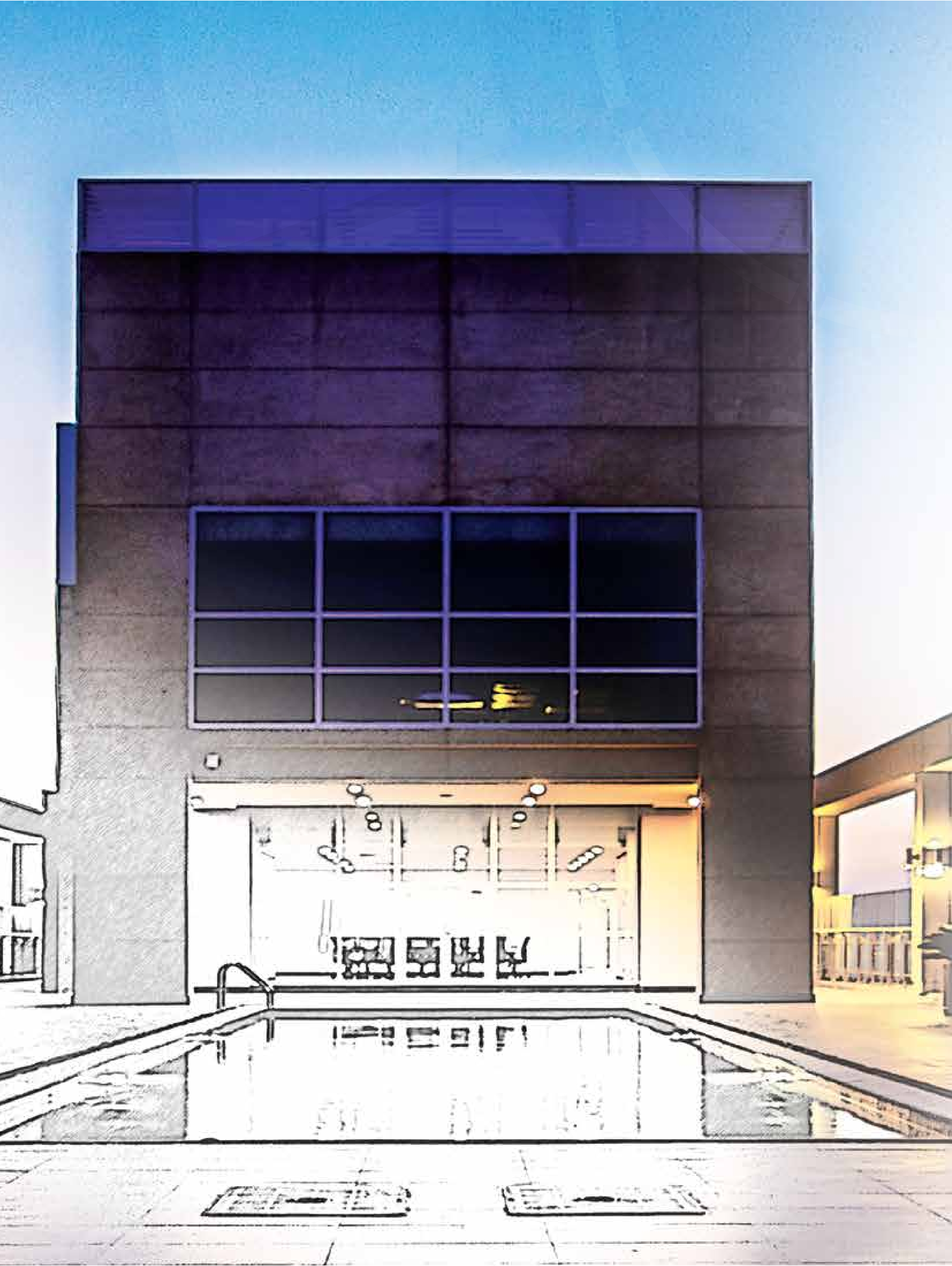
TPL Properties

Progress through Innovation

ANNUAL REPORT 2017



CONTENTS

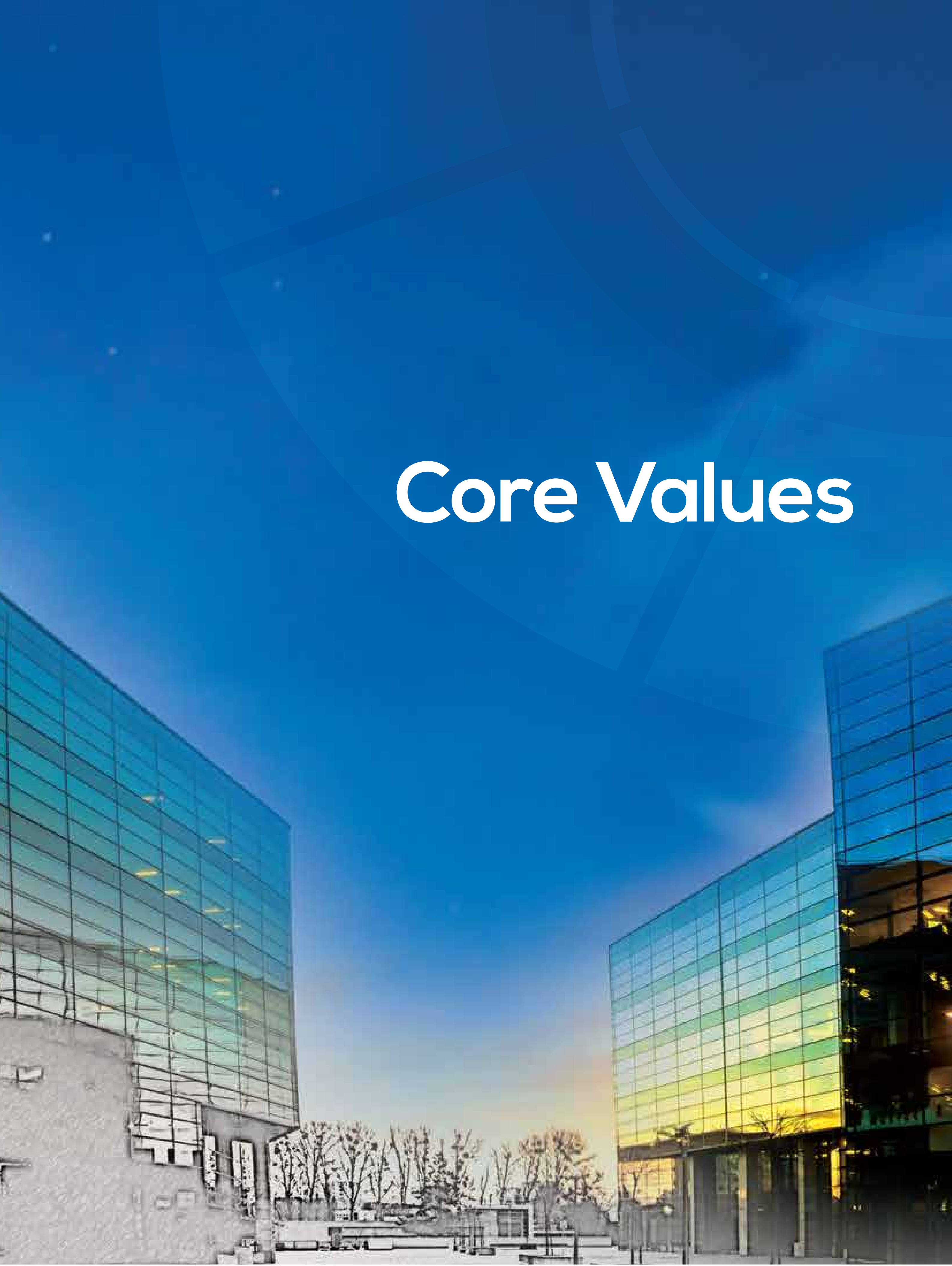
Vision

To be region's premier property developer providing world-class infrastructure and quality to investors, supported by the country's leading team of professionals.

Mission

To set the benchmark for other developers to follow.

Core Values



CORPORATE SOCIAL RESPONSIBILITY:

TPL Properties is committed to being a sustainable and responsible organization. We believe in giving back to the environment we operate in and will make sure that we keep doing so in the future.

INNOVATION:

We are focused on talented employees effectively applying advanced technology and innovative solutions to make the community a better place in which to live.

EQUAL OPPORTUNITY EMPLOYER:

TPL Properties does not discriminate against any employee or job applicant because of their race, color, religion, national origin, sex, physical or mental disability or age.

INTEGRITY:

We are accountable for the highest standards of conduct, including honesty, productivity and fairness in all aspects of our work. We fulfill our commitments as responsible citizens and employees.

EXCELLENCE:

We deliver excellence, strive for continuous improvement and respond vigorously to change.

MAXIMUM STAKEHOLDER RETURN:

We are focused on creating sustainable value for all stakeholders.

RESPECT:

We consistently treat stakeholders with respect, take pride of their contributions to the business and understand their needs.

Sustainability

IMPACT PORTFOLIO

ENVIRONMENT

Around 1 km radius public area surrounding our office impacted by gardening and cleaning facilities

Energy conserved by using efficient technologies

HEALTH

52 beneficiaries were provided with healthcare facilities

EMPLOYEE TRAINING

17 employees trained in various technical and soft skills

INTRODUCTION

TPL Properties Limited recognizes sustainability as a core element of its operations. Moving through the years, the company has diversified its impact portfolio and transformed it into a crucial part of its business strategy.

Sustainability Goals

Our sustainability goals are based on the Sustainable Development Goals 2030 by United Nations. TPL Properties Limited has invested Rs. 7.5 Million in the areas of health and environment during the last financial year.

Reporting Period

The report has been prepared for the year ended June 30, 2017. Data has mainly been obtained from our financial management reporting system, HR information management system, supply chain department, and the security department.

Health

Out of every 10 Pakistani citizens, three fall below the national poverty line (Asian Development Bank, 2017). Provision of quality healthcare facilities ensure sustainable wellbeing of the society, which can contribute positively towards the country's prosperity. In view thereof, TPL Properties has prioritized healthcare in its CSR initiatives.

Impact Numbers

52 patients were provided healthcare facilities through the financial assistance.

a) Patients' Aid Foundation

Patients' Aid Foundation (PAF) is a charity-based organization committed to provide free quality healthcare to all. In collaboration with Jinnah Post graduate Medical Centre (JPMC) various patient-related activities have been accomplished, which includes reconstructing & renovating buildings, reinstating crucial equipment and providing free medicine and laboratory tests. PAF also brought Cyber Knife technology in Pakistan that treats cancer.

What we did?

TPL Properties donated Rs. 2.5 million for the healthcare of 25 patients.

Success Story

She was living a normal life in Karachi, until she collapsed one day and was bought to JPMC. After some tests and scans, it was discovered that her cancer, which had spread to brain, is meta-sized. After a few treatment sessions with the Cyber Knife, she stayed strong and was able to recover from cancer. With TPL's funding, 25 patients like her were treated and they are now living a cancer-free life. This Cyber Knife facility provided through PAF is the only free facility in the world, curing cancers at no cost for all those who are in need.

b) Indus Hospital

Indus hospital focuses on providing free of charge healthcare facilities accessible to everyone. It has served over 900,000 underprivileged citizens of Pakistan. Indus Hospital is the only initiative of its kind in Pakistan to provide premium healthcare in an impressive, state-of-the art health center completely free to everyone.

What we did?

TPL Properties provided Rs. 2.5 million financial assistance to Indus Hospital that saved the lives of 11 patients. The patients were predominantly from the rural and poor urban strata with virtually no access to medical facilities.

c) Sindh Institute of Urology and Transplantation (SIUT)

SIUT provides free medical treatment for kidney, liver, and cancers. It is also a renowned center in Pakistan for ethical kidney transplantation. SIUT's extensive facilities house state-of-the-art equipment, which enable them to provide free treatment.

What we did?

TPL Properties gave Rs. 2.5 million as financial assistance for the procurement of dialysis machine and the treatment of 56 patients.

Environment

Pakistan ranks seventh in the list of countries most vulnerable to climatic change (Ministry of Climate Change – Government of Pakistan, 2016). TPL Properties has taken numerous initiatives that not only promotes a greener and cleaner Pakistan, but it also endeavors to conserve energy through smart technologies.

a) Cleanliness and Plantation around TPL office

TPL Properties has taken the responsibility of around 1 KM radius public area surrounding its corporate head office. Our dedicated team tirelessly works to ensure a positive impact on environment through cleanliness and plantation.

b) Conservation of Energy

Smart-lighting Solutions: We have taken measures to conserve energy at our premises by installing smart lighting solutions that minimizes energy consumption.

Double-glazed Glass Façade: High-quality energy efficient glass facade has been installed to save energy used for lighting and air conditioning. Research has shown that usage of double-glazed glass façade minimizes the energy consumption. (United Kingdom Department of Environment).

Heat-recovery System: Our office building is equipped with 2 x 1 MW gas generators for independent power supply. In addition to the uninterrupted 24/7 power supply, the generators coupled with the heat recovery systems, also conserves energy.

Workforce Diversity

We embrace diversity and we are also committed to fair and equitable treatment of all, irrespective of origin, race, or gender. There is zero tolerance for under-age employment and forced labor.

Female employees	6
Male employees	130
Average age of employees	34

Health & Safety

The safety and health of our employees and communities is the utmost concern of the company

Fatalities	0
Safety drills conducted	2
Fire drills conducted	2

Employees Training & Development

We invest in our human resources by frequently educating and training them. We have allocated a yearly budget for employees training and development in various technical and soft-skills training.

Impact Numbers

17 employees were trained

GROUP PROFILE

TPL Properties

The principal activities of TPL Properties are to invest, purchase, develop, sell, rent out or dispose off real estate assets including commercial and residential buildings. TPL Properties Limited successfully completed its initial public offering, conducted entirely through a Book Building process, in June 2016. Centrepoint is TPL Properties first project and is designed as a state of the art complex. It adheres to the highest international standards of design and technology in commercial buildings and is a unique addition to Karachi's skyline.

TPL Trakker

TPL Trakker Limited is Pakistan's first, largest and only publicly listed tracking company, operating since 1999, offering vehicle based IoT solutions utilizing GPS/GSM technology. TPL Trakker works with various businesses spread across a broad spectrum of industries to equip them with advanced technology enabling monitoring of vehicle movement, driver behavior, fuel pilferage, driver safety and compliance. TPL Trakker is also one of the only tracking companies to offer stolen vehicle recovery services with recovery rate surpassing 90%.

TPL Trakker was one of the first few organizations in Pakistan to setup GIS department with the vision of geo coding data across Pakistan. In a few years Trakker acquired the Survey of Pakistan License and became the first and only company in Pakistan to undertake digital mapping. Today, TPL Maps is publicly available via android and iOS mobile app stores with complete and comprehensive Maps of Pakistan and already have more than 500,000 downloads. TPL also have the largest geocoded dataset of Pakistan as compared to any other digital maps available in the country.

TPL Direct Insurance

TPL Direct Insurance is Pakistan's first and only direct insurance company to pioneer contact center and web based services, allowing customers to interact and retrieve progress on their insurance policies and claims. With the promise to lodge claims in just 60 seconds and to process them in 45 minutes, TPL Direct Insurance upholds quality service standards through highly diligent staff. TPL Direct Insurance offers Auto, Fire, Marine, Health, Home and Travel Insurance, along with Takaful solutions to protect your prized possessions.

TPL Life

TPL Life Insurance Limited aims to provide innovative life and health insurance products following international standards and tailored to cater to the divergent needs of the local population. Digitalization and ease to handle life insurance account is the key at TPL Life. Continuous investment in innovative technology and market intelligence enables TPL Life to offer wide range of Health and Life Insurance solutions for individuals, small to large corporates and microfinance segment.

TPL روپیہ

TPL Rupiya (TPLR) Incorporated in 2015, is an e-payments company, offering solutions that are facilitating payments via bank, government and mobile account transactions. State Bank of Pakistan has issued In-Principle approval to TPLR during this year.

TPL Rupiya's flagship product, KashApp, allows mobile phone users to pay for goods and services using their bank account, mobile wallet or mobile phone account. The technology can facilitate daily consumer transactions such as: Retail payments, Utility bill payments, grocery shopping, school fees, E-Commerce, Bus fare, Railway fare, Taxi fare, money transfers and more.

The Tap n Pay feature of the solution enables fast payment and helps to reduce long checkout lines. The solution is currently being implemented on LTC buses in Lahore. It involves an NFC (Near Field Communication) device/sticker on a POS terminal in order to provide a seamless transaction.

TPL Security Services

Established in 2001 as a licensed security company, TPL Security Services is a progressive and innovative security solutions provider, with unparalleled customer service. The company devotes extensive time and resources into hiring, training, developing and retaining the right people to fulfill each client's needs. Executive protection that includes mobile squads, 24/7 operations and an IT-enabled control room, amongst a host of other features, ensures deployment efficiency and customized solutions to keep you secure.

Trakker Energy (Pvt.) Ltd.

The Group's exploration and production business is part of Trakker Energy, which has formed a consortium with Heritage Oil and Gas Limited and a Pakistani company, Sprint Energy (Pvt.) Ltd. for the exploration and production of oil. The consortium has been granted a Petroleum Exploration License by the Government of Pakistan for Sanjawi Block (No. 3068-2) and Zamzama North Block (No. 2667-8).

MEMBERSHIP OF INDUSTRY

S.R. NO	Membership Certificate
1	Pakistan Software Export Board (PSEB)
2	Pakistan Society for Training & Development (PSTD)
3	Pakistan Software Houses Association for IT & ITES (P@Sha)
4	Association of Chartered Accountants Approved Employer – Professional evelopment
5	Karachi Chamber of Commerce & Industry (KCCI)
6	Overseas Investors Chamber of Commerce & Industry (OICCI)
7	Pakistan Business Council (PCB)

COMPANY INFORMATION

BOARD OF DIRECTORS

Jameel Yusuf (S.St.)	Chairman
Ali Jameel	Director
Bilal Alibhai	Director
Ziad Bashir	Director
Zafar-ul-Hasan Naqvi	Director
Muhammad Shafi	Director
Yousuf Zohaib Ali	Director
Ali Asgher	Director

CHIEF EXECUTIVE OFFICER

Ali Jameel

CHIEF FINANCIAL OFFICER

Ali Abbas

AUDIT COMMITTEE

Ziad Bashir	Chairman
Yousuf Zohaib Ali	Member
Muhammad Shafi	Member
Naseer Khan	Secretary

HUMAN RESOURCE & REMUNERATION COMMITTEE

Zafar-ul-Hasan Naqvi	Chairman
Ziad Bashir	Member
Muhammad Ali Jameel	Member
Nader Nawaz	Secretary

AUDITORS

EY Ford Rhodes & Co.
Chartered Accountants

LEGAL ADVISOR

Mohsin Tayebaly & Co.

BANKERS

Habib Metropolitan Bank Limited
United Bank limited
Habib Bank Limited
JS Bank Limited
Al Baraka Bank Limited
Summit Bank Limited
BankIslami Pakistan Limited

SHARE REGISTRAR

1st Floor, 40-C, Block-6,
P.E.C.H.S., Dr. Karachi 75530,
Pakistan.
Phone: +92 (21) 111-000-322
UAN: 111-000-322
Fax: +92 (021) 34168271
Email: secretariat@thk.com.pk

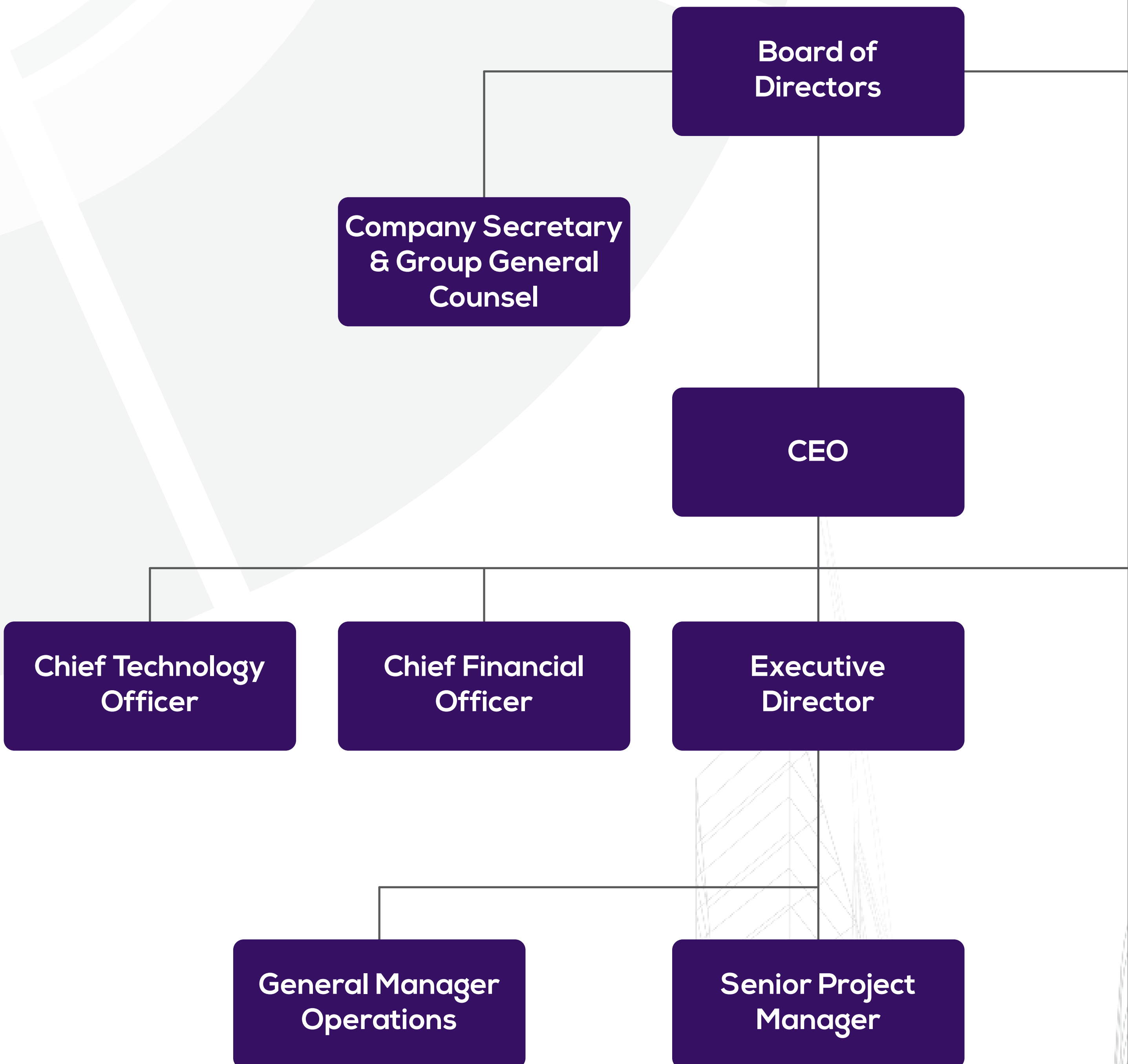
REGISTERED OFFICE

TPL Properties Limited
12th Floor, Centrepoint,
Off-Shaheed-e- Millat Expressway,
Adjacent KPT Interchange, Karachi,
Postal Code: 74900

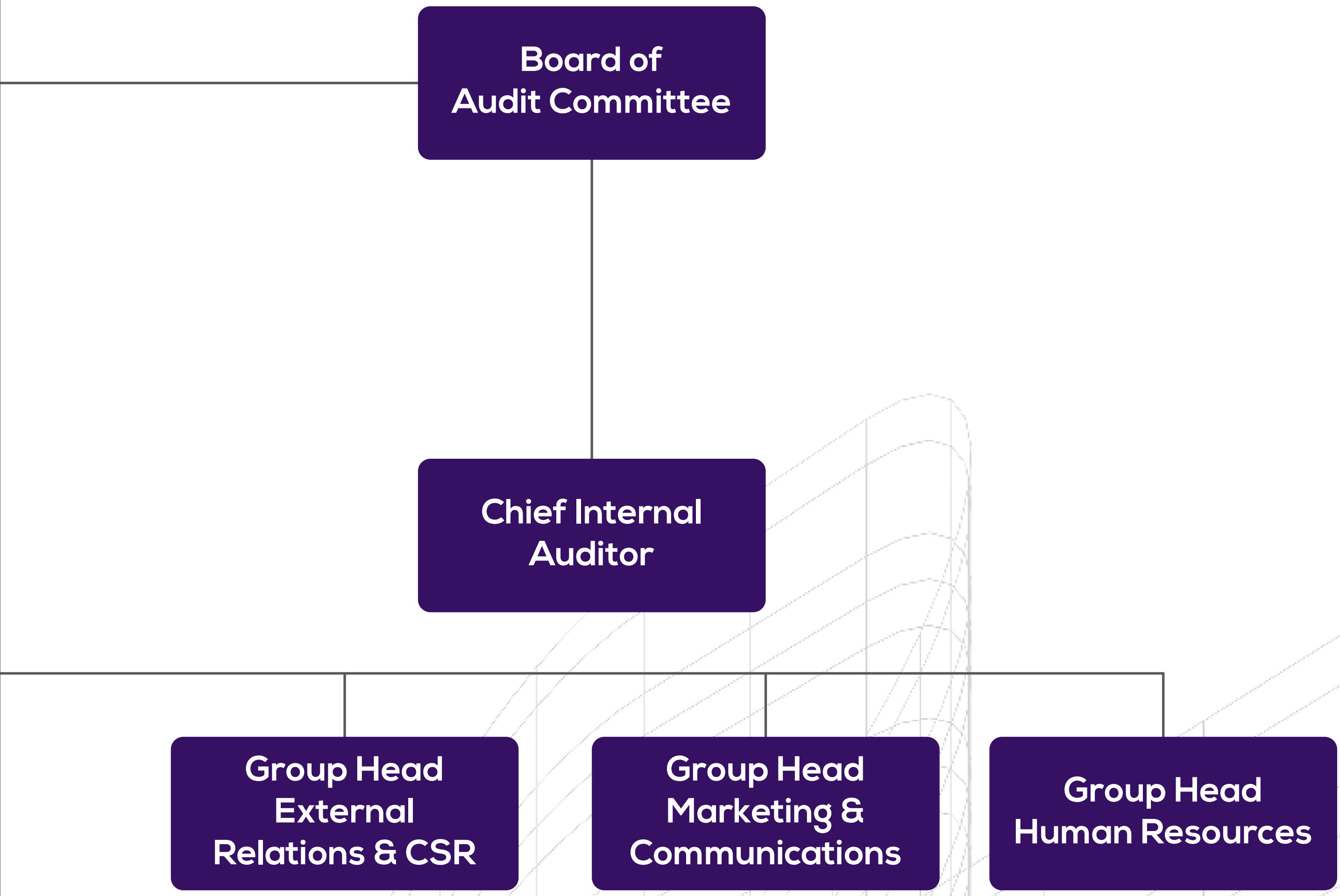
WEB PRESENCE

www.tpl-property.com

ORGANOGRAM



Board of Directors
Company Secretary & Group General Counsel
CEO
Chief Technology Officer
Chief Financial Officer
Executive Director
General Manager Operations
Senior Project Manager


Board of Audit Committee
Chief Internal Auditor
Group Head External Relations & CSR
Group Head Marketing & Communications
Group Head Human Resources

CEO's Message

TPL Properties remains a premier property developer in Pakistan, delivering on promises to an ever-growing domestic customer base. Our flagship project Centre Point, is a fully occupied ground-plus-28-floors office complex, opposite KPT Interchange in Karachi. Centrepoint continues to retain full occupancy, with a diversified tenant mix and is continuing to seek efficiencies in its management structure.

Looking regionally, there has been a noticeable shift in the political and economic climate with fundamental safety concerns now being addressed. Further investment driven measures are likely to encourage the increase of capital investments into the real estate market. As more investors begin to look for greater security of their assets nationally rather than in the global markets, the overall economy is expected to continue its positive trajectory over the coming year and is likely to exceed the expected World Bank forecasts, as has been the case for the past year.

TPL Properties will continue to increase its exposure to the development sector given the predicted economic uplift in the sector. This shall be completed via key partnerships with land-holders and select investments into development projects over the coming year. TPL Properties has committed to establishing strategic agreements with multiple design consultants from the United Kingdom, to increase the quality of built assets to an international grade. The main development opportunities being pursued, will seek to provide a new level of luxury residential and bespoke commercial spaces for end users. These developments will be undertaken with due care for the environment and sustainability.

It is the intent of TPL Properties that our work will allow for knowledge transfer of best practices into Pakistan. In the process we aspire to become a cornerstone of real estate benchmarking. We are confident that the above initiatives in place will add to the Company's profitability with increase in our stakeholders returns.

We thank you for your continued confidence in TPL Properties and look forward to work with you in the forthcoming year.

Best,

Ali Jameel

Board of Directors

Jameel Yusuf (S.St.)

Chairman

Mr. Jameel Yusuf Ahmed is a businessman by profession and is the Chairman of TPL Holdings (Pvt.) Ltd. He was the founder Chairman of Citizen-Police Liaison Committee (CPLC), and remained its Chairman from September 1989 to March 2003. He is also the Director of Asia Crime Prevention Foundation (ACPF) and is the founding trustee of "PANAH", a shelter home established for women in distress. Mr. Yusuf is also a member of Advisory Council Fellowship Fund for Pakistan (FFFD) since 2004. He was awarded Presidential Award "Sitara-e-Shujaat" for gallantry services in August 1992 and was also nominated for the First United Nations Vienna Civil Society Award in 1999.

Ali Jameel

CEO

Mr. Ali Jameel is also the CEO of TPL Trakker Ltd., Pakistan's first vehicle tracking company. He is also the director of TRG Pakistan Ltd. Formerly Mr. Jameel was the Chief Executive Officer of Jahangir Siddiqui Investment Bank. He has also held several advisory posts in Board of Investment, Economic Advisory Council, Pakistan's information technology and telecommunication sectors, including appointments on the Task Force on Telecom Deregulation, the Fiscal Incentive Group on the IT Commission and the Task Force on Venture Capital. Mr. Jameel received his B.Sc. degree in Economics from London School of Economics. He is also an Associate Member of the Institute of Chartered Accountants in England & Wales and qualified in 1994 at KPMG Peat Marwick in London.

Bilal Alibhai
Director

Mr. Bilal Alibhai is a third generation entrepreneur and has been Group Executive Director at Bilal General Transport, Dubai, UAE (and subsidiaries) since 2002. The group is one of the UAE's leading providers of transportation, equipment rental, and other services to the construction industry. He is also a Director of Rashwell Company LLC, Dubai, a leading commodities trading business in UAE. Mr. Alibhai holds a BBA (Hons) degree from Queen's University, Canada, with concentration in finance and strategy.

Ziad Bashir
Director

Mr. Ziad Bashir has been on the Board of Gul Ahmed Textile Mills Limited since February 1999. A graduate from Babson College, USA, with a Bachelor degree in Entrepreneurial Studies. Mr. Bashir has extensive experience of the textile sector and is involved in various developmental and operational activities of the company. He is also associated with the Information Technology (IT) industry and has played a key role in the transformation of the company's IT infrastructure. He is a certified Director from the Pakistan Institute of Corporate Governance (PICG).

Over the years he has served as Chairman of the Landhi Association of Trade and Industry and on the Board of Central Managing Committee of All Pakistan Textile Mills Association (APTMA). He is also currently on the Board of Governors of Young Presidents Organization (YPO), Pakistan.

Vice Admiral (Retd.)

Muhammad Shafi HI(M)

Director

Mr. Shafi was commissioned in 1974 into the operation branch of Pakistan Navy where he held various positions including Commander Coastal Areas (responsible for the defence of Pakistan's coast), Commander Logistics (Commanded over 12,000 service and civilian personnel and responsible for all logistics in the Pakistan Navy), Commander of 25th Destroyer Squadron of Pakistan Navy and also Commanded Pakistan Naval Destroyer PNS Shahjahan and Frigate PNS Shamsher. He has also held various other positions including Assistant Chief of the Naval Staff (Plans), Deputy Chief of Naval Staff (Training & Personnel as well as Operations), Director General Naval Intelligence and Principal Staff Officer to the Chief of Naval Staff. He has been the Member of the Board of Trustees of Karachi Port Trust, Chairman of Pakistan National Shipping Corporation and Chairman of Port Qasim Authority. He also holds prestigious Military awards which include Hilal-e-Imtiaz, Sitara-e-Imtiaz and Tamgha-e-Imtiaz. He has obtained his MSc in Defence and Strategic Studies from National Defence University, Islamabad in the year 2001 and his BSc in Physics and Mathematics from Karachi University, 1974.

Maj. Gen. (Retd.)

Zafar-ul-Hasan Naqvi

Director

Mr. Zafar Naqvi is a management professional with vast experience of management both in the local and multinational environment. He joined the Corporate Sector in 1996 as a Director in AGP (Pvt) Ltd, a leading Pharmaceutical Company and in three years time he became the Chief Operating Officer of the company and held this position till his retirement in 2007. Thereafter, he served as Director and Advisor, in Merck (Pvt) Ltd, a German Pharmaceutical Company for 5 years, till 2012. Currently, he is Director and Advisor in a Pharmaceutical Company of OBS group. Prior to joining corporate sector, Mr. Naqvi has also been conferred upon Presidential Award, Sitara-e-Imtiaz (Military). Mr. Naqvi holds an M.B.A. and M.Sc. degree in Strategic Management from Quaid-e-Azam University, Islamabad

Yousuf Zohaib Ali

Director

Mr. Yousuf Zohaib Ali is the CFO of TPL Trakker Ltd. He is an associate Member of Institute of Chartered Accountants of Pakistan and Certified Information System Auditor - CISA from International System Audit and Control Association (ISACA).

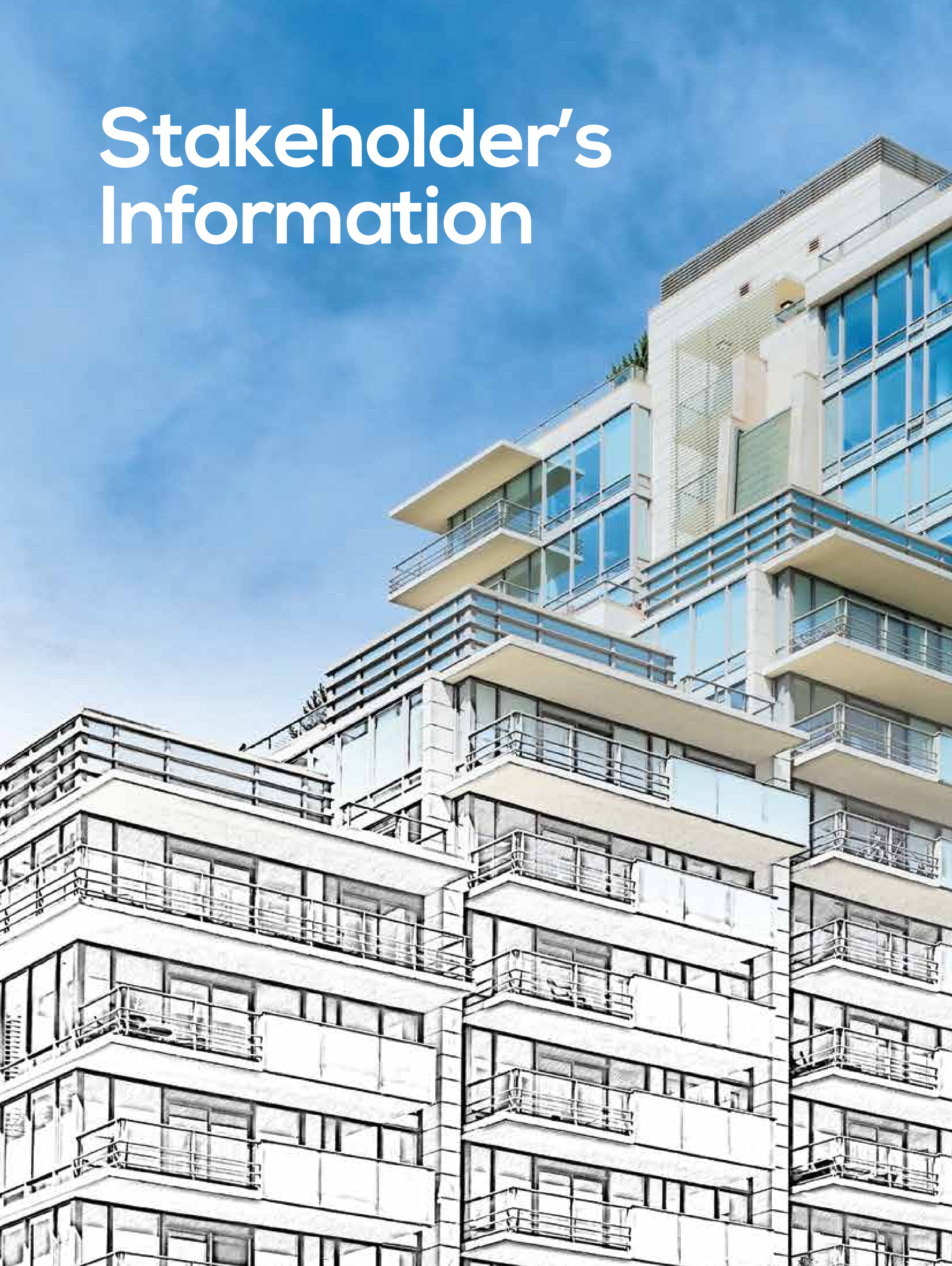
Formerly, Mr. Ali was Head of Finance in Beltexco Limited, the largest manufacturer and exporter of industrial and safety gloves in Pakistan. He also worked as Manager Finance in Avery Dennison, a fortune 500 company and manufacturers and exporters of labeling materials for the world's largest brands. Mr. Ali completed his 4 years article-ship from an associated firm of Deloitte in Pakistan and Saudi Arabia having diversified exposure in Banking and Finance, Manufacturing, Aviation, Telecommunication, FMCG, Automobile, Petroleum, Chemical, Electronics and Hospitality Industry. He has wide experience in the implementation of ERP in the organizations he has worked for.

Ali Asgher

Director

Mr. Ali Asgher is the Executive Director of TPL Properties Limited. He is an experienced finance professional, having work experience of over 9 years from textile to real estate development with expertise in financial reporting, raising of equity vs debt, financial modeling, value chain analysis, procurement and project management. He has experience of implementing ERP solution and process automation. He has successfully advised the TPL Group on state-of-the-art construction project, closure of foreign and local debt finances, new business feasibilities, debt swaps, private placement and rental deals. He is a qualified Chartered Management Accountant from Chartered Institute of Management Accountants (CIMA), UK and also holds MBA degree with concentration in Finance.

Stakeholder's Information



HORIZONTAL ANALYSIS BALANCE SHEET

	2017	2016	2015	2014	2013	2012
Investment Property under construction	-	-	-	-	3,071,971,148	2,457,713,803
Investment Property	**4,975,874,522**	4,632,000,000	4,319,000,000	3,978,000,000	-	-
Property, plant and equipment	**6,736,214**	5,581,476	1,584,109	2,334,151	3,709,459	6,043,130
Long-term investments	**1,150,315,390**	352,999,990	999,990	999,990	999,990	990
Long term subordinated loan	**47,619,214**	10,770,709	197,835,432	159,822,944	85,000,000	55,000,000
Long term deposits	**186,919**	186,919	86,919	86,919	86,919	-
Receivable against rent from tenants	**26,555,792**	20,966,759	10,776,706	6,956,019	-	-
Advance, deposit and prepayment	**11,126,083**	19,621,854	25,979,368	22,178,705	187,870,027	125,232,491
Interest Accrued	**51,008,311**	78,038,053	51,531,102	27,557,658	14,807,658	2,750,000
Advance against subcription of shares	-	-	-	-	-	999,000
Due from related parties	**9,131,238**	-	-	-	10,350,840	62,684,100
Taxation- net	**94,021,444**	97,864,137	55,764,427	16,780,975	7,652,735	6,596,076
Cash and bank balances	**344,332,622**	850,576,013	195,116,171	94,796,746	76,785,232	308,166,457
TOTAL ASSETS	**6,716,907,749**	**6,068,605,910**	**4,858,674,224**	**4,309,514,107**	**3,459,234,008**	**3,025,186,047**
Issued, subscribed and paid-up capital	**2,735,113,670**	2,080,000,000	1,100,000,000	1,100,000,000	1,100,000,000	1,100,000,000
Share premium account	**560,563,555**	140,497,151	-	-	-	-
Accumulated Profit	**1,327,511,411**	975,533,853	684,863,802	500,978,997	(15,464,436)	(14,419,086)
Long term financing	**1,660,693,975**	1,948,861,362	2,034,000,000	1,692,857,425	1,693,714,286	1,761,540,000
Due to related parties	**11,912,538**	275,645,979	566,187,587	485,858,803	243,634,922	101,181,329
Deferred Tax liability	**38,236,796**	39,005,393	23,947,008	4,066,714	-	-
Accrued mark up	**44,760,103**	74,446,634	158,835,696	69,236,438	39,161,195	55,576,923
Trade and other payables	**73,507,902**	163,832,637	164,527,377	75,358,610	68,302,115	15,314,945
Short-term borrowing	-	200,000,000	-	-	-	-
Current portion of long term financing	**204,750,000**	126,000,000	63,295,831	343,610,292	288,885,926	5,991,936
Advance against rent from tenants	**59,857,799**	44,782,901	63,016,923	37,546,828	41,000,000	-
TOTAL EQUITY AND LIABILITIES	**6,716,907,749**	**6,068,605,910**	**4,858,674,224**	**4,309,514,107**	**3,459,234,008**	**3,025,186,047**

HORIZONTAL ANALYSIS PROFIT AND LOSS ACCOUNT

	2017	2016	2015	2014	2013	2012
Rental Income	**362,784,829**	364,056,604	231,904,092	68,079,862	-	-
Direct operating cost	**(9,908,777)**	(12,414,128)	(11,569,484)	(7,698,944)	-	-
Gross profit	**352,876,052**	351,642,476	220,334,608	60,380,918	-	-
Administrative and general expenses	**(105,812,141)**	(53,055,880)	(47,738,642)	(14,021,111)	(1,045,350)	(4,334,508)
Other operating expenses	**-**	-	(3,613,431)	(10,598,108)	-	-
Operating profit	**247,063,911**	298,586,596	168,982,535	35,761,699	(1,045,350)	(4,334,508)
Finance costs	**(176,487,486)**	(236,618,104)	(254,204,115)	(87,301,711)	-	-
Other Income	**15,737,118**	35,449,950	30,929,770	9,203,838	-	-
Remeasurement of investment property at fair value	**288,765,209**	274,217,887	317,506,439	431,675,020	-	-
Exchange (loss)/gain	**-**	(57,400,000)	(59,449,530)	131,171,301	-	-
Profit before taxation	**375,078,752**	314,236,329	203,765,099	520,510,147	(1,045,350)	(4,334,508)
Taxation	**(23,101,194)**	(23,566,278)	(19,880,294)	(4,066,714)	-	-
Profit / (Loss) after taxation	**351,977,558**	**290,670,051**	**183,884,805**	**516,443,433**	**(1,045,350)**	**(4,334,508)**

CASH FLOW STATEMENT

	2017	2016	2015	2014	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES						
Net profit before taxation	375,078,752	314,236,329	203,765,099	520,510,147	(1,045,350)	(4,334,508)
Adjustment for non cash charges and other items:						
Depreciation	2,459,696	2,325,011	1,028,042	521,598	-	-
Fixed assets write-off	38,565	-	-	-	-	-
Finance cost	176,487,486	236,618,104	254,204,115	87,301,711	-	-
Remeasurement of investment property at fair value	(288,765,209)	(274,217,887)	(317,506,439)	(431,675,020)	-	-
Exchange loss / (gain) - net	-	57,400,000	59,449,530	(131,171,301)	-	-
Markrup on subordinated loan	(6,386,284)	(26,506,951)	(23,973,444)	(6,322,613)	-	-
Mark up on saving account	(3,814,384)	(3,576,768)	(6,956,326)	-	-	-
	(119,980,130)	(7,958,491)	(33,754,522)	(481,317,949)	-	-
Operating profit before working capital changes	255,098,622	306,277,838	170,010,577	39,192,198	(1,045,350)	(4,334,508)
(Increase) / decrease in current assets						
Advance, deposits and prepayments	8,495,771	6,357,513	(3,800,663)	165,691,322	(45,870,455)	(120,864,856)
Receivables against rent	(5,589,033)	(10,190,053)	(3,820,687)	(6,956,019)	-	-
Due from related parties	(9,131,238)	-	-	(24,472,104)	36,633,260	(62,684,100)
	(6,224,500)	(3,832,540)	(7,621,350)	134,263,199	(9,237,195)	(183,548,956)
Increase / (decrease) in current liabilities						
Trade and other payables	(90,324,735)	(694,740)	88,677,537	9,605,524	52,987,170	(62,091,628)
Due to a related party – unsecured	-	-	-	-	142,453,593	(79,897,328)
Advance against rent	15,074,898	(18,234,022)	25,470,095	(3,453,172)	41,000,000	-
Cash generated from operations	173,624,285	283,516,536	276,536,859	179,607,749	226,158,218	(329,872,420)
Receipts / (payments) for :						
Finance cost	(207,426,462)	(437,591,635)	(162,735,043)	(82,400,539)	(111,894,780)	(103,084,792)
Mark up on saving account received	3,814,384	3,576,768	6,956,326	-	-	-
Income taxes	(20,027,105)	(50,607,603)	(38,983,452)	(9,115,894)	(1,056,659)	(6,541,643)
	(223,639,183)	(484,622,470)	(194,762,169)	(91,516,433)	(112,951,439)	(109,626,435)
Net cash flows (used in) / from operating activities	(50,014,898)	(201,105,934)	81,774,690	88,091,316	113,206,779	(439,498,855)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of - property and equipment	(3,652,999)	(6,322,378)	(278,000)	(140,069)	(173,300)	(6,486,644)
Expenditure - investment property under construction	-	-	-	(253,544,455)	(448,127,206)	(491,415,533)
- incurred on investment property	(46,918,610)	(38,782,113)	(23,493,561)	(19,019,159)	-	-
Addition to capital work-in-progress	(8,190,703)	-	-	-	-	-
Sale proceed from fixed assets	-	-	-	400,000	1,180,000	-
Long-term deposits	-	(100,000)	-	-	(16,854,000)	-
Long-term loan-net	(36,848,505)	187,064,723	(38,012,488)	(40,000,000)	(14,300,000)	(55,000,000)
Investments	-	(352,000,000)	-	-	-	(990)
Advance against subscription of shares	-	-	-	-	-	(999,000)
Markrup on subordinated loan received	33,416,026	-	-	-	-	-
Markrup on saving account	-	-	-	-	10,810,502	22,915,048
Net cash (used in) / generated from investing activities	(62,194,791)	(210,139,768)	(61,784,049)	(312,303,683)	(467,464,004)	(530,987,119)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceed from isuance of share capital	300,000,004	1,197,181,000	-	-	-	-
Share issue cost	(22,135,323)	(76,683,849)				
Long-term loans – net	(208,164,942)	36,750,000	-	-	-	-
Loan from Director / related party	(263,733,441)	(290,541,608)	80,328,784	242,223,881	-	(263,363)
Long term Financing - net	-	-	-	-	122,876,000	1,669,200,000
Short-term borrowing	(200,000,000)	200,000,000	-	-	-	(399,923,890)
Net cash generated (used in) / from financing activities	(394,033,702)	1,066,705,543	80,328,784	242,223,881	122,876,000	1,269,012,747
Net (decrease) / increase in cash and cash equivalents	(506,243,391)	655,459,841	100,319,425	18,011,514	(231,381,225)	298,526,773
Cash and cash equivalents at the beginning of the year	850,576,013	195,116,171	94,796,746	76,785,232	308,166,457	9,639,684
Cash and cash equivalents at the end of the year	344,332,622	850,576,013	195,116,171	94,796,746	76,785,232	308,166,457

VERTICAL ANALYSIS OF BALANCE SHEET

	2017	2016	2015	2014	2013	2012
Investment Property under construction	0.00%	0.00%	0.00%	0.00%	88.80%	81.24%
Investment Property	74.08%	76.33%	88.89%	92.31%	0.00%	0.00%
Property, plant and equipment	0.10%	0.09%	0.03%	0.05%	0.11%	0.20%
Long-term investments	17.13%	5.82%	0.02%	0.02%	0.03%	0.00%
Long term subordinated loan	0.71%	0.18%	4.07%	3.71%	2.46%	1.82%
Long term deposits	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Receivable against rent from tenants	0.40%	0.35%	0.22%	0.16%	0.00%	0.00%
Advance, deposit and prepayment	0.17%	0.32%	0.53%	0.51%	5.43%	4.14%
Interest Accrued	0.76%	1.29%	1.06%	0.64%	0.43%	0.09%
Advance against subcription of shares	0.00%	0.00%	0.00%	0.00%	0.00%	0.03%
Due from related parties	0.14%	0.00%	0.00%	0.00%	0.30%	2.07%
Taxation- net	1.40%	1.61%	1.15%	0.39%	0.22%	0.22%
Cash and bank balances	5.13%	14.02%	4.02%	2.20%	2.22%	10.19%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%

	2017	2016	2015	2014	2013	2012
Issued, subscribed and paid-up capital	40.72%	34.27%	22.64%	25.52%	31.80%	36.36%
Share premium	8.35%	2.32%	0.00%	0.00%	0.00%	0.00%
Accumulated Profit	19.76%	16.08%	14.10%	11.62%	-0.45%	-0.48%
Long term financing	24.72%	32.11%	41.86%	39.28%	48.96%	58.23%
Due to related parties	0.18%	4.54%	11.65%	11.27%	7.04%	3.34%
Deferred Tax liability	0.57%	0.64%	0.49%	0.09%	0.00%	0.00%
Accrued mark up	0.67%	1.23%	3.27%	1.61%	1.13%	1.84%
Trade and other payables	1.09%	2.70%	3.39%	1.75%	1.97%	0.51%
Short-term borrowing	0.00%	3.30%	0.00%	0.00%	0.00%	0.00%
Current portion of long term financing	3.05%	2.08%	1.30%	7.97%	8.35%	0.20%
Advance against rent from tenants	0.89%	0.74%	1.30%	0.87%	1.19%	0.00%
TOTAL EQUITY AND LIABILITIES	100%	100%	100%	100%	100%	100%

VERTICAL ANALYSIS OF PROFIT AND LOSS ACCOUNT

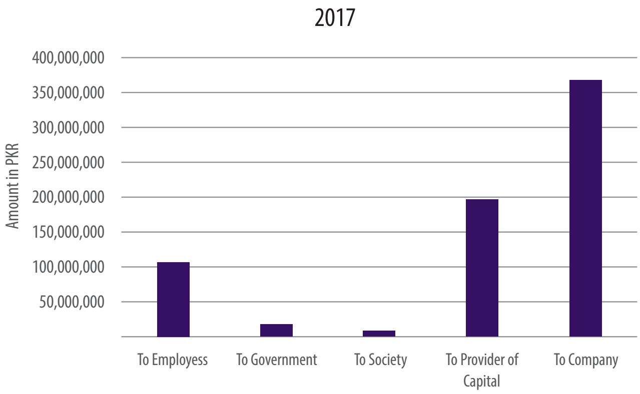
	2017	2016	2015	2014	2013	2012
Rental Income	100%	100%	100%	100%	0%	0%
Direct operating cost	-3%	-3%	-5%	-11%	0%	0%
Gross profit	97%	97%	95%	89%	0%	0%
Administrative and general expenses	-29%	-15%	-21%	-21%	100%	100%
Other operating expenses	0%	0%	-2%	-16%	0%	0%
Operating profit	68%	82%	73%	53%	100%	100%
Finance costs	-49%	-65%	-110%	-128%	0%	0%
Other Income	4%	10%	13%	14%	0%	0%
Remeasurement of investment property at fair value	80%	75%	137%	634%	0%	0%
Exchange (loss)/ Gain - net	0%	-16%	-26%	193%	0%	0%
Profit before taxation	103%	86%	88%	765%	100%	100%
Taxation	-6%	-6%	-9%	-6%	0%	0%
Profit after taxation	97%	80%	79%	759%	100%	100%

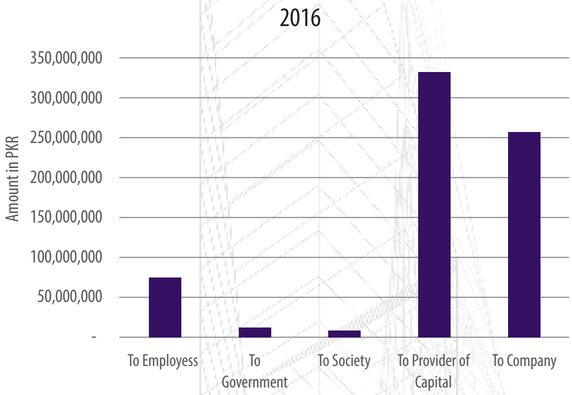
RATIO ANALYSIS OF PROFIT AND LOSS ACCOUNT

		2017	2016	2015	2014	2013	2012
Profitability Ratios							
Gross Profit to Sales	percent	**97%**	**97%**	95%	89%	0%	0%
Net Profit to Sales	percent	**97%**	**80%**	79%	759%	0%	0%
EBITDA Margin to sales	percent	**153%**	**152%**	198%	894%	0%	0%
Return on Equity	percent	**11%**	**16%**	11%	48%	0%	0%
Return on Capital Employed	percent	**6%**	**6%**	5%	17%	0%	0%
Liquidity Ratios							
Current Ratio	Ratio	**1.23**	**1.68**	0.99	0.31	0.71	23.64
Quick / Acid test ratio	Ratio	**1.21**	**1.67**	0.96	0.30	0.70	23.28
Cash to Current Liabilities	Ratio	**0.87**	**1.44**	0.67	0.21	0.19	14.46
Investment Valuation Ratios							
Earning per Share	Ratio	**1.68**	**2.12**	1.67	4.69	-0.01	-0.04
Capital structure Ratios							
Financial leverage Ratio	Ratio	**0.42**	**0.82**	1.58	1.62	2.09	1.77
Debt Equity Ratio	Ratio	**0.41**	**0.67**	1.26	1.32	1.86	1.68
Interest cover Ratio	Ratio	**3.13**	**2.33**	1.80	6.96	0	0

STATEMENT OF VALUE ADDITION AND ITS DISTRIBUTION

	2017 Amount in Rs	%	2016 Amount in Rs	%
WEALTH GENERATED				
Total revenue inclusive of Other Income	843,940,141		789,771,701	
Direct Operating cost and Administrative and General expenses	(149,074,055)		(107,975,212)	
	694,866,086	100%	681,796,489	100%
WEALTH DISTRIBUTION				
To Employees				
Salaries, benefits and other costs	106,366,678	15%	74,128,589	11%
To Government				
Income tax, sales tax, excise duty and others	17,489,633	3%	11,308,354	2%
To Society				
Contribution towards education, health and environment	7,500,000	1%	7,561,408	1%
To Provider of Capital				
Dividend to shareholders	-		-	
Markup / Interest expenses on borrowed funds	196,137,972	28%	332,163,066	49%
To Company				
Depreciation, amortization & retained profit	367,371,803	53%	256,635,072	38%
	694,866,086	100%	681,796,489	100%





DIRECTORS' REPORT

DIRECTORS' REPORT

On behalf of the Board of Directors of TPL Properties Limited, I am pleased to present the annual report of the Company for the year ended 30 June 2017.

COUNTRY ECONOMIC REVIEW

A growth rate in excess of 5% combined with increase in total investment and per capita income have positioned Pakistan as a preferred business and investment destination in South East Asia. The China Pakistan Economic Corridor (CPEC) is set to redefine the region's balance of power and open new avenues for business and investment in the country.

Pakistan's real estate sector is contributing nearly two percent to the country's GDP . The sector contributes immensely to the wider economy and continues to provide impetus for overall national growth.

Due to the improved economic situation, as well as improved political and law and order situation in the last 3 years Pakistan's equity market has performed extremely well. Pakistan has seen a historic decline in inflation and interest rates driven by decline in oil prices from mid-2014 onwards. The PSX 100 has consistently been ranked among the top 10 equity markets in the world.

However, the recent political uncertainty has severely impacted the Pakistan capital markets and the PSX 100 has lost over 10,000 points. Despite the political uncertainty, the fundamentals of the economy are strong and in the long term we continue to have positive outlook for the country's economic performance.

BUSINESS REVIEW

Pakistan's property market has been on an upward trend for the past decade. With a population in excess of 200 million the concentration of economic activity is limited to three major cities: Karachi, Lahore and Islamabad, and if the country is to evolve into a major economic player it needs to decentralize more of its economic activity. It has been a year of significant change in the Pakistani real estate sector. Changes to the Income Tax Ordinance 2001 through the Finance Act 2016 sought to rectify the disparity between the value of property and tax collections.

Currently, the housing shortage is estimated to be over nine million units with demand growing at a rate of 0.7 million new units per year. One of the main bottlenecks is the underdeveloped mortgage sector which accounts for meagre 0.5 percent of GDP. With a more accessible home loan market many more individuals and families could find the capital for their first time home. By 2025, the shortfall is predicted to swell to 20 million residential units. In order to catch up, Pakistan needs to construct one million new units each year, but the current building rate is just 150,000 per annum. For lower income families there is no option for a mortgage hence the overall housing shortage is expected to grow in the future. A World Bank report noted that the housing to finance ratio in Pakistan was one of the world's lowest at just one percent compared to 50 percent in developed nations.

DIRECTORS' REPORT

Pakistan is now primed for foreign investment in the real estate sector. Work has already begun on the China-Pakistan Economic Corridor and the benefits will flow to the sector. One of the main bottlenecks in the sector is an inadequate transport infrastructure, so this substantial investment will make decent strides in improving the situation.

We believe the country offers a high potential return on investment for foreign investors. As the new tax laws make the real estate market more transparent and regulated, overseas investors will continue to pay close attention.

COMPANY OUTLOOK

The Company is capitalizing on the 100% occupancy of its flagship project Centrepoint and is now developing a residential project in Karachi through the acquisition of HKC Ltd. We also plan to bring on board a strategic investor as well.

The Company has commenced design works on the recently acquired investment in HKC Ltd, which owns a prime city centre plot on Hoshang road. The acquisition was by way of a rights issue for cash and other than cash of Rs 1.097 billion. The development team for the HKC project includes international experts in luxury residential design who have successfully delivered numerous projects across the globe. This includes renowned U.K. Architects Squire + Partners well known for luxury residential projects and historical renovations around London. Squire + Partners have provided design expertise to major real estate developers around the globe and are well versed in providing delicate designs that are suited to the site context. They will be assisted by Atelier Ten as lead MEP specialists who have assisted in completing extremely complex zero carbon projects around the world including Marina Bay Sands in Singapore and several projects around the world. Completing the interiors will be 1508 London who are capable of providing a high level of design detail expertise in providing luxury residential projects. 1508 are specialized in providing luxury residential expertise and have a good understanding of local and international design expectations.

It is the aspiration of TPL that the relationships developed through this landmark project will allow a transfer of knowledge into the local market and raise the status of the Company and Pakistan as a serious benchmark for real estate excellence. With this agenda TPL have taken the opportunistic view of being the first entrant into the super prime segment of the residential market in Karachi.

GOING FORWARD

The real estate sector in Pakistan is maturing into a lucrative asset class for the nation, helped in part due to an increasingly transparent legal background. Pakistan is seen as an extremely promising market in the South Asian region and has been seen as one of the world's best performing markets in recent years. Security has become an important element in providing the ongoing stability in the Country and it is seen as a cornerstone of the Government's plans to continue to improve upon the security environment.

A managed inflation rate and above average GDP increases have led to higher affordability indexes for the nation and have continued to increase the attractiveness of the market to institutional investors worldwide. It is therefore the desire of TPL to maximize investment returns in the real estate sector by developing a focused acquisition & disposal strategy geared towards development costs and expertise rather than heavy land holding costs. The business direction will establish equitable partnerships with land banks and owners in order to execute on the above strategy.

Operationally the business will focus on swift development turnaround periods in order to capitalise on early delivery and cash flow management. TPL is currently establishing internal procedures and capacity to facilitate in developing asset cycle management for internal projects and as a cost plus model for potential clients.

TPL is seeking to close in on a number of proposed sites within the coming months to establish multiple real estate partnerships across the city of Karachi.

The projects include:

1. Potentially two new commercial towers one for leasing and the other for unit sales. It is intended that the two buildings will be designed to provide similar or higher quality than the Centrepoint tower.

2. A second residential development is also being proposed in the Clifton area. The development will be a super prime apartment building for sale.

3. A number of mixed use opportunities are under review to develop within the DHA, the scale of the proposed projects will be significant as well as potential earnings.

These developments will seek to harness the international expertise of producing built assets that have a low carbon footprint whilst attaining high levels of design quality and methodology. Moving forward the business is developing key relationships with multiple international consultants as well as local investors to ensure that the projected pipeline is provided with a diverse range of advisory members to maximise both development value and brand recognition.

A client cost plus model is also under progress to allow for investors to harness TPL's management expertise and project management resources for their real estate projects. The business team will assist in establishing and managing the full business cycle of the development proposal from client brief development through to construction management and final handover of the projects. The financial controls over the development will remain with the external client members whilst providing a recurring fee to the Company for the development management services.

FINANCIAL REVIEW

Profitability and Growth – Standalone

During the year the Company earned a profit of Rs. 351.977 million as compared to Rs. 290.670 million in the same period last year. Main reason for better performance as compared to the previous year is due to a reduction in financial charges. However administrative expenses increased due to additions in IT, Marketing, Admin and HR. In addition, the Company realizing its goals of Corporate Social Responsibility and has contributed Rs. 7.5 million to causes in healthcare sector.

DIRECTORS' REPORT

During the year the Company made an investment in HKC Limited as disclosed in financial statements. Furthermore company issued 65.511 million ordinary shares at a premium of Rs.6.75 per share against cash and other than cash consideration out of which 47.6 million shares were issued against acquisition of 90 percent ownership in HKC Limited. The EPS of the company has declined from Rs. 2.12 (June 30, 2016) to Rs. 1.68 (June 30, 2017) despite of better profitability in short run due to issuance of additional share capital but the same will take off once its realization of profits from new project developments comes online.

There are no material commitments other than disclosed in note 20 to the financial statements.

Profitability and Growth – Consolidated
On consolidated basis the Company posted net profit of Rs. 330.346 million (in June 2017) as compared to 230.625 million (in June 2016). The EPS for the year 2017 and 2016 remained at Rs. 1.58 per share and Re. 1.68 per share respectively. The reason for decline in EPS is the same as mentioned above in standalone financials section.

Further during the year the Company's subsidiary Centrepoint Management Services involved in the business of property management was successful in converting its operating loss of around Rs. 19 million into an operating profit of Rs. 4 million while its overall net loss has been substantially reduced from Rs. 60 million to Rs. 12 million approx. This improved performance has been achieved due to price rationalization of services offered, cost management, energy audit for conservation and better management of finance cost by replacing and consolidating high cost debts with competitive priced loans by the Company.

The company also made investment in HKC Limited by acquiring its 90% shares. HKC Limited is engaged in acquisition and development of real estate, renovation of building and letting out. At the moment the subsidiary company is not generating any revenue as it is in the process of initiation of developing the property.

There are no material changes in commitments other than disclosed in respective notes to the consolidated financial statements.

DIVIDEND

The Board of Directors has recommended holding the profit for the year as retained earnings to meet the Working Capital requirements and for investment in potential projects to enhance future profitability of the Company.

CREDIT RATING

The Pakistan Credit Rating Agency Limited (PACRA) has maintained the long-term and short-term entity ratings of TPL Properties Limited (TPL) at "A+" (Single A plus) and "A1" (A one) respectively with a stable outlook. These ratings denote a low expectation of credit risk emanating from a strong capacity for timely payment of financial commitments.

DIRECTORS' REPORT

KEY FINANCIAL DATA FOR THE LAST SIX YEARS

	2017	2016	2015	2014	2013	2012
			Amount in Pak Rupees			
Investment Property under construction		-	-	-	3,071,971,148	2,457,713,803
Property, plant and equipment	**6,736,214**	**5,581,476**	1,584,109	2,334,151	3,709,459	6,043,130
Investment Property	**4,975,874,522**	**4,632,000,000**	4,319,000,000	3,978,000,000	-	-
Long-term investments	**1,150,315,390**	**352,999,990**	999,990	999,990	999,990	990
Long term subordinated loan	**47,619,214**	**10,770,709**	197,835,432	159,822,944	85,000,000	55,000,000
Long term deposits	**186,919**	**186,919**	86,919	16,940,919	16,940,919	-
Accrued mark-up	**51,008,311**	**78,038,053**	51,531,102	27,557,658	14,807,658	2,750,000
Receivable against rent from Tenants	**26,555,792**	**20,966,759**	10,776,706	6,956,019	-	-
Advance, deposit and prepayment	**11,126,083**	**19,621,854**	25,979,368	22,178,705	187,870,027	125,232,491
Advance against subscription of shares		-	-	-	-	999,000
Due from related parties	**9,131,238**	-	-	-	10,350,840	62,684,100
Taxation- net	**94,021,444**	**97,864,137**	55,764,427	16,780,975	7,652,735	6,596,076
Cash and bank balances	**344,332,622**	**850,576,013**	195,116,171	77,942,746	59,931,232	308,166,457
TOTAL ASSETS	**6,716,907,749**	**6,068,605,910**	**4,858,674,224**	**4,309,514,107**	**3,459,234,008**	**3,025,186,047**

	2017	2016	2015	2014	2013	2012
			Amount in Pak Rupees			
Share Capital	**2,735,113,670**	**2,080,000,000**	1,100,000,000	1,100,000,000	1,100,000,000	1,100,000,000
Share premium account	**560,563,555**	**140,497,151**	-	-	-	-
Accumulated profit	**1,327,511,411**	**975,533,853**	684,863,802	500,978,997	(15,464,436)	(14,419,086)
Long term financing	**1,660,693,975**	**1,948,861,362**	2,034,000,000	1,692,857,425	1,693,714,286	1,761,540,000
Due to related parties	**11,912,538**	**275,645,979**	566,187,587	485,858,803	243,634,922	101,181,329
Deferred Tax liability	**38,236,796**	**39,005,393**	23,947,008	4,066,714	-	-
Accrued mark up	-	**19,095,500**	158,835,696	69,236,438	39,161,195	55,576,923
Trade and other payables	**73,507,902**	**163,832,637**	164,527,377	75,358,610	68,302,115	15,314,945
Accrued mark-up	**44,760,103**	**55,351,134**	-	61,467,717	6,600,212	5,991,936
Short-term financing	-	**200,000,000**	-	-	-	-
Current portion of non-current liabilities	**204,750,000**	**126,000,000**	63,295,831	282,142,575	282,285,714	-
Advance against rent	**59,857,799**	**44,782,901**	63,016,923	37,546,828	41,000,000	-
TOTAL EQUITY AND LIABILITIES	**6,716,907,749**	**6,068,605,910**	**4,858,674,224**	**4,309,514,107**	**3,459,234,008**	**3,025,186,047**

DIRECTORS' REPORT

	2017	2016	2015	2014	2013	2012
	Amount in Pak Rupees					
Rental Income	**362,784,829**	**364,056,604**	231,904,092	68,079,862	-	-
Direct operating costs	**(9,908,777)**	**(12,414,128)**	(11,569,484)	(7,698,944)	-	-
Gross profit	**352,876,052**	**351,642,476**	220,334,608	60,380,918	-	-
Administrative and general expenses	**(105,812,141)**	**(53,055,880)**	(47,738,642)	(14,021,111)	(1,045,350)	(4,334,508)
Exchange loss	**-**	**(57,400,000)**	(59,449,530)	131,171,301	-	-
Other operating expenses	-	-	(3,613,431)	(10,598,108)	-	-
Finance costs	**(176,487,486)**	**(236,618,104)**	(254,204,115)	(87,301,711)	-	-
Other Income	**15,737,118**	**35,449,950**	30,929,770	9,203,838	-	-
Gain on valuation of investment property	**288,765,209**	**274,217,887**	317,506,439	431,675,020	-	-
Profit before taxation	**375,078,752**	**314,236,329**	203,765,099	520,510,147	(1,045,350)	(4,334,508)
Taxation	**(23,101,194)**	**(23,566,278)**	(19,880,294)	(4,066,714)	-	-
Profit / (Loss) after taxation	**351,977,558**	**290,670,051**	183,884,805	516,443,433	(1,045,350)	(4,334,508)
Earning/(loss) per share	**1.68**	**2.12**	**1.67**	**4.69**	**(0.01)**	**(0.04)**

AUDITORS

M/s EY Ford Rhodes & Co., Chartered Accountants retire and offer themselves for reappointment. The Board of Directors has recommended their appointment as auditors for the year ending 30 June 2018, at a fee to be mutually agreed.

DIRECTOR'S TRAINING

All the directors of the company have attended mandatory directors training program required under the Code of Corporate Governance.

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Board is fully aware of its corporate responsibilities as envisaged under the Code of Corporate Governance, prescribed by the Securities and Exchange Commission of Pakistan and is pleased to certify that:

- The financial statements, prepared by the Company present its state of affairs fairly the result of its operations, cash flows and changes in equity.
- The Company has maintained proper books of accounts as required under Companies Ordinance, 1984.

DIRECTORS' REPORT

- The Company has followed consistently appropriate accounting policies in the preparation of Financial Statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standard, as applicable in Pakistan, have been followed in the preparation of the financial statements and any departure there from have been adequately disclosed and explained.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- Fundamentals of the Company are strong and there are no doubts about Company's ability to continue as a going concern.
- The company has followed best practices of the Code of Corporate Governance as laid down in the listing regulation
- Key operating and financial data for the last six years in summarized form, is included in this annual report.
- Outstanding levies and taxes are given in the respective notes to the financial statements.

PATTERN OF SHAREHOLDING

A statement of pattern of shareholding of the Company as at 30 June 2017 is as follows:

Shareholder's Category	Number of shares	Percentage of Shareholding
SPONSORS, DIRECTORS, CEO AND CHILDREN	34,000,000	12.43%
ASSOCIATED COMPANIES	84,154,000	30.77%
BANKS, DFI AND NBFI	1,300,000	0.48%
INSURANCE COMPANIES	13,900,000	5.08%
MODARABAS AND MUTUAL FUNDS	4,400,000	1.61%
GENERAL PUBLIC (LOCAL)	21,300,000	7.79%
GENERAL PUBLIC (FOREIGN)	100,000	0.04%
OTHERS	57,244,102	20.93%
FOREIGN COMPANIES	57,133,265	20.88%
Total	**273,511,367**	**100.00**

Pattern of holding shares held by the shareholders of the Company as at June 30, 2017:

No. of Shareholders	Having Shares from	Having Shares to	Shares Held	Percentage
6	1	100	6	0.00
1	45001	50000	50,000	0.02
23	95001	100000	2,300,000	0.84
7	195001	200000	1,400,000	0.51
1	295001	300000	300,000	0.11
4	395001	400000	1,600,000	0.58
6	495001	500000	3,000,000	1.10
2	695001	700000	1,400,000	0.51
2	795001	800000	1,600,000	0.58
1	895001	900000	900,000	0.33
3	995001	1000000	3,000,000	1.10
1	1095001	1100000	1,100,000	0.40
1	1295001	1300000	1,300,000	0.48
1	1495001	1500000	1,500,000	0.55
1	1595001	1600000	1,600,000	0.58
1	1760001	1765000	1,763,094	0.64
2	1795001	1800000	3,600,000	1.32
3	1995001	2000000	6,000,000	2.19
1	2315001	2320000	2,318,000	0.85
1	2495001	2500000	2,500,000	0.91
1	3995001	4000000	4,000,000	1.46
1	4635001	4640000	4,637,000	1.70
1	4835001	4840000	4,836,900	1.77
1	5495001	550000	5,500,000	2.01
1	5595001	56000000	5,600,000	2.05
1	7995001	8000000	8,000,000	2.92
1	9995001	10000000	10,000,000	3.66
1	10490001	10495000	10,491,000	3.84
1	12595001	12600000	12,600,000	4.61
1	14195001	14200000	14,200,000	5.19
1	14795001	14800000	14,800,000	5.41
1	21100001	21105000	21,104,000	7.72
1	25840001	25845000	25,844,102	9.45
1	39665001	39670000	39,667,265	14.50
1	54995001	55000000	55,000,000	20.11
83		**Total**	**273,511,367.00**	**100.00**

DIRECTORS' REPORT

ADDITIONAL INFORMATION

Associated Companies, undertakings and related parties (name wise details)	No of shares held
TPL Holdings (Private) Limited	21,104,000
TPL Trakker Limited	55,000,000
TPL Security Services (Private) Limited	50,000
TPL Direct Insurance Limited	8,000,000
Mutual Funds (name wise details)	
CDC - Trustee Akd Opportunity Fund	2,500,000
CDC - Trustee Nafa Stock Fund	1,800,000
CDC - Trustee First Capital Mutual Fund	100,000
Directors, CEO and their spouse and minor children (name wise details)	
Mr. Muhammad Ali Jameel	19,199,994
Mr. Jameel Yusuf Ahmed	14,800,000
Following directors are nominee directors of TPL Trakker Limited	
Mr. Bilal Ali Bhai	1
Mr. Zafar ul Hasan Naqvi	1
Mr. Yousuf Zohaib Ali	1
Vice Admiral (R) Muhammad Shafi, HI(M)	1
Following director is the independent director of the Company	
Mr. Ziad Bashir	1
Executive	
Mr. Ali Asgher	1
Shareholders holding five percent or more voting interest (name wise details)	
Muhammad Ali Jameel	19,199,994
Jameel Yusuf Ahmed	14,800,000
TPL Trakker Limited	55,000,000
TPL Holdings Limited	21,104,000
Heritage Chambers Limited	39,667,265
Alpha Beta Capital Market (Private) Limited	40,044,102
Details of trading in the shares by the Directors, CEO, CFO, Company Secretary and their spouses and minor children	
None of the Directors, CFO, Company Secretary and their spouses and minor Children has traded in the shares of the Company during the year.	

DIRECTORS' REPORT

BOARD MEETINGS

The Board of Directors held 5 meetings during the financial year. Attendance of Directors is indicated below:

Name of Director	Meetings Attended
Mr. Jameel Yusuf	5
Mr. Muhammad Ali Jameel (CEO)	5
Mr. Bilal Ali Bhai	5
Mr. Syed Zafar-ul-Hasan Naqvi	5
Mr. Ziad Bashir	3
Mr. Ali Asgher	5
Mr. Yousuf Zohaib Ali	5
Vice Admiral (R) Muhammad Shafi	4

ACKNOWLEDGEMENT

We would like to thank the shareholders of the Company for the confidence they have reposed in us. We also appreciate the valued support and guidance provided by the Securities Exchange and Commission of Pakistan, Federal Board of Revenue and the Pakistan Stock Exchange. We would also express our sincere thanks to the employees, strategic partners, vendors, suppliers and customers for their support in pursuit of our corporate objectives.

Jameel Yusuf (S.St.)
Chairman

ڈائریکٹرز رپورٹ

ڈائیریکٹرز رپورٹ

TPL پراپرٹیز لمیٹڈ کے بورڈ آف ڈائیریکٹرز کی جانب سے، میں اختتامی سال 30 جون، 2017 کے حوالے سے فخریہ طور پر کمپنی کی سالانہ رپورٹ پیش کرتا ہوں۔

ملک کا معاشی تجزیہ

مجموعی سرمایہ کاری اور فی کس آمدنی میں اضافے کے ساتھ 5% سے زائد کی شرح سے ترقی رنمو نے پاکستان کو جنوب مشرقی ایشیاء میں کاروبار اور سرمایہ کاری کے لحاظ سے ترجیحی مقام دلوایا ہے۔ چائنا پاکستان اکنامک کوریڈور (CPEC) نے نہ صرف خطے میں طاقت کے توازن کو طے کیا بلکہ ملک میں کاروبار اور سرمایہ کاری کے نئے مواقع کو بھی جنم دیا ہے۔

پاکستان کا رئیل اسٹیٹ شعبہ ملک کی GDP میں تقریباً 2 فیصد کا حصہ دار ہے۔ یہ شعبہ نہ صرف ملک کی بڑھتی ہوئی معیشت میں انتہائی اہم کردار ادا کر رہا ہے بلکہ ساتھ ہی مجموعی قومی ترقی کو رواں رکھنے کے لیے مسلسل کوشاں ہے۔

گزشتہ 3 سالوں میں بہتر معاشی و سیاسی صورتحال اور امن عامہ کے بہتری کی جانب گامزن حالات کے باعث پاکستان کی ایکویٹی مارکیٹ نے بہتر کارکردگی کا مظاہرہ کیا ہے۔ سال 2014 کے وسط سے اب تک آئل کی قیمتوں میں ہونے والی کمی کے ذریعے افراطِ زر اور شرح سود میں تاریخی کمی دیکھی گئی ہے۔

ہر چند یہ کہ موجودہ غیر یقینی سیاسی صورتحال نے پاکستان کی کیپٹل مارکیٹ کو شدید نقصان پہنچایا ہے، جس کے باعث PSX100 میں 10,000 پوائنٹس کی کمی واقع ہوئی ہے۔ سیاسی طور پر غیر یقینی صورتحال کے باوجود معیشت کی بنیادیں مضبوط ہیں اور ہمیں آنے والے وقت میں ہمیں ملک میں بہتر اقتصادی کارکردگی اور مثبت نتائج کے تسلسل کی توقعات ہیں۔

کاروباری تجزیہ

گزشتہ دہائی سے پاکستان کی پراپرٹی کی مارکیٹ میں بڑھوتری کا رجحان رہا ہے۔ تقریباً 20 کروڑ کی آبادی کے ساتھ تین اہم شہر؛ کراچی، لاہور اور اسلام آباد ملک کی معاشی سرگرمیوں کا مرکز بنے ہوئے ہیں۔ ملک کو معاشی طور پر اہم کردار ادا کرنے کے قابل بنانے کے لیے مزید معاشی سرگرمیوں کے مراکز کے قیام کی ضرورت ہے۔ پاکستان کے رئیل اسٹیٹ کے شعبے میں ایک سال میں اہم تبدیلی دیکھنے میں آئی ہے۔ فنانس ایکٹ 2016 کے ذریعے انکم ٹیکس آرڈیننس 2001 میں ہونے والی تبدیلی کے ذریعے جائیداد کی مالیت اور ٹیکس کے حصول کے درمیان موجود عدم توازن کی درستگی کی گئی۔

اس وقت گھروں کی کمی تقریباً نو ملین یونٹس سے زائد تک پہنچ گئی ہے اور ان کی طلب میں 0.7 ملین نئے یونٹ سالانہ کی طلب کا اضافہ ہو رہا ہے۔ اس میں سب سے بڑی رکاوٹ مارگیج کا زیر تعمیر شعبہ ہے جو GDP کا ایک چھوٹا سا 0.5 فیصد کا حصہ فراہم کرتا ہے۔ ہوم لون مارکیٹ تک بہتر رسائی کے ساتھ مزید کئی افراد اور خاندان اپنے پہلے گھر کے لیے سرمایہ حاصل کر سکتے ہیں۔ سال 2025 تک گھروں کی یہ کمی 20 ملین رہائشی یونٹس تک بڑھ جانے کی توقع ہے اس پر قابو پانے کے لیے پاکستان کے لیے ضروری ہے کہ یہاں سالانہ ایک ملین نئے یونٹس تعمیر کئے جائیں۔ تاہم تعمیر کا اس عمل کی موجودہ شرح 150,000 سالانہ ہے۔ کم آمدنی والے گھرانوں کے لیے مارگیج کا کوئی آپشن موجود نہیں ہے، جس کی وجہ سے مستقبل میں مجموعی طور پر گھروں کی قلت میں اضافہ متوقع ہے۔ ورلڈ بینک کی رپورٹ کے مطابق پاکستان میں ہاؤسنگ کے لیے کی جانے والے فنانسنگ دنیا کی کم ترین سطح میں سے ایک تھی، جو ترقی یافتہ قوموں کے 50 فیصد کے مقابلے میں صرف 01 فیصد ہے۔

پاکستان اب رئیل اسٹیٹ میں غیر ملکی سرمایہ کاری کے لیے ایک بہترین ہدف بن گیا ہے۔ چائنا پاکستان اکنامک کوریڈور پر کام پہلے ہی شروع کیا جا چکا ہے، جس کے مفید اثرات اس صنعت پر آئیں گے۔ اس شعبے میں حائل سب سے اہم رکاوٹ ٹرانسپورٹ کا غیر موزوں انفرا اسٹرکچر ہے، لہٰذا اس خطیر سرمایہ کاری سے حالات کو بہتر بنانے میں کامیابیاں ملیں گی۔

ہمیں یقین ہے کہ ہمارا ملک غیر ملکی سرمایہ کاروں کو ان کی سرمایہ کاری پر بہترین منافع کی پیشکش کرتا ہے۔ ٹیکس کے نئے قوانین کے ذریعے رئیل اسٹیٹ مارکیٹ میں ہونے والے شفافیت اور ضابطوں پر عمل داری کے باعث، سمندر پار سرمایہ کار اس پر خاص توجہ دیتا رہے گا۔

ڈائریکٹرز رپورٹ

کمپنی کی صورتحال/خدوخال

کمپنی اپنے سب سے اہم پراجیکٹ سینٹر پوائنٹ میں سرمایہ کاری اوراب رہائشی پراجیکٹ کی تعمیر پر پر 100% توجہ مرکوز کئے ہوئے ہے۔ڈیولپمنٹ کا یہ عمل اس طرح ترتیب دیا گیا ہے کہ کمپنی نے HKC لمیٹڈ کوحاصل کرتے ہوئے ایک اسٹریٹیجک سرمایہ کارکوبھی لانے کی منصوبہ بندی کی ہے۔

کمپنی نے حال ہی میں HKC لمیٹڈ میں سرمایہ کاری کے حصول پر ہوشنگ روڈ پر پرائم سٹی سینٹر کے ڈیزان کے کام کا آغاز کیا ہے ۔اس کا حصول بعوض نقد رائٹ ایشو کے اجراء اوراس کے علاوہ 1.097 بلین روپے نقد کےطریقہ کار کے ذریعےعمل میں آیا تھا۔اس لگژری رہائشی ڈیزائن کی ٹیم میں بین الاقوامی ماہرین شامل ہیں،جنہوں نے دنیا بھرمیں کامیابی کےساتھ نامور پراجیکٹس تیار کئے ہیں۔جس میں UK آرکیٹیکچر اسکوائر+ پارٹنرز جوکہ لگژری رہائشی پراجیکٹس اور پورےلندن میں تاریخی رینوویشن کے کاموں کےلحاظ سےمعروف ہیں،شامل ہیں۔اسکوائر+ پارٹنرز نے دنیا بھرمیں اہم رئیل اسٹیٹ ڈیولپرز کوڈیزائن کی سہولیات فراہم کی ہیں اور یہ سائٹ کے لحاظ سےموزوں ترین ڈیزائن کی فراہمی میں مہارت کے حامل ہیں۔ان کی معاونت Atelier Ten بطور M E P اسپیشلسٹ کرتے ہیں،جنہوں نے سنگاپور میں مرینا بے سینڈز سے دنیا برھ میں مشکل ترین زیرو کاربن پراجیکٹس اور پوری دنیا میں دیگر کئی پراجیکٹس کی تکمیل میں معاونت کی ہے۔یہ 1508 لندن کے مدمقابل ہوں گے،جولگژری رہائشی پراجیکٹس کے ڈیزائن کی فراہمی میں مہارت رکھتے ہیں۔1508 لگژری رہائشی مہارت فراہم کرنے میں ماہر ہیں اورڈیزائن کےحوالے سےمقامی اور بین الاقوامی توقعات سےاچھی طرح واقف ہیں۔

TPL کا بھی مقصد یہی ہے کہ اس یادگار پراجیکٹ کے ذریعے بننے والےتعلقات سے نہ صرف مقامی مارکیٹ میں معلومات کی ترسیل ممکن ہوگی بلکہ رئیل اسٹیٹ میں بہترین کارکردگی کے حوالے سے کمپنی اور پاکستان کے وقار میں بھی اضافہ ہوگا۔اس ایجنڈے کے ساتھ TPL نے کراچی کی رہائشی مارکیٹ کے سب سےاہم شعبے میں سب سے پہلے داخل ہونے کا اہم ترین فیصلہ کیا ہے۔

پیش قدمی

بڑھتے ہوئے شفاف قانونی پس منظر کے باعث،پاکستان میں رئیل اسٹیٹ کا شعبہ قوم کے لیے ایک نفع بخش سرمایہ بنتا جارہا ہے۔پاکستان کوجنوبی ایشیاء کے خطے میں ایک انتہائی منفعت بخش مارکیٹ کے طور پر دیکھا گیا ہےاورحالیہ سالوں میں اسے کارکردگی کے لحاظ سے دنیا بھرمیں بہترین قرار دیا گیا ہے۔ملک میں جاری اس استحکام کا اہم جزوسیکیورٹی کوقرار دیا گیا ہےاورسیکیورٹی معاملات میں بہتری کے تسلسل کوجاری رکھنا حکومت کی اہم ترین ترجیح دیکھی جارہی ہے۔

افراطِ زر کی منظّم شرح اوراوسط سے زائد G D P میں بڑھوتری نےقوم کے لیے بلندترین انڈیکسز کوقابل استطاعت بنا دیا ہےاوردنیا بھر سےانسٹی ٹیوشنل انویسٹرز کا مارکیٹ کی جانب رغبت میں اضافہ مسلسل جاری ہے۔اسی لیے TPL کی یہ خواہش ہے کہ خریداورفروخت کی حکمت عملی پرتوجہ مرکوز رکھتے ہوئے رئیل اسٹیٹ میں منافع کوزیادہ سے زیادہ کیا جائے تاکہ بھاری لینڈ ہولڈنگ کی لاگت کی بجائے ترقیاتی لاگت اورمہارت کوفروغ ملے۔اس کاروباری عمل کے ذریعے مذکورہ بالاحکمت عملی پرعمل درآمد کے لیے لینڈبینکس اور مالکان کےساتھ موزوں شراکت داری کا قیام ممکن ہوگا۔

عملی طور پرکاروبارقبل از وقت ڈیلیوری اورزرنقد کےانتظام وانصرام کےسرمائے کے لیے سوئفٹ ڈیولپمنٹ ٹرن اراؤنڈ پیریڈز پرتوجہ مرکوز کرے گا۔T P L اس وقت متوقع صارفین کے لیے کاسٹ پلس ماڈل کےطورایسٹ سائیکل مینجمنٹ کے سہولت فراہم کرنے کے لیےاندرونی پراجیکٹس قیام اوراس کی صلاحیت کےحصول کے لیےمصروف عمل ہے۔

TPL آنے والےمہینوں میں پورے کراچی میں مختلف رئیل اسٹیل پارٹنرشپ کے قیام کے لیے بڑی تعداد میں مجوزہ سائٹس تلاش میں سرگرداں ہے۔

ان پراجیکٹس میں شامل ہیں:

1۔دو نئے کمرشل ٹاورز،جن میں ایک لیز اوردوسرایونٹ فروخت کے لیے ہے۔یہ ارادہ ہے کہ دونوں بلڈنگز کوسینٹر پوائنٹ ٹاور کے مساوی یااس سےاعلیٰ معیار کی فراہمی کے لیےڈیزائن کیا جائے گا۔

2۔ کلفٹن کے علاقے میں ایک دوسرارہائشی منصوبہ بھی زیرتجویز ہے۔اس میں فروخت کے لیے سپر پرائم اپارٹمنٹ تیار کئے جائیں گے۔

ڈائریکٹرز رپورٹ

3۔ DHA کی حدود میں کئی ایک دیگر پراجیکٹس زیرنظر ہیں۔ ان مجوزہ پراجیکٹس کا اسکیل سودمند اور ساتھ ہی نفع کا باعث ہوگا۔

ان ترقیاتی پراجیکٹس کے ذریعے ایسے تعمیر شدہ اثاثہ جات کی فراہمی کی بین الاقوامی مہارت کو شامل کرنے کو موقع ملے گا، جو low carbon footprint کے ساتھ ساتھ ڈیزائن کے اعلیٰ معیار اور طرز پر مبنی ہیں۔ اسی پیش قدمی کے ساتھ، اس کاروبار سے مختلف بین الاقوامی کنسلٹنٹس اور ساتھ ہی مقامی سرمایہ کاروں کے ساتھ اہم روابط استوار ہو رہے ہیں، تاکہ پراجیکٹ کی ساکھ کو بڑھانے اور بطور برانڈ اس کی شناخت کے لیے مشاورتی اراکین کی ایک وسیع رینج کی فراہمی کو یقینی بنایا جائے۔

سرمایہ کاروں کو اپنے رئیل اسٹیٹ پراجیکٹس کے لیے TPL کی انتظامی مہارت اور پراجیکٹ مینجمنٹ کے وسائل سے فائدہ اٹھانے کے لیے ایک عدد کلائنٹ کاسٹ ماڈل بھی زیرتعمیر ہے۔ بزنس ٹیم، کلائنٹ کے خلاصہ جاتی مسودے سے مجوزہ ڈیولپمنٹ پر بھرپور کاروباری معاونت فراہم کرے گی۔ اس ڈیولپمنٹ پر فنانشل کنٹرولز بیرونی کلائنٹ ممبرز پر رہیں گے جبکہ ڈیولپمنٹ اور مینجمنٹ سروسز کے حوالے سے کمپنی کو فیس کی ادائیگی کی جائے گی۔

مالی تجزیہ:

نفع اور نمو۔ انفرادی حیثیت میں

سال کے دوران کمپنی نے 351.977 ملین روپے کا نفع حاصل کیا، جو کہ گزشتہ سال کی اسی مدت میں 290.670 ملین روپے تھا۔ گزشتہ سال کے مقابلے میں اس بہتر کارکردگی کی اصل وجہ فنانشل چارجز میں کمی ہے۔ ہر چند یہ کہ IT، مارکیٹنگ، ایڈمن اور ایچ آر میں اضافوں کے باعث انتظامی اخراجات میں اضافہ ہوا۔ اس کے علاوہ کمپنی اپنی سماجی خدمت کی ذمہ داری سے بخوبی واقف ہے اور اس حوالے سے اس نے صحت کے شعبے میں 7.5 ملین روپے کا زرتعاون بھی دیا ہے۔

مالی گوشواروں میں ظاہر شدہ اندراجات کے مطابق کمپنی نے دوران سال HKC لمیٹڈ میں سرمایہ کاری کی ہے۔ مزید یہ کہ کمپنی نے زرنقد کے عوض 6.75 روپے فی حصص کے پریمیم پر 65.511 ملین کے عمومی حصص جاری کیے۔ اضافی حصص کے سرمائے کے اجراء کے باعث کم وقت میں بہتر نفع کے باوجود کمپنی کا EPS، 2.12 روپے (30 جون، 2016) سے گر کر 1.68 روپے (30 جون، 2017) ہو گیا ہے، تاہم نئے ترقیاتی منصوبوں سے حاصل ہونے والے نفع کے احساس کے ساتھ ہی یہ ایک مرتبہ پھر بڑھوتری کی جانب مائل ہوگا۔

مالی گوشواروں کے نوٹ 20 میں مذکور بیانات کے علاوہ دیگر کسی قسم کی مسوداتی آراء کا اظہار نہیں ہے۔

نفع و نمو۔ مجموعی حیثیت میں:

مجموعی بنیاد پر کمپنی نے دورانِ سال (جون 2017 میں) 330.346 ملین روپے کا صافی منافع ظاہر کیا ہے، جو کہ گزشتہ سال (جون 2016 میں) 230.625 ملین روپے تھا۔ سال 2017 اور سال 2016 کا EPS، بالترتیب 1.58 روپے فی حصص اور 1.68 روپے فی حصص رہا۔ EPS میں تنزلی کی وجہ بھی وہی ہے جو کہ مذکورہ بالا انفرادی حیثیت کے مالی سیکشن میں دی گئی ہے۔

مزید برآں دورانِ سال کمپنی کا ذیلی ادارہ سینٹرپوائنٹ مینجمنٹ سروسز اپنے آپریٹنگ نقصان کے تقریباً 19 ملین روپے کو 4 ملین روپے کے آپریٹنگ نفع میں تبدیل کرنے میں مصروفِ عمل ہے۔ جبکہ اس کا مجموعی نقصان بڑی حد تک 60 ملین روپے سے کم ہو کر تقریباً 12 ملین روپے پر ہو گیا ہے۔ اس بہتر کارکردگی کی بنیادی وجہ پیش کردہ خدمات کے نرخ کی وضاحت، لاگت کا انتظام وانصرام، انرجی آڈٹ برائے کنورژن اور مالیاتی لاگت کا بہتر انتظام وانصرام ہے، جس کے تحت مجموعی بلند لاگت کے قرضوں کو کمپنی کے مسابقتی قرضوں سے تبدیل کیا گیا۔

کمپنی نے HKC کے 90% حصص کی خرید کے ذریعے HKC لمیٹڈ میں سرمایہ کاری بھی کی تھی۔ HKC لمیٹڈ رئیل اسٹیٹ کے حصول، بلڈنگ کے مرمتی کاموں اور کرایہ داری میں مصروف ہے۔ فی الحال یہ ذیلی ادارہ کسی قسم کی آمدن فراہم نہیں کر رہا ہے، کیوں کہ اس وقت یہ جائیداد کو بڑھانے کے ابتدائی دور میں ہے۔

مجموعی مالی گوشواروں کے متعلقہ نوٹس میں مذکور بیانات کے علاوہ دیگر کسی قسم کی مسوداتی آراء کا اظہار نہیں ہے۔

ڈائریکٹرز رپورٹ

منافع منقسمہ

بورڈ آف ڈائیریکٹرز سال کے لیے منافع کو کاروباری سرمائے کی مطلوبہ ضرورت کو پورا کرنے کے لیے بطور آمدن محفوظ رکھنے اور مستقبل میں کمپنی کے نفع کو بڑھانے کے لیے اسے نفع بخش پراجیکٹس میں سرمایہ کاری کے طور پر استعمال کی اجازت دیتا ہے۔

کریڈٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے TPL پراپرٹیز لمیٹڈ (TPL) کی طویل المدت اور قلیل المدت ادارتی ریٹنگز کو مستحکم ظاہری شکل کے ساتھ بالترتیب A+ (سنگل اے پلس) اور A1 (اے ون) قرار دیا ہے۔ مذکورہ ریٹنگز، مالیاتی ذمہ داریوں کی بروقت ادائیگی کے حوالے سے اعلیٰ صلاحیت کے ساتھ کم ترین کریڈٹ رسک کو ظاہر کرتی ہیں۔

گزشتہ چھ سالوں کے اہم مالی کوائف

2012	2013	2014	2015 رقم روپے میں	2016	2017	
2,457,713,803	3,071,971,148	-	-	-	-	زیر تعمیر انویسٹمنٹ پراپرٹی
6,043,130	3,709,459	2,334,151	1,584,109	,581,476	6,736,214	جائیداد، پلانٹ اور ایکوپمنٹ
-	-	3,978,000,000	4,319,000,000	4,632,000,000	4,975,874,522	انویسٹمنٹ پراپرٹی
990	999,990	999,990	999,990	352,999,990	1,150,315,390	طویل المدت سرمایہ کاری
55,000,000	85,000,000	159,822,944	197,835,432	10,770,709	47,619,214	طویل المدت ماتحت قرض
-	16,940,919	16,940,919	86,919	186,919	186,919	طویل المدت ڈپازٹس
2,750,000	14,807,658	27,557,658	51,531,102	78,038,053	51,008,311	حاصل شدہ مارک اپ
-	-	6,956,019	10,776,706	20,966,759	26,555,792	کرایہ داروں سے حاصل شدہ کرائے کے عوض واجبات
125,232,491	187,870,027	22,178,705	25,979,368	19,621,854	11,126,083	ایڈوانس، ڈپازٹ اور پیشگی ادائیگی
999,000	-	-	-	-	9,131,238	شیئرز کی سبسکرپشن کے عوض ایڈوانس
62,684,100	10,350,840	-	-	-	9,131,238	متعلقہ پارٹیز پر واجب الادا
6,596,076	7,652,735	16,780,975	55,764,427	97,864,137	94,021,444	محصولات۔ صافی
308,166,457	59,931,232	77,942,746	195,116,171	850,576,013	344,332,622	زر نقد اور بینک بیلنس
3,025,186,047	**3,459,234,008**	**4,309,514,107**	**4,858,674,224**	**6,068,605,910**	**6,716,907,749**	**کل اثاثہ جات**

ڈائریکٹرز رپورٹ

	2017	2016	2015 رقم روپے میں	2014	2013	2012
شیئر کیپیٹل	2,735,113,670	2,080,000,000	1,100,000,000	1,100,000,000	1,100,000,000	1,100,000,000
شیئر پریمئم اکاؤنٹ	560,563,555	140,497,151	-	-	-	-
مجموعی نفع	1,327,511,411	975,533,853	684,863,802	500,978,997	(15,464,436)	(14,419,086)
طویل المدت فنانسنگ	1,660,693,975	1,948,861,362	2,034,000,000	1,692,857,425	1,693,714,286	1,761,540,000
متعلقہ پارٹیوں پر واجب الادا	11.912,538	275,645,979	566,187,587	485,858,803	243,634,922	101,181,329
ملتوی شدہ محصول کے واجبات	38,236,796	39,005,393	23,947,008	4,066,714	-	-
اکروڈ مارک اپ	-	19,095,500	158,835,696	69,236,438	39,161,195	55,576,923
ٹریڈ اور دیگر ادائیگیاں	73,507,902	163,832,637	164,527,377	75,358,610	68,302,115	15,314,945
اکروڈ مارک اپ	44,760,103	55,351,134	-	61,467,717	6,600,212	5,991,936
قلیل المدت فنانسنگ	-	200,000,000	-	-	-	-
غیر موجودہ واجبات کا موجودہ حصہ	204,750,000	126,000,000	63,295,831	282,142,575	282,285,714	-
کرایہ کے عوض ایڈوانس	59,857,799	44,782,901	63,016,923	37,546,828	41,000,000	-
کل ایکویٹی اور واجبات	**6,716,907,749**	**6,068,605,910**	**4,858,674,224**	**4,309,514,107**	**3,459,234,008**	**3,025,186,047**

	2017	2016	2015 رقم روپے میں	2014	2013	2012
کرایہ داری سے آمدنی	362,784,829	364,056,604	231,904,092	68,079,862	-	-
کام کرنے کی براہ راست لاگت	(9,908,777)	(12,414,128)	(11,569,484)	(7,698,944)	-	-
مجموعی نفع	352,876,052	351,642,476	220,334,608	60,380,918	-	-
انتظامی اور عمومی اخراجات	(105,812,141)	(53,055,880)	(47,738,642)	(14,021,111)	(1,045,350)	(4,334,508)
متبادل نقصان	-	(57,400,000)	(59,449,530)	131,171,301	-	-
کام کرنے کے دیگر اخراجات	-	-	(3,613,431)	(10,598,108)	-	-
مالیاتی لاگت	(176,487,486)	(236,618,104)	(254,204,115)	(87,301,711)	-	-
دیگر آمدن	15,737,118	35,449,950	30,929,770	9,203,838	-	-
سرمایہ کار جائیداد کی مالیت پر نفع	288,765,209	274,217,887	317,506,439	431,675,020	-	-
نفع قبل از محصول	375,078,752	314,236,329	203,765,099	520,510,147	(1,045,350)	(4,334,508)
محصول	(23,101,194)	(23,566,278)	(19,880,294)	(4,066,714)	-	-
بعد از محصول نفع/نقصان	351,977,558	290,670,051	183,884,805	516,443,433	(1,045,350)	(4,334,508)
فی حصص نفع/نقصان	**1.68**	**2.12**	**1.67**	**4.69**	**(0.01)**	**(0.04)**

ڈائریکٹرز رپورٹ

آڈیٹرز

میسرز E Y Ford Rhodes Sidat Hyder، چارٹرڈ اکاؤنٹنٹس ریٹائرڈ ہیں اور خود کو دوبارہ تقرری کے لیے پیش کرتے ہیں۔ بورڈ آف ڈائریکٹرز نے اختتامی سال 30 جون، 2018 کے لیے باہمی طے شدہ فیس پر بطور آڈیٹر تقرری ان کی اجازت دے دی ہے۔

ڈائریکٹرز کی تربیت

کارپوریٹ گورننس کے ضابطہ اخلاق کے مطابق کمپنی کے تمام ڈائریکٹرز نے لازمی قرار دیئے جانے والے ڈائریکٹرز ٹریننگ پروگرام میں شرکت کی ہے۔

کارپوریٹ اور فنانشل رپورٹنگ فریم ورک پر وضاحت

بورڈ سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے مجوزہ کارپوریٹ گورننس کے ضابطہ اخلاق کے تحت ایک خاص نقطہ نظر کے مطابق اپنی کارپوریٹ ذمہ داریوں سے مکمل طور پر آگاہ ہے اور یہ تصدیق کرتا ہے کہ:

- کمپنی کی جانب سے تیار شدہ مالی گوشوارے اسکے معاملات، اس کے آپریشن کے نتائج، زرنقد کی ترسیل اور ایکویٹی میں تبدیلی کی درست ترجمانی کرتے ہیں۔
- کمپنی نے کمپنیز آرڈیننس، 1984 کے تحت کھاتوں (اکاؤنٹس) کی مخصوص بکس ترتیب دی ہوئی ہیں۔
- کمپنی کی جانب سے مالی گوشواروں کی تیاری میں مسلسل مخصوص اکاؤنٹنگ پالیسز کا اطلاق کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات موزوں اور محتاط فیصلے کی بنیاد پر کئے گئے ہیں۔
- مالی گوشواروں کی تیاری میں پاکستان میں قابل اطلاق بین الاقوامی مالیاتی رپورٹنگ کے معیار اور قواعد کی پیروی کی گئی ہے اور کسی بھی کسی ڈپارچر کو موزوں طور پر ظاہر اور واضح کیا گیا ہے۔
- اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اس کا مئوثر طریقے سے اطلاق اور جانچ کی جاتی ہے۔
- کمپنی کے بنیادی قواعد مستحکم ہیں اور کمپنی کے اسی طرح جاری رہنے میں کوئی شکوک وشبہات نہیں ہیں۔
- کمپنی نے کارپوریٹ گورننس کا بہترین انداز میں اطلاق کیا اور اس پر عمل کیا ہے۔
- اس سالانہ رپورٹ میں خلاصہ شدہ فارم کی صورت میں گزشتہ چھ سالوں کے اہم نکات اور مالی کوائف شامل ہیں۔
- بقایا محصولات، ڈیوٹیز، لیویز اور چارجز کی قانونی ادائیگیاں عمومی کاروباری لحاظ سے موجود ہیں۔

شیئر ہولڈنگ کا طریقہ۔ ہولڈنگ

30 جون، 2017 کو کمپنی کی شیئر ہولڈنگ کے طریقے کا گوشوارہ مندرجہ ذیل ہے:

شیئر ہولڈنگ کی شرح فیصد	رکھے جانے والے حصص کی تعداد	حصص یافتگان کی کیٹیگری
اسپانسرز، ڈائریکٹرز، CEO اور بچے	34,000,000	12.43%
منسلک کمپنیز	84,154,000	30.77%
بینکس، ڈی ایف آئیز اور این بی ایف آئیز	1,300,000	0.48%

ڈائریکٹرز رپورٹ

5.08%	13,900,000	انشورنس کمپنیز
1.61%	4,400,000	مضاربہ اور میوچل فنڈز
7.79%	21,300,000	عام عوام (مقامی)
0.04%	100,000	عام عوام (غیر ملکی)
20.92%	57,244,102	دیگر
20.88%	57,113,265	غیر ملکی کمپنیز
100.00	273,511,367	کل

30 جون، 2017 کو کمپنی کے شیئر ہولڈرز کی جانب سے شیئر ہولڈنگ کا طریقہ کار:

شرح فیصد	حامل حصص	حامل حصص (تک)	حامل حصص (سے)	حصص یافتگان کی تعداد
0.00	6	100	1	6
0.02	50,000	50000	45001	1
0.84	2,300,000	100000	95001	23
0.51	1,400,000	200000	195001	7
0.11	300,000	300000	295001	1
0.58	1,600,000	400000	395001	4
1.10	3,000,000	500000	495001	6
0.51	1,400,000	700000	695001	2
0.58	1,600,000	800000	795001	2
0.33	900,000	900000	895001	1
1.10	3,000,000	1000000	995001	3
0.40	1,100,000	1100000	1095001	1
0.48	1,300,000	1300000	1295001	1
0.55	1,500,000	1500000	1495001	1
0.58	1,600,000	1600000	1595001	1
0.64	1,763,094	1765000	1760001	1
1.32	3,600,000	1800000	1795001	2
2.19	6,000,000	2000000	1995001	3
0.85	2,318,000	2320000	2315001	1
0.91	2,500,000	2500000	2495001	1
1.46	4,000,000	4000000	3995001	1
1.70	4,637,000	4640000	4635001	1
1.77	4,836,900	4840000	4835001	1
2.01	5,500,000	550000	5495001	1
2.05	5,600,000	56000000	5595001	1
2.92	8,000,000	8000000	7995001	1
3.66	10,000,000	10000000	9995001	1
3.84	10,491,000	10495000	10490001	1
4.61	12,600,000	12600000	12595001	1

ڈائریکٹرز رپورٹ

5.19	14,200,000	14200000	14195001	1
5.41	14,800,000	14800000	14795001	1
7.72	21,104,000	21105000	21100001	1
9.45	25,844,102	25845000	25840001	1
14.50	39,667,265	39670000	39665001	1
20.11	55,000,000	55000000	54995001	1
100.00	273,511,367.00	کل		83

اضافی معلومات

حامل حصص کی تعداد	منسلک کمپنیز، حلف نامے اور متعلقہ پارٹیز (ناموں کے ساتھ تفصیلات)
21,104,000	TPL ہولڈنگز (پرائیویٹ) لمیٹڈ
55,000,000	TPL ٹریکر لمیٹڈ
50,000	TPL سیکیورٹی سروسز (پرائیویٹ) لمیٹڈ
8,000,000	TPL ڈائریکٹ انشورنس لمیٹڈ
	میوچل فنڈز (ناموں کے ساتھ تفصیلات)
2,500,000	CDC ٹرسٹی AKD اپرٹیونٹی فنڈ
1,800,000	CDC ٹرسٹی NAFA اسٹاک فنڈ
100,000	CDC ٹرسٹی فرسٹ کیپیٹل میوچل فنڈ
	ڈائریکٹرز، سی ای او اور ان کے لواحقین اور چھوٹے بچے (ناموں کے ساتھ تفصیلات)
19,199,994	جناب محمد علی جمیل
14,800,000	جناب جمیل یوسف احمد
	مندرجہ ذیل ڈائریکٹر حضرات TPL ٹریکر لمیٹڈ کے نامزد ڈائریکٹرز ہیں
1	جناب بلال علی بھائی
1	جناب ظفر الحسن نقوی
1	جناب یوسف زوہیب علی
1	وائس ایڈمرل (ریٹائرڈ) محمد شفیع، HI(M)

ڈائریکٹرز رپورٹ

مندرجہ ذیل ڈائریکٹر کمپنی کے آزاد ڈائریکٹر ہیں	
جناب زیاد بشیر	1
ایگزیکٹیو	
جناب علی اصغر	1
پانچ فیصد یا زائد ووٹنگ کی دلچسپی کے حامل حصص یافتگان	
جناب محمد علی جمیل	19,199,994
جناب جمیل یوسف احمد	14,800,000
TPL ٹریکر لمیٹڈ	55,000,000
TPL ہولڈنگز لمیٹڈ	21,104,000
ہیریٹیج چیمبرز لمیٹڈ	39,667,265
الفا بیٹا کیپیٹل مارکیٹ (پرائیویٹ) لمیٹڈ	40,044,102
ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکریٹری اور ان کے لواحقین اور چھوٹے بچوں کی جانب سے حصص میں کی گئی ٹریڈنگ کی تفصیلات	
دوران سال کسی بھی ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکریٹری اور ان کے لواحقین اور چھوٹے بچوں کی جانب کمپنی کے حصص کی خرید و فروخت عمل میں نہیں آئی۔	

بورڈ کے اجلاس

بورڈ آف ڈائریکٹرز نے مالی سال کے دوران پانچ اجلاس کیئے۔ ڈائریکٹرز کی حاضری ذیل میں درج ہے:

اجلاس میں شرکت کی تعداد	ڈائریکٹر کا نام
جناب جمیل یوسف	5
جناب محمد علی جمیل (سی ای او)	5
جناب بلال علی بھائی	5
جناب سید ظفر الحسن نقوی	5
جناب زیاد بشیر	3
جناب علی اصغر	5
جناب یوسف زوہیب علی	5
وائس ایڈمرل (ریٹائرڈ) محمد شفیع	4

ڈائریکٹرز رپورٹ

اظہارِ تشکر

ہم کمپنی کے حصص یافتگان کا، ان کے ہم پر کیے جانے والے اعتماد کا شکریہ ادا کرتے ہیں۔ ہم سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، فیڈرل بورڈ آف ریونیو اور پاکستان اسٹاک ایکسچینج کی جانب سے گاہے بگاہے فراہم کی جانے والی معاونت اور راہنمائی پر ان کا بھی شکریہ ادا کرتے ہیں۔ ہم اپنے ملازمین، اسٹریٹیجک شراکت داروں، وینڈرز، سپلائرز اور صارفین کا بھی ادارے کے کارپوریٹ مقاصد کی تکمیل میں ساتھ دینے پر شکریہ ادا کرتے ہیں۔

جمیل یوسف (ایس ایس ٹی)
چیئرمین

(نوٹ: واضح رہے کہ کسی بھی ردوبدل، اصلاح یا ترمیم کی صورت میں ہمیشہ انگریزی کی دستاویز کو حتمی تصوّر کیا جائے گا)

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 **TPL Properties Limited** (the Company) for the year ended **30 June 2017** to comply with the requirements of Chapter 5, Clause 5.19 of the Code of the Corporate Governance of Rule Book 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. 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 requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the 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 of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions 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 of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken 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 **30 June 2017.**

EY Ford Rhodes

Chartered Accountants
Date: 11 August 2017
Place: Karachi

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

Name of company: **TPL Properties Limited**
Year ended: **June 30, 2017**

This statement is being submitted in compliance of the Code of Corporate Governance (CCG) contained in Regulation No 5.19 of Chapter 5 of rule book of Pakistan Stock Exchange Limited 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 CCG in the following manner.

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

Category	Names
Independent Director	1. Mr. Ziad Bashir
Executive Directors	2. Mr. Muhammad Ali Jameel 3. Mr. Ali Asgher
Non-Executive Directors	4. Mr. Jameel Yusuf 5. Mr. Bilal Ali Bhai 6. Mr. Yousuf Zohaib Ali 7. Mr. Syed Zafar-ul-Hasan Naqvi 8. Mr. Mohammad Shafi

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

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).

3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a Broker of a stock exchange, has been declared as a defaulter by that stock exchange.

4. No casual vacancy was occurred during the year.

5. The company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.

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.

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

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/shareholders.

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 meeting were appropriately recorded and circulated. In March 30, 2017 and April 25, 2017 meetings, CFO was appointed as a nominee to the secretary of the Board to conduct board meetings in the absence of the company secretary.

9. The Board has duly complied with the training requirement and the criteria as prescribed in the CCG.

10. The board has approved appointment of CFO including his remuneration and terms and conditions of employment. No new appointment of CEO and company secretary has been made during the year.

11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.

12. The financial statements of the company were duly endorsed by CEO and 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 the CCG.

15. The board has formed an Audit Committee. It comprises of 3 Members, of whom all 3 non-executive directors and the chairman of the committee is an independent director.

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 CCG. The terms of reference of the committee have been formed and advised to the committee for the compliance.

17. The board has formed an HR and Remuneration Committee. It comprises of 3 Members, of whom all 2 are non-executive directors and the chairman of the committee is a non-executive Director and CEO is also the member 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.

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

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 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 the auditors have confirmed that they have observed IFAC guidelines in this regard.

21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to the 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 designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.

24. We confirm that all other material principles enshrined in the CCG have been complied.

Chief Executive

Director

Dated: **11 August 2017**

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of TPL Properties Limited (the Company) as at 30 June 2017 and the related profit and loss account, 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 conduct 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 (repealed) 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 repealed Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies applied, except for the changes as stated in notes 3.2 to the accompanying 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, 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 repealed 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 30 June 2017 and of the profit, 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 (XVIII of 1980)

EY Ford Rhodes

Chartered Accountants
Audit Engagement Partner: Arif Nazeer
Date: 11 August 2017
Karachi

BALANCE SHEET

AS AT JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	**6,736,214**	5,581,476
Investment property	5	**4,975,874,522**	4,632,000,000
Long-term investment	6	**1,150,315,390**	352,999,990
Long-term subordinated loan	7	**47,619,214**	10,770,709
Long-term deposits	8	**186,919**	186,919
Interest accrued	7	**51,008,311**	78,038,053
		6,231,740,570	5,079,577,147
CURRENT ASSETS			
Receivables against rent from tenants	9	**26,555,792**	20,966,759
Advances and prepayments	10	**11,126,083**	19,621,854
Due from a related party	11	**9,131,238**	-
Taxation - net		**94,021,444**	97,864,137
Cash and bank balances	12	**344,332,622**	850,576,013
		485,167,179	989,028,763
TOTAL ASSETS		**6,716,907,749**	6,068,605,910
EQUITY AND LIABILITIES			
SHARE CAPITAL			
Authorised capital 300,000,000 (2016: 220,000,000) ordinary shares of Rs.10/- (2016: Rs.10/-) each"		**3,000,000,000**	2,200,000,000
Issued, subscribed and paid-up capital	13	**2,735,113,670**	2,080,000,000
Share premium account		**560,563,555**	140,497,151
Accumulated profit		**1,327,511,411**	975,533,853
		4,623,188,636	3,196,031,004
NON-CURRENT LIABILITIES			
Long-term financing	14	**1,660,693,975**	1,948,861,362
Due to related parties		**-**	275,645,979
Accrued mark-up		**-**	19,095,500
Deferred tax liability	15	**38,236,796**	39,005,393
		1,698,930,771	2,282,608,234
CURRENT LIABILITIES			
Trade and other payables	16	**73,507,902**	163,832,637
Due to related parties	17	**11,912,538**	-
Accrued mark-up	18	**44,760,103**	55,351,134
Short-term borrowing		**-**	200,000,000
Current portion of long-term financing		**204,750,000**	126,000,000
Advances against rent from tenants	19	**59,857,799**	44,782,901
		394,788,342	589,966,672
CONTINGENCIES AND COMMITMENTS	20		
TOTAL EQUITY AND LIABILITIES		**6,716,907,749**	6,068,605,910

The annexed notes from 1 to 32 form an integral part of these financial statements.

Chief Executive | Chief Financial Officer | Director

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
Rental income	21	**362,784,829**	364,056,604
Direct operating costs	22	**(9,908,777)**	(12,414,128)
Gross profit		**352,876,052**	351,642,476
Administrative and general expenses	23	**(105,812,141)**	(53,055,880)
Exchange loss - net		**-**	(57,400,000)
Finance costs	24	**(176,487,486)**	(236,618,104)
Other Income	25	**304,502,327**	309,667,837
Profit before taxation		**375,078,752**	314,236,329
Taxation	26	**(23,101,194)**	(23,566,278)
Profit for the year		**351,977,558**	290,670,051
Other comprehensive income for the year, net of tax		**-**	-
Total comprehensive income for the year		**351,977,558**	290,670,051
Earnings per share - Basic and diluted	27	**1.68**	2.12

The annexed notes from 1 to 32 form an integral part of these financial statements.

Chief Executive

Chief Financial Officer

Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017	2016
		Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		375,078,752	314,236,329
Adjustments for non-cash items			
Depreciation	23	2,459,696	2,325,011
Fixed assets write-off		38,565	-
Finance costs	24	176,487,486	236,618,104
Mark-up on savings account	25	(3,814,384)	(3,576,768)
Mark-up on long-term subordinated loan	25	(6,386,284)	(26,506,951)
Fair value gain on investment property	25	(288,765,209)	(274,217,887)
Exchange loss		-	57,400,000
		(119,980,130)	(7,958,491)
Working capital Changes			
Increase in current assets			
Receivables against rent from tenants		(5,589,033)	(10,190,053)
Advances and prepayments		8,495,771	6,357,513
Due from a related party		(9,131,238)	-
		(6,224,500)	(3,832,540)
Decrease in current liabilities			
Trade and other payables		(90,324,735)	(694,740)
Advance against rent from tenants		15,074,898	(18,234,022)
		(75,249,837)	(18,928,762)
Net Cash flows from operations		173,624,285	283,516,536
Finance cost paid		(207,426,462)	(437,591,635)
Markup on savings account received		3,814,384	3,576,768
Income tax paid		(20,027,105)	(50,607,602)
Net cash flows used in operating activities		(50,014,898)	(201,105,933)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	4	(3,652,999)	(6,322,378)
Expenditure incurred on Investment Property	5	(46,918,610)	(38,782,113)
Additions to capital work-in-progress	5	(8,190,703)	-
Investment in subsidiary		-	(352,000,000)
Long-term subordinated loan - net		(36,848,505)	187,064,723
Markup on long-term subordinated loan received		33,416,026	-
Long-term deposits		-	(100,000)
Net cash flows used in investing activities		(62,194,791)	(210,139,768)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issuance of shares		300,000,004	1,197,181,000
Share issue cost		(22,135,323)	(76,683,849)
Long-term financing - net		(208,164,942)	36,750,000
Short-term borrowings - net		(200,000,000)	200,000,000
Due to related parties		(263,733,441)	(290,541,608)
Net cash flow (used in) / from financing activities		(394,033,702)	1,066,705,543
Net (decrease) / increase in cash and cash equivalents		(506,243,391)	655,459,842
Cash and cash equivalents at the beginning of the year		850,576,013	195,116,171
Cash and cash equivalents at the end of the year	12	344,332,622	850,576,013

The annexed notes from 1 to 32 form an integral part of these financial statements.

Chief Executive

Chief Financial Officer

Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2017

	Issued, subscribed and paid up capital	capital Reserves - Share premium account	Revenue Reserves - Accumulated profit	Total
	----------------------------	(Rupees)	----------------------------	
Balance at June 30, 2015	1,100,000,000	-	684,863,802	1,784,863,802
Issuance of shares having face value of Rs.10/- each at a premium of Rs.2.5/- per share				
- On 15 September 2015, 15,704,000 ordinary right shares "	157,040,000	39,260,000	-	196,300,000
- On 08 June 2016, 8,000,000 ordinary shares "	80,000,000	20,000,000	-	100,000,000
- On 30 June 2016, 55,750,000 ordinary shares "	557,500,000	139,375,000	-	696,875,000
	794,540,000	198,635,000	-	993,175,000
Issuance of 18,546,000 ordinary shares having face value of Rs.10/- each at a premium of Rs.1/- per share on 15 September 2015 under the share purchase agreement"	185,460,000	18,546,000	-	204,006,000
Share issuance cost	-	(76,683,849)	-	(76,683,849)
Profit for the year	-	-	290,670,051	290,670,051
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	290,670,051	290,670,051
Balance at June 30, 2016	**2,080,000,000**	**140,497,151**	**975,533,853**	**3,196,031,004**
Balance at June 30, 2016	2,080,000,000	140,497,151	975,533,853	3,196,031,004
Issuance of 17,910,448 ordinary shares in cash having face value of Rs.10/- each at a premium of Rs.6.75/- per share on 21 June 2017 under the share purchase agreement (note 1.2)	179,104,480	120,895,524	-	300,000,004
Issuance of 47,600,919 ordinary shares other than cash having face value of Rs.10/- each at a premium of Rs.6.75/- per share on 21 June 2017 under the share purchase agreement (note 1.2)	476,009,190	321,306,203	-	797,315,393
	655,113,670	442,201,727	-	1,097,315,397
Share issuance cost (note 1.2 and 23)	-	(22,135,323)	-	(22,135,323)
Profit for the year	-	-	351,977,558	351,977,558
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	351,977,558	351,977,558
Balance at June 30, 2017	**2,735,113,670**	**560,563,555**	**1,327,511,411**	**4,623,188,636**

The annexed notes from 1 to 32 form an integral part of these financial statements.

Chief Executive	Chief Financial Officer	Director

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

1. LEGAL STATUS AND OPERATIONS

1.1. TPL Properties Limited (the Company) was incorporated in Pakistan as a private limited company on February 14, 2007 under the repealed Companies Ordinance, 1984. Subsequently in 2016, the Company had changed its status from private limited company to public company and was listed on the Pakistan Stock Exchange Limited. The principal activity of the Company is to invest, purchase, develop and build real estate and to sell, rent out or otherwise dispose off in any manner the real estate including commercial and residential buildings, houses, shops, plots or other premises. The registered office of the Company is situated at Centrepoint Building, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi. TPL Trakker Limited and TPL Holdings (Private) Limited are the parent and ultimate parent company respectively, as of balance sheet date.

1.2. On June 21, 2017, the Company issued 65.511 million (2016: 98 million) ordinary shares, having face value of Rs. 10 each at premium, against cash and other than cash consideration, out of which 47.6 million shares were issued against the acquisition of 90 percent ownership in HKC Limited.

1.3. These financial statements are the separate financial statements of the Company, in which investment in the subsidiary companies namely Centrepoint Management Services (Private) Limited and HKC Limited have been accounted for at cost less accumulated impairment losses, if any.

2. STATEMENT OF COMPLIANCE

During the year, the Companies Act, 2017 (the Act) has been promulgated, however, Securities and Exchange Commission of Pakistan (SECP) vide its circular No. 17 of 2017 dated 20 July 2017 communicated its decision that the companies whose financial year closes on or before 30 June 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Accordingly, the Company's financial statements for the year ended 30 June 2017 have been prepared considering the requirements of the repealed Companies Ordinance, 1984 and 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) and Islamic Financial Accounting Standards (IFAS) issued by Institute of Chartered Accountants of Pakistan (ICAP), as are notified under the repealed Companies Ordinance, 1984, provisions of 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Basis of preparation

These financial statements have been prepared under the historical cost convention except for investment property which has been measured at fair value.

3.2. Standards, amendments and interpretations adopted during the year

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as described below:

New and Revised Standards

The Company has adopted the following new standards to IFRSs which became effective for the current year:

IFRS 10 – Consolidated Financial Statements
IFRS 11 – Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment)
IFRS 12 – Disclosure of Interests in Other Entities
IAS 1 – Presentation of Financial Statements - Disclosure Initiative (Amendment)

IAS 16 Property, Plant and Equipment and IAS 38 intangible assets - Clarification of Acceptable Method of Depreciation and Amortization (Amendment)
IAS 16 Property, Plant and Equipment IAS 41 Agriculture - Agriculture: Bearer Plants (Amendment)
IAS 27 – Separate Financial Statements – Equity Method in Separate Financial Statements (Amendment)

The adoption of the above standards did not have any material effect on these financial statements.

3.3. Significant accounting judgments, estimates and assumptions

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

In the process of applying the Company's accounting policies, management has made the following judgments, estimates and assumptions which are significant to these financial statements:

a) Operating fixed assets

The Company reviews the useful lives, methods of depreciation and residual values of operating fixed assets on each reporting date. Any change in the estimates in future years might affect the carrying amounts of the respective items of operating fixed assets with a corresponding effect on the depreciation charge and impairment.

b) Fair value of investment property

The Company carries its investment properties at fair value, with changes in fair value being recognised in the profit or loss. An independent valuation specialist is engaged by the Company to assess fair value of investment property based on values with reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

c) Recognition of tax and deferred tax

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

Other areas where judgments, estimates and assumptions involved are disclosed in respective notes to the financial statements.

3.4. Property, plant and equipment

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is recognised in profit and loss account applying the straight-line method. Depreciation on additions during the year is charged from the month of addition, whereas, depreciation on disposals is charged upto the month in which the disposal takes place.

Rates of depreciation which are disclosed in note 4 to these financial statements are designed to write-off the cost over the estimated useful lives of the assets.

Major renewals and improvements for assets are capitalized, if recognition criteria is met and the assets so replaced, if any, are retired. Maintenance and normal repairs are recognised in profit and loss account.

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

An item of property, plant and equipment initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gain or loss on derecognition of an asset represented by the difference between the sale proceeds and the carrying amount of the asset, is recognised in profit and loss account.

3.5. Investment property

Investment property comprises completed property and property under construction that is held to earn rentals or for capital appreciation or both.

Investment property is measured initially at cost including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and initial leasing commissions to bring the property to the condition necessary for it to be capable of operating. The carrying amount also includes the cost of replacing part of an existing investment property at the time that cost is incurred, if the recognition criteria is met.

Subsequent to initial recognition, investment property is stated at fair value which reflects market condition at reporting date. Gains or losses arising from changes in the fair values are included in the profit and loss account in the year in which they arise, including the corresponding tax effect, if any. Fair values are determined based on an annual valuation performed by an accredited independent valuer.

Investment property under construction is measured at cost less accumulated impairment losses, if any. Cost includes the cost of land acquired for the development of project and other purchase cost, related government taxes, construction cost, borrowing cost and other overheads necessary to bring the premises for capital appreciation or rental earnings.

Investment property is derecognised when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the derecogntition of investment property are recognised in the profit and loss account in the year of retirement or disposal. Gain or loss on the disposal of investment property are determined as the difference between net disposal proceeds and the carrying value of the asset.

Transfers are made to or from the investment property only when there is a change in use. For a transfer from investment property to owner-occupied, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant and equipment upto the date of change in use.

Maintenance and normal repairs are charged to profit and loss account, as and when incurred. Major renewals and improvements, if any, are capitalized, if recognition criteria is met.

3.6. Investment in subsidiaries

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

3.7. Impairment

3.7.1.Financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Any impairment losses on financial assets including financial assets carried at amortised cost are recognised in profit and loss account.

3.7.2.Non-financial assets and investments in subsidiaries

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

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

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

3.8. Receivable against rent from tenants and other receivables

Receivables against rent from tenants originated by the Company is recognised and carried at original invoice amount less provision for doubtful receivables, if any. An estimated provision for doubtful receivables is made when there is an objective evidence that the Company will not be able to collect all amounts due. No provision is made in respect of the active customers which are considered good. Bad debts are written-off, as and when identified.

3.9. Advances, prepayments and other receivable

Advance, prepayments, other receivables and receivables from related parties are recognised and carried at cost which is the fair value of the consideration.

3.10. Cash and cash equivalents

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

3.11. Trade and other payables

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

3.12. Provisions

Provisions are recognised when:

a) the Company has a present obligation (legal or constructive) as a result of past events;
b) it is probable that an outflow of resources will be required to settle the obligation; and
c) a reliable estimate of the amount can be made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

3.13. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates, and sales tax or duty. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as a principal or an agent. The Company has concluded that it is acting as a principal in all its revenue arrangements. The following are the specific recognition criteria that must be met before revenue is recognised:

a) Rental income receivable from operating leases are recognized at straight-line basis over the lease term except for contingent rental income which is recognised when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income. Incentives for lessee to enter into lease agreements are spread evenly over the lease term, even if the payments are not made on such a basis. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the directors are reasonably certain that the tenant will exercise that option. Amounts received from tenants to terminate leases or to compensate for dilapidations are recognised in the profit and loss account when the right to receive them arises.

b) Interest income is recognised as it accrues using the effective interest rate method.

c) Other revenues are recorded on an accrual basis.

3.14. Taxation

Current

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

Deferred

Deferred tax is provided using the liability method on all temporary differences arising at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the asset is recognised or the liability is settled based on the tax rates (and tax laws) that have been enacted or substantially enacted at the balance sheet date.

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

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

3.15. Foreign currency translations

The financial statements are presented in Pakistani Rupee, which is the Company's functional and presentation currency. Foreign currency transactions during the year are translated at the exchange rates ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates of exchange ruling at the balance sheet date. Any resulting gain or loss arising from changes in exchange rates is taken to the profit and loss account. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

3.16. Staff retirement benefits

Defined contribution plan

The Company operates a recognised provident fund (defined contribution scheme) for its permanent employees who have completed the minimum qualifying period of service. Equal monthly contributions are made, both by the Company and the employees at the rate of 8.33 percent of the basic salary.

3.17. Financial instruments

All the financial assets and financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. All financial assets are derecognised at the time when the Company loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognised at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expired. Any gains or losses on derecognition of financial assets and financial liabilities are taken to profit and loss account.

Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet only if the Company has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.18. Borrowing costs

Borrowing and other related costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in the year in which they are incurred.

3.19. Dividend and appropriation to reserves

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

3.20. Standards, interpretations and amendments to approved accounting standards that are not yet effective

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

Standard or Interpretation		Effective date (annual periods beginning on or after)
IFRS 2:	Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)	01 january 2018
IFRS 10	Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalised
IAS 7	Financial Instruments: Disclosures - Disclosure Initiative - (Amendment)	01 January 2017
IAS 12	Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)	01 January 2017
IFRS 4	Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments)	01 January 2018
IAS 40	Investment Property: Transfers of Investment Property (Amendments)	01 January 2018
IFRIC 22	Foreign Currency Transactions and Advance Consideration	01 January 2018
IFRIC 23	Uncertainty over Income Tax Treatments	01 January 2019

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

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in September 2014. Such improvements are generally effective for accounting periods beginning on or after January 01, 2016. The Company expects that such improvements to the standards will not have any material impact on the Company's financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan.

Standard		IASB Effective date (annual periods beginning on or after)
IFRS 9	Financial Instruments: Classification and Measurement	01 January 2018
IFRS 14	Regulatory Deferral Accounts	01 January 2016
IFRS 15	Revenue from Contracts with Customers	01 January 2018
IFRS 16	Leases	01 January 2019
IFRS 17	Insurance Contracts	01 January 2021

Currently, the Company is assessing the impact of above standards on the company’s financial statements in the period of initial application.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

4. PROPERTY, PLANT AND EQUIPMENT

	COST			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2016	Additions / (write-off)	As at June 30, 2017	As at July 01, 2016	Charge for the year (write-off)	As at June 30, 2017	As at June 30, 2017	Depre-ciation Rate
	(Rupees)							%
Owned assets								
Furniture	**5,914,780**	**- (76,180)**	**5,838,600**	**1,255,399**	**1,177,779 (75,540)**	**2,357,638**	**3,480,962**	**20**
Vehicles	**3,642,283**	**2,628,649**	**6,270,932**	**3,047,988**	**1,050,257**	**4,098,245**	**2,172,687**	**20**
Computer and accessories	**1,527,673**	**1,024,350 (436,890)**	**2,115,133**	**1,199,873**	**231,660 (398,965)**	**1,032,568**	**1,082,565**	**33.33**
2017	**11,084,736**	**3,652,999 (513,070)**	**14,224,665**	**5,503,260**	**2,459,696 (474,505)**	**7,488,451**	**6,736,214**	

	COST			ACCUMULATED DEPRECIATION			VALUE	
	As at July 01, 2015	Additions / (write-off)	As at June 30, 2016	As at July 01, 2015	Charge for the year (write-off)	As at June 30, 2016	As at June 30, 2016	Depre-ciation Rate
	(Rupees)							%
Owned assets								
Furniture	113,180	5,801,600	5,914,780	72,444	1,182,955	1,255,399	4,659,381	20
Vehicles	3,642,283	-	3,642,283	2,328,431	719,557	3,047,988	594,295	20
Computer and accessories	1,006,895	520,778	1,527,673	777,374	422,499	1,199,873	327,800	33.33
2016	4,762,358	6,322,378	11,084,736	3,178,249	2,325,011	5,503,260	5,581,476	

4.1. Depreciation for the year has been charged to administrative and general expenses in profit and loss account (note 23).

	Note	2017 Rupees	2016 Rupees
5. INVESTMENT PROPERTY			
Investment property	5.1	**4,967,683,819**	4,632,000,000
Capital work-in-progress	5.3	**8,190,703**	-
		4,975,874,522	4,632,000,000

5.1. The movement in investment property during the year is as follows:

	Note	2017	2016
As at July 01, 2016		**4,632,000,000**	4,319,000,000
Add: Additions during the year - subsequent expenditure		**46,918,610**	38,782,113
		4,678,918,610	4,357,782,113
Gain from fair value adjustment	5.2	**288,765,209**	274,217,887
As at June 30, 2017		**4,967,683,819**	4,632,000,000

5.2. An independent valuation of Centrepoint Project was carried out by an independent professional valuer on June 30, 2017 and the fair value of Rs.4,967 million (2016: Rs. 4,632 million) was determined with reference to market based evidence, active market prices and relevant information. Accordingly, the fair value adjustment for the year of Rs.288.765 million (2016: Rs. 274.218 million) is recognized in the profit and loss account (note 25). The fair value of investment property fall under level 2 of fair value hierarchy (i.e. significant observable inputs).

5.3. Represents expenses incured on various projects of the Company related to the contruction of investment property.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

6. LONG-TERM INVESTMENT	Note	2017 Rupees	2016 Rupees
Investment in subsidiary companies – at cost			
Centrepoint Management Services (Private) Limited	6.1	**352,999,990**	352,999,990
HKC Limited	6.2	**797,315,400**	-
		1,150,315,390	352,999,990

6.1. The Company holds 35,299,999 (2016: 35,299,999) ordinary shares of Rs.10/- each, representing 99.99 percent (2016: 99.99 percent) of the share capital of Centerpoint Management Services (Private) Limited which was incorporated in Pakistan as of the balance sheet date. The book value per share amounts to Rs. 3.4 (2016: Rs. 3) based on the latest available audited financial statements for the year ended June 30, 2017. The subsidiary company is fully supported by the financial support of the Company to activate its full potential in order to make adequate profits and generate positive cashflows. Accordingly, no impairment in value of investments is recognized as of balance sheet date.

6.2. During the year, the Company has made investment in HKC Limited as disclosed in note 13.2, incorporated in Pakistan, which is engaged in acquisition and development of real estate and renovation of buildings and letting out. The book value per share amounts to Rs. 20.63 (2016: Rs. 21.65) based on the latest available audited financial statements for the year ended June 30, 2017. As of balance sheet date, the subsidiary company is not generating revenue as it is in the process of initiation of developing the property therefore it is fully supported by the financial support of the Company to activate its full potential in order to make adequate profits and generate positive cashflows. Accordingly, no impairment in value of investments is recognized as of balance sheet date.

7. LONG-TERM SUBORDINATED LOAN – unsecured, considered good

The Company had granted conventional loan to its subsidiary company i.e. Centrepoint Management Services (Private) Limited under the agreement dated February 02, 2012 on account of procurement of equipments for Centrepoint Project (the Project). Under the aforesaid loan agreement, the maximum facility limit is Rs.85 million carrying mark-up at the rate of 15 percent per annum and is repayable latest by August 31, 2019.

The Company had signed the supplemental agreement dated July 01, 2015 and January 01, 2016 to original loan agreement dated February 02, 2012, whereby, the maximum facility limit has been increased up to Rs.300 million and rate of mark-up has been changed from fixed rate of 15 percent to variable rate of 6 months KIBOR plus 1.75 percent per annum respectively.

8. LONG-TERM DEPOSITS – unsecured, considered good	Note	2017 Rupees	2016 Rupees
Security deposits			
City District Government Karachi		**86,919**	86,919
Central Depository Company of Pakistan Limited		**100,000**	100,000
	8.1	**186,919**	186,919

8.1. These deposits are non-interest bearing.

9. RECEIVABLES AGAINST RENT FROM TENANTS – unsecured, considered good	Note	2017 Rupees	2016 Rupees
Related party:			
TPL Trakker Limited – the parent company		**6,104,189**	16,150,330
Others		**20,451,603**	4,816,429
	9.1	**26,555,792**	20,966,759

9.1. Represents non-interest bearing amount receivable from tenants on account of premises taken on rent in Centrepoint Project. These are past due more than 6 months and upto 1 year but not impaired.

	Note	2017 Rupees	2016 Rupees
10. ADVANCES AND PREPAYMENTS			
Advances – unsecured, considered good			
Suppliers and contractors	10.1	**5,517,999**	13,133,343
Prepayments			
Insurance		**3,913,084**	4,988,511
Security trustee fee	14	**847,500**	750,000
Agency fee	14	**847,500**	750,000
		5,608,084	6,488,511
		11,126,083	19,621,854

10.1. These advances are non-interest bearing and generally on an average term of 1 to 12 months.

11. DUE FROM A RELATED PARTY – unsecured, considered good

Represents expenses incurred on behalf of HKC Limited – a related party which is receivable on demand.

	Note	2017 Rupees	2016 Rupees
12. CASH AND BANK BALANCES			
Cash in hand		**9,200**	-
Cash at banks in local currency			
- current accounts			
- islamic banking		**20,355,966**	106,033,745
- conventional banking		**2,114,198**	700,255,211
		22,470,164	806,288,956
- savings accounts			
- islamic banking	12.1	**265,214,074**	27,028,001
- conventional banking	12.2	**56,639,184**	17,259,056
		321,853,258	44,287,057
		344,332,622	850,576,013

12.1. Included herein a cash deposit of Rs.16.854 million under lien (note 20.2.1) and Rs. 250 million on account of Term deposit placed with HBL carrying mark-up ranging 5 percent to 5.4 percent and 5 percent respectively.

12.2. These carry mark-up ranging from 3.75 percent to 5.8 percent (2016: 3.8 percent to 5.9 percent per annum).

FOR THE YEAR ENDED JUNE 30, 2017

13. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2017	2016		Note	2017	2016
---- (No. of shares) ----				Rupees	Rupees
		Ordinary shares of Rs.10/- each			
158,010,000	60,010,000	- Issued for cash consideration	13.4	**1,580,100,000**	600,100,000
17,910,448	98,000,000	- Issued during the year for cash consideration	13.3	**179,104,480**	980,000,000
175,920,448	158,010,000			**1,759,204,480**	1,580,100,000
49,990,000	49,990,000	- Issued for consideration other than cash	13.1	**499,900,000**	499,900,000
47,600,919	-	- Issued for consideration other than cash during the year	13.2	**476,009,190**	-
97,590,919	49,990,000			**975,909,190**	499,900,000
273,511,367	208,000,000			**2,735,113,670**	2,080,000,000

13.1. Shares issued against acquisition of the business of A&A Associates, an unregistered partnership firm under an agreement dated June 28, 2010 on net assets basis at their carrying value which approximates its fair value at the date of acquisition i.e. May 31, 2010.

13.2. Represents shares issued against purchase of 8,532,000 ordinary shares of HKC Limited, constituting 90 percent of the issued, subscribed and paid-up share capital of the subsidiary company under a share purchase arrangement dated: June 19, 2017 through issuance of 47,600,919 shares of TPL Properties Limited at face value of Rs.10 per share and premium of Rs. 6.75 per share on net asset basis at their fair value determined on the date of acquisition i.e. March 30, 2017.

13.3. During the year, the Company has issued 17,910,448 shares to Alpha Beta Capital Markets (Private) Limited against cash at premium of Rs. 6.75 per share.

13.4. TPL Holdings (Private) Limited (the ultimate parent company), TPL Trakker Limited (the parent company), Mr. Ali Jameel (CEO) and Mr. Jameel Yusuf Ahmed (a director) holds 21,104,000, 55,000,000, 19,199,994 and 14,800,000 (2016: 21,104,000, 55,000,000, 19,199,994 and 14,800,000) ordinary shares of nominal value of Rs.10/- (2016: Rs.10/-) each representing 8 percent, 20 percent, 7 percent and 5 percent (2016: 10 percent, 26 percent, 9 percent and 7 percent) respectively of the paid-up capital of the Company as of the balance sheet date.

14. LONG-TERM FINANCING

	Note	2017 Rupees	2016 Rupees
Musharika finance		**1,865,443,975**	2,074,861,362
Less : Current Portion shown under current liabilities		**(204,750,000)**	(126,000,000)
		1,660,693,975	1,948,861,362

14.1. The Company entered into the Musharaka facility agreement of Rs. 2,400 million with a islamic bank through an agreement dated May 26, 2015. Out of which the Company has utilized facility upto Rs. 2,100 million as at balance sheet date. It carries mark-up at the rate of 6 months KIBOR plus 1.75 percent per annum, and is repayable semi-annually in arrears over a period of seven years including 1 year grace period. The facility is secured against hypothecation charge over hypothecated fixed and current assets of Rs. 2,800 million and by way of personal and corporate guarantee of Chief Executive and a related party.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
15. DEFERRED TAX LIABILITY			
Deferred tax liability on taxable temporary differences:			
Advance against rent from tenants (net of receivables)		**38,236,796**	39,005,393
16. TRADE AND OTHER PAYABLES			
Creditors	16.1	**36,974,723**	67,179,093
Accrued expenses		**11,472,172**	56,000,194
Retention money		**14,681,991**	30,360,795
Workers' Welfare Fund (WWF)		**9,290,946**	9,290,946
Payable to employees		**222,240**	710,096
Withholding income tax payable		**865,830**	291,513
	16.2	**73,507,902**	163,832,637

16.1. Included herein amount payable to TPL Security Services (Private) Limited, a related party, amounting to Nil (2016: Rs. 3.346 million) on account of security services provided to the Company.

16.2. These payables are non-interest bearing and generally on an average term of 1 to 12 months.

	Note	2017 Rupees	2016 Rupees
17. DUE TO RELATED PARTIES – unsecured			
TPL Holdings (Private) Limited – the ultimate parent company	17.1	**200,831**	32,338,178
TPL Trakker Limited – the parent company	17.2	**11,711,707**	243,307,801
		11,912,538	275,645,979

17.1. Represents loan financing facility having a limit of Rs.400 million carrying mark-up at the variable rate of 3 months KIBOR.

17.2. Represents loan financing facility having a limit of Rs.250 million carrying mark-up at the variable rate of 3 months KIBOR plus 4 percent.

	Note	2017 Rupees	2016 Rupees
18. ACCRUED MARK-UP			
Accrued mark-up on:			
Long-term financing	14	**44,735,434**	55,351,134
Due to related parties:			
- TPL Holdings (Private) Limited – the ultimate parent company	17.1	**7,307**	5,612,555
- TPL Trakker Limited – the parent company	17.2	**17,362**	13,482,945
		24,669	19,095,500
		44,760,103	74,446,634

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
19. ADVANCE AGAINST RENT			
Related party			
TPL Direct Insurance Limited – an associated company		**18,701,834**	19,110,536
Others	19.1	**41,155,965**	25,672,365
		59,857,799	44,782,901

19.1. Represents non-interest bearing advances received from tenants on account of premises taken on rent in Centrepoint Project.

20. CONTINGENCIES AND COMMITMENTS

20.1. Contingencies

As of balance sheet date, the Company does not have any contingencies that are required to be disclosed in these financial statements.

	Note	2017 Rupees	2016 Rupees
20.2. Commitments			
20.2.1. Revolving letter of credit		**16,854,000**	16,854,000

20.2.2. The Company's contractual commitments in respect of the construction of Centrepoint Project at year end are as follows:

	Note	2017 Rupees	2016 Rupees
Nadeem Associates			
- Total contract value		**22,976,262**	22,976,262
- Paid upto last year by the Company		**(21,662,176)**	(19,950,217)
- Paid during the year by the Company		**-**	(1,711,959)
Balance commitment		**1,314,086**	1,314,086
Power Professionals and Engineers			
- Total contract value		**62,588,574**	62,588,574
- Paid upto last year by the Company		**(52,158,181)**	(50,158,181)
- Paid during the year by the Company		**(2,500,000)**	(2,000,000)
Balance commitment		**7,930,393**	10,430,393
Kaaf Engineers			
- Total contract value		**45,321,030**	45,321,030
- Paid upto last year by the Company		**(44,529,396)**	(41,529,396)
- Paid during the year by the Company		**(791,634)**	(3,000,000)
Balance commitment		**-**	791,634
Hitech Engineering Services			
- Total contract value		**237,563,286**	225,657,030
- Paid upto last year by the Company		**(217,525,286)**	(213,525,286)
- Paid during the year by the Company		**(20,038,000)**	(4,000,000)
Balance commitment		**-**	8,131,744

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
Islamabad Industrial and Trading Corporation			
- Total contract value		**2,841,029**	-
- Paid during the year by the Company		**(1,420,515)**	-
Balance commitment		**1,420,514**	-
Blue Sky Communications			
- Total contract value		**176,857**	-
Balance commitment		**176,857**	-
Sage Tech International			
- Total purchase order value		**321,750**	-
Balance commitment		**321,750**	-
EA Consulting Pvt Ltd			
- Total purchase order value		**2,500,000**	-
- Paid during the year by the Company		**(1,250,000)**	-
Balance commitment		**1,250,000**	-

20.2.3. The Company had entered into the maintenance agreement with Centrepoint Management Services (Private) Limited, a subsidiary company for the purpose of its operation and maintenance services related to the Project.

20.2.4. The Company had entered into commercial property leases on its investment property with TPL Trakker Limited (the parent company) and TPL Direct Insurance Limited (an associated company) and other tenants. These non-cancellable leases have terms of five years. Future minimum rentals receivable under non-cancellable operating leases as at year end are as follows:

	Note	2017 Rupees	2016 Rupees
Not later than one year		**425,269,718**	336,127,283
Later than one year but not later than five years		**758,250,069**	853,447,942
		1,183,519,787	1,189,575,225

21. RENTAL INCOME

	2017	2016
Related parties:		
TPL Trakker Limited – the parent company	**41,924,227**	41,924,227
TPL Direct Insurance Limited – an associated company	**45,423,204**	45,423,204
	87,347,431	87,347,431
Others	**275,437,398**	276,709,173
	362,784,829	364,056,604

22. DIRECT OPERATING COSTS

	2017	2016
Repairs and maintenance	**1,417,488**	2,993,705
Insurance	**7,856,689**	8,510,604
Entertainment	-	202,277
Advertisement and promotional	**634,600**	707,542
	9,908,777	12,414,128

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

23. ADMINISTRATIVE AND GENERAL EXPENSES	Note	2017 Rupees	2016 Rupees
Salaries, wages and other benefits	23.1	**54,921,661**	30,044,141
Depreciation	4.1	**2,459,698**	2,325,011
Legal and professional		**11,593,355**	6,496,816
Auditors' remuneration	23.2	**1,767,860**	804,500
Rent		**7,370,108**	3,950,000
Fuel and mobile		**4,709,873**	4,027,410
IT related expenses		**2,382,773**	2,956,248
Subscriptions		**208,100**	150,000
Utilities		**1,286,292**	-
Printing and stationery		**1,599,670**	1,806,762
Travelling expenses		**352,634**	422,752
Repairs and maintenance		**4,326,595**	40,580
Fixed assets written off		**38,565**	-
Advertisement		**494,704**	-
Entertainment		**4,553,398**	-
Donations	23.3	**7,500,000**	-
Others		**246,855**	31,660
		105,812,141	53,055,880

23.1. These include Rs. 0.704 million in respect of staff retirement benefits (provident fund contribution).

23.2. Auditors' remuneration	Note	2017 Rupees	2016 Rupees
Audit fees			
Statutory			
- standalone		**750,000**	495,000
- consolidation		**200,000**	109,500
		950,000	604,500
Special			
- standalone		**-**	300,000
- consolidation		**-**	100,000
		-	400,000
Half yearly review fee		**350,000**	-
Certifications		**275,000**	1,839,000
Out of pocket		**192,860**	76,500
		1,767,860	2,920,000
Adjusted with share premium account on account of share issue cost		**-**	(2,115,500)
		1,767,860	804,500

23.3. Recipients of donations do not include any donee in which a director or spouse had any interest.

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
23.4. Provident fund			
Size of the fund		**1,981,671**	-
Cost of investments made		**1,756,019**	-
Percentage of investments made		**89%**	-
Fair value of investments		**1,756,019**	-

23.4.1. Provident fund has been constituted during the year. The break-up of investments in terms of amount and percentage of the size of the provident fund are as follows:

	2017		2016	
	------------- Un-audited -------------			
	investment Rupees	Percentage of investment as size of the fund	investment Rupees	Percentage of investment as size of the fund
Savings account	1,756,019	89%	-	-

23.4.2. Investments out of provident fund have been made in accordance with the provisions of the Section 227 of the repealed Companies Ordinance, 1984 and the rules formulated for this purpose.

	Note	2017 Rupees	2016 Rupees
24. FINANCE COSTS			
Markup on			
- long-term financing	24.1	**160,237,067**	169,051,485
- due to related parties		**15,303,751**	54,160,870
- short-term borrowings		-	13,029,245
		175,540,818	236,241,600
Bank charges		**946,668**	376,504
		176,487,486	236,618,104

24.1. Includes mark-up of Rs.158 million (2016: Rs. 144 million) incurred on islamic mode of financing.

	Note	2017 Rupees	2016 Rupees
25. OTHER INCOME			
Income from financial assets			
Profit on islamic saving account		**3,814,384**	1,061,771
Markup on:			
- long-term subordinated loan		**6,386,284**	26,506,951
- on saving accounts		**4,225,599**	2,514,997
		10,611,883	29,021,948
Income from non-financial assets			
Fair value gain on on investment property		**288,765,209**	274,217,887
Reversal of excess provision of WWF		-	3,613,431
Others		**1,310,851**	1,752,800
		304,502,327	309,667,837

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
26. TAXATION			
Current		**23,869,791**	6,188,852
Prior		**-**	2,319,041
Deferred		**(768,597)**	15,058,385
		23,101,194	23,566,278

26.1. The Company has filed income tax return for the tax year 2016, which is deemed to be assessed under section 120 of Income Tax Ordinance, 2001. Current tax charge is based on normal tax regime basis whereas last year charge was computed based on minimum tax under Section 113C of the Income Tax Ordinance, 2001.

	Note	2017 Rupees	2016 Rupees
26.2. Relationship between accounting profit and tax expense			
Profit before taxation		**375,078,752**	314,236,329
Applicable tax rate		**31%**	32%
Tax at the above rate		**116,274,413**	100,555,625
Non-taxable income for tax purpose		**(90,429,542)**	-
Non-deductible expense for tax purpose		**3,223,771**	(73,108,753)
Alternative corporate tax (ACT)		**-**	(5,460,752)
Adjustments in respect of previous years tax charge		**-**	2,319,041
Effect of change in tax rate		**-**	(738,884)
Effect of tax credit		**(5,967,448)**	-
Tax expense for the year		**23,101,194**	23,566,278
Effective tax rate		**6.2%**	7.5%

27. EARNINGS PER SHARE		
Profit attributable to ordinary shareholders	**351,977,558**	290,670,051
	------- Number of shares -------	
Weighted average number of ordinary shares outstanding during the year	**209,794,832**	137,037,671
Earnings per share – basic and diluted	**1.68**	2.12

There is no dilutive effect on basic earnings per share of the Company.

28. REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

28.1. The aggregate amounts charged in these financial statements for the year are as follows:

	Chief Executive		Director		Executives	
	2017	**2016**	**2017**	**2016**	**2017**	**2016**
Basic salary	**11,612,904**	7,741,935	**3,065,806**	1,970,968	**5,258,323**	1,987,436
Allowances and benefits:						
- House rent	**5,225,806**	3,483,871	**1,379,613**	886,929	**2,366,245**	894,345
- Utilities	**1,161,290**	774,194	**306,581**	197,103	**525,832**	198,748
- Vehicle allowance	**-**	-	**1,260,000**	975,000	**1,776,000**	638,323
Staff retirement benefit:	**-**	-	**255,382**	-	**438,018**	-
	18,000,000	12,000,000	**6,012,000**	4,030,000	**10,364,418**	3,718,852
Number of persons	**1**	1	**1**	1	**6**	6

28.2. In addition, the Chief Executive and certain executives have also been provided with free use of Company owned and maintained cars and other benefits in accordance with their entitlements as per the rules of the Company.

28.3. Aggregate meeting fees paid / payable to 3 directors is Rs. 180,000.

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Board of Directors review and agree policies for managing each of the risk which are summarised below and accordingly, no change was made in the objectives, policies or procedures and assumptions during the year ended June 30, 2017.

29.1. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency risk, interest rate risk and other price risk.

29.1.1. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into foreign currencies. As at balance sheet date, the Company is not materially exposed to currency risk and accordingly, the sensitivity to a reasonably possible change in the exchange rate with all other variables held constant in not reported.

29.1.2. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates. As of the balance sheet date, the Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term financing and short-term borrowings at floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, on the Company’s profit before tax (through impact on floating rate borrowings).

	Increase / decrease in basis points	(Decrease) / increase in profit before tax (Rupees)
2017	**+100**	**(18,297,373)**
	-100	**18,297,373**
2016	+100	(25,505,073)
	-100	25,505,073

29.1.3. Other price risk

Other price risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market prices such as equity price risk. As of the balance sheet date, the Company is not exposed to other price risk.

29.2. Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. As of the balance sheet date, the Company is not materially exposed to credit risk except for receivable against rent from tenants, loans, advances and bank balances. The Company manages credit risk by obtaining advance from tenants and the credit risk on liquid assets is limited because the counter parties are banks with reasonably high credit ratings. The maximum exposure to credit risk before any credit enhancement is given below:

	2017		2016	
	Balance Sheet	**Maximum exposure**	**Balance Sheet**	**Maximum exposure**
Receivables against rent from tenants	**26,555,792**	**26,555,792**	20,966,759	20,966,759
Due from a related party	**9,131,238**	**9,131,238**	-	-
Bank balances	**344,323,422**	**344,323,422**	850,576,013	850,576,013
	380,010,452	**380,010,452**	871,542,772	871,542,772

As of balance sheet date, the credit quality of Company's bank balances with reference to external credit rating is as follows:

Bank Balances by short-term rating category	Rating Agency	2017 Rupees	2016 Rupees
A1+	PACRA	**305,072,525**	19,901,531
A-1+	JCR-VIS	**-**	133,642,829
A-1	JCR-VIS	**39,250,897**	696,888,582
A-2	JCR-VIS	**-**	143,071
A3	PACRA	**-**	-
		344,323,422	850,576,013

29.3. Liquidity risk

Liquidity risk represents the risk that a Company will encounter difficulties in meeting obligations with the financial liabilities. The Company's objective is to maintain a balance working capital management. As of the balance sheet date, the Company is exposed to liquidity risk in respect of long-term financing, short-term borrowings, trade and other payables and due to related parties.

The table below summarises the maturity profile of the Company's financial liabilities at June 30, 2017 and June, 30 2016 based on contractual undiscounted payment dates and present market interest rates:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	(Rupees)					
June 30, 2017						
Long-term financing	-	**89,250,000**	**115,500,000**	**1,438,500,000**	**222,193,975**	**1,865,443,975**
Trade and other payables	-	-	**63,351,126**	-	-	**63,351,126**
Due to related parties	-	-	**11,912,538**	-	-	**11,912,538**
Accrued mark-up	-	**44,760,103**	-	-	-	**44,760,103**
	-	**134,010,103**	**190,763,664**	**1,438,500,000**	**222,193,975**	**1,985,467,742**
June 30, 2016						
Long-term financing	-	-	215,250,000	1,202,250,000	682,500,000	2,100,000,000
Trade and other payables	-	66,533,406	87,953,568	-	-	154,486,974
Due to related parties	-	-	-	-	275,645,979	275,645,979
Accrued mark-up	-	55,351,134	-	19,095,500	-	74,446,634
Short-term borrowings	-	200,000,000	-	-	-	200,000,000
	-	321,884,540	303,203,568	1,221,345,500	958,145,979	2,804,579,587

29.4. Fair values of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability can be settled, between knowledgeable willing parties in an arm's length transaction. The carrying amounts of all the financial instruments reflected in these financial statements approximate to their fair value.

Fair value hierarchy

Financial Instruments carried at fair value are categorized as follows:

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

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

	Total	Level 1	Level 2	Level 3
	(Rupees)			
June 30, 2017				
Investment property	**4,967,683,819**	**-**	**4,967,683,819**	**-**
June 30, 2016				
Investment property	4,632,000,000	-	4,632,000,000	-

29.5. Capital risk management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support and sustain future development of its business operations and maximize shareholders' value. The Company closely monitors the return on capital along with the level of distributions to ordinary shareholders.

The Company manages its capital structure and makes adjustment to it in the light of changes in economic conditions. The Company monitors capital using a debt equity ratio, which is net debt divided by total equity. Equity comprises of share capital, share premium account and revenue reserve. The gearing ratio as at June 30, 2017 and June 30, 2016 are as follows:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
Long-term financing	14	**1,865,443,975**	2,074,861,362
Trade and other payables	16	**73,507,902**	163,832,637
Due to related parties	17	**11,912,538**	275,645,979
Accrued mark-up	18	**44,760,103**	74,446,634
Short-term borrowings		**-**	200,000,000
Advance against rent from tenants	19	**59,857,799**	44,782,901
Total debts		**2,055,482,317**	2,833,569,513
Less: Cash and bank balances		**344,332,622**	833,722,013
Net debt		**1,711,149,695**	1,999,847,500
Total equity		**4,623,188,636**	3,196,031,004
Total capital		**6,334,338,331**	5,195,878,504
Gearing ratio		**27%**	38%

30. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise of the ultimate parent company, parent company, subsidiaries, associated companies, major shareholders, suppliers, directors, key management personnel and staff retirement benefit fund. The Company has a policy whereby transactions with related parties are entered into at arm's length basis. The transactions with related parties other than those disclosed elsewhere in the interim financial statements are as follows:

	2017 Rupees	2016 Rupees
The Ultimate Parent Company		
TPL Holdings (Private) Limited [THL]		
Amount received from THL by the Company	**332,161,075**	182,993,752
Mark-up on current account	**4,245,234**	27,373,970
Payment made to THL on account of current account	**364,298,422**	534,106,631
Payment made to THL on account of accrued mark-up	**9,850,482**	146,193,368
The Parent Company		
TPL Trakker Limited [TTL]		
Amount received from TTL	**119,245,997**	55,497,251
Payment made to TTL on account of accrued mark-up	**24,524,090**	20,000,000
Payment made by the Company	**379,675,910**	-
Mark-up on current account	**11,058,507**	26,786,860
Expenses incurred	**35,126,406**	19,221,559
Adjustments of advance receivable for rent from TTL by the Company against:		
- due to related parties balance of TTL	**6,292,590**	16,921,139
- accrued markup payable balance of TTL	**-**	14,147,504
Amount received from TTL on account of rent	**51,970,368**	-
Services acquired by the Company	**41,924,227**	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

Subsidiary Companies		
Centrepoint Management Services (Private) Limited [CMS]		
Long-term sub-ordinated loan received during the year	**249,265,805**	376,111,469
Long-term sub-ordinated loan paid during the year	**286,114,310**	189,046,746
Mark-up on long-term subordinated loan	**6,383,719**	26,506,951
Payment received from CMS on account of accrued mark-up	**33,413,461**	-
HKC Limited		
Expenses incurred / paid by the Company	**9,131,238**	-
Common Directorship		
TPL Direct Insurance Limited [TDI]		
Amount received from TTL on behalf of the company	-	10,787,189
Amount received from TDI on account of rent	**45,014,501**	34,289,331
Services acquired by the Company	**45,423,204**	-
Staff retirement benefit fund		
TPL Properties Limited – Provident fund		
Employer contribution	**704,211**	-

30.1. The related parties status of outstanding receivables and payables, if any, as at June 30, 2017 and 30 June 2016 are disclosed in respective notes to these financial statements.

31. DATE OF AUTHORIZATION OF ISSUE

These financial statements were authorised for issue on **11 August 2017** by the Board of Directors of the Company.

32. GENERAL

32.1. Certain prior year's figures have been rearranged for better presentation, wherever necessary. However, there are no material reclassification to report.

32.2. Number of employees as at June 30, 2017 was 13 (June 30, 2016: 8) and average number of employees during the year was 11 (June 30, 2016: 7).

32.3. Figures have been rounded off to the nearest rupee, unless otherwise stated.

Chief Executive | Chief Financial Officer | Director

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS TO THE MEMBERS

We have audited the annexed consolidated financial statements comprising consolidated balance sheet of **TPL Properties Limited (the Holding Company)** and its subsidiary companies namely Centrepoint Management Services (Private) Limited and HKC Limited, [collectively here-in-after referred to as "the Group"], as at 30 June 2017 and the related consolidated profit and loss account, consolidated cash flow statement and consolidated statement of changes in equity together with the notes forming part thereof, for the year then ended. We have also expressed separate opinions on the financial statements of TPL Properties Limited and its subsidiary companies Centrepoint Management Services (Private) Limited and HKC Limited. These consolidated financial statements are the responsibility of the Holding Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

Our audit was conducted in accordance with the International Standards on Auditing and accordingly included such tests of accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the consolidated financial statements present fairly the financial position of the Holding Company and its subsidiary companies as at **30 June 2017** and the results of their operations for the year then ended.

EY Ford Rhodes

Chartered Accountants
Audit Engagement Partner: Arif Nazeer
Date: 11 August 2017
Karachi

CONSOLIDATED BALANCE SHEET

AS AT JUNE 30, 2017

ASSETS	Note	2017 Rupees	2016 Rupees
NON-CURRENT ASSETS			
Property, plant and equipment	4	**370,820,634**	375,806,971
Investment property	5	**4,975,874,522**	4,632,000,000
Long-term deposits	6	**186,919**	5,727,863
Deferred tax asset	7	**77,325,732**	54,968,187
		5,424,207,807	5,068,503,021
CURRENT ASSETS			
Inventory property	8	**886,856,186**	-
Tools		**1,094,402**	286,473
Receivables against rent, maintenance and other services	9	**66,869,992**	51,477,998
Advances and prepayments	10	**23,672,653**	30,318,768
Due from a related party	11	**74,100**	-
Taxation – net		**103,837,162**	107,307,694
Cash and bank balances	12	**353,630,169**	852,543,314
		1,436,034,664	1,041,934,247
TOTAL ASSETS		**6,860,242,471**	6,110,437,268
EQUITY AND LIABILITIES			
SHARE CAPITAL			
Authorised capital			
300,000,0000 (2016: 220,000,000) ordinary shares of Rs.10/- (2016: Rs. 10/-) each		**3,000,000,000**	2,200,000,000
Issued, subscribed and paid-up capital	13	**2,735,113,670**	2,080,000,000
Share premium account		**560,563,555**	140,497,151
Accumulated profit		**1,053,438,147**	722,137,012
		4,349,115,372	2,942,634,163
Non-controlling interest		**87,635,191**	-
		4,436,750,563	2,942,634,163
NON-CURRENT LIABILITIES			
Long-term financing	14	**1,900,573,763**	2,022,611,362
Liabilities against assets subject to finance leases		**-**	9,500,045
Due to related parties	16	**-**	275,645,979
Accrued mark-up	17	**-**	19,095,500
		1,900,573,763	2,326,852,886
CURRENT LIABILITIES			
Trade and other payables	15	**113,214,377**	228,074,341
Due to related parties	16	**11,912,538**	-
Accrued mark-up	17	**60,743,064**	-
Short-term borrowings		**-**	200,000,000
Current portion of non-current liabilities		**232,250,000**	342,383,916
Advances against rent, maintenance and other services	18	**103,899,416**	70,491,962
Share application money		**898,750**	-
		522,918,145	840,950,220
CONTINGENCIES AND COMMITMENTS	19		
TOTAL EQUITY AND LIABILITIES		**6,860,242,471**	6,110,437,268

The annexed notes from 1 to 31 form an integral part of these consolidated financial statements.

Chief Executive | Chief Financial Officer | Director

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
Revenue	20	**542,269,988**	505,545,603
Direct operating costs	21	**(149,374,655)**	(137,947,688)
Gross profit		**392,895,333**	367,597,915
Administrative and general expenses	22	**(151,678,078)**	(88,163,808)
Exchange loss - net		**-**	(57,400,000)
Finance costs	23	**(196,137,972)**	(274,763,066)
Other income	24	**301,670,153**	284,226,098
Profit before taxation		**346,749,436**	231,497,139
Taxation	25	**(16,403,709)**	(872,453)
Profit for the year		**330,345,727**	230,624,686
Other comprehensive income for the year, net of tax		**-**	-
Total comprehensive income for the year		**330,345,727**	230,624,686
Attributable to:			
Owners of the Holding Company		**331,301,135**	230,624,686
Non-controlling interests		**(955,408)**	-
		330,345,727	230,624,686
Earnings per share – Basic and diluted		**1.58**	1.68

The annexed notes from 1 to 31 form an integral part of these consolidated financial statements.

Chief Executive

Chief Financial Officer

Director

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		346,749,436	231,497,139
Adjustment for non-cash items:			
Depreciation	4.1	**37,026,076**	35,260,343
Finance costs	23	**196,137,972**	274,763,066
Mark-up on savings account	24	**(3,814,384)**	(3,636,502)
Fair value gain on investment property	24	**(288,765,209)**	(274,217,887)
Exchange loss – net		**-**	57,400,000
Fixed assets written off		**38,565**	-
		(59,376,980)	89,569,020
Working capital changes			
(Increase) / decrease in current assets			
Tools		**(807,928)**	(11,000)
Receivable against rent, maintenance and other services		**(15,391,995)**	(35,262,128)
Advances and prepayments		**6,646,115**	6,979,127
Due from a related party		**(74,100)**	-
Other receivables		**-**	203,550
		(9,627,908)	(28,090,451)
(Decrease) / increase in current liabilities			
Trade and other payables		**(113,960,964)**	8,066,643
Due to related parties		**-**	(9,130,312)
Advances against rent, maintenance and other services		**33,407,454**	(30,758,556)
		(80,553,510)	(31,822,225)
Cash flows from operations		**197,191,038**	261,153,483
Finance costs paid		**(155,419,386)**	(473,399,412)
Mark-up on savings account received		**3,814,384**	3,636,502
Income tax paid		**(35,312,190)**	(57,125,636)
Net cash flows from / (used in) operating activities		**10,273,846**	(265,735,063)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		**(40,269,005)**	(9,111,969)
Expenditure incurred on investment property	5.1	**(46,918,610)**	(38,782,113)
Long term deposits – net		**5,540,944**	(100,000)
Net cash flows used in investing activities		**(81,646,671)**	(47,994,082)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance share capital		**300,000,004**	1,197,181,000
Share issuance cost		**(22,135,323)**	(76,683,849)
Long-term financing – net		**(232,171,515)**	(30,750,000)
Liabilities against assets subject to finance lease		**(9,500,045)**	(30,484,130)
Due to related parties		**(263,733,441)**	(290,541,608)
Short-term borrowings - net		**(200,000,000)**	200,000,000
Net cash flows (used in) / from financing activities		**(427,540,320)**	968,721,413
Net increase in cash and cash equivalents		**(498,913,145)**	654,992,268
Cash and cash equivalents at the beginning of the year		**852,543,314**	197,551,046
Cash and cash equivalents at the end of the year	12	**353,630,169**	852,543,314

The annexed notes from 1 to 31 form an integral part of these consolidated financial statements.

Chief Executive	Chief Financial Officer	Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2017

	Share capital	Capital Reserves - Share premium Account	Revenue Reserves - Accumulated profit	Total	Non-controlling interest	Total
	----------------	----------------	----------------	(Rupess)	----------------	----------------
Balance at June 30, 2015	1,100,000,000	-	491,512,326	1,591,512,326	-	1,591,512,326
Issuance of shares having face value of Rs.10/- each at a premium of Rs.2.5/- per share						
- On September 15, 2015, 15,704,000 ordinary right shares	157,040,000	39,260,000	-	196,300,000	-	196,300,000
- On June 08, 2016, 8,000,000 ordinary shares	80,000,000	20,000,000	-	100,000,000	-	100,000,000
- On June 30, 2016, 55,750,000 ordinary shares	557,500,000	139,375,000	-	696,875,000	-	696,875,000
	794,540,000	198,635,000	-	993,175,000	-	993,175,000
Issuance of 18,546,000 ordinary shares having face value of Rs.10/- each at a premium of Re.1/- per share on September 15, 2015 under the share purchase agreement	185,460,000	18,546,000	-	204,006,000	-	204,006,000
Share issuance cost	-	(76,683,849)	-	(76,683,849)	-	(76,683,849)
Profit for the year			230,624,686	230,624,686	-	230,624,686
Other comprehensive income for the year, net of tax	-	-	-	-	-	-
Total comprehensive income for the year	-	-	230,624,686	230,624,686	-	230,624,686
Balance at June 30, 2016	**2,080,000,000**	**140,497,151**	**722,137,012**	**2,942,634,163**	**-**	**2,942,634,163**
Issuance of 17,910,448 ordinary shares in cash having face value of Rs.10/- each at a premium of Rs.6.75/- per share on June 21, 2017 under the share purchase agreement	**179,104,480**	**120,895,524**	**-**	**300,000,004**	**-**	**300,000,004**
Issuance of 47,600,919 ordinary shares other than cash having face value of Rs.10/- each at a premium of Rs.6.75/- per share on June 21, 2017 under the share purchase agreement	**476,009,190**	**321,306,203**	**-**	**797,315,393**	**-**	**797,315,393**
	655,113,670	**442,201,727**	**-**	**1,097,315,397**	**-**	**1,097,315,397**
Share issuance cost	**-**	**(22,135,323)**	**-**	**(22,135,323)**	**-**	**(22,135,323)**
Acquisition of subsidiary	**-**	**-**	**-**	**-**	**88,590,599**	**88,590,599**
Loss attributable to non-controlling interest for the year	**-**	**-**	**-**	**-**	**(955,408)**	**(955,408)**
	-	**-**	**-**	**-**	**87,635,191**	**87,635,191**
Profit for the year	**-**	**-**	**331,301,135**	**331,301,135**	**-**	**331,301,135**
Other comprehensive income for the year, net of tax	**-**	**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the year	**-**	**-**	**331,301,135**	**331,301,135**	**-**	**331,301,135**
Balance at June 30, 2017	**2,735,113,670**	**560,563,555**	**1,053,438,147**	**4,349,115,372**	**87,635,191**	**4,436,750,563**

The annexed notes from 1 to 31 form an integral part of these consolidated financial statements.

Chief Executive	Chief Financial Officer	Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

1. LEGAL STATUS AND OPERATIONS OF THE GROUP

The Group comprises of TPL Properties Limited, its subsidiary companies i.e. Centrepoint Management Services (Private) Limited and HKC Limited that have been consolidated in these financial statements.

1.1. Holding Company

TPL Properties Limited [the Holding Company]

TPL Properties Limited (the Holding Company) was incorporated in Pakistan as a private limited company on February 14, 2007 under the repealed Companies Ordinance, 1984. Subsequently in 2016, the Holding Company had changed its status from private limited company to public company and was listed on the Pakistan Stock Exchange Limited. The principal activity of the Holding Company is to invest, purchase, develop and build real estate and to sell, rent out or otherwise dispose off in any manner the real estate including commercial and residential buildings, houses, shops, plots or other premises. The registered office of the Holding Company is situated at Centrepoint Building, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi. TPL Holdings (Private) Limited and TPL Trakker Limited are the ultimate holding company and holding company respectively, as of balance sheet date.

1.2. Subsidiary Companies

1.2.1. Centrepoint Management Services (Private) Limited [CMS]

CMS was incorporated in Pakistan as a private limited company on August 10, 2011 under the repealed Companies Ordinance, 1984. The principal activity of CMS is to provide building maintenance services to all kinds and description of residential and commercial buildings. The registered office of CMS is situated at Centrepoint Building, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi.

CMS had started its business activities and operations in year 2014 by providing maintenance and other services under the terms of an agreement to the Centrepoint Project of the Holding Company. Currently, the CMS is in start-up phase and fully supported by the financial support of the holding company to achieve its full potential in order to make adequate profits and generate positive cash flows.

1.2.2. HKC Limited [HKC]

HKC Limited was incorporated in Pakistan on September 13, 2005 as a public limited company under the repealed Companies Ordinance, 1984. The Company is principally engaged in the acquisition and development of real states and renovation of buildings and letting out. The registered office of the Company is situated at 46-C, Block 6, P.E.C.H.S, Karachi.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 STATEMENT OF COMPLIANCE

During the year, the Companies Act, 2017 (the Act) has been promulgated, however, Securities and Exchange Commission of Pakistan (SECP) vide its circular No. 17 of 2017 dated July 20, 2017 communicated its decision that the companies whose financial year closes on or before June 30, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Accordingly, the Group's financial statements for the year ended June 30, 2017 have been prepared considering the requirements of the repealed Companies Ordinance, 1984 and 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) and Islamic Financial Accounting Standards (IFAS) issued by Institute of Chartered Accountants of Pakistan (ICAP), as are notified under the repealed Companies Ordinance, 1984, provisions of 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.

Due to promulgation of Companies Act, 2017, the additional disclosures are expected to be included in the financial statements of the Group for the year ended 30 June 2018. Currently, the Group is assessing the impact of these requirements on the Group's financial statements.

2.2. Basis of preparation

These consolidated financial statements have been prepared under the historical cost convention except for investment property which has been measured at fair value.

2.3. Basis of consolidation

These consolidated financial statements comprise of the financial statements of the Holding Company and its subsidiary companies, CMS and HKC, as at June 30, 2017, here-in-after referred to as 'the Group'.

2.3.1. Subsidiaries

Subsidiaries are those entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

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

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

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

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

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

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

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

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

CMS and HKC have the same reporting period as that of the Holding Company. The accounting policies of subsidiaries have been changed to confirm with accounting policies of the Group, wherever needed.

2.3.2. Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investment in its associate is accounted for using the equity method of accounting. Under the equity method, the investment in the associate is carried in the balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is not amortised or separately tested for impairment.

The Group's share of its associate's post-acquisition profits and losses is recognised in the profit and loss account, and its share of profit of post-acquisition movements in reserve is recognised in consolidated reserves. The cumulative post-acquisition movements are adjusted against the investment. When the Group's share of losses in the associate equals or exceeds its interest in associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.4. Standards, amendments and interpretations adopted during the year

The accounting policies adopted in the preparation of these consolidated financial statements are consistent with those of the previous financial year except as described below:

New and Revised Standards

The Group has adopted the following new standards to IFRSs which became effective for the current year:

IFRS 10 – Consolidated Financial Statements
IFRS 11 – Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment)
IFRS 12 – Disclosure of Interests in Other Entities
IAS 1 – Presentation of Financial Statements - Disclosure Initiative (Amendment)
IAS 16 Property, Plant and Equipment and IAS 38 intangible assets - Clarification of Acceptable Method of Depreciation and Amortization (Amendment)
IAS 16 Property, Plant and Equipment IAS 41 Agriculture - Agriculture: Bearer Plants (Amendment)
IAS 27 – Separate Financial Statements – Equity Method in Separate Financial Statements (Amendment)

The adoption of the above standards did not have any material effect on these consolidated financial statements.

2.5. Significant accounting judgments, estimates and assumptions

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

In the process of applying the Group's accounting policies, the management has made the following judgments, estimates and assumptions which are significant to these consolidated financial statements:

a) Operating fixed assets

The Group reviews the useful lives, methods of depreciation and residual values of operating fixed assets on the reporting date. Any change in the estimates in future years might affect the carrying amounts of the respective items of operating fixed assets with a corresponding effect on the depreciation charge and impairment.

b) Fair value of investment property

The Group carries its investment property at fair value, with changes in fair value being recognised in the profit or loss. An independent valuation specialist is engaged by the Group to assess fair value of investment property based on values with reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

c) Recognition of tax and deferred tax

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

d) Classification of property

The Group determines whether a property is classified as investment property or inventory property: Investment property comprises land and buildings (principally offices, commercial warehouse and retail property) that are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory property comprises property that is held for sale in the ordinary course of business. Principally, this is residential property that the Group is developing and intends to sell before or on completion of construction.

Other areas where judgments, estimates and assumptions involved are disclosed in respective notes to these consolidated financial statements.

2.6. Property, plant and equipment

2.6.1. Owned

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is recognised in profit and loss account applying the straight-line method. Depreciation on additions during the year is charged from the month of addition, whereas, depreciation on derecognition is charged upto the month in which the derecognition takes place.

Rates of depreciation which are disclosed in note 4 to these consolidated financial statements are designed to write-off the cost over the estimated useful lives of the assets.

Major renewals and improvements for assets are capitalized, if recognition criteria is met and the assets so replaced, if any, are retired. Maintenance and normal repairs are recognised in profit and loss account.

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

An item of property, plant and equipment initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gain or loss on disposal on derecognition of an asset represented by the difference between the sale proceeds and the carrying amount of the asset, is recognised in profit and loss account.

2.6.2. Capital work-in-progress

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

2.6.3. Leased

Finance leases, which transfer to the Group substanitally all the risks and benefits incidental to ownership of leased items are capitalised at the inception of lease. Assets subject to finance leases are initially recorded at the lower of the present value of minimum lease payments under the lease agreements and fair value of the leased assets. The related obligations under the lease, net of financial charges allocated to future periods, are shown as a liability. Income arising from sale and lease back transactions, if any, is deferred and is amortised equally over the lease period, whereas, loss is immediately recognised in profit and loss account. Financial charges are calculated at the interest rate implicit in the lease and are charged to profit and loss account. Leased assets are depreciated on a straight-line method at the same rate as Group's owned assets as disclosed in note 4 to these consolidated financial statements.

2.7. Investment property

Investment property comprises completed property and property under construction that is held to earn rentals or for capital appreciation or both.

Investment property is measured initially at cost including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and initial leasing commissions to bring the property to the condition necessary for it to be capable of operating. The carrying amount also includes the cost of replacing part of an existing investment property at the time that cost is incurred, if the recognition criteria is met.

Subsequent to initial recognition, investment property is stated at fair value which reflects market condition at reporting date. Gains or losses arising from changes in the fair values are included in the profit and loss account in the year in which they arise, including the corresponding tax effect, if any. Fair values are determined based on an annual valuation performed by an accredited independent valuer.

Investment property under construction is measured at cost less accumulated impairment losses, if any. Cost includes the cost of land acquired for the development of project and other purchase cost, related government taxes, construction cost, borrowing cost and other overheads necessary to bring the premises for capital appreciation and rental earnings.

Investment property is derecognised when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the derecognition of investment property are recognised in the profit and loss account in the year of retirement or disposal. Gains or losses on the disposal of investment property are determined as the difference between net disposal proceeds and the carrying value of the asset.

Transfers are made to or from the investment property only when there is a change in use. For a transfer from Investment property to owner-occupied, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Maintenance and normal repairs are charged to profit and loss account, as and when incurred. Major renewals and improvements, if any, are capitalised.

2.8. Inventory property

Property acquired or being constructed in the ordinary course of business for sale rather than to be held for rentals or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value (NRV). Construction and other expenditure attributable to such property are included in inventory property until disposal.

2.9. Impairment

2.9.1. Financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Any impairment losses on financial assets including financial assets carried at amortised cost are recognised in profit and loss account.

2.9.2. Non-financial assets and investments in subsidiaries

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

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

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

2.10. Tools

These are valued at cost less any provision for slow moving and obsolete stores and spares. Cost is determined on weighted average basis. Value of items is reviewed at each balance sheet date to record provision for any slow moving items, where necessary.

2.11. Receivables against rent, maintenance and other services

Receivables against rent, maintenance and other services originated by the Group are recognised and carried at original invoice amount less provision for doubtful receivables, if any. An estimated provision for doubtful receivable is made when there is objective evidence that the Group will not be able to collect all amount due. No provision is made in respect of the active customers which are considered good. Bad debts are written-off, as and when identified.

2.12. Advances, prepayments and other receivable

Advance, prepayments, other receivables and receivables from related parties are recognised and carried at cost which is the fair value of the consideration.

2.13. Cash and cash equivalents

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

2.14.Trade and other payables

Trade and other payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services acquired, whether or not billed to the Group.

2.15. Provisions

Provisions are recognised when:

a) the Group has a present obligation (legal or constructive) as a result of past events;
b) it is probable that an outflow of resources will be required to settle the obligation; and
c) a reliable estimate of the amount can be made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

2.16. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates, and sales tax or duty. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as a principal or an agent. The Group has concluded that it is acting as a principal in all its revenue arrangements. The following are the specific recognition criteria that must be met before revenue is recognised:

a) Rental income receivable from operating leases except are recognized at straight-line basis over the lease term except for contingent rental income which is recognised when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income. Incentives for lessee to enter into lease agreements are spread evenly over the lease term, even if the payments are not made on such a basis. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the directors are reasonably certain that the tenant will exercise that option. Amounts received from tenants to terminate leases or to compensate for dilapidations are recognised in the profit and loss account when the right to receive them arises;

b) Service income from rendering of maintenance, electicity and air conditioning, IT services and placement of sign boards are recorded when services are rendered.

c) Interest income is recognised as it accrues, using the effective interest rate method; and

d) Revenue from sale of residential property is recognised when both: (i) construction is complete; and (ii) legal title to the property has been transferred.

2.17. Taxation

Current

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

Deferred

Deferred tax is provided using the liability method on all temporary differences arising at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the asset is recognised or the liability is settled based on the tax rates (and tax laws) that have been enacted or substantially enacted at the balance sheet date.

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

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

2.18. Foreign currency translations

The consolidated financial statements are presented in Pakistani Rupee, which is the Group's functional and presentation currency. Foreign currency transactions during the year are translated at the exchange rates ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates of exchange ruling at the balance sheet date. Any resulting gain or loss arising from changes in exchange rates is taken to the profit and loss account. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

2.19. Staff retirement benefits - defined contribution plan

The Company operates a recognised provident fund (defined contribution scheme) for its permanent employees who have completed the minimum qualifying period of service. Equal monthly contributions are made, both by the Company and the employees at the rate of 8.33 percent of the basic salary.

2.20. Financial instruments

All the financial assets and financial liabilities are recognised at the time when the Group becomes a party to the contractual provisions of the instrument. All financial assets are derecognised at the time when the Group loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognised at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled or expired. Any gain or losses on derecognition of financial assets and financial liabilities are taken to the profit and loss account.

2.21.Off-setting of financial assets and financial liabilities

A financial asset and a financial liability is off-set and the net amount is reported in the balance sheet only if the Group has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.22. Borrowing costs

Borrowing and other related costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in the year in which they are incurred.

2.23. Dividend and appropriation to reserves

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

2.24. Standards, interpretations and amendments to approved accounting standards that are not yet effective

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

Standard or Interpretation		Effective date (annual periods beginning on or after)
IFRS 2:	Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)	January 01, 2018
IFRS 10	Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalised
IAS 7	Statement of Cash Flows: Disclosure Initiative - (Amendment)	January 01, 2017
IAS 12	Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)	January 01, 2017
IFRS 4	Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments)	January 01, 2018
IAS 40	Investment Property: Transfers of Investment Property (Amendments)	January 01, 2018
IFRIC 22	Foreign Currency Transactions and Advance Consideration	January 01, 2018
IFRIC 23	Uncertainty over Income Tax Treatments	January 01, 2019

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

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in September 2014. Such improvements are generally effective for accounting periods beginning on or after January 01, 2016. The Company expects that such improvements to the standards will not have any material impact on the Group's financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan.

Standard		IASB Effective date (annual periods beginning on or after)
IFRS 9	Financial Instruments: Classification and Measurement	January 01, 2018
IFRS 14	Regulatory Deferral Accounts	January 01, 2016
IFRS 15	Revenue from Contracts with Customers	January 01, 2018
IFRS 16	Leases	January 01, 2019
IFRS 17	Insurance Contracts	January 01, 2021

Currently, the Group is assessing the impact of above standards on the Group's financial statements in the period of initial application.

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CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

3. BUSINESS COMBINATION

Acquisitions of HKC Limited

On June 19, 2017, the Group acquired 90 percent of the shares of HKC Limited, an unlisted company incorporated in Pakistan. HKC Limited holds land to be used for the development of real estates the acquisition was made to give the Group access to assets. The existing strategic management function and associated processes were acquired with the property and, as such, the Directors consider this transaction the acquisition of a business, rather than an asset acquisition.

Assets acquired and liabilities assumed

The fair value of the identifiable assets and liabilities of HKC Limited as at the date of acquisition were:

	Note	Fair value recognised on acquisition	Carrying value as at date of acquisition
Assets			
Inventory property	3.1	**888,738,989**	207,950,750
Short term prepayments		**12,000**	12,000
Bank balances		**1,011,000**	1,011,000
		889,761,989	208,973,750
Liabilities			
Share application money		**(898,750)**	(898,750)
Long term deposits		**(450,000)**	(450,000)
Trade and other payables		**(2,467,000)**	(2,467,000)
Taxation - net		**(40,000)**	(40,000)
		(3,855,750)	(3,855,750)
Total identifiable net assets at fair value		**885,906,239**	205,118,000
Non-controlling interest	3.2	**(88,590,599)**	-
Purchase consideration transferred	3.3	**797,315,640**	205,118,000

3.1. For determining the fair value of inventory property at the time of acquisition as required by IFRS 3 'Business Combination', an independent valuation of inventory property was carried out by an independent professional valuer and the fair value of Rs. 888.738 million was determined based on values with reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property. The fair value of inventory property falls under level 2 of fair value hierarchy (i.e. significant observable inputs).

3.2. The Group has elected to measure non-controlling interest in HKC at the proportionate share in the recognised amount in the acquiree's net identifiable assets.

3.3. Represents 47,600,919 shares issued under share purchased arrangement dated June 19, 2017 at face value of Rs. 10/- and premium of Rs. 6.75 amounting to Rs. 797.316 million. Incidental costs of issuance of such shares have been charged to share premium reserves.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

4. PROPERTY, PLANT AND EQUIPMENT

	COST			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2016	Additions / (write-off) transfers*	As at June 30, 2017	As at July 01, 2016	Charge for the year (write-off) transfers*	As at June 30, 2017	As at June 30, 2017	Depre-ciation Rate
	(Rupees)							%
Owned								
Power generation unit	90,962,021	6,892,240 *64,053,603	161,907,864	9,438,780	5,901,502 *9,449,394	24,789,676	137,118,188	3.33 & 5
Furniture and fixtures	7,036,859	43,000 (76,180)	7,003,679	1,458,685	1,402,912 (75,540)	2,786,057	4,217,622	20
Vehicles	3,642,283	2,628,649	6,270,932	3,047,988	1,050,257	4,098,245	2,172,687	20
Electrical equipment	172,208,767	6,254,578 *82,936,672	261,400,017	26,031,477	15,465,771 *19,332,950	60,830,198	200,569,819	3.33 - 10
IT equipment	36,570,100	2,218,700	38,788,800	17,590,795	7,922,574	25,513,369	13,275,431	20
Computer and accessories	3,304,407	2,625,961 (436,890)	5,493,478	2,198,069	1,444,890 (398,965)	3,243,994	2,249,484	33.33
Gym equipment	-	11,415,174	11,415,174	-	197,771	197,771	11,217,403	
	313,724,437	32,078,302 (513,070) *146,990,275	492,279,944	59,765,794	33,385,677 (474,505) *28,782,344	121,459,310	370,820,634	
Leased								
Power generation unit	64,053,603	*64,053,603	-	8,095,949	1,353,445 *9,449,394	-	-	5
Electrical equipment	82,936,672	*82,936,672	-	17,045,998	2,286,952 *19,332,950	- -	-	3.33 - 10
	146,990,275	146,990,275	-	25,141,947	3,640,397	-	-	
2017	460,714,712	32,078,302 (513,070) *146,990,275	492,279,944	84,907,741	37,026,074 (474,505) *28,782,344	121,459,310	370,820,634	

* Represents transfer from leased to owned assets

	COST			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2015	Additions	As at June 30, 2016	As at July 01, 2015	Charge for the year	As at June 30, 2016	As at June 30, 2016	Depre-ciation Rate
	(Rupees)							%
Owned								
Power generation unit	90,962,021	-	90,962,021	5,571,102	3,867,678	9,438,780	81,523,241	3.33 & 5
Furniture and fixtures	573,420	6,463,439	7,036,859	161,621	1,297,064	1,458,685	5,578,174	20
Vehicles	3,642,283	-	3,642,283	2,328,431	719,557	3,047,988	594,295	20
Electrical equipment	170,444,165	1,764,602	172,208,767	15,270,426	10,761,051	26,031,477	146,177,290	3.33 - 10
IT equipment	36,570,100	-	36,570,100	10,074,982	7,515,813	17,590,795	18,979,305	20
Computer and accessories	2,420,479	883,928	3,304,407	1,208,854	989,215	2,198,069	1,106,338	33.33
	304,612,468	9,111,969	313,724,437	34,615,416	25,150,378	59,765,794	253,958,643	
Leased								
Power generation unit	64,053,603	-	64,053,603	4,847,682	3,248,267	8,095,949	55,957,654	5
Electrical equipment	82,936,672	-	82,936,672	10,184,300	6,861,698	17,045,998	65,890,674	3.33 - 10
	146,990,275	146,990,275	15,031,982	10,109,965	25,141,947	121,848,328		
2016	451,602,743	9,111,969	460,714,712	49,647,398	35,260,343	84,907,741	375,806,971	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
4.1. The depreciation charge for the year			
Direct operating costs	21	**33,353,087**	32,368,616
Administrative and general expenses	22	**3,672,989**	2,891,727
		37,026,076	35,260,343

5. INVESTMENT PROPERTY

	Note	2017 Rupees	2016 Rupees
Investment property	5.1	**4,967,683,819**	4,632,000,000
Capital work-in-progress	5.3	**8,190,703**	-
		4,975,874,522	4,632,000,000

5.1. The movement in investment property during the year is as follows:

	Note	2017 Rupees	2016 Rupees
As at July 01, 2016		**4,632,000,000**	4,319,000,000
Add: Additions during the year - subsequent expenditure		**46,918,610**	38,782,113
		4,678,918,610	4,357,782,113
Gain from fair value adjustment	5.2	**288,765,209**	274,217,887
As at June 30, 2017		**4,967,683,819**	4,632,000,000

5.2. An independent valuation of Centrepoint Project was carried out by an independent professional valuer on June 30, 2017 and the fair value of Rs. 4,967 million (2016: Rs. 4,632 million) was determined with reference to market based evidence, active market prices and relevant information. Accordingly, the fair value adjustment for the year of Rs. 288.765 million (2016: Rs. 274.218 million) is recognized in the profit and loss account (note 24). The fair value of investment property fall under level 2 of fair value hierarchy (i.e. significant observable inputs).

5.3. Represents expenses incurred on various projects of the Holding Company related to the construction of investment property.

6. LONG-TERM DEPOSITS – unsecured, considered good

	2017 Rupees	2016 Rupees
Security deposits		
Leased assets	-	5,540,944
Central Depository Company of Pakistan Limited	**86,919**	100,000
City District Government Karachi	**100,000**	86,919
	186,919	5,727,863

6.1. These deposits are non-interest bearing.

7. DEFERRED TAX ASSET

	2017 Rupees	2016 Rupees
Deferred tax assets on deductible temporary differences:		
Unused tax losses	**152,905,734**	158,002,592
Liabilities against assets subject to finance leases	-	11,124,489
	152,905,734	169,127,081
Deferred tax liability on taxable temporary differences:		
Property, plant and equipment – owned and leased	**(37,343,206)**	(75,153,501)
Advance against rent from tenants (net of receivables)	**(38,236,796)**	(39,005,393)
	(75,580,002)	(114,158,894)
	77,325,732	54,968,187

Deferred tax asset of Rs. 14.238 million has not been recognised on business losses in accordance with the Group's policy as stated in note 2.17 to the financial statements.

8. INVENTORY PROPERTY

Represents assets transferred from property, plant and equipment (i.e. land and capital work-in-progress incurred thereon) to the inventory property due to change in the anticipated use of the underlying property. The land is intended to be used for development of residential building thereon which shall be sold in the ordinary course of business.

	Note	2017 Rupees	2016 Rupees
9. RECEIVABLE AGAINST RENT, MAINTENANCE AND OTHER SERVICES - unsecured, considered good			
Receivables against rent			
Related party			
TPL Trakker Limited – the holding company		**6,104,189**	16,150,330
Others		**20,451,603**	4,816,429
	9.1	**26,555,792**	20,966,759
Receivables against maintenance			
Related party:		**2,805,905**	-
TPL Trakker Limited – the holding company		**89,006**	-
Others	9.2	**2,894,911**	-
Receivables against electricity and air conditioning services			
Related parties			
TPL Trakker Limited – the holding company		**18,000,541**	3,588,163
TPL Direct Insurance Limited – an associated company		**1,020,008**	1,001,244
		19,020,549	4,589,407
Others		**12,178,133**	8,024,725
	9.2	**31,198,682**	12,614,131
Receivables against other water supply services			
Related parties			
TPL Trakker Limited – the holding company		**1,425,698**	234,395
TPL Direct Insurance Limited – an associated company		**129,337**	2,869,918
		1,555,035	3,104,313
Others		**2,857,573**	12,962,639
	9.2	**4,412,608**	16,066,952
Receivables against IT services			
Related party			
TPL Trakker Limited – the holding company		**1,807,999**	1,830,156
		66,869,992	51,477,998

9.1. Represents non-interest bearing amount receivable from tenants on account of premises taken on rent in Centrepoint Project. These are interest free and are past due more than 6 months and upto 1 year but not impaired.

9.2. These are interest free and are past due upto 1 year but not impaired.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	2017	2016
	Rupees	Rupees
10. ADVANCES AND PREPAYMENTS		
Advances – unsecured, considered good		
Suppliers and contractors	**16,461,105**	23,547,999
Employees	**1,122,437**	282,258
	17,583,542	23,830,257
Prepayments		
Insurance	**4,385,111**	4,988,511
Security trustee fee	**847,500**	750,000
Agency fee	**847,500**	750,000
Others	**9,000**	-
	6,089,111	6,488,511
	23,672,653	30,318,768

10.1. These advances are non-interest bearing and generally on an average term of 1 to 12 months.

11. DUE FROM A RELATED PARTY – unsecured, considered good

Represents expenses incurred on behalf of TPL Trakker Limited – a related party by CMS which is receivable on demand.

	Note	2017	2016
12. CASH AND BANK BALANCES		Rupees	Rupees
Cash in hand		20,966	-
Cash at banks in local currency			
current accounts			
- islamic banking		**20,396,871**	107,889,704
- conventional banking		**11,238,845**	700,255,211
		31,635,716	808,144,915
savings accounts			
- islamic banking	12.1	**265,214,074**	27,028,001
- conventional banking	12.2	**56,759,413**	17,370,398
		321,973,487	44,398,399
		353,630,169	852,543,314

12.1. Included herein a cash deposit of Rs. 16.854 million under lien (note 19.2.1) and Rs. 250 million on account of Term deposit placed with Habib Bank Limited carrying mark-up ranging from 5 percent to 5.4 percent.

12.2. These carry mark-up ranging from 3.75 percent to 5.8 percent (2016: 3.8 percent to 5.9 percent per annum).

13. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2017	2016			2017	2016
---- (No. of shares) ----			Note	Rupees	Rupees
		Ordinary shares of Rs.10/- each			
158,010,000	60,010,000	- Issued for cash consideration	13.4	**1,580,100,000**	600,100,000
17,910,448	98,000,000	- Issued during the year for cash consideration	13.3	**179,104,480**	980,000,000
175,920,448	158,010,000			**1,759,204,480**	1,580,100,000
49,990,000	49,990,000	- Issued for consideration other than cash	13.1	**499,900,000**	499,900,000
47,600,919	-	- Issued for consideration other than cash	13.2	**476,009,190**	-
97,590,919	49,990,000	during the year		**975,909,190**	499,900,000
273,511,367	208,000,000			**2,735,113,670**	2,080,000,000

13.1. Shares issued against acquisition of the business of A&A Associates, an unregistered partnership firm under an agreement dated June 28, 2010 on net assets basis at their carrying value which approximates its fair value at the date of acquisition i.e. May 31, 2010.

13.2. Represents shares issued against purchase of 8,532,000 ordinary shares of HKC Limited (the subsidiary company), constituting 90 percent of the issued, subscribed and paid-up share capital of the subsidiary company under a share purchase arrangement dated: June 19, 2017 through issuance of 47,600,919 shares of the Holding Company at face value of Rs. 10 per share and premium of Rs. 6.75 per share on net asset basis at their fair value determined on the date of acquisition i.e. March 30, 2017.

13.3. During the year, the Holding Company has issued 17,910,448 shares to Alpha Beta Capital Markets (Private) Limited against cash at premium of Rs. 6.75 per share.

13.4. TPL Holdings (Private) Limited (the ultimate holding company), TPL Trakker Limited (the holding company), Mr. Ali Jameel (CEO) and Mr. Jameel Yusuf Ahmed (a director) holds 21,104,000, 55,000,000, 19,199,994 and 14,800,000 (2016: 21,104,000, 55,000,000, 19,199,994 and 14,800,000) ordinary shares of nominal value of Rs.10/- (2016: Rs.10/-) each representing 8 percent, 20 percent, 7 percent and 5 percent (2016: 10 percent, 26 percent, 9 percent and 7 percent) respectively of the paid-up capital of the Holding Company as of the balance sheet date.

	Note	2017 Rupees	2016 Rupees
14. LONG-TERM FINANCING			
Musharika finance	14.1	**1,865,443,975**	-
Demand finance (conventional)		-	2,074,861,362
Diminishing musharika – I (islamic)		-	109,375,000
Diminishing musharika – II (islamic)		-	18,750,000
Diminishing musharika	14.2	**267,379,788**	37,500,000
		2,132,823,763	2,240,486,362
Less: Current portion shown under current liabilities		**(232,250,000)**	(217,875,000)
		1,900,573,763	2,022,611,362

14.1. The Holding Company entered into the Musharaka facility agreement of Rs. 2,400 million with a bank through an agreement dated May 26, 2015. Out of which the Company has utilized facility upto Rs. 2,100 million as at balance sheet date. It carries mark-up at the rate of 6 months KIBOR plus 1.75 percent per annum, and is repayable semi-annually in arrears over a period of seven years including 1 year grace period. The facility is secured against hypothecation charge over hypothecated fixed and current assets of Rs. 2,800 million and by way of personal and corporate guarantee of Chief Executive and a related party.

14.2. During the year, the CMS (the subsidiary company) has obtained a Musharika finance facility aggregating Rs. 275 million from a bank for a period of upto 6.3 years. The loan carries markup at the rate of 6 months KIBOR plus 2 percent per annum payable semi-annually in arrears and is repayable in 10 equal semi-annual installments of Rs. 27.5 million each latest by September 16, 2022. The first installment will become due after 15 months i.e. on March 16, 2018, from the date of first disbursement date i.e. December 20, 2016. This facility is secured against parri passu charge on present and future plant and machinery, assignment over maintenance agreements, corporate guarantee of the Holding Company, personal guarantee of a director and equitable mortgage over and land and building of the Holding Company.

	Note	2017	2016
		Rupees	Rupees
15. TRADE AND OTHER PAYABLES			
Creditors	15.1	**36,974,723**	67,179,093
Payable to contractors		**28,641,876**	44,962,971
Accrued expenses		**18,591,655**	65,090,149
Retention money		**15,473,152**	34,065,170
Workers' Welfare Fund (WWF)		**9,290,946**	9,290,946
Payable to employees		**222,240**	710,096
Withholding tax payable		**1,052,921**	408,827
Sales tax payable		**2,966,864**	6,367,089
	15.2	**113,214,377**	228,074,341

15.1. Included herein amount payable to TPL Security Services (Private) Limited, a related party, amounting to Rs. 1.930 million (2016: Rs. 22.833 million) on account of security services provided to the Company.

15.2. These payables are non-interest bearing and generally on an average term of 1 to 12 months.

	Note	2017	2016
		Rupees	Rupees
16. DUE TO RELATED PARTIES – unsecured			
TPL Holdings (Private) Limited – the ultimate holding company	16.1	**200,831**	32,651,583
TPL Trakker Limited – the holding company	16.2	**11,711,707**	243,307,801
Loan from a director		-	22,981,004
		11,912,538	298,940,388
Less: Current portion shown under current liabilities		-	23,294,409
		11,912,538	275,645,979

16.1. Represents loan financing facility provided to the Holding Company having a limit of Rs. 400 million carrying mark-up at the variable rate of 3 months KIBOR.

16.2. Represents loan financing facility provided to Holding Company having a limit of Rs. 250 million carrying mark-up at the variable rate of 3 months KIBOR plus 4 percent.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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	Note	2017 Rupees	2016 Rupees
17. ACCRUED MARK-UP			
Accrued mark-up on:			
Long-term financing	14	**51,281,490**	60,517,625
Due to related parties:			
- TPL Holdings (Private) Limited – the ultimate holding company	16.1	**9,444,212**	15,035,200
- TPL Trakker Limited – the holding company	16.2	**17,362**	13,482,945
- Loan from director		**-**	1,970,959
		9,461,574	30,489,104
Short-term borrowings		**-**	2,917,874
		60,743,064	93,924,603
Current portion shown under current liabilities		**(60,743,064)**	(74,829,103)
		-	19,095,500

	Note	2017 Rupees	2016 Rupees
18. ADVANCES AGAINST RENT, MAINTENANCE AND OTHER SERVICES			
Advances against rent			
Related party			
TPL Direct Insurance Limited – an associated company		**18,701,834**	19,110,536
Others	18.1	**41,155,965**	25,672,365
		59,857,799	44,782,901
Advances against maintenance services			
Related parties			
TPL Trakker Limited - the holding company		**-**	3,140,412
TPL Direct Insurance Limited – an associated company		**6,271,158**	3,423,669
Others		**37,070,459**	19,144,980
	18.2	**43,341,617**	25,709,061
Advances against other services			
Related party			
TPL Life Insurance Limited – an associated company		**700,000**	-
	18.2	**103,899,416**	70,491,962

18.1. Represents non-interest bearing advances received from tenants on account of premises taken on rent in Centrepoint Project.

18.2. These are non-interest bearing and generally on an average term of 01 to 12 months.

19. CONTINGENCIES AND COMMITMENTS

19.1. Contingencies

	2017	2016
Claims not acknowledged as debts	-	1,938,227

	2017	2016
	Rupees	Rupees
19.2 Commitments		
19.2.1. Revolving letter of credit	**16,854,000**	16,854,000

19.2.2. The Group's contractual commitments in respect of the construction of Centrepoint Project at year end are as follows:

	2017	2016
	Rupees	Rupees
Nadeem Associates		
- Total contract value	**22,976,262**	22,976,262
- Paid upto last year by the Holding Company	**(21,662,176)**	(19,950,217)
- Paid during the year by the Holding Company	**-**	(1,711,959)
Balance commitment	**1,314,086**	1,314,086
Power Professionals and Engineers		
- Total contract value	**62,588,574**	62,588,574
- Paid upto last year by the Holding Company	**(52,158,181)**	(50,158,181)
- Paid during the year by the Holding Company	**(2,500,000)**	(2,000,000)
Balance commitment	**7,930,393**	10,430,393
Kaaf Engineers		
- Total contract value	**45,321,030**	45,321,030
- Paid upto last year by the Holding Company	**(44,529,396)**	(41,529,396)
- Paid during the year by the Holding Company	**(791,634)**	(3,000,000)
Balance commitment	**-**	791,634
Hitech Engineering Services		
- Total contract value	**237,563,286**	225,657,030
- Paid upto last year by the Holding Company	**(217,525,286)**	(213,525,286)
- Paid during the year by the Holding Company	**(20,038,000)**	(4,000,000)
Balance commitment	**-**	8,131,744
Islamabad Industrial and Trading Corporation		
- Total contract value	**2,841,029**	-
- Paid during the year by the Holding Company	**(1,420,515)**	-
Balance commitment	**1,420,514**	-
Blue Sky Communications		
- Total contract value	**176,857**	-
Balance commitment	**176,857**	-
Sage Tech International		
- Total purchase order value	**321,750**	-
Balance commitment	**321,750**	-
EA Consulting (Private) Limited		
- Total purchase order value	**2,500,000**	-
- Paid during the year by the Holding Company	**(1,250,000)**	-
Balance commitment	**1,250,000**	-

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	2017	2016
	Rupees	Rupees
Premier Systems (Private) Limited		
- Total contract value	**35,415,889**	35,415,889
- Paid up to last year by the subsidiary company	**(34,721,639)**	(27,639,620)
- Paid during the year	**-**	(7,082,019)
Balance commitment	**694,250**	694,250
H.K. Shah Electronics		
- Total contract value	**44,444,250**	44,444,250
- Paid up to last year by the subsidiary company	**(43,540,662)**	(43,540,662)
Balance commitment	**903,588**	903,588
Telecom Engineering Company		
- Total contract value	**35,090,936**	35,090,936
- Paid up to last year by the subsidiary company	**(34,708,272)**	(32,708,272)
- Paid during the year	**-**	(2,000,000)
Balance commitment	**382,664**	382,664
Pioneer Engineering Services		
- Total contract value	**30,749,675**	30,749,675
- Paid up to last year by the subsidiary company	**(29,011,342)**	(27,011,342)
- Paid during the year	**(363,879)**	(2,000,000)
Balance commitment	**1,374,454**	1,738,333
Instrumentation and Management System		
- Total contract value	**16,754,322**	16,754,322
- Paid up to last year by the subsidiary company	**(15,204,797)**	(14,204,797)
- Paid during the year	**-**	(1,000,000)
Balance commitment	**1,549,525**	1,549,525
IDWELLNESS		
- Total contract value	**2,715,408**	-
- Paid during the year	**(2,543,463)**	-
Balance commitment	**171,945**	-

19.2.3. The Holding Company had entered into commercial property leases on its investment property with TPL Trakker Limited (the parent company) and TPL Direct Insurance Limited (an associated company) and other tenants. These non-cancellable leases have terms of five years. Future minimum rentals receivable under non-cancellable operating leases as at year end are as follows:

	Note	2017	2016
		Rupees	Rupees
Not later than one year		**425,269,718**	336,127,283
Later than one year but not later that five years		**758,250,069**	853,447,942
		1,183,519,787	1,189,575,225

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FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
20. REVENUE			
Related parties:			
TPL Trakker Limited – the holding company		**41,924,227**	41,924,227
TPL Direct Insurance Limited – an associated company		**45,423,204**	45,423,204
		87,347,431	87,347,431
Others		**275,437,398**	276,709,173
		362,784,829	364,056,604
Revenue from maintenance and services			
Related parties			
TPL Trakker Limited – the holding company		**7,383,958**	5,045,706
TPL Direct Insurance Limited – an associated company		**7,014,334**	5,135,494
		14,398,292	10,181,200
Others		**49,342,842**	37,303,527
	20.1	**63,741,134**	47,484,727
Revenue from electricity and conditioning services			
Related parties			
TPL Trakker Limited – the holding company		**22,876,281**	8,095,049
TPL Direct Insurance Limited – an associated company		**8,219,867**	5,772,913
		31,096,148	13,867,962
Others		**64,847,877**	57,936,327
	20.1	**95,944,025**	71,804,289
Revenue from IT services			
Related party			
TPL Trakker Limited – the holding company	20.1	**19,800,000**	22,199,983
		542,269,988	505,545,603

20.1. These include amount exclusive of sales tax amounting to Rs. 26.382 million (2016: Rs. 20.436 million).

	Note	2017 Rupees	2016 Rupees
21. DIRECT OPERATING COSTS			
Salaries, wages and other benefits	21.1	**41,641,416**	36,490,162
Water	21.2	**1,058,051**	(7,441,008)
Oil, gas and diesel		**46,126,756**	45,708,434
Depreciation	4.1	**33,353,087**	32,368,616
Repairs and maintenance		**5,388,551**	6,935,760
Insurance		**7,972,681**	10,049,459
Entertainment		-	202,277
Advertisement		**634,600**	707,542
Landscaping and plantation		**3,227,720**	2,621,400
Housekeeping and cleaning		**9,971,793**	10,084,000
Others		-	221,046
		149,374,655	137,947,688

21.1. These include Rs. 1.69 million (2016: Nil) in respect of staff retirement benefits (provident fund contribution).

21.2. These include water expenses net of reimbursement from tenants.

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FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
22. ADMINISTRATIVE AND GENERAL EXPENSES			
Salaries, wages and other benefits	22.1	**64,725,262**	38,352,520
Depreciation	4.1	**3,672,989**	2,891,727
Legal and professional		**12,964,964**	8,295,401
Auditors' remuneration	22.2	**2,578,610**	1,429,450
Repairs and maintenance		**14,796,247**	11,540,635
Rent		**7,370,108**	3,950,000
Fuel and mobile		**4,709,873**	4,027,410
Utilities		**1,617,592**	212,150
Water		**705,368**	678,800
Fire, safety and security		**9,947,366**	9,933,759
IT related expenses		**2,382,773**	2,956,248
Advertisement		**494,704**	250,107
Subscription		**208,100**	150,000
Entertainment		**5,648,069**	54,380
Printing and stationery		**2,830,298**	2,600,009
Travelling expenses		**8,389,201**	422,752
Fixed asset written off		**38,565**	-
Donation	22.3	**7,500,000**	-
Others		**1,097,989**	418,460
		151,678,078	88,163,808

22.1. These include Rs. 1.104 million in respect of staff retirement benefits (provident fund contribution).

22.2. Auditors' remuneration

	2017	2016
Audit fees		
Statutory		
Holding Company		
- standalone	**750,000**	495,000
- consolidation	**200,000**	109,500
	950,000	604,500
CMS	**400,000**	250,000
HKC	**350,000**	-
	750,000	250,000
Special		
Holding Company		
- standalone	-	300,000
- consolidation	-	100,000
	-	400,000
CMS	-	300,000
Other services	**625,000**	1,839,000
Out of pocket	**253,610**	151,450
	878,610	1,990,450
Adjusted with share premium account on account of share issuance cost	-	(2,115,500)
	2,578,610	1,429,450

2.3. Recipients of donations do not include any donee in which a director or spouse had any interest.

22.4. Provident fund

	2017 Un-audited Rupees
Size of the fund	**10,312,093**
Cost of investments made	**9,751,624**
Percentage of investments made	**95%**
Fair value of investments	**9,751,624**

22.4.1. Provident fund has been constituted during the year. The break-up of investments in terms of amount and percentage of the size of the provident fund are as follows:

	2017 ------------ Un-audited ------------	
	Investments Rupees	Percentage of investment as size of the
Saving accounts	**9,751,624**	95%

22.4.2. Investments out of provident fund have been made in accordance with the provisions of the Section 227 of the repealed Companies Ordinance, 1984 and the rules formulated for this purpose.

	Note	2017 Rupees	2016 Rupees
23. FINANCE COSTS			
Markup on:			
- long-term financing	23.1	**177,804,250**	188,444,890
- liabilities against assets subject to finance leases		**1,601,256**	6,901,185
- due to related parties		**15,633,093**	65,980,671
- short-term borrowing		**-**	13,029,245
		195,038,599	274,355,991
Bank charges		**1,099,373**	407,075
		196,137,972	274,763,066

23.1. Includes mark-up of Rs. 171.149 million (2016: Rs. 150.767 million) incurred on islamic mode of financing.

	Note	2017 Rupees	2016 Rupees
24. OTHER INCOME			
Income from financial assets			
Profit on islamic saving account		**3,814,384**	1,061,771
Markup on saving accounts		**4,306,825**	2,574,731
		8,121,209	3,636,502
Income from non-financial assets			
Fair value gain on investment property		**288,765,209**	274,217,887
Reversal of excess provision of WWF		**-**	3,613,431
Liabilities no longer payable		**2,730,841**	-
Income from ancillary services		**739,479**	1,005,478
Others		**1,313,415**	1,752,800
		301,670,153	284,226,098

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CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
25. TAXATION			
Current		**27,459,495**	7,803,389
Prior		**11,301,759**	2,319,041
Deferred		**(22,357,545)**	(9,249,977)
		16,403,709	872,453

25.1. The Group has filed income tax return for the tax year 2016, which is deemed to be assessed under section 120 of Income Tax Ordinance, 2001.

25.2. Relationship between accounting profit and tax expense

	2017	2016
Profit before taxation	**346,749,436**	231,497,139
Applicable tax rate	**31%**	32%
Tax at the above rate	**107,492,325**	74,079,084
Tax effect of income / expenses that are not	**(90,429,542)**	(72,136,639)
allowable for tax purposes	**(21,181,388)**	-
Alternative corporate tax (ACT)	**-**	(5,460,752)
Minimum tax	**3,589,703**	1,614,537
Tax effect of prior year tax	**11,301,759**	2,319,041
Tax effect of change in tax rate	**11,598,299**	457,182
	(5,967,448)	
Tax expense for the year	**16,403,709**	872,453
Effective tax rate	**4.7%**	0.38%

	2017 Rupees	2016 Rupees
26. EARNINGS PER SHARE		
Profit attributable to ordinary shareholders of the Holding Company	**331,301,135**	230,624,686
	------- Number of shares -------	
Weighted average number of ordinary shares outstanding during the year	**209,794,832**	137,037,671
Earnings per share – basic and diluted (Rupees)	**1.58**	1.68

There is no dilutive effect on basic earnings per share of the Group.

27. REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

27.1. The aggregate amounts charged in these financial statements for the year are as follows:

	Chief Executive		Director		Executives	
	2017	**2016**	**2017**	**2016**	**2017**	**2016**
Basic salary	**11,612,904**	7,741,935	**3,065,806**	1,970,968	**11,559,975**	10,204,518
Allowances and benefits:						
- House rent	**5,225,806**	3,483,871	**1,379,613**	886,929	**5,201,985**	4,592,011
- Utilities	**1,161,290**	774,194	**306,581**	197,103	**1,156,040**	1,020,496
- Vehicle allowance	**-**	-	**1,260,000**	975,000	**3,528,000**	2,434,047
Staff retirement benefit:	**-**	-	**255,382**	-	**963,156**	-
	18,000,000	12,000,000	**6,267,382**	4,030,000	**22,409,156**	18,251,072
Number of persons	**1**	1	**1**	1	**13**	11

27.2. In addition, the Chief Executive and certain executives have also been provided with free use of the Holding Group owned and maintained cars and other benefits in accordance with their entitlements as per the rules of the Holding Company.

27.3. Aggregate meeting fees paid / payable to 3 directors is Rs. 180,000.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Board of Directors review and agree policies for managing each of the risk which are summarised below and accordingly, no change was made in the objectives, policies or procedures and assumptions during the year ended June 30, 2017.

28.1. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency risk, interest rate risk and other price risk.

28.1.1. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into foreign currencies. As at balance sheet date, the Group is not materially exposed to currency risk and accordingly, the sensitivity to a reasonably possible change in the exchange rate with all other variables held constant in not reported.

28.1.2. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates. As of the balance sheet date, the Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term financing and short-term borrowings at floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, on the Group’s profit before tax (through impact on floating rate borrowings).

	Increase / decrease in basis points	(Decrease) / increase in profit before tax (Rupees)
2017	**+100**	**(21,172,363)**
	-100	**21,172,363**
2016	+100	(27,520,178)
	-100	27,520,178

28.1.3. Other price risk

Other price risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market prices such as equity price risk. As of the balance sheet date, the Group is not exposed to other price risk.

28.2. Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. As of the balance sheet date, the Group is not materially exposed to credit risk except for receivable against rent from tenants, loans, advances and bank balances. The Group manages credit risk by obtaining advance from tenants and the credit risk on liquid assets is limited because the counter parties are banks with reasonably high credit ratings. The maximum exposure to credit risk before any credit enhancement is given below:

	2017		2016	
	Rupees Balance Sheet	**Rupees Maximum exposure**	**Rupees Balance Sheet**	**Rupees Maximum exposure**
Receivables against rent, maintenance and other services	**66,869,993**	**66,869,993**	51,477,998	51,477,998
Due from a related party	**74,100**	**74,100**	-	-
Bank balances	**353,609,203**	**353,609,203**	852,543,314	852,543,314
	420,553,296	**420,553,296**	904,021,312	904,021,312

As of balance sheet date, the credit quality of Group's bank balances with reference to external credit rating is as follows:

Bank Balances by short-term rating category	Rating Agency	2017 Rupees	2016 Rupees
A1+	PACRA	**306,364,931**	21,757,490
A-1+	JCR-VIS	**7,993,375**	133,754,171
A-1	JCR-VIS	**39,250,897**	696,888,582
A-2	JCR-VIS	**-**	143,071
A3	PACRA	**-**	-
		353,609,203	852,543,314

28.3. Liquidity risk

Liquidity risk represents the risk that a Group will encounter difficulties in meeting obligations with the financial liabilities. The Group's objective is to maintain a balance working capital management. As of the balance sheet date, the Group is exposed to liquidity risk in respect of long-term financing, short-term borrowings, trade and other payables and due to related parties.

The table below summarises the maturity profile of the Group's financial liabilities at June 30, 2017 and June 30, 2016 based on contractual undiscounted payment dates and present market interest rates:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	(Rupees)					
June 30, 2017						
Long-term financing	-	**89,250,000**	**143,000,000**	**1,678,379,788**	**222,193,975**	**2,132,823,763**
Trade and other payables	-	**99,903,646**	-	-	-	**99,903,646**
Due to related parties	-	-	**11,912,538**	-	-	**11,912,538**
Accrued mark-up	-	**2,736,486**	**99,381,146**	-	-	**102,117,632**
	-	**191,890,132**	**254,293,684**	**1,678,379,788**	**222,193,975**	**2,346,757,579**
June 30, 2016						
Long-term financing	-	-	307,125,000	1,276,000,000	682,500,000	2,265,625,000
Liabilities against assets subject to finance leases	-	-	26,385,404	9,500,045	-	35,885,449
Due to related parties	23,294,409	-	-	-	275,645,979	298,940,388
Trade and other payables	-	69,810,174	142,434,091	-	-	212,244,265
Accrued mark-up	-	74,829,103	-	19,095,500	-	93,924,603
Short-term borrowings	-	200,000,000	-	-	-	200,000,000
	23,294,409	344,639,277	475,944,495	1,304,595,545	958,145,979	3,106,619,705

28.4. Fair values of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability can be settled, between knowledgeable willing parties in an arm's length transaction. The carrying amounts of all the financial instruments reflected in these financial statements approximate to their fair value.

Fair value hierarchy

Financial Instruments carried at fair value are categorized as follows:

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

The Group held the following financial instruments measured at fair value:

	Total	Level 1	Level 2	Level 3
	(Rupees)			
June 30, 2017				
Investment property	**4,967,683,819**	-	**4,967,683,819**	-
Inventory property	**886,856,186**	-	**886,856,186**	-
	5,854,540,005	-	**5,854,540,005**	-
June 30, 2016				
Investment property	4,632,000,000	-	4,632,000,000	-

28.5. Capital risk management

The primary objective of the Group’s capital management is to ensure that it maintains healthy capital ratios in order to support and sustain future development of its business operations and maximize shareholders’ value. The Group closely monitors the return on capital along with the level of distributions to ordinary shareholders.

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The Group manages its capital structure and makes adjustment to it in the light of changes in economic conditions. The Group monitors capital using a debt equity ratio, which is net debt divided by total equity. Equity comprises of share capital, share premium account and revenue reserve. The gearing ratio as at June 30, 2017 and June 30, 2016 are as follows:

	Note	2017 Rupees	2016 Rupees
Long-term financing	14	**2,132,823,763**	2,240,486,362
Liabilities against assets subject to finance leases			35,885,449
Trade and other payables	15	**113,214,377**	228,074,341
Due to related parties	16	**11,912,538**	298,940,388
Accrued mark-up	17	**60,743,064**	93,924,603
Short-term borrowings		**-**	200,000,000
Advances against rent, maintenance and other services	18	**103,899,416**	70,491,962
Total debts		**2,422,593,158**	3,167,803,105
Less: Cash and bank balances		**353,630,169**	852,543,314
Net debt		**2,068,962,989**	2,315,259,791
Total equity		**4,436,750,563**	2,942,634,163
Total capital		**6,505,713,552**	5,257,893,954
Gearing ratio		**32%**	44%

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

29. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Group comprise of the Ultimate Holding Company, Holding Company, subsidiaries, associated companies, major shareholders, directors, key management personnel and staff retirement benefit fund. The Group has a policy whereby transactions with related parties are entered into at arm's length basis. The transactions with related parties other than those disclosed elsewhere in the interim financial statements are as follows:

	2017 Rupees	2016 Rupees
The Ultimate Parent Company		
TPL Holdings (Private) Limited [THL]		
Amount received from THL by the Holding Company	**332,161,075**	182,993,752
Mark-up for the year on current account given to Holding Company	**4,245,234**	27,373,970
Payment made to THL by the Holding Company	**364,298,422**	534,106,631
Payment made to THL by the Holding Company on account of accrued mark-up	**9,850,482**	146,193,368
Loan received from THL by CMS	**-**	51,615,000
Loan paid by CMS	**300,000**	
Mark-up accrued for the year on current account given to CMS	**851**	8,998,842
Advance paid by CMS to THL	**-**	60,745,312
Mark-up adjusted by CMS against loan of THL	**13,405**	-

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The Parent Company

TPL Trakker Limited [TTL]		
Amount received from TTL by the Holding Company	**119,245,997**	55,497,251
Payment made to TTL by the Holding Company on account of accrued mark-up	**24,524,090**	20,000,000
Payment made by the Holding Company and CMS	**379,675,910**	-
Mark-up for the year on current account given to the Holding Company	**11,058,507**	26,786,860
Expenses incurred / paid by TTL on behalf of the Holding Company	**35,126,406**	19,221,559
Adjustments of advance receivable for rent from TTL by the Holding Company against:		
- due to related parties balance of TTL	**6,292,590**	16,921,139
- accrued markup payable balance of TTL	**-**	14,147,504
Amount received from TTL on account of rent	**51,970,368**	-
Services acquired by the Holding Company and CMS	**93,389,772**	36,009,372
Amount received against maintenance and other services by the Company	**31,110,703**	-

Common Directorship

TPL Direct Insurance Limited [TDI]		
Adjustment of accrued mark-up payable to TDI by the Company against rent receivable from TDI by the Holding Company	**-**	10,787,189
Advance against rent received during the year by the Holding Company	**45,014,501**	34,289,331
Services acquired by the Holding Company and CMS	**62,036,327**	-
Amount received against maintenance and other services by CMS	**22,688,070**	-
TPL Security Services (Private) Limited [TSS]		
Amount paid against services	**24,000,000**	-
Services received by CMS	**8,232,000**	8,007,000
Clifton Land Limited (CLL)		
Loan made to CLL	**430,731**	-
Services rendered to CLL	**272,000**	-
Payment received from CLL	**702,731**	2,307,087
Paradigm RE (PRE)		
Services received from PRE	**200,000**	-
Payment made to PRE	**200,000**	1,200,000
Paradigm Services (Private) Limited (PSPL)		
Services received from PSPL	**450,000**	600,000
Payment made against services to PSPL	**600,000**	-

Staff retirement benefit fund

Group – Provident fund		
Employer contribution	**2,788,000**	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

30. DATE OF AUTHORIZATION OF ISSUE

These financial statements were authorised for issue on **11 August 2017** by the Board of Directors of the Group.

31. GENERAL

31.1. Certain prior year figures have been rearranged for better presentation, wherever necessary. However, there are no material reclassification to report except reclassification of reimbursement of water charges from revenue - net to cost of services.

31.2. Number of employees as at June 30, 2017 was 139 (June 30, 2016: 125) and average number of employees during the year was 132 (June 30, 2016: 124).

31.3. Figures have been rounded off to the nearest rupee, unless otherwise stated.

Chief Executive	Chief Financial Officer	Director

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held at Registered Office, Karachi on Wednesday, 4th October, 2017 at 12:00 noon, to transact the following business:

ORDINARY BUSINESS

1. To approve the minutes of the Extraordinary General Meeting held on May 4th, 2017.

2. To receive, consider and adopt Annual Audited Financial Statements of the Company together with the Directors' and Auditors' Reports thereon for the year ended 30 June 2017, together with the Audited Consolidated Financial Statements of the Company and the Auditors' report thereon for the year ended 30 June 2017.

3. To appoint Auditors for the year ending 30 June 2018 and fix their remuneration. Messrs. EY Ford Rhodes and Company Chartered Accountants, being eligible have offered themselves for re-appointment.

SPECIAL BUSINESS

4. To consider and, if thought fit, pass special resolution pursuant to Section 199 of the Companies Act, 2017, to authorize the Company to provide advance of up to Rs. 1.5 billion to the Associated Company i.e. M/s HKC Limited.

(A Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the aforesaid Special Business to be transacted at the said Annual General Meeting has been dispatched to the shareholders of the Company along with the Annual Report for the year ended 30 June 2017.)

ANY OTHER BUSINESS

5. To consider any other business with the permission of Chairman.

By Order of the Board

Danish Qazi
Company Secretary **Dated: 13th September, 2017**

Notes:

1) The Share Transfer Books of the Company will be closed from 25th September 2017 to 4th October 2017 (both days inclusive).

2) A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as proxy to attend and vote instead of him. The Proxy Forms, in order to be effective, must be received at the Registrar of the Company M/s THK Associates (Pvt.) Ltd, 1st Floor, 40-C, Block-6, P.E.C.H.S, KARACHI-75400, not less than 48 hours before the Meeting.

3) The Company shall provide video conference facility to its members for attending the Annual General Meeting at places other than the town in which general meeting is taking place after considering the geographical dispersal of its members: provided that if members, collectively holding 10% or more shareholding residing at a geographical location, provide their consent to participate in the meeting through video conference at least 10 days prior to date of the meeting, the Company shall arrange video conference facility in that city subject to availability of such facility in that city.

   If the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video-link at least [10] days prior to date of meeting, the Company will arrange video-link facility in the city subject to availability of such facility in that city.

   The Company will intimate members regarding venue of video-link facility at least 5 days before the date of the Annual General Meeting along with complete information necessary to enable them to access the facility.

NOTICE OF ANNUAL GENERAL MEETING

In this regard, please fill the following form and submit to registered address of the Company 10 days before holding of the Annual General Meeting:-

I/We, ____________________________ of ____________________________ being a member of TPL Properties Limited, holder of ____________________________ Ordinary shares as per Register Folio No.________ hereby opt for video conference facility at ____________________________.

____
Signature of member

4) For identification, CDC account holders should present the participant's National Identity Card, and CDC Account Number and in case of proxy must enclose an attested copy of his/her CNIC. The representatives of corporate bodies should bring attested copy of Board of Directors Resolution/ Power of Attorney and/or all such documents as are required under Circular No. 1 dated 26 January 2000 issued by Securities & Exchange Commission of Pakistan for this purpose.

5) Members are requested to immediately notify the change, if any, in their registered address/contact numbers to the Share Registrar on the following address:

THK Associates (Pvt.) Limited
1st Floor, 40-C, Block-6,
P.E.C.H.S, KARACHI-75400.
UAN 021-111-000-322.
Direct # 021-34168270
Fax # 021-34168271

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

Payment of advance to M/s HKC Limited

TPL Properties Limited is desirous to advance to M/s HKC Limited a maximum amount of Rs. 1.5 billion approved by the Board of Directors on August 11, 2017, Markup will be charged at a rate equivalent to the borrowing cost of the Company on the outstanding principal balance. This markup will be revised / reviewed in case any change occurs in the borrowing cost of the Company. The repayment period for the said advance will expire on 30 June 2021.

The information required to be annexed to the Notice by Notification No. SRO 27(I)/2012 dated 16 January 2012 is set out below:

Name of the associated company	M/s HKC Limited
Relationship with associated company	Subsidiary Company
Proposed limit of the loan or advance	To the extent of Rs. 1.5 billion
Purpose of Advance	Real estate project -Development purpose

STATEMENT OF MATERIAL FACTS UNDER SECTION 160(1) (B) OF THE COMPANIES ACT 2017 REGARDING SPECIAL BUSINESS

<table>
<tr><td>Financial position of the holding company</td><td>The extracts of the audited balance sheet and profit and loss account of the holding company as at and for the year ended 30 June 2017 is as follows:
<table>
<tr><td>Balance Sheet</td><td>Rupees</td></tr>
<tr><td>Non-current assets</td><td>-</td></tr>
<tr><td>Other assets</td><td>206,137,865</td></tr>
<tr><td>Total Assets</td><td>206,137,865</td></tr>
<tr><td></td><td></td></tr>
<tr><td>Total Liabilities</td><td>10,573,947</td></tr>
<tr><td></td><td></td></tr>
<tr><td>Represented by:</td><td></td></tr>
<tr><td>Paid up capital</td><td>94,800,000</td></tr>
<tr><td>Accumulated profit</td><td>-1,772,282</td></tr>
<tr><td>Share Premium</td><td>102,536,200</td></tr>
<tr><td>Equity</td><td>195,563,918</td></tr>
<tr><td></td><td></td></tr>
<tr><td>Profit and Loss</td><td>Rupees</td></tr>
<tr><td>Loss before interest and taxation</td><td>-9,670,304</td></tr>
<tr><td>Financial charges</td><td>-3,996</td></tr>
<tr><td>Loss before taxation</td><td>-9,674,300</td></tr>
<tr><td>Taxation</td><td>-27,183</td></tr>
<tr><td>Loss after taxation</td><td>-9,701,483</td></tr>
</table></td></tr>
<tr><td>Average borrowing cost of the company</td><td>The average estimated borrowing cost of the Company is 6 months KIBOR + 1.75%.</td></tr>
<tr><td>Rate of mark-up to be charged to associated company</td><td>Markup to be charged equivalent to the borrowing cost of the TPL Properties Limited</td></tr>
<tr><td>Sources of funds for advance</td><td>Borrowed Funds / Long Term Borrowing</td></tr>
<tr><td>Particulars of collateral security against advance</td><td>Nil / Unsecured</td></tr>
<tr><td>Repayment schedule and terms of advance</td><td>Repayment at the end of the financing term with prepayment option.</td></tr>
<tr><td>Salient features of all agreements</td><td>None</td></tr>
<tr><td>Interest of directors, majority shareholders and their relatives</td><td>Directors does not have any interest, it is in the normal course of the business</td></tr>
</table>

By Order of the Board

Danish Qazi
Company Secretary

Dated: 13th September, 2017

PROXY FORM

Annual General Meeting of TPL Properties Limited 2016-17

I/We_______________________________ s/o, w/o, d/o___________________________

resident of (full address) ____

being member(s) of TPL Properties Limited and holder of______________________________

number of Ordinary shares as per Share Register Folio No._______________________ and/or

CDC Participant I.D No.____________________ and Sub Account No._________________

hereby appoint_________________________ s/o, w/o, d/o __________________________

resident of____or failing him/her

________________________________ s/o, w/o d/o ___________________________ of

(full address)____, as

my proxy to vote for me and on my behalf at the Annual General Meeting of the Company to be held on the October 04, 2017 and at any adjournment thereof.

Signature this _________________________day of _________________________ 2017.

1. Signature: _____________________________

   Name: _____________________________

   Address: _____________________________

   CNIC or: _____________________________

   Passport No: _____________________________

Please affix revenue stamp

2. Signature: _____________________________

   Name: _____________________________

   Address: _____________________________

   CNIC or: _____________________________

   Passport No: _____________________________

(Signature should agree with the specimen signature registered with the Company)

Notes:

i) Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.

ii) CDC Shareholders and their proxies are each requested to attach an attested photocopy of their Computerized National Identity Card or Passport with this proxy before submission to the Company.

iii) The proxy shall produce his original CNIC or original passport at the time of the meeting.

iv) In case of corporate entity, Board of Directors resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

(نیابت) پراکسی فارم

میں/ہم ______ جس کا/(جن کا) مکمل پتہ

______ ہے، ٹی پی ایل پراپرٹیز لمیٹڈ کا ممبر ہوں/ ہیں۔

اور میرے/ ہمارے پاس ______ نمبر کے آرڈنری شیئرز ہیں

جن کا رجسٹر فولیو نمبر ______ یا سی ڈی سی پارٹسپنٹ آئی ڈی نمبر ______

اور ذیلی اکاونٹ نمبر ______ بذریعہ تقرر ______

______ جس کا مکمل پتہ ______

______

یا اسکی عدم موجودگی میں ______ مکمل پتہ ______

______

میری جانب سے کمپنی کی سالانہ جنرل میٹنگ میں، جو کہ 04 اکتوبر 2017 کی میٹنگ، یا اس کے التواء کی صورت میں اس کے بعد جب بھی میٹنگ ہو، میری نیابت (پراکسی) میں میری طرف سے ووٹ دینے کا حق رکھتا/ رکھتی ہے۔

زیر دستخطی ______ دن ______ 2017

1۔ دستخط : ______

نام: ______

پتہ: ______

شناختی کارڈ نمبر ______

پاسپورٹ نمبر ______

برائے مہربانی یہاں ریونیو سٹمپ چسپاں کریں

2۔ دستخط : ______

نام: ______

پتہ: ______

شناختی کارڈ نمبر ______

پاسپورٹ نمبر ______

(دستخط کمپنی کے پاس جمع کرائے گئے دستخط کے نمونے سے ملنا ضروری ہے)

ہدایات:

I۔ نیابت (پراکسی) صرف اسی صورت میں موثر سمجھی جائے گی جب یہ کمپنی کو میٹنگ سے کم از کم 48 گھنٹے پہلے موصول ہو۔

II۔ سی ڈی سی شیئر ہولڈرز اور ان کے نیابت کاروں کے لئے لازم ہے کہ وہ اس نیابت (پراکسی) کو کمپنی میں جمع کروانے سے پہلے اپنے کمپوٹرائز شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ فوٹو کاپی کو اس فارم کے ساتھ منسلک کر دیں۔

III۔ نیابت کار کو میٹنگ کے وقت اپنا اصل شناختی کارڈ یا اپنا اصل پاسپورٹ دکھانا ہوگا۔

IV۔ کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/ مختار نامہ دستخطوں کے نمونے کے ساتھ نیابت (پراکسی) فارم کے ساتھ کمپنی میں جمع کروانے ہونگے (سوائے اس کے کہ وہ پہلے ہی فراہم کئے جا چکے ہوں)۔

V۔ ان شرائط وضوابط کی تشریح اور تفصیل کے لئے یا مبالغے کی صورت میں انگریزی میں لکھی ہوئی شرائط وضوابط کو حتمی حیثیت حاصل ہوگی۔

manhattan

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