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**Core Values** 



#### **▼ 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.



#### **▼ 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.



#### **▼ CORPORATE SOCIAL RESPONSIBILITY**

The Company is committed towards Corporate Social Responsibility (CSR) and continues to make a valuable contribution towards the social welfare of the society throughwhich we can strengthen the communities around us and create value.

We continue to invest in initiatives throughout the year. We believe our primary responsibility is towards our employees, they make it possible for us to progress. This includes educating the children of our employees and providing daily free meals for our needy and deserving employees and outsourced workers at Centrepoint cafeteria.

In addition, we believe that the environment needs to be protected and catered for. We planted trees around KPT Interchange and we maintain their upkeep at an amount of PKR 581,400. Furthermore we also ensure that it is kept clean throughout the year on which we incurred cost of PKR 4,380,008. To create a better future for society we want to return in a way that creates value not just for the present but also for the future, for this, the Company strives to educate, develop and empower the underprivileged masses of the society by making valuable contributions.

#### **▼** GROUP PROFILE

#### **#**TPLProperties

Centrepoint is TPL Properties Ltd's first project and is designed as a state-of-the-art office complex. It adheres to the highest international standards of design and technology in commercial buildings and is a unique addition to Karachi's skyline.

#### **#TPLDirect Insurance**

TPL Direct Insurance is Pakistan's first and only direct insurance company that offers host of products and services through 24-hour Call Centre operations with claims and underwriting services, also pioneered the concept of web based services to allow customers to interact and retrieve progress of their insurance policies and claims.

With a promise to lodge claims in just 60 seconds and to process them in 45 minutes, TPL Direct Insurance upholds quality service standards through a team of highly motivated and dedicated staff. TPL Direct Insurance Limited was formerly known as Trakker Direct Insurance Ltd. and was established in 2005.

#### #TPLTrakker

TPL Trakker Limited is Pakistan's first and the region's largest vehicle tracking and fleet management service provider established as a joint venture with DigiCore International Pty Ltd. (www.digicore.com) of South Africa and serving over 150,000 vehicles. TPL Trakker Limited is truly a regional player with operations in Pakistan, UAE, Bangladesh, Afghanistan, Qatar and will soon expand to Oman, Kuwait and Jordan. TPL Trakker Limited was formerly known as Trakker (Pvt.) Ltd. and was established in 1999.

#### **#TPLSecurity Services**

TPL Security Services is Pakistan's first licensed and specialist stolen vehicle recovery company, which provides a host of services to protect TPL Trakker and TPL Direct Insurance portfolios. TPL Security Services deploys Trakker Recovery Teams (TRT) nationwide.

They work in close coordination with TPL Trakker, the Law Enforcing Agencies (LEA) and are the main reason for TPL Trakker's enviable stolen vehicle recovery rate.

TPL Security Services (Pvt.) Ltd. was formerly known as Trakker Management Services (Pvt.) Ltd. and was established in 2001.

#### #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).



TPL Life Insurance Limited (formerly known as AsiaCare Health & Life Insurance Company Limited) which aims to provide innovative life and health insurance products based on international standards, tailored to cater to the divergent needs of the citizens of Pakistan. Innovation and product development is the key at TPL Life and through continuous investment in innovative technology and market intelligence the Company offers a wide range of Health and Life Insurance products and solutions for individuals, small, mid-sized and large companies and multinational corporations.



Incorporated in 2015, TPL Rupiya is Pakistan's first ever interoperable Mobile Payment Network. Working closely with commercial banks, mobile network operators and microfinance banks, TPL Rupiya allows mobile phone users to pay for goods and services using their bank account, mobile wallet or mobile phone accounts.



#### **▼** COMPANY INFORMATION

#### **BOARD OF DIRECTORS**

Jameel Yusuf 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 Asgher

#### **COMPANY SECRETARY**

Mehar Ameer

#### **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**

Ernst & Young Ford Rhodes & Co. Chartered Accountants

#### **LEGAL ADVISOR**

Mohsin Tayebaly & Co.

#### **BANKERS**

Habib Metropolitan Bank Limited United Bank limited Habib Bank Limited JS Bank Limited Burj Bank Limited Summit Bank Limited

#### **SHARE REGISTRAR**

THK Associates Ground Floor, State Life Building-3 Dr. Ziauddin Ahmed Road, Karachi-75530, Pakistan. Tel: (021) 35689021, 35686658

UAN: 111-000-322 Fax: (021) 35655595

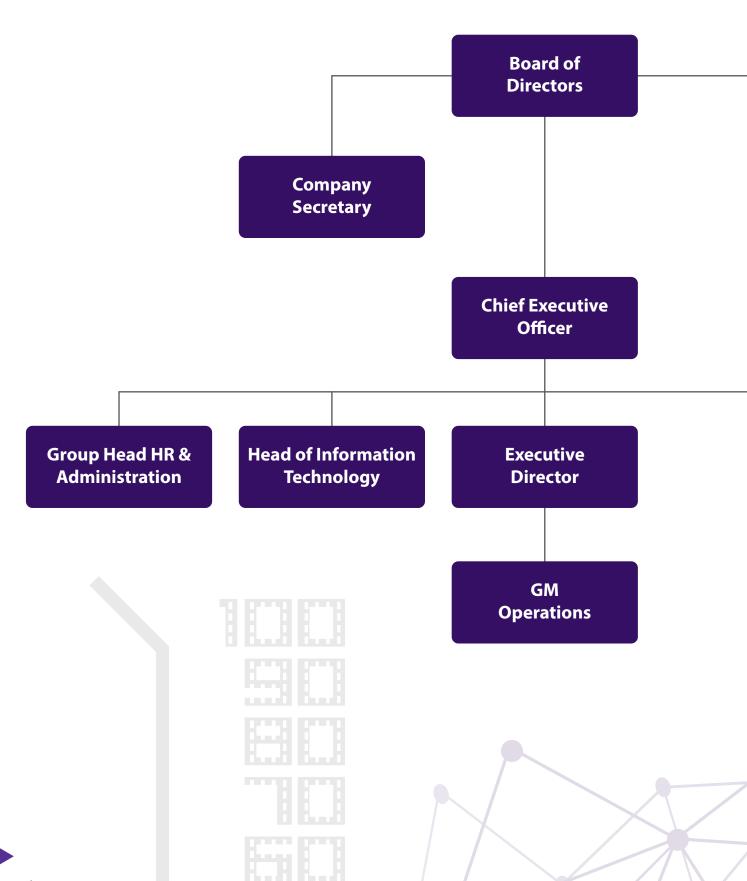
#### **REGISTERED OFFICE**

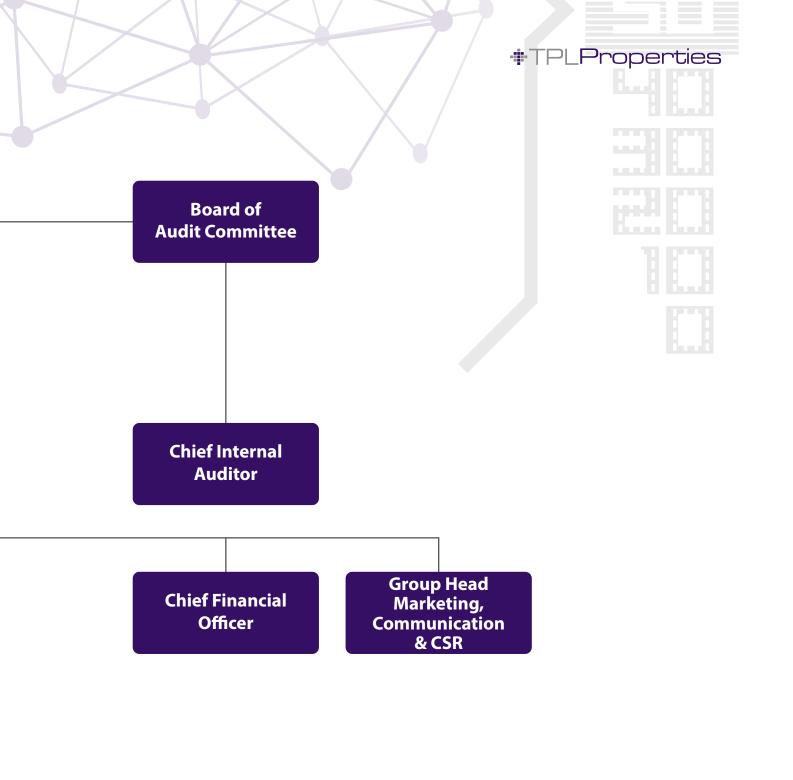
TPL Properties Limited 12th Floor, Centrepoint, Off-Shaheed-e- Millat Expressway, Adjacent KPT Interchange, Karachi, Postal Code: 74900

#### **WEB PRESENCE**

www.tpl-property.com

#### **▼ TPL PROPERTIES ORGANOGRAM 2015**





# CEO's Message

It gives me great pleasure to share that last year the Company attained 100% occupancy for its flagship construction project, Centrepoint. With the construction sector witnessing double digit growth, the Company hopes to capitalize on it. The Company listed on the Pakistan Stock Exchange for greater transparency and for the benefit of our shareholders. I feel privileged to be part of a team that helped in achieving this milestone making this the second development company to list on the PSX. The Company has attracted significant foreign and local institutional investment which is a positive sign for the sector.

Our vision of being the region's premier property developer by delivering world class projects will be achieved by us continuing to look for opportunities that will meet and set new benchmarks. For this purpose we are trying to embark on various new projects and these will not only increase the profitability of the Company, but also provide an opportunity for our investors to secure a return both in terms of income and capital gain.

After the success of Centrepoint, we believe that there is significant demand for high-end residential complexes that are environmentally friendly and technologically advanced. For this purpose we have had conclusive discussions with international architects who are looking to work in Pakistan and deliver an international design with a local element that will focus on renewable energy and self-sustainability.

Going forward, I am pleased to state that we believe in giving back to society and are focusing on several initiatives in the health sector and also bettering the environment we live in . We believe our initiatives will help in making a difference and raise an awareness amongst our peers to do the same. We will continue with the same philosophy for all our future projects.

I would like to take this opportunity to thank all our shareholders, tenants and team members for making the impossible possible.

Best, Ali Jameel







# **Board of Directors**



#### **■** BOARD OF DIRECTORS



# Jameel Yusuf

#### 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-Policy 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 (WWC) since 2004. He was awarded Presidential Awarded "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 a Fellow 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 a 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.

#### **■** BOARD OF DIRECTORS



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.



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 Chief Financial Officer of TPL Properties Limited. He is an experienced finance professional, having work experience 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 an 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**

	2016	2015	2014	2013	2012	2011
Investment Property under construction		ı	1	3,071,971,148	2,457,713,803	1,807,932,093
Investment Property	4,632,000,000	4,319,000,000	3,978,000,000	•	•	•
Property, plant and equipment	5,581,476	1,584,109	2,334,151	3,709,459	6,043,130	ı
Long-term investments	352,999,990	066'666	066'666	066'666	066	ı
Long term subordinated loan	10,770,709	197,835,432	159,822,944	85,000,000	25,000,000	ı
Long term deposits	186,919	86,919	86,919	86,919	1	ı
Receivable against rent	20,966,759	10,776,706	6,956,019	ı	ı	ı
Advance, deposit and prepayment	19,621,854	25,979,368	22,178,705	187,870,027	125,232,491	4,367,635
Accrued mark-up	78,038,053	51,531,102	27,557,658	14,807,658	2,750,000	ı
Advance against subcription of shares				ı	000'666	ı
Due from related parties			,	10,350,840	62,684,100	ı
Taxation- net	97,864,137	55,764,427	16,780,975	7,652,735	9/0′965′9	54,433
Cash and bank balances	850,576,013	195,116,171	94,796,746	76,785,232	308,166,457	9,639,684
TOTAL ASSETS	6,068,605,910	4,858,674,224	4,309,514,107	3,459,234,008	3,025,186,047	1,821,993,845
Issued, subscribed and paid-up capital	2,080,000,000	1,100,000,000	1,100,000,000	1,100,000,000	1,100,000,000	1,100,000,000
Share premium account	140,497,151	1	1	ı	1	1
Accumulated Profit	975,533,853	684,863,802	500,978,997	(15,464,436)	(14,419,086)	(10,084,578)
Long term financing	1,948,861,362	2,034,000,000	1,692,857,425	1,693,714,286	1,761,540,000	ı
Due to related parties	275,645,979	566,187,587	485,858,803	243,634,922	101,181,329	181,078,657
Deferred Tax liability	39,005,393	23,947,008	4,066,714	1	ı	ı
Accrued mark up	19,095,500	158,835,696	69,236,438	39,161,195	55,576,923	ı
Trade and other payables	163,832,637	164,527,377	75,358,610	68,302,115	15,314,945	77,406,573
Loan from Director		1	1	1	ı	263,363
Short-term financing	200,000,000	1	1	ı	ı	399,923,890
Current portion of non-current liabilities	181,351,134	63,295,831	343,610,292	288,885,926	5,991,936	73,405,940
Advance against rent	44,782,901	63,016,923	37,546,828	41,000,000	1	1
TOTAL EQUITY AND LIABILITIES	6,068,605,910	4,858,674,224	4,309,514,107	3,459,234,008	3,025,186,047	1,821,993,845

# **■ HORIZONTAL ANALYSIS PROFIT AND LOSS ACCOUNT**

	2016	2015	2014	2013	2012	2011
Rental Income	364,056,604	231,904,092	68,079,862	1	1	1
Direct operating cost	(12,414,128)	(11,569,484)	(7,698,944)			ı
Gross profit	351,642,476	220,334,608	60,380,918	1	1	ı
Administrative and general expenses	(53,055,880)	(47,738,642)	(14,021,111)	(1,045,350)	(4,334,508)	(6,819,450)
Other operating expenses		(3,613,431)	(10,598,108)			ı
Operating profit	298,586,596	168,982,535	35,761,699	(1,045,350)	(4,334,508)	(6,819,450)
Finance costs	(236,618,104)	(254,204,115)	(87,301,711)	1	1	ı
Other Income	35,449,950	30,929,770	9,203,838			ı
Remeasurement of investment property at fair value	274,217,887	317,506,439	431,675,020	1	1	1
Exchange (loss)/gain	(57,400,000)	(59,449,530)	131,171,301		1	ı
Profit before taxation	314,236,329	203,765,099	520,510,147	(1,045,350)	(4,334,508)	(6,819,450)
Taxation	(23,566,278)	(19,880,294)	(4,066,714)		1	ı
Profit / (Loss) after taxation	290,670,051	183,884,805	516,443,433	(1,045,350)	(4,334,508)	(6,819,450)

#### **▼ CASH FLOW STATEMENT**

	2016	2015	2014	2013	2012	2011
CACH FLOWE FROM ORFRATING ACTIVITIES						
CASH FLOWS FROM OPERATING ACTIVITIES	214 226 220	202 765 000	520 510 147	(1.045.350)	(4.224.500)	(6.010.450)
Net profit before taxation	314,236,329	203,765,099	520,510,147	(1,045,350)	(4,334,508)	(6,819,450)
Adjustment for non cash charges and other items:	2 225 044	4 020 042	524 500			
Depreciation	2,325,011	1,028,042	521,598	-	-	-
Finance cost	236,618,104	254,204,115	87,301,711	-	-	-
Remeasurement of investment property at fair value	(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	(26,506,951)	(23,973,444)	(6,322,613)	-	-	-
Mark up on saving account	(3,576,768)	(6,956,326)	-	-	-	-
	(7,958,491)	(33,754,522)	(481,317,949)	-	=	=
Operating profit before working capital changes	306,277,838	170,010,577	39,192,198	(1,045,350)	(4,334,508)	(6,819,450)
(Increase) / decrease in current assets						
Stock-in-trade		-	-	-	-	-
Trade debts – unsecured	-	-	-	-	-	-
Project under construction	-	_	-	_		(202,783,696)
Advance, deposits and prepayments	6,357,513	(3,800,663)	165,691,322	(45,870,455)	(120,864,856)	(1,949,061)
Receivables against rent	(10,190,053)	(3,820,687)	(6,956,019)	-	-	-
Accrued markup	-	-	-	-	-	-
Due from related parties	-	-	(24,472,104)	36,633,260	(62,684,100)	-
·	(3,832,540)	(7,621,350)	134,263,199	(9,237,195)	(183,548,956)	(204,732,757)
Increase / (decrease) in current liabilities						
Trade and other payables	(694,740)	88,677,537	9,605,524	52,987,170	(62,091,628)	(9,554,810)
Due to related party		-	=	142,453,593	(79,897,328)	94,811,169
Advance against rent	(18,234,022)	25,470,095	(3,453,172)	41,000,000	-	-
Accrued markup	-	-	-	_	_	35,873,707
Cash generated from operations	283,516,536	276,536,859	179,607,749	226,158,218	(329,872,420)	(90,422,141)
Receipts / (payments) for :	205/510/550	2, 0,550,055	115,001,115	220/130/210	(32),0,2,120,	(70,122,111)
Finance cost	(437,591,635)	(162,735,043)	(82,400,539)	(111,894,780)	(103,084,792)	
Mark up on saving account account received	3,576,768	6,956,326	(02,100,555)	(111,051,700)	(103,004,732)	
Income taxes	(50,607,603)	(38,983,452)	(9,115,894)	(1,056,659)	(6 5 41 6 42)	(5,054)
ilicollie taxes	(484,622,470)	(194,762,169)	(91,516,433)	(112,951,439)	(6,541,643)	(5,054)
Not each flave (used in) / nanavated from an austing activities	(201,105,933)	81,774,690	88,091,316	113,206,779	(439,498,855)	(90,427,195)
Net cash flows (used in) / generated from operating activities  CASH FLOWS FROM INVESTING ACTIVITIES	(201,103,533)	01,774,050	00,051,510	113,200,779	(437,470,033)	(90,427,193)
	(6 222 270)	(279,000)	(140,069)	(172 200)	(C 49C C44)	
Purchase of - property and equipment	(6,322,378)	(278,000)		(173,300)	(6,486,644)	-
Expenditure - investment property under construction	(20 702 442)	(22,402,561)	(253,544,455)	(448,127,206)	(491,415,533)	-
- incurred on investment property	(38,782,113)	(23,493,561)	(19,019,159)	-	-	-
Sale proceed from fixed assets	-	-	400,000	1,180,000	-	-
Long-term deposits	(100,000)	-	-	(16,854,000)	-	-
Long-term loan-net	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 saving account	-	-	-	10,810,502	22,915,048	-
Net cash flows (used in) / generated from investing activities	(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	1,197,181,000	-	-	-	-	100,000,000
Share issue cost	(76,683,849)	-	-	-	-	-
Share premium	-	-	-	-		-
Long-term loans — net	36,750,000	-	-	-	-	-
Loan from Director / related party	(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	-	-	_	(399,923,890)	(76,110)
Net cash flows (used in) / generated from financing activities	1,066,705,543	80,328,784	242,223,881	122,876,000	1,269,012,747	99,923,890
Net (decrease) / increase in cash and cash equivalents	655,459,842	100,319,425	18,011,514	(231,381,225)	298,526,773	9,496,695
Cash and cash equivalents at the beginning of the year	195,116,171	94,796,746	76,785,232	308,166,457	9,639,684	142,989
Cash and cash equivalents at the end of the year	850,576,013	195,116,171	94,796,746	76,785,232	308,166,457	9,639,684
•						



#### **▼ VERTICAL ANALYSIS OF BALANCE SHEET**

	2016	2015	2014	2013	2012	2011
Investment Property under construction	0.00%	0.00%	0.00%	88.80%	81.24%	99.2%
Investment Property	76.33%	88.89%	92.31%	0.00%	0.00%	0.0%
Property, plant and equipment	0.09%	0.03%	0.05%	0.11%	0.20%	0.0%
Long-term investments	5.82%	0.02%	0.02%	0.03%	0.00%	0.0%
Long term subordinated loan	0.18%	4.07%	3.71%	2.46%	1.82%	0.0%
Long term deposits	0.00%	0.00%	0.00%	0.00%	0.00%	0.0%
Receivable against rent	0.35%	0.22%	0.16%	0.00%	0.00%	0.0%
Advance, deposit and prepayment	0.32%	0.53%	0.51%	5.43%	4.14%	0.2%
Accrued mark-up	1.29%	1.06%	0.64%	0.43%	0.09%	0.0%
Advance against subcription of shares	0.00%	0.00%	0.00%	0.00%	0.03%	0.0%
Due from related parties	0.00%	0.00%	0.00%	0.30%	2.07%	0.0%
Taxation- net	1.61%	1.15%	0.39%	0.22%	0.22%	0.0%
Cash and bank balances	14.02%	4.02%	2.20%	2.22%	10.19%	0.5%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
Issued, subscribed and paid-up capital	34.27%	22.64%	25.52%	31.80%	36.36%	60.37%
Share premium	2.32%	0.00%	0.00%	0.00%	0.00%	0.00%
Accumulated Profit	16.08%	14.10%	11.62%	-0.45%	-0.48%	-0.55%
Long term financing	32.11%	41.86%	39.28%	48.96%	58.23%	0.00%
Due to related parties	4.54%	11.65%	11.27%	7.04%	3.34%	9.94%
Deferred Tax liability	0.64%	0.49%	0.09%	0.00%	0.00%	0.00%
Accrued mark up	0.31%	3.27%	1.61%	1.13%	1.84%	0.00%
Trade and other payables	2.70%	3.39%	1.75%	1.97%	0.51%	4.25%
Accrued mark-up	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Short-term financing	3.30%	0.00%	0.00%	0.00%	0.00%	21.95%
Current portion of non-current liabilities	2.99%	1.30%	7.97%	8.35%	0.20%	4.03%
Advance against rent	0.74%	1.30%	0.87%	1.19%	0.00%	0.00%
TOTAL EQUITY AND LIABILITIES	100%	100%	100%	100%	100%	100%

#### **▼ VERTICAL ANALYSIS OF PROFIT AND LOSS ACCOUNT**

	2016	2015	2014	2013	2012	2011
Rental Income	100%	100%	100%	0%	0%	0%
Direct operating cost	-3%	-5%	-11%	0%	0%	0%
Gross profit	97%	95%	89%	0%	0%	0%
Administrative and general expenses	-15%	-21%	-21%	100%	100%	100%
Other operating expenses	0%	-2%	-16%	0%	0%	0%
Operating profit	82%	73%	53%	100%	100%	100%
Finance costs	-65%	-110%	-128%	0%	0%	0%
Other Income	10%	13%	14%	0%	0%	0%
Remeasurement of investment property at fair value	75%	137%	634%	0%	0%	0%
Exchange (loss)/Gain - net	-16%	-26%	193%	0%	0%	0%
Profit before taxation	86%	88%	765%	100%	100%	100%
Taxation	-6%	-9%	-6%	0%	0%	0%
Profit after taxation	80%	79%	759%	100%	100%	100%



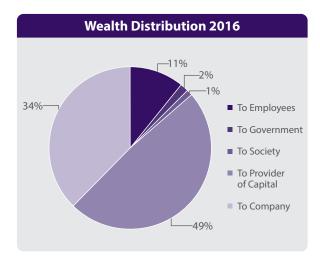
#### **▼** RATIO ANALYSIS OF PROFIT AND LOSS ACCOUNT

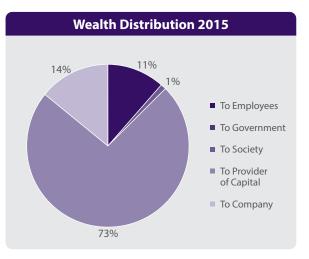
		2016	2015	2014	2013	2012	2011
Profitability Ratios							
Gross Profit to Sales	percent	97%	95%	89%	0%	0%	0%
Net Profit to Sales	percent	80%	<b>79</b> %	759%	0%	0%	0%
EBITDA Margin to sales	percent	152%	198%	894%	0%	0%	0%
Return on Equity	percent	9%	10%	32%	0%	0%	-1%
Return on Capital Employed	percent	5%	4%	13%	0%	0%	-1%
Liquidity Ratios							
Current Ratio	Ratio	1.81	1.17	0.37	0.75	23.77	0.03
Quick / Acid test ratio	Ratio	1.80	1.14	0.36	0.73	23.41	0.02
Cash to Current Liabilities	Ratio	1.44	0.67	0.21	0.19	14.46	0.02
Investment Valuation Ratios							
Earning per Share	Ratio	2.12	1.67	4.69	-0.01	-0.04	-0.06
Capital structure Ratios							
Financial leverage Ratio	Ratio	0.82	1.58	1.62	2.09	1.77	0.60
Debt Equity Ratio	Ratio	0.70	1.55	1.40	1.82	1.77	0.17
Interest cover Ratio	Ratio	2.33	1.80	6.96	0%	0%	0%



#### **▼ STATEMENT OF VALUE ADDITION AND ITS DISTRIBUTION**

	2016 Amount in Rs	%	2015 Amount in Rs	%
WEALTH GENERATED				
<b>Total revenue inclusive of Other Income</b> Direct Operating cost and Administrative and General expenses	808,730,909 (126,934,420)	1000/	617,170,183 (132,139,350)	1000/
WEATH DISTRIBUTION	681,796,489	100%	485,030,833	100%
WEALTH DISTRIBUTION				
<b>To Employees</b> Salaries, benefits and other costs	74,128,589	11%	55,643,806	11%
<b>To Government</b> Income tax, sales tax, excise duty and others	11,308,354	2%	1,077,161	0%
<b>To Society</b> Contribution towards education, health and environment	7,561,408	1%	4,110,732	1%
<b>To Provider of Capital</b> Dividend to shareholders Markup / Interest expenses on borrowed funds	- 332,163,066	49%	- 355,894,335	73%
To Company Depreciation, amortization & retained profit	256,635,072	34%	68,304,799	14%
Depresention, amortization a returned profit	681,796,489	100%	485,030,833	100%







#### **■ 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 2016.

#### **▼** ECONOMIC OUTLOOK

The overall economic outlook of the Country is positive, GDP growth for the year 2015-2016 was 4.71%. The notable positive indicators during the year included i) Reasonable growth in GDP, ii) The recent rate cut by 25 basis points to 5.75% the lowest in 44 years, iii) robust growth in workers' remittances; continued flows from IFIs; and a sharp decline in global oil prices, iv) stability in exchange rate, v) controlled inflation percentage, vi) Increase in Foreign exchange reserves, vii) better energy situation,viii) The enabling environment has also revived confidence of the investors, on the back of successful operation Zarb-e-Azb which remained instrumental in creating an enabling environment for the investors, ix) Construction sector growth was 13.1% as compared to 6.24% for last year, x) Pakistan stock exchange is taking a quantum leap after joining MSCI-Emerging Market Index. The reclassification has changed the dynamics of the Pakistan equity market. Many companies are interested for investment in Pakistan, particularly in power, energy, oil and gas, automobiles and textile sector. There is continuous uptick in FDI and with CPEC, and the momentum is extremely positive.

#### **■ BUSINESS REVIEW**

During the year the Company was listed on the Pakistan Stock Exchange. Some of the key points of the transaction are as follows:

- First Transaction post MSCI upgrade
- IPO with the shortest time to listing
- IPO with a well-diversified institutional participation across Financial & Corporate Sector
- A key addition to the biggest sector of Pakistan i.e. Real Estate Development

The Company achieved full occupancy and is operational at full capacity. From the proceeds of the IPO the Company has partially discharged its financial liabilities resulting in improved gearing position and overall profitability, while also advancing funds to its subsidiary and maintained required reserves with the bank. Furthermore the fair value of the investment property has increased resulting in increasing in shareholders wealth.

The FBR introduced new tax rates for developer and Constructor which will be implemented during the tax year 2017.

As Pakistan experiences rapid population growth, urbanization and economic development, businesses begin to expand and startups become more common. As a result, demand for commercial property, such as mixed-use developments, residential, shopping malls, retail spaces and office units is increasing. The real estate sector in cities both large and small has already begun to accommodate this increased demand.

The Company has always focused on innovation and excellence which has resulted in ultimate customer satisfaction. The Company, in the near future, will develop residential and commercial projects to target a niche market which will follow the standards set by Centrepoint.

Subsequent to the balance sheet date the Company signed MOU with UBL for development of real estate residential and commercial project in REIT (Real Estate Investment Trust) structure.

#### **▼** COMPANY OUTLOOK

The Company has successfully completed the construction of Centrepoint, its first real estate development project, located opposite KPT Interchange on Shaheed-e-Millat Expressway, Karachi, which is 100% rented. The project is designed exclusively as a modern office complex with the latest in-house infrastructure facilities ideal for large local and multinational corporations.

Furthermore, the Company has the requisite technical and experienced staff including Civil, MEP (Mechanical, Electrical and Plumbing), ICT (Information and Communication Technology) and Security to plan, oversee, complete and deliver the upcoming project(s). It has in-house operations, power house (generation facility of around 4.0 MW) and mechanical experts leading their respective teams. TPL Properties Limited is part of TPL group. TPL Holdings (Pvt.) Ltd is the holding Company of the group and has diversified investments in various companies. TPLHL has maintained an investment portfolio consisting of several group companies.

#### **▼ FUTURE OUTLOOK**

Pakistan's real estate market tends to ignore broad scale macroeconomic indicators, posting growth even as foreign direct investment falls or infrastructure spending remains limited. Research shows that the Country's property market has posted a phenomenal growth of 118% in the last five years. This high growth rate can be attributed to robust demand from seasonal investors, genuine buyers and an overwhelmingly better security situation.

Karachi has led the way in terms of growth with the strongest figures coming from the port city's residential plots. In Karachi, an average residential plot price in January 2011 was at PKR 20,484 per square yard but amounted to PKR 72,801 per square yard by January 2016. The city posted a growth of 255% in the last five years. Lahore's case is not that different. Data revealed that average prices of residential plots have observed a 149% growth in the last five years. Average price in the city soared to PKR 30,051 per square yard in January 2016 from PKR12,024 square year in January 2011. The Country's capital city also posted an average growth of 143% in residential plots, where prices reached PKR 24,291 per square yard in January 2016 from PKR 9,972 per square yard in January 2011.

The effect of CPEC is already evident in Gwadar, where average property prices have risen up to 70%. In some areas of Gwadar, a growth of around 200% has been recorded since 2013. However, the trend in Pakistan is gradually changing and the concept of gated communities in mega and second tier cities is becoming common.

The Company has a promising outlook given the fact that the real estate sector possess immense potential which is untapped especially in the high end construction spaces be it in residential or commercial. The Company can unleash this potential more than anyone else as it is the only active listed real estate developer in the market. Further Government policies are also inclined towards bringing investment in this sector and formalize the same by bringing them into corporate fold. This will not only increase liquidity as local and foreign institutions will be investing but also bring foreign technical expertise to Pakistan.



The Company is expanding its development portfolio in various segments including residential, commercial and mixed use development. It has entered into Memorandum of Understanding (MoU) with a leading fund manager to explore the development opportunities by way of doing projects under Developmental REIT (Real Estate Investment Trust). In this Company will be acting as Developer and may also take some investment stake which will earn revenue in terms of developer margin and return on overall project sale.

On the other hand the Company is also in negotiation with private land owners to acquire land banks for residential and mixed use developments. In the near term the Company's plan is to develop high end residential apartments which are currently not available. This is in order to re-inforce its existing brand image and to provide for highest finish which will earn premium pricing for its products it is also focusing on renewable energy concept in its future developments. For the purpose it has already initiated discussion on concept with architects of international repute to come up with the efficient designs. The projects will be self-sustaining and functionally efficient.

Furthermore, the Company is also evaluating development of commercial office spaces as per specific requirement of some corporates whereby it will act as a developer, while the funding can be done by the respective end user. This can be done on the cost plus model and it will again add to revenue source of the Company.

In order to achieve this increase value for our shareholders the Company is working on a separate structure by way of incorporating subsidiaries to undertake different developments. It will further define the nature of business to be done, level of risk to be undertaken, capital structure to be formed and investor profiling. This will provide shareholders with significant returns besides additional protection and transparency for their investment, while it will simultaneously develop sound project evaluation and investment criteria.

#### **FINANCIAL REVIEW**

#### **Profitability and Growth – Standalone**

This year the Company achieved the milestone of 100% occupancy. During the year the Company signed tenancy agreement with Philip Morris and MCB Arif Habib. The Company's operational profit was PKR 314.236 million as compared to that of PKR 203.765 million last year. Admin and general expenses increased by PKR5.317 million mainly due to increase in salaries wages and other benefits, IT related expenses, fuel and mobile, travelling expenses, training and development expenses and printing and stationary. The increase is offset by the decrease in Commission expense, Legal and professional expenses and security expenses.

Finance cost decreased due to repayment of some of the associated Company loans during the year, exchange loss is also one time and the Company will not incur the same in future as the Company repaid the entire foreign currency loan in current financial year.

Other income (excluding fair value gain) increased by PKR 4.520 million mainly due to increase in mark up on subordinated loan.

The fair value of the investment property is also on the increasing trend and during the year gain from fair value is PKR 274.218 million as disclosed in note 5 and note 27 to the financial statements. After tax profit amounted to PKR 290.670 million (2015: PKR 183.884) million and EPS after tax amounted to PKR 2.12 per share (2015: PKR 1.67 per share). During the year the Company

computed tax charge based on Alternate Corporate Tax as the accounting profit was higher than the tax profit.

There are no material changes in commitments other than disclosed in note 21 to the financial statements.

#### **Profitability and Growth - Consolidated**

On consolidated basis the Company posted profit after tax of PKR 230.624 million (in June 2016) as compared to PKR 69.004 million (in June 2015). The EPS for the year 2016 and 2015 remained at PKR 1.68 per share and PKR 0.63 per share respectively. The primary reason of better financial performance on consolidated basis is due to increase in revenue due to 100% occupancy. As a result of the increase in revenue the related expenses also increased mainly due to 100% occupancy and running expenses. Direct operating cost increased by 12.813 million due to increase in salaries wages and benefits, water cost, repair and maintenance and housekeeping.

Administrative and general expenses increased by PKR 10.113 million mainly due to increase in Salaries wages and benefits, repair and maintenance expenses, fuel and mobile, water charges, training and development, printing and stationary and travelling. Administrative and general expenses primarily increased due to head office cost allocated for the above expenses. These were necessary in the light of increased operations and the Company managed these without hiring additional resource and increasing payroll expenses of the Company.

Finance cost decreased by PKR 21.682 million due to repayment of some of the associated Company loans during the year. Exchange loss is also one time and the Company will not incur the same in future and the Company repaid the entire loan in current financial year.

There are no material changes in commitments other than disclosed in note 21 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.

#### REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

The aggregate amounts charged in note 30 to the financial statements (standalone) for the year are as follows:

	Chief E	xecutive	Di	rector	Exec	utives
	2016	2015	2016	2015	2016	2015
			(Кир	ees) ———		
Basic salary	7,741,935	7,741,935	1,970,968	-	1,987,436	2,136,774
Allowances and benefits:						
- House rent	3,483,871	3,483,871	886,929	-	894,345	961,549
- Utilities	774,194	774,194	197,103	-	198,748	213,677
- Vehicle allowance	-	-	975,000	-	658,323	828,000
	12,000,000	12,000,000	4,030,000	-	3,718,852	4,140,000
Number of person(s)	1	1	1	1	6	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.

### **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.

### **KEY FINANCIAL DATA FOR THE LAST SIX YEARS**

	2016	2015	2014	2013	2012	2011
			Amount in	Pak Rupees		
Investment Property						
under construction	-	-	-	3,071,971,148	2,457,713,803	1,807,932,093
Property, plant and						
equipment	5,581,476	1,584,109	2,334,151	3,709,459	6,043,130	-
Investment Property	4,632,000,000	4,319,000,000	3,978,000,000	-	-	-
Long-term investments	352,999,990	999,990	999,990	999,990	990	-
Long term subordinated						
loan	10,770,709	197,835,432	159,822,944	85,000,000	55,000,000	-
Long term deposits	186,919	86,919	16,940,919	16,940,919	-	-
Accrued mark-up	78,038,053	51,531,102	27,557,658	14,807,658	2,750,000	-
Receivable against rent						
from Tenants	20,966,759	10,776,706	6,956,019	-	-	-
Advance, deposit and						
prepayment	19,621,854	25,979,368	22,178,705	187,870,027	125,232,491	4,367,635
Advance against						
subscription of shares	-	-	-	-	999,000	-
Due from related parties	-	-	-	10,350,840	62,684,100	-
Taxation- net	97,864,137	55,764,427	16,780,975	7,652,735	6,596,076	54,433
Cash and bank balances	850,576,013	195,116,171	77,942,746	59,931,232	308,166,457	9,639,684
TOTAL ASSETS	6,068,605,910	4,858,674,224	4,309,514,107	3,459,234,008	3,025,186,047	1,821,993,845

	2016	2015	2014	2013	2012	2011
			Amount in	Pak Rupees		
Share Capital	2,080,000,000	1,100,000,000	1,100,000,000	1,100,000,000	1,100,000,000	1,100,000,000
Share premium account	140,497,151	-	-	-	-	-
Accumulated profit	975,533,853	684,863,802	500,978,997	(15,464,436)	(14,419,086)	(10,084,578)
Long term financing	1,948,861,362	2,034,000,000	1,692,857,425	1,693,714,286	1,761,540,000	-
Due to related parties	275,645,979	566,187,587	485,858,803	243,634,922	101,181,329	181,078,657

Deferred Tax liability	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	163,832,637	164,527,377	75,358,610	68,302,115	15,314,945	77,406,573
Accrued mark-up	-	-	61,467,717	6,600,212	5,991,936	73,405,940
Loan from Director	-		-	-	-	263,363
Short-term financing	200,000,000	-	-	-	-	399,923,890
Current portion of non-						
current liabilities	181,351,134	63,295,831	282,142,575	282,285,714	-	-
Advance against rent	44,782,901	63,016,923	37,546,828	41,000,000	-	-
TOTAL EQUITY AND						
LIABILITIES	6,068,605,910	4,858,674,224	4,309,514,107	3,459,234,008	3,025,186,047	1,821,993,845

	2016	2015	2014	2013	2012	2011
			Amount in	Pak Rupees		
Rental Income	364,056,604	231,904,092	68,079,862	-	-	-
Direct operating costs	(12,414,128)	(11,569,484)	(7,698,944)	-	-	-
Gross profit	351,642,476	220,334,608	60,380,918	-	-	-
Administrative and						
general expenses	(53,055,880)	(47,738,642)	(14,021,111)	(1,045,350)	(4,334,508)	(6,819,450)
Exchange (loss)/ gain	(57,400,000)	(59,449,530)	131,171,301	-	-	-
Other operating expenses	-	(3,613,431)	(10,598,108)	-	-	-
Finance costs	(236,618,104)	(254,204,115)	(87,301,711)	-	-	-
Other Income	35,449,950	30,929,770	9,203,838	-	-	-
Gain on valuation of						
investment property	274,217,887	317,506,439	431,675,020	-	-	-
Profit before taxation	314,236,329	203,765,099	520,510,147	(1,045,350)	(4,334,508)	(6,819,450)
Taxation	(23,566,278)	(19,880,294)	(4,066,714)	-	-	-
Profit / (Loss) after						
taxation	290,670,051	183,884,805	516,443,433	(1,045,350)	(4,334,508)	(6,819,450)
Earning/loss per share	2.12	1.67	4.69	(0.01)	(0.04)	(0.06)

### **■ AUDITORS**

M/s Ernst & Young 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 2017, at a fee to be mutually agreed.

### **■ DIRECTOR'S TRAINING**

During the year the following directors of the Company, attended directors training program conducted by Institute of Business Administration Karachi:

- 1. Mr. Jameel Yousuf
- 2. Vice Admiral (R) Muhammad Shafi.
- 3. Mr. Bilal Alibhai
- 4. Mr. Yousuf Zohaib Ali
- 5. Mr. Ali Asgher

# **▼ 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 fairlythe result of its operations, cash flows and changes in equity.
- The Company has maintained proper books of accounts as required under Companies Ordinance, 1984.
- 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.
- 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 notes to the financial statements.
- During the year Mr. Zia Chishti one of the shareholders has transferred 12.6 million shares to the CEO. Further, 06 shares have been acquired by newly appointed directors for their eligibility. Except this there was no other transaction undertaken by CEO for sale and purchase of shares of the Company.

### **▼ PATTERN OF SHAREHOLDING**

A statement of pattern of shareholding of the Company as at 30 June 2016 is as follows:

Shareholder's Category	Number of shares	Percentage of Shareholding
SPONSORS, DIRECTORS, CEO AND CHILDREN	34,000,000	16.35%
ASSOCIATED COMPANIES	76,154,000	36.61%
BANKS, DFI AND NBFI	5,600,000	2.69%
INSURANCE COMPANIES	11,600,000	5.58%
MODARABAS AND MUTUAL FUNDS	17,200,000	8.27%
GENERAL PUBLIC (LOCAL)	18,300,000	8.80%
GENERAL PUBLIC (FOREIGN)	2,200,000	1.06%
OTHERS	24,300,000	11.68%
FOREIGN COMPANIES	18,646,000	8.96%
Total	208,000,000	100.00

Pattern of holding shares held by the shareholders of the Company as at June 30, 2016:

No. of Shareholders	Having Shares from	Having Shares to	Shares Held	Percentage
6	1	100	6	0
1	45001	50000	50,000	0.024
10	95001	100000	1,000,000	0.4808
5	195001	200000	1,000,000	0.4808
3	395001	400000	1,200,000	0.5769
8	495001	500000	4,000,000	1.9231
2	595001	600000	1,200,000	0.5769
1	695001	700000	700,000	0.3365
5	795001	800000	4,000,000	1.9231
13	995001	1000000	13,000,000	6.25
4	1595001	1600000	6,400,000	3.0769
1	1760001	1765000	1,763,094	0.8476
4	1995001	2000000	8,000,000	3.8462
1	2195001	2200000	2,200,000	1.0577
1	2315001	2320000	2,318,000	1.1144
1	2395001	2400000	2,400,000	1.1538
1	2495001	2500000	2,500,000	1.2019
2	3995001	4000000	8,000,000	3.8462
1	4635001	4640000	4,637,000	2.2293
1	4835001	4840000	4,836,900	2.3254
3	5495001	5500000	16,500,000	7.9327
1	7195001	7200000	7,200,000	3.4615
1	11590001	11595000	11,591,000	5.5726
1	12595001	12600000	12,600,000	6.0577
1	14795001	14800000	14,800,000	7.1154
1	21100001	21105000	21,104,000	10.1462
1	54995001	55000000	55,000,000	26.4423
80		Total	208,000,000	100

### **■ 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
Mutual Funds (name wise details)	
MCBFSL - TRUSTEE JS VALUE FUND	500,000
CDC - TRUSTEE PICIC INVESTMENT FUND	500,000
CDC - TRUSTEE PICIC GROWTH FUND	1,000,000

[	
CDC - TRUSTEE UNIT TRUST OF PAKISTAN	500,000
CDC - TRUSTEE AKD OPPORTUNITY FUND	2,500,000
CDC - TRUSTEE FAYSAL ASSET ALLOCATION FUND	2,000,000
CDC - TRUSTEE UBL STOCK ADVANTAGE FUND	600,000
CDC - TRUSTEE ASKARI ASSET ALLOCATION FUND	500,000
CDC - TRUSTEE HBL - STOCK FUND	7,200,000
MC FSL - TRUSTEE JS GROWTH FUND	1,000,000
CDC - TRUSTEE ASKARI EQUITY FUND	500,000
CDC - TRUSTEE UBL ASSET ALLOCATION FUND	200,000
CDC - TRUSTEE UBL RETIREMENT SAVINGS FUND - EQUITY SUB FUND	200,000
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
This same is a same as a same a same as a same as a same a same a same a same a same a same a sa	1 1/000/000
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
vice //diffilal (ii) Marial fillad Shall, fill(iii)	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 (Private) Limited	21,104,000
Tundra Pakistan Fund	11,591,000
	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
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. However Mr. Zia Chishti has	
transferred 12.6 million shares to the CEO.Further 06 shares have been acquired by	
newly appointed directors for their eligibility.	
Theway appointed directors for their englority.	



### **■ BOARD MEETINGS**

The Board of Directors held 7 meetings during the financial year. Attendance of Directors is indicated below:

Name of Director	Meetings Attended
Mr. Jameel Yusuf	7
Mr. Muhammad Ali Jameel (CEO)	7
Mr. Bilal Ali Bhai	1
Mr. Syed Zafar-ul-Hasan Naqvi	2
Mr. Ziad Bashir	1
Mr. Ali Asgher	4
Mr. Yousuf Zohaib Ali	4
Vice Admiral (R) Muhammad Shafi	2

### **▼** 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

## 🔻 ۋائر يكٹرز ربورث

مجھے TPL پراپرٹیزلمیٹڈ کے بورڈ آف ڈائر کیٹرزی طرف سے معاثی سال 30 جون 2016 کی کمپنی کی سالا نہر پورٹ پیش کرتے ہوئے انتہائی مسرت محسوس ہورہی ہے۔

## ◄ معاشى جائزه:

ملک کی مجود کی معاقی صورت حال شبت رہی ،سال 2016 – 2015 میں جی ڈی پی میں اضافے کی شرح 77.1 فیصدر ہی۔ اسسال کے قابل زکر شبت اشاریوں میں شامل ہیں آ) جی ڈی پی میں اضافہ (ii) موجودہ رینے 25 بنیادی پوائنٹس کی کی کے ساتھ %5.75 رہا جو کہ پچھلے 44 سالوں میں کم ترین ہے (iii) ورکرز کے ترسیلات زرمیں مسلسل اضافہ دیکھنے میں آیا ،عالمی معاشی اداروں سے رقوم کا بہاواور تیل کی عالمی قیتوں میں بیکرم کی ہوئی (iv) ایک پچنی ریٹس میں استحکام (v) افراط زرمیں اضافہ کی شرح پر کنٹرول (vi) فارن ایک پچنی ریزروز میں اضافہ (ii) کی بہتر صورت حال (viii) خطے کی صورت حال میں بہتری کی وجہ سے سر ما بیکا روں کے اعتاد میں اضافہ جو کہ پچھلے سال %6.24 تھا رواں سال بڑھ کر %13.1 ہوگیا x) پاکستان شاک ایک پختی نے سر ما بیکا روں کے اعتاد کو بحال کرنے میں انہم کردارادا کیا جو اسٹک میں اضافہ جو کہ پچھلے سال %6.24 تھا رواں سال بڑھ کر %13.1 ہوگیا x) پاکستان شاک ایک پختی نے سر ما بیکا روک کے اعتاد کی میں شامل ہو کرا ہی بڑا سنگ میل عبور کرلیا۔ اس نئی درجہ بندی نے پاکستان میں سر مابیکا ری کرد کچیں دکھائی گئے۔ FDI میں مسلسل شمولیت کی نیک سے مصوبوں کی بدولت معاشی رحوان انہائی شبت نظر آر رہا ہے۔

### ◄ كاروبارى جائزه:

سال روال کے دوران کمپنی نے اپنے آپ کواسٹاک بھینج میں لسطڈ کروایا۔ اس تبدیلی کے چنداہم نکات درج زیل ہیں:

- MSCI کی ایگریڈیشن کے بعدیہ پہلی شمولیت ہے
- پہلی IPO ہے جس کا ندراج کم سے کم وقت میں ہوا۔
- پیروه ۱۹۵ ہے جس کی فنافش اور کارپوریٹ سیکٹر کے مختلف شعبہ جات میں خاطرخواہ ادارتی شمولیت رہی ہے۔
  - پاکتان کے سب سے بڑے شعبے، ریئل اسٹیٹ، میں پدایک انتہائی اہم اضافہ ہے۔

سمپنی نے مکمل طور پر occupancy حاصل کر لی ہے اوراپٹی پوری صلاحیت سے کام کر رہی ہے۔ IPO کی وجہ سے کپنی کی مالیاتی زمددار بوں میں کی آئی ہے جو کام کرنے کی صلاحیت اور منافع کی مجموعی صورت حال میں بہتری لائی ہے۔ اس نے ماتحت شعبوں کے لئے فنڈ زمختص کرتے ہوئے بینک میں موجودر میزروز کو بھی برقر اررکھا ہے۔ مزید براں پراپرٹی کی فئیر ویلیو میں اضافے کی وجہ سے شیر ہولڈرز کے سرمائے میں اضافہ ہوا ہے۔

فیڈرل بورڈ آف ریونیو (FBR) نے ڈویلو پراورکنسٹرکٹر کے لئے نئے ٹیکس ریٹ متعارف کروائے ہیں جن کااطلاق 2017 کے ٹیکس سال کے دوران ہوگا۔

جیسا کہ پاکستان میں آبادی میں تیزی سے اضافی،شہری آباد کاری میں اضافیہ اور معاثی ترقی دیکھنے میں آرہی ہے، اس وجہ سے پاکستان میں مین کی کاروبار کے آغاز کے ساتھ ساتھ جاری کاروبار میں پھیلا وکار حجان زیادہ عام ہوگیا ہے۔جس کے منتیج میں کمرشل پراپرٹی کی طلب میں مسلسل اضافہ ہوا ہے جس میں کثیر المقاصد تغییرات، رہائشی، شاپنگ مال، کرائے کی جگہیں اور دفاتر کی پراپرٹی شامل ہے۔

چھوٹے اور بڑے شہروں میں میں ریئل اسٹیٹ کے شعبہ نے بڑھتی ہوئی طلب کو پورا کرنے کی کوشش پہلے ہی سے شروع کررکھی ہے۔ کمپنی کی ہمیشہ سے کوشش رہی ہے کہ وہ کام میں جدت اور معیار کی بلندی قائم رکھے کیونکہ یہی بالآ خرصارفین کے اعتاد میں اضافے کی وجہ نبتی ہے۔ متنقبل قریب میں کمپنی کاارادہ ہے کہ وہ خصوص مارکیٹ کو مدنظر رکھتے ہوئے نئے رہائش اور کمرشل منصوبے شروع کرے جو کہ سنٹر یوائٹ کے معیار کے مطابق ہوں۔

بیلنس شیٹ ڈیٹ کے بعد کمپنی نے UBL کے ساتھ ایک مفاہمت کی یا داشت (MOU) پر دستخط کئے ہیں جس کے تحت کمپنی رہائثی اور کمرشل منصوبے REIT کی ساخت کے مطابق بنائے گی۔

## ◄ تحميني كي صورت حال كاجائزه

کیپنی نے کامیابی کے ساتھ سینٹر پوائٹ کی تغیر کامنصوبہ کمل کرلیا ہے جو %100 کرا یہ پردیا جاچکا ہے۔ بیرکرا چی میں KPT Interchange کے سامنے شہید ملت ایکسپرلس وے پرداقع سے مطابق ڈیزائن کیا گیا ہے جس میں چارد یواری کے اندرجد بیدانفراسٹر پچرکی تمام صروریات کے مطابق ڈیزائن کیا گیا ہے جس میں چارد یواری کے اندرجد بیدانفراسٹر پچرکی تمام ضروریات اورخصوصیات موجود ہیں جو کہی بڑے لوگل یا بین الاقوامی ادارے کی پہلی ترجیح ہوتی ہیں۔

مزید بران بمپنی کے پاس ہرطرح کے تجربے کاراوڑ یکنیکل اسٹاف منصوبے کے مطابق موجود ہے۔ جس میں شامل سول بمکینیکل ، الیکٹر کل ، بلببرنگ (MEP) ، انفار مینینکل انفار مینیکل انفار مینیکل انفار مینین نئیکنالو جی الاحت کی سربرائی (ICT) اور منصوبے کے مطابق سیکورٹی بھل گرانی اور دیگر ضروریات کو پورا کرتی ہے اور مستنقبل کے منصوبوں میں بہی سہولیات فراہم کرنے کا ارادہ رکھتی ہے۔ کمپنی داخلی طور پر آپیشن چلانے کی سربرائی صلاحیت رکھتی ہے ، بید 4 میگا واٹ بجلی پیدا کرنے والے اسٹاف کی سربرائی مسلحیت رکھتی ہے ، بید 4 میگا واٹ بجلی پیدا کرنے والے اسٹاف کی سربرائی کے ملاحیت رکھتی ہے ، بید 4 میگا واٹ بجلی پیدا کرنے والے اسٹاف کی سربرائی کررہے ہیں۔ TPL پر اپر ٹیز لمیٹنیل میں بھی سرمایہ کاری ہے۔ TPL بولڈ گئز پر ائیویٹ انہوں کی مرکز میکپنی ہے جس کی اس کے علاوہ دیگر کمپنیوں میں بھی سرمایہ کاری ہے۔ TPL نبیادی طور پر گروپ کی کمپنیوں پر شمتمل ایک سرمایہ کاری کا ایورٹ فولیو ہے جو کہ سرمایہ کاری کے کام کوچلا تا ہے۔

## مستقبل كاجائزه

پاکتان کی رئیل اسٹیٹ کی مارکیٹ بڑے پیانے پرmacroeconomic کے اشاریوں کونظر انداز کرتی نظر آ رہی ہے باوجوداس کے کہ غیر ملکی سر ماییکاری میں بھی کی آئی ہے اور انفر اسٹر پجر پر کیا جانے والاخرچہ محدود رہا ہے۔اس حوالے سے کی جانے والی تحقیقات ظاہر کرتی ہیں کہ پاکستان میں پچھلے پانچ سال پراپر ٹی مارکیٹ میں 118 کاغیر معمولی اضافہ ہوا ہے۔اس اضافے کی بڑی وجو ہات میں سیزل سر ماہیکاروں کی طرف سے طلب میں اضافہ جھتی خریدار اور مجموعی طور پر ملک میں سیکور ٹی کی بہتر صورت حال شامل ہیں۔

گوادر میس می پیک (CPEC) منصوبے کے اثرات پہلے ہی واضح میں جہاں 2013 سے پراپرٹی کی اوسط قیت میں %70 تک اضافہ ہوا ہے جب کہ پچھ علاقوں میں بیاضافہ کیگ بھگ 200% تک بھی ریکارڈ کیا گیا ہے۔ تاہم پچھلے پچھ کر صے سے پاکستان میں پراپرٹی کے حوالے سے رتجانات میں آ ہستہ آ ہستہ تبدیلی آئی ہے۔ اب بڑے اور دوسرے درجے کے شہروں میں Communities Gated کا رتجان عام ہوتا نظر آ رہا ہے۔

اں بات مدنظرر کھتے ہوئے کدرئیل اسٹیٹ کے شعبے میں ترتی کے بے پناہ امکانات ہیں کمپنی اس بات کا مضبوط ارداہ رکھتی ہے کہ وہ اس شعبے میں اپنی خدمات پوری شدت ہے جاری ر کھے ہوئے ہیں ، خاص طور پرشانداراور بڑی تغییرات کے حوالے ہے چاہے وہ رہائتی ہوں یا کمرشل۔اس شعبے میں کمپنی موجودہ امکانات سے فائدہ اٹھانے کی صلاحیت کسی بھی دیگر ادارے کی نسبت زیادہ رکھتی ہے کیونکہ میر سُٹیل اسٹیٹ کی مارکیٹ میں اسٹاک ایجیخ میں لسٹ واحد تحرک ڈویلپر ہے۔ مزید براں حکوشی پالیسیوں کا جھکا و بھی اس طرف ہے کہ اس شعبے میں زیادہ سرمایہ کاری لائی جائے اوراس شعبے کوبھی دیگر کار پوریٹ اداروں کی طرح رسی طور پرشکیل دیا جائے۔ بینے صرف مقامی اورغیر ملکی اداروں کے سرمائے کا بہاؤاس شعبے کی طرف موڑ دے گا بلکہ اس کے ساتھ ساتھ سے غیر ملکی ماہرین کو یا کستان میں لانے کے لئے بھی معاون ثابت ہوگا۔

کمپنی اپنے ڈویلپمنٹ کے دائرہ کارکوئی حصوں میں توسیع دے رہی ہے۔ ان میں رہائتی، کمرشل اور مشتر کہ تعیبرات بھی شامل ہیں۔ اس سلسلے میں ایک بڑے ادارے کے ساتھ مفاہمت کی یاداشت (MOU) پر متخط ہو بچکے ہیں۔ اس مفاہمت کی یاداشت کے مطابق کمپنی TREIT کے زیراہتمام ڈویلپرمنٹ کے شعبے میں منصوبوں کے لئے نئے امکانات ڈھونڈ کے اس مفاہمت کی عاداقت کے مطابق کمپنی بنیادی طور پر ایک ڈویلپر کا کردارادا کر کے گی۔ اس کے علاوہ یہ بھی ممکن ہے کہ وہ اپنے پاس پچھسر مابیدر کھے جس سے ڈویلپر مارجن کے طور پر ریو نیوحاصل کیا جائے اور بعد میں منصوب کی مجموعی فروخت کے ساتھ والیس کردیا جائے گا۔

دوسری طرف کمپنی نجی زمین کے مالکان کے ساتھ اس بات پر خدا کرات کر رہی ہے کہ ان سے بڑے قطعات زمین خرید ہے جا کیں جن پر جدیدا نداز کے رہائتی اور مشتر کہ استعال کی تغییرات کی جا سکیس کے دوکتی کی کا ارادہ ہے کہ ان کے بھی ضروری ہے کہ کمپنی اپنے نام کی ساکھ کو بھی کا ارادہ ہے کہ ان علاقوں میں موجود نہیں ہیں۔ بیاس لئے بھی ضروری ہے کہ کمپنی اپنے نام کی ساکھ کو برگر رہی برقرار رکھے اور اس کے ساتھ ساتھ بیاس کی اہمیت یوں بھی ہے کہ کمپنی ان منصوبوں کوجلدی ہے کمل کر لے جس کی وجہ سے نہ صرف وہ کام کی اچھی قیمت پاسکے گی بلکہ کمپنی اس بات پر بھی غور کر رہی ہے کہ ستعتبل کی تغییرات میں قابل تجدید تو ان ائی کے تصور کو استعال میں لایا جائے۔ اس مقصد کے لئے کمپنی جدید تغییرات کے اچھی شہرت کے ماہرین کے ساتھ گفتگو کرچکی ہے اور ان سے کہا گیا ہے کہ دو تغییرات کے مؤثر ڈیزائن سامنے لا کئیں۔ بیمنصوبہ نہ صرف ہے کہا گیا جو کہا بلکہ کم کی طور پر بھی زیادہ مؤثر ٹابت ہوگا۔

مزید براں کمپنی کمرشل دفاتر کی تغمیر کے لئے مقامات کا تجزیہ کررہی ہے تا کہ چند بڑے کاروباری دفاتر کی مخصوص ضروریات کو مذظرر کھتے ہوئے ایک ڈویلپر کے طور پر کام کر سکے جبکہ فنڈ زکی فراہمی متعلقہ صارف کے ذمہ ہوگی۔ یہ قبت اور ماڈل کے ذریعے کیا جاسکتا ہے اور رہیمی کمپنی کے سرمائے میں اضافے کا باعث بنے گا۔

شئیر ہولڈرز کے لئے ویلیومیں اضافے کی غرض سے کمپنی ایک مختلف اسٹر کچر پر کام کررہی ہے جس کے ذریعے ماتحت شعبوں کومختلف نوعیت کا کام سونیا جائے گا۔ پرمختلف شعبہ جات کے حوالے سے کام کی مزیر تقتیم کرے گا،مثلا کئے جانے والے کام کی نوعیت، کام کوکرنے میں کنتارسک لیا جاسکتا ہے،سر مائے کا اسٹر کپکر کیسے بنانا ہے اورسر مابیکاروں کا اندارج کرناوغیرہ۔ پیشیئر ہولڈرز کو خاطر خواہ منافع فراہم کرے گااس کے علاوہ سرمائے کی اضافی حفاظت اور شفافیت کو بھی بیٹنی بنائے گا۔ پرمنصوبے کی ساتھ ساتھ خاطرخواہ جائچ پڑتال اورسرمائے کا کرائی ٹیریا مرتب کرے گا۔

## 🖊 معاشی جائزه

### منافع اور برهوتري\_\_\_عليحده عليحده:

اس سال کمپنی نے 100% تصرف حاصل کرنے کا سنگ میل عبور کرلیا۔ اس سال کے دوران کمپنی نے فلپ مورلیں اور عارف حبیب ایم می بی کے ساتھ کرائے داری کا معاہدہ کیا۔ کمپنی کا آپریشنل منافع 314.236 ملین روپے ہوگئے۔ جس کی بڑی وجوہات آپریشنل منافع 314.236 ملین روپے ہوگئے۔ جس کی بڑی وجوہات میں تنخوا ہوں اور دیگر مراعات کا بڑھنا ، انفار میشن میکنالو بی کے اخراجات میں اضافہ ، فیول اور موہائل کا خرچہ سفری اخراجات میں اضافہ بے۔ اس اضافے کو کمیشن کے اخراجات ، تا تو فی اور پروفیشنل اخراجات اور سیکورٹی کے اخراجات میں کی لاکر متوازن کیا گیا۔

کے منسلکہ کمپنیوں نے اس سال اپنے قرض ادا کئے جس کی وجہ سے مالیاتی اخراجات میں کی واقع ہوئی ۔ایک دفعہ ایسچنج میں بھی خسارے کا سامنا کرنا پڑااور کمپنی کو منتقبل میں اس طرح کا خسارہ ادا نہیں کرنا پڑے گا کیونکہ کمپنی نے رواں معاشی سال تمام غیر ملکی کرنسی واپس ادا کر دی ہیں ۔

دیگرانکم (فئیر وبلیواضا فے کومنہا کر کے ) میں بھی4.520 ملین روپے کا اضافیہ ہوا۔جس کی بنیا دی وجہسب اورڈی نیٹیڈلان کے مارک اپ میں اضافہ ہے۔

جس پراپرٹی میں سرمایے کاری کی گئی اس کی فئیر و بلیو میں بھی اضافے کارتجان دیکھنے میں آیا۔ رواں سال کے دوران فئیر و بلیو میں اضافہ 274.218 ملین روپے تھی۔ اس طرح انفرادی بیان کے نوٹ نمبر 5 اور نوٹ نمبر 75 اور نوٹ نمبر 70 اور نوٹ نمبر 7 با جو کہ 2015 میں کا ادائیگ کے بعد 2015 میں 1.67 ویے فی شئیر تھا۔ رواں سال کمپنی کا ٹیکس کا تخیینہ متبادل کارپوریٹ ٹیکس کے طور پر لگایا گیا کیونکدا کا وئنٹنگ منافع ٹیکس منافع کی سے متابع کی سرکھا کے بعد 2.12 مور پر لگایا گیا کیونکدا کا وئنٹنگ منافع ٹیکس منافع کے بعد 2.12 مور پر لگایا گیا کیونکہ اکا وئنٹنگ منافع ٹیکس منافع کے بعد 2.12 مور پر لگایا گیا کیونکہ اکا وئنٹنگ منافع گئیس منافع سے زیادہ رہا۔

سمپنی کی مٹمنٹس میں کسی بھی طرح کی مادی تبدیلی نہیں آئی ماسوائے اس تبدیلی کے جس کاذکر معاشی تفصیلات کے نوٹ نمبر 21 میں ہوا ہے۔

### منافع اور بردهوتری --- مشتر که:

نگیس کی ادائیگی کے بعد کمپنی نے مجموعی طور پر جومنافع حاصل کیا وہ جون 2016 ملین روپے رہا جبکہ جون 2015 میں منافع 69.004 ملین روپے تھا۔ای پی الیس (EPS) سال 2015 میں 63.00 روپے فی شیئر تھاوہ 2016 میں بڑھ کر 1.68 روپے فی شیئر ہوگیا۔مشتر کہ منافع کی بنیا دیر مالی بہتری کی بڑی وجبکینی کا %100 تصرف حاصل کر لینا ہے جہاں ایک طرف سرمائے میں اضافہ ہوا ہے وہیں %100 تصرف حاصل کرنے کی وجہ سے ان سے منسلک اخراجات اور روز مرہ اخراجات میں بھی اضافہ ہوا ہے۔ براہ راست آپر ٹیننگ کی قیمت بڑھ کر 12.813 ملین روپے ہوگئی ہے جس کی وجبتی فوا ہوں اور دیگر مراعات میں اضافہ، پانی کی قیمت، مرمت اور دکیر بھال کی قیمت اور ہاؤس کیپنگ کے اخراجات ہیں۔

انتظامی اورعمومی اخراجات بڑھ کر 10.113 ملین روپے ہوگئے جس کی بنیادی وجہ تخوا ہوں اور دیگر مراعات میں اضافہ، مرمت اور دیکھے بھال کے اخراجات، فیول اورمو ہائل کے اخراجات، پانی کی قیمت، تربیت اور ترقی کے اخراجات، پر بننگ اور شیشنری کے اخراجات، سفری اخراجات شامل ہیں۔ انتظامی اورعمومی اخراجات میں اضافے کی بنیادی وجہ ہیڈ آفس کی طرف سے او پر بیان کردہ اخراجات کے لئے رقم مختص کرنا ہے۔ یہ اس لئے ضروری تھا کہ کمپنی کے کاموں میں اضافہ ہوا ہے اور کمپنی اس بڑھتے ہوئے کام کا انتظام بغیراضافی وسائل اور کمپنی کے پےرول میں اضافے کے کررہی ہے۔

مالی اخراجات کم ہوکر 21.682 ملین روپے رہ گئے جس کی بنیادی وجہ رواں سال کے دوران منسلک کمپنیوں کا قرض واپس ادا کرنا ہے۔ایکچنچ کا خسارہ بھی صرف ایک دفعہ ہے اور پیمپنی کو دوبارہ ادائہیں کرنا پڑے گا اور کمپنی نے رواں مالی سال کے دوران تمام قرض ادا کر دیا ہے۔

سکینی کی مٹمنٹس میں کسی بھی طرح کی مالی تبدیلی نہیں آئی ماسوائے اس تبدیلی کے جس کا ذکر معاشی تفصیلات کے نوٹ نمبر 21 میں درج ہے۔

### *ڐ؈ؿۯ*۬ڎ

بورڈ آف ڈائر کیٹرز نے یہ تجویز کیا ہے کہ کمپنی کومنافع اپنے پاس رکھنا چاہئے تا کہوہ بڑھتی ہوئی افرادی قوت کی ضرورت کو پورا کر سکے مزید یہ کہوہ اس کی سرمایہ کاری مکنہ طور پرمنافع بخش منصوبوں میں استعال کر کے منتقبل میں کمپنی کے لئے منافع کی شرح کومزید بڑھا سکے۔

### چیف ایگزیکٹو، ڈائزیکٹراورا گیزیکٹو**ز کامعاوضہ:** ماک میں قبطینٹریش رواسٹالیس کا میں کا نہیں میں میں میں کا میں میں ت

رواں سال کی مالیاتی الٹیٹمٹش (علیحہ ہ علیحہ ہ ) کے نوٹ نمبر 30 میں چارج کی گئی مجموعی رقم درج ذیل کے مطابق ہے:

	چيف	ا يگزيکڻو	زائر	يكثر	ا يَّزَ:	بلوز
	<sup></sup> 2016	2015	2016 ( روپ <u>ايي</u> ا	2015	2016	2015
مبیک بیری لاونس اور بینیفش • ماؤس رینٹ	7,741,935	7,741,935	1,970,968	-	1,987,436	2,136,774
را و جاور • ہاؤ <i>گ رینٹ</i>	3,483,871	3,483,871	886,929	-	894,345	961,549
• يوليلير	774,194	774,194	197,103	-	198,748	213,677
• وتېيكل الاونس	-	-	975,000	-	658,323	828,000
	12,000,000	12,000,000	4,030,000	-	3,718,852	4,140,000
فراد کی تعداد	11	1	1	1	6	2

مزید بران، چیف ایگزیٹواور کچھ دیگرا نگزیٹوز کو کمپنی کے طرف ہے مفت کار کی سہولت دی گئی ہیں۔ یہ کاریں کمپنی کی ملکیت ہیں اور کمپنی ہی ان کی دیکھ بھال کی ذمه دار ہے۔اس کے علاوہ کمپنی کے حقوانین کے مطابق ان افراد کوعہدوں کے مطابق دیگر مراعات بھی دی جاتی ہیں۔

## ▼ کریڈٹ ریٹنگ (قرض کی شرح بندی)

دی پاکتان کریڈٹ ریٹنگ ایجنس TPL نے PACRA پراپرٹیز لمیٹنگ کے لئے لانگ ٹرم اورشارٹ ٹرم ریٹنگ کررکھی ہے۔اس شرح بندی کے مطابق لانگ ٹرم میں کمپنی "AP" (سنگل A پلس ریٹنگ) اورشارٹ ٹرم میں "A1" (Aون) کے ساتھ ایک مثقیت رکھتی ہے۔ بیریٹنگ اس بات کا عندید دیتی میں کہ کمپنی میں سر مایدکاری کرنے کا رسک کم سے کم ہے اس کے ساتھ ساتھ بیا پی مالی کمٹمنٹ کووقت پرادا کرنے کی بجر پورصلاحیت رکھتی ہے۔

## ₹ چھلے6سال کااہم مالی ریکارڈ

2011	2012	2013	2014	2015	2016	
		روپے میں	رقم پا کستانی			
						انوسمنٹ پراپر ٹی انڈرکنسٹرکشن
1,807,932,093	2,457,713,803	3,071,971,148	-	-	-	0 ) 11 0 0 0
						ىراير ئى، پلانڭڈا يكو يېمنٹ
-	6,043,130	3,709,459	2,334,151	1,584,109	5,581,476	* - * *
-	-	-	3,978,000,000	4,319,000,000	4,632,000,000	انوسمنٹ پراپرٹی
-	990	999,990	999,990	999,990	352,999,990	لانگ ژم انوسمنٹ
						الگافيم ترفيده فال
-	55,000,000	85,000,000	159,822,944	197,835,432	10,770,709	لانگ ژم سب آر ڈینٹیڈ لان
-	-	16,940,919	16,940,919	86,919	186,919	لانگ ٹرم ڈیازٹس
-	2,750,000	14,807,658	27,557,658	51,531,102	78,038,053	ا کروژ مارک اپ
						ريبوا يبل ا گينسٺ رينٺ فرام ٿينڻس
-	_	-	6,956,019	10,776,706	20,966,759	
						ایْدوانس، ڈیازٹ اینڈ پیمنٹس
4,367,635	125,232,491	187,870,027	22,178,705	25,979,368	19,621,854	اليدوا نءو پارڪائيد
						ایدُوانس اگینست بسکریشن آفشیر ز
-	999,000	-	-	-	-	اليدواس الميسك بمسترين الصسيرز
-	62,684,100	10,350,840	-	_	-	ڈ یوفرام ریلیٹیڈ پارٹیز
54,433	6,596,076	7,652,735	16,780,975	55,764,427	97,864,137	ميكسيشن نبيك
9,639,684	308,166,457	59,931,232	77,942,746	195,116,171	850,576,013	كيش ايند بينك بيلنس
1,821,993,845	3,025,186,047	3,459,234,008	4,309,514,107	4,858,674,224	6,068,605,910	ٹوٹل ایسٹس ٹوٹل ایسٹس

2011	2012	2013	2014	2015	2016	
		اروپے میں	رقم پا کستانی			
1,100,000,000	1,100,000,000	1,100,000,000	1,100,000,000	1,100,000,000	2,080,000,000	شئر كىپيىل
-	-	-	-	-	140,497,151	شئير پريميم ا كاوئنك
(10,084,578)	(14,419,086)	(15,464,436)	500,978,997	684,863,802	975,533,853	ا يكيوميليية پرافث
-	1,761,540,000	1,693,714,286	1,692,857,425	2,034,000,000	1,948,861,362	لانگ ٹرم فنانسنگ
181,078,657	101,181,329	243,634,922	485,858,803	566,187,587	275,645,979	دُ يولُوريليئيدُ پارٹيز

ڈ فر ڈئیکس لائبلٹی	39,005,393	23,947,008	4,066,714	-	-	-
ا کور ڈیارک اپ	19,095,500	158,835,696	69,236,438	39,161,195	55,576,923	-
ٹریڈا بیڈا ادریےا پہلز	163,832,637	164,527,377	75,358,610	68,302,115	15,314,945	77,406,573
اكور ۋ مارك اپ	-	-	61,467,717	6,600,212	5,991,936	73,405,940
لان فرام ڈائر یکٹر	-	-	-	-	-	263,363
شارٹ ٹرم فنانسنگ	200,000,000	-	-	-	-	399,923,890
كرنث بورثن آف لائبلز	181,351,134	63,295,831	282,142,575	282,285,714	-	-
ایْدوانساگینسٹ رینٹ	44,782,901	63,016,923	37,546,828	41,000,000	-	-
ِنْوْتْلِ اِیمُونِّی اا بِیْدُ لِاَتِبِلِیْ	6,068,605,910	4,858,674,224	4,309,514,107	3,459,234,008	3,025,186,047	1,821,993,845

2011	2012	2013	2014	2015	2016	
		و پے میں	رقم پاکستانی ره			
-	-	-	68,079,862	231,904,092	364,056,604	ر ينشل انكم
-	-	-	(7,698,944)	(11,569,484)	(12,414,128)	ڈائرکٹ آپریٹنگ کاسٹ
-	-	-	60,380,918	220,334,608	351,642,476	ڈائرکٹ آپریٹنگ کاسٹ گراس پرافٹ
(6,819,450)	(4,334,508)	(1,045,350)	(14,021,111)	(47,738,642)	(53,055,880)	ایْدْمْسْرْییُوزایندٔ جزلایکپنسز
-	-	-	131,171,301	(59,449,530)	(57,400,000)	ا میس چینج (لاس)/گین
-	-	-	(10,598,108)	(3,613,431)	-	ادرآ پریٹنگ ایکسپنسز
-	-	-	(87,301,711)	(254,204,115)	(236,618,104)	فنانس كاسٹس
-	-	-	9,203,838	30,929,770	35,449,950	ادرائكم
						گین آن ویلیویش آف
_	-	-	431,675,020	317,506,439	274,217,887	گین آن دیلیویش آف انوسٹمنٹ پراپر ٹی
(6,819,450)	(4,334,508)	(1,045,350)	520,510,147	203,765,099	314,236,329	پرافٹ بی فورٹیکس شیسیشن
-	-	-	(4,066,714)	(19,880,294)	(23,566,278)	<i>شيكسي</i> شن
(6,819,450)	(4,334,508)	(1,045,350)	516,443,433	183,884,805	290,670,051	پرافٹ/(لاس) آ فٹر کیکسیشن
(0.06)	(0.04)	(0.01)	4.69	1.67	2.12	ا رنگ/ (لاس) فی شیئر

### آ ڈیٹرز

ایم الیں ارنسٹ اینڈینگ فورڈ روہڈ زاینڈ کمپنی چارٹرڈا کا وَشینٹس کی مدے مکمل ہو چکی ہے اورانہوں نے دوبارہ نامزدگی کی پیشکش کی ہے۔ بورڈ آف ڈائر یکٹرزنے اس معاوضے پر،جس کے لئے فریقین رضامند ہوں گے،اس ادارے کی پیشکش کے بعد 30 جون 2017 تک اسے بطور آڈیٹرز نعینات کرنے کے فیصلے کی توثیق کی ہے۔

## ▼ ڈائز یکٹرز کی تربیت

رواں سال کمپنی کے درج ذیل ڈائز کیٹرزنے انسٹی ٹیوٹ آف بزنس ایڈمنسٹریشن کراچی میں ڈائز کیٹرز کی تربیت کے پروگرام میں شمولیت کی ہے۔

- 1- مسرجیل یوسف
- 2- مسٹروائس ایڈمرل محمشفیع (ریٹائرڈ)
  - 3- مسٹر بلال علی بھائی
  - 4۔ مسٹریوسف زوہیب علی
    - 5- مسٹرعلی اصغر

## ◄ استيمنت آن كاربوريك ايند فنانشل ربور شكفريم ورك

بورڈا پن تجارتی ذمہ دار بول سے مکمل آگاہ ہے جو کہ سیکوریٹی اینڈ ایکسچنج کمیشن آف یا کستان نے اپنے طے شدہ ضوابط پرلا گوکی ہیں۔ہم certify کرتے ہیں:

- جارى ہونے والے مالياتي بيانات ہے كمپنى كے امور، آپريش، كيش فلوز اور چينجز ان ا يكوئي ميں شفافيت طاہر ہوتی ہے۔
  - تمپنی نے ہمیشہ با قاعد گی ہے ا کا وُنٹس بکس کیلینیز آرڈینس 1984 کے مطابق برقر اردکھا ہے۔
- تحمینی نے اپنے مالیاتی بیانات کی تیاری کے دوران مناسب اکاؤنٹنگ یالیسیوں کا متواتر استعمال کیا ہے اورا کاؤنٹنگ کے تخیینہ جات کی بنیا د جائز اور مختاط انداز وں بررکھی ہے۔
- بین الاقوامی مالیاتی رپورٹنگ کا معیار، جو کہ پاکستان میں بھی نافذ ہے، مالیاتی بیانات کی تیاری میں اس کامکمل خیال رکھاجا تا ہے۔اور جن شقوں کا نفاذ نہیں ہوسکتاان کے متعلق مکمل وضاحت جاری کی جاتی ہے۔
  - Internal Control کا نظام مکمل طور پرمضبوط اور پوری طرح موژے اوراس کی نگرانی مسلسل کی جاتی ہے۔
    - کمپنی کی بنیادیں مضبوط ہیں اوراس امریٹس کوئی شک نہیں کہ پیانی موجودہ کامیاب شکل میں برقر اررہے گی۔
  - اس مالياتي رپورٹ ميں گزشته 6 سال كے اہم اموراور مالياتي اعداد وشار بھي مختصرا نداز ميں شامل كئے گئے ہيں۔
    - مالیاتی بیانات کے نوٹس میں ٹیکس کے بقایا جات کی تفصیلات مہیا کی گئی ہیں۔
- رواں سال میں ضیاء چشتی نے جو کہ کمپنی کے شیئر ز ہولڈر ہیں ، نے 12.6 ملین شیئر زی۔ای۔اوکونتقل کئے ہیں۔تعینات کئے گئے ڈائر یکٹرز نے اپنی اہلیت کے 6 شیئر زحاصل کئے ہیں۔

اس کے علاو تمینی کے شیئر زمیں مزید کسی قتم کی خرید وفروخت ہی۔ای۔او کے زیرا نظام نہیں کی گئی۔

## شیئرز ہولڈنگ کانمونہ

30 جون 2016 تک کمپنی کے شئیر ز ہولڈنگ کے نمونہ جات کا بیان درج ذیل ہے:

شيئر ہولڈرز کی کیٹیکر ی	نبرزآف ثيئرز	شيئر بولذنگ كى پرسدك ات
16.35%	34,000,000	سپانسرز، ڈائز یکٹرز، بی -ای-اواور بچ
36.61%	76,154,000	اليوق اليَّيْذِ كمينيال
2.69%	5,600,000	بینک، ڈی۔ایف۔آئی،این، بی،ایف،آئی۔
5.58%	11,600,000	انثورنس كمپنيال
8.27%	17,200,000	مضار بهاور میوچل فنڈ ز
8.80%	18,300,000	جزل پلک (لوکل)
1.06%	2,200,000	جزل پلک(فارن)
11.68%	24,300,000	ریگر
8.96%	18,646,000	فارن كمپنياں
100.00	208,000,000	ا نوائل

### 30 جون 2016 تک شیئر ز ہولڈنگ کی تفصیل کانمونہ جنہوں نے کمپنی کے شیئر ز حاصل کئے۔

<i>5</i> m,	شروره	شيئرزنو	شدن	نمبرآ ف شيئر هولدُرز
پرسندانج	شيترزميلة	يمرزو	شيئرز فرام	مبرا ف ينز مولدرز
0	6	100	1	6
0.024	50,000	50000	45001	1
0.4808	1,000,000	100000	95001	10
0.4808	1,000,000	200000	195001	5
0.5769	1,200,000	400000	395001	3
1.9231	4,000,000	500000	495001	8
0.5769	1,200,000	600000	595001	2
0.3365	700,000	700000	695001	1
1.9231	4,000,000	800000	795001	5
6.25	13,000,000	1000000	995001	13
3.0769	6,400,000	1600000	1595001	4
0.8476	1,763,094	1765000	1760001	1
3.8462	8,000,000	2000000	1995001	4
1.0577	2,200,000	2200000	2195001	1
1.1144	2,318,000	2320000	2315001	1
1.1538	2,400,000	2400000	2395001	1
1.2019	2,500,000	2500000	2495001	1
3.8462	8,000,000	4000000	3995001	2
2.2293	4,637,000	4640000	4635001	1
2.3254	4,836,900	4840000	4835001	1
7.9327	16,500,000	5500000	5495001	3
3.4615	7,200,000	7200000	7195001	1
5.5726	11,591,000	11595000	11590001	1
6.0577	12,600,000	12600000	12595001	1
7.1154	14,800,000	14800000	14795001	1
10.1462	21,104,000	21105000	21100001	1
26.4423	55,000,000	55000000	54995001	1
100	208,000,000	ٹوٹ <b>ل</b>		80

# ◄ اضافی معلومات

نبرآف هيرزميلة	اليوى اينْدِ كمينيان، اندُر فيكنگ ايندُ ريليدرُ پارشيز) نام وارفهرست
21,104,000	ٹی پی ایل ہولڈنگز (پرائیویٹ) کمیٹڈ
55,000,000	ٹی بی ایل ٹر کیر کمیٹڈ
50,000	ٹی پی ایل سیکورٹی سروسز (پرائیویٹ) کمیٹٹر
	ميوچل فندُ ز (نام وارتفصيلات)
500,000	ايم، يى، بى، ايف، ايس، ايل برشى ج ايس ويليونندُ
500,000	ى دې ئىز ئى پلک انويسىمىيىك فىد
1,000,000	ی ڈی ی پیک گروتھ فنڈ

500,000	ى دُى ى برُشْي يونٹ بُرسٹ آ ف يا كستان
2,500,000	ى دُى ى ــــــــــــــــــــــــــــــــ
2,000,000	ى دُى كى بِرُشُ فِيصِل السسف ايلويكُ فَن فَدُرُ
600,000	ى دى كەرىخى يونى ايل اسطاك ايدوانىقى فىند ى دى كەرىخى يونى ايل اسطاك ايدوانىقى فىند
500,000	ى دۇرى كەر ئى ئىسىرى المولىيىن ايسىك المولىيىن قائد كى دۇرى كەر ئى ئىسىرى المولىيىن ايسىك المولىيىن قائد
7,200,000	ى دۇى كەرخى ايى يىل ساماك فىد
1,000,000	ایم بی ایف ایس ایل رشی جے ایس گروتھ فنڈ
500,000	ى ئەلىن ئەرىخى ئىكىرى ايلوپىشن فۇر كەۋرىكى ئەرىخى ئىكىرى ايلوپىشن فۇر
200,000	ى دْ كى ك. شرى يو بى ايل ايست ايلو يكش فندْ ك دْ كى ك. شرى يو بى ايل ايست ايلو يكش فندْ
200,000	ى دْى ك _ شِي لِيالِي رِيْلار مِنْ سِيوَكَرْ فِدْ اللهِ عِي سِي فَكْرُ فِيرُ اللهِ عِنْ اللهِ مِنْ اللهِ عَلَى
	ڈائر بیکٹرزی کی ای او، از دواج اور چھوٹے بچول کی نام وار فہرست
19,199,994	مرجه على جميل مستريد على جميل
14,800,000	ر درن عن مغرجيل يوسف احمد
11,500,500	مرس پیس بر
	مندرجه ذیل ڈائر کیٹرز ٹی پی ایل ٹر کیرز کیپٹر کے نامزوڈ ائر کیٹرز میں
1	مسٹر بلال على بھائى
1	مسترظفر امحن نقوى
1	مسر يوسف زوېيب على
1	وانس ايد مرك (ريفائز في مح شفيع - ايجي آئي (ايم)
	ورج ذیل ڈائز کیٹرز کمپنی کے آزاد ڈائز کیٹرز ہیں
1	مسزويا وبثير
	ا يگيزيكييو
1	مسرعلى اصغر
	شیئر ز ہولڈرزجن کے پاس پانچ فیصدیا زیادہ ووٹنگ انٹرسٹ ہے، کی نام وارفہرست
10 100 004	و ما جما
19,199,994 14,800,000	م على جيل چيا ب ب
55,000,000	جيل يوسف احمه ڻ پي ايل ثريم کير کميير ثر
21,104,000	ى چى ايىرىيىرىمىيىتىد ئى چى ايل بولدۇنگىز رىرائىيوىپ كىلىيىشىر
11,591,000	ع کی ایا او مقد طرفر پر بیریت به میشد. نمیند را یا کستان فند ز
11,331,000	5,200 9,52
	ڈائر بیٹرزی ای اوہ می ایف او میٹنی سیرٹری ،ان کے از دواج اور چھوٹے بچوں کی جانب سے شیئر زکی تنجارت کی تفصیلات
	روال سال میں کمپنی کے کسی بھی ڈائر یکٹر، ہی ایف او بھپنی سیکرٹری اوران کے از دواج یا بچوں نے کمپنی کے شیئر زکی تجارت نہیں کی۔ تاہم مسٹرضیاء چشتی نے 12.6 ملین شیئرزی۔ای۔اوکونشقل کئے۔مزید 6 شیئرز کو نئے تعینات ہونے والے ڈائر یکٹرزنے اپنی اہلیت کے لئے حاصل کیا۔

## بورة ميطينكز

ایک مالیاتی سال میں بورڈ آف ڈائر بکٹرز کی سات ملاقاتیں ہوتی ہیں۔ڈائر بکٹرز کی حاضری کی تفصیلات درج ذیل ہیں:

ڈائر <i>یکٹر</i> کانام	مینگزین شرکت کی
7	منزجيل يوسف
7	مسٹر میں تا ہے ای او مسٹر بلال علی بھائی
1	مشر بلال على بيما تي
2	مسٹرسیدظفر کھن نقوی
1	مسٹرسید ظفر المحن نقوی مسٹر زیاد بشیر
4	مسرّعلی اصغر
4	مسٹر پیسف زوہ بیب علی واکس ایئر مرک ریٹا کر ڈھیمشقیج
2	وائس ایڈمرل بٹائز ڈمحیشفیع

### اعتراف

ہم شیئر ز ہولڈرز کی جانب سے کمپنی پراعتاد کرنے کے لئے ان کاشکر بیادا کرتے ہیں۔ہم پاکتان اسٹاک ایجینی ، فیڈرل بورڈ آف ریونیواورسیکوریٹیز اینڈ ایجینی کمیشن آف پاکتان کی رہنمائی اور مدد پرانہیں سراہتے ہیں۔ہمیں اپنے ملاز مین ، پارٹنرز ، تاجر برادری ،سپلائرز اورکسٹمرز کاشکر بیادا کرنا ہے۔انہوں نے اس کمپنی کے تجارتی مقاصد کے حصول میں اپنااہم کردارادا کیا۔

مسلام المسلام المسلم ا

وست برداری (Disclaimer)

اردواورانگریزی کی روپوٹس میں اگر سی بھی قتم کی عدم مطابق پائی گئی توانگریزی رپورٹ کو حتمی تصور 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 practicescontained 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 2016 to comply with the requirements of Chapter 5, Clause 5.19.23 (b) of the Code of 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 approvalits 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 complianceof 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 30June 2016.

Further, we highlight below instances of non-compliance with requirements of the Code as reflected in respective notes and note 23 where these are stated in statement of compliance.

Note references	Description
6	Overall corporate strategy, level of materiality and significant policies and mechanism for
	annual evaluation of Board's own performance are in process of development.
14	Compliance with corporate and financial reporting requirements of the CCG.
16	No meetings of the audit committee were held during the year. Subsequent to 30 June 2016,
	the terms of reference of the committee has been formed and advised to the committee and
	related party transactions for the year ended 30 June 2016 were approved by the Board on
	recommendation of Audit Committee.
21	Intimation of close period by the Company.
22	Dissemination of material / price sensitive information by the Company.

EY Fund Phosh Chartered Accountants Date: 05 September 2016

Place: Karachi



# **▼ STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE**

Name of Company: **TPL Properties Limited** 

Year ended: 30 June 2016

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in Regulation No. 5.19 of Chapter 5 of the 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 board 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 Ahmed
	5. Mr. Bilal Alibhai
	6. Mr. Syed Zafar-ul-Hasan Naqvi
	7. Mr. Yousuf Zohaib Ali
	8. Vice Admiral (R) Muhammad 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 member of a stock exchange, has been declared as a defaulter by that stock exchange.
- 4. During the year, three casual vacancies occurred the Board on August 10, 2015 due to resignation of Mr. Murtaza Alibhai, Mr. Mustafa Ali and Mr. Hussein Alibhai. These casual vacancies were filled by appointment of Mr. Ali Asgher, Mr. Yousuf Zohaib Ali and Mr. Bilal Alibhai on the same date.
- 5. The Company has prepared a "Code of Conduct" and has ensured that the appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.



- 6. The Board has developed a vision/mission statement of the Company. However, overall corporate strategy, level of materiality and significant policies are in process of development and will be approved by the Board in their upcoming meetings. In addition, mechanism for annual evaluation of Board's own performance will also be established and implemented in the upcoming Board meetings.
- 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. No new appointment of CEO has been made during the year.
- 8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated to the Board.
- 9. The Board has arranged a training program for five of its directors during the year.
- 10. The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment.
- 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. Since the Company got listed on June 30, 2016, accordingly the Company does not fall under the ambit to comply with all the corporate and financial reporting requirements of the CCG including limited scope review of half yearly accounts by external auditors and publication and circulation of quarterly unaudited financial statements along with the directors' review on affairs of the listed company.
- 15. The Board has formed an Audit Committee. It comprises three members, of whom all three are non-executive directors and the Chairman of the committee is an independent director.
- 16. Since the Company got listed on June 30, 2016, therefore no meetings of the Audit Committee were held at least once every quarter prior to approval of Company's interim and final results, as required under the CCG. Subsequent to 30 June 2016, the terms of reference of the committee has been formed and advised to the committee. Related party transactions for the year ended 30 June 2016 were approved by the Board in their meeting held on 05 September 2016 on recommendation of Audit Committee.
- 17. The Board has formed an HR and Remuneration Committee. It comprises three members, of whom two are non-executive directors and the Chairman of the committee is a non-executive director. 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.
- 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. Since the Company got listed on June 30, 2016, therefore 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 not required to be determined and intimated to directors, employees and stock exchange.
- 22. Since the Company got listed on June 30, 2016, therefore during the year the material/ price sensitive information is not required to be disseminated among all market participants at once through stock exchange.
- 23. We confirm that all other material principles enshrined in the CCG have been complied with, except for the matters stated in points 6, 14, 16, 21 and 22 above towards which reasonable progress is being made by the Company to seek compliance before the end of the next accounting year.

Chief Executive

Chairman

Dated: 05 September 2016



### **■ AUDITORS' REPORT TO THE MEMBERS**

We have audited the annexed balance sheet of TPL Properties Limited (the Company) as at 30 June 2016 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 Ordinance, 1984;
- b) in our opinion:
  - i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies 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;
- 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 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 2016** 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)

ET Ford Phosh Chartered Accountants

Audit Engagement Partner: Shariq Ali Zaidi

Date: 05 September 2016

Karachi



### **■** BALANCE SHEET AS AT JUNE 30, 2016

		2016	2015
	Note	Ruj	pees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	5,581,476	1,584,109
Investment property	5	4,632,000,000	4,319,000,000
Long-term investment	6	352,999,990	999,990
Long-term subordinated loan	7	10,770,709	197,835,432
Long-term deposits	8	186,919	86,919
Interest accrued	7	78,038,053	51,531,10
CURRENT ASSETS		5,079,577,147	4,571,037,552
	9		10,776,706
Receivables against rent from tenants	10	20,966,759	
Advances and prepayments  Taxation – net	10	19,621,854	25,979,368 55,764,423
Cash and bank balances	11	97,864,137 850,576,013	195,116,17
cush and bank balances	11	989,028,763	287,636,672
		969,026,703	
TOTAL ASSETS		6,068,605,910	4,858,674,224
EQUITY AND LIABILITIES			
SHARE CAPITAL			
Authorized capital			
220,000,000 (2015: 110,000,000) ordinary			
shares of Rs.10/- (2015: Rs.10/-) each		2,200,000,000	1,100,000,000
Issued, subscribed and paid-up capital	12	2,080,000,000	1,100,000,000
Share premium account		140,497,151	
Accumulated profit		975,533,853	684,863,802
		3,196,031,004	1,784,863,802
NON-CURRENT LIABILITIES			
Long-term financing	13	1,948,861,362	2,034,000,000
Due to related parties	14	275,645,979	566,187,587
Accrued mark-up	15	19,095,500	158,835,696
Deferred tax liability	16	39,005,393	23,947,008
		2,282,608,234	2,782,970,291
CURRENT LIABILITIES			
Trade and other payables	17	163,832,637	164,527,377
Short-term borrowings	18	200,000,000	
Current portion of non-current liabilities	19	181,351,134	63,295,83
Advances against rent from tenants	20	44,782,901	63,016,923
CONTINUE NEIS AND CONTINUE	_	589,966,672	290,840,131
CONTINGENCIES AND COMMITMENTS	21		
TOTAL EQUITY AND LIABILITIES		6,068,605,910	4,858,674,224

The annexed notes from 1 to 34 form an integral part of these financial statements.

**CHIEF EXECUTIVE** 

DIRECTOR



### **▼ PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30, 2016**

		2016	2015
	Note	Ru	pees
Rental income	22	364,056,604	231,904,092
Direct operating costs	23	(12,414,128)	(11,569,484)
Gross profit		351,642,476	220,334,608
Administrative and general expenses	24	(53,055,880)	(47,738,642)
Exchange loss – net	13.1	(57,400,000)	(59,449,530)
Other operating expenses	25	-	(3,613,431)
Finance costs	26	(236,618,104)	(254,204,115)
Other income	27	309,667,837	348,436,209
Profit before taxation		314,236,329	203,765,099
From Delore taxation		314,230,329	203,703,099
Taxation	28	(23,566,278)	(19,880,294)
Profit for the year		290,670,051	183,884,805
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		290,670,051	183,884,805
Earnings per share – Basic and diluted	29	2.12	1.67

The annexed notes from 1 to 34 form an integral part of these financial statements.

**CHIEF EXECUTIVE** 

DIRECTOR



### **▼** CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2016

		2016	2015
	Note	Rup	oees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		314,236,329	203,765,099
Adjustments for non-cash items			
Depreciation	24	2,325,011	1,028,042
Finance costs	26	236,618,104	254,204,115
Mark-up on savings account	27	(3,576,768)	(6,956,326)
Markup on long-term subordinated loan	27	(26,506,951)	(23,973,444)
Remeasurement adjustment on investment property	27	(274,217,887)	(317,506,439)
Exchange loss – net		57,400,000	59,449,530
		(7,958,491)	(33,754,522)
Working capital changes			
Decrease / (increase) in current assets			
Receivables against rent from tenants		(10,190,053)	(3,820,687)
Advances and prepayments		6,357,513	(3,800,663)
		(3,832,540)	(7,621,350)
(Decrease) / increase in current liabilities		(40.5 = 40)	
Trade and other payables		(694,740)	88,677,537
Advances against rent from tenants		(18,234,022) (18,928,762)	25,470,095 114,147,632
Cash flows generated from operations			
Cash nows generated from operations		283,516,536	276,536,859
Finance costs paid		(437,591,635)	(162,735,043)
Mark-up on savings account received		3,576,768	6,956,326
Income taxes paid		(50,607,602)	(38,983,452)
Net cash flows (used in) / from operating activities		(201,105,933)	81,774,690
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	4	(6,322,378)	(278,000)
Expenditure incurred on investment property	5	(38,782,113)	(23,493,561)
Investment in subsidiary		(352,000,000)	-
Long-term subordinated loan – net		187,064,723	(38,012,488)
Long-term deposits		(100,000)	_
Net cash flows used in investing activities		(210,139,768)	(61,784,049)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of share capital		1,197,181,000	_
Share issue cost		(76,683,849)	-
Long-term financings – net		36,750,000	-
Short-term borrowing – net		200,000,000	-
Due to related parties  Net cash flows from financing activities		(290,541,608) 1,066,705,543	80,328,784 80,328,784
Net increase in cash and cash equivalents		655,459,842	100,319,425
Cash and cash equivalents at the beginning of the year		195,116,171	94,796,746
Cash and cash equivalents at the end of the year	11	850,576,013	195,116,171
The annexed notes from 1 to 34 form an integral part of these fina			123,110,171
the annexed notes from 1 to 54 form an integral part of these fina	nciai statemen	L3.	

CHIEF EXECUTIVE DIRECTOR



# **▼** STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2016

	SHARE CAPITAL	CAPITAL RESERVES - SHARE PREMIUM ACCOUNT	REVENUE RESERVES – ACCUMULATED PROFIT	TOTAL
		Rup	ees	
Balance at June 30, 2014	1,100,000,000	-	500,978,997	1,600,978,997
Profit for the year	-	-	183,884,805	183,884,805
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	183,884,805	183,884,805
Balance at June 30, 2015	1,100,000,000	-	684,863,802	1,784,863,802
Issuance of shares having face value of <b>Rs.10</b> /- each at a premium of <b>Rs.2.5</b> /- per share On September 15, 2015, 15,704,000 ordinary right				
shares (note 1.2) On June 08, 2016, 8,000,000	157,040,000	39,260,000	-	196,300,000
ordinary shares (note 1.2) On June 30, 2016, 55,750,000	80,000,000	20,000,000	-	100,000,000
ordinary shares (note 1.3)	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 September 15, 2015 under the share purchase agreement	185,460,000	18,546,000	-	204,006,000
Share issue cost (note 1.3 and 24.2)	-	(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
Palanco at luno 20, 2016	2 080 000 000	140 407 151	075 522 952	2 106 021 004
Balance at June 30, 2016	2,080,000,000	140,497,151	975,533,853	3,196,031,004

The annexed notes from 1 to 34 form an integral part of these financial statements.

DIRECTOR



# ■ NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

#### 1. LEGAL STATUS AND OPERATIONS

- 1.1 TPL Properties (Private) Limited was incorporated in Pakistan as a private limited company on February 14, 2007 under the Companies Ordinance, 1984. During the year, the Company has changed its status from private limited company to public company. Accordingly, the Company name is changed to TPL Properties 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 September 15, 2015 and June 08, 2016, the Company has issued 34.25 million and 8 million ordinary shares, having a face value of Rs.10 each at premium, for cash consideration.
- 1.3 On June 30, 2016, the Pakistan Stock Exchange Limited (PSEL) has approved the listing of the Company through issuance of 55.75 million ordinary shares subscribed through book building process by High Net Worth Individuals and Institutions. However, the trading in Company shares on PSEL started from July 04, 2016.
- 1.4 These financial statements are the separate financial statements of the Company, in which investment in the subsidiary company namely Centrepoint Management Services (Private) Limited has been accounted for at cost less accumulated impairment losses, if any.

#### 2. STATEMENT OF COMPLIANCE

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

IFRS 12 - Disclosure of Interests in Other Entities

IFRS 13 – Fair Value Measurement

IAS 27 (Revised 2011) – Separate Financial Statements

IAS 28 (Revised) - Investment in associates and joint ventures

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 recognized 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 recognized 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 derecognition 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

The carrying amounts of the Company's assets are reviewed at each balance sheet date to identify circumstances indicating occurrence of impairment loss or reversal of previous impairment losses. If any such indication exists, the recoverable amounts are estimated and impairment losses or reversal of impairment losses are recognized in the profit and loss account. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss has been recognized.

#### 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.

Other receivables and receivables from related parties are recognised and carried at cost which is the fair value of the consideration to be received in the future for sale of goods and rendering of services.



#### 3.9. 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.

#### 3.10. 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.

#### 3.11. Provisions

Provisions are recognized 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.

#### 3.12. Revenue recognition

Revenue is recognized 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 recognized:

- a) Rental income receivable from operating leases are recognized at straight-line basis over the lease term except for contingent rental income which is recognized when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognized 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 recognized in the profit and loss account when the right to receive them arises.
- b) Interest income is recognized as it accrues using the effective interest rate method.
- c) Other revenues are recorded on an accrual basis.

#### 3.13. 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. In this regard, the effects on deferred taxation of the portion of income expected to be subject to final tax regime is adjusted in accordance with requirements of Accounting Technical Release – 27 of the Institute of Chartered Accountants of Pakistan. Deferred tax, if any, is charged or credited to the profit and loss account.

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.

#### 3.14. 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.

#### 3.15. 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 gain or losses on derecognition of financial assets and financial liabilities are taken to the profit and loss account.

#### 3.16. 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.

#### 3.17. 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.

#### 3.18. Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognised in the financial statements in the year in which these are approved.



#### 3.19. 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 (a	Effective date innual periods beginning on or after)
IFRS 2: Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)  IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investment in	January 01, 2018
Associates – Investment Entities: Applying the Consolidation Exception (Amendment)  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	January 01, 2016
Joint Venture (Amendment)  IFRS 11 Joint Arrangements - Accounting for Acquisition of	Not yet finalised
Interest in Joint Operation (Amendment)  IAS 1 – Presentation of financial statements: Disclosure initiative– clarification on materiality, disaggregation and subtotals,	January 01, 2016
Note, Other Comprehensive Income (OCI) (Amendments) IAS 7 Financial Instruments: Disclosures - Disclosure Initiative -	January 01, 2016
(Amendment) IAS 12 Income Taxes – Recognition of Deferred Tax Assets for	January 01, 2017
Unrealized losses (Amendments) IAS 16 Property, Plant and Equipment and IAS 38 intangible assets -	January 01, 2017
Clarification of Acceptable Method of Depreciation and Amortization (Amend IAS 16 Property, Plant and Equipment IAS 41 Agriculture - Agriculture:	lment) January 01, 2016
Bearer Plants (Amendment) IAS 27 – Separate Financial Statements: Equity Method in Separate	January 01, 2016
Financial Statements (Amendment)	January 01, 2016

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.

	IASB Effective date (annual periods beginning on or after)
Standard	(aa. periodo degg en el arter,
IFRS 9 Financial Instruments: Classification and Measurement	January 01, 2018
IFRS 14Regulatory Deferral Accounts	January 01, 2016
IFRS 15Revenue from Contracts with Customers	January 01, 2018
IFRS 16Leases	January 01, 2019

The Company expects that above new standards will not have any material impact on the Company's financial statements in the period of initial application.



#### 4. PROPERTY, PLANT AND EQUIPMENT

		COST		ACCUMULATED DEPRECIATION		WRITTEN DOWN VALUE		
	AS AT JULY 01, 2015	ADDITIONS	AS AT JUNE 30, 2016	AS AT JULY 01, 2015	FOR THE YEAR (NOTE 4.1)	AS AT JUNE 30, 2016	AS AT JUNE 30, 2016	DEPRECIATION RATE %
Owned assets				Ru	ipees			
Machinery	22,200	-	22,200	15,832	4,440	20,272	1,928	20
Furniture	90,980	5,801,600	5,892,580	56,612	1,178,515	1,235,127	4,657,453	20
Vehicles	3,642,283	-	3,642,283	2,328,431	719,557	3,047,988	594,295	20
Computer and accessories	686,505	340,778	1,027,283	616,218	281,708	897,926	129,357	33.33
Mobile phones	320,390	180,000	500,390	161,156	140,791	301,947	198,443	33.33
2016	4,762,358	6,322,378	11,084,736	3,178,249	2,325,011	5,503,260	5,581,476	
		COST		ACCUM	MULATED DEPREC	CIATION	WRITTEN DOWN VALUE	

		C031		Accon	NOLATED DEFINE	ATED DEFRECIATION		
	AS AT JULY 01, 2014	ADDITIONS	AS AT JUNE 30, 2015	AS AT JULY 01, 2014	FOR THE YEAR (NOTE 4.1)	AS AT JUNE 30, 2015	AS AT JUNE 30, 2015	DEPRECIATION RATE %
				Ru	ipees			
Owned assets								
Machinery	22,200	-	22,200	11,392	4,440	15,832	6,368	20
Furniture	90,980	-	90,980	38,417	18,195	56,612	34,368	20
Vehicles	3,597,783	44,500	3,642,283	1,608,875	719,556	2,328,431	1,313,852	20
Computer and	609,505	77,000	686,505	398,081	218,137	616,218	70,287	33.33
accessories	163,890	156,500	320,390	93,442	67,714	161,156	159,234	33.33
Mobile phones	4,484,358	278,000	4,762,358	2,150,207	1,028,042	3,178,249	1,584,109	

**4.1.** Depreciation for the year has been charged to administrative and general expenses in profit and loss account (note 24).

			2016	2015
5.	INVESTMENT PROPERTY	Note	Rup	ees
	Investment property	5.1	4,632,000,000	4,319,000,000
5.1.	The movement in investment property during the year is as fo	illows:		
	As at July 01		4,319,000,000	3,978,000,000
	Add: Additions during the year	_	38,782,113	23,493,561
			4,357,782,113	4,001,493,561
	Remeasurement adjustment		274,217,887	317,506,439
	As at June 30	5.2	4,632,000,000	4,319,000,000

**5.2.** An independent valuation of Centrepoint Project was carried out by an independent professional valuer on June 30, 2016 and the fair value of Rs.4,632 million (2015: Rs.4,319 million) was determined with reference to market based evidence, active market prices and relevant information. Accordingly, the remeasurement adjustment for the year of Rs.274.218 million (2015: Rs.317.506 million) is recognized in the profit and loss account (note 27). The fair value of investment property fall under level 2 of fair value hierarchy (i.e. significant observable inputs).



#### 6. LONG-TERM INVESTMENT

Others

The Company has initially made an investment of Rs.999,990/- in its wholly owned subsidiary, Centrepoint Management Services (Private) Limited which was incorporated in Pakistan on August 10, 2011. During the year, the Company has made a further investment of Rs.352,000,000/- in its subsidiary company.

The book value per share is Rs.3/- (2015: Rs. Nil) based on the latest available audited financial statements for the year ended June 30, 2016. Currently, the subsidiary company is in start-up phase and 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 a supplemental agreement dated September 29, 2012 to original loan agreement dated February 02, 2012, whereby, the long-term loan granted to subsidiary company's subordinated to all other loans representing the principal, markup and other amounts that may be payable by the subsidiary company to banks/financial institution pursuant to the financing facilities availed and to be availed. Further, the Company signed the supplemental agreement dated June 28, 2014 to original loan agreement dated February 02, 2012, whereby, the maximum facility limit has been increased up to Rs.200 million.

During the year, the Company has 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.

		Note	2016	2015
			Rupe	ees
8.	LONG-TERM DEPOSITS – unsecured, conside	red good		
	Security deposits City District Government Karachi Central Depository Company of Pakistan Limited	8.1	86,919 100,000 186,919	86,919 - <b>86,919</b>
8.1.	These deposits are non-interest bearing.			
9.	RECEIVABLES AGAINST RENT FROM TENANT unsecured, considered good  Related parties: TPL Trakker Limited – the parent company	'S –	16,150,330	10,776,706

**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.

10,776,706

4,816,429

20,966,759

9.1

		2016	2015
10. ADVANCES AND PREPAYMENTS	Note	Rup	ees
Advances – unsecured, considered good Suppliers and contractors	10.1	13,133,343	18,715,352
Prepayments			
Insurance		4,988,511	5,177,307
Security trustee fee	13	750,000	961,644
Agency fee	13	750,000	1,125,065
		6,488,511	7,264,016
		19,621,854	25,979,368

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

		2016	2015
11. CASH AND BANK BALANCES	Note	Rup	ees
Cash in hand		-	5,080
Cash at banks in local currency - current accounts - islamic banking - conventional banking		106,033,745 700,255,211	3,000 794,384
- savings accounts		806,288,956	797,384
- islamic banking - conventional banking	11.1 & 11.2	27,028,001 17,259,056 44,287,057 850,576,013 850,576,013	1,000 194,312,707 194,313,707 195,111,091 195,116,171

- 11.1. These carry mark-up ranging from 3.8 percent to 5.90 percent (2015: 5.75 percent to 9 percent) per annum.
- 11.2. Included herein a cash deposit of Rs.16.854 million under lien. (note 21.2.1)

#### 12. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2016	2015		Note	2016	2015
No. of sl	nares			Rup	pees
60,010,000	60,010,000	Ordinary shares of Rs.10/- each -Issued for cash consideration -Issued during the year for		600,100,000	600,100,000
98,000,000	-	cash consideration		980,000,000	-
158,010,000	60,010,000		12.2	1,580,100,000	600,100,000
		Issued for consideration			
49,990,000	49,990,000	other than cash	12.1	499,900,000	499,900,000
208,000,000	110,000,000			2,080,000,000	1,100,000,000

**12.1.** 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.



12.2 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 (2015: 5,000,000, 55,000,000, 6,600,000 and 14,800,000) ordinary shares of nominal value of Rs.10/- (2015: Rs.10/-) each representing 10 percent, 26 percent, 9 percent and 7 percent (2015: 4.5 percent, 50 percent, 6 percent and 13 percent) respectively of the paid-up capital of the Company as of the balance sheet date.

		Note	2016	2015
			Ru	pees
13.	LONG-TERM FINANCING			
	Project finance	13.1	_	2,034,000,000
	Musharaka finance	13.2	2,074,861,362	-
			2,074,861,362	2,034,000,000
	Less: Current portion shown under current liabilities		126,000,000	-
			1,948,861,362	2,034,000,000

- **13.1.** During the year, the Company had repaid the entire financing facility of US Dollar 20 million obtained from a foreign financial institution under an agreement dated August 10, 2011 for the purpose of construction of 'Centrepoint Project' through funds received under Musharaka finance as disclosed in note 13.2 to these financial statements after obtaining approval of State Bank of Pakistan vide their letter dated September 11, 2015.
  - Accordingly, the charge over all current and future assets including mortgage of property having Plot No.66/3-2 situated at Nai Malir, Deh Dih, Tappo Ibrahim Hyderi, Korangi Town, Karachi and pledge of shares of specific shareholders' constituting 51 percent of the total issued and paid-up capital of the Company has been released.
- **13.2.** The Company had entered into the Musharaka facility agreement of Rs.2,400 million with a commercial 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 i.e. the first installment will become due after 12 months from the date of disbursement dated September 16, 2015. 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.

	Note	2016	2015
14. DUE TO RELATED PARTIES – unsecured		Rup	ees
TPL Holdings (Private) Limited – an ultimate parent			
Company	14.1	32,338,178	383,451,092
TPL Trakker Limited – the parent company	14.2	243,307,801	182,736,495
	_	275,645,979	566,187,587

- **14.1.** Represents loan financing facility having a limit of Rs.400 million carrying mark-up at the rate of 6.35 percent (2015: 18 percent) per annum and is repayable on or before August 31, 2021. On June 01, 2016 the rate of mark-up has been changed from fixed rate of 18 percent to variable rate of 3 months KIBOR which was effective from March 01, 2016.
- **14.2.** Represents loan financing facility having a limit of Rs.200 million carrying mark-up at the rate of 10.35 percent (2015: 14 percent) per annum and is repayable on or before August 31, 2021. On June 07, 2016 the rate of mark-up has been changed from fixed rate of 14 percent to variable rate of 6 months KIBOR plus 4 percent, which was effective from May 01, 2016.

	Note	2016	2015
15. ACCRUED MARK-UP		Rupees	
Accrued mark-up on:			
Long-term financing  Due to related parties:	13	52,433,260	63,295,831
<ul> <li>TPL Holdings (Private) Limited – an ultimate parent company</li> </ul>	14.1	5,612,555	124,431,913
<ul> <li>TPL Trakker Limited – the parent company</li> <li>TPL Direct Insurance Limited – an associated</li> </ul>	14.2	13,482,945	23,616,594
Company		-	10,787,189
		19,095,500	158,835,696
Short-term borrowings		2,917,874	-
Loos Commont montion above and a summont liabilities		74,446,634	222,131,527
Less: Current portion shown under current liabilities		55,351,134 19,095,500	63,295,831 158,835,696
16. DEFERRED TAX LIABILITY  Deferred tax liability on taxable temporary differences: Advance against rent from tenants (net of receivables)		39,005,393	23,947,008
17. TRADE AND OTHER PAYABLES			
Creditors	17.1	67,179,093	92,866,784
Accrued expenses		56,000,194	25,197,411
Retention money		30,360,795	32,966,577
Workers' Welfare Fund		9,290,946	12,904,377
Payable to employees		710,096	592,228
Withholding tax payable	17.0	291,513	164 527 277
	17.2	163,832,637	164,527,377

- **17.1.** Included herein amount payable to TPL Security Services (Private) Limited, a related party, amounting to Rs.3.346 million (2015: Rs.3.346 million) on account of security services provided to the Company.
- 17.2. These payables are non-interest bearing and generally on an average term of 1 to 12 months.

#### 18. SHORT-TERM BORROWINGS

During the year, the Company has obtained the conventional term finance facility for the period of 3 months from a commercial bank having a limit of Rs.200 million. It carries mark-up at the rate of 3 months KIBOR plus 5 percent per annum and is secured against ranking charge over present and future current and fixed assets (including Centrepoint Building on Plot No.66/3-2, off Shaheed Millat Expressway, near KPT Interchange, Korangi, Karachi) of the Company, personal guarantees of directors and counter guarantee of TPL Holdings (Private) Limited. The principal and markup are repayable through bullet payment on maturity. As of balance sheet date, the said facility remained fully utilized and has been subsequently repaid in full.

		Note	2016	2015	
			Rupees		
19. CURRENT PORTION OF NON-CURRENT LIABILITIES					
	Long-term financing	13	126,000,000	-	
	Accrued mark-up	15	55,351,134	63,295,831	
		-	181,351,134	63,295,831	



		Note	2016	2015
20.	ADVANCES AGAINST RENT FROM TENANTS		Rup	ees
	Related parties: TPL Direct Insurance Limited – an associated company Others		19,110,536 25,672,365	24,193,351 38,823,572
	Others	-		
		20.1	44,782,901	63,016,923

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

### 21. CONTINGENCIES AND COMMITMENTS

### 21.1. Contingencies

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

		Note	2016	2015
21.2.	Commitments		Rup	ees
	21.2.1 Revolving letter of credit		16,854,000	16,854,000
	<b>21.2.2</b> The Company's contractual commitments in respect of t construction of Centrepoint Project at year end are as fo			
	<ul> <li>AAA Partnership (Private) Limited</li> <li>Total contract value</li> <li>Paid upto last year by the Company</li> <li>Paid during the year by the Company</li> <li>Balance commitment</li> </ul>		32,074,600 (31,924,600) (150,000)	32,074,600 (30,124,600) (1,800,000) 150,000
	Nadeem Associates - Total contract value - Paid upto last year by the Company - Paid during the year by the Company Balance commitment		22,976,262 (19,950,217) (1,711,959) 1,314,086	22,976,262 (18,450,217) (1,500,000) 3,026,045
	Power Professionals & Engineers  - Total contract value  - Paid upto last year by the Company  - Paid during the year by the Company  Balance commitment		62,588,574 (50,158,181) (2,000,000) 10,430,393	62,588,574 (48,158,181) (2,000,000) 12,430,393
	Kaaf Engineers - Total contract value - Paid upto last year by the Company - Paid during the year by the Company Balance commitment		45,321,030 (41,529,396) (3,000,000) 791,634	44,000,199 (41,529,396) - 2,470,803
	Al Shafi Enterprises - Total contract value - Paid upto last year by the Company - Paid during the year by the Company Balance commitment		160,717,963 (159,972,688) (745,275)	160,717,963 (155,972,688) (4,000,000) 745,275

#### 2016 2015 Rupees **Hitech Engineering Services** - Total contract value 225,657,030 225,657,030 - Paid upto last year by the Company (213,525,286) (212,025,286) - Paid during the year by the Company (4,000,000) (1,500,000) 12,131,744 Balance commitment 8,131,744

**21.2.1.** 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:

	2016	2015
	Rup	ees
Not later than one year	336,127,283	324,116,379
Later than one year but not later than five years	853,447,942	1,090,633,833
	1,189,575,225	1,414,750,212

**21.2.2.** 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 (note 5).

22.	RENTAL INCOME		2016	2015
	Related parties:		Rup	ees
	TPL Trakker Limited – the parent company		41,924,227	26,281,767
	TPL Direct Insurance Limited – an associated company		45,423,204	26,745,696
			87,347,431	53,027,463
	Others		276,709,173	178,876,629
			364,056,604	231,904,092
23.	DIRECT OPERATING COSTS			
	Repairs and maintenance		2,993,705	1,484,546
	Travelling		2,993,703	69,413
	Insurance		8,510,604	9,040,805
	Entertainment		202,277	934,720
	Advertisement and promotional		707,542	40,000
			12,414,128	11,569,484
24.	ADMINISTRATIVE AND GENERAL EXPENSES			
	Salaries, wages and other benefits		29,330,048	18,525,283
	Depreciation 4.	1	2,325,011	1,028,042
	Legal and professional		6,496,816	8,783,497
	Auditors' remuneration 24.	.1	804,500	728,500
	Rent		3,950,000	3,401,352
	Fuel and mobile		4,027,410	2,176,673
	IT related expenses		2,939,728	- 11 264 010
	Commission		- 150,000	11,264,810
	Subscriptions Internet charges		150,000	411,520 4,500
	Printing and stationery		1,806,762	430,770
	Security		1,000,702	937,200
	Training and development		714,093	-
	Travelling expenses		422,752	-
	Repairs and maintenance		40,580	-
	Others		31,660	46,495
			53,055,880	47,738,642

		Note	2016	2015
24.1.	Auditors' remuneration		Rup	ees
	Audit fees			
	Statutory			
	- standalone		495,000	450,000
	- consolidation		109,500	100,000
	Connected		604,500	550,000
	Special - standalone		300,000	
	- consolidation		100,000	_
	consolidation		400,000	_
	Other services		1,839,000	102,500
	Out of pocket		76,500	76,000
			2,920,000	178,500
	Adjusted with share premium account on account of			
	share issue cost		(2,115,500)	
		:	804,500	728,500
25.	OTHER OPERATING EXPENSES			
	Workers' Welfare Fund			3,613,431
	Workers Wellare Luliu	:		3,013,431
26.	FINANCE COSTS			
	Markusas			
	Markup on: - long-term financing	26.1	169,051,485	116,272,593
	- short-term borrowings	20.1	13,029,245	-
	- due to related parties		54,160,870	89,589,822
		_	236,241,600	205,862,415
	Bank charges		376,504	41,700
	Underwriting fee			48,300,000
		:	236,618,104	254,204,115

26.1. Includes mark-up of Rs.144 million (2015: Rs. Nil) incurred on islamic mode of financing.

		2016	2015
		Rup	ees
27.	OTHER INCOME		
	Profit on islamic saving account	1,061,771	-
	Markup on:		
	- long-term subordinated loan	26,506,951	23,973,444
	- on long-term deposits	875,727	865,088
	- on saving accounts	1,639,270	6,091,238
		29,021,948	30,929,770
	Remeasurement adjustment on investment property	274,217,887	317,506,439
	Reversal of excess provision of WWF	3,613,431	-
	Others	1,752,800	-
		309,667,837	348,436,209

### 28. TAXATION

Current Prior Deferred

2016	2015
Rup	oees
6,188,852	-
2,319,041	-
15,058,385	19,880,294
23,566,278	19,880,294

**28.1.** The Company has filed income tax return for the tax year 2015, which is deemed to be assessed under section 120 of Income Tax Ordinance, 2001 unless selected for audit. Current tax charge is based on minimum tax under Section 113C of the Income Tax Ordinance, 2001.

	2016	2015
28.2. Relationship between accounting profit and tax expense	Rup	pees
Profit before taxation	314,236,329	203,765,099
Applicable tax rate	32%	33%
Tax at the above rate Tax effect of income / expenses that are not	100,555,625	67,242,483
allowable for tax purposes Alternative corporate tax (ACT)	(73,108,753) (5,460,752)	(47,321,522) -
Tax effect of prior year tax Tax effect of change in tax rate	2,319,041 (738,884)	(40,667)
Tax expense for the year	23,566,278	19,880,294
Effective tax rate	7.50%	9.76%

28.3. The Finance Act, 2015 has introduced certain amendments relating to taxation of companies. As per these amendments, one-time super tax at the rate of 3 percent of the taxable income has been levied and applies retrospectively for the tax year 2015. In addition, a tax on every public company at the rate of 10 percent of such undistributed reserves which exceed the amount of its paid up capital has also been levied. However, this tax shall not apply in case of a public company which distributes cash dividend equal to at least either 40 percent of its after tax profits or 50 percent of its paid up capital, within the prescribed time after the end of the relevant tax year.

The Company is not liable to pay any tax in respect of aforementioned taxes introduced by Finance Act, 2015, as the required criteria for taxability is not applicable, in case of the Company.

### 29. EARNINGS PER SHARE

Profit attributable to ordinary shareholders

290,670,051

2016

Rupees

- Number of shares ---

183,884,805

2015

Weighted average number of ordinary shares in issue

137,037,671

110,000,000

Earnings per share - basic and diluted

2.12

1.67

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



### 30. REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

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

	Chief Executive Director		ctor	tor		
	2016	2015	2016	2015	2016	2015
			Rupees			
Basic salary Allowances and benefits:	7,741,935	7,741,935	1,970,968	-	1,987,436	2,136,774
- House rent	3,483,871	3,483,871	886,929	-	894,345	961,549
- Utilities	774,194	774,194	197,103	-	198,748	213,677
<ul> <li>Vehicle allowance</li> </ul>	-	-	975,000	-	638,323	828,000
	12,000,000	12,000,000	4,030,000	_	3,718,852	4,140,000
Number of person(s)	1	1	1	1	6	2

- **30.2.** 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.
- **30.3.** One of the executive has been appointed as director of the Company during the year, therefore, the salary has been appropriately disclosed when the office was held.

#### 31. 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, 2016.

#### 31.1. 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.

#### 31.1.1. 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 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.

#### 31.1.2. 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	Effect on profit before tax (Rupees)
016	+100	(25,505,073)
	-100	25,505,073
2015	+100	-
	-100	-

### 31.1.3. 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.

### 31.2. 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, deposits 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. 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	2016 (Rupees)	2015 (Rupees)
A1+	PACRA	3,047,531	177,462,706
A-1+	JCR-VIS	133,642,829	760,782
A-1	JCR-VIS	696,888,582	-
A-2	JCR-VIS	143,071	-
A3	PACRA	-	33,603
		833,722,013	178,257,091

### 31.3. 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, 2016 and June 30, 2015 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
			Ru	pees		
e 30, 2016						
ng-term financing	-	-	215,250,000	1,202,250,000	682,500,000	2,100,000,000
e to related parties	-	-	-	-	275,645,979	275,645,979
crued mark-up	-	55,351,134	-	19,095,500	-	74,446,634
ide and other payables	-	66,533,406	87,953,568	-	-	154,486,974
ort-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
ne 30, 2015						
ng-term financing	-	-	_	1,452,857,143	581,142,857	2,034,000,000
ie to related parties	-	-	-	-	566,187,587	566,187,587
crued mark-up	-	-	63,295,831	158,835,696	-	222,131,527
ide and other payables	-	90,187,784	61,435,216	-	-	151,623,000
	-	90,187,784	124,731,047	1,611,692,839	1,147,330,444	2,973,942,114

#### 31.4. 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.



#### 31.5. 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, 2016 and June 30, 2015 are as follows:

	Note	2016	2015
		Rup	ees
Long-term financing	13	2,074,861,362	2,034,000,000
Due to related parties	14	275,645,979	566,187,587
Accrued mark-up	15	74,446,634	222,131,527
Trade and other payables	17	163,832,637	164,527,377
Short-term borrowings	18	200,000,000	-
Advance against rent from tenants	20	44,782,901	63,016,923
Total debts		2,833,569,513	3,049,863,414
Less: Cash and bank balances	11	833,722,013	178,262,171
Less. Cash and bank balances		033,722,013	170,202,171
Net debt		1,999,847,500	2,871,601,243
Total equity		3,196,031,004	1,784,863,802
Total capital		5,195,878,504	4,656,465,045
Gearing ratio		38%	62%

The Company 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.

#### 32. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise of ultimate parent company, parent company, associated companies, major shareholders, directors and key management personnel. 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 these financial statements are as follows:

	2016	2015
The Ultimate Parent Company	Rup	ees
TPL Holdings (Private) Limited [THL]		
Amount received from THL by the Company	182,993,752	35,900,000
Mark-up on current account	27,373,970	67,635,049
Payment made to THL	534,106,631	-
Payment made to THL on account of accrued mark-up	146,193,368	
The Parent Company		
TPL Trakker Limited [TTL]		
Amount received from TTL	55,497,251	33,730,000
Payment made to TTL on account of accrued mark-up	20,000,000	-
Amount transferred from TDI	-	136,845,784
Mark-up on current account	26,786,860	11,177,020
Expenses incurred / paid by TTL on behalf of the Company	19,221,559	3,198,784
Adjustments of advance receivable for rent from TTL by the		
Company against:		
<ul> <li>due to related parties balance of TTL</li> </ul>	16,921,139	-
<ul> <li>accrued markup payable balance of TTL</li> </ul>	14,147,504	-



	Note	2016	2015
Subsidiary Company		Rupe	ees
Centrepoint Management Services (Private) Limited [CMS]			
Long-term sub-ordinated loan received during the year		376,111,469	17,237,500
Long-term sub-ordinated loan paid during the year		189,046,746	55,249,988
Mark-up on long-term subordinated loan	7	26,506,951	23,973,444
Common Directorship			
TPL Direct Insurance Limited [TDI]			
Amount received from TDI		-	7,500,000
Amount transferred to TTL		-	136,845,784
Mark-up on current account		-	10,787,189
Adjustments of accrued mark-up payable to			
TDI by the Company against from TDI by the			
Company against accrued markup payable balance of TDI		10,787,189	
Advance against rent received during the year		34,289,331	37,201,032
TPL Security Services (Pvt) Limited [TSS]			007.000
Services received by the Company			937,200

**32.1.** The related parties status of outstanding receivables and payables, if any, as at June 30, 2016 and June 30, 2015 are disclosed in respective notes to these financial statements.

### 33. DATE OF AUTHORISATION

These financial statements were authorised for issue on <u>05 Sep 2016</u> by the Board of Directors of the Company.

### 34. GENERAL

- **34.1.** Certain prior year's figures have been rearranged for better presentation, wherever necessary. However, there are no material reclassification to report.
- **34.2.** Number of employees as at June 30, 2016 was 8 (June 30, 2015: 6) and average number of employees during the year was 7 (June 30, 2015: 6).
- **34.3.** Figures have been rounded off to the nearest rupee, unless otherwise stated.

CHIEF EXECUTIVE

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 company namely Centrepoint Management Services (Private) Limited, [collectively here-in-after referred to as "the Group"], as at **30 June 2016** 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 company Centrepoint Management Services (Private) 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 company as at **30 June 2016** and the results of their operations for the year then ended.

ET Fund Phosh Chartered Accountants

Audit Engagement Partner: Shariq Ali Zaidi

Date: 05 September 2016

Karachi

# **▼ CONSOLIDATED BALANCE SHEET**

AS AT	JUNE	30,	20	16
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A3 A1 JUNE 30, 2010		2016	2015
	Note	Rupees	Rupees
ASSETS		•	·
NON-CURRENT ASSETS			
Property, plant and equipment	4	375,806,971	401,955,345
Investment property	5 6	4,632,000,000	4,319,000,000
Long-term deposits Deferred tax asset	7	5,727,863 54,968,187	5,627,863 45,718,210
		5,068,503,021	4,772,301,418
CURRENT ASSETS			
Tools	8	286,473	275,473
Receivables against rent, maintenance and other services	9	51,477,998	16,215,869
Advances and prepayments Other receivables	10	30,318,768	37,297,896
Taxation – net		107,307,694	203,550 60,304,483
Cash and bank balances	11	852,543,314	197,551,046
		1,041,934,247	311,848,317
TOTAL ASSETS		6,110,437,268	5,084,149,735
EQUITY AND LIABILITIES			
SHARE CAPITAL			
Authorized conital			
<b>Authorised capital</b> 220,000,0000 (2015: 110,000,000) ordinary			
shares of Rs.10/- (2015: Rs.10/-) each		2,200,000,000	1,100,000,000
Issued, subscribed and paid-up capital	12	2,080,000,000	1,100,000,000
Share premium account		140,497,151	
Accumulated profit		722,137,012	491,512,326
		2,942,634,163	1,591,512,326
NON-CURRENT LIABILITIES			
Long-term financing	13	2,022,611,362	2,171,500,000
Liabilities against assets subject to finance leases  Due to related parties	14 15	9,500,045 275,645,979	30,155,386 566,187,587
Accrued mark-up	16	19,095,500	158,835,695
		2,326,852,886	2,926,678,668
CURRENT LIABILITIES			
Trade and other payables	17	228,074,341	220,007,696
Short-term borrowings	19	200,000,000	
Current portion of non-current liabilities Advances against rent, maintenance and other services	20 18	342,383,916 70,491,962	244,700,527 101,250,518
Advances against tent, maintenance and other services	10	840,950,219	565,958,741
CONTINGENCIES AND COMMITMENTS	21		, ,
	۷ ۱		
TOTAL EQUITY AND LIABILITIES		6,110,437,268	5,084,149,735

The annexed notes from 1 to 34 form an integral part of these consolidated financial statements.

**Chief Executive** 

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# **▼ CONSOLIDATED PROFIT AND LOSS ACCOUNT**

# FOR THE YEAR ENDED JUNE 30, 2016

		2016 2015
	Note	Rupees Rupees
Revenue	22	<b>524,504,811</b> 289,684,76
Direct operating costs	23	<b>(152,706,896)</b> (139,893,647
Gross profit		<b>371,797,915</b> 149,791,11
Administrative and general expenses	24	<b>(92,363,808)</b> (82,250,014
Exchange loss - net		<b>(57,400,000)</b> (59,449,530
Other operating expenses	25	- (3,613,431
Finance costs	26	<b>(274,763,066)</b> (296,444,805
Other income	27	<b>284,226,098</b> 327,485,42
Profit before taxation		<b>231,497,139</b> 35,518,75
Taxation	28	<b>(872,453)</b> 33,485,87
Profit for the year		<b>230,624,686</b> 69,004,62
Other comprehensive income for the year, net of tax		-
Total comprehensive income for the year		<b>230,624,686</b> 69,004,62
Earnings per share – Basic and diluted	29	<b>1.68</b> 0.6

The annexed notes from 1 to 34 form an integral part of these consolidated financial statements.

Chief Executive

# **▼ CONSOLIDATED CASH FLOW STATEMENT**

# FOR THE YEAR ENDED JUNE 30, 2016

		2016	2015
	Note	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		231,497,139	35,518,756
Adjustment for non-cash items: Depreciation Finance costs Mark up on due from a related party Mark-up on savings account	4.1.1 26 27 27	35,260,343 274,763,066 (3,636,502)	32,677,280 296,444,805 (2,047,748)
Remeasurement adjustment on investment property Exchange loss – net	27	(3,030,302) (274,217,887) 57,400,000	(317,506,439) 59,449,530
Working capital changes		89,569,020	69,017,428
Decrease / (increase) in current assets			
Tools Receivable against rent, maintenance and other services Advances and prepayments Due from a related party		(11,000) (35,262,128) 6,979,127	(169,633) (6,036,111) (5,872,957) 18,545,088
Other receivables		203,550	(203,550)
Increase / (decrease) in current liabilities		(28,090,451)	6,262,837
Trade and other payables		8,066,643	125,633,611
Due to related parties		(9,130,312)	32,424,722
Advances against rent, maintenance and other services		(30,758,556)	59,367,240
		(31,822,225)	217,425,573
Cash flows from operations		261,153,483	328,224,594
Finance costs paid Mark-up on savings account received Income tax paid		(473,399,412) 3,636,502 (57,125,636)	(189,040,326) - (42,786,447)
Net cash flows (used in) / from operating activities		(265,735,063)	96,397,821
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment Expenditure incurred on investment property Long term deposits – net	4.1 5.1	(9,111,969) (38,782,113) (100,000)	(14,446,745) (23,493,561)
Net cash flows used in investing activities		(47,994,082)	(37,940,306)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance share capital Share issue cost Long-term financing – net Obligation against finance leases repaid Short-term borrowings		1,197,181,000 (76,683,849) (30,750,000) (30,484,130) 200,000,000	(21,875,000) (34,306,826)
Due to related parties		(290,541,608)	80,328,784
Net cash flows from financing activities		968,721,413	24,146,958
Not increase in each and each agriculants		654 002 269	02 604 472
Net increase in cash and cash equivalents Cash and cash equivalents at the beginning of the year		654,992,268 197,551,046	82,604,473 114,946,573
Cash and cash equivalents at the end of the year	11	852,543,314	197,551,046

The annexed notes from 1 to 34 form an integral part of these consolidated financial statements.

**Chief Executive** 



# **▼** CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2016

Rupees   R		Share Capital	capital Reserves - Share premium account	profit	Total
Other comprehensive income for the year, net of tax  Total comprehensive income for the year  Balance at June 30, 2015  I,100,000,000  Issuance of shares having face value of Rs.10/- each at a premium of Rs.2/s/- per share  On September 15, 2015, 15,704,000 ordinary shares (note 1.2)  On June 08, 2016, 55,750,000 ordinary shares (note 1.3)  Total comprehensive income for the year					
Other comprehensive income for the year, net of tax  Total comprehensive income for the year  Balance at June 30, 2015  1,100,000,000  1,100,000,000  1,591,512,326  1,591,	Balance at June 30, 2014	1,100,000,000	-	422,507,700	1,522,507,700
Total comprehensive income for the year  Total comprehensive income for the year  Balance at June 30, 2015  1,100,000,000  - 491,512,326  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 (note 1.2)  On June 08, 2016, 8,000,000 ordinary shares (note 1.3)  Total comprehensive income for the year, net of tax  Total comprehensive income for the year  Total comprehensive income for the year  - 69,004,626  69,004,626  1,100,000,000  - 491,512,326  1,591,512,326  1,591,512,326  1,591,512,326  1,591,512,326  1,591,512,326  1,591,512,326  1,591,512,326  1,591,512,326  1,591,512,326  1,591,512,326  196,300,000  - 196,300,000  - 100,000,000  - 100,000,000  - 100,000,000  - 100,000,000  - 100,000,000  - 100,000,000  - 100,000,000  - 100,000,000  - 100,000,000  - 100,000,000  - 100,000,000  - 204,006,000  - 204,006,000  Share issue cost (note 1.1 and 24.1)  - (76,683,849)  - (76,683,849)  - (76,683,849)  - Total comprehensive income for the year, net of tax  - 230,624,686  230,624,686	Profit for the year	-	-	69,004,626	69,004,626
Salance at June 30, 2015   1,100,000,000   - 491,512,326   1,591,512,326   1		_	_	-	_
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 (note 1.2)   - On June 08, 2016, 8,000,000 ordinary shares (note 1.2)   - On June 30, 2016, 55,750,000 ordinary shares (note 1.3)   557,500,000   139,375,000   -   196,300,000   -   100,000,000   -   100,000,000   -   100,000,000     139,375,000   -   993,175,000     198,635,000   -   993,175,000     198,635,000   -   198,635,00	Total comprehensive income for the year	-	-	69,004,626	69,004,626
Rs.10/- each at a premium of Rs.2.5/- per share  On September 15, 2015, 15,704,000 ordinary right shares (note 1.2) On June 08, 2016, 8,000,000 ordinary shares (note 1.2) On June 30, 2016, 55,750,000 ordinary shares (note 1.3)  Total comprehensive income for the year  Rs.10/- each at a premium of Rs.2/- per share on September 15, 2015 under the share purchase agreement  Rs.10/- each at a premium of Rs.1/- per share on September 15, 2015 under the share purchase agreement  Rs.10/- each at a premium of Rs.1/- per share on September 15, 2015 under the share purchase agreement  Rs.460,000 Rs.460,000 Rs.466  Rs.40/000 Rs.466 Rs.40/000 Rs.466 Rs.40/000 Rs.466 Rs.40/000 Rs.466 Rs.46	Balance at June 30, 2015	1,100,000,000	-	491,512,326	1,591,512,326
ordinary right shares (note 1.2) - On June 08, 2016, 8,000,000 ordinary shares (note 1.2) - On June 30, 2016, 55,750,000 ordinary shares (note 1.3)  Total comprehensive income for the year  ordinary right shares (note 1.2)  157,040,000 39,260,000 39,260,000 20,000,000 - 100,000,000	Rs.10/- each at a premium of Rs.2.5/- per share				
ordinary shares (note 1.2) - On June 30, 2016, 55,750,000 ordinary shares (note 1.3)  557,500,000  794,540,000  139,375,000  139,375,000  -   100,000,000   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 September 15, 2015 under the share purchase agreement  185,460,000  Share issue cost (note 1.1 and 24.1)  Profit for the year  Other comprehensive income for the year, net of tax  Total comprehensive income for the year  - 230,624,686  230,624,686  230,624,686	ordinary right shares (note 1.2)	157,040,000	39,260,000	-	196,300,000
ordinary shares (note 1.3)  557,500,000  794,540,000  139,375,000  - 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 September 15, 2015 under the share purchase agreement  185,460,000  18,546,000  - 204,006,000  Share issue cost (note 1.1 and 24.1)  - (76,683,849)  - (76,683,849)  Profit for the year  Other comprehensive income for the year, net of tax  - 230,624,686  230,624,686  230,624,686	ordinary shares (note 1.2)	80,000,000	20,000,000	-	100,000,000
Issuance of 18,546,000 ordinary shares having face value of Rs.10/- each at a premium of Rs.1/- per share on September 15, 2015 under the share purchase agreement		557,500,000		-	696,875,000
having face value of Rs.10/- each at a premium of Rs.1/- per share on September 15, 2015 under the share purchase agreement  185,460,000  18,546,000  - 204,006,000  Share issue cost (note 1.1 and 24.1)  - (76,683,849)  - (76,683,849)  Profit for the year  - (76,683,849)  Other comprehensive income for the year, net of tax  230,624,686  230,624,686  230,624,686		794,540,000	198,635,000	-	993,175,000
Share issue cost (note 1.1 and 24.1)       - (76,683,849)       - (76,683,849)         Profit for the year       - 230,624,686       230,624,686         Other comprehensive income for the year, net of tax       230,624,686       230,624,686         Total comprehensive income for the year       230,624,686       230,624,686	having face value of Rs.10/- each at a premium of Rs.1/- per share on				
Profit for the year - 230,624,686	purchase agreement	185,460,000	18,546,000	-	204,006,000
Other comprehensive income for the year, net of tax  Total comprehensive income for the year  - 230,624,686 230,624,686	Share issue cost (note 1.1 and 24.1)	-	(76,683,849)	-	(76,683,849)
net of tax         -         -         -         -         -         -         -         230,624,686         230,624,686	Profit for the year	-		230,624,686	230,624,686
<u> </u>		_		-	-
Balance at June 30, 2016 2,080,000,000 140,497,151 722,137,012 2,942,634,163	Total comprehensive income for the year	-	-	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

The annexed notes from 1 to 34 form an integral part of these consolidated financial statements.

Chief Executive



### FOR THE YEAR ENDED JUNE 30, 2016

#### 1. LEGAL STATUS AND OPERATIONS OF THE GROUP

The Group comprises TPL Properties Limited and its wholly owned subsidiary company i.e. Centrepoint Management Services (Private) Limited, that have been consolidated in these financial statements:

### 1.1. Holding Company

### TPL Properties Limited [the Holding Company]

TPL Properties (Private) Limited (the Holding Company) was incorporated in Pakistan as a private limited company on February 14, 2007 under the Companies Ordinance, 1984. During the year, the Holding Company has changed its status from private limited company to public company. Accordingly, the Holding Company name is changed to TPL Properties 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.

On September 15, 2015 and June 08, 2016, the Holding Company has issued 34.25 million and 8 million ordinary shares, having a face value of Rs.10 each at premium, for cash consideration.

On June 30, 2016, the Pakistan Stock Exchange Limited (PSEL) has approved the listing of the Holding Company through issuance of 55.75 million ordinary shares subscribed through book building process by High Net Worth Individuals and Institutions. However, the trading in Company shares on PSEL started from July 04, 2016.

### 1.2. Subsidiary Company

#### Centrepoint Management Services (Private) Limited [CMS]

CMS was incorporated in Pakistan as a private limited company on August 10, 2011 under the 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. During the year, the Holding Company has further injected equity of Rs. 352 million equivalent to 35.20 million ordinary right shares of Rs. 10/- each.

### 2. STATEMENT OF COMPLIANCE

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 3.1. 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.



### FOR THE YEAR ENDED JUNE 30, 2016

#### 3.2. Basis of consolidation

These consolidated financial statements comprise of the financial statements of the Holding Company and its subsidiary company, CMS as at June 30, 2016, here-in-after referred to as 'the Group'.

#### 3.2.1. 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 has 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.



### FOR THE YEAR ENDED JUNE 30, 2016

#### 3.2.2. 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.

### 3.3. 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 Standards**

The Group has adopted the following new standards which became effective for the current period:

IFRS 10 - Consolidated Financial Statements

IFRS 11 – Joint Arrangements

IFRS 12 - Disclosure of Interests in Other Entities

IFRS 13 - Fair Value Measurement

IAS 27 (Revised 2011) – Separate Financial Statements

IAS 28 (Revised) – Investment in associates and joint ventures

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

### 3.4. 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:



### FOR THE YEAR ENDED JUNE 30, 2016

#### 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 properties 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.

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

#### 3.5. Property, plant and equipment

#### 3.5.1.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 disposals is charged upto the month in which the disposal takes place.

Rates of depreciation which are disclosed in note 4.1 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.

#### 3.5.2. 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.

#### 3.5.3. Leased

Finance leases, which transfer to the Group substantially 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



### FOR THE YEAR ENDED JUNE 30, 2016

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 4.1 to these consolidated financial statements.

### 3.6. 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.

### 3.7. Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to identify circumstances indicating occurrence of impairment loss or reversal of previous impairment losses. If any such indication exists, the recoverable amounts are estimated and impairment losses or reversal of impairment losses are recognised in the profit and loss account. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss has been recognised.

### 3.8. Tools

These are initially stated at invoice value plus other charges paid thereon as at balance sheet date. Subsequently, these are stated at cost less provision at the rate of 20 percent per annum using reducing balance method.

### 3.9. 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



### FOR THE YEAR ENDED JUNE 30, 2016

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.

Other receivables and receivables from related parties are recognised and carried at cost which is the fair value of the consideration to be received in the future for goods and services.

#### 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 Group.

#### 3.12. 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.

#### 3.13. 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, IT and other services are recorded on an accrual basis;
- c) Interest income is recognised as it accrues, using the effective interest rate method; and
- d) 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



### FOR THE YEAR ENDED JUNE 30, 2016

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. In this regard, the effects on deferred taxation of the portion of income expected to be subject to final tax regime is adjusted in accordance with requirements of Accounting Technical Release – 27 of the ICAP. Deferred tax, if any, is charged or credited to the profit and loss account.

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 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.

### 3.16.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.

#### 3.17.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 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.

### 3.18.Borrowing costs

Borrowing and other related costs directly attributable to the acquisition, construction or production of qualifying



### FOR THE YEAR ENDED JUNE 30, 2016

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 consolidated financial statements in the period in which these are approved.

### 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:

Effective date (annual periods beginning on or after)

#### **Standard or Interpretation**

IFRS 2 -	Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)	January 01, 2018
IFRS 10-	•	
	Interests in Other Entities and IAS 28 Investment in	
	SAssociates – Investment Entities: Applying the	
	Consolidation Exception (Amendment)	January 01, 2016
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
IFRS 11-	3 1	
	Joint Operation (Amendment)	January 01, 2016
IAS 1 -	Presentation of financial statements: Disclosure initiative –	
	clarification on materiality, disaggregation and	
	subtotals, Note, Other Comprehensive Income (OCI) (Amendments)	January 01, 2016
IAS 7 -	Financial Instruments: Disclosures - Disclosure Initiative -	
	(Amendment)	January 01, 2017
IAS 12 -		
	Unrealized losses (Amendments)	January 01, 2017
IAS 16 -	Property, Plant and Equipment and IAS 38 intangible assets -	
	Clarification of Acceptable Method of Depreciation and	
	Amortization (Amendment)	January 01, 2016
IAS 16 -	1 // 11	
	Bearer Plants (Amendment)	January 01, 2016
IAS 27 -		
	Financial Statements (Amendment)	January 01, 2016

The Group expects that the adoption of the above revisions and amendments will not have any material impact on the Group's consolidated 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 Group expects such improvements to the standards will not have any material impact on the Group's consolidated financial statements in the period of initial application.



### FOR THE YEAR ENDED JUNE 30, 2016

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.

IASB Effective date (annual periods beginning on or after)

WRITTEN DOWN

### **Standard**

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

The Group expects that above new standards will not have any material impact on the Group's consolidated financial statements in the period of initial application.

			2016	2015
4.	PROPERTY, PLANT AND EQUIPMENT	Note	Rupees	Rupees
	Operating fixed assets	4.1	375,806,971	401,955,345

### 4.1. Operating fixed assets

		COST		ACCUMU	ACCUMULATED DEPRECIATION		VALUE	
	As at July 01, 2016	Additions	As at June 30, 2016	As at July 01, 2015	For the year (note 4.1.1)	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 & 5.00
Machinery	22,200	-	22,200	15,832	4,440	20,272	1,928	20.00
Furniture and fixtures	551,220	6,463,439	7,014,659	145,789	1,292,624	1,438,413	5,576,246	20.00
Vehicles	3,642,283	-	3,642,283	2,328,431	719,557	3,047,988	594,295	20.00
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 - 10.00
IT equipment	36,570,100	-	36,570,100	10,074,982	7,515,813	17,590,795	18,979,305	20.00
Computer and accessories	1,904,522	340,778	2,245,300	992,449	687,673	1,680,122	565,178	33.33
Mobile phones	515,957	543,150	1,059,107	216,405	301,542	517,947	541,160	33.33
Leased	304,612,468	9,111,969	313,724,437	34,615,416	25,150,378	59,765,794	253,958,643	
Power Generation Unit	64,053,603	-	64,053,603	4,847,682	3,248,267	8,095,949	55,957,654	5.00
Electrical equipment	82,936,672	-	82,936,672	10,184,300	6,861,698	17,045,998	65,890,674	3.33 - 10.00
	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	



### FOR THE YEAR ENDED JUNE 30, 2016

		COST		ACCUMU	JLATED DEPRE	CIATION	WRITTEN DOWN VALUE	
	As at July 01, 2015	Additions	As at June 30, 2015	As at July 01, 2014	For the year (note 4.1.1)	As at June 30, 2015	As at June 30, 2015	Depre- ciation Rate
 Owned				(Rupees)				%
Power Generation Unit	87,850,815	3,111,206	90,962,021	1,773,116	3,797,986	5,571,102	85,390,919	3.33 & 5.00
Machinery	22,200	-	22,200	11,392	4,440	15,832	6,368	20.00
Furniture and fixtures	186,980	364,240	551,220	41,617	104,172	145,789	405,431	20.00
Vehicles	3,597,783	44,500	3,642,283	1,608,875	719,556	2,328,431	1,313,852	20.00
Electrical equipment	165,278,990	5,165,175	170,444,165	4,816,822	10,453,604	15,270,426	155,173,739	3.33 - 10.00
IT equipment	32,178,735	4,391,365	36,570,100	3,217,874	6,857,108	10,074,982	26,495,118	20.00
Computer and accessories	995,383	909,139	1,904,522	468,871	523,578	992,449	912,073	33.33
Mobile phones	227,457	288,500	515,957	106,395	110,010	216,405	299,552	33.33
Leased	290,338,343	14,274,125	304,612,468	12,044,962	22,570,454	34,615,416	269,997,052	
Power Generation Unit	64,015,103	38,500	64,053,603	1,600,378	3,247,304	4,847,682	59,205,921	5.00
Electrical equipment	82,802,552	134,120	82,936,672	3,324,778	6,859,522	10,184,300	75,752,372	3.33 - 10.00
	146,817,655	172,620	146,990,275	4,925,156	10,106,826	15,031,982	131,958,293	
2015	437,155,998	14,446,745	451,602,743	16,970,118	32,677,280	49,647,398	401,955,345	

				2016	2015
		Note		Rupees	Rupees
	<b>4.1.1.</b> The depreciation charge for the year has been allocated as follows:				
	Direct operating costs	23		32,368,616	31,215,524
	Administrative and general expenses	24		2,891,727	1,461,756
				35,260,343	32,677,280
5.	INVESTMENT PROPERTY				
	Investment property	5.1	:	4,632,000,000	4,319,000,000
5.1	The movement in investment property during the year is as follows:				
	As at July 01 Add: Additions during the year			4,319,000,000 38,782,113	3,978,000,000 23,493,561
	Remeasurement adjustment	5.2		4,357,782,113 274,217,887	4,001,493,561 317,506,439
	As at June 30			4,632,000,000	4,319,000,000

**5.2.** An independent valuation of Centrepoint Project was carried out by an independent professional valuer on June 30, 2016 and fair value of Rs.4,632 million (2015:Rs.4,319 million) was determined with reference to market based evidence, active market prices and relevant information. Accordingly the remeasurement adjustment for the year of Rs. 274.218 million (2015: 317.506 million) is recognized in the profit and loss account (note 27). The fair value of investment property fall under level 2 of fair value hierarchy (i.e. significant observable inputs).



FOR THE YEAR ENDED JUNE 30, 2016

		2016	2015
6. LONG-TERM DEPOSITS – unsecured, considered good	Note d	Rupees	Rupees
Security deposits Leased assets Central Depository Company of Pakistan Limited City District Government Karachi	6.1 6.2 6.2	5,540,944 100,000 86,919 5,727,863	5,540,944 - 86,919 - 5,627,863

**6.1.** These security deposits are non-interest bearing and are given to a conventional leasing company on purchase of equipments under finance lease.

6.2.	These are non-interest bearing.			
			2016	2015
7	DEFERRED TAX ASSET	Note	Rupees	Rupees
7.	DEFERRED TAX ASSET			
	Deferred tax assets on deductible temporary differences: Unused tax losses		158,002,592	126,415,493
	Liabilities against assets subject to finance leases		11,124,489	21,238,264
	Defendable liebilita en terreble terres elifference		169,127,081	147,653,757
	Deferred tax liability on taxable temporary differences: Property, plant and equipment – owned and leased		(75,153,501)	(77,988,539)
	Advance against rent from tenants (net of receivables)		(39,005,393)	(23,947,008)
			(114,158,894)	(101,935,547)
8.	TOOLS		54,968,187	45,718,210
	Tools		286,473	275 472
	10015		280,473	275,473
9.	RECEIVABLE AGAINST RENT, MAINTENANCE AND OTHER SERVICES - unsecured, considered good			
	Receivables against rent Related party			
	- TPL Trakker Limited Others		16,150,330 4,816,429	10,776,706 -
	Description and production and air and discrimination	9.1	20,966,759	10,776,706
	Receivables against electricity and air conditioning services Related parties			
	<ul> <li>TPL Trakker Limited</li> <li>TPL Direct Insurance Limited</li> </ul>		3,588,163 1,001,244	583,248 708,919
	Others		4,589,407 8,024,725	1,292,167 4,146,996
	Receivables against other water supply services	9.2	12,614,131	5,439,163
	Related parties - TPL Trakker Limited		234,395	-
	- TPL Direct Insurance Limited		2,869,918	-
	Others		3,104,313 12,962,639	-
		9.2	16,066,952	_
	Receivables against IT services Related party			
	- TPL Trakker Limited		1,830,156	-
			51,477,998	16,215,869



### FOR THE YEAR ENDED JUNE 30, 2016

- **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 non-interest bearing and neither past due nor impaired.

Employees         282,258         66,4.           23,830,257         28,244,9.           Prepayments         4,988,511         6,712,7.	2016	2015
Advances – unsecured, considered good Suppliers and contractors Employees  23,547,999 28,178,49 282,258 66,49 23,830,257 28,244,99  Prepayments Insurance 4,988,511 6,712,79	Rupees	Rupees
Suppliers and contractors       23,547,999       28,178,41         Employees       282,258       66,41         23,830,257       28,244,91         Prepayments         Insurance       4,988,511       6,712,71		
Suppliers and contractors       23,547,999       28,178,41         Employees       282,258       66,41         23,830,257       28,244,91         Prepayments         Insurance       4,988,511       6,712,71		
Prepayments Insurance  23,830,257  28,244,93  4,988,511  6,712,73	23,547,999	<b>9</b> 28,178,492
Prepayments         4,988,511         6,712,75	282,258	<b>8</b> 66,435
Insurance 4,988,511 6,712,75	23,830,25	28,244,927
Security trustee fee   <b>750,000</b>   961,64	4,988,51	<b>1</b> 6,712,757
	-	
	750,000	11 ' '
Others 253,50		- 253,503
<b>6,488,511</b> 9,052,96	6,488,51	9,052,969
<b>30,318,768</b> 37,297,8	30,318,76	<b>8</b> 37,297,896

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

		2016	2015
	Note	Rupees	Rupees
11. CASH AND BANK BALANCES			
Cash in hand Cash at banks in local currency Current accounts		-	22,178
- islamic banking		107,889,704	5,000
- conventional banking	11.1	700,255,211	1,652,960
		808,144,915	1,657,960
Savings accounts			
- islamic banking	_	27,028,001	1,558,200
<ul> <li>conventional banking</li> </ul>	11.1 & 11.2	17,370,398	194,312,708
		44,398,399	195,870,908
		852,543,314	197,528,868
		852,543,314	197,551,046

- **11.1.** These carry mark-up at the rate ranging from 3.8 percent to 5.90 percent (2015: 5.75 percent to 9 percent) per annum.
- 11.2. Included herein a cash deposit of Rs.16.854 million under lien (note 21.2.1).



FOR THE YEAR ENDED JUNE 30, 2016

12. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2016	2015			2016	2015
(No. of s	shares)		Note	Rupees	Rupees
60,010,000	60,010,000	Ordinary shares of Rs.10 - Issued for cash considers Issued during the year	deration	600,100,000	600,100,000
98,000,000	-	cash consideration		980,000,000	-
158,010,000	60,010,000		(note 12.2)	1,580,100,000	600,100,000
		- Issued for considerat	ion		
49,990,000	49,990,000	other than cash	(note12.1)	499,900,000	499,900,000
208,000,000	110,000,000			2,080,000,000	1,100,000,000

- **12.1.** 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.
- **12.2.** 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 (2015: 5,000,000, 55,000,000, 6,600,000 and 14,800,000) ordinary shares of nominal value of Rs.10/- (2015: Rs.10/-) each representing 10 percent, 26 percent, 9 percent and 7 percent (2015: 4.5 percent, 50 percent, 6 percent and 13 percent) respectively of the paid-up capital of the Holding Company as of the balance sheet date.

				2016	2015
13.	LONG-TERM FINANCING	Note	-	Rupees	Rupees
	Project finance (conventional)	13.1		-	2,034,000,000
	Musharaka finance (islamic)	13.2	2	2,074,861,362	-
	Demand finance (conventional)	13.3		109,375,000	153,125,000
	Diminishing musharika – I (islamic)	13.4		18,750,000	30,000,000
	Diminishing musharika – II (islamic)	13.5		37,500,000	50,000,000
			2	2,240,486,362	2,267,125,000
	Less: Current portion shown under current liabilities	20		217,875,000	95,625,000
			2	2,022,611,362	2,171,500,000
			=		

**13.1.** During the year, the Holding Company had repaid the entire financing facility of US Dollar 20 million obtained from a foreign financial institution under an agreement dated August 10, 2011 for the purpose of construction of 'Centrepoint Project' through funds received under Musharaka finance as disclosed in note 13.2 to these consolidated financial statements after obtaining approval of State Bank of Pakistan vide their letter dated September 11, 2015.

Accordingly, the charge over all current and future assets including mortgage of property having Plot No.66/3-2 situated at Nai Malir, Deh Dih, Tappo Ibrahim Hyderi, Korangi Town, Karachi and pledge of shares of specific shareholders' constituting 51 percent of the total issued and paid-up capital of the Holding Company has been released.

13.2. The Holding Company had entered into the Musharaka facility agreement of Rs.2,400 million with a commercial bank through an agreement dated May 26, 2015. Out of which, the Holding 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 i.e. the first installment will become due after 12 months from the date of disbursement dated September 16, 2015. 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.



### FOR THE YEAR ENDED JUNE 30, 2016

- **13.3.** CMS had obtained a demand finance facility of Rs.175 million from a conventional commercial bank for a period of 5 years including one year grace period. The loan carries markup at the rate of 6 months KIBOR plus 3 percent per annum payable semi-annually in arrears and is repayable in 8 equal semi-annual installments of Rs.21.875 million each latest by April 19, 2018. The first installment became due after 18 months i.e. on September 19, 2014, from the date of first disbursement date i.e. April 19, 2013. This facility is secured against exclusive charge on machinery and equipment of Rs.251.497 million, personal guarantees of directors and ordinary shares investment of TPL Holdings (Private) Limited (an ultimate parent company) in TPL Trakker Limited.
- **13.4.** CMS had obtained diminishing musharika financing facility of Rs.30.0 million from a commercial bank for a period of 5 years for refinancing of CAPEX already incurred by the subsidiary company on Chillers. The facility carries mark-up at the rate of 6 months KIBOR plus 3 percent per annum and is subject to revision on semi-annually basis. The musharika units are to be purchased in 8 equal semi-annual installments starting from the 18th month of disbursement date i.e. April 08, 2015 during the period of 4 years latest by October 08, 2018. The facility is secured against first exclusive charge over the asset (Chillers) with 10% risk margin over market value, ranking hypothecation charge over fixed assets of Rs.40 million and personal guarantees of the directors of the subsidiary company.
- 13.5. CMS had obtained diminishing musharika financing facilities aggregating to Rs.50.0 million from a commercial bank for a period of 5 years including one year grace period to refinance CAPEX incurred on assets by CMS. The facility carries mark-up at the rate of 6 months KIBOR plus 3 percent per annum and is subject to revision on semi-annually basis. The musharika units are to be purchased in 8 equal semi-annual installments starting from the 18th month of disbursement date i.e. June 26, 2015 during the period of 4 years from the date of disbursement latest by December 26, 2018. The facility is secured against pledge over shares of TPL Trakker Limited held by TPL Holdings (Private) Limited (an ultimate parent company) with 40% risk margin, ranking hypothecation charge over fixed assets with 10% risk margin and personal guarantees of the directors of the subsidiary company.

### 14. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASES

		201	6	201	5
		Minimum Lease Payments (MLP)	Present Value of MLP	Minimum Lease Payments (MLP)	Present Value of MLP
	Note		(Rup	ees)	
Within one year After one year but not more		28,211,281	26,385,404	41,773,620	36,214,190
than five years		9,579,247	9,500,045	32,058,810	30,155,386
Total minimum lease payments Less: Finance charges Present value of minimum		37,790,528 1,905,079	35,885,449	73,832,430 7,462,854	66,369,576
lease payments Less: Current portion shown under		35,885,449	35,885,449	66,369,576	66,369,576
current liabilities	20	26,385,404	26,385,404	36,214,190	36,214,190
		9,500,045	9,500,045	30,155,386	30,155,386

**14.1.** Represents obligation in respect of equipments acquired under finance lease arrangements from financial institution by the subsidiary company. Rentals are payable in equal monthly installments. Repairs and insurance costs are to be borne by lessee. Financing rate ranging from 8.86 percent to 12.56 percent (2015: 9.48 percent to 15.93 percent) per annum has been used as discounting factor. Purchase option can be exercised by the lessee by adjusting security deposit against residual value at the expiry of the lease period.



### FOR THE YEAR ENDED JUNE 30, 2016

			2016	2015
		Note	Rupees	Rupees
15.	DUE TO RELATED PARTIES - unsecured			
	TPL Holdings (Private) Limited – the ultimate			
	parent company	15.1	32,651,583	392,894,809
	TPL Trakker Limited – the parent company	15.2	243,307,801	182,736,495
	Loan from a director	15.3	22,981,004	22,981,004
			298,940,388	598,612,308
	Less: Current portion shown under current liabilities	15.1 & 15.3	23,294,409	32,424,721
			275,645,979	566,187,587

**15.1.** Represents loan financing facility provided to the Holding Company having a limit of Rs.400 million carrying mark-up at the rate of 6.35 percent (2015: 18 percent) per annum and is repayable on or before 31 August 2021. On June 01, 2016 the rate of mark-up has been changed from fixed rate of 18 percent to variable rate of 3 months KIBOR which was effective from March 01, 2016.

Included herein current account balance of Rs.0.313 million (2015: Rs.9.444 million) between CMS and TPL Holding (Private) Limited carrying markup at the rate of 6.35 percent (2015: 18 percent) per annum and is repayable on demand.

- **15.2.** Represents loan financing facility having a limit of Rs.200 million carrying mark-up at the rate of 10.35 percent (2015: 14 percent) per annum and is repayable on or before August 31, 2021. On June 07, 2016 the rate of mark-up has been changed from fixed rate of 14 percent to variable rate of 6 months KIBOR plus 4 percent, which was effective from May 01, 2016.
- **15.3.** Represents an unsecured, loan from a director, which is repayable on demand. It carries mark-up ranging from 6.35 percent to 18 percent per annum (2015: interest free).

			2010	6	2015
		Note	Rupe	es	Rupees
16.	ACCRUED MARK-UP				
	A serviced module top one				
	Accrued mark-up on:				
	Long-term financing	13	60,517	,625	80,012,812
	Due to related parties:				
	- TPL Holdings (Private) Limited – an ultimate				
	parent company	15.1	15,035	,200	124,855,716
	- TPL Trakker Limited – the parent company	15.2	13,482	,945	23,616,594
	- TPL Direct Insurance Limited – an associated				
	company			-	10,787,189
	- Loan from a director	15.3	1,970	,959	_
			30,489	,104	159,259,499
	Short-term borrowings		2,917	,874	-
			93,924	,603	239,272,311
	Less: Current portion shown under current liabilities		74,829	,103	80,436,616
			19,095	,500	158,835,695



FOR THE YEAR ENDED JUNE 30, 2016

		2016	2015
	Note	Rupees	Rupees
17. TRADE AND OTHER PAYABLES			
Creditors	17.1	67,179,093	92,866,784
Payable to contractors	17.1	44,962,971	45,288,500
Accrued expenses		65,090,149	31,223,274
Retention money		34,065,170	36,670,952
Workers' Welfare Fund		9,290,946	12,904,377
Payable to employees		710,096	592,228
Withholding tax payable		408,827	4,556
Sales tax payable		6,367,089	457,025
	17.2	228,074,341	220,007,696

- **17.1.** Included herein amount payable to TPL Security Services (Private) Limited, a related party, amounting to Rs.22.833 million (2015: Rs.10.212 million) on account of security services provided.
- **17.2.** They are non-interest bearing and generally on an average term of 1 to 12 months.

			2016	2015
		Note	Rupees	Rupees
18.	ADVANCES AGAINST RENT, MAINTENANCE AND OTHER SERVICES			
	Advances against rent Related party			
	- TPL Direct Insurance Limited Others		19,110,536 25,672,365	24,193,351 38,823,572
		18.1	44,782,901	63,016,923
	Advances against maintenance services Related parties			
	- TPL Trakker Limited		3,140,412	4,151,398
	- TPL Direct Insurance Limited		3,423,669	2,801,770
	Others		19,144,980	15,280,427
		18.2	25,709,061	22,233,595
	Advances against other services Related party			
	- TPL Trakker Limited		-	16,000,000
		18.2	70,491,962	101,250,518

- **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.

## ■ NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2016

### 19. SHORT-TERM BORROWINGS

During the year, the Holding Company has obtained the term finance facility for the period of 3 months from a conventional commercial bank having a limit of Rs.200 million. It carries mark-up at the rate of 3 months KIBOR plus 5 percent per annum and is secured against ranking charge over present and future current and fixed assets (including Centrepoint Building on Plot No.66/3-2, off Shaheed Millat Expressway, near KPT Interchange, Korangi, Karachi) of the Holding Company, personal guarantees of directors and counter guarantee of TPL Holdings (Private) Limited. The principal and markup are repayable through bullet payment on maturity. As of balance sheet date, the said facility remained fully utilized and has subsequently repaid in full.

		2016	2015
	Note	Rupees	Rupees
20. CURRENT PORTION OF NON-CURRENT LIABILITIES			
Long-term financing	13	217,875,000	95,625,000
Liabilities against assets subject to finance leases	14	26,385,404	36,214,190
Due to related parties	15	23,294,409	32,424,721
Accrued mark-up	16	74,829,103	80,436,616
		342,383,916	244,700,527
21. CONTINGENCIES AND COMMITMENTS			
21.1.Contingencies			
Claims not acknowledged as debts		1,938,227	
21.2.Commitments			
21.2.1 Revolving letter of credit	11.2	16,854,000	16,854,000

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

	2016	2015
AAA Danta aaskia (Daireata) Lisaita d	Rupees	Rupees
AAA Partnership (Private) Limited  - Total contract value  - Paid upto last year by the Holding Company  - Paid during the year by the Holding Company	32,074,600 (31,924,600) (150,000)	32,074,600 (30,124,600) (1,800,000)
Balance commitment		150,000
Nadeem Associates - Total contract value - Paid upto last year by the Holding Company - Paid during the year by the Holding Company	22,976,262 (19,950,217) (1,711,959)	22,976,262 (18,450,217) (1,500,000)
Balance commitment	1,314,086	3,026,045
Power Professionals and Engineers  - Total contract value  - Paid upto last year by the Holding Company  - Paid during the year by the Holding Company	62,588,574 (50,158,181) (2,000,000)	62,588,574 (48,158,181) (2,000,000)
Balance commitment	10,430,393	12,430,393
Kaaf Engineers  - Total contract value  - Paid upto last year by the Holding Company  - Paid during the year by the Holding Company	45,321,030 (41,529,396) (3,000,000)	44,000,199 (41,529,396)
Balance commitment	791,634	2,470,803



FOR THE YEAR ENDED JUNE 30, 2016

	2016	2015
	Rupees	Rupees
Al Shafi Enterprises - Total contract value - Paid upto last year by the Holding Company - Paid during the year by the Holding Company	160,717,963 (159,972,688) (745,275)	160,717,963 (155,972,688) (4,000,000)
Balance commitment		745,275
Hitech Engineering Services  - Total contract value  - Paid upto last year by the Holding Company  - Paid during the year by the Holding Company	225,657,030 (213,525,286) (4,000,000)	225,657,030 (212,025,286) (1,500,000)
Balance commitment	8,131,744	12,131,744
Premier Systems (Private) Limited - Total contract value - Paid during the year by CMS - Paid during the year by CMS	35,415,889 (27,639,620) (7,082,019)	35,415,889 (27,639,620)
Balance commitment	694,250	7,776,269
<ul><li>H.K. Shah Electronics</li><li>Total contract value</li><li>Paid upto last year by CMS</li><li>Paid during the year by CMS</li></ul>	44,444,250 (43,540,662)	44,444,250 (43,540,662)
Balance commitment	903,588	903,588
Telecom Engineering Company  - Total contract value  - Paid upto last year by CMS  - Paid during the year by CMS  Balance commitment	35,090,936 (32,708,272) (2,000,000) 382,664	35,090,936 (31,708,272) (1,000,000) 2,382,664
Pioneer Engineering Services - Total contract value - Paid upto last year by CMS - Paid during the year by CMS	30,749,675 (27,011,342) (2,000,000)	30,749,675 (27,011,342)
Balance commitment	1,738,333	3,738,333
Instrumentation and Management System - Total contract value - Paid upto last year by CMS - Paid during the year by CMS Balance commitment	16,754,322 (14,204,797) (1,000,000) 1,549,525	16,754,322 (14,204,797) 
Dalance Commitment	1,347,323	

**21.2.3.** The Holding Company has entered into commercial property leases on its investment property with TPL Trakker Limited (the parent company) and TPL Direct Insurance Limited (a related party) 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:

Not later than one year
Later than one year but not later that five years

2016	2015		
Rupees	Rupees		
336,127,283 853,447,942	324,116,379 1,090,633,833		
1,189,575,225	1,414,750,212		

# **■ NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2016

			2016	2015
		Note	Rupees	Rupees
22.	REVENUE			
	Rental income			
	Related parties			
	- TPL Trakker Limited		41,924,227	26,281,767
	- TPL Direct Insurance Limited		45,423,204	26,745,696
			87,347,431	53,027,463
	Others		276,709,173	178,876,628
			364,056,604	231,904,091
	Revenue from maintenance and services Related parties			
	- TPL Trakker Limited		5,045,706	3,125,922
	- TPL Direct Insurance Limited		5,135,494	3,098,545
			10,181,200	6,224,467
	Others		37,303,527	18,531,301
			47,484,727	24,755,768
	Revenue from electricity and air conditioning services			
	Related parties - TPL Trakker Limited		8,095,049	3,328,795
	- TPL Direct Insurance Limited		5,772,913	3,125,289
			13,867,962	6,454,084
	Others		57,936,327	26,570,819
			71,804,289	33,024,903
	Revenue from water supply services			
	Related parties - TPL Trakker Limited		2,808,366	_
	- TPL Direct Insurance Limited		2,869,918	-
			5,678,284	
	Others		13,280,924	
			18,959,208	-
	Revenue from IT services			
	Related party - TPL Trakker Limited		22,199,983	_
			524,504,811	289,684,762
			324,304,011	207,004,702
23.	DIRECT OPERATING COSTS			
	Salaries, wages and other benefits		36,490,162	28,577,860
	Depreciation	4.1.1	32,368,616	31,215,524
	Oil, gas and diesel		45,708,434	48,622,373
	Water Repairs and maintenance		7,318,200 6,935,760	3,505,594 4,940,479
	Travelling		-	69,414
	Insurance		10,049,459	10,359,706
	Entertainment		202,277	934,720
	Advertisement Landscaping and plantation		707,542 2,621,400	40,000 2,941,700
	Housekeeping and cleaning		10,084,000	8,159,884
	Others		221,046	526,393
			152,706,896	139,893,647



FOR THE YEAR ENDED JUNE 30, 2016

			2016	2015
		Note	Rupees	Rupees
24.	ADMINISTRATIVE AND GENERAL EXPENSES			
	Salaries, wages and other benefits		37,638,427	27,065,946
	Depreciation	4.1.1	2,891,727	1,461,756
	Legal and professional	1.1.1	8,295,401	9,480,166
	Auditors' remuneration	24.1	1,429,450	1,006,000
	Repairs and maintenance	2 1.1	11,540,635	7,725,221
	Rent		3,950,000	3,401,352
	Fuel and mobile		4,027,410	2,176,673
	Utilities		212,150	3,068,962
	Water		4,878,800	2,337,062
	Fire, safety and security		9,933,759	10,382,249
	Commission		-	11,264,810
	IT related expenses		2,939,728	-
	Internet charges		16,520	4,500
	Advertisement		250,107	690,246
	Subscription		150,000	411,520
	Entertainment		54,380	410,017
	Printing and stationery		2,600,009	879,768
	Training and development		714,093	-
	Travelling expenses		422,752	-
	Others		418,460	483,766
			92,363,808	82,250,014
24.1	Auditors' remuneration  Audit fees			
	Statutory			
	Holding Company			
	- standalone		495,000	450,000
	- consolidation		109,500	100,000
			604,500	550,000
	CMS		250,000	250,000
			854,500	800,000
	Special			
	Holding Company			
	- standalone		300,000	-
	- consolidation		100,000	-
	CMS		400,000 300,000	-
	CIVIS			
	OIL :		700,000	102.500
	Other services		1,839,000	102,500
	Out of pocket		151,450	103,500
	Adjusted with share premium account on account of share issue cost		3,544,950	1,006,000
			(2,115,500)	-
			1,429,450	1,006,000
25	OTHER OPERATING EXPENSES			
25.	OTHER OPERATING EXPENSES			
	Workers' Welfare Fund		<u> </u>	3,613,431

# **■ NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2016

	2016	2015
26. FINANCE COSTS	Rupees	Rupees
20. FINANCE COSTS		
Markup on: - long-term financing - liabilities against assets subject to finance leases - due to related parties - short-term borrowing Bank charges Underwriting fee	188,444,890 6,901,185 65,980,671 13,029,245 407,075	
	274,763,066	296,444,805
27. OTHER INCOME		
Profit on islamic saving accounts	1,061,771	-
Markup on: - long-term deposits - due from a related party - saving accounts	875,727 - 1,699,004	865,088 2,047,748 6,130,522
Remeasurement adjustment on investment property Reversal of excess provision on WWF Income from ancillary services Others	2,574,731 274,217,887 3,613,431 1,005,478 1,752,800	9,043,358 317,506,439 - 935,624
	284,226,098	327,485,421
28. TAXATION		
Current Prior Deferred	7,803,389 2,319,041 (9,249,977)	(108,763) (33,377,107)
	<u>872,453</u>	(33,485,870)

**28.1.** The income tax assessment of the Group has been finalised upto tax year 2015, which is deemed to be assessed under section 120 of Income Tax Ordinance, 2001 unless selected for audit. Current tax charge is based on minimum tax and alternate corporate tax under Section 113 and Section 113C of the Income Tax Ordinance, 2001.

	2016	2015
28.2.Relationship between accounting profit and tax expense	Rupees	Rupees
2012.Inclusionship between decounting pront and tax expense		
Profit before taxation	231,497,139	35,518,756
Applicable tax rate	32%	33%
Tax at the above rate Tax effect of income / expenses that are not allowable for tax purposes	74,079,084	11,721,189
Alternative corporate tax (ACT) Minimum tax Tax effect of prior year tax Tax effect of change in tax rate	(72,136,639) (5,460,752) 1,614,537 2,319,041 457,182	(45,330,470) - - 123,411
Tax expense for the year	872,453	(33,485,870)
Effective tax rate	0.38%	-



### FOR THE YEAR ENDED JUNE 30, 2016

- **28.3.**The Finance Act, 2015 has introduced certain amendments relating to taxation of companies. As per these amendments, one-time super tax at the rate of 3 percent of the taxable income has been levied and applies retrospectively for the tax year 2015. In addition, a tax on every public company at the rate of 10 percent of such undistributed reserves which exceed the amount of its paid up capital has also been levied. However, this tax shall not apply in case of a public company which distributes cash dividend equal to at least either 40 percent of its after tax profits or 50 percent of its paid up capital, within the prescribed time after the end of the relevant tax year.
- **28.4.** The Holding Company is not liable to pay any tax in respect of aforementioned taxes introduced by Finance Act, 2015, as the required criteria for taxability is not applicable, in case of Holding Company.

		2016	2015
		Rupees	Rupees
29.	EARNINGS PER SHARE		
	Profit attributable to ordinary shareholders	230,624,686	69,004,626
		Number	of shares
	Weighted average number of ordinary shares in issue	137,037,671	110,000,000
	Earnings per share – basic and diluted (Rupees)	1.68	0.63

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

#### 30. REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

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

Chief Executive		Director		Execu	tives
2016	2015	2016	2015	2016	2015
		(кире	es)		
7,741,935	7,741,935	1,970,968	-	1,987,436	2,136,774
3,483,871	3,483,871	886,929	-	894,345	961,549
774,194	774,194	197,103	-	198,748	213,677
-	-	975,000	-	638,323	828,000
12,000,000	12,000,000	4,030,000	-	3,718,852	4,140,000
1	1	1	1	6	2
	2016 7,741,935 3,483,871 774,194	<b>7,741,935</b> 7,741,935 <b>3,483,871</b> 3,483,871 <b>774,194</b> 774,194	2016         2015         2016           7,741,935         7,741,935         1,970,968           3,483,871         3,483,871         886,929           774,194         774,194         197,103           -         975,000	2016         2015         2016         2015           7,741,935         7,741,935         1,970,968         -           3,483,871         3,483,871         886,929         -           774,194         774,194         197,103         -           -         975,000         -	2016         2015         2016 (Rupees)         2016           7,741,935         7,741,935         1,970,968         -         1,987,436           3,483,871         3,483,871         886,929         -         894,345           774,194         774,194         197,103         -         198,748           -         -         975,000         -         638,323           12,000,000         12,000,000         4,030,000         -         3,718,852

- **30.2.** In addition, the Chief Executive and certain executives has also been provided with free use of the Holding Company owned and maintained cars and other benefits in accordance with his entitlements as per rules of the Holding Company.
- **30.3.** One of the executive has been appointed as director of the Company during the year, therefore, the salary has been appropriately disclosed when the office was held.

### 31. 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 2016.

#### 31.1.Market risk

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



### FOR THE YEAR ENDED JUNE 30, 2016

### 31.1.3. 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 of the balance sheet date, the Group is not exposed to currency risk and accordingly, the sensitivity to reasonably possible change in the exchange rate with all other variable held constant is not reported

#### 31.1.4. 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 is exposed to interest rate risk in respect of financing arrangements with financial institutions at floating interest rates. The Group managed these mismatches through risk management strategies where significant changes in gap position can be adjusted. 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	Effect on profit before tax (Rupees)	
2016	+100 -100	27,520,178 (27,520,178)	
2015	+100 -100	2,994,946 (2,994,946)	

### 31.1.5. 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.

#### 31.2. 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, maintenance and other services from tenants, loans, deposits and bank balances. The Group manages credit risk by obtaining advances from tenants and customers, and the credit risk on liquid assets i.e. bank balances is limited because the counter parties are banks with reasonably high credit ratings.

The credit quality of financial assets that are past due but not impaired as disclosed in note 9 to these consolidated financial statements. As at balance sheet date, there are no financial assets that would otherwise be past due or impaired whose terms have been negotiated.

The credit quality of Group's bank balance with reference to external credit ratings are as follows:

Bank Balances by short- term rating category	Rating Agency	2016 Rupees	2015 Rupees
A1+	PACRA	4,903,490	178,321,273
A-1+	JCR-VIS	133,754,171	2,319,992
A-1	JCR-VIS	696,888,582	-
A-2	JCR-VIS	143,071	-
A3	PACRA	-	33,603
		835,689,314	180,674,868



### **■ NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

#### FOR THE YEAR ENDED JUNE 30, 2016

#### 31.3. 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 facilities from financial institutions, trade and other payables, due to related parties and accrued mark-up thereon.

The table below summarizes the maturity profile of the Group's financial liabilities at June 30, 2016 and June 30, 2015 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
2016			(Rup	pees)		
<del></del>						
Long-term financing Liabilities against assets	-	-	307,125,000	1,276,000,000	682,500,000	2,265,625,000
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
Accrued mark-up	-	74,829,103	-	19,095,500	-	93,924,603
Trade and other payables	-	69,810,174	142,434,091	-	-	212,244,265
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
2015						
Long-term financing Liabilities against assets	-	-	95,625,000	1,590,357,143	581,142,857	2,267,125,000
subject to finance leases	-	-	36,214,190	30,155,386	-	66,369,576
Due to related parties	32,424,721	_	-	-	566,187,587	598,612,308
Accrued mark-up	-	17,140,785	63,295,831	158,835,695	-	239,272,311
Trade and other payables	-	90,187,784	116,453,946	-	-	206,641,730
	32,424,721	107,328,569	311,588,967	1,779,348,224	1,147,330,444	3,378,020,925

#### 31.4. 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 consolidated financial statements approximate to their fair value.

#### 31.5.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. No changes were made in the objectives, policies or processes during the year ended June 30, 2016.

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 and revenue reserve. The gearing ratio as at June 30, 2016 and June 30, 2015 are as follows:

		2016	2015
	Note	Rupees	Rupees
Long-term financing	13	2,240,486,362	2,267,125,000
Liabilities against assets subject to finance leases	14	35,885,449	66,369,576
Due to related parties	15	298,940,388	598,612,308



## **■ NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

#### FOR THE YEAR ENDED JUNE 30, 2016

		2016	2015
	Note	Rupees	Rupees
Accrued mark-up	16	93,924,602	239,272,311
Trade and other payables Advances against rent, maintenance and	17	228,074,331	220,007,696
other services	18	70,491,962	101,250,518
Short-term borrowings	19	200,000,000	-
Total debts		3,167,803,094	3,492,637,409
Less: Cash and bank balances	11	852,543,314	197,551,046
Net debt		2,315,259,780	3,295,086,363
Total equity		2,942,634,163	1,591,512,326
Total capital		5,257,893,943	4,886,598,689
Gearing ratio		44%	67%

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.

#### 32. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Group comprise associated companies, major shareholders, directors and key management personnel. 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 these consolidated financial statements are as follows:

	2016	2015
	Rupees	Rupees
The Ultimate Parent Company		
TPL Holdings (Private) Limited [THL]		
Amount received from THL by the Holding Company	182,993,752	35,900,000
Mark-up for the year on current account given to Holding Company	27,373,970	69,682,797
Payment made to THL by the Holding Company	534,106,631	-
Payment made to THL by the Holding Company on account		
of accrued mark-up	146,193,368	-
Loan received from THL by CMS	51,615,000	50,500,000
Mark-up accrued for the year on current account given to CMS	8,998,842	2,047,748
Advance paid by CMS to THL	60,745,312	18,000,000
Mark-up adjusted by CMS against loan of THL		4,511,195
The Parent Company		
TPL Trakker Limited [TTL]		
Amount received from TTL by the Holding Company	55,497,251	33,730,000
Payment made to TTL by the Holding Company on account of		
accrued mark-up	20,000,000	-
Amount transferred from TDI on behalf of THL	-	136,845,784
Mark-up for the year on current account given to the Holding Co.	26,786,860	11,177,020
Expenses incurred / paid by TTL on behalf of		
the Holding Company	19,221,559	3,198,784



#### **■ NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

#### FOR THE YEAR ENDED JUNE 30, 2016

	2016	2015
	Rupees	Rupees
Adjustments of advance receivable for rent from TTL by the Holding	-	
Company against:	16 021 120	
<ul> <li>due to related parties balance of TTL</li> <li>accrued markup payable balance of TTL</li> </ul>	16,921,139 14,147,504	-
Advance received by CMS against maintenance and other services	36,009,372	25,300,734
Navance received by Civio against maintenance and other services	30,009,372	25,300,734
Common Directorship		
, , , , , , , , , , , , , , , , , , ,		
TPL Direct Insurance Limited [TDI]		
Amount received from TDI by the Holding Company		7,500,000
Amount transferred to TTL by the Holding Company	-	136,845,784
Mark-up for the year on current account given to the Holding		
Company	-	10,787,189
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	34,289,331	37,201,032
TPL Security Services (Pvt) Limited [TSS]		027.000
Services received by the Holding Company	-	937,200
Services received by CMS	8,007,000	2,409,600

**32.1.** The related parties status of outstanding receivables and payables, if any, as at June 30, 2016 and June 30, 2015 are disclosed in respective notes to these consolidated financial statements.

#### 33. DATE OF AUTHORISATION

These consolidated financial statements were authorised for issue on 05 September, 2016 by the Board of Directors.

#### 34. GENERAL

- **34.1.** Certain prior year figures have been rearranged for better presentation, wherever necessary. However, there are no material reclassification to report.
- **34.2.** Number of employees as at 2016 was 125 (2015: 121) and average number of employees during the year was 124 (2015: 123).
- **34.3.** Figures have been rounded off to the nearest rupee, unless otherwise stated.

Chief Evecutive

Director

#### ■ NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held at the Auditorium of the Institute of Chartered Accountants of Pakistan (ICAP) at Chartered Accountants Avenue, Clifton, Karachi, on Friday 28th October 2016 at 9:30 am, to transact following business:

#### **ORDINARY BUSINESS**

- 1. To approve the minutes of the Extra Ordinary General Meeting held on 19th May 2016.
- 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 2016, together with the Audited Consolidated Financial Statements of the Company and the Auditors' report thereon for the year ended 30 June 2016.
- 3. To appoint Auditors for the year ending 30 June 2017 and fix their remuneration.
- 4. To transmit the annual audited accounts of the Company through CD/DVD/USB to the shareholders.
- 5. To elect the directors of the Company for a period of three years commencing 29th October, 2016 in accordance with the provisions of Section 178 of the Companies Ordinance 1984. The Board of Directors have fixed the number of directors to be elected as (08) eight. Following are the names of the retiring Directors, who are eligible for re-election:
  - 1. Mr. Jameel Yusuf Ahmed
  - 2. Mr. Muhammad Ali Jameel
  - 3. Mr. Bilal Alibhai
  - 4. Mr. Ziad Bashir
  - 5. Mr. Mohammad Shafi
  - 6. Mr. Zafar-ul-Hasan Nagvi
  - 7. Mr. Yousuf Zohaib Ali
  - 8. Mr. Ali Asgher

#### **SPECIAL BUSINESS**

- 1. To consider and, if thought fit, pass special resolution pursuant to Section 208 of the Companies Ordinance, 1984, to authorize investment of up to Rs.1 Billion to undertake further real estate projects through subsidiaries.
- 2. To consider and, if thought fit, pass special resolution pursuant to Section 208 of the Companies Ordinance, 1984, to authorize investment of up to Rs.500 Million to undertake development of properties not owned by the Company, in order to earn developers margin.
  - (A Statement of Material Facts under Section 160 of the Companies Ordinance 1984 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 June2016.)



Dated: 7 October 2016

#### **ANY OTHER BUSINESS**

3. To consider any other business with the permission of Chairman. By Order of the Board

Mehar Ameer Company Secretary.

#### Notes:

- 1) The Share Transfer Books of the Company will be closed from 15th October 2016 to 28th October 2016 (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, Ground Floor, State Life Building No. 3, Dr. Ziauddin Road, Karachi, not less than 48 hours before the Meeting.
- 3) 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.
- 4) 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, Ground Floor, State Life Building No.3, Dr. Ziauddin Ahmed Road, Karachi. 75530.



# **▼ STATEMENT OF MATERIAL FACTS UNDER SECTION 160(1) (B) OF THE COMPANIES ORDINANCE, 1984 REGARDING SPECIAL BUSINESS**

#### Authorization of investment in a subsidiary for Real Estate(name to be decided)

The Company is desirous of investment in a subsidiary for Real Estate businessup to the extent of Rs.1 Billion for initial capital requirements of the Company at the time of its incorporation. The investment shall be made as per the requirements of the subsidiary in a way that the maximum amount must not exceed Rs.1 Billion. The investment will be made by 30 June 2025.

The above proposition of investment has been approved by the Board of Directors of the Company in their meeting held on 05th September 2016.

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

District Colors	<del>-</del>
Name of the Subsidiary Company	The company to be incorporated
Relationship with Subsidiary Company	Subsidiary Company of TPL Properties Limited
	through investment in shares / equity
Proposed limit of investment	Rs.1 Billion
Benefits to the Company and Purpose	To assist the Company meet its project finance
	requirements
The complete details of investment already	None
provided	
Fair Market value and Break-up value of investment	The company would be newly incorporated
EPS	Not applicable
Financial position of the associated company	The company would be newly incorporated
Sources of funds for investment	Own sources / Institutional Borrowing
Particulars of collateral security against advance	None
Salient features of all agreements	None
Interest of directors, majority shareholders and	The company would be newly incorporated
their relatives	
Description of the Project	Expansion of business segments of the Company in
	the Real Estate Business.
Starting and Expected date of completion of Work	Expected starting date January 2017. Expected date
	of completion September 2019.
Time by which project becomes commercially	December 2019
operational	
Expected time by which the project shall start	June 2020
paying return on investment	



#### Authorization of investment in a subsidiary for Real Estate (names to be decided)

The Company is desirous of investment in a number of subsidiaries incorporated by the Company. The Company shall develop properties on behalf of others/relevant individuals/investors thereby earning developer's margin. The investment made by the Company shall be up to Rs. 500 million for initial capital requirements of the Company at the time of its incorporation. The investment shall be made as per the requirements of the subsidiary in a way that the maximum amount must not exceed Rs.500 Million. The investment will be made by 30 June 2030.

The above proposition of investment has been approved by the Board of Directors of the Company in their meeting held on 05th September 2016.

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 Subsidiary Companies	The Companies are to be incorporated
Relationship with Subsidiary Companies	Subsidiary Companies of TPL Properties Limited
	through investment in shares / equity
Proposed limit of investment	Rs.500 million
Benefits to the Company and Purpose	To assist the Company meet its project finance
	requirements
The complete details of investment already	None
provided	
Fair Market value and Break-up value of investment	The Companies would be newly incorporated
EPS	Not applicable
Financial position of the Subsidiary companies	The Companies would be newly incorporated
Sources of funds for investment	Own sources / Institutional Borrowing
Particulars of collateral security against advance	None
Salient features of all agreements	None
Interest of directors, majority shareholders and	The Companies would be newly incorporated
their relatives	
Description of the Project	Expansion of business segments of the Company in
	the Real Estate Business.
Starting and Expected date of completion of Work	Expected starting date January 2017. Expected date
	of completion September 2019.
Time by which project becomes commercially	Up to December 2019
operational	
Expected time by which the project shall start	Up to June 2020
paying return on investment	



### **▼ PROXY FORM**

I/We_			of (full address)
		being men	nber of TPL Properties Limited
and holder ofn		number o	of Ordinary shares as per Share
Register Folio N.o and/or CDC Parti		and/or CDC Participant I.[	) No
and Su	ub Account No	hereby appoint	
		of (full address)	
or faili		of (full addre	
·	proxy to vote for me and	on my behalf at the Annual General N	Neeting of the Company to be
held o	n the 28th day of Octobe	er 2016 and at any adjournment thereo	of.
Signat	rure this	day of	2016.
1.	Signature:		
	Name:		
	Address:		Please affix
	CNIC or:		revenue stamp
	Passport No:		
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. A Proxy need not be a member of the Company.
- 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.

# ◄ (نيابت) پراڪسي فارم

جس کا/ (جن کا) مکمل پیټ		
ے، ٹی پی ایل پر اپر شیز کمیٹڈ کاممبر ہوں/ ہیں۔		
نمبرئ أرڈنری شیئرز ہیر		اورمیرے/ ہمارے پاس
ن ۋى نېر	ياسى ڈى سى پارئسپىڭ آ	جن کار چیٹر فولیونمبر
	بذر بع تقرر	اورذیلیا کاوئنٹ نمبر
	— جس کا مکمل پیعة	
ىل پة	<u> </u>	يااسکى عدم موجودگی میں
اس کے بعد جب بھی میڈنگ ہو،میری نیابت (پراکسی) میں	28 کتوبر 2016 کی میٹنگ، یااس کےالتواء کی صورت میں	میری جانب سے کمپنی کی سالانہ جز ل میٹنگ میں، جو کہ 8 میری طرف سے ووٹ دینے کاحق رکھتا/رکھتی ہے۔
2016	دن	ز پر دخفلی
		:/t
برائے مہر بانی یہاں ریو نیوسٹرپ		: :::::::::::::::::::::::::::::::::::::
چپان کریں		شناختی کارڈنمبر
		پاسپورٹ نمبر
		2- وتخط:
		نام:
		· : 22,
		شناختی کارڈنمبر
		پاسپورځ نمبر
	نے سے ملنا ضروری ہے )	( دستخط کمپنی کے پاس جمع کرائے گئے دستخط کے نمو

#### بدایات:

- ا۔ نیابت (پراکسی) صرف ای صورت میں مور میجی جائے گی جب بیکپنی کومیٹنگ ہے کم از کم 48 گھنٹے پہلے موصول ہو۔ نیابت (پراکسی) کیلئے کمپنی کاممبر ہونا ضروری نہیں۔
- ا۔ سی ڈی سی شیئر ہولڈرز اوران کے نیابت کاروں کے لئے لازم ہے کہ وہ اس نیابت (پراکسی) کو کمپنی میں جمع کروانے سے پہلے اپنے کمپوٹرائز شاختی کارڈیا پاسپورٹ کی تصدیق شدہ فوٹو گو کا بی کواس فارم کے ساتھ منسلک کردیں۔
  - ااا۔ نیابت کارکومیٹنگ کے وقت اپنااصل شاختی کارڈیاا پنااصل یاسپورٹ دکھا نا ہوگا۔
- IV۔ کار پوریٹ ادارے کی صورت میں، بورڈ آف ڈائر کیٹرز کی قرارداد/مختار نامہ دشتخطوں کے نمونے کے ساتھ نیابت (پراکسی) فارم کے ساتھ کمپنی میں جمع کروانے ہو نگے (سوائے اس کے کہوہ پہلے ہی فراہم کئے جاچکے ہوں)۔
  - ۔ ۷۔ ان شرا اُط وضوابط کی تشریح اور تفصیل کے لئے یا مبالغے کی صورت میں انگریزی میں لکھی ہوئی شرا اُط وضوابط کو حتمی حیثیت حاصل ہوگی۔

#### **CORPORATE OFFICE**

12th Floor, Centrepoint, Off Shaheed-e-Millat Expressway, Adjacent KPT Interchange, Karachi - 74900 Phone: (+92)-21-35316009, UAN: (+92)-21-111-000-300 Fax: (+92)-21-35316032 Email: tplp@tplholdings.com, Website: www.tpl-property.com



