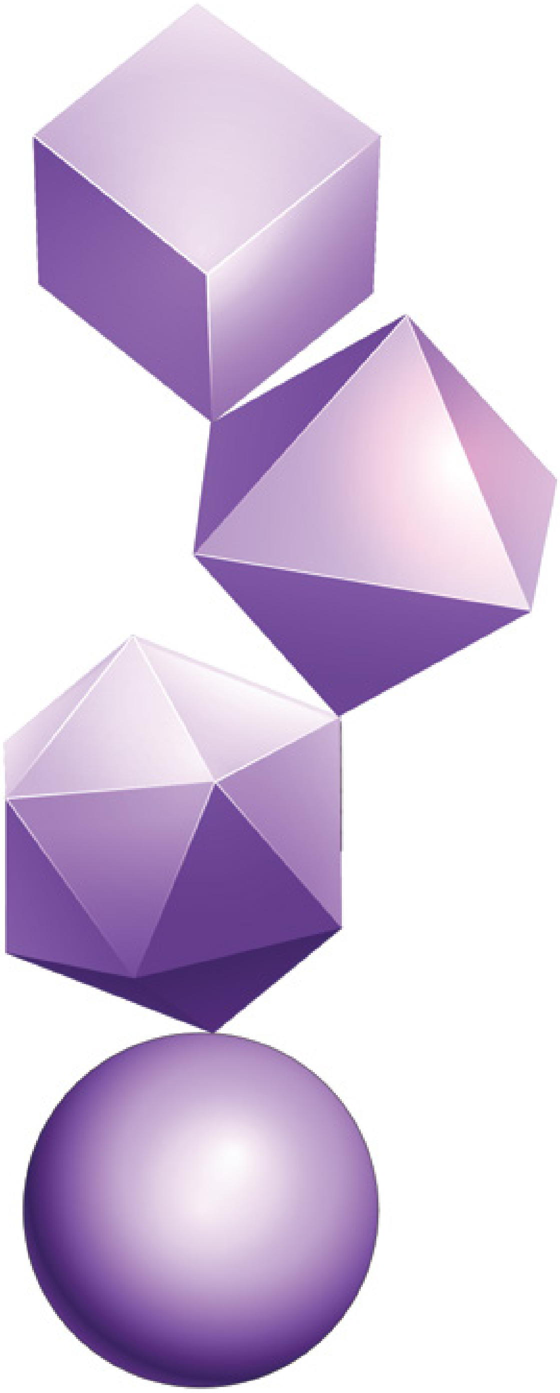
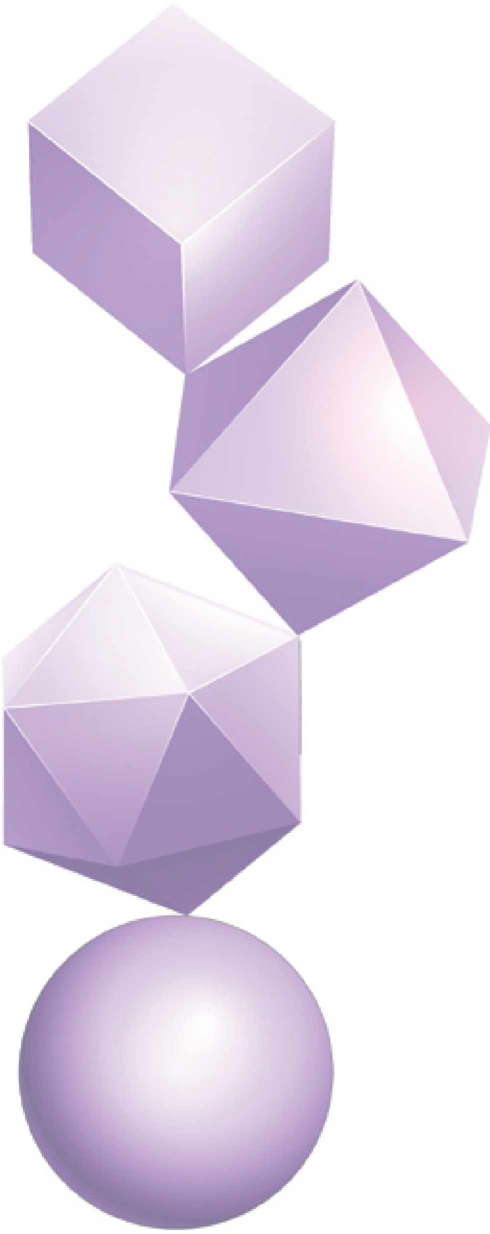


Annual Report 2020-21



Journey of Evolution

This year's Annual Report looks at TPL Properties' growth, innovation and persistence as stages of evolution, visualised by the evolution of shapes and structures. Though our evolution has holistically led to where we are today, each step has maintained its significance through the role it played to bring us here.

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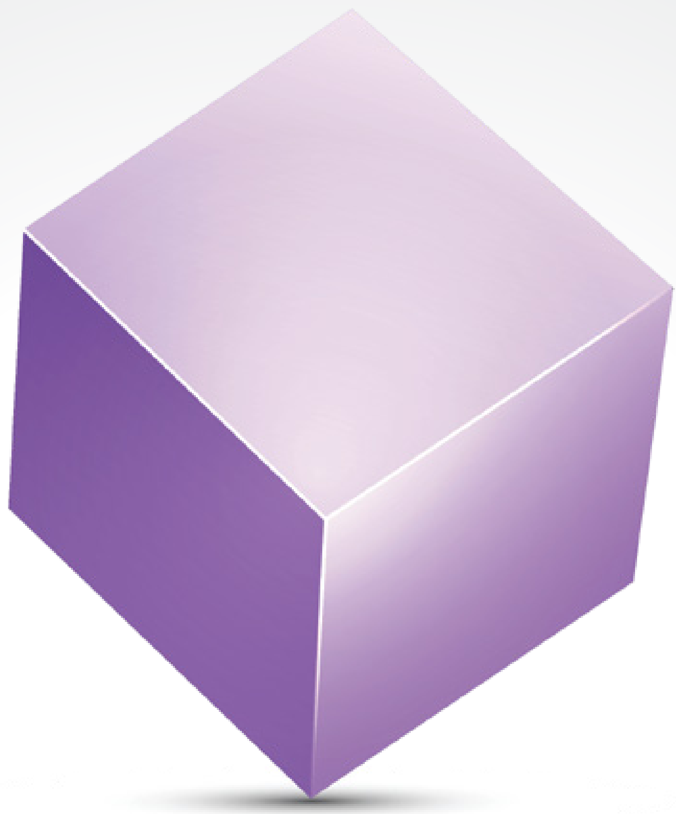
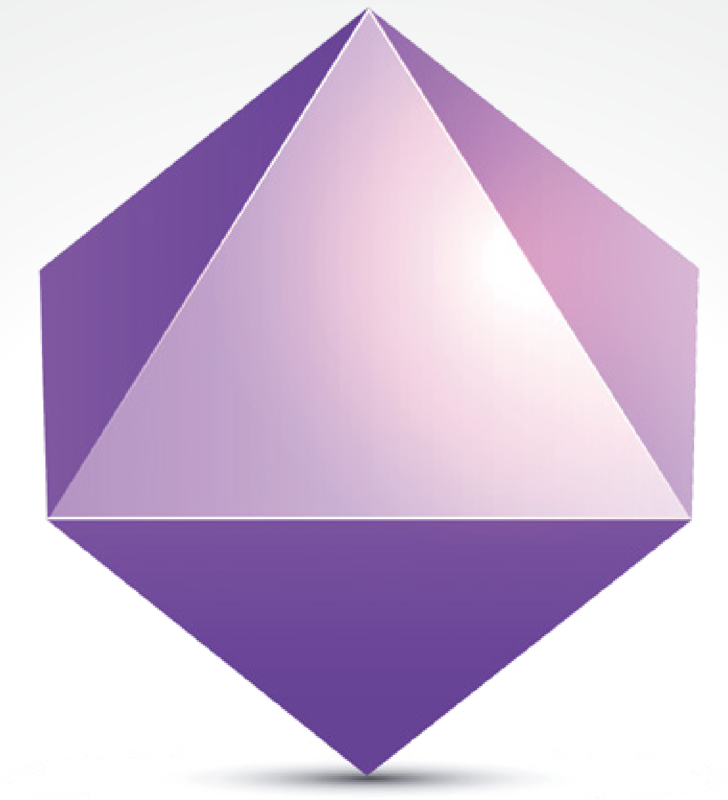


Building a Strong Foundation

We understand that the key to growth is a strong foundation. It is for this reason that from the beginning, we have strived for the trust and confidence of our clients and investors. Our practice of putting our stakeholders first has led us to an impressive portfolio that we plan to continue building upon.

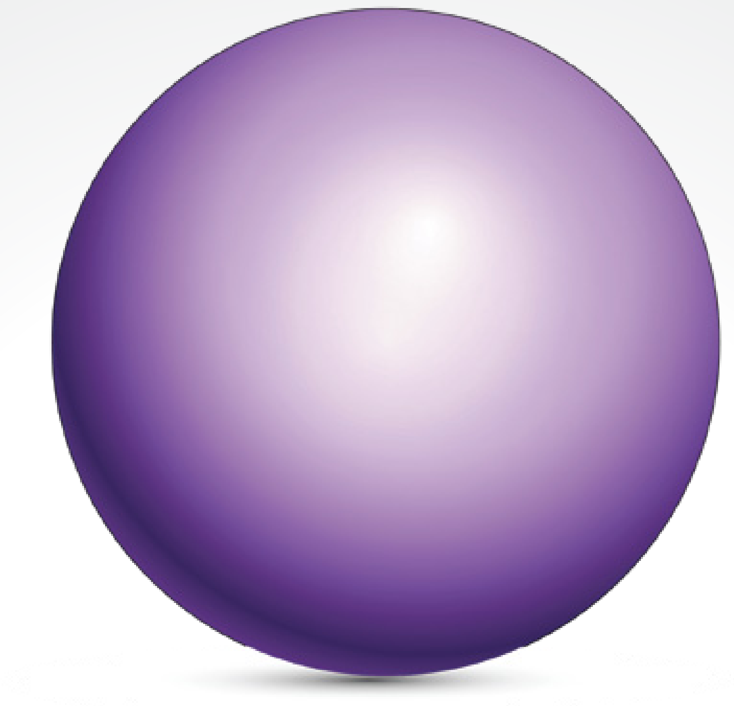


Radical Innvoation

Going where no one dares to go is often the first step taken towards greatness. We, at TPL Properties, believe in taking steps and doing new things. The worlds tallest mural - Centrepoint, which portrays the ecosystem and our connection to it, is an example of our vision for an eco-friendly and sustainable future.

Constant Improvement

With the support of our stakeholders and a rapidly increasing network, TPL Properties has been able to reach new heights. By investing in new ventures and understanding market dynamics, we have remained on a path of constant improvement.



Refining to Perfection

With several projects under our name, we, at TPL Properties, are striving to improve our craft, nurture our relationships with our stakeholders, and shift the real-estate industry and economy of Pakistan towards a prosperous future.

Vision

To be the region's premier property developer providing world-class spaces, supported by a leading team of professionals.

Mission

To set the benchmark for other developers to follow domestically and regionally.

Core Values

- Corporate Social Responsibility
- Innovation
- Equal Opportunity Employer
- Integrity
- Excellence
- Maximum Stakeholder Return
- Respect

Group Profile

TPL Corp

TPL Corp is a technology-driven conglomerate with investments across Life and General Insurance, Real Estate, Security, Asset Tracking, Navigation and Mapping and several technology startups. Our purpose at TPL Corp is to make life better for millions of consumers every day. We aim to use disruptive technology to maximize stakeholder return and achieve sustainable growth for our portfolio companies.

TPL Insurance

As Pakistan's leading Insurtech, TPL Insurance pioneers in developing tech-driven products, innovative solutions, and digitally integrated systems to deliver hassle-free customer experiences. Underpinned by customer-centricity, the TPL Insurance App is an end-to-end insurance solution with self-survey, payment, claims, and renewals features along with online platforms providing round-the-clock customer services. TPL Insurance offers all lines of non-life insurance in conventional and takaful segments, with significant underwriting capacities and arrangements with leading reinsurers.

TPL Life

TPL Life is Pakistan's leading InsurTech. It strives to provide innovative insurance solutions that contribute to enhancing the quality of life and economic well-being of people and society. Continuous investment in cutting edge technology and market intelligence has allowed TPL Life to be first-to-market with multiple unique insurance solutions. With digitisation and innovation at the core, TPL Life commits to deliver seamless, unmatched customer experiences.

TPL Properties

TPL Properties develops and invests in bespoke commercial and luxury residential spaces. We capitalize on growth opportunities, using our expertise to deliver value for our partners, customers and shareholders. Centrepoint was TPL Properties' first project and is designed as an avant-garde commercial workplace. Adhering to high international standards of design and technology it is a unique addition to Karachi's skyline.

TPL Trakker

TPL Trakker Ltd. is Pakistan's leading telematics company providing IoT, tracking, mapping and location-based solutions. For two decades, TPLT has been a pioneer in the GPS tracking industry, helping customers extract data about vehicles and turning their utilization into intelligence. The Company provides reliable end-to-end solutions for individuals, commercial fleets, businesses, automotive industry suppliers, and startups. It is the only vehicle tracking company with a long-term financial status rating of A- by the Pakistan Credit Rating Agency Limited (PACRA) and is currently the only service provider of container tracking services for bonded cargo in Pakistan.

TPL Logistics

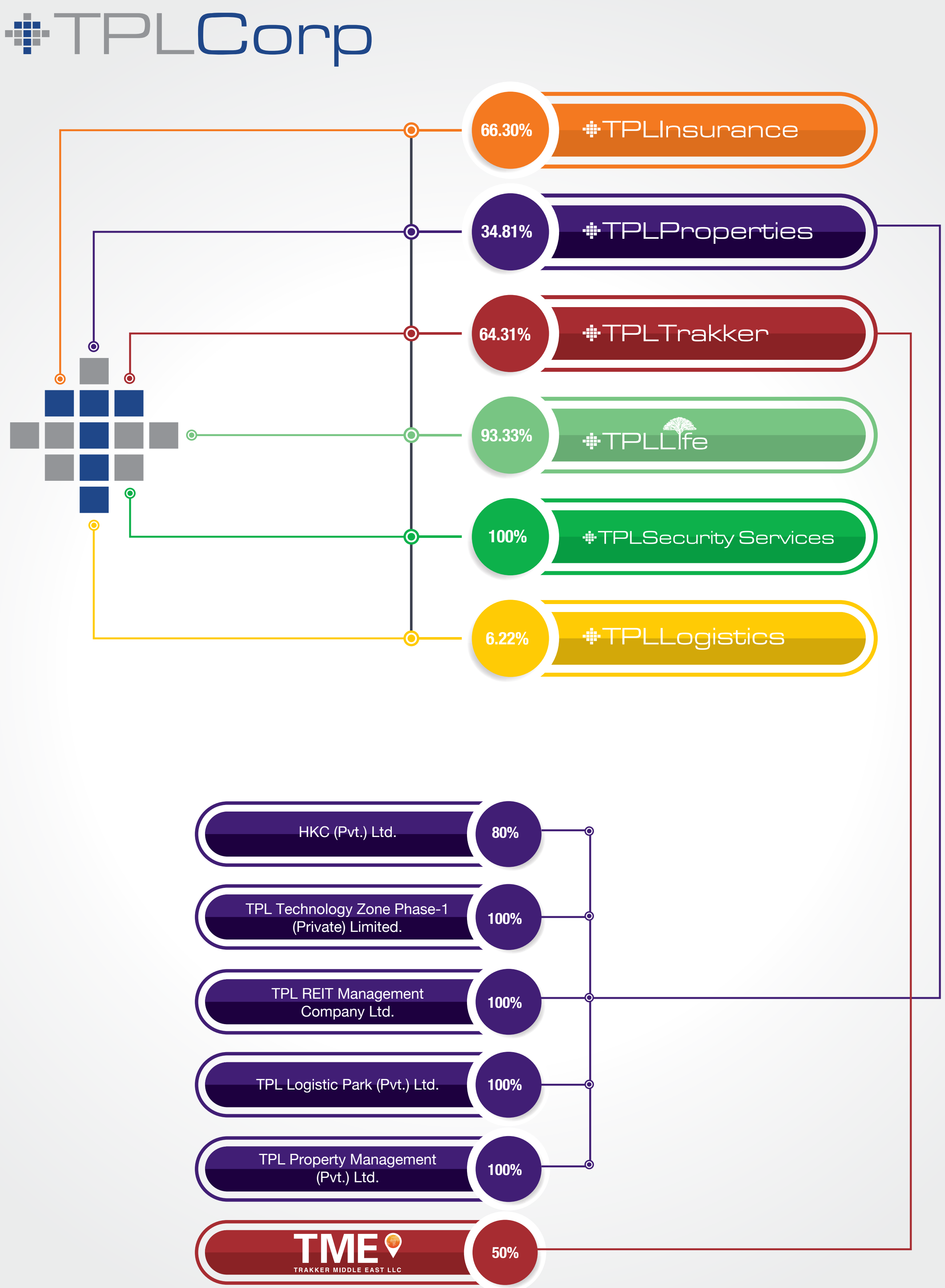
TPL Logistics was launched in 2018 and is Pakistan's first digital end-to-end logistics provider. The Company is committed to its vision of using technology to remove bottlenecks throughout the supply chain. Rider, the first initiative in the product offering, is the last-mile delivery service that uses route optimization, GPS data, and live tracking to deliver products with speed and accuracy.

TPL Security Services

Established in 2001 as a licensed security company, TPL Security Services is a progressive and innovative security solutions provider with unparalleled customer service. Our executive protection includes mobile squads, 24/7 operations, an IT-enabled control room, and a host of other features that may be customized to suit the customers' needs.

TPL e-Ventures

TPL e-Ventures aims to invest in multiple startups across tech-enabled companies at a pre-seed and seed level, with a vision to build a world-class platform for catalyzing high potential entrepreneurs. As a first strategic investor, we play an active role at every stage of your company's development.


TPLCorp
66.30%
TPLInsurance
34.81%
TPLProperties
64.31%
TPLTrakker
93.33%
TPLLife
100%
TPLSecurity Services
6.22%
TPLLogistics
HKC (Pvt.) Ltd.
80%
TPL Technology Zone Phase-1 (Private) Limited.
100%
TPL REIT Management Company Ltd.
100%
TPL Logistic Park (Pvt.) Ltd.
100%
TPL Property Management (Pvt.) Ltd.
100%
TME
TRAKKER MIDDLE EAST LLC
50%

Company Information

Board of Directors

Mr. Jameel Ahmed Yusuf S.St.	Chairman
Mr. Ali Jameel	Executive Director/CEO
Ms. Sabiha Sultan Ahmed	Non-Executive Director
Mr. Fawad Anwar	Non-Executive Director
Mr. Siraj Dadabhoy	Non-Executive Director
Vice Admiral (R) Mohammed Shafi Hi (M)	Non-Executive Director
Mr. Abdul Wahab M Al Halabi	Independent Director
Mr. Ziad Bashir	Independent Director

Chief Executive Officer
Mr. Ali Jameel

Chief Operating Officer
Mr. Jamil Akbar

Chief Financial Officer
Mr. Sohail Khatri

Company Secretary
Mr. Danish Qazi

Audit Comittee

Mr. Ziad Bashir	Chairman
Mr. Siraj Dadabhoy	Member
Vice Admiral (R) Muhammad Shafi Hi (M)	Member
Mr. Mohammad Asif	Secretary

Human Resources & Remuneration Committee

Mr. Abdul Wahab Al-Halabi	Chairman
Mr. Fawad Anwar	Member
Mr. Ali Jameel	Member
Mr. Nader Nawaz	Secretary

Legal Advisor
Mohsin Tayebali & Co

Auditors
EY Ford Rhodes
Chartered Accountants

Bankers
National Bank of Pakistan
Habib Metropolitan Bank Limited
United Bank Limited
Habib Bank Limited
JS Bank Limited
Al Baraka Bank Pakistan Limited
Summit Bank Limited
Bank Islami Pakistan Limited
The Bank of Punjab
Silk Bank Limited
Dubai Islamic Bank Limited
Soneri Bank Limited
Meezan Bank Limited

Share Registrar
Plot No. 32C, 2nd Jami
Commercial Street, Phase VII,
D.H.A. Karachi 75500
Phone: 009221 35310191-6
UAN: +92 21 111-000-322
Fax: 009221 35310190
Email: sfc@thk.com.pk

Registered Office*
TPL Properties Limited
12th Floor, Centrepoint,
Off Shaheed-e-Millat Expressway,
Adjacent KPT Interchange,
Karachi-74900

*The registered office of the Company will be changed to 20th Floor, Sky Tower - East Wing, Dolmen City, HC-3, Abdul Sattar Edhi Avenue, Block No. 4, Clifton, Karachi.

Web Presence
www.tplproperty.com

Chairman's Review

I am pleased to present the annual review as Chairman of the Board of Directors of TPL Properties Limited (the Company) for the year ended June 30, 2021. Despite the continued presence in the form of the pandemic and its consequences on the economy and the industry, the Management of the Company, under the able guidance of the Board has played a pivotal role in achieving the Company's objectives and safeguarding the interests of the shareholders.

The Board comprising of eight (8) members, including its Chief Executive Officer, brings rich, unique and varied experiences in the fields of business, finance real estate, investment management, REIT, and capital markets to the operation and growth of the Company.

During the past fiscal year, the Company held a total of six (6) board meetings. The Board has successfully fulfilled all of their mandatory responsibilities including providing strategic direction to the Management and ensuring compliance with all legal and regulatory requirements by the Management of the Company. Furthermore, Board's Committees have provided invaluable input and assistance to the Board.

To highlight a few of the Company's achievements, the Company has successfully completed the sale of its flagship project, Centrepoint, to Bank Al Habib Limited in record time. The Company received an NOC from the Government of Sindh with respect to the proposed construction at the Homie Katrak Chamber, Karachi. Furthermore, the Company, through its wholly-owned subsidiary, acquired a plot in Korangi, Karachi which it plans to develop as Sindh's first state-of-art technology park. In addition, the Company has ventured into the REIT Management business and is actively working towards building its REIT portfolio. As a collective result of the foregoing, there has been a substantial increase in the Company's share value at the Pakistan Stock Exchange.

I would like to express my gratitude to the Management as well as the Board of Directors, whose collective contributions have led the Company to progress tremendously despite the adverse circumstances in the form of pandemic. I would also like to extend the gratitude to the valued shareholders of the Company for putting their faith in us and pray that the Company continues to grow in the years to come.

Jameel Yusuf S.St.
Chairman of the Board
As of 30 June 2021

CEO's Message

It is definitely not an understatement to say that the previous fiscal year has been a challenging one. However, the Real Estate and Construction sector has remained attractive due to a disparity in demand and supply in the high-end commercial and residential market

The government's timely initiatives of a policy rate reduction and incentives for the Construction Industry made by the Prime Minister of Pakistan has been extremely helpful to the industry.

We at TPL have been at the forefront of battling COVID-19 in the workplace, having been one of the first office buildings in Karachi to enforce strict SOPs to minimize infection. This included a work from home policy, strict testing as well as the implementation of a vaccination drive at the office.

We take pride in our dedication to quality, engaging leading design firms, contractors and project management consultants. We have always been driven towards technology and innovation, while finding sustainable and environmentally friendly solutions for the industry.

At TPL properties, we make it our duty to use our expertise to deliver value to our partners, customers and shareholders. Our push towards innovation comes from a vision of being part of a future that is sustainable and smart. We look forward to working on multiple new projects in Karachi, our goal is unchanged - setting new benchmarks of excellence.

Best,

Ali Jameel

Board of Directors

Mr. Jameel Yusuf S. St.
Director/Chairman

Mr. Ali Jameel
Executive Director/CEO

Ms. Sabiha Sultan Ahmed
Non-Executive Director

Mr. Fawad Anwar
Non-Executive Director

Mr. Siraj Dadabhoy
Non-Executive Director

Vice Admiral (R) Mohammad Shafi Hi (M)
Non-Executive Director

Mr. Abdul Wahab Al-Halabi
Independent Director

Mr. Ziad Bashir
Independent Director

Sustainability

At TPL, we proactively integrate Sustainability into our routine decision-making processes. Dedicated to driving positive change, we are aligned with the goals of the United Nation's 2030 Agenda for Sustainable Development.

Beneficiaries provided with good health and well-being

103,637

Beneficiaries provided with quality education

6,671

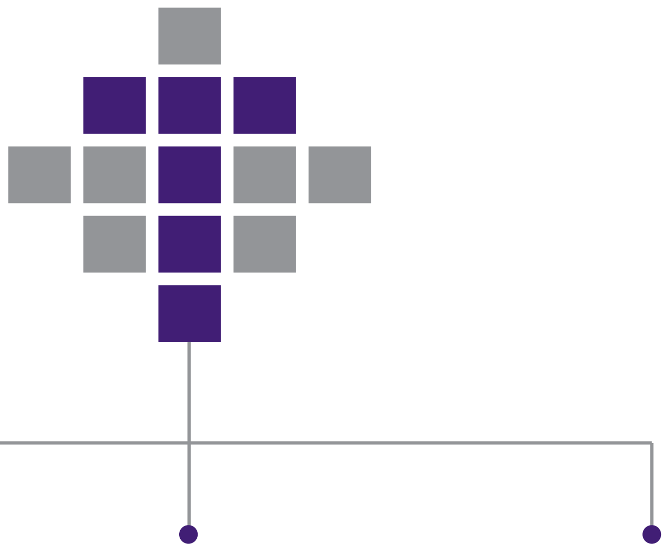
Agents of environmental change

36,370

COVID-19 Response

2020 was a year that, because of testing of the COVID-19 virus, no one could have predicted or prepared for. The pandemic swept the globe, changing the way we live and interact.

From the first lockdown in the spring of 2020, TPL did its part to mitigate the impacts of the pandemic by contributing to solidarity efforts to combat the coronavirus by making financial donations.



TPL Corp provided financial aid to The Indus Hospital to facilitate free testing of the Covid-19 virus and diagnosis.

In collaboration with PAF (Patients Aid Foundation), we were able to conduct awareness sessions for COVID-19 which covered the aspects of risk assessment, control measures, COVID-19 testing, and safe return to work.

We, at TPL, work towards building a safer and more sustainable environment every day. Our employees group-wide are fully vaccinated against COVID-19.

Health

Bait-ul-Sukoon

Located in Karachi, Bait-ul-Sukoon is Pakistan's sole cancer hospital that provides free treatment. TPL Corp also supported the cause by providing financial assistance, a team of experts in developing IT infrastructure, software and tech support for better hospital management, and assistance in fundraising. It also deployed security guards to amplify security.

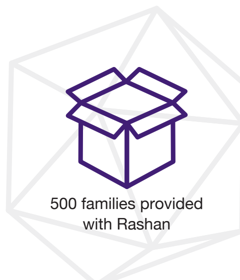
Blood Drive

TPL partnered with The Indus Hospital and Pakistan Red Crescent Society to organize a Blood Donation Drive to help fulfill the nation's demand for blood.

Rashan Distribution

JDC foundation aims to serve humanity. Amidst the global pandemic, when people lost their income, TPL Corp helped JDC in becoming these people's strength by providing funds for Rashan bags – because we truly believe that no human being deserves the unbearable suffering of hunger and starvation.

500 families provided with Rashan.



ChildLife Foundation

With the network of 10 Emergency Room, ChildLife Foundation is saving 1 million children annually, free of cost, in Sindh and Balochistan. TPL partnered with the NGO in providing life-saving assistance to many children in the Emergency Room.

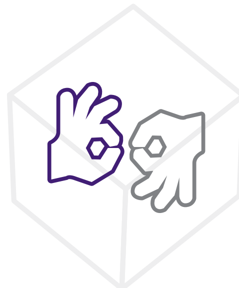
Breast Cancer Awareness Session

TPL Properties hosted an online session for all female employees in collaboration with Shaukat Khanum Memorial Cancer Hospital in an effort to spread awareness about Breast Cancer.

Education

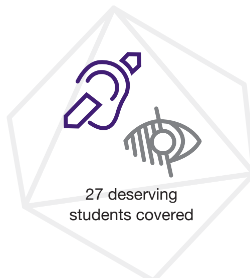
FESF

Family Educational Service Foundation (FESF) is a non-profit educational organization that specially aims to improve the lives of marginalized communities. TPL provided financial assistance to enable deaf children to acquire quality education and become independent.



Ida Rieu Welfare Association

Ida Rieu Welfare Association imparts education and vocational training to visually and hearing-impaired students. With TPL's financial assistance, Ida Rieu was able to provide education, vocational training, transportation, and health care facilities to the students.



Children Education Policy

We at TPL believe that knowledge and education is one of the fundamental ways for society to progress. In line with this belief, we provide our low-income employees' children with full academic scholarships every year through our Children Education Benefit Policy.

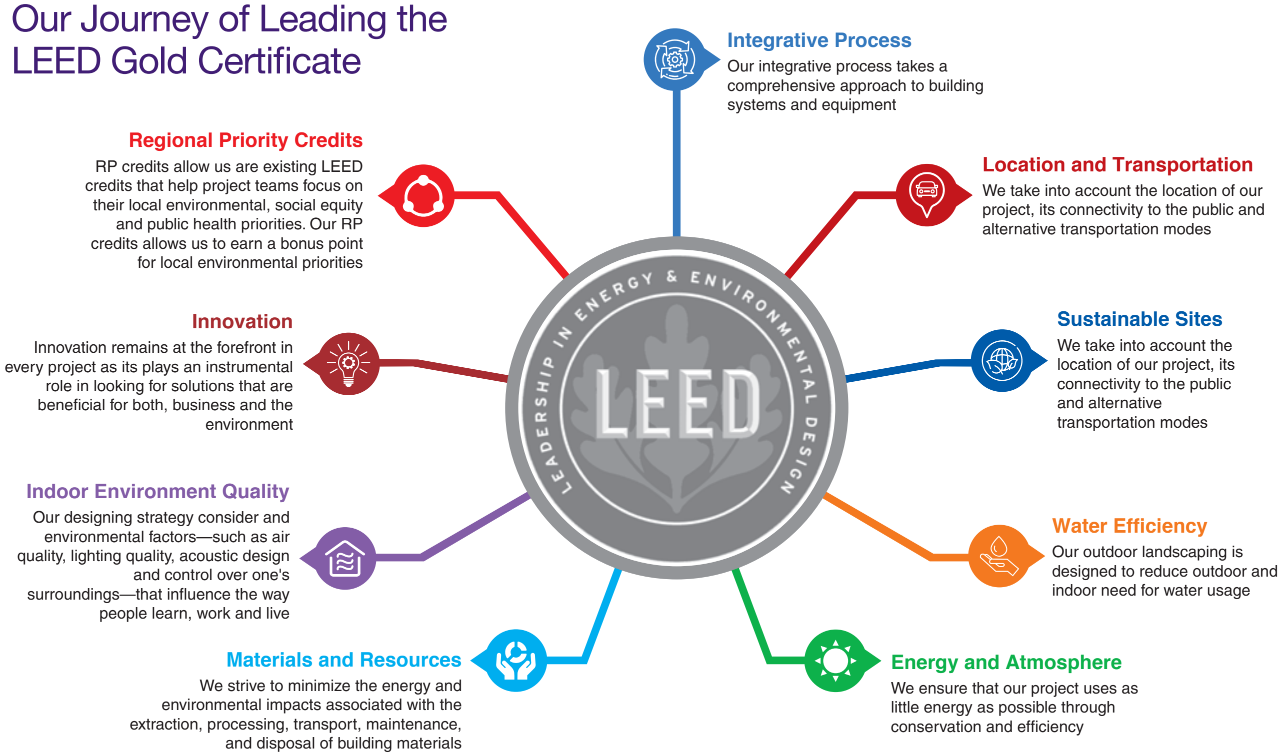
Environment

Sustainability holds an imperative position in our decision-making process. For every future project, we aim to use internationally recognized sustainable frameworks - LEED, BREEAM, and Well as the fundamental pillars to ensure a better, greener future and achieve environmental efficiency.

One Hoshang Project: Pakistan's First LEED Gold Certified Residential Tower

We have already taken the first step towards this journey, as we take pride in announcing that our project One Hoshang, will be Pakistan's first Leadership in Energy and Environmental Design (LEED) Gold certified residential tower that aims to offer a new lifestyle choice that is sustainable and distinct.

Our Journey of Leading the LEED Gold Certificate



Partnering with Other Key Players

Reduce, Reuse & Recycle: After a successful out-of-home campaign for Trakker Pro, TPL Trakker donated the Panaflex skins to Garbage Can and Ra'ana Liaquat Craftsmen's Colony (RLCC), an institute that aims to empower women through improved health, education, and economic independence. To show support, TPL Corp bought the bags, keychains and bowls that the women had up-cycled from the donated skins, helping RLCC to fulfill the noble cause. These products were distributed to the female employees during Women's Day Celebrations within the company.

7,735 sqft of panaflex skins were donated

Waste Management: TPL partnered with Davaam Waste to recycle the waste generated from Centrepoint that also eventually helps in reducing our carbon footprint.

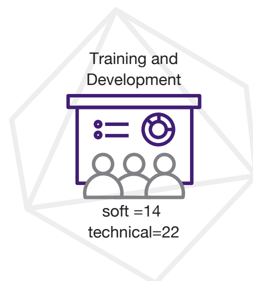
70 % waste recycled per month

Social Performance

Fostering sustainable growth

When it comes to well-being, TPL has its employees on top priority and it ensures the work environment always remain productive. It provides an inclusive environment so every employee can thrive and avail multiple opportunities that are pivotal to their financial, physical, and emotional wellness.

CPR training workshop



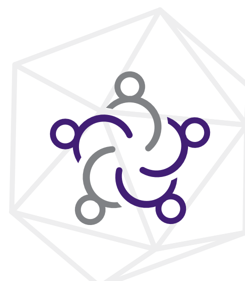
TPL conducted a Cardiopulmonary Resuscitation (CPR) Training Session in collaboration with The Indus Hospital. By learning this live-saving technique, our employees will be able to assist in medical emergency situations.

Training and Development

For the continuous growth of our employees in their professional endeavors, we regularly conduct training sessions which include both soft technical training.

Soft Training: 303 employees
Technical Training: 145 employees

Diversity and Inclusion



TPL strives to operate with integrity, promoting diversity and inclusion in the workplace. As an equal opportunity employer, management teams ensure that people from diverse backgrounds are recruited. TPL implemented a Paternity Leave Policy with support and flexibility for fathers to help them transition to parenthood.

Awards

The CSR Awards are organized by The Professionals Network (TPN) – a leading corporate entity based out of Karachi. Established in 2011, the Network recognizes Corporations and NGOs for their efforts towards bringing positive socio-economic change in Pakistan.

TPL Properties won three awards at the 10th Annual Corporate Social Responsibility Summit & Awards 2021.
The categories were:

- Women Empowerment
- Social Impact
- Community Impact

Scaling for Impact

Over the years, TPL has supported more than 50 nonprofit organizations, educational institutes and charitable trusts across Pakistan, ranging from local charities to international NGOs and universities.

We aim to understand the challenges being faced by our communities to make collective change.

HORIZONTAL ANALYSIS BALANCE SHEET

	2021	2020	2019	2018	2017	2016
Investment Property	-	28,308,153	6,874,579,344	6,189,635,029	4,975,874,522	4,632,000,000
Property, plant and equipment	62,236,754	3,885,426	4,910,671	5,080,698	6,736,214	5,581,476
Intangible Assets	301,373	452,069	602,759	753,449		
Long-term investments	2,130,824,800	760,824,800	1,112,724,790	1,150,315,390	1,150,315,390	352,999,990
Long term loan to subsidaries	875,543,424	1,076,874,088	712,505,944	432,506,875	56,750,452	10,770,709
Long term deposits	2,786,919	2,786,919	286,919	286,919	186,919	186,919
Tools	-	963,751	-	-	-	-
Receivable against rent from tenants	108,399,924	120,040,829	24,386,706	45,419,372	26,555,792	20,966,759
Advance, deposit and prepayment	1,914,741,326	46,563,917	56,171,977	25,397,651	11,126,083	19,621,854
Interest Accrued	150,464,515	94,784,036	33,241,949	40,818,147	51,008,311	78,038,053
Due from related parties	69,278,345	1,039,600	215,194,817	331,983		-
Taxation- net	81,857,506	118,504,976	133,456,751	93,258,132	94,021,444	97,864,137
Short-Term Investment	168,542,925	396,823	124,200	100,000,000		
Cash and bank balances	1,936,163,396	225,132,134	209,486,831	540,589,194	344,332,622	850,576,013
Non Current Assets held for sale	-	7,617,000,000	-	-	-	-
TOTAL ASSETS	7,501,141,207	10,097,557,521	9,377,673,658	8,624,392,839	6,716,907,749	6,068,605,910
Issued, subscribed and paid-up capital	3,273,931,063	3,273,931,063	3,273,931,060	2,735,113,670	2,735,113,670	2,080,000,000
Capital Reserve	(324,405,756)	(404,845,756)	21,746,165	560,563,555	560,563,555	140,497,151
Revenue reserve	2,677,393,069	3,569,183,065	3,292,202,994	2,562,141,156	1,327,511,411	975,533,853
Long term financing	1,046,570,401	2,582,437,440	1,998,762,771	2,101,651,829	1,660,693,975	1,948,861,362
Gas Infrastructure Development Cess (GIDC) liability	19,579,594	-	-	-	-	-
Due to related parties	2,169,130	22,206,298	10,385,612	8,076,706	11,912,538	275,645,979
Deferred Tax liability	-	15,808,675	17,188,200	27,567,486	38,236,796	39,005,393
Accrued mark up	42,856,309	104,486,276	89,955,997	57,473,950	44,760,103	74,446,634
Trade and other payables	201,679,444	195,230,383	49,556,010	55,993,266	73,507,902	163,832,637
Short-term borrowing	-	400,000,000	400,000,000	400,000,000	-	200,000,000
Current portion of long term financing	549,725,621	191,117,792	110,000,000	44,000,000	204,750,000	126,000,000
Current portion of GIDC liability	11,642,332	-	-	-	-	-
Advance against rent from tenants	-	148,002,285	113,944,849	71,811,221	59,857,799	44,782,901
TOTAL EQUITY AND LIABILITIES	7,501,141,207	10,097,557,521	9,377,673,658	8,624,392,839	6,716,907,749	6,068,605,910

VERTICAL ANALYSIS OF BALANCE SHEET

	2021	2020	2019	2018	2017	2016
Investment Property under construction	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Investment Property	0.00%	0.28%	73.31%	71.77%	74.08%	76.33%
Property, plant and equipment	0.83%	0.04%	0.05%	0.06%	0.10%	0.09%
Intangible Assets	0.00%	0.00%	0.01%	0.01%	0.00%	0.00%
Long-term investments	28.41%	7.53%	11.87%	13.34%	17.13%	5.82%
Long term loan	11.67%	10.66%	7.60%	5.01%	0.84%	0.18%
Long term deposits	0.04%	0.03%	0.00%	0.00%	0.00%	0.00%
Tools	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%
Receivable against rent from tenants	1.45%	1.19%	0.26%	0.53%	0.40%	0.35%
Advance, deposit and prepayment	25.53%	0.46%	0.60%	0.29%	0.17%	0.32%
Interest Accrued	2.01%	0.94%	0.35%	0.47%	0.76%	1.29%
Advance against subcription of shares	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Due from related parties	0.92%	0.01%	2.29%	0.00%	0.00%	0.00%
Taxation- net	1.09%	1.17%	1.42%	1.08%	1.40%	1.61%
Short-Term Investment	2.25%	0.00%	0.00%	1.16%	0.00%	0.00%
Cash and bank balances	25.81%	2.23%	2.23%	6.27%	5.13%	14.02%
Non Current Asset Held for sale	0.00%	75.43%	0.00%	0.00%	0.00%	0.00%
	100%	100%	100%	100%	100%	100%
Issued, subscribed and paid-up capital	43.65%	32.42%	34.91%	31.71%	40.72%	34.27%
Capital Reserve	-4.32%	-4.01%	0.23%	6.50%	8.35%	2.32%
Revenue reserve	35.69%	35.35%	35.11%	29.71%	19.76%	16.08%
Long term financing	13.95%	25.57%	21.31%	24.37%	24.72%	32.11%
Gas Infrastructure Development Cess (GIDC) liability	0.26%	-	-	-	-	-
Surplus on revaluation of Property and equipment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Due to related parties	0.03%	0.22%	0.11%	0.09%	0.18%	4.54%
Deferred Tax liability	0.00%	0.16%	0.18%	0.32%	0.57%	0.64%
Accrued mark up	0.57%	1.03%	0.96%	0.67%	0.67%	1.23%
Trade and other payables	2.69%	1.93%	0.53%	0.65%	1.09%	2.70%
Short-term borrowing	0.00%	3.96%	4.27%	4.64%	0.00%	3.30%
Current portion of long term financing	7.33%	1.89%	1.17%	0.51%	3.05%	2.08%
Current portion of GIDC liability	0.16%	-	-	-	-	-
Advance against rent from tenants	0.00%	1.47%	1.22%	0.83%	0.89%	0.74%
TOTAL EQUITY AND LIABILITIES	100%	100%	100%	100%	100%	100%

HORIZONTAL ANALYSIS PROFIT AND LOSS ACCOUNT

	2021	2020	2019	2018	2017	2016
Revenue	283,898,566	678,368,219	402,594,669	366,350,433	362,784,829	364,056,604
Direct operating cost	(9,297,549)	(216,976,812)	(11,609,104)	(9,602,513)	(9,908,777)	(12,414,128)
Gross profit	274,601,017	461,391,407	390,985,565	356,747,920	352,876,052	351,642,476
Administrative and general expenses	(564,079,392)	(137,620,939)	(104,823,796)	(107,534,438)	(105,812,141)	(53,055,880)
Operating (Loss) / profit	(289,478,375)	323,770,468	286,161,769	249,213,482	247,063,911	298,586,596
Finance costs	(424,646,747)	(419,071,628)	(267,247,691)	(207,664,482)	(176,487,486)	(236,618,104)
Other Income	166,773,445	80,658,802	66,314,569	26,735,265	15,737,118	35,449,950
Remeasurement of investment property at fair value	-	292,165,699	666,992,964	1,180,808,607	288,765,209	274,217,887
Other Expenses	(33,675,653)	-	-	-	-	-
Exchange (loss)/gain		-	-	-	-	(57,400,000)
(Loss) / Profit before taxation	(581,027,330)	277,523,341	752,221,611	1,249,092,872	375,078,752	314,236,329
Taxation	16,630,440	(543,270)	(22,159,772)	(14,463,127)	(23,101,194)	(23,566,278)
(Loss) / Profit after taxation	(564,396,890)	276,980,071	730,061,839	1,234,629,745	351,977,558	290,670,051

VERTICAL ANALYSIS OF BALANCE SHEET

	2021	2020	2019	2018	2017	2016
Revenue	100%	100%	100%	100%	100%	100%
Direct operating cost	-3%	-32%	-3%	-3%	-3%	-3%
Gross profit	97%	68%	97%	97%	97%	97%
Administrative and general expenses	-199%	-20%	-26%	-29%	-29%	-15%
Operating (Loss) /profit	-102%	48%	71%	68%	68%	82%
Finance costs	-150%	-62%	-66%	-57%	-49%	-65%
Other Income	59%	12%	16%	7%	4%	10%
Remeasurement of investment property at fair value	0%	43%	166%	322%	80%	76%
Other Expenses	-12%	0%	0%	0%	0%	0%
Exchange (loss)/ Gain - net	0%	0%	0%	0%	0%	-16%
(Loss) /Profit before taxation	-205%	41%	187%	341%	103%	87%
Taxation	6%	0%	-6%	-4%	-6%	-6%
(Loss)/ Profit after taxation	-199%	41%	181%	337%	97%	80%

HORIZONTAL ANALYSIS CASH FLOW STATEMENT

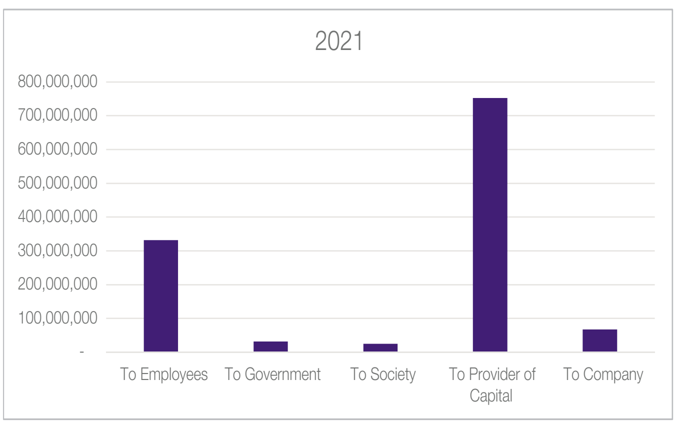
	2021	2020	2019	2018	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES						
(Loss) / Net profit before taxation	(581,027,330)	277,523,341	752,221,610	1,249,092,872	375,078,752	314,236,329
Adjustment for non cash charges and other items:						
Depreciation	7,575,711	3,611,320	2,534,302	2,341,814	2,459,696	2,325,011
Fixed assets write-off	-	-	-	10,000	38,565	-
Amortisation of intangible assets	150,696	150,690	150,690			
Finance cost	424,646,747	419,071,628	267,247,691	207,664,482	176,487,486	236,618,104
Other expenses	33,675,653					
Remeasurement of investment property at fair value	-	(292,165,699)	(666,992,964)	(1,180,808,607)	(288,765,209)	(274,217,887)
Exchange loss / (gain) - net	-	-	-	-	-	57,400,000
Markup on long term loan	(55,680,479)	(61,292,126)	7,576,198	10,190,164	(6,386,284)	(26,506,951)
Allowance for expected credit losses	2,878,861	155,022				
Unrealised gain on Investment in mutual funds	(1,385,177)	(370,021)				
Gain on disposal of shares	(16,265,470)	(2,791,879)	(5,583,720)			
Mark up on saving account	(27,374,557)	(12,098,997)	(33,252,590)	(20,261,045)	(3,814,384)	(3,576,768)
Gain on disposal of Operating Fixed Assets	(500,000)	-	-	-	-	-
Gain on disposal of non-current asset held for sale	(30,651,665)	-	-	-	-	-
Reversal of provision for GIDC	(29,822,466)	-	-	-	-	-
Remeasurement gain on GIDC	(4,675,267)	-	-	-	-	-
Employee Share options	80,440,000	-	-	-	-	-
	383,012,587	54,269,938	(428,320,393)	(980,863,192)	(119,980,130)	(7,958,491)
Operating profit before working capital changes	(198,014,743)	331,793,279	323,901,217	268,229,680	255,098,622	306,277,838
(Increase) / decrease in current assets						
Advance, deposits and prepayments	(105,377,011)	14,190,774	69,101,474	(114,271,568)	8,495,771	6,357,513
Tools	963,751	107,600				
Receivables against rent	8,762,044	(24,138,769)	21,032,666	(18,863,580)	(5,589,033)	(10,190,053)
Due from related parties	(68,238,745)	217,662,632	(214,862,834)	(331,983)	(9,131,238)	-
	(163,889,961)	207,822,237	(124,728,694)	(133,467,131)	(6,224,500)	(3,832,540)
Increase / (decrease) in current liabilities						
Trade and other payables	82,840,874	111,498,396	(6,437,257)	(17,514,636)	(90,324,735)	(694,740)
Due to a related party fi unsecured	(20,037,168)	4,569,237	-	-	-	-
Advance against rent	(148,002,285)	(4,527,150)	42,133,628	11,953,422	15,074,898	(18,234,022)
Cash generated from operations	(447,103,283)	651,155,999	234,868,894	129,201,335	173,624,285	283,516,536
Receipts / (payments) for :						
GIDC Installments Paid	(10,672,137)	-	-	-	-	-
Finance cost	(486,276,714)	(404,541,349)	(234,765,644)	(194,950,635)	(207,426,462)	(437,591,635)
Mark up on saving account account received	27,374,557	11,849,036	33,252,590	20,261,045	3,814,384	3,576,768
Long term deposits	-	-	-	(100,000)		
Income taxes	37,469,235	27,007,635	(72,737,677)	(24,369,124)	(20,027,105)	(50,607,603)
	(432,105,059)	(365,684,678)	(274,250,731)	(199,158,714)	(223,639,183)	(484,622,470)
Net cash flows (used in) / from operating activities	(879,208,342)	285,471,321	(39,381,837)	(69,957,379)	(50,014,898)	(201,105,934)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of - property and equipment	(65,927,039)	(1,559,029)	(2,364,274)	(696,299)	(3,652,999)	(6,322,378)
Expenditure - investment property under construction	-	-	-	-	-	-
- incurred on investment property	(5,367,500)	(87,836,349)	(13,916,864)	(16,868,937)	(46,918,610)	(38,782,113)
Advance for future issue of shares	(1,370,000,000)					
Addition to capital work-in-progress	-	-	(4,034,487)	(16,082,963)	(8,190,703)	-
Long-term deposits	-	-	-	-	-	(100,000)
Purchase of Intangible asset	-	-	-	(753,449)	-	-
Long-term loan-net	(1,173,969,734)	(661,805,788)	(279,999,069)	(375,756,423)	(36,848,505)	187,064,723
Investments	-	-	-	-	-	(352,000,000)
Purchase of New Shares	-	(1,100,000)	(51,000,000)			
Purchase of Investment in mutual funds	(977,785,315)	(10,000,000)				
Proceeds from disposal of shares	977,745,274	12,500,000	94,174,320	-	-	-
Expenditure incurred for Non Current Asset held for sale	(102,348,335)	-	-	-	-	-
Proceeds from sale of Non Current Assets	7,362,500,000	-	-	-	-	-
Proceeds from sale of operating assets	500,000	-	-	-	-	-
Markrup on subordinated loan received	-	-	-	-	33,416,026	-
Markrup on saving account	-	-	-	-	-	-
Net cash (used in) / generated from investing activities	4,645,347,351	(749,801,166)	(257,140,374)	(410,158,071)	(62,194,791)	(210,139,768)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceed from isuance of share capital	-	-	-	-	300,000,004	1,197,181,000
Share issue cost	-	-	-	-	(22,135,323)	(76,683,849)
Long-term loans fi net	-	477,543,239	(36,889,058)	280,207,854	(208,164,942)	36,750,000
Loan from Director / related party	-	-	2,308,906	(3,835,832)	(263,733,441)	(290,541,608)
Long term Financing - net	(1,177,259,210)	-	-	-	-	-
Short-term borrowing	(400,000,000)	-	-	400,000,000	(200,000,000)	200,000,000
Dividends Paid	(327,393,106)					
Net cash generated (used in) / from financing activities	(1,904,652,316)	477,543,239	(34,580,152)	676,372,022	(394,033,702)	1,066,705,543
Net (decrease) / increase in cash and cash equivalents	1,861,486,693	13,213,394	(331,102,363)	196,256,572	(506,243,391)	655,459,841
Cash and cash equivalents at the beginning of the year	225,132,134	209,486,831	540,589,194	344,332,622	850,576,013	195,116,171
Cash and cash equivalents trasneferred under the scheme	-	2,431,909				
Cash and cash equivalents at the end of the year	2,086,618,827	225,132,134	209,486,831	540,589,194	344,332,622	850,576,013

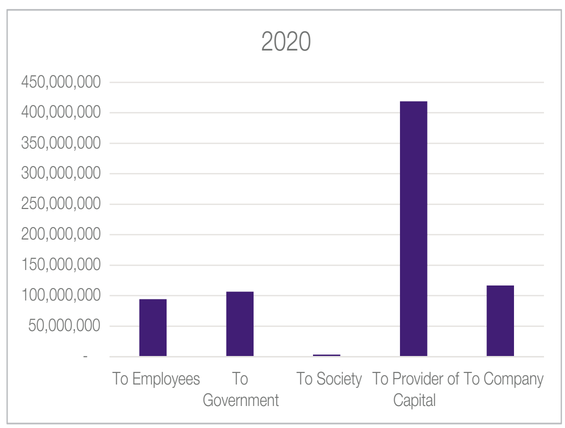
RATIO ANALYSIS

		2021	2020	2019	2018	2017	2016
Profitability Ratios							
Gross Profit to Sales	percent	97%	68%	97%	97%	97%	97%
Net Profit to Sales	percent	-199%	41%	181%	337%	97%	80%
EBITDA Margin to sales	percent	-55%	103%	253%	398%	153%	152%
Return on Equity	percent	-10%	4%	12%	27%	11%	16%
Return on Capital Employed	percent	-8%	3%	9%	20%	6%	6%
Liquidity Ratios							
Current Ratio	Ratio	5.30	0.48	0.81	1.26	1.21	1.68
Quick / Acid test ratio	Ratio	5.29	0.47	0.80	1.26	1.19	1.67
Cash to Current Liabilities	Ratio	2.40	0.21	0.26	0.85	0.87	1.44
Investment Valuation Ratios							
Earning per Share	Ratio	-1.72	0.85	2.23	4.51	1.29	1.40
Capital structure Ratios							
Financial leverage Ratio	Ratio	0.29	0.51	0.39	0.44	0.42	0.76
Debt Equity Ratio	Ratio	0.29	0.45	0.33	0.38	0.41	0.67
Interest cover Ratio	Ratio	-0.37	1.66	3.81	7.01	3.13	2.33

STATEMENT OF VALUE ADDITION AND ITS DISTRIBUTION

WEALTH GENERATED	2021 Amount in Rs	%	2020 Amount in Rs	%
Total revenue inclusive of Other Income	1,243,097,660		995,856,099	
Direct Operating cost and Administrative and General expenses	(360,185,539)		(256,212,397)	
	882,912,121	100%	739,643,702	100%
WEALTH DISTRIBUTION				
To Employees				
Salaries, benefits and other costs	332,382,332	38%	94,081,821	13%
To Government				
Income tax, sales tax, excise duty and others	32,123,478	4%	106,272,254	14%
To Society				
Contribution towards education, health and environment	25,500,000	3%	3,400,000	0.46%
To Provider of Capital				
Dividend to shareholders	327,393,106		-	
Reserves utilized for dividend	(327,393,106)		-	
	-		-	
Markup / Interest expenses on borrowed funds	425,286,944	48%	419,071,628	57%
To Company				
Depreciation, amortization & retained profit	67,619,367	8%	116,817,999	16%
	882,912,121	100%	739,643,702	100%





DIRECTORS' REPORT
FOR THE YEAR ENDED JUNE 30, 2021

The Directors are pleased to present the audited condensed financial information for the Year ended June 30, 2021 and a brief review of the Company's operations.

Economic Outlook

The nascent recovery of Pakistan's economy from the pandemic has been promising with GDP rebounding to a grow rate of 3.9%, which was well above expectations. The monetary (interest rate maintained at 7%) and direct fiscal stimulus measures (such as Payroll financing) initiated by the government during Covid-19 proved efficacious in averting a crisis and putting the economy on a swift recovery path. Additional factors included the increase in export orders (as competing countries went into lockdown),the supportive trend in oil prices and the strong focus on the construction sector with a spillover effect on allied industries. The revival of the Large Scale Manufacturing (LSM) Index, registering a 14.6% growth from July 20 to May 21 period, bolstered the supply side shocks of the economy due to global lockdowns.

On the other hand the annual Consumer Price Index (CPI) of 8.9% was high but appears to have stabilized. Fiscal deficit remains challenging, despite the highest tax revenue collection during the year of Rs. 4.7 trillion (18% higher than previous year). On the external front, Pakistan made significant progress on the Financial Action Task Force (FATF) list of recommendations (26 out of 27 met) and received loan approvals from the IMF, providing some cushion to the Country's lack of funds and pending debt payments. Moreover, initiatives such as Roshan digital account were successful in increasing international private investment and enabled a current account surplus at the end of the financial year.

Real Estate Sector

The Real Estate sector has become a key component of the Pakistan economy. As observed during the pandemic, resurgence of Construction in the first quarter of FY21 has eventually uplifted the entire economy for FY21. Pakistan has great potential for growth in this sector with Fitch Solutions projecting a 58% growth to Rs. 1,739 billion by 2025. Cement, an allied sector, has reported a robust annual sales growth of 20%. Under the Temporary Economic Refinance Facility, bank loans amounting to Rs. 436 billion were disbursed for setting up new businesses and expanding existing production lines.

The Government of Pakistan has taken several measures in order to promote growth in Real Estate. These include giving the construction sector the formal status of an industry, while also waiving off withholding taxes and reducing sales tax on many construction materials, a fixed tax rate for the construction sector and no capital gains tax on the sale of primary home. To support private sector investment, the State Bank of Pakistan (SBP) has enabled Non-Resident Pakistanis to invest in Real Estate through Roshan Digital Accounts. Further, the sector is benefiting from the ongoing amnesty scheme, extended till end 2021 allowing for unquestioned source of income for those investing in the sector.

SBP policies have also supported development of the sector. Banks have been mandated to hold 5% of their loan portfolio in the real estate sector. Applicable risk weight of Banks/DFI's has been reduced from 200% to 100% on their investment in units of any Real Estate Sector Trust (REIT). Moreover, SBP made it mandatory for banks to disburse 5% of their private sector advances for housing and construction.

Given these structural support and incentives, going forward FY 2022 will see continued growth in this sector. CPEC and Naya Pakistan Housing Scheme are also picking up pace.

Company Outlook

The Centrepoint asset sale was completed in May 2021 and converted Company's unrealized revenue reserves into realized form enabling distribution out of the same. The sale proceeds allowed the Company to repay debt, invest and build its real estate investment portfolio, while providing some dividend.

One Hoshang, the premium residential development project is expected to start construction by the end of first quarter FY22. The extended time in receiving the Heritage and other regulatory approvals have resulted in this project being delayed. The development will be completed within three years from construction start.

TTZ Phase 1, a high end Technology Park project is advancing well with detailed design phase. The company is aiming for this development to be licenced under the Special Technology Zone Authority as it aligns with its' objectives. Construction is scheduled to start at the end of 2021 with a two year construction period

The Third Project under development is a large 40 acres master planned mixed use development near Korangi Industrial Park. With several urban regeneration initiatives, this development will add significant value to TPL Properties. International firms are being selected for the master planning and Phase 1 will be launched in last quarter of FY 2022.

The company's wholly owned subsidiary, TPL RMC Ltd, (licensed by the SECP) is working towards the launch of Pakistan's first hybrid REIT Fund, which will invest in acquisition of land for development, development of real estate assets, and

DIRECTORS' REPORT
FOR THE YEAR ENDED JUNE 30, 2021

acquisition of yielding and underperforming real estate assets. TPL REIT Fund I will be restricted to investments in real estate assets located in Pakistan. Further, in order to attract foreign investment into the Fund and Pakistan, it is incorporating a Feeder Fund structure (based in an appropriate international jurisdiction) which will be managed by a fund management company in Abu Dhabi Global Market (ADGM), license for which has been applied for. The Company will own a strategic stake in TPL REIT Fund I after transferring the three projects under development to the fund to enable a faster and funded development to take place.

TPL Properties long term value creation will crystallize with the evolving business structure. TPL Properties, subsequent to the formation of TPL REIT Fund I, will have four core pillars as its business model. Firstly, it will own a significant portion of the REIT based on the contribution of land and project developed to date. This REIT will provide tax free dividends to The Company over the coming years. Secondly, it will continue to develop these three projects and more for which it will receive development fees. Thirdly, as owner of the RMC, it will receive dividends as the RMC receives management fees for REIT. Finally, it will continue to own TPL Property Management Services whereby more projects managed in the future will provide additional earnings to the Company.

Financial Performance

Standalone Performance

Brief Results of standalone performance of the company is as follows:

Description	June 30,2021 (Audited) Rs.	June 30,2020 (Audited) Rs.
Revenue	283,898,566	678,368,219
Gross Profit	274,601,017	461,391,407
(Loss)/Profit before tax	(581,027,330)	277,523,341
(Loss)/Profit after tax	(564,396,890)	276,980,071
Number of outstanding shares	327,393,106	327,393,106
(Loss)/Earnings per share - Pre tax	(1.77)	0.85
(Loss)/Earnings per share - Post tax	(1.72)	0.85

As the Company had been realizing the gains in previous years, this year's P&L did not capture significant gain, and with reduced rental income, the standalone company registered a loss of Rs. 564 million. The Comparative numbers include for Utilities and Maintenance Services. However, during the year these services were moved to TPL Property Management (Private) Ltd, a fully owned subsidiary, therefore reflect now in the consolidated accounts. Results reflect the rental revenue reduction by Rs. 241 million and higher selling and general administration costs of Rs. 291 million, majorly related to the sale of Centerpoint.

Consolidated Performance

Brief Results of Consolidated Performance of the company is as follows:

Description	June 30,2021 (Audited) Rs.	June 30,2020 (Audited) Rs.
Revenue	438,390,845	678,368,219
Gross Profit	313,960,420	461,391,407
Profit before tax	59,191,900	218,447,305
Profit after tax	70,030,144	113,206,679
Number of outstanding shares	327,393,106	327,393,106
Earnings per share- Pre tax	0.18	0.67
Earnings per share- Post tax	0.22	0.35

DIRECTORS' REPORT
FOR THE YEAR ENDED JUNE 30, 2021

Overall company reported Consolidated Profit after Tax of Rs. 70 million. The enhancement compared to standalone accounts being due to the Revaluation Gain on land Rs. 684 million under TPL Technology Zone Phase-I (Private) Limited.

DIVIDEND

The Company has paid interim dividend @ Rs. 1 per share. The Board of Directors has recommended no further dividend for the year.

AUDITORS

The present auditors M/s EY Ford Rhodes, Chartered Accountants retired and being eligible, have offered themselves for reappointment for the new financial year. As recommended by the Audit Committee, the Board has approved the proposal to appoint M/s EY Ford Rhodes Chartered Accountants as the statutory auditors of the Company, subject to the approval of the Shareholders at the forthcoming Annual General Meeting of the Company.

RELATED PARTIES TRANSACTIONS

During the year, the Company carried out transactions with its related parties. Details of these transactions are disclosed in note 33 to unconsolidated financial statements attached therein.

COMPOSITION OF THE BOARD AND THE BOARD COMMITTEES

The total number of Directors are eight (08) as per the following:

Male	Female
7	1

The composition of the Board is as follows:

Category	Names
Independent Director	Mr. Ziad Bashir Mr. Abdul Wahab M. Halabi
Executive Directors	Mr. Ali Jameel
Non-Executive Directors	Mr. Jameel Yusuf Mr. Siraj Dadabhoy Vice Admiral (R) Mohammad Shafi, Hi(M) Mr. Fawad Anwar Ms. Sabiha Sultan Ahmed

The Board has formed committees comprising of members given below:

Audit Committee	Mr. Ziad Bashir - Chairman Mr. Siraj Dadabhoy - Member Vice Admiral (R) Muhammad Shafi - Member Mr. Muhammad Asif - Secretary
HR and Remuneration Committee	Mr. Abdul Wahab M. Halabi - Chairman Mr. Fawad Anwar - Member Mr. Ali Jameel - Member Mr. Nader Nawaz - Secretary

DIRECTORS' REPORT
FOR THE YEAR ENDED JUNE 30, 2021

BOARD MEETINGS

The Board of Directors held 6 meetings during the financial year. Attendance of Directors is indicated below;

Name of Director	Meetings Attended
Mr. Ali Jameel	6
Mr. Jameel Yusuf-S.St	4
Mr. Abdul Wahab M Al-Halabi	5
Vice Admiral (R) Muhammad Shafi	6
Mr. Fawad Anwar	5
Mr. Siraj Dadabhoy	6
Mr. Ziad Bashir	3
Ms. Sabiha Sultan	6

DIRECTORS' REMUNERATION

A formal Director's Remuneration policy approved by the Board is in place. The policy includes transparent procedure for remuneration of directors in accordance with the Companies Act, 2017 and the Listed Companies Code of Corporate Governance, 2019. As per the said policy, Directors are paid a remuneration of PKR. 100,000 for attending each meeting of the Board or its sub-committees.

DIRECTOR'S TRAINING

Majority of the Board members have completed their certification while one director was granted exemption by SECP based on prescribed qualification and experience. The directors, who do not hold the certification, are well conversant with their duties and responsibilities as directors of a listed company. The Company, however, aims to encourage the remaining directors, to complete their certification.

KEY FINANCIAL DATA FOR THE LAST FIVE YEARS

	2021	2020	2019	2018	2017
Investment Property	-	28,308	6,874,579	6,189,635	4,975,875
Property, plant and equipment	62,237	3,885	4,911	5,081	6,736
Intangible Assets	301	452	603	753	-
Long-term investments	2,130,825	760,825	1,112,725	1,150,315	1,150,315
Long Term to Loan to subsidaries	875,543	1,076,874	712,506	432,507	56,750
Long term deposits	2,787	2,787	287	287	187
Tools	-	964	-	-	-
Receivable against rent from tenants	108,400	120,041	24,387	45,419	26,556
Advance, deposit and prepayment	1,914,741	46,564	56,172	25,398	11,126
Interest Accrued	150,465	94,784	33,242	40,818	51,008
Due from related parties	69,278	1,040	215,195	332	-
Taxation- net	81,858	118,505	133,457	93,258	94,021
Short-Term Investment	168,543	397	124	100,000	-
Cash and bank balances	1,936,163	225,132	209,487	540,589	344,333
Non-current asset held for sale	-	7,617,000	-	-	-
TOTAL ASSETS	**7,501,141**	**10,097,558**	**9,377,674**	**8,624,393**	**6,716,908**

DIRECTORS' REPORT
FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020	2019	2018	2017
Issued, subscribed and paid-up capital	3,273,931	3,273,931	3,273,931	2,735,114	2,735,114
Capital Reserve	(324,406)	(404,846)	21,746	560,564	560,564
Accumulated Profit	2,677,393	3,569,183	3,292,203	2,562,141	1,327,511
Long term financing	1,046,570	2,582,437	1,998,763	2,101,652	1,660,694
Gas Infrastructure Development Cess (GIDC) liability	19,580	-	-	-	-
Due to related parties	2,169	22,206	10,386	8,077	11,913
Deferred Tax liability	-	15,809	17,188	27,567	38,237
Accrued mark up	42,856	104,486	89,956	57,474	44,760
Trade and other payables	201,679	195,230	49,556	55,993	73,508
Short-term borrowing	-	400,000	400,000	400,000	-
Current portion of long term financing	549,726	191,118	110,000	44,000	204,750
Current portion of GIDC liability	11,642	-	-	-	-
Advance against rent from tenants	-	148,002	113,945	71,811	59,858
TOTAL EQUITY AND LIABILITIES	**7,501,141**	**10,097,558**	**9,377,674**	**8,624,393**	**6,716,908**

	2021	2020	2019	2018	2017
Revenue	283,899	678,369	402,595	366,350	362,785
Direct operating cost	(9,298)	(216,977)	(11,609)	(9,603)	(9,909)
Gross profit	**274,601**	**461,392**	**390,986**	**356,748**	**352,876**
Administrative and general expenses	(564,079)	(137,621)	(104,824)	(107,534)	(105,812)
Operating (loss) / profit	**(289,478)**	**323,771**	**286,162**	**249,213**	**247,064**
Finance costs	(424,647)	(419,072)	(267,248)	(207,664)	(176,487)
Other Income	166,773	80,659	66,315	26,735	15,737
Gain on Valuation of Investment Property	-	292,166	666,993	1,180,809	288,765
Other Expenses	(33,676)	-	-	-	-
(Loss) / Profit before taxation	**(581,027)**	**277,524**	**752,222**	**1,249,093**	**375,079**
Taxation	16,630	(543)	(22,160)	(14,463)	(23,101)
(Loss) / Profit after taxation	(564,397)	276,981	730,062	1,234,630	351,978
(Loss) / Earning per share	(1.72)	0.85	2.23	3.77	1.68

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK

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

- The financial statements, prepared by the Company present its state of affairs fairly the result of its operations, cash flows and changes in equity.
- The Company has maintained proper books of accounts as required under Companies Act, 2017.
- The Company has followed consistently appropriate accounting policies in the preparation of Financial Statements and accounting estimates are based on reasonable and prudent judgment.

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

PATTERN OF SHAREHOLDING

A statement of pattern of shareholding of the Company as at 30 June 2021 is as follows:

Particulrs	No of Folio	Balance Share	Percentage
SPONSORS, DIRECTORS, CEO AND CHILDREN	6	40,697,995	12.4309
ASSOCIATED COMPANIES	11	174,220,182	53.2144
MODARABAS AND MUTUTAL FUNDS	7	4,539,500	1.3866
GENERAL PUBLIC (LOCAL)	814	89,061,256	27.2032
GENERAL PUBLIC (FOREIGN)	62	1,893,426	0.5783
OTHERS	40	16,980,746	5.1867
Company Total	**940**	**327,393,105**	**100**

Pattern of holding shares held by the shareholders of the Company as at June 30, 2021:

NO. OF SHAREHOLDERS	FROM	TO	SHARES HELD	PERCENTAGE
104	1	100	1,699	0.0005
103	101	500	49,384	0.0151
114	501	1,000	108,110	0.033
228	1,001	5,000	706,969	0.2159
92	5,001	10,000	800,530	0.2445
34	10,001	15,000	439,000	0.1341
28	15,001	20,000	532,972	0.1628
24	20,001	25,000	581,341	0.1776
13	25,001	30,000	369,500	0.1129
11	30,001	35,000	374,000	0.1142
4	35,001	40,000	154,000	0.047
5	40,001	45,000	225,000	0.0687
19	45,001	50,000	944,267	0.2884
10	55,001	60,000	591,350	0.1806
3	60,001	65,000	190,744	0.0583
5	65,001	70,000	343,500	0.1049
4	70,001	75,000	297,000	0.0907

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FOR THE YEAR ENDED JUNE 30, 2021

NO. OF SHAREHOLDERS	FROM	TO	SHARES HELD	PERCENTAGE
3	75,001	80,000	240,000	0.0733
3	80,001	85,000	249,500	0.0762
18	95,001	100,000	1,800,000	0.5498
5	100,001	105,000	517,500	0.1581
4	105,001	110,000	438,000	0.1338
1	110,001	115,000	112,000	0.0342
8	115,001	120,000	952,600	0.291
1	120,001	125,000	125,000	0.0382
3	130,001	135,000	401,880	0.1228
1	140,001	145,000	144,500	0.0441
6	145,001	150,000	900,000	0.2749
2	155,001	160,000	317,500	0.097
1	165,001	170,000	170,000	0.0519
1	170,001	175,000	173,120	0.0529
1	175,001	180,000	177,800	0.0543
7	195,001	200,000	1,397,500	0.4269
2	215,001	220,000	440,000	0.1344
1	220,001	225,000	225,000	0.0687
4	235,001	240,000	953,900	0.2914
1	240,001	245,000	241,000	0.0736
1	245,001	250,000	250,000	0.0764
1	255,001	260,000	260,000	0.0794
2	295,001	300,000	600,000	0.1833
1	320,001	325,000	325,000	0.0993
1	340,001	345,000	345,000	0.1054
1	345,001	350,000	350,000	0.1069
1	360,001	365,000	365,000	0.1115
1	365,001	370,000	369,700	0.1129
1	385,001	390,000	390,000	0.1191
2	395,001	400,000	800,000	0.2444
1	415,001	420,000	420,000	0.1283
1	435,001	440,000	435,500	0.133
2	445,001	450,000	900,000	0.2749
2	470,001	475,000	949,500	0.29
1	475,001	480,000	478,800	0.1462
1	490,001	495,000	491,181	0.15
5	495,001	500,000	2,500,000	0.7636

NO. OF SHAREHOLDERS	FROM	TO	SHARES HELD	PERCENTAGE
1	510,001	515,000	510,300	0.1559
1	545,001	550,000	550,000	0.168
2	595,001	600,000	1,200,000	0.3665
2	695,001	700,000	1,400,000	0.4276
1	745,001	750,000	750,000	0.2291
1	760,001	765,000	764,000	0.2334
1	770,001	775,000	774,462	0.2366
1	875,001	880,000	879,360	0.2686
1	885,001	890,000	890,000	0.2718
1	895,001	900,000	900,000	0.2749
1	995,001	1,000,000	1,000,000	0.3054
1	1,005,001	1,010,000	1,008,500	0.308
1	1,045,001	1,050,000	1,050,000	0.3207
1	1,165,001	1,170,000	1,170,000	0.3574
2	1,195,001	1,200,000	2,397,000	0.7321
1	1,220,001	1,225,000	1,225,000	0.3742
1	1,385,001	1,390,000	1,389,000	0.4243
1	1,615,001	1,620,000	1,618,000	0.4942
1	1,640,001	1,645,000	1,644,500	0.5023
1	1,765,001	1,770,000	1,769,100	0.5404
1	2,015,001	2,020,000	2,015,200	0.6155
1	2,055,001	2,060,000	2,057,000	0.6283
1	2,595,001	2,600,000	2,597,500	0.7934
1	2,785,001	2,790,000	2,788,000	0.8516
1	2,890,001	2,895,000	2,891,952	0.8833
1	2,895,001	2,900,000	2,900,000	0.8858
1	2,945,001	2,950,000	2,949,000	0.9008
1	3,625,001	3,630,000	3,627,097	1.1079
1	3,995,001	4,000,000	4,000,000	1.2218
1	5,495,001	5,500,000	5,500,000	1.6799
1	9,495,001	9,500,000	9,500,000	2.9017
1	9,575,001	9,580,000	9,576,000	2.9249
1	15,995,001	16,000,000	16,000,000	4.8871
1	19,760,001	19,765,000	19,761,488	6.036
1	19,770,001	19,775,000	19,775,000	6.0401
1	38,920,001	38,925,000	38,921,710	11.8884
1	46,930,001	46,935,000	46,932,789	14.3353
1	85,795,001	85,800,000	85,795,300	26.2056
940		**TOTAL**	**327,393,105**	**100**

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ADDITIONAL INFORMATION

Associated Companies, Undertaking and Related Parties (name wise details)	Balance Share	Percentage
TPL CORP LIMITED	88,700,300	27.09%
TPL HOLDINGS (PRIVATE) LIMITED	28,176,781	8.61%
TPL INSURANCE LIMITED	9,576,000	2.92%
TPL SECURITY SERVICES (PRIVATE) LTD	59,850	0.02%
Modaraba and Mutual Funds (name wise details)		
CDC - TRUSTEE FIRST CAPITAL MUTUAL FUND	50,000	0.02%
CDC - TRUSTEE PICIC INVESTMENT FUND	700,000	0.21%
CDC - TRUSTEE PICIC GROWTH FUND	900,000	0.27%
CDC - TRUSTEE HBL - STOCK FUND	750,000	0.23%
CDC - TRUSTEE FIRST HABIB STOCK FUND	390,000	0.12%
CDC - TRUSTEE HBL EQUITY FUND	1,644,500	0.50%
CDC - TRUSTEE FIRST HABIB ASSET ALLOCATION FUND	105,000	0.03%
Directors, CEO and their Spouse and Minor Children (name wise details)		
MR. MUHAMMAD ALI JAMEEL	38,928,892	11.89%
MR. JAMEEL YUSUF AHMED S.ST.	1,769,100	0.54%
Following director is nominee director of TPL Corp Limited		
VICE ADMIRAL (R) MUHAMMAD SHAFI, HI(M)	1	0%
Following director is the independent director of the Company		
MR. ZIAD BASHIR	1	0%

Associated Companies, Undertaking and Related Parties (name wise details)	Balance Share	Percentage
Executive		
Mr. ALI ASGHER	1	0%
Shareholders holding five percent or more voting Interest (name wise details)		
ALPHA BETA CAPITAL MARKETS (PRIVATE) LIMITED	47,707,251	14.57%
MR. MOHAMMAD ALI JAMEEL	38,928,892	11.89%
TPL CORP LIMITED	88,700,300	27.09%
TPL HOLDINGS (PRIVATE) LIMITED	28,176,781	8.61%
MUNAF IBRAHIM	19,775,000	6.04%
Details of trading in the shares by the directors, CEO, CFO, Company Secretary, and their spouses and minor Children		
NONE OF DIRECTORS, CEO, CFO, COMPANY SECRETARY AND THEIR SPOUSES AND MINOR CHILDREN HAS TRADED IN THE SHARES OF THE COMPANY DURING THE YEAR.		

DIRECTORS' REPORT
FOR THE YEAR ENDED JUNE 30, 2021

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.

Acknowledgement

We have been able to operate efficiently because of the culture of professionalism, creativity and continuous improvement in all functional areas and the efficient utilization of all resources for sustainable growth. We place appreciation on the contributions made and committed services rendered by the employees of the Company at various levels. Above all we express gratitude for the continuous assistance and support received from the investors, tenants, bankers, Securities and Exchange Commission of Pakistan and the Pakistan Stock Exchange.

Ali Jameel
CEO

Jameel Yusuf Ahmed S.St.
Chairman

ڈائریکٹرز کی رپورٹ

برائے مختتمہ سال 30 جون 2021

ڈائریکٹرز 30 جون 2021 کو ختم ہونے والے سال کے لیے نظر ثانی شدہ مجموعی مالیاتی معلومات اور کمپنی کے کاموں کا مختصر جائزہ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

اقتصادی نقطہ نظر

وبائی بیماری سے پاکستان کی معیشت کی ابتدائی بحالی سے جی ڈی پی کی شرح نمو 3.9 فیصد تک پہنچ گئی، جو توقعات سے کہیں زیادہ ہے۔ کوویڈ 19 کے دوران حکومت کی طرف سے مانیٹری (شرح سود 7 فیصد پر برقرار) اور براہ راست مالی محرک اقدامات (جیسے کہ پے رول فنانسنگ) بحران سے بچنے اور معیشت کو تیزی سے بحالی کے راستے پر گامزن کرنے میں کارآمد ثابت ہوئے۔ اضافی عوامل جس میں برآمدی آرڈرز میں اضافہ (کیونکہ مسابقتی ممالک لاک ڈاؤن میں چلے گئے)، تیل کی قیمتوں میں معاون رجحان اور متعلقہ صنعتوں پر پڑنے والے اثر کے ساتھ تعمیراتی شعبے پر مضبوط توجہ شامل ہیں۔ لارج سکیل مینوفیکچرنگ (ایل ایس ایم) انڈیکس کی بحالی، جولائی 20 سے مئی 21 کے عرصے میں 14.6 فیصد نمو کا اندراج، عالمی لاک ڈاؤن کی وجہ سے معیشت کے سپلائی سائیڈ شاکس کو تقویت ملی۔

دوسری طرف سالانہ کنزیومر پرائس انڈیکس (سی پی آئی) 8.9 فیصد زیادہ تھا لیکن یہ مستحکم لگتا ہے۔ مالی سال کے دوران سب سے زیادہ ٹیکس ریونیو کولیکشن کے باوجود مالیاتی خسارہ 4.7 ٹریلین روپے (پچھلے سال کے مقابلے میں 18 فیصد زیادہ) چیلنجنگ ہے۔ بیرونی محاذ پر، پاکستان نے فنانشل ایکشن ٹاسک فورس (ایف اے ٹی ایف) فہرست کی سفارشات (27 میں سے 26) پر اہم پیش رفت کی اور آئی ایم ایف سے قرض کی منظوری حاصل کی، جس سے ملک کے فنڈز کی کمی اور زیر التواء قرضوں کی ادائیگی میں کچھ آسانی ملی۔ مزید برآں، روشن ڈیجیٹل اکاؤنٹ جیسے اقدامات بین الاقوامی نجی سرمایہ کاری بڑھانے میں کامیاب رہے اور مالی سال کے اختتام پر کرنٹ اکاؤنٹ سرپلس کو فعال کیا۔

رئیل اسٹیٹ سیکٹر

رئیل اسٹیٹ سیکٹر پاکستانی معیشت کا ایک اہم جزو بن چکا ہے۔ جیسا کہ وبائی بیماری کے دوران مشاہدہ کیا گیا، مالی سال 21 کی پہلی سہ ماہی میں کنسٹرکشن کی بحالی نے بالآخر مالی سال 21 کے لیے پوری معیشت کو سہارا دیا ہے۔ پاکستان میں اس شعبے میں ترقی کے بہت زیادہ امکانات ہیں جس میں 2025 تک فچ سلیوشنز 58 فیصد نمو سے 1,739 بلین روپے کا تخمینہ لگایا گیا ہے۔ عارضی اقتصادی ری فنانس سہولت کے تحت، 436 کی رقم بینک قرضوں کی شکل میں نئے کاروبار قائم کرنے اور موجودہ پیداواری لائنوں کو وسعت دینےکے لیے تقسیم کی گئی۔

حکومت پاکستان نے رئیل اسٹیٹ میں نمو کو فروغ دینے کے لیے متعدد اقدامات کیے ہیں۔ ان میں تعمیراتی شعبے کو صنعت کا درجہ دینا، جبکہ ود ہولڈنگ ٹیکس کا معاف کرنا اور بہت سے تعمیراتی سامان پر سیلز ٹیکس کم کرنا، تعمیراتی شعبے کے لیے مقررہ ٹیکس شرح اور بنیادی گھر کی فروخت پر کوئی کیپٹل گین ٹیکس نہ رکھنا شامل ہیں۔ نجی شعبے کی سرمایہ کاری کو سپورٹ کرنے کے لیے، اسٹیٹ بینک آف پاکستان (ایس بی پی) نے غیر رہائشی پاکستانیوں کو روشن ڈیجیٹل اکاؤنٹس کے ذریعے رئیل اسٹیٹ میں سرمایہ کاری کے قابل بنایا ہے۔ مزید برآں یہ شعبہ جاری ایمنسٹی اسکیم سے فائدہ اٹھا رہا ہے، جو 2021 کے اختتام تک بڑھا دی گئیہے جو کہ اس شعبے میں سرمایہ کاری کرنے والوں کے لیے بلاتفریق آمدنی کا ذریعہ بن سکتا ہے۔

اسٹیٹ بینک پاکستان کی پالیسیوں نے بھی اس شعبے کی ترقی میں معاونت کی ہے۔ بینکوں کو یہ اختیار دیا گیا ہے کہ وہ اپنے 5 فیصد قرض پورٹ فولیو کو رئیل اسٹیٹ سیکٹر میں رکھیں۔ کسی بھی رئیل اسٹیٹ سیکٹر ٹرسٹ (REIT) کے یونٹس میں ان کی سرمایہ کاری پر بینکوں/DFI کا قابل اطلاق رسک ویٹ 200 فیصد سے کم کر کے 100 فیصد کر دیا گیا ہے۔ مزید یہ کہ، اسٹیٹ بینک پاکستان نے بینکوں کے لیے مکانات اور تعمیرات کے لیے اپنے نجی شعبے کی 5 فیصد ایڈوانسز دینا لازمی قرار دیا ہے۔ ان سٹرکچرل معاونت اور مراعات کے پیش نظر، آگے بڑھتے ہوئے مالی سال 2022 اس شعبے میں مسلسل ترقی دیکھے گا۔ CPEC اور نیا پاکستان ہاؤسنگ سکیم بھی تیزی سے رفتار پکڑ رہیہیں۔

کمپنی کا مستقبل کا نقطہ نظر

سینٹر پوائنٹ اثاثوں کی فروخت مئی 2021 میں مکمل ہوئی اور کمپنی کے غیر حقیقی محصولات کے ذخائر کو حقیقی شکل میں تبدیل کر دیا۔ فروخت کی آمدنی نے کمپنی کو قرض کی واپس ادائیگی، سرمایہ کاری اور اپنا رئیل اسٹیٹ انویسٹمنٹ پورٹ فولیو بنانے کی اجازت دی جبکہ کچھ منافع بھی فراہم کیا گیا۔

ون ہوشنگ، پریمیم رہائشی ترقیاتی منصوبہ مالی سال 22 کی پہلی سہ ماہی کے آخر تک تعمیر شروع ہونے کی توقع ہے۔ ورثہ اور دیگر ریگولیٹری منظوری حاصل کرنے میں زیادہ وقت کے نتیجے میں یہ منصوبہ تاخیر کا شکار رہا۔ تعمیراتی آغاز سے تین سال کے اندر ڈویلپمنٹ مکمل ہو جائے گی۔

TTZ فیز 1، ایک ہائی اینڈ ٹیکنالوجی پارک پروجیکٹ تفصیلی ڈیزائن مرحلے کے ساتھ آگے بڑھ رہا ہے۔ کمپنی کا اس ترقی کا مقصد اسپیشل ٹیکنالوجی زون اتھارٹی کے تحت لائسنس حاصل کرنا چاہتی ہے کیونکہ یہ اس کے مقاصد کے مطابق ہے۔ تعمیر 2021 کے آخر میں شروع ہو جائے گی تعمیراتی مدت دو سال ہے۔

زیر تعمیر تیسرا پروجیکٹ کورنگی انڈسٹریل پارک کے قریب 40 ایکڑ کا ماسٹر پلانڈ مکسڈ یوز ڈویلپمنٹ ہے۔ متعدد شہری تخلیق نو کے اقدامات کے ساتھ، یہ ترقی TPL پراپرٹیز میں نمایاں قدر کا اضافہ کرے گی۔ ماسٹر پلاننگ کے لیے بین الاقوامی فرموں کا انتخاب کیا جا رہا ہے اور فیز 1 مالی سال 2022 کی آخری سہ ماہی میں شروع ہو جائے گا۔

کمپنی کا مکمل ملکیتی ماتحت ادارہ، TPL آر ایم سی لمیٹڈ، (ایس ای سی پی کی لائسنس یافتہ) پاکستان کا پہلا ہائبرڈ REIT فنڈ شروع کرنے کے لیے کام کر رہا ہے، جو ڈویلپمنٹ کے لیے زمین کے حصول، رئیل اسٹیٹ اثاثوں کی ڈویلپمنٹ، اور کم پیداوار اور ابتر کارکردگی کا مظاہرہ کرنے والے رئیل اسٹیٹ اثاثوں کے حصول میں سرمایہ کاری کرے گا۔ ٹی پی ایل REIT فنڈ I پاکستان میں واقع رئیل اسٹیٹ اثاثوں میں سرمایہ کاری تک محدود رہے گا۔ مزید یہ کہ فنڈ اور پاکستان میں غیر ملکی سرمایہ

ڈائریکٹرز کی رپورٹ

برائے مختتمہ سال 30 جون 2021

کاری کو راغب کرنے کے لیے، یہ فیڈر فنڈ سٹرکچر (ایک مناسب بین الاقوامی دائرہ اختیار پر مبنی) قائم کیا جا رہا ہے جس کا انتظام ابوظہبی گلوبل مارکیٹ (ADGM) میں ایک فنڈ مینجمنٹ کمپنی کرے گی، جس کے لائسنس کے لیے درخواست گذاری گئی ہے۔ کمپنی فنڈ ڈ ڈویلپمنٹ کو تیز ترین اور وقوع پذیر کے قابل بنانے کے لئے فنڈ کو ڈویلپمنٹ کے تحت تین پراجیکٹس کو فنڈ منتقل کرنے کے بعد ٹی پی ایل REIT فنڈ I میں اسٹریٹجک اسٹیک کی مالک ہوگی۔

ٹی پی ایل پراپرٹیز طویل مدتی قدر کی تخلیق ترقی پذیر کاروباری ڈھانچے کے ساتھ کرسٹلائز ہو جائے گی۔ ٹی پی ایل REIT فنڈ I کی تشکیل کے بعد TPL پراپرٹیز کے بزنس ماڈل کے طور پر چار بنیادی ستون ہوں گے۔ سب سے پہلا، یہ زمین کی شراکت اور آج تک تیار کردہ پروجیکٹ کی بنیاد پر REIT کے ایک اہم حصے کا مالک ہوگا۔ یہ REIT آئندہ برسوں میں کمپنی کو ٹیکس فری منافع فراہم کرے گا۔ دوم، یہ ان تینوں پراجیکٹس اور مزید جن کے لیے وہ ترقیاتی فیس وصول کرے کی ترقی جاری رکھے گی۔ تیسرا، RMC کے مالک کی حیثیت سے، اسے منافع ملے گا کیونکہ آر ایم سی REIT کے لیے انتظامی فیس وصول کرتا ہے۔ آخر میں، یہ TPL پراپرٹی مینجمنٹ سروسز کا مالک رہے گی جس کے تحت مستقبل میں زیر انتظام مزید پروجیکٹس کمپنی کو اضافی آمدنی فراہم کریں گے۔

مالیاتی کارکردگی

انفرادی کارکردگی

کمپنی کی انفرادی کارکردگی کے مختصر نتائج مندرجہ ذیل ہیں:

تفصیل	30 جون 2021 (نظر ثانی شدہ) روپے	30 جون 2020 (نظر ثانی شدہ) روپے
آمدنی	283,898,566	678,368,219
مجموعی منافع	274,601,017	461,391,407
ٹیکس سے قبل (نقصان)/منافع	(581,027,330)	277,523,341
ٹیکس کے بعد (نقصان)/منافع	(564,396,890)	276,980,071
آوٹ سٹینڈنگ حصص کی تعداد	327,393,106	327,393,106
(نقصان)/آمدنی فی شیئر ٹیکس سے قبل	(1.77)	0.85
(نقصان)/آمدنی فی شیئر ٹیکس کے بعد	(1.72)	0.85

چونکہ کمپنی پچھلے سالوں میں منافع حاصل کر رہی تھی، اس سال P&L کو کوئی خاص نفع حاصل نہیں ہوا، اور کرائے کی کم آمدنی کے ساتھ، واحد کمپنی نے 564 ملین روپے کا نقصان درج کیا۔ تقابلی اعداد و شمار میں یوٹیلیٹیز اور مینٹی نینس کی خدمات شامل ہیں۔ تاہم، سال کے دوران یہ خدمات ٹی پی ایل پراپرٹی مینجمنٹ (پرائیویٹ) لمیٹڈ، جو کہ ایک مکمل ملکیتی ذیلی ادارہ ہے، میں منتقل کر دی گئیں، اس لیے اب اس کو کنسولڈیٹڈ اکاؤنٹس میں ظاہر کیا گیا ہے۔ نتائج کرائے کی آمدنی میں 241 ملین روپے کی کمی اور زیادہ فروخت اور عام انتظامی اخراجات 291 ملین روپے کی عکاسی کرتے ہیں، جو کہ بنیادی طور پر سینٹر پوائنٹ کی فروخت سے متعلق ہیں۔

مجموعی کارکردگی

کمپنی کی مجموعی کارکردگی کے مختصر نتائج مندرجہ ذیل ہیں:

تفصیل	30 جون 2021 (نظر ثانی شدہ) روپے	30 جون 2020 (نظر ثانی شدہ) روپے
آمدنی	438,390,845	678,368,219
مجموعی منافع	313,960,420	461,391,407
ٹیکس سے قبل (نقصان)/منافع	59,191,900	218,447,305
ٹیکس کے بعد (نقصان)/منافع	70,030,144	113,206,679
آوٹ سٹینڈنگ حصص کی تعداد	327,393,106	327,393,106
(نقصان)/آمدنی فی شیئر ٹیکس سے قبل	0.18	0.67
(نقصان)/آمدنی فی شیئر ٹیکس کے بعد	0.22	0.35

ڈائریکٹرز کی رپورٹ

برائے مختتمہ سال 30 جون 2021

مجموعی طور پر کمپنی نے ٹیکس کے بعد مجموعی منافع 70 ملین روپے درج کرایا ہے۔ انفرادی اکاؤنٹس کے مقابلے میں اضافہ TPL ٹیکنالوجی زون فیز ا (پرائیویٹ) لمیٹڈ کے تحت 684 ملین روپے زمین پر ری ویلیوایشن گین کی وجہ سے ہوا ہے۔

منافع منقسمہ

کمپنی اس سال ایک روپے فی حصص عبوری منافع منقسمہ اپنے سرمایہ کاروں کو ادا کر چکی ہیں۔ بورڈ آف ڈائریکٹرز نے اس سال منافع کو برقرار رکھنے کی سفارش کی ہے

آڈیٹرز

موجودہ آڈیٹرز میسرز ای وائی فورڈ رہوڈس، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو گئے ہیں اور اہل ہونے کی بناء پر، انہوں نے خود کو نئے مالی سال میں دوبارہ تقرری کے لیے پیش کیا ہے۔ آڈٹ کمیٹی کی تجویز کے مطابق، بورڈ نے، کمپنی کے آئندہ سالانہ اجلاس عام میں شیئر ہولڈرز کی منظوری سے مشروط میسرز ای وائی فورڈ رہوڈس چارٹرڈ اکاؤنٹنٹس کو کمپنی کا قانونی آڈیٹرز مقرر کرنے کی منظوری دی ہے۔

متعلقہ فریقین سے لین دین

سال کے دوران، کمپنی نے متعلقہ فریقین کے ساتھ لین دین کیا۔ ان ٹرانزیکشنز کی تفصیلات منسلکہ غیر مجموعی مالی حسابات کے نوٹ 33 میں ظاہر کی گئی ہیں۔

بورڈ اور بورڈ کی کمیٹیوں کی ترتیب

مندرجہ ذیل کے مطابق ڈائریکٹرز کی کل تعداد آٹھ (08) ہے:

مرد	خواتین
7	1

بورڈ کی تشکیل حسبِ ذیل کے مطابق ہے:

کیٹگری	نام
آزاد ڈائریکٹر	جناب زیاد بشیر جناب عبدالوہاب ایم حلابی
ایگزیکٹو ڈائریکٹرز	جناب علی جمیل
نان ایگزیکٹو ڈائریکٹرز	جناب جمیل یوسف جناب سراج دادابھائی وائس ایڈمرل (ر) محمد شفیع، Hi(M) جناب فواد انور محترمہ صبیحہ سلطان احمد

بورڈ نے مندرجہ ذیل ارکان پر مشتمل کمیٹیاں تشکیل دی ہیں:

آڈٹ کمیٹی	جناب زیاد بشیر۔ چیئرمین جناب سراج دادابھائی۔ممبر وائس ایڈمرل (ر) محمد شفیع۔ممبر جناب محمد آصف۔سیکرٹری
ایچ آر اینڈ ریمنریشن کمیٹی	جناب عبدالوہاب ایم حلابی۔ چیئرمین جناب فواد انور۔ممبر جناب علی جمیل۔ممبر جناب نادر نواز۔سیکرٹری

ڈائریکٹرز کی رپورٹ

برائے مختتمہ سال 30 جون 2021

بورڈ کے اجلاس (میٹنگز)

بورڈ آف ڈائریکٹرز نے مالی سال کے دوران 6 اجلاس منعقد کیے۔ ڈائریکٹرز کی حاضری نیچے دی گئی ہے:

نام ڈائریکٹر	تعداد حاضری
جناب علی جمیل	6
جناب جمیل یوسف-ایس ایس ٹی	4
جناب عبدالوہاب ایم الحلابی	5
وائس ایڈمرل (ر) محمد شفیع	6
جناب فواد انور	5
جناب سراج دادا بھائی	6
جناب زیاد بشیر	3
محترمہ صبیحہ سلطان	6

ڈائریکٹرز کا مشاہرہ

بورڈ کی طرف سے باضابطہ ڈائریکٹر کی اجرت کی پالیسی منظور کی گئی ہے۔ پالیسی میں کمپنیز ایکٹ، 2017 اور لسٹڈ کمپنیز کوڈ آف کارپوریٹ گورننس، 2019 کے مطابق ڈائریکٹرز کے مشاہرہ کا شفاف طریقہ کار شامل ہے۔ مذکورہ پالیسی کے مطابق ڈائریکٹرز کو بورڈ یا اس کی ذیلی کمیٹیوں کے ہر اجلاس میں شرکت کے لیے 100,000 پاکستانی روپے کا مشاہرہ ادا کیا جاتا ہے۔

ڈائریکٹرز کی تربیت

بورڈ ممبران کی اکثریت نے اپنی سرٹیفکیشن مکمل کر لی ہے جبکہ ایک ڈائریکٹر کو SECP کی جانب سے مقررہ قابلیت اور تجربے کی بنیاد پر رعایت دی گئی۔ وہ ڈائریکٹر، جو سرٹیفکیشن نہیں رکھتے، مندرج کمپنی کے ڈائریکٹر کی حیثیت سے اپنے فرائض اور ذمہ داریوں سے بخوبی واقف ہیں۔ تاہم، کمپنی باقی ڈائریکٹرز کو ان کی سرٹیفکیشن مکمل کرنے کی حوصلہ افزائی کرتی ہے۔

گزشتہ پانچ سالوں کے کلیدی اعداد و شمار

	2021	2020	2019	2018	2017
سرمایہ کاری کی جائیداد	-	28,308	6,874,579	6,189,635	4,975,875
جائیداد، پلانٹ اور آلات	62,237	3,885	4,911	5,081	6,736
غیر مادی اثاثے	301	452	603	753	-
طویل مدتی سرمایہ کاری	2,130,825	760,825	1,112,725	1,150,315	1,150,315
ماتحت اداروں کے طویل مدتی قرض	875,543	1,076,874	712,506	432,507	56,750
طویل مدتی ڈپازٹس	2,787	2,787	287	287	187
اوزار	-	964			
کرایہ داروں سے قابل وصول کرایہ	108,400	120,041	24,387	45,419	26,556
پیشگی، جمع اور قبل از ادائیگی	1,914,741	46,564	56,172	25,398	11,126
جمع شدہ سود	150,465	94,784	33,242	40,818	51,008
متعلقہ فریقوں کی طرف واجب الادا	69,278	1,040	215,195	332	-
ٹیکس-خالص	81,858	118,505	133,457	93,258	94,021
قلیل مدتی سرمایہ کاری	168,543	397	124	100,000	-
نقد اور بینک بیلنس	1,936,163	225,132	209,487	540,589	344,333
غیر موجودہ اثاثہ برائے فروخت	-	7,617,000	-	-	-
مجموعی اثاثے	**7,501,141**	**10,097,558**	**9,377,674**	**8,624,393**	**6,716,908**

ڈائریکٹرز کی رپورٹ

برائے مختتمہ سال 30 جون 2021

2017	2018	2019	2020	2021	
2,735,114	2,735,114	3,273,931	3,273,931	3,273,931	جاری، سبسکرائب اور ادا شدہ سرمایہ
560,564	560,564	21,746	(404,846)	(324,406)	کیپٹل ریزرو
1,327,511	2,562,141	3,292,203	3,569,183	2,677,393	مجموعی منافع
1,660,694	2,101,652	1,998,763	2,582,437	1,046,570	طویل مدتی فنانسنگ
-	-	-	-	19,580	گیس انفراسٹرکچر ڈویلپمنٹ سیس (جی آئی ڈی سی) کی ذمہ داری
11,913	8,077	10,386	22,206	2,169	متعلقہ فریقوں کی طرف واجب الادا
38,237	27,567	17,188	15,809	-	موخر ٹیکس کی ذمہ داری
44,760	57,474	89,956	104,486	42,856	جمع شدہ مارک اپ
73,508	55,993	49,556	195,230	201,679	تجارت اور دیگر قابل ادائیگی
-	400,000	400,000	400,000	-	قلیل مدتی قرضے
204,750	44,000	110,000	191,118	549,726	طویل مدتی فنانسنگ کا موجودہ حصہ
-	-	-	-	11,642	GIDC ذمہ داری کا موجودہ حصہ
59,858	71,811	113,945	148,002	-	کرایہ داروں سے پیشگی کرایہ
6,716,908	8,624,393	9,377,674	10,097,558	7,501,141	کل ایکویٹی اور ذمہ داریاں

2017	2018	2019	2020	2021	
362,785	366,350	402,595	678,369	283,899	آمدنی
(9,909)	(9,603)	(11,609)	(216,977)	(9,298)	براہ راست آپریٹنگ لاگت
352,876	356,748	390,986	461,392	274,601	مجموعی منافع
(105,812)	(107,534)	(104,824)	(137,621)	(564,079)	انتظامی اور عمومی اخراجات
247,064	249,213	286,162	323,771	(289,478)	آپریٹنگ منافع
(176,487)	(207,664)	(267,248)	(419,072)	(424,647)	مالی اخراجات
15,737	26,735	66,315	80,659	166,773	دیگر آمدنی
288,765	1,180,809	666,993	292,166	-	سرمایہ کاری جائیداد کی قیمت پر منافع
-	-	-	-	(33,676)	دیگر اخراجات
375,079	1,249,093	752,222	277,524	(581,027)	ٹیکس سے پہلے منافع
(23,101)	(14,463)	(22,160)	(543)	16,630	ٹیکسیشن
351,978	1,234,630	730,062	276,981	(564,397)	ٹیکس کے بعد منافع/ (نقصان)
1.68	3.77	2.23	0.85	(1.72)	آمدنی/ (نقصان) فی شیئر

کارپوریٹ اور فنانشل رپورٹنگ فریم ورک کا بیان

بورڈ کوڈ آف کارپوریٹ گورننس کے مطابق سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی تجویز کردہ اپنی کارپوریٹ ذمہ داریوں سے پوری طرح آگاہ ہے اور اس بات کی بخوشی تصدیق کرتے ہیں:

- کمپنی کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور ایکوئٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔
- کمپنیز ایکٹ 2017 کے تحت ضروریات کے مطابق کمپنی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔
- مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔

ڈائریکٹرز کی رپورٹ

برائے مختتمہ سال 30 جون 2021

- مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی پیروی کی گئی ہے اور کسی انحراف کی وضاحت اور انکشاف کیا گیا ہے۔
- اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی مؤثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- کمپنی کے بنیادی اصول مضبوط ہیں اور کمپنی کے گوئنگ کنسرن ہونے کی صلاحیت پر کوئی قابل ذکر شکوک وشبہات نہیں ہیں۔
- فہرستی قواعد وضوابط میں تفصیلی کارپوریٹ گورننس کے بہترین عمل سے کوئی مادی انحراف نہیں کیا گیا ہے۔
- گزشتہ پانچ سال کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا سالانہ رپورٹ ہذا میں منسلک ہے۔
- بقایا ٹیکسز اور لیویز کا مالی حسابات کے نوٹ میں انکشاف کیا گیا ہے۔

نمونہء حصص داری

30 جون 2021 کے مطابق کمپنی کی شیئر ہولڈنگ کے پیٹرن کا بیان مندرجہ ذیل ہے۔

پارٹیکلرز	فولیو نمبر	بیلنس شیئرز	فیصد
اسپانسرز، ڈائریکٹرز، سی ای او اور بچے	6	40,697,995	12.4309
متعلقہ کمپنیاں	11	174,220,182	53.2144
مضاربہ اور میوچل فنڈز	7	4,539,500	1.3866
عام پبلک (مقامی)	814	89,061,256	27.2032
عام پبلک (غیر ملکی)	62	1,893,426	0.5783
دیگرز	40	16,980,746	5.1867
مجموعہ کمپنی	940	**327,393,105**	**100**

30 جون 2021 کے مطابق کمپنی کے حصص یافتگان کے ملکیتی حصص کا نمونہ:

حصص یافتگان (شیئر ہولڈرز) کی تعداد	اس نمبر سے	اس نمبر تک	ملکیت میں موجود شیئرز	فیصد
104	1	100	1,699	0.0005
103	101	500	49,384	0.0151
114	501	1,000	108,110	0.033
228	1,001	5,000	706,969	0.2159
92	5,001	10,000	800,530	0.2445
34	10,001	15,000	439,000	0.1341
28	15,001	20,000	532,972	0.1628
24	20,001	25,000	581,341	0.1776
13	25,001	30,000	369,500	0.1129
11	30,001	35,000	374,000	0.1142
4	35,001	40,000	154,000	0.047
5	40,001	45,000	225,000	0.0687
19	45,001	50,000	944,267	0.2884
10	55,001	60,000	591,350	0.1806
3	60,001	65,000	190,744	0.0583
5	65,001	70,000	343,500	0.1049
4	70,001	75,000	297,000	0.0907

ڈائریکٹرز کی رپورٹ

برائے مختتمہ سال 30 جون 2021

فیصد	ملکیت میں موجود شیئرز	اس نمبر تک	اس نمبر سے	حصص یافتگان (شیئر ہولڈرز) کی تعداد
0.0733	240,000	80,000	75,001	3
0.0762	249,500	85,000	80,001	3
0.5498	1,800,000	100,000	95,001	18
0.1581	517,500	105,000	100,001	5
0.1338	438,000	110,000	105,001	4
0.0342	112,000	115,000	110,001	1
0.291	952,600	120,000	115,001	8
0.0382	125,000	125,000	120,001	1
0.1228	401,880	135,000	130,001	3
0.0441	144,500	145,000	140,001	1
0.2749	900,000	150,000	145,001	6
0.097	317,500	160,000	155,001	2
0.0519	170,000	170,000	165,001	1
0.0529	173,120	175,000	170,001	1
0.0543	177,800	180,000	175,001	1
0.4269	1,397,500	200,000	195,001	7
0.1344	440,000	220,000	215,001	2
0.0687	225,000	225,000	220,001	1
0.2914	953,900	240,000	235,001	4
0.0736	241,000	245,000	240,001	1
0.0764	250,000	250,000	245,001	1
0.0794	260,000	260,000	255,001	1
0.1833	600,000	300,000	295,001	2
0.0993	325,000	325,000	320,001	1
0.1054	345,000	345,000	340,001	1
0.1069	350,000	350,000	345,001	1
0.1115	365,000	365,000	360,001	1
0.1129	369,700	370,000	365,001	1
0.1191	390,000	390,000	385,001	1
0.2444	800,000	400,000	395,001	2
0.1283	420,000	420,000	415,001	1
0.133	435,500	440,000	435,001	1
0.2749	900,000	450,000	445,001	2
0.29	949,500	475,000	470,001	2
0.1462	478,800	480,000	475,001	1
0.15	491,181	495,000	490,001	1
0.7636	2,500,000	500,000	495,001	5

فیصد	ملکیت میں موجود شیئرز	اس نمبر تک	اس نمبر سے	حصص یافتگان (شیئر ہولڈرز) کی تعداد
0.1559	510,300	515,000	510,001	1
0.168	550,000	550,000	545,001	1
0.3665	1,200,000	600,000	595,001	2
0.4276	1,400,000	700,000	695,001	2
0.2291	750,000	750,000	745,001	1
0.2334	764,000	765,000	760,001	1
0.2366	774,462	775,000	770,001	1
0.2686	879,360	880,000	875,001	1
0.2718	890,000	890,000	885,001	1
0.2749	900,000	900,000	895,001	1
0.3054	1,000,000	1,000,000	995,001	1
0.308	1,008,500	1,010,000	1,005,001	1
0.3207	1,050,000	1,050,000	1,045,001	1
0.3574	1,170,000	1,170,000	1,165,001	1
0.7321	2,397,000	1,200,000	1,195,001	2
0.3742	1,225,000	1,225,000	1,220,001	1
0.4243	1,389,000	1,390,000	1,385,001	1
0.4942	1,618,000	1,620,000	1,615,001	1
0.5023	1,644,500	1,645,000	1,640,001	1
0.5404	1,769,100	1,770,000	1,765,001	1
0.6155	2,015,200	2,020,000	2,015,001	1
0.6283	2,057,000	2,060,000	2,055,001	1
0.7934	2,597,500	2,600,000	2,595,001	1
0.8516	2,788,000	2,790,000	2,785,001	1
0.8833	2,891,952	2,895,000	2,890,001	1
0.8858	2,900,000	2,900,000	2,895,001	1
0.9008	2,949,000	2,950,000	2,945,001	1
1.1079	3,627,097	3,630,000	3,625,001	1
1.2218	4,000,000	4,000,000	3,995,001	1
1.6799	5,500,000	5,500,000	5,495,001	1
2.9017	9,500,000	9,500,000	9,495,001	1
2.9249	9,576,000	9,580,000	9,575,001	1
4.8871	16,000,000	16,000,000	15,995,001	1
6.036	19,761,488	19,765,000	19,760,001	1
6.0401	19,775,000	19,775,000	19,770,001	1
11.8884	38,921,710	38,925,000	38,920,001	1
14.3353	46,932,789	46,935,000	46,930,001	1
26.2056	85,795,300	85,800,000	85,795,001	1
100	**327,393,105**	**TOTAL**		**940**

اضافی معلومات

شریک کمپنیاں، انڈرٹیکنگ اور متعلقہ فریقین (نام کے مطابق تفصیلات)	ملکیتی حصص کی تعداد (30 جون 2021)	فیصد
ٹی پی ایل کارپوریشن لمیٹڈ	88,700,300	27.09%
ٹی پی ایل ہولڈنگز (پرائیویٹ) لمیٹڈ	28,176,781	8.61%
ٹی پی ایل انشورنس لمیٹڈ	9,576,000	2.92%
ٹی پی ایل سیکورٹی سروسز (پرائیویٹ) لمیٹڈ	59,850	0.02%
Modaraba اور میوچل فنڈز (نام کے مطابق تفصیلات)		
سی ڈی سی-ٹرسٹی کیپیٹل میوچل فنڈ	50,000	0.02%
سی ڈی سی-ٹرسٹی پبلک انویسٹمنٹ فنڈ	700,000	0.21%
سی ڈی سی-ٹرسٹی پبلک گروتھ فنڈ	900,000	0.27%
سی ڈی سی-ٹرسٹی HBL اسٹاک فنڈ	750,000	0.23%
سی ڈی سی-ٹرسٹی فرسٹ حبیب اسٹاک فنڈ	390,000	0.12%
سی ڈی سی-ٹرسٹی HBL ایکویٹی فنڈ	1,644,500	0.50%
سی ڈی سی-ٹرسٹی فرسٹ حبیب Asset Allocation فنڈ	105,000	0.03%
ڈائریکٹرز، سی ای او اور ان کے شریک حیات اور چھوٹے بچے (نام کے مطابق تفصیلات)		
جناب محمد علی جمیل	38,928,892	11.89%
جناب جمیل یوسف احمد S.ST	1,769,100	0.54%
مندرجہ ذیل ڈائریکٹر ٹی پی ایل کارپوریشن لمیٹڈ کے نامزد ڈائریکٹر ہیں		
وائس ایڈمرل (ر) محمد شفیع، ایچ آئی (ایم)	1	0%
مندرجہ ذیل ڈائریکٹر کمپنی کا آزاد ڈائریکٹر ہیں		
جناب زیاد بشیر	1	0%

شریک کمپنیاں، انڈرٹیکنگ اور متعلقہ فریقین (نام کے مطابق تفصیلات)	ملکیتی حصص کی تعداد (30 جون 2021)	فیصد
ایگزیکٹو		
جناب علی اصغر	1	0%
پانچ فیصد یا اس سے زیادہ ووٹنگ رکھنے والے شیئر ہولڈرز (نام کے مطابق تفصیلات)		
الفا بیٹا کیپیٹل مارکیٹس (پرائیویٹ) لمیٹڈ	47,707,251	14.57%
جناب محمد علی جمیل	38,928,892	11.89%
ٹی پی ایل کارپوریشن لمیٹڈ	88,700,300	27.09%
ٹی پی ایل ہولڈنگز (پرائیویٹ) لمیٹڈ	28,176,781	8.61%
جناب مناف ابراہیم	19,775,000	6.04%
ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکرٹری، اور ان کے شریک حیات اور نابالغ بچوں کے حصص		
میں تجارت کی تفصیلات سال کے دوران کسی ڈائریکٹر، سی ای او، سی ایف او، کمپنی سیکریٹری اور ان کے مالک اور چھوٹے بچے نے کمپنی کے حصص میں تجارت نہیں کی ہے۔		

ڈائریکٹرز کی رپورٹ

برائے مختتمہ سال 30 جون 2021

کریڈٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے TPL پراپرٹیز لمیٹڈ (TPL) کی طویل مدتی اور قلیل مدتی ریٹنگ کو بالترتیب "A+" (سنگل A پلس) اور "A1" (A ون) پر مستحکم نقطہ نظر کے ساتھ برقرار رکھا ہے۔ یہ درجہ بندی مالیاتی وعدوں کی بروقت ادائیگی کے لیے مضبوط صلاحیت سے پیدا ہونے والے کریڈٹ رسک کی کم از کم توقع کو ظاہر کرتی ہے۔

اعتراف

ہم پیشہ ورانہ مہارت، تخلیقی صلاحیتوں اور تمام فنکشنل شعبوں میں مسلسل بہتری اور پائیدار ترقی کے لیے تمام وسائل کے مؤثر استعمال کی وجہ سے مؤثر انداز میں کام کرنے میں کامیاب رہے ہیں۔ ہم کمپنی کے ملازمین کی جانب سے مختلف سطحوں پر کی گئی شراکت اور پُرعزم خدمات کو سراہتے ہیں۔ سب سے بڑھ کر ہم سرمایہ کاروں، کرایہ داروں، بینکاروں، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج کی جانب سے ملنے والی مسلسل مدد اور معاونت کے لیے شکریہ ادا کرتے ہیں۔

علی جمیل	جمیل یوسف احمد S.St
(سی ای او)	(چیئرمین)

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working world

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INDEPENDENT AUDITORS' REVIEW REPORT

TO THE MEMBERS OF TPL PROPERTIES LIMITED

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations), prepared by the Board of Directors of TPL Properties Limited (the Company) for the year ended 30 June 2021 in accordance with the requirements of Regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2021.

EY Ford Rhodes

Chartered Accountants

Place: Karachi

Date: 28 September 2021

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of company TPL Properties Limited

Year ended: June 30, 2021

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

1. The total number of Directors are eight (08) as per the following:

Male	Female
7	1

2. The composition of the Board is as follows:

Category	Names
Independent Director	Mr. Ziad Bashir Mr. Abdul Wahab M. Halabi
Executive Directors	Mr. Ali Jameel
Non-Executive Directors	Mr. Jameel Yusuf Mr. Siraj Dadabhoy Vice Admiral (R) Mohammad Shafi, Hi(M) Mr. Fawad Anwar Ms. Sabiha Sultan Ahmed

NOTE: For the purposes of the rounding up of fraction, the Company has not rounded up the fraction, as one, since the Company considers that the Board has adequate Independent Directors.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.

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

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained by the Company.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ Shareholders as empowered by the relevant provisions of the Companies Act, 2017 **("Act")** and the Listed Companies (Code of Corporate Governance) Regulations, 2019 **("Regulations")**.

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

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

9. The Board has duly complied with the Directors' Training Program as required under Regulation 19 of the Listed Companies Code of Corporate Governance, 2019. Majority of the Board members have completed their certification while one director was granted exemption by SECP based on prescribed qualification and experience. The directors, who do not hold the certification, are well conversant with their duties and responsibilities as directors of a listed company. The Company, however, aims to encourage the remaining directors, to complete their certification.

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

11. The Chief Financial Officer and Chief Execution Officer have duly endorsed the financial statements before approval of the Board.

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

Audit Committee	Mr. Ziad Bashir - Chairman Mr. Siraj Dadabhoy - Member Vice Admiral (R) Muhammad Shafi - Member Mr. Muhammad Asif - Secretary
HR and Remuneration Committee	Mr. Abdul Wahab M. Halabi - Chairman Mr. Fawad Anwar - Member Mr. Ali Jameel - Member Mr. Nader Nawaz - Secretary

13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the Committee for compliance.

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

Name of Committee	Frequency of Meeting
Audit Committee	4 meetings were held during the Year. The meetings of the Audit Committee are held on a quarterly basis
HR and Remuneration Committee	2 meetings were held during the Year. The meeting of the HR and Remuneration Committee is held on a half-yearly basis.

15. 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.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, 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 and that they and the partners of the firm involved in the audit are not close relative (spouse, parents, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company.

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

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

Signature (s)
Jameel Yusuf S.St
Chairman

EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road
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Pakistan

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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF TPL PROPERTIES LIMITED
REPORT ON THE AUDIT OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the annexed unconsolidated financial statements of **TPL Properties Limited** (the Company), which comprise the unconsolidated statement of financial position as at **30 June 2021,** the unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), 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 2021 and of the loss, the other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

Following is the key audit matter:

Key audit matter	How our audit addressed the key audit matter
1. Sale of Investment Property	
As disclosed in note 1.4 of the unconsolidated financial statements, during the year, pursuant to the Board's approval, the Company entered into an agreement to sell its investment property to a buyer at an agreed price as stated in the said note. Such investment property was previously carried in the books at a fair valuation model as per the requirements of applicable financial reporting standards. The above transaction was a significant event of the year and accordingly, we considered the same to be a key audit matter.	Our audit procedures amongst others comprised of: - Checked the Board's resolution approving the sale transaction; - Reviewed the sale agreement between the Company and the buyer to ensure that all applicable terms of the agreement relating to financial reporting are complied; - Checked the sale proceeds from the bank statements of the Company; and - Assessed the adequacy of the presentation and disclosures in the accompanying unconsolidated financial statements in accordance with approved financial and reporting standards.

Information Other than the unconsolidated financial statements and Auditors' Report Thereon

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

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

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

Responsibilities of Management and Board of Directors for the unconsolidated financial statements

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

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

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the unconsolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

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

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

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

d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditors' report is **Shaikh Ahmed Salman.**

Chartered Accountants

Place: Karachi

Date: 24 September, 2021

Unconsolidated Statement of Financial Position

As at June 30, 2021

	Note	2021	2020
ASSETS		------------- (Rupees)	-------------
NON-CURRENT ASSETS			
Operating fixed assets	4	62,236,754	3,885,426
Intangible asset	5	301,373	452,069
Investment property	6	-	28,308,153
Long-term investments	7	2,130,824,800	760,824,800
Long-term loans to subsidiaries	8	875,543,424	1,076,874,088
Long-term deposits	9	2,786,919	2,786,919
Accrued interest	10	150,464,515	94,784,036
		3,222,157,785	1,967,915,491
CURRENT ASSETS			
Tools		-	963,751
Receivables from tenants	11	108,399,924	120,040,829
Loans, advances, prepayments and other receivables	12	1,914,741,326	46,563,917
Due from related parties	13	69,278,345	1,039,600
Taxation - net		81,857,506	118,504,976
Short-term investment	14	168,542,925	396,823
Cash and bank balances	15	1,936,163,396	225,132,134
		4,278,983,422	512,642,030
Non-current asset held for sale	1.4	-	7,617,000,000
TOTAL ASSETS		7,501,141,207	10,097,557,521
EQUITY AND LIABILITIES			
SHARE CAPITAL			
Authorised capital			
400,000,000 (2020: 400,000,000) ordinary shares of Rs.10/- each		4,000,000,000	4,000,000,000
Issued, subscribed and paid-up capital	16	3,273,931,063	3,273,931,063
Capital reserves		(324,405,756)	(404,845,756)
Revenue reserve		2,677,393,069	3,569,183,065
		5,626,918,376	6,438,268,372
NON-CURRENT LIABILITIES			
Long-term financing	17	1,046,570,401	2,582,437,440
Deferred tax liability	18	-	15,808,675
Gas Infrastructure Development Cess (GIDC) liability	19	19,579,594	-
		1,066,149,995	2,598,246,115
CURRENT LIABILITIES			
Trade and other payables	20	201,679,444	195,230,383
Due to related parties	21	2,169,130	22,206,298
Accrued mark-up	22	42,856,309	104,486,276
Short-term borrowings		-	400,000,000
Current portion of long-term financing	17	549,725,621	191,117,792
Current portion of GIDC liability	19	11,642,332	-
Advances from tenants		-	148,002,285
		808,072,836	1,061,043,034
CONTINGENCIES AND COMMITMENTS	23		
TOTAL EQUITY AND LIABILITIES		7,501,141,207	10,097,557,521

The annexed notes from 1 to 36 form an integral part of these unconsolidated financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Unconsolidated Statement of Profit or Loss and other Comprehensive Income

For the year ended June 30, 2021

	Note	2021	2020
		------------- (Rupees) -------------	
Income	24	283,898,566	678,368,219
Direct operating costs	25	(9,297,549)	(216,976,812)
Gross profit		274,601,017	461,391,407
Administrative and general expenses	26	(564,079,392)	(146,911,885)
Finance costs	27	(424,646,747)	(419,071,628)
Other income	28	166,773,445	382,115,447
Other expenses	6.1	(33,675,653)	-
(Loss) / profit before taxation		(581,027,330)	277,523,341
Taxation	29	16,630,440	(543,270)
(Loss) / profit after tax for the year		(564,396,890)	276,980,071
Other comprehensive income for the year		-	-
Total comprehensive (loss) / income for the year		(564,396,890)	276,980,071
(Loss) / earnings per share - basic and diluted	30	(1.72)	0.85

The annexed notes from 1 to 36 form an integral part of these unconsolidated financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Unconsolidated Statement of Changes in Equity

For the year ended June 30, 2021

		Capital reserves				Revenue reserve	
	Issued, subscribed and paid up capital	Share premium account	Reserve under scheme of amalgamation	Other Capital Reserves (note 16.2)	Total	Accumulated profit	Total
	(Rupees)						
Balance at June 30, 2019	3,273,931,063	21,746,162	-	-	21,746,162	3,292,202,994	6,587,880,219
Reserve created under scheme of amalgamation	-	-	(426,591,918)	-	(426,591,918)	-	(426,591,918)
Profit for the year	-	-	-	-	-	276,980,071	276,980,071
Other comprehensive income for the year - net of tax	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	276,980,071	276,980,071
Balance at June 30, 2020	3,273,931,063	21,746,162	(426,591,918)	-	(404,845,756)	3,569,183,065	6,438,268,372
Loss for the year	-	-	-	-	-	(564,396,890)	(564,396,890)
Other comprehensive income for the year - net of tax	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	(564,396,890)	(564,396,890)
Share based payments reserve	-	-	-	80,440,000	80,440,000	-	80,440,000
Interim dividend for the year ended June 30, 2021 @ Rs. 1 per share	-	-	-	-	-	(327,393,106)	(327,393,106)
Balance at June 30, 2021	3,273,931,063	21,746,162	(426,591,918)	80,440,000	(324,405,756)	2,677,393,069	5,626,918,376

The annexed notes from 1 to 36 form an integral part of these unconsolidated financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Unconsolidated Statement of Cash Flows

For the year ended June 30, 2021

	Note	2021	2020
		------------- (Rupees) -------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / profit before taxation		(581,027,330)	277,523,341
Adjustments for non-cash items			
Depreciation		7,575,711	3,611,320
Amortisation		150,696	150,690
Finance costs		424,646,747	419,071,628
Other expenses		33,675,653	-
Profit on saving accounts		(27,374,557)	(12,098,997)
Interest on long-term loans to subsidiaries		(55,680,479)	(61,292,126)
Allowance for expected credit losses		2,878,861	155,022
Unrealised gain on investment in mutual funds		(1,385,177)	(370,021)
Gain on disposal of investment in mutual funds		(16,265,470)	(2,791,879)
Gain on disposal of operating fixed asset		(500,000)	-
Gain on disposal of non-current asset held for sale		(30,651,665)	-
Reversal of provision for GIDC		(29,822,466)	-
Remeasurement gain on GIDC		(4,675,267)	-
Employee share options		80,440,000	-
Fair value gain on investment property		-	(292,165,699)
		383,012,587	54,269,938
Working capital changes			
(Increase) / decrease in current assets			
Tools		963,751	107,600
Receivables from tenants		8,762,044	(24,138,769)
Loans, advances, prepayments and other receivables		(105,377,011)	13,801,497
Due from related parties		(68,238,745)	217,662,632
		(163,889,961)	207,432,960
(Decrease) / increase in current liabilities			
Trade and other payables		82,840,874	111,498,396
Due to related parties		(20,037,168)	4,569,237
Advance from tenants		(148,002,285)	(4,527,150)
		(85,198,579)	111,540,483
Cash (used in) / generated from operations		(447,103,283)	650,766,722
GIDC installments paid			
Finance cost paid		(10,672,137)	-
Profit on saving accounts received		(486,276,714)	(404,541,349)
Income tax refunded - net		27,374,557	11,849,036
		37,469,235	27,007,635
Net cash (used in) / generated from operating activities		(879,208,342)	285,082,044
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of operating fixed assets			
Additions to investment property		(65,927,039)	(1,559,029)
Advance for future issue of shares		(5,367,500)	(87,836,349)
Loans to subsidiaries		(1,370,000,000)	-
Investment in subsidiaries		(1,173,969,734)	(661,805,788)
Investment in subsidiaries		-	(1,100,000)
Purchase of investments in mutual funds		(977,785,315)	(10,000)
Proceeds from disposal of investment in mutual funds		977,745,274	12,500,000
Expenditure incurred for non-current asset held for sale		(102,348,335)	-
Proceeds from non-current asset held for sale		7,362,500,000	-
Proceeds from disposal of operating fixed assets		500,000	-
Net cash generated from / (used in) investing activities		4,645,347,351	(749,411,889)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term financing - net		(1,177,259,210)	477,543,239
Short-term borrowings - net		(400,000,000)	-
Dividend paid		(327,393,106)	-
Net cash (used in) / generated from financing activities		(1,904,652,316)	477,543,239
Net increase in cash and cash equivalents		1,861,486,693	13,213,394
Cash and cash equivalents at the beginning of the year		225,132,134	209,486,831
Cash and cash equivalents transferred under the Scheme		-	2,431,909
Cash and cash equivalents at the end of the year	31	2,086,618,827	225,132,134

The annexed notes from 1 to 36 form an integral part of these unconsolidated financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

1 LEGAL STATUS AND OPERATIONS

1.1 TPL Properties Limited (the Company) was incorporated in Pakistan as a private limited company on February 14, 2007 under the repealed Companies Ordinance, 1984. Subsequently in 2016, the Company had changed its status from private limited company to public company and was listed on the Pakistan Stock Exchange Limited. The principal activity of the Company is to invest, purchase, develop and build real estate and to sell, rent out or otherwise dispose of 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 Corp Limited and TPL Holdings (Private) Limited are the Parent and Ultimate Parent companies respectively, as of reporting date.

Geographical location and address of the business premises

Address	**Purpose**
Centrepoint building Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi.	Head office and rented premises

1.2 The Company has the following related parties:

Name	Relationship	Common Directorship	Percentage of Shareholding
TPL Corp Limited [TCL]	Parent company	Yes	27.09%
TPL Holdings (Private) Limited [THL]	Ultimate Parent company	Yes	8.61%
TPL Trakker Limited [TTL]	Associated company	Yes	-
TPL Insurance Limited [TIL]	Associated company	Yes	2.92%
TPL Security Services (Private) Limited [TPLS]	Associated company	Yes	0.018%
TPL Life Insurance Limited [TLI]	Associated company	Yes	-
TPL Property Management (Private) Limited [TPLPM]	Subsidiary company	Yes	99.99%
TPL Logistic Park (Private) Limited [TPLLP]	Subsidiary company	Yes	99.99%
HKC (Private) Limited [HKC]	Subsidiary company	Yes	80.00%
TPL Technology Zone Phase-1 (Private) Limited (formerly G-18 (Private) Limited) [TPL TZ]	Subsidiary company	Yes	99.99%
TPL REIT Management Company Limited [TPL REIT]	Subsidiary company	Yes	99.99%
Jameel Yusuf	Chairman	N/A	0.54%
Muhammad Ali Jameel	Chief Executive Officer	N/A	11.89%
Jamil Akbar	Chief Operating Officer	N/A	-
Sohail Khatri	Chief Financial Officer	N/A	-
TPL Properties Limited - Employees' Provident Fund	Employees' Provident Fund	N/A	-

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

1.3 These unconsolidated financial statements are the separate financial statements of the Company, in which investment in the subsidiary companies have been accounted for at cost less accumulated impairment losses, if any.

1.4 During the year, pursuant to the Board's resolution passed in the meeting held on 19 August 2020, the Company entered into an agreement to sell its investment property (Centrepoint Project), which was carried in the books at a fair valuation model, to a buyer at an agreed price of Rs. 7,750,000,000. The Company during the financial year ended 30 June 2021, received Rs. 7,362,500,000 from the buyer and subsequent to the year-end received Rs. 193,750,000. The remaining amount will be received upon vacating the remaining office space by the Company and its group companies. As of the year ended 30 June 2020, such investment property was recorded under 'non-current asset held for sale' as per the requirements of applicable financial reporting standard.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 Accounting convention

These unconsolidated financial statements have been prepared under the historical cost convention.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 New / Revised Standards, Amendments, Interpretations and Improvements

The accounting policies adopted in the preparation of these unconsolidated financial statements are consistent with those of the previous financial years.

New / revised standards, interpretations and amendments

The Company has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year:

IAS 28 Long-term Interests in Associates and Joint Ventures (Amendments)
IFRIC 23 Uncertainty over income tax treatments

Improvements to Accounting Standards Issued by the IASB in December 2017

IFRS 3 Business Combinations - Previously held Interests in a joint operation

IFRS 11 Joint Arrangements - Previously held Interests in a joint operation

IAS 12 Income Taxes - Income tax consequences of payments on financial instruments classified as equity

IAS 23 Borrowing Costs - Borrowing costs eligible for capitalisation

Standard or Interpretation

Covid-19-Related Rent Concessions beyond 30 June 2021 - Amendment to IFRS 16
Interest Rate Benchmark Reform - Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The adoption of the above amendments did not have any impact on these unconsolidated financial statements.

3.2 Standards, amendments and improvements to the approved accounting standards that are not yet effective

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

Standard or Interpretation		**Effective date (annual periods beginning on or after)**
IFRS 3	Reference to the Conceptual Framework (Amendments)	01 January 2022
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use (Amendments)	01 January 2022
IAS 37	Onerous Contracts - Costs of Fulfilling a Contract (Amendments)	01 January 2022
IAS 1	Classification of Liabilities as Current or Non-current (Amendments)	01 January 2023
IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies (Amendments)	01 January 2023
IAS 8	Definition of Accounting Estimates (Amendments)	01 January 2023
IAS 12	Deferred tax related to Assets and Liabilities arising from a single transaction (Amendments)	01 January 2023
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalised
Improvements to Accounting Standards Issued by the IASB (2018-2020 cycle)		
IFRS 1	First-time Adoption of International Financial Reporting Standards - Subsidiary as a first-time adopter	01 January 2022
IFRS 9	Financial Instruments - Fees in the '10 percent' test for derecognition of financial liabilities	01 January 2022
IAS 41	Agriculture - Taxation in fair value measurements	01 January 2022
IFRS 16	Leases: Lease incentives	01 January 2022

The above standards and amendments are not expected to have any material impact on the Company's unconsolidated 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 SECP for the purpose of applicability in Pakistan.

Standard or Interpretation		IASB effective date (annual periods beginning on or after)
IFRS 1	First-time Adoption of International Financial Reporting Standards	01 January 2004
IFRS 17	Insurance Contracts	01 January 2023

3.3 Critical accounting judgments, estimates and assumptions

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

		Note
i)	Determination of useful lives, method of depreciation / amortization and residual value of operating fixed assets and intangible assets	3.4 & 3.5
ii)	Fair value of investment property	3.6
iii)	Impairment of financial and non-financial assets	3.11
iv)	Contingencies	3.19
v)	Fair value of employee share options	3.16
vi)	Provision for taxation	3.21

3.4 Operating fixed assets

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is recognised in unconsolidated statement of profit or loss and other comprehensive income 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 unconsolidated 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 unconsolidated statement of profit or loss and other comprehensive income.

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

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

3.5 Intangible assets

Intangible assets other than goodwill, customers related intangible assets and marketing related intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Goodwill, customers related intangible assets and marketing related intangible assets are stated at cost less accumulated impairment losses, if any, as their useful life is indefinite and are tested for impairment annually. For other intangibles, amortisation is charged to the statement of profit or loss and other comprehensive income applying the straight line method, whereby, the cost of intangible asset is written off over its useful economic life. The amortisation rate of the intangible assets are stated in note 5 to these unconsolidated financial statements. Full month's amortisation is charged in the month of addition when the asset is available for use, whereas, amortisation on disposals is charged upto the month in which the disposal takes place.

Intangible assets under development are stated at cost less accumulated impairment losses, if any. It consists of expenditure incurred in respect of intangible assets under development in the course of their acquisition, erection, development and installation. The assets are transferred to relevant category of intangible assets when they are available for use.

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 unconsolidated statement of profit or loss and other comprehensive income 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 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 unconsolidated statement of profit or loss and other comprehensive income 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 unconsolidated statement of profit or loss and other comprehensive income, as and when incurred. Major renewals and improvements, if any, are capitalized, if recognition criteria is met.

3.7 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.

3.8 Non-current assets held for sale

The Company classifies non-current assets (principally investment property) as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets classified as held for sale (except for investment property measured at fair value) are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale is expected to be completed within one year from the date of the classification.

Assets and liabilities classified as held for sale are presented separately in the statement of financial position.

3.9 Investment in subsidiary

Investment in subsidiary is initially recognised at cost. At subsequent reporting dates, the Company reviews the carrying amount of the investment to assess whether there is any indication that such investments have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Such impairment losses or reversal of impairment losses are recognised in the unconsolidated statement of profit or loss. These are classified as ‚long-term investment„ in these unconsolidated financial statements.

3.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.10.1 Financial assets

a) Initial recognition and measurement

Financial assets are classifed, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade debts are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date i.e. the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

i) Financial assets at amortised cost (debt instruments)

The Company measures financial assets at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in the unconsolidated statement of profit or loss and other comprehensive income when the asset is derecognised, modified or impaired.

ii) Financial assets designated at fair value through OCI (debt instruments)

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the unconsolidated statement of profit or loss and other comprehensive income and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to unconsolidated statement of profit or loss.

The Company does not have any debt instruments at fair value through OCI investments during the current and last year and as of reporting date.

iii) Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to unconsolidated statement of profit or loss. Dividends are recognised as other income in the unconsolidated statement of profit or loss and other comprehensive income when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company does not have any equity instruments at fair value through OCI investments during the current and last year and as of reporting date.

iv) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the unconsolidated statement of financial position at fair value with net changes in fair value recognised in the unconsolidated statement of profit or loss and other comprehensive income.

The Company has designated investment in mutual funds at fair value through profit or loss.

c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's unconsolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

3.10.2 Financial liabilities

a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, trade payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include long term financing short term borrowings, due to related parties, accrued mark-up and trade and other payables.

b) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in the unconsolidated statement of profit or loss and other comprehensive income.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

c) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the unconsolidated statement of profit or loss and other comprehensive income.

d) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the unconsolidated statement of profit or loss and other comprehensive income.

e) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the unconsolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.11 Impairment

3.11.1 Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at fair value through other comprehensive income, but not to investments in equity instruments.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

At each reporting date, the Company assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the respective asset.

The Company uses the standard's simplified approach and calculates ECL based on life time ECL on its financial assets. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment.

3.11.2 Impairment of non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in unconsolidated statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to disposal and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets for which the estimate of future cash flow have not been adjusted. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. 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 had been recognised previously. Reversal of an impairment loss is recognised immediately in unconsolidated statement of profit or loss.

3.12 Tools

Tools are valued at lower of weighted average cost and net realisable value, except items in transit, which are stated at cost. Tools are charged to cost of goods sold on an estimated consumption pattern.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessarily to be incurred to make the sale.

3.13 Advances and prepayments

These are initially recognised at cost, which is the fair value of the consideration given. Subsequent to initial recognition assessment is made at each unconsolidated statement of financial position date to determine whether there is an indication that assets may be impaired. If such indication exists, the estimated recoverable amount of that asset is determined and any impairment loss is recognised for the difference between the recoverable amount and the carrying value.

3.14 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposit and current accounts maintained with banks. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investments and other purposes.

3.15 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.16 Employees share option scheme

Eligible employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of share option transactions is determined using intrinsic value method. That cost is recognised in salaries and benefits expense, together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of income for the year represents the movement in cumulative expense recognised as at the beginning and end of that year. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings.

3.17 Staff retirement benefits

Defined contribution plan

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

3.18 Provisions

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

3.19 Contingencies

Contingent liability is disclosed when

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

- there is a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measure with sufficient reliability.

3.20 Revenue recognition

3.20.1 Revenue from operating lease arrangements

i) Rental income

Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature, 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.

Lease incentives that are paid or payable to the lessee are deducted from lease payments. Accordingly, tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease. 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 Company is 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 statement of profit or loss when the right to receive them arises.

ii) Rent receivables

Rent receivables are recognised at their original invoiced value except where the time value of money is material, in which case rent receivables are recognised at fair value and subsequently measured at amortised cost. Refer to accounting policies on financial assets as disclosed in note 3.10.1 to these unconsolidated financial statements.

iii) Advance from tenants

Advance from tenants against rent is charged to unconsolidated statement of profit and loss and other comprehensive income based on contractual arrangements with the tenants.

3.20.2 Revenue from contracts with tenants

i) Revenue from services to tenants

The Company is providing building management services to tenants such services include maintenance services, electricity and conditioning service and other IT services. Revenue from contracts with customers is recognised over the period when the services to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange of services.

Revenue from the rendering of services is recognised over the time when the services are rendered to the customers, generally over the contract. These services are specified in a separate service arrangement with the tenants and invoiced separately.

In respect of the revenue component, these services represent a series of daily services that are individually satisfied overtime because the tenants simultaneously receive and consume the benefits provided by the Company. The Company applies the time elapsed method to measure progress. The consideration charged to tenants for these services is based on an agreed rates specified in the services arrangements. The variable consideration only relates to the non-lease component and is allocated to each distinct period of service (i.e., each day) as it meets the variable consideration allocation exception criteria.

ii) Receivable against services

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets as disclosed in note 3.1 to these unconsolidated financial statements.

iii) Contractual liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

iii) Other revenue

Interest income is recognised as it accrues using the effective interest rate method and other revenues are recorded on accrual basis.

3.21 Taxation

Current

Provision for current 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 Provision for current 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 recognised using the balance sheet method, on all temporary differences arising at the reporting date between the tax bases of assets and liabilities and their carrying amounts 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 forwards of unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits 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 period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date. Deferred tax is charged or credited to the unconsolidated statement of profit or loss and other comprehensive income. As of the date of statement of financial position, deferred tax asset amounting to Rs. 23,327,600 in respect of deductible temporary differences has not been recognised in these unconsolidated financial statements in accordance with the accounting policy.

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

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.

3.22 Earnings per share

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

3.23 Dividend and appropriation to reserves

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

3.24 Foreign currency transactions

The unconsolidated 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 reporting date. Any resulting gain or loss arising from changes in exchange rates is taken to the unconsolidated statement of comprehensive income. 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.

3.25 Functional and presentation currency

These unconsolidated financial statements are presented in Pakistani Rupee, which is the Company's functional and presentation currency.

4 Operating fixed assets

	COST			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2020	Additions / (disposal)	As at June 30, 2021	As at July 01, 2020	Charge for the year / (disposal)	As at June 30, 2021	As at June 30, 2021	Depreciation Rate
	(Rupees)							%
Furniture	5,838,600	754,978	6,593,578	5,838,598	107,932	5,946,530	647,048	20
Equipment	1,334,529	-	1,334,529	553,455	631,130	1,184,585	149,944	20
Vehicles (note 4.1)	6,270,932	64,350,040 (3,597,783)	67,023,189	5,737,294	5,971,206 (3,597,783)	8,110,717	58,912,472	20
Computer and accessories	9,957,364	712,021	10,669,385	7,473,868	745,826	8,219,694	2,449,691	33.33
Mobile phones	535,646	110,000	645,646	448,430	119,617	568,047	77,599	50
2021	23,937,071	65,927,039 (3,597,783)	86,266,327	20,051,645	7,575,711 (3,597,783)	24,029,573	62,236,754	

	COST			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2019	Additions / * transfer on amalgamation	As at June 30, 2020	As at July 01, 2019	Charge for the year / * transfer on amalgamation	As at June 30, 2020	As at June 30, 2020	Depreciation Rate
	(Rupees)							%
Furniture	5,838,600	-	5,838,600	4,678,278	1,160,320	5,838,598	2	20
Equipment	1,174,000	160,529	1,334,529	19,567	533,888	553,455	781,074	20
Vehicles	6,270,932	-	6,270,932	5,167,505	569,789	5,737,294	533,638	20
Computer and accessories	3,498,060	1,326,500 5,132,804 *	9,957,364	2,166,006	1,202,104 4,105,758 *	7,473,868	2,483,496	33.33
Mobile phones	463,646	72,000	535,646	303,211	145,219	448,430	87,216	50
2020	17,245,238	1,559,029 5,132,804 *	23,937,071	12,334,567	3,611,320 4,105,758 *	20,051,645	3,885,426	

* Represents assets transferred under scheme of amalgamation.

4.1 Includes assets under common ownership under Diminishing Musharaka arrangement.

4.2 Depreciation for the year has been charged to administrative and general expenses (note 26).

4.3 Operating fixed assets include items having an aggregate cost of Rs. 15.55 million (2020: Rs. 15.55 million) which have been fully depreciated and are still in use of the Company.

5 INTANGIBLE ASSET

	COST			ACCUMULATED AMORTISATION			WRITTEN DOWN VALUE	
	As at July 01, 2020	Additions	As at June 30, 2021	As at July 01, 2020	Charge for the year	As at June 30, 2021	As at June 30, 2021	Amortisation rate
	(Rupees)							%
Computer software	753,449	-	753,449	301,380	150,696	452,076	301,373	20
2021	753,449	-	753,449	301,380	150,696	452,076	301,373	

	COST			ACCUMULATED AMORTISATION			WRITTEN DOWN VALUE	
	As at July 01, 2019	Additions	As at June 30, 2020	As at July 01, 2019	Charge for the year	As at June 30, 2020	As at June 30, 2020	Amortisation rate
	(Rupees)							%
Computer software	753,449	-	753,449	150,690	150,690	301,380	452,069	20
2020	753,449	-	753,449	150,690	150,690	301,380	452,069	

	Note	2021	2020
6 INVESTMENT PROPERTY		(Rupees)	
Investment property under construction	6.1	-	28,308,153

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

6.1	The movement in capital work-in-progress during the year is as follows:	Note	2021	2020
			------------- (Rupees) -------------	
	As at July 01		28,308,153	24,273,666
	Additions during the year		5,367,500	4,034,487
	Written off		(33,675,653)	-
	As at June 30		-	28,308,153
7	**LONG-TERM INVESTMENTS**			
	Investments in subsidiary companies - at cost			
	HKC (Private) Limited			
	7,584,000 ordinary shares of Rs. 10 each		708,724,800	708,724,800
	TPL Technology Zone Phase-1 (Private) Limited (formerly G-18 (Private) Limited)			
	100,000 ordinary shares of Rs. 10 each		1,000,000	1,000,000
	TPL REIT Management Company Limited			
	5,000,000 ordinary shares of Rs. 10 each		50,000,000	50,000,000
	Advance for future issue of shares		350,000,000	-
			400,000,000	50,000,000
	TPL Property Management (Private) Limited			
	100,000 ordinary shares of Rs. 10 each		1,000,000	1,000,000
	TPL Logistic Park (Private) Limited			
	10,000 ordinary shares of Rs. 10 each		100,000	100,000
	Others			
	Advance for future issue of shares	7.1	1,020,000,000	-
			2,130,824,800	760,824,800

7.1 During the year, the Company entered into a share purchase agreement dated March 30, 2021, with the shareholders of National Management & Consultancy Services Private Limited (NMC) to purchase 475,000 ordinary shares of Rs. 100 each at a price of Rs. 7,157.89 per share.

As of reporting date, the Company has paid 30% of the total consideration amount and the remaining 70%, i.e. Rs. 2,380 million is payable by November 30, 2021 against transfer of entire shareholdings and management of NMC.

8	LONG-TERM LOANS TO SUBSIDIARIES - unsecured, considered good	Note	2021	2020
			------------- (Rupees) -------------	
	HKC (Private) Limited	8.1	875,543,424	476,874,088
	TPL Logistic Park (Private) Limited	8.2	-	600,000,000
			875,543,424	1,076,874,088

8.1 The Company had entered into an agreement with HKC, a subsidiary company, dated November 11, 2012, for granting unsecured loan facility amount of up to Rs. 1.5 billion. It is repayable on or before June 30, 2021, including mark-up at average borrowing rate of 6 months KIBOR plus 1.75% per annum, with pre-payment and extension option. During the year, the Company amended the aforesaid agreement and extended the repayment date to December 31, 2023. The purpose of the loan is to finance the construction of new mixed-use project requiring construction, development and design expenses.

	2021	2020
	------------- (Rupees)	-------------
The movement in loan balance during the year is as follows:		
As at July 01	476,874,088	415,068,300
Disbursements during the year	398,669,336	61,805,788
As at June 30	875,543,424	476,874,088

8.2 The Company had entered into an agreement with TPLLP, a wholly owned subsidiary company, dated February 26, 2020, for granting unsecured loan facility amount of Rs. 600 million to be availed by subsidiary company from time to time on or before February 26, 2027 for an equity investment in Security Packers (Private) Limited. Based on the revision in terms of the agreement during the year, this loan has become repayable on demand, including mark up at average borrowing rate of 3 months KIBOR plus 1.65% per annum and has an equity conversion option at discretion of the Company. During the year, the Company has signed an addendum with the TPLLP dated September 2, 2020, whereby, any mark-up due on the outstanding loan has been waived by the Company with effect from February 26, 2020.

	2021	2020
	------------- (Rupees)	-------------
The movement in loan balance during the year is as follows:		
As at July 01	600,000,000	-
Disbursements during the year	-	600,000,000
As at June 30	600,000,000	600,000,000

8.3 The maximum aggregate amount outstanding at any time during the year calculated by reference to month-end balances were as follows:

	Note	2021	2020
		------------- (Rupees)	-------------
HKC (Private) Limited		875,543,424	476,874,088
TPL Logistic Park (Private) Limited		-	600,000,000

9 **LONG-TERM DEPOSITS - unsecured, considered good**

	Note	2021	2020
Security deposits			
- City District Government Karachi		86,919	86,919
- Central Depository Company of Pakistan Limited		200,000	200,000
- Total PARCO Pakistan Limited - fuel cards		2,500,000	2,500,000
	9.1	2,786,919	2,786,919

9.1 These deposits are non-interest bearing.

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

10.1 ACCRUED INTEREST

This represents interest accrued on long-term loan to HKC (Private) Limited.

		Note	2021	2020
			(Rupees)	
11	**RECEIVABLES FROM TENANTS - unsecured, considered good**			
	Rent		74,999,042	74,078,762
	Services		36,100,508	44,463,457
	Others		334,257	1,653,632
		11.1	111,433,807	120,195,851
	Less: Allowance for expected credit losses	11.2	(3,033,883)	(155,022)
			108,399,924	120,040,829
11.1	Includes receivable from the following related parties:			
	TPL Corp Limited		46,387,678	-
	TPL Trakker Limited		57,978,455	22,767,627
	TPL Insurance Limited		152,643	1,282,985
	TPL Life Insurance Limited		-	65,410
	TPL Security Services (Pvt) Limited		-	1,130
	TPL Logistics Private Limited		3,390	3,390
			104,522,166	24,120,542
11.2	Movement of allowance for expected credit loss on receivables is as follows:			
	Transfer under scheme of amalgamation		155,022	806,623
	Charge for the year		2,878,861	(651,601)
	Closing balance		3,033,883	155,022

11.3 The maximum amount outstanding receivable from the related parties at any time during the year calculated by reference to month end balances were as follows:

	2021	2020
	(Rupees)	
TPL Corp Limited	46,387,678	-
TPL Trakker Limited	57,978,455	83,703,104
TPL Insurance Limited	152,643	17,809,590
TPL Life Insurance Limited	-	65,410
TPL Security Services (Private) Limited	-	1,130
TPL Logistics Private Limited	3,390	3,390

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

		Note	2021	2020
			------------- (Rupees)	-------------
12	**LOANS, ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES**			
	Loans to subsidiary companies			
	TPL Logistic Park (Private) Limited	8.2	600,000,000	-
	TPL Technology Zone Phase-1 (Private) Limited (formerly G-18 (Private) Limited)	12.1	775,300,398	-
			1,375,300,398	-
	Loan to employee		37,656	808,568
	Advances - unsecured, considered good			
	Suppliers and contractors	12.2	143,028,003	21,109,918
	Others		-	15,000,000
			143,028,003	36,109,918
	Prepayments			
	Insurance		1,974,527	2,871,860
	Other receivables			
	Receivable from Bank Al-Habib Limited against sale of Centrepoint building	1.4	387,500,000	-
	Sales tax receivable		6,900,742	6,773,571
			1,914,741,326	46,563,917

12.1 The Company had entered into an agreement with TPL TZ, a wholly owned subsidiary company, dated August 15, 2020, for granting unsecured loan facility amount of up to Rs. 800 million for the purpose of its ordinary business. This loan is repayable on demand and has an equity conversion option at the discretion of the Company. The Company warrants that it shall not charge any mark-up on the loan amount.

	Note	2021	2020
		------------- (Rupees)	-------------
The movement in loan balance during the year is as follows:			
As at July 01		-	-
Disbursements during the year		775,300,398	-
As at June 30		775,300,398	-

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

12.3 The maximum aggregate amount outstanding at any time during the year calculated by reference to month-end balances were as follows:

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

	Note	2021	2020
		(Rupees)	
TPL Logistic Park (Private) Limited		600,000,000	-
TPL Technology Zone Phase-1 (Private) Limited (formerly G-18 (Private) Limited)		775,300,398	-

13 DUE FROM RELATED PARTIES - unsecured, considered good

	Note	2021	2020
		(Rupees)	
Parent Company			
TPL Corp Limited		6,492,863	-
Subsidiary Companies			
TPL Technology Zone Phase-1 (Private) Limited (formerly G-18 (Private) Limited)		-	718,985
TPL REIT Management Company Limited		5,583,879	-
TPL Logistic Park (Private) Limited		12,323	-
TPL Property Management (Private) Limited		43,962,253	116,770
		49,558,455	835,755
Associated Companies			
TPL Security Services (Private) Limited		8,117,927	-
TPL Insurance Limited		286,522	-
TPL Life Insurance Limited		4,822,578	203,845
	13.1	69,278,345	1,039,600

13.1 These amounts are non-interest bearing and are receivable on demand. The maximum amount outstanding at any time during the year calculated by reference to month end balances was as follows:

	Note	2021	2020
		(Rupees)	
TPL Corp Limited		6,492,863	-
TPL Technology Zone Phase-1 (Private) Limited (formerly G-18 (Private) Limited)		-	718,985
TPL REIT Management Company Limited		5,583,879	-
TPL Property Management (Private) Limited		43,962,253	116,770
TPL Security Services (Private) Limited		8,117,927	-
TPL Insurance Limited		286,522	-
TPL Life Insurance Limited		4,822,578	203,845

14 SHORT-TERM INVESTMENTS

	Note	2021	2020
		(Rupees)	
Investment in mutual funds (designated at fair value through profit or loss)	14.1	18,087,494	396,823
Term deposit receipts (TDR)	14.2	150,455,431	-
		168,542,925	396,823

14.1 The particulars of mutual funds are as follows:

2021	2020	Name of Mutual Funds	2021		2020	
Number of units			Carrying Value	Fair Value	Carrying Value	Fair Value
			(Rupees)			
130,112	5,578	AKD Securities Limited	16,390,536	17,788,370	300,654	374,818
1,069	-	AKD Aggressive Income Fund	55,090	54,684	-	-
4,631	203	Pak Oman Limited	256,691	244,440	10,639	10,673
-	1,147	NBP Money Market Fund	-	-	11,319	11,332
135,812	6,928		16,702,317	18,087,494	322,612	396,823

14.2 These carry interest of 6% per annum.

15 CASH AND BANK BALANCES

	Note	2021	2020
		(Rupees)	
Cash in hand		115,311	243,623
Cash at banks in local currency			
- current accounts		654,722,587	2,014,359
- saving accounts	15.1	1,281,325,498	224,073,689
		1,936,048,085	226,088,048
Less: Allowance for expected credit loss		-	(1,199,537)
		1,936,163,396	225,132,134

15.1 Included herein a cash deposit of Rs. 16.854 million under lien (note 23.2.1) and Rs. 100 million in a saving account placed with a commercial bank carrying mark-up ranging 6 percent to 7 percent and 6.75 percent respectively. Other balances carry mark-up ranging from 5.5 percent to 8.06 percent (2020: 5.5 percent to 6.5 percent) per annum.

16 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2021	2020		Note	2021	2020
---- (No. of shares) ----				(Rupees)	
		Ordinary shares of Rs.10/- each			
175,920,448	175,920,448	- Issued for cash consideration		1,759,204,483	1,759,204,483
151,472,658	151,472,658	- Issued for consideration other than cash		1,514,726,580	1,514,726,580
327,393,106	327,393,106		16.1	3,273,931,063	3,273,931,063

16.1 Voting rights, board selection, right of first refusal and block voting are in proportion to their shareholding.

16.2 During the year, the Company has introduced Employee Share Option Scheme (Scheme) to employees meeting certain criteria. The exercise price of the shares is Rs. 10/-. The share options vest after a period of 2 years from the date of grant and the concerned employee remains employed on such date. The Scheme is subject to approval from the Securities and Exchange Commission of Pakistan.

The share options can be exercised up to one year after the two-year vesting period and therefore, the contractual term of each option granted is two years. There are no cash settlement alternatives. The Company accounts for the Scheme as an equity-settled plan.

The expense recognized during the year related to equity settled share based payments amounts to Rs. 80.440 million (2020: Rs. Nil).

17 LONG-TERM FINANCING	**Note**	**2021**	**2020**
		(Rupees)	
Term finance certificates		-	2,006,134,027
Long-term finance		-	576,270,000
Musharaka finance facility		-	132,249,222
JS Bank Limited - payroll financing	17.1	21,888,997	19,847,680
Diminishing Musharaka facility - I	17.2	25,960,825	39,054,303
Diminishing Musharaka facility - II	17.3	48,446,200	-
Habib Metro Bank Limited	17.4	1,000,000,000	-
Soneri Bank Limited	17.5	500,000,000	-
		1,596,296,022	2,773,555,232
Less: current maturity		(549,725,621)	(191,117,792)
		1,046,570,401	2,582,437,440

17.1 The Company has availed the refinance scheme of Rs. 29.803 million from a commercial bank through an agreement dated January 14, 2020. The purpose of availing the facility is to finance 3 months salaries of the workers and employees of business concerns for combating impact of COVID-19 under the SBP Refinance Scheme. The amount received is repayable in 8 equal quarterly installments for a period of 2 years and 6 months (inclusive of 6 months grace period) at mark-up of SBP rate plus 3%. The facility has been secured against the following:

- First pari pasu charge on present and future fixed assets;
- First pari pasu charge on present and future current assets;
- Corporate guarantee of TPL Trakker Limited; and
- Assignment of receivables from TPL Insurance Limited.

17.2 The Company has entered into the Musharaka facility agreement of up to Rs. 50 million with a commercial modaraba company dated October 23, 2019. The purpose of the loan is to purchase HPE Proliant DL 380 Generation 10 server & core switches, access switches and transceivers. The amount received against the facility is repayable in monthly installments for a period of 3 years at the rate of 6 months KIBOR plus 3.5% per annum. The facility has been secured against the following:

- Title of the assets in the name of Modaraba Company for the entire facility tenor; and
- Post dated cheques for the entire facility tenor.

17.3 The Company had entered into Musharka agreement with commercial bank dated December 24, 2020 for the purpose of purchasing new imported vehicle operating lease amounting to Rs. 63.68 million. The amount received is repayable in equal quarterly installments over a period of 5 years at mark-up of 3 months KIBOR plus 1.90% per annum. The facility has been secured against the following:

- Title and ownership of DM assets under HPA/ Lien marking in favor of the bank with excise & taxation authority (motor / vehicles);
- Minimum 10% equity contribution made by the Company towards the price of DM Asset;
- Exclusive Charge over DM vehicle in favor of ABPL to be registered with SECP; and
- Post-dated cheques to be provided for quarterly DM installments (principal + profit) to be provided.

17.4 During the year, the Company has entered into an agreement with a commercial bank dated June 24, 2021, for raising financing to the extent of Rs. 1 billion. It is repayable on September 30, 2022, including mark-up at 1 year KIBOR per annum. The purpose of the loan is to facilitate Real Estate Development Projects. The facility has been secured against the following:

- Ranking charge of Rs.1,333 million over Non-Current Assets (excluding Land & Building) of the Company with 25% margin duly insured in bank's favor covering all risk and registered with SECP;
- Ranking charge of Rs.1,333 million over receivables and short-term investments of the Company with 25% margin duly insured in bank's favor covering all risk and registered with SECP; and
- Personal Guarantee of Directors.

17.5 During the year, the Company has entered into a demand finance facility amounting to Rs. 500 million from a commercial bank through an agreement dated June 23, 2021. The purpose of availing the facility is to bridge the gap of funding till issuance of REIT to support different projects in pipeline. The amount received is repayable on or before December 31, 2021 / June 30, 2022 at mark-up of 3 months KIBOR + 0.250% per annum. The facility has been secured against the following:

- Pari passu charge over current and non-current assets (i.e. receivables, short-term investments, long-term investments and long-term loans to subsidiaries only) of the Company for Rs. 666.667 million covering approved limit with 25% margin.

	2021	2020
	------------ (Rupees)	-----------
18 DEFERRED TAX LIABILITY		
Deferred tax liability on taxable temporary differences:		
Advance from tenants (net of receivables)	-	15,808,675
19 GAS INFRASTRUCTURE DEVELOPMENT CESS (GIDC) LIABILITY		
GIDC liability	31,221,926	-
Less: current portion of GIDC liability	(11,642,332)	-
	19,579,594	-

19.1 The Honorable Supreme Court of Pakistan ("SCP") through its judgement dated August 13, 2020 ("Judgement") declared that the levy imposed under the Gas Infrastructure Development Cess ("GIDC") Act, 2015 ("the Act") is valid and in accordance with the provisions of the Constitution of Pakistan 1973. The SCP in its Judgement has issued the following directions:

- All industrial and commercial entities which consume gas for their business activities pass on the burden to their customers, therefore, GIDC that has become due upto July 31, 2020, and has not been recovered so far shall be recovered by the companies responsible under the Act to recover from their consumers;

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

- Gas companies responsible to collect GIDC under the Act should recover the unpaid GIDC (which has accrued but yet not collected) in 24 equal monthly installments starting from August 1, 2020, without the component of Late Payment Surcharge ("LPS"). The LPS shall only become payable for the delays that may occur in the payment of any of the 24 installments.

Pursuant to the Judgement, the Company recognised a provision amounting to Rs. 76,391,813 as at June 30, 2020.

On November 2, 2020, the SCP in their judgment on the review petitions instructed the Government to recover the GIDC in 48 installments instead of 24. In pursuance of the aforementioned decision, Sui Southern Gas Company Limited has commenced invoicing of GIDC payable to the Company in 48 equal installments from August 2020. Accordingly, the management of the Company, derecognised the existing liability for GIDC and recognised new liability for GIDC resulting in gain amounting to Rs. 29,822,466 (note 28).

Considering the recent events and developments in GIDC case, the Institute of Chartered Accountants of Pakistan (ICAP) released financial reporting guidance on the "Accounting of GIDC" via Circular No. 1/2021 dated January 19, 2021 which discusses key accounting considerations for gas consumer companies. Keeping in view the financial reporting guidance of ICAP and giving due consideration to the latest available information and the expected timing of the settlement (i.e. monthly installment rather than lump sum amount), the Company has remeasured its previously undiscounted liability at its present value and has accordingly, recognised remeasurement gain on liability for GIDC amounting to Rs. 4,675,263 (note 28).

		Note	2021	2020
			(Rupees)	
20	**TRADE AND OTHER PAYABLES**			
	Creditors		1,915,563	81,056,599
	Accrued liabilities		189,376,932	29,523,233
	Provision for GIDC	19.1	-	76,391,813
	Retention money		609,251	5,809,251
	Payable to employees fund	20.1	2,002,638	1,107,183
	Withholding income tax payable		7,775,060	1,342,304
		20.2	201,679,444	195,230,383

20.1 Investments out of provident fund have been made in accordance with the provisions of the Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

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

		Note	2021	2020
			(Rupees)	
21	**DUE TO RELATED PARTIES - unsecured**			
	Parent Company			
	TPL Corp Limited		-	4,531,886
			-	4,531,886
	Subsidiary Companies			
	TPL REIT Management Company Limited - subsidiary company		-	7,899
	TPL Logistic Park (Private) Limited		-	426,180
			-	434,079
	Associated Companies			
	TPL Trakker Limited		2,169,130	5,700,233
	TPL Security Service (Private) Limited		-	11,540,100
		21.1	2,169,130	22,206,298

21.1 Represents the amount payable to related parties on account of expenses incurred and services acquired by the Company.

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

22	ACCRUED MARK-UP	2021	2020
		------------- (Rupees) -------------	
	Long-term financing	41,685,411	90,185,499
	Mark-up on Diminishing Musharaka Arrangements	959,939	552,944
	Short term borrowings - secured	210,959	13,747,833
		42,856,309	104,486,276

23 CONTINGENCIES AND COMMITMENTS

23.1 Contingencies

23.1.1 The Company has filed a petition before the Honorable Sindh High Court (the Court) challenging the vires of Section 5A of Income Tax Ordinance 2001 introduced through Finance Act 2017 whereby the Company is required to make payment of additional amount of 7.5% of the accounting profit after tax. The Court passed an interim order that no coercive action would be taken against the petitioner under the garb of the impugned Section, as has been passed in similar other petitions pending adjudication.

During the current year, the Court, through its order dated 30 April 2021, declared the insertion of section 5A of the Ordinance as ultra vires to the Constitution of Islamic Republic of Pakistan, 1973 and therefore struck down the provisions of the aforesaid section. Accordingly, in light of the above judgment of the Court, the provisions of section 5A of the Ordinance are no longer applicable on the company, until such matter is decided otherwise by the Honorable Supreme Court.

23.1.2 The Company does not charge SST on its rental income on the ground that lending property on rent is not a service. The Company had challenged the above levy before the Court. The Honorable High Court of Sindh held, vide its judgment dated 18 August 2017, that the renting of immovable properties shall not be services on the premise that such activity is not covered in the definition of economic activity as provided in the Sindh Sales Tax on Services Act, 2011. The said order of High Court of Sindh has been challenged by the Sindh Revenue Board (SRB) before the Honorable Supreme Court of Pakistan (SCP) simultaneously the Sindh Legislature has amended the definition of economic activity to neutralize effect of the said judgment of the Sindh High Court. Certain taxpayers have again challenged the levy of Sindh sales tax on renting of immovable property on the basis that it does not involve any element of service and that the judgement of SHC is still in-tact. SHC has also granted stay to the said taxpayers. The management is also of the view that the judgement of SHC is still intact and, therefore, currently no SST is being charged by the Company while invoicing rentals and no provision has been made in the unconsolidated financial statements in this respect.

23.2	Commitments	Note	2021	2020
			------------- (Rupees) -------------	
	23.2.1 Letter of credit			
	Outstanding amount		16,854,000	16,854,000
	Untilised amount		-	-
	Commitments in respect of purchase of shares	7.1	2,380,000,000	-

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

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

	Note	2021	2020
		------------- (Rupees) -------------	
Dimensions			
- Total contract value		2,383,393	2,383,393
- Paid upto last year by the Company		(1,000,000)	(1,000,000)
Balance commitment		1,383,393	1,383,393
Greave Pakistan (Private) Limited			
- Total contract value		-	996,373
- Paid during the year by the Company		-	(498,186)
Balance commitment		-	-

24 INCOME

	Note	2021	2020
Rental Income		283,898,566	505,973,897
Less: Discount		-	(9,729,529)
		283,898,566	496,244,368
Maintenance and other services	24.1	-	209,671,325
Less: Sale tax on services		-	(27,547,474)
		-	182,123,851
		283,898,566	678,368,219

24.1 During the year, upon execution of novation agreement dated 01 July 2020, the maintenance and other services are transferred to TPL Property Management (Private) Limited.

	Note	2021	2020
		------------- (Rupees) -------------	
25 DIRECT OPERATING COSTS			
Salaries, wages and other benefits		-	49,980,297
Oil, gas and diesel		-	129,589,961
Housekeeping and cleaning		-	14,027,532
Insurance		5,869,524	7,978,628
Repairs and maintenance		2,667,878	7,807,000
Landscaping and plantation		-	3,765,000
Water expenses - net		-	2,796,766
Duties and taxes		760,147	1,031,628
		9,297,549	216,976,812
26 ADMINISTRATIVE AND GENERAL EXPENSES			
Salaries, wages and other benefits	26.1 & 26.2	282,719,792	44,101,524
Legal and professional		29,419,067	21,723,357
Repairs and maintenance		32,273,121	29,206,454
Rent		19,074,495	11,737,841
Donations	26.3	25,500,000	3,400,000
Gym running expenses		2,200,000	3,650,034
Entertainment and recreation		122,793	1,872,822
Fuel and mobile		914,290	1,689,978
Advertisement		3,040,477	1,428,695
Depreciation	4	7,575,711	3,611,320
Amortization	5	150,696	150,690
Travelling expenses		11,940,682	1,321,715
Auditors' remuneration	26.4	2,445,836	2,812,206
Printing and stationery		858,065	1,269,967

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

	Note	2021	2020
		(Rupees)	
Insurance		3,855,308	2,916,543
IT related expenses		1,285,462	1,115,927
Provision for expected credit loss		2,878,861	547,936
Subscriptions		350,299	226,950
Utilities		1,729,627	714,588
Staff welfare		671,266	309,980
Training and development		-	40,460
Courier and telecommunication		656,518	311,478
Tenant compensation for early termination of rental contracts		131,586,000	-
Operating lease		2,831,026	-
Others		-	12,751,420
		564,079,392	146,911,885

26.1 These include Rs. 5.08 million (2020: Rs. 3.865 million) in respect of staff retirement benefits (provident fund contribution).

26.2 This includes provision for staff bonus amounting to Rs. 160 million (2020: nil) and provision of employee share options of Rs. 80.440 million (note 16.2).

26.3 Details of donations where donation to a single party exceeded the higher of 10% of the Company's total amount of donations or Rs. 1 million are as follows:

	2021	2020
	(Rupees)	
Sindh Institute of Urology and Transplantation (SIUT) Trust	2,500,000	2,500,000
The Aga Khan University Hospital (The Patient's Behbud Society for AKUH)	-	500,000
Friends of Pink Ribbon Karachi Chapter	-	200,000
Pakistan Institute of Labor Education & Research	-	200,000
Patient Aid Foundation	10,000,000	-
Shaukat Khanam Hospital	4,200,000	-
Baitul Sukoon	2,500,000	-
Jafaria Disaster Cell Welfare Organization	1,000,000	-
Karwan-e-Hayat, Institute of Mental Health Care	1,000,000	-
	21,200,000	3,400,000

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

26.3.1 The recipients of donations do not include any donee in which a director or spouse had any interest.

			2021	2020
26.4	**Auditors' remuneration**		------------- (Rupees)	-------------
	Audit fees			
	Statutory			
	- standalone		1,050,000	1,000,000
	- consolidation		290,000	275,000
			1,340,000	1,275,000
	Half yearly review fee		550,000	500,000
	Certifications		416,679	916,100
	Out of pocket		139,157	121,006
			2,445,836	2,812,106
27	**FINANCE COSTS**			
	Mark-up on			
	- long-term financing		320,227,048	351,657,830
	- assets under Diminishing Musharaka Arrangement		21,291,246	5,029,255
	- short-term borrowings		81,605,441	61,760,110
			423,123,735	418,447,195
	Bank charges		1,523,012	624,433
			424,646,747	419,071,628
28	**OTHER INCOME**			
	Income from financial assets			
	Profit on saving accounts		27,374,557	12,098,997
	Interest on long-term loans to subsidiaries		55,680,479	61,292,126
	Un-realised gain on investments in mutual funds		1,385,177	370,021
	Realised gain on sale of investment in mutual fund		16,265,470	2,791,879
	Mark-up on loan to a company		-	744,384
	Exchange gain		-	8,032
			100,705,683	77,305,439
	Income from non-financial assets			
	Fair value gain on investment property		-	292,165,699
	Gain on disposal of operating fixed assets		500,000	-
	Gain on disposal of non-current asset held for sale		30,651,665	
	Reversal of provision for GIDC	19.1	29,822,466	-
	Remeasurement gain on GIDC	19.1	4,675,267	-
	Reversal for Workers' Welfare Fund (WWF)		-	9,290,946
	Others		418,364	3,353,363
			66,067,762	304,810,008
			166,773,445	382,115,447
29	**TAXATION**			
	Current		2,439,821	15,913,091
	Prior		(3,261,586)	(13,990,296)
	Deferred		(15,808,675)	(1,379,525)
			(16,630,440)	543,270

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

		2021	2020
29.1	**Relationship between accounting profit and tax expense**	------------- (Rupees) -------------	
	Profit before taxation	(581,027,330)	277,523,341
	Tax at the rate of 29% (2020: 29%)	(168,497,926)	80,481,769
	Effect of non-taxable income for tax purpose	(48,364,299)	(105,582,815)
	Income taxed at reduced rate	2,277,166	-
	Non-deductible expense for tax purpose - net	286,730,580	205,222,756
	Others	(88,775,961)	(179,578,440)
	Tax expense for the year	(16,630,440)	543,270
	Effective tax rate	2.86%	0.20%
30	**(LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED**		
	(Loss) / earnings per share - basic and diluted	(564,396,890)	276,980,071
		------- Number of shares -------	
	Weighted average number of ordinary shares outstanding during the year	327,393,106	327,393,106
	(Loss) / earnings per share - basic and diluted	(1.72)	0.85

30.1 As further explained in note 16.2 to the unconsolidated ?nancial statements, the Company has granted employee share options to certain key employees meeting certain criteria. These options have anti-dilutive effect on the Company„s earnings per share for the year ended 30 June 2021, and therefore have not been included in the said calculation.

			2021	2020
			------------- (Rupees) -------------	
31	**Cash and cash equivalents**			
	Cash and bank balances	15	1,936,163,396	225,132,134
	Term deposit receipts (TDR)	14	150,455,431	-
			2,086,618,827	225,132,134

32 **REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND OTHER EXECUTIVES**

32.1 The aggregate amounts charged in these unconsolidated financial statements for the year are as follows:

	Chief Executive		Directors		Other Executives	
	2021	2020	2021	2020	2021	2020
	(Rupees)					
- Directors' fee (Note 34.3)	-	-	**1,500,000**	200,000	-	-
- Managerial remuneration, utilities, housing perquisites, etc.	**11,114,215**	7,409,032	**-**	-	**15,837,958**	15,104,608
- Employee share options	**50,275,000**	-	**-**	-	**30,165,000**	-
- Retirement benefit	**638,493**	-	**-**	-	**836,781**	773,835
- Bonus	**80,000,000**	-	**-**	-	**52,750,000**	-
- Medical	**765,785**	510,968	**-**	-	**1,003,592**	928,112
Total	**142,793,493**	7,920,000	**1,500,000**	200,000	**100,593,331**	16,806,555
Number of persons	**1**	1	**2**	2	**5**	7

32.2 In addition, the Chief Executive Officer has been provided with free use of Company owned and maintained car and other benefits and is also entitled to employee share options in accordance with their entitlement.

32.3 Represents aggregate of meeting fees paid / payable to non-executive directors.

32.4 As per the Act, executive means an employee, other than chief executive and directors, whose basic salary exceeds twelve hundred thousand rupees in a financial year.

32.5 The total number of directors as at the reporting date were 8 (2020: 8).

33 TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise of the ultimate parent company, parent company, subsidiaries, associated companies, major shareholders, suppliers, directors, key management personnel and staff retirement benefit fund. All the transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Company. The transactions with related parties other than those disclosed elsewhere in the unconsolidated financial statements are as follows:

	2021	2020
	(Rupees)	
Parent Company		
TPL Corp Limited [TPLC]		
Expenses paid on behalf of the Company	81,109,040	4,531,886
Payment made by the Company	76,802,484	-
Expenses paid by the Company of behalf of TPLC	15,331,305	-
Services rendered by the Company	46,387,678	-
Subsidiary Companies		
HKC (Private) Limited [HKC]		
Mark-up on long-term loan	55,680,479	61,292,126
Payment received from HKC	-	74,499,374
Expenses incurred / paid by the Company on behalf of HKC	398,669,336	136,305,163
TPL REIT Management Company Limited [TPL REIT]		
Expenses incurred / paid by the Company on behalf of TPL REIT	5,591,778	35,601
Payment received from TPL REIT	-	43,500
TPL Property Management (Private) Limited [TPLPM]		
Payment received by the Company	85,472,643	-
Expenses incurred / paid by the Company on behalf of TPLPM	129,318,126	-

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

	2021	2020
	------------- (Rupees)	-------------
TPL Logistic Park (Private) Limited [TPL LP]		
Expenses incurred / paid by the Company on behalf of TPL LP	642,206	172,820
Loan given by the company	-	600,000,000
Payment received from TPL LP	203,703	599,000
TPL Technology Zone Phase-1 (Private) Limited (formerly G-18 (Private) Limited) [TPL TZ]		
Funds transferred	-	(214,662,834)
Expenses incurred / paid by the Company on behalf of TPL TZ	774,581,413	187,002
Common Directorship		
TPL Insurance Limited		
Expenses incurred / paid by the Company on behalf of TIL	286,552	-
Payment made by the Company	-	6,097,828
Amount received from TIL on account of rent	13,097,124	120,085,898
Services rendered by the Company	37,937,280	89,747,148
TPL Life Insurance Limited [TLIL]		
Expenses paid by the Company on behalf of TLIL	-	4,578,101
Expenses incurred/paid by TLIL on behalf of the Company	4,445,042	2,551,329
Payment made by the Company	2,818,202	-
Services acquired by the Company	2,709,920	-
Amount received from TLIL	-	4,800,000
TPL Security Services (Private) Limited [TSS]		
Payment made by the Company	19,611,360	12,320,880
Expenses incurred / paid by the Company on behalf of TSS	46,667	-
TPL Trakker Limited [TTL]		
Payment made by the Company	17,000,233	28,498,000
Expenses paid by the Company on behalf of TTL	4,754,256	8,014,673
Expenses incurred/paid by TTL on behalf of the Company	18,223,386	38,390,049
Amount received from TTL on account of rent and other services	-	180,965,630
Services rendered by the Company	32,397,746	128,792,776
TPL Properties Limited - Provident fund		
Employer contribution	5,079,994	4,618,176

33.1 The related parties status of outstanding receivables and payables, if any, as at June 30, 2021 and 30 June 2020 are disclosed in respective notes to these unconsolidated financial statements.

33.2 The related parties comprise of the Holding Company, associated companies, directors and key management personnel.

34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks namely credit risk, market risk, liquidity risk and capital management risk. The Company finances its operations through equity and management of working capital with a view of providing maximum return to shareholders.

34.1 Operational Risk

COVID-19 pandemic has created an unprecedented challenge for the Company in terms of Business Continuity Plans. The Company is closely monitoring the situation and has invoked required actions to ensure the safety and security of Company's staff and uninterrupted service to shareholders.

Business Continuity Plans for respective areas are in place and tested. Work-from-Home capabilities have been enabled for staff where required, while ensuring adequate controls to ensure that Company„s information assets are adequately protected from emerging cyber threats.

34.2 Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties failed completely to perform as contracted.

Credit risk arises from short term investments and bank balances, as well as credit exposures to customers, including trade receivables. The maximum credit risk is equal to the carrying amount of financial assets. For banks and financial institutions, only independently rated parties with reasonable credit rating are accepted. For trade receivables, internal risk assessment process considers the credit risk of the customer, taking into account its financial position, past experience and other factors.

	2021		2020	
	Unconsolidated-statement of financial position	Maximum exposure	Unconsolidated-statement of financial position	Maximum exposure
	------------- Rupees ----------		------------- Rupees ----------	
Receivables from tenants	108,399,924	108,399,924	120,040,829	120,040,829
Long-term loans to subsidiaries	1,650,843,822	1,650,843,822	1,076,874,088	1,076,874,088
Long-term deposits	2,786,919	2,786,919	2,786,919	2,786,919
Due from a related party	69,278,345	69,278,345	1,039,600	1,039,600
Bank balances	1,936,048,085	1,936,048,085	224,888,511	224,888,511
	3,767,357,095	3,767,357,095	1,425,629,947	1,425,629,947

Ageing analysis of receivables from tenants is as follows:

	2021			2020		
	Due from related parties	Others	Total	Due from related parties	Others	Total
	---------- (Rupees) ----------					
- Not overdue	-	-	-	24,120,542	8,248,205	32,368,747
- 01 to 30 days	3,865,640	-	3,865,640	-	37,044,510	37,044,510
- 31 to 60 days	3,865,640	-	3,865,640	-	481,568	481,568
- 61 to 90 days	3,865,640	4,033,883	7,899,523	-	218,706	218,706
- Past due over 90 days	92,925,246	2,877,758	95,803,004	-	50,082,320	50,082,320
Total receivables from tenants	104,522,166	6,911,641	111,433,807	24,120,542	96,075,309	120,195,851
Allowance for expected credit losses	(2,878,861)	(155,022)	(3,033,883)	-	(155,022)	(155,022)
	101,643,305	6,756,619	108,399,924	24,120,542	95,920,287	120,040,829

The credit quality of financial assets other than bank balances and short term investments can be assessed with reference to their historical performance with no or some defaults in recent history, however, no losses.

The credit quality of Company's bank balances and short term investments can be assessed with reference to external credit ratings as follows:

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

Bank Balances by short-term rating category	Rating Agency	2021	2020
		------------- (Rupees) -------------	
A1+	PACRA	-	5,522,383
A-1+	JCR-VIS	1,638,858,764	3,754,891
A1	PACRA	73,232,933	315,623
A2	JCR-VIS	22,868,006	14,740,463
A3	JCR-VIS	155,112,412	201,754,688
A4	JCR-VIS	45,975,970	-
		1,936,048,085	226,088,048

34.2 Market risk

Market risk is the risk that the value of the financial instruments may fluctuate as a result of changes in market currency rates, interest rates or the equity prices due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. There has been no change in the Company's exposure to market risk or the manner in which this risk is managed and measured.

34.3 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 at reporting date, the Company is not materially exposed to currency risk and accordingly, the sensitivity to a reasonably possible change in the exchange rate with all other variables held constant as not reported.

34.4 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 reporting date, the Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term financing and short-term borrowings at floating interest rates.

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

	Increase / decrease in basis points	(Decrease) / increase in profit before tax (Rupees)
2021	+100	159,629,602
	-100	(159,629,602)
2020	+100	(15,152,656)
	-100	15,152,656

34.5 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 reporting date, the Company is not exposed to other price risk.

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

34.6 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 reporting 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, 2021 and June, 30 2020 based on contractual undiscounted payment dates and present market interest rates:

June 30, 2021	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	(Rupees)					
Long-term financing	-	14,885,396	534,840,225	1,046,570,401	-	1,596,296,022
GIDC liability	-	1,940,388	9,701,944	19,579,594	-	31,221,926
Trade and other payables	-	-	201,679,444	-	-	201,679,444
Due to related parties	-	-	2,169,130	-	-	2,169,130
Accrued mark-up	-	42,856,309	-	-	-	42,856,309
	-	59,682,093	748,390,743	1,066,149,995	-	1,874,222,831

June 30, 2020	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	(Rupees)					
Long-term financing	-	88,000,000	88,000,000	1,482,500,000	1,200,000,000	2,858,500,000
Short term borrowings	-	-	400,000,000	-	-	400,000,000
Trade and other payables	-	-	195,230,383	-	-	195,230,383
Due to related parties	-	-	22,206,298	-	-	22,206,298
Accrued mark-up	-	104,486,276	-	-	-	104,486,276
	-	192,486,276	705,436,681	1,482,500,000	1,200,000,000	3,580,422,957

34.7 Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

Fair value hierarchy

Financial instruments carried at fair value are categorized as follows:

Level 1 : Quoted prices in active markets for identical assets or liabilities;

Level 2 : Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 : Inputs for the asset or liability that are not based on observable market data.

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

The Company held the following financial instruments measured at fair value:	Level 1	Level 2	Level 3	Total
	(Rupees)			
June 30, 2021				
Investment property (note 6)	-	-	-	-
Short-term investments at fair value through profit or loss (note 14)	-	18,087,494	-	18,087,494
June 30, 2020				
Investment property (note 6)	-	7,617,000,000	-	7,617,000,000
Short-term investments at fair value through profit or loss (note 14)	-	396,823	-	396,823

34.8 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, capital reserve and revenue reserve. The gearing ratio as at June 30, 2021 and June 30, 2020 are as follows:

	Note	2021	2020
		(Rupees)	
Long-term financing	17	1,596,296,022	2,773,555,232
GIDC liability	19	31,221,926	-
Trade and other payables	20	201,679,444	165,707,150
Due to related parties	21	2,169,130	22,206,298
Accrued mark-up	22	42,856,309	104,486,276
Short-term borrowings		-	400,000,000
Advance against rent from tenants		-	148,002,285
Total debts		1,874,222,831	3,613,957,241
Less: Cash and bank balances	15	1,936,163,396	225,528,957
Net debt		(61,940,565)	3,388,428,284
Total equity		5,660,594,029	6,438,268,372
Total capital		5,598,653,464	9,826,696,656
Gearing ratio		-1%	34%

Notes to the Unconsolidated Financial statements

For the year ended June 30, 2021

35 **GENERAL**

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

35.2 Number of employees as at June 30, 2021 was 22 (June 30, 2020: 24) and average number of employees during the year was 17 (June 30, 2020: 22).

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

36 **DATE OF AUTHORIZATION OF ISSUE**

These unconsolidated financial statements were authorised for issue on 10th September, 2021 by the Board of Directors of the Company.

CHIEF EXECUTIVE OFFICER	CHIEF FINANCIAL OFFICER	DIRECTOR

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TPL PROPERTIES LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the annexed consolidated financial statements of **TPL Properties Limited** and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at **30 June 2021,** and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matters

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

Following is the key audit matter:

Key audit matter	How our audit addressed the key audit matter
1. Sale of Investment Property	
As disclosed in note 1.5 of the consolidated financial statements, during the year, pursuant to the Board's approval, the Holding Company entered into an agreement to sell its investment property to a buyer at an agreed price as stated in the said note. Such investment property was previously carried in the books at a fair valuation model as per the requirements of applicable financial reporting standards. The above transaction was a significant event of the year and accordingly, we considered the same to be a key audit matter.	Our audit procedures amongst others comprised of: - Checked the Board's resolution approving the sale transaction; - Reviewed the sale agreement between the Company and the buyer to ensure that all applicable terms of the agreement relating to financial reporting are complied; - Checked the sale proceeds from the bank statements of the Holding Company; and - Assessed the adequacy of the presentation and disclosures in the accompanying consolidated financial statements in accordance with approved financial and reporting standards.

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Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditors' report is **Shaikh Ahmed Salman.**

Chartered Accountants

Place: Karachi

Date: 23 September, 2021

Consolidated Statement of Financial Position

As at June 30, 2021

	Note	2021	2020
		------------- (Rupees) -------------	
ASSETS			
NON-CURRENT ASSETS			
Operating fixed assets	4	62,528,835	3,885,426
Intangible asset	5	500,249	750,389
Investment property	6	1,470,752,861	28,308,153
Development property	7	1,833,175,473	1,437,387,784
Advance for future issue of shares	8	1,620,000,000	600,000,000
Long-term deposits	9	2,786,919	2,786,919
		4,989,744,337	2,073,118,671
CURRENT ASSETS			
Tools		-	963,747
Receivables from tenants	10	166,921,747	120,040,829
Loans, advances, prepayments and other receivables	11	551,975,863	46,572,917
Due from related parties	12	17,250,225	203,845
Taxation - net		81,418,377	118,512,286
Short-term investment	13	784,808,221	49,857,359
Interest accrued		13,192	1,422,963
Cash and bank balances	14	2,953,383,782	231,668,157
		4,555,771,407	569,242,103
Non-current asset held for sale	1.5	-	7,596,392,498
TOTAL ASSETS		9,545,515,744	10,238,753,272
EQUITY AND LIABILITIES			
SHARE CAPITAL			
Authorised capital 400,000,000			
(2020: 400,000,000) ordinary shares of Rs.10/- each		4,000,000,000	4,000,000,000
Issued, subscribed and paid-up capital	15	3,273,931,060	3,273,931,060
Capital reserves		102,186,165	21,746,165
Revenue reserve		2,782,241,900	3,039,225,919
		6,158,359,125	6,334,903,144
Non-controlling interest		175,102,918	175,481,861
		6,333,462,043	6,510,385,005
NON-CURRENT LIABILITIES			
Long-term financing	16	2,321,570,401	2,657,437,440
Deferred tax liability - net	17	-	15,808,675
Gas Infrastructure Development Cess (GIDC) liability	18	19,579,594	-
		2,341,149,995	2,673,246,115
CURRENT LIABILITIES			
Trade and other payables	19	262,682,140	185,057,970
Due to related parties	20	2,169,130	23,488,219
Accrued mark-up	21	44,684,483	107,455,886
Short-term borrowings		-	400,000,000
Current portion of long-term financing	16	549,725,621	191,117,792
Current portion of GIDC liability	18	11,642,332	-
Advances from tenants		-	148,002,285
		870,903,706	1,055,122,152
CONTINGENCIES AND COMMITMENTS	22		
TOTAL EQUITY AND LIABILITIES		9,545,515,744	10,238,753,272

The annexed notes from 1 to 35 form an integral part of these consolidated financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Consolidated Statement of Profit or Loss and other Comprehensive Income

For the year ended June 30, 2021

	Note	2021	2020
		----------- (Rupees) -----------	
Income	23	438,390,845	678,368,219
Direct operating costs	24	(124,430,425)	(216,976,812)
Gross profit		313,960,420	461,391,407
Administrative and general expenses	25	(600,512,738)	(150,651,300)
Finance costs	26	(425,286,944)	(419,071,628)
Other income	27	804,706,815	326,843,724
Other expenses	6.5	(33,675,653)	(64,898)
Profit before taxation		59,191,900	218,447,305
Taxation	28	10,838,244	(105,240,626)
Profit for the year		70,030,144	113,206,679
Other comprehensive income for the year		-	-
Total comprehensive income for the year		70,030,144	113,206,679
Attributable to:			
Owners of the Holding Company		70,409,087	113,632,316
Non-controlling interest		(378,943)	(425,637)
		70,030,144	113,206,679
Earnings per share - basic and diluted	29	0.22	0.35

The annexed notes from 1 to 35 form an integral part of these consolidated financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Consolidated Statement of Changes in Equity

For the year ended June 30, 2021

		Capital reserves			Revenue reserve			
	Issued, subscribed and paid up capital	Share premium account	Other Capital Reserves (note 15.2)	Total	Accumulated profit	Total	Non-controlling interest	Total equity
	(Rupees)							
Balance at June 30, 2019	3,273,931,060	21,746,165	-	21,746,165	2,925,593,603	6,221,270,828	175,907,498	6,397,178,326
Reserve created under scheme of amalgamation	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	113,632,316	113,632,316	-	113,632,316
Other comprehensive income for the year - net of tax	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	113,632,316	113,632,316	-	113,632,316
Loss attributable to non-controlling interest for the year	-	-	-	-	-	-	(425,637)	(425,637)
Balance at June 30, 2020	3,273,931,060	21,746,165	-	21,746,165	3,039,225,919	6,334,903,144	175,481,861	6,510,385,005
Profit for the year	-	-	-	-	70,409,087	70,409,087	-	70,409,087
Other comprehensive income for the year - net of tax	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	70,409,087	70,409,087	-	70,409,087
Share based payments reserve	-	-	80,440,000	80,440,000	-	80,440,000	-	80,440,000
Interim dividend for the year ended June 30, 2021 @ Rs. 1 per share	-	-	-	-	(327,393,106)	(327,393,106)	-	(327,393,106)
Loss attributable to non-controlling interest for the year	-	-	-	-	-	-	(378,943)	(378,943)
Balance at June 30, 2021	3,273,931,060	21,746,165	80,440,000	102,186,165	2,782,241,900	6,158,359,125	175,102,918	6,333,462,043

The annexed notes from 1 to 35 form an integral part of these consolidated financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Consolidated Statement of Cash Flows

For the year ended June 30, 2021

	Note	2021	2020
		------------- (Rupees) -------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		59,191,900	218,447,305
Adjustments for non-cash items			
Depreciation		7,667,320	3,611,320
Amortisation		250,140	250,130
Finance costs		425,286,944	419,071,628
Profit on saving accounts		(27,960,367)	(12,995,439)
Allowance for expected credit losses		2,878,861	-
Unrealised gain on investment in mutual funds		(3,353,318)	(383,601)
Gain on disposal of investment in mutual funds		(21,430,236)	(2,791,879)
Mark-up on investments		-	(744,384)
Exchange (gain) / loss - net		(1,295)	64,898
Dividend income		(1,170,379)	
Gain on disposal of operating fixed asset		(500,000)	-
Gain on disposal of non-current asset held for sale		(30,651,665)	-
Reversal of provision for GIDC		(29,822,466)	-
Remeasurement gain on GIDC		(4,675,267)	-
Employee share options		80,440,000	-
Fair value gain on investment property		(684,723,458)	(292,165,699)
		(287,765,186)	113,916,974
Working capital changes			
(Increase) / decrease in current assets			
Tools		963,747	106,959
Receivables from tenants		(49,759,779)	(23,177,124)
Loans, advances, prepayments and other receivables		(117,902,946)	261,495,581
Due from related parties		(17,046,380)	3,303,570
		(183,745,358)	241,728,986
(Decrease) / increase in current liabilities			
Trade and other payables		154,015,983	100,165,202
Due to related parties		(21,319,089)	13,102,607
Advance from tenants		(148,002,285)	(4,527,150)
		(15,305,391)	108,740,659
Cash (used in) / generated from operations		(427,624,035)	682,833,924
GIDC installments paid		(10,672,137)	-
Finance cost paid		(488,058,347)	(408,823,188)
Profit on saving accounts received		29,370,138	12,735,609
Income tax refunded - net		32,123,478	37,022,725
Net cash (used in) / generated from operating activities		(864,860,903)	323,769,070
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of operating fixed assets		(66,310,729)	(1,559,029)
Additions to investment property		(791,396,903)	(87,836,349)
Additions to development properties		(395,787,689)	(172,244,814)
Advance for future issue of shares		(1,020,000,000)	-
Purchase of investments in mutual funds		(1,568,704,987)	(12,538,978)
Proceeds from disposal of investment in mutual funds		1,023,232,918	12,500,000
Expenditure incurred for non-current asset held for sale		(102,348,335)	-
Proceeds from sale of non-current asset held for sale		7,362,500,000	-
Long-term investments		-	(600,000,000)
Proceeds from disposal of operating fixed assets		500,000	-
Net cash generated from / (used in) investing activities		4,441,684,275	(861,679,170)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term financing - net		22,740,790	552,543,239
Short-term borrowings - net		(400,000,000)	-
Dividends paid		(327,393,106)	-
Net cash (used in) / generated from financing activities		(704,652,316)	552,543,239
Net increase in cash and cash equivalents		2,872,171,056	14,633,139
Cash and cash equivalents at the beginning of the year		231,668,157	217,035,018
Cash and cash equivalents at the end of the year	30	3,103,839,213	231,668,157

The annexed notes from 1 to 35 form an integral part of these consolidated financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Notes to the Consolidated Financial statements

For the year ended June 30, 2021

1 THE HOLDING COMPANY AND ITS OPERATIONS

1.1 TPL Properties Limited (the Holding Company) was incorporated in Pakistan as a private limited company on February 14, 2007 under the repealed Companies Ordinance, 1984. Subsequently in 2016, the Company had changed its status from private limited company to public company and was listed on the Pakistan Stock Exchange Limited. The principal activity of the Holding Company is to invest, purchase, develop and build real estate and to sell, rent out or otherwise dispose of in any manner the real estate including commercial and residential buildings, houses, shops, plots or other premises.

TPL Corp Limited and TPL Holdings (Private) Limited are the Parent and Ultimate Parent companies respectively, as of reporting date.

1.2 The Group comprises of the Holding Company and the following subsidiaries that have been consolidated in these financial statements:

Subsidiary Companies	Note	Date of becoming subsidiary	Holding 2021 %	Holding 2020 %	2021 Total assets	2021 Total liabilities	2020 Total assets	2020 Total liabilities
					(Rupees)			
HKC (Private) Limited	1.2.1	19-06-2017	80	80	1,508,712,621	1,319,941,875	850,378,035	659,393,062
TPL Technology Zone Phase-I (Private) Limited (formerly G-18 (Private) Limited)	1.2.2	12-04-2018	99.99	99.99	2,470,855,754	1,786,328,736	1,022,000	893,985
TPL REIT Management Company Limited	1.2.3	12-10-2018	99.99	99.99	419,886,801	9,743,194	53,893,225	319,125
TPL Property Management (Private) Limited	1.2.4	10-04-2020	99.99	99.99	82,230,565	79,781,378	1,000,000	366,770
TPL Logistic Park (Private) Limited	1.2.5	11-12-2019	99.99	99.99	600,327,798	600,412,011	600,454,078	600,250,000

1.2.1 HKC (Private) Limited [HKC]

HKC was incorporated in Pakistan on September 13, 2005 as a public limited company under the repealed Companies Ordinance, 1984. The Company is principally engaged in the acquisition and development of real estates and renovation of buildings and letting out. In 2020, the Company changed its status from Public Unlisted company to Private Limited company.

1.2.2 TPL Technology Zone Phase-I (Private) Limited (formerly G-18 (Private) Limited) [TPL TZ]

TPL TZ was incorporated in Pakistan as a private limited company on April 12, 2018 under the Act for the purpose of property development. As of the reporting date, TPL TZ has commenced its operations. During the year, the Company has changed its name from G-18 (Private) Limited to TPL Technology Zone Phase-I (Private) Limited .

1.2.3 TPL REIT Management Company Limited [TPL REIT]

TPL REIT was incorporated in Pakistan as a public limited company on October 12, 2018 under the Act. The principal activity of the entity is to carry on all or any business permitted to be carried out by a 'REIT management company' including but not limited to providing 'REIT Management Services' in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. However, as of the reporting date, TPL REIT has not commenced its operations.

Notes to the Consolidated Financial statements

For the year ended June 30, 2021

1.2.4 TPL Property Management (Private) Limited [TPL PM]

TPL PM was incorporated in Pakistan on April 10, 2020 as a private company, limited by shares under the Act. The principal business of the entity is to carry on the business of providing all types of facilities management, maintenance and execution of contracts of all kinds and of structure including but not limited to residential, commercial, mixed use, hotel or any other real estate developments. During the year, upon execution of novation agreement dated 01 July 2020, the maintenance and other services are transferred from the Holding Company to TPL PM.

1.2.5 TPL Logistic Park (Private) Limited [TPL LP]

TPL LP was incorporated in Pakistan on December 11, 2019 as a private company, limited by shares under the Companies Act, 2017 (the Act). The principal business of the entity is to carry on the business of the Holding Company and to coordinate and regulate the administration, finances, activities and business of the subsidiaries, shareholding interests in other Companies and to undertake and carry out all such services in connection therewith. However, as of the reporting date, TPL LP has not commenced its operations.

1.3 Geographical location and address of business units

Head Office

The head office of the Holding Company and its subsidiary companies is situated at 12th floor, Centrepoint building, Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi.

Other properties

- Holding Company rented premises are located at 12th floor, Centrepoint building, Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi.
- HKC development property site is located at Plot No. 22/7, Street CL-9, Civil Lines Quarter, Karachi.
- TPL TZ investment property site is located at Open Industrial Plot No. 25-B, situated at Sector 30, Korangi Industrial Area, Karachi.

1.4 The Group has the following related parties:

Name	Relationship	Common Directorship	Percentage of Shareholding
TPL Corp Limited [TCL]	Parent company	Yes	27.09%
TPL Holdings (Private) Limited [THL]	Ultimate Parent company	Yes	8.61%
TPL Trakker Limited [TTL]	Associated company	Yes	-
TPL Insurance Limited [TIL]	Associated company	Yes	2.92%
TPL Security Services (Private) Limited [TPLS]	Associated company	Yes	0.018%
TPL Life Insurance Limited [TLI]	Associated company	Yes	-
TPL Property Management (Private) Limited [TPLPM]	Subsidiary company	Yes	99.99%
TPL Logistic Park (Private) Limited [TPLLP]	Subsidiary company	Yes	99.99%
HKC (Private) Limited [HKC]	Subsidiary company	Yes	80.00%
TPL Technology Zone Phase-I (Private) Limited (formerly G-18 (Private) Limited) [TPL TZ]	Subsidiary company	Yes	99.99%
TPL REIT Management Company Limited [TPL REIT]	Subsidiary company	Yes	99.99%
Jameel Yusuf	Chairman	N/A	0.54%
Muhammad Ali Jameel	Chief Executive Officer	N/A	11.89%
Jamil Akbar	Chief Operating Officer	N/A	-
Sohail Khatri	Chief Financial Officer	N/A	-
TPL Properties Limited - Employees Provident Fund	Employees Provident Fund	N/A	-

Notes to the Consolidated Financial statements

For the year ended June 30, 2021

1.5 During the year, pursuant to the Board's resolution passed in the meeting held on 19 August 2020, the Holding Company entered into an agreement to sell its investment property (Centrepoint Project), which was carried in the books at a fair valuation model, to a buyer at an agreed price of Rs. 7,750,000,000. The Holding Company during the financial year ended 30 June 2021, received Rs. 7,362,500,000 from the buyer and subsequent to the year-end received Rs. 193,750,000. The remaining amount will be received upon vacating the remaining office space by the Holding Company and its group companies. As of the year ended 30 June 2020, such investment property was recorded under 'non-current asset held for sale' as per the requirements of applicable financial reporting standard.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 Accounting convention

These consolidated financial statements have been prepared under the historical cost convention unless otherwise stated.

2.3 Basis of consolidation

These consolidated financial statements comprise of the financial statements of the Holding Company and its subsidiary companies, HKC, TPL TZ, TPL PM, TPL LP and TPL REIT as at June 30, 2021, here-in-after referred to as 'the Group'.

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 arrangements 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 statement of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

When the ownership of a subsidiary is less than 100 percent, and therefore, a non-controlling interest (NCI) exists, accordingly, the components of profit or loss and other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

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 statement of profit or loss and other comprehensive income.

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 statement of profit or loss and other comprehensive income 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.

HKC, TPL TZ, TPL PM, TPL LP and TPL REIT have the same reporting period as that of the Holding Company. The accounting policies of subsidiaries have been changed to conform with accounting policies of the Group, wherever needed.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 New / Revised Standards, Amendments, Interpretations and Improvements

The accounting policies adopted in the preparation of these consolidated financial statements are consistent with those of the previous financial years.

New / revised standards, interpretations and amendments

The Group has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year:

IAS 28 Long-term Interests in Associates and Joint Ventures (Amendments)
IFRIC 23 Uncertainty over income tax treatments

Improvements to Accounting Standards Issued by the IASB in December 2017

IFRS 3 Business Combinations - Previously held Interests in a joint operation

IFRS 11 Joint Arrangements - Previously held Interests in a joint operation

IAS 12 Income Taxes - Income tax consequences of payments on financial instruments classified as equity

IAS 23 Borrowing Costs - Borrowing costs eligible for capitalisation

Standard or Interpretation

Covid-19 - Related Rent Concessions beyond 30 June 2021 - Amendment to IFRS 16
Interest Rate Benchmark Reform - Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The adoption of the above amendments did not have any impact on these consolidated financial statements.

3.2 Standards, amendments and improvements to the approved accounting standards that are not yet effective

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

Standard or Interpretation		Effective date (annual periods beginning on or after)
IFRS 3	Reference to the Conceptual Framework (Amendments)	01 January 2022
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use (Amendments)	01 January 2022
IAS 37	Onerous Contracts - Costs of Fulfilling a Contract (Amendments)	01 January 2022
IAS 1	Classification of Liabilities as Current or Non-current (Amendments)	01 January 2023
IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies (Amendments)	01 January 2023
IAS 8	Definition of Accounting Estimates (Amendments)	01 January 2023
IAS 12	Deferred tax related to Assets and Liabilities arising from a single transaction (Amendments)	01 January 2023
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalised

Improvements to Accounting Standards Issued by the IASB (2018-2020 cycle)

IFRS 1	First-time Adoption of International Financial Reporting Standards - Subsidiary as a first-time adopter	01 January 2022
IFRS 9	Financial Instruments - Fees in the '10 percent' test for derecognition of financial liabilities	01 January 2022
IAS 41	Agriculture - Taxation in fair value measurements	01 January 2022
IFRS 16	Leases: Lease incentives	01 January 2022

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

Notes to the Consolidated Financial statements

For the year ended June 30, 2021

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

Standard or Interpretation		IASB effective date (annual periods beginning on or after)
IFRS 1	First-time Adoption of International Financial Reporting Standards	01 January 2004
IFRS 17	Insurance Contracts	01 January 2023

3.3 Critical accounting judgments, estimates and assumptions

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

		Note
i)	Determination of useful lives, method of depreciation / amortization and residual value of operating fixed assets and intangible assets	3.4 & 3.5
ii)	Fair value of investment property	3.6
iii)	Impairment of financial and non-financial assets	3.80
iv)	Contingencies	3.16
v)	Fair value of employee share options	3.13
vi)	Provision for taxation	3.18

3.4 Operating fixed assets

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is recognised in consolidated statement of profit or loss and other comprehensive income 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 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 consolidated statement of profit or loss and other comprehensive income.

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

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

3.5 Intangible assets

Intangible assets other than goodwill, customers related intangible assets and marketing related intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Goodwill, customers related intangible assets and marketing related intangible assets are stated at cost less accumulated impairment losses, if any, as their useful life is indefinite and are tested for impairment annually. For other intangibles, amortisation is charged to the statement of profit or loss and other comprehensive income applying the straight line method, whereby, the cost of intangible asset is written off over its useful economic life. The amortisation rate of the intangible assets are stated in note 5 to these consolidated financial statements. Full month's amortisation is charged in the month of addition when the asset is available for use, whereas, amortisation on disposals is charged upto the month in which the disposal takes place.

Intangible assets under development are stated at cost less accumulated impairment losses, if any. It consists of expenditure incurred in respect of intangible assets under development in the course of their acquisition, erection, development and installation. The assets are transferred to relevant category of intangible assets when they are available for use.

3.6 Investment property

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 consolidated statement of profit or loss and other comprehensive income 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 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 consolidated statement of profit or loss and other comprehensive income 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 Group 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 consolidated statement of profit or loss and other comprehensive income, as and when incurred. Major renewals and improvements, if any, are capitalized, if recognition criteria is met.

The Group classifies non-current assets (principally investment property) as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets classified as held for sale (except for investment property measured at fair value) are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale is expected to be completed within one year from the date of the classification.

Assets and liabilities classified as held for sale are presented separately in the statement of financial position.

3.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.7.1 Financial assets

a) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade debts are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are ‚solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date i.e. the date that the Group commits to purchase or sell the asset.

b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

i) Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in the consolidated statement of profit or loss and other comprehensive income when the asset is derecognised, modified or impaired.

ii) Financial assets designated at fair value through OCI (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the consolidated statement of profit or loss and other comprehensive income and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to consolidated statement of profit or loss.

The Group does not have any debt instruments at fair value through OCI investments during the current and last year and as of reporting date.

iii) Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to consolidated statement of profit or loss. Dividends are recognised as other income in the consolidated statement of profit or loss and other comprehensive income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group does not have any equity instruments at fair value through OCI investments during the current and last year and as of reporting date.

iv) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in the consolidated statement of profit or loss and other comprehensive income.

The Group has designated investment in mutual funds at fair value through profit or loss.

c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

3.7.2 Financial liabilities

a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, trade payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include long-term financing, short-term borrowings, due to related parties, accrued mark-up and trade and other payables.

b) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit or loss and other comprehensive income.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

c) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss and other comprehensive income.

d) **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss and other comprehensive income.

e) **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.8 Impairment

3.8.1 Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at fair value through other comprehensive income, but not to investments in equity instruments.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

At each reporting date, the Group assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the respective asset.

The Group uses the standard's simplified approach and calculates ECL based on life time ECL on its financial assets. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment.

3.8.2 Impairment of non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in consolidated statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to disposal and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets for which the estimate of future cash flow have not been adjusted. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. 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 had been recognised previously. Reversal of an impairment loss is recognised immediately in consolidated statement of profit or loss.

3.9 Tools

Tools are valued at lower of weighted average cost and net realisable value, except items in transit, which are stated at cost. Tools are charged to cost of goods sold on an estimated consumption pattern.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessarily to be incurred to make the sale.

3.10 Advances and prepayments

These are initially recognised at cost, which is the fair value of the consideration given. Subsequent to initial recognition assessment is made at each consolidated statement of financial position date to determine whether there is an indication that assets may be impaired. If such indication exists, the estimated recoverable amount of that asset is determined and any impairment loss is recognised for the difference between the recoverable amount and the carrying value.

3.11 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposit and current accounts maintained with banks. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investments and other purposes.

3.12 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.13 Employees share option scheme

Eligible employees of the Holding Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of share option transactions is determined using intrinsic value method. That cost is recognised in salaries and benefits expense, together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Holding Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of income for the year represents the movement in cumulative expense recognised as at the beginning and end of that year. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings.

3.14 Staff retirement benefits

Defined contribution plan

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

3.15 Provisions

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

3.16 Contingencies

Contingent liability is disclosed when

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

- there is a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measure with sufficient reliability.

3.17 Revenue recognition

3.17.1 Revenue from operating lease arrangements

i) Rental income

Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature, 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.

Lease incentives that are paid or payable to the lessee are deducted from lease payments. Accordingly, tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease. 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 Group is 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 statement of profit or loss when the right to receive them arises.

ii) Rent receivables

Rent receivables are recognised at their original invoiced value except where the time value of money is material, in which case rent receivables are recognised at fair value and subsequently measured at amortised cost. Refer to accounting policies on financial assets as disclosed in note 3.7.1 to these consolidated financial statements.

iii) Advance from tenants

Advance from tenants against rent is charged to consolidated statement of profit and loss and other comprehensive income based on contractual arrangements with the tenants.

3.17.2 Revenue from contracts with tenants

i) Revenue from services to tenants

The Group is providing building management services to tenants such services include maintenance services, electricity and conditioning service and other IT services. Revenue from contracts with customers is recognised over the period when the services to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange of services.

Revenue from the rendering of services is recognised over the time when the services are rendered to the customers, generally over the contract. These services are specified in a separate service arrangement with the tenants and invoiced separately.

In respect of the revenue component, these services represent a series of daily services that are individually satisfied overtime because the tenants simultaneously receive and consume the benefits provided by the Group. The Group applies the time elapsed method to measure progress. The consideration charged to tenants for these services is based on an agreed rates specified in the services arrangements. The variable consideration only relates to the non-lease component and is allocated to each distinct period of service (i.e., each day) as it meets the variable consideration allocation exception criteria.

ii) Receivable against services

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets as disclosed in note 3.7 to these consolidated financial statements.

iii) Contractual liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

iii) Other revenue

Interest income is recognised as it accrues using the effective interest rate method and other revenues are recorded on accrual basis.

3.18 Taxation

Current

Provision for current 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 Provision for current 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 recognised using the balance sheet method, on all temporary differences arising at the reporting date between the tax bases of assets and liabilities and their carrying amounts 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 forwards of unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits 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 period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date. Deferred tax is charged or credited to the consolidated statement of profit or loss and other comprehensive income. As of the date of statement of financial position, deferred tax asset amounting to Rs. 23,327,600 in respect of deductible temporary differences has not been recognised in these consolidated financial statements in accordance with the accounting policy.

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

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.

3.19 Earnings per share

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

3.20 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. However, if these are approved after the reporting period but before the consolidated financial statements are authorised for issue, they are disclosed in the notes to the consolidated financial statements.

3.21 Foreign currency transactions

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 reporting date. Any resulting gain or loss arising from changes in exchange rates is taken to the consolidated statement of comprehensive income. 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.

3.22 Functional and presentation currency

These consolidated financial statements are presented in Pakistani Rupee, which is the Group's functional and presentation currency.

4. Operating fixed assets

	COST			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2020	Additions / (disposal)	As at June 30, 2021	As at July 01, 2020	Charge for the year / (disposal)	As at June 30, 2021	As at June 30, 2021	Depreciation Rate
	(Rupees)							%
Furniture	5,838,600	754,978	6,593,578	5,838,598	107,932	5,946,530	647,048	20
Equipment	1,334,529	-	1,334,529	553,455	631,130	1,184,585	149,944	20
Vehicles (note 4.1)	6,270,932	64,350,040 (3,597,783)	67,023,189	5,737,294	5,971,206 (3,597,783)	8,110,717	58,912,472	20
Computer and accessories	9,957,364	778,711	10,736,075	7,473,868	764,351	8,238,219	2,497,856	33.33
Mobile phones	535,646	427,000	962,646	448,430	192,701	641,131	321,515	50
2021	23,937,071	66,310,729 (3,597,783)	86,650,017	20,051,645	7,667,320 (3,597,783)	24,121,182	62,528,835	

	COST			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2019	Additions / *Transfers	As at June 30, 2020	As at July 01, 2019	Charge for the year / *Transfers	As at June 30, 2020	As at June 30, 2020	Depreciation Rate
	(Rupees)							%
Power generation unit	165,213,461	- (165,213,461)	- -	40,032,653	- (40,032,653)	-	-	3.33 & 5
Furniture and fixtures	24,566,862	- (18,728,262)	5,838,600 -	10,650,520	1,160,320 (5,972,242)	5,838,598	2	20
Vehicles	6,270,932	-	6,270,932	5,167,505	569,789	5,737,294	533,638	20
Equipment	318,386,004	160,529 (317,212,004)	1,334,529 -	99,790,226	533,888 (99,770,659)	553,455	781,074	20
IT equipment	38,788,800	- (38,788,800)	- -	38,113,705	- (38,113,705)	-	-	20
Computer and accessories	8,791,333	1,326,500 (160,469)	9,957,364 -	6,364,819	1,202,104 (93,055)	7,473,868	2,483,496	33.33
Mobile phones	303,146	72,000 160,500	535,646	210,711	145,219 92,500	448,430	87,216	50
Gym equipment	17,175,024	- (17,175,024)	-	3,108,447	- (3,108,447)	-	-	33.33
2020	579,495,562	1,398,500 (557,278,020)	23,937,071	203,438,586	3,611,320 (186,998,261)	20,051,645	3,885,426	

* Represents transfers from operating fixed assets to investment property (note 6).

4.1 Includes assets under common ownership under Diminishing Musharaka arrangement.

4.2 Depreciation for the year has been charged to administrative and general expenses (note 25).

4.3 Operating fixed assets include items having an aggregate cost of Rs. 15.55 million (2020: Rs. 15.55 million) which have been fully depreciated and are still in use of the Group.

5 INTANGIBLE ASSET

	COST			ACCUMULATED AMORTISATION			WRITTEN DOWN VALUE	
	As at July 01, 2020	Additions	As at June 30, 2021	As at July 01, 2020	Charge for the year	As at June 30, 2021	As at June 30, 2021	Amortisation rate
	(Rupees)							%
Computer software	1,250,649	-	1,250,649	500,260	250,140	750,400	500,249	20
2021	1,250,649	-	1,250,649	500,260	250,140	750,400	500,249	

	COST			ACCUMULATED AMORTISATION			WRITTEN DOWN VALUE	
	As at July 01, 2019	Additions	As at June 30, 2020	As at July 01, 2019	Charge for the year	As at June 30, 2020	As at June 30, 2020	Amortisation rate
	(Rupees)							%
Computer software	1,250,649	-	1,250,649	250,130	250,130	500,260	750,389	20
2020	1,250,649	-	1,250,649	250,130	250,130	500,260	750,389	

6 INVESTMENT PROPERTY

	Note	2021	2020
		(Rupees)	
Investment property	6.1 & 6.2	1,470,752,861	-
Investment property under construction	6.5	-	28,308,153
		1,470,752,861	28,308,153

6.1 During the year, the Group entered into an agreement dated November 10, 2021 with Mr. Ali Khan for the purchase of land located in an Open Industrial Plot No. 25-B, measuring 10,002 square yards, situated at Sector 30, Korangi Industrial Area, Karachi. The amount of land was agreed at Rs. 60,000 per square yard amounting Rs. 600,120,000.

6.2 The movement in investment property is as follows:

	Note	2021	2020
		------------- (Rupees) -------------	
As at July 01		-	6,846,271,191
Add: Additions during the year	6.1	600,120,000	87,836,349
Add: Expenditure incurred		185,909,403	-
Transfer from operating fixed asset at WDV		-	370,119,259
		786,029,403	7,304,226,799
Gain from fair value adjustment	6.3 & 6.4	684,723,458	292,165,699
		1,470,752,861	7,596,392,498
Less: Non-current assets held for sale	1.5	-	(7,596,392,498)
As at June 30		1,470,752,861	-

6.3 A valuation of the land was carried out by an independent professional valuer on June 30, 2021 and the fair value was determined with reference to market based evidence, active market prices and relevant information. The fair value of investment property fall under level 2 of fair value hierarchy (i.e. significant observable inputs).

6.4 Forced sale value of the investment property as at June 30, 2021 is Rs. 1,170,234,000/-.

6.5 The movement in capital work-in-progress during the year is as follows:

	2021	2020
	------------- (Rupees) -------------	
As at July 01	28,308,153	28,308,153
Additions	5,367,500	-
Less: written off	(33,675,653)	-
As at June 30	-	28,308,153

7 DEVELOPMENT PROPERTY

Represents project under construction at Plot No 22/7, Street CL-9, Civil Lines Quarter, Karachi which includes leasehold land having area 2,539.32 square yards. Design stage of the project is complete and construction is due to commence after regulatory approval.

	2021	2020
	------------- (Rupees) -------------	
Land	801,225,879	801,225,879
Design and consultancy	269,966,585	176,769,050
Project management and related costs	330,225,183	330,225,183
Other project costs	431,757,826	129,167,672
	1,833,175,473	1,437,387,784

8 ADVANCE FOR FUTURE ISSUE OF SHARES

	Note	2021	2020
Security Packers (Private) Limited	8.1	600,000,000	600,000,000
National Management & Consultancy Services Private Limited (NMC)	8.2	1,020,000,000	-
		1,620,000,000	600,000,000

8.1 The Group entered into share purchase agreement dated February 26, 2020 to purchase 60 million ordinary shares at face value of 10 per share.

8.2 During the year, the Group entered into a share purchase agreement dated March 30, 2021, with the shareholders of NMC to purchase 475,000 ordinary shares having face value of Rs. 100 each at a price of Rs. 7,157.89 per share.

As of reporting date, the Group has paid 30% of the total consideration amount and the remaining 70%, i.e. Rs. 2,380 million is payable by November 30, 2021 against transfer of entire shareholdings and management of NMC.

	Note	2021	2020
		(Rupees)	
9 LONG-TERM DEPOSITS - unsecured, considered good			
Security deposits			
- City District Government Karachi		86,919	86,919
- Central Depository Company of Pakistan Limited		200,000	200,000
- Total PARCO Pakistan Limited - fuel cards		2,500,000	2,500,000
	9.1	2,786,919	2,786,919

9.1 These deposits are non-interest bearing.

	Note	2021	2020
10 RECEIVABLES FROM TENANTS - unsecured, considered good			
Rent		74,999,042	74,078,762
Services		85,416,593	44,463,457
Others		9,539,995	1,653,632
	10.1	169,955,630	120,195,851
Less: Allowance for expected credit losses	10.2	(3,033,883)	(155,022)
		166,921,747	120,040,829

10.1 Includes receivable from the following related parties:

	2021	2020
TPL Corp Limited	62,733,007	-
TPL Trakker Limited	85,674,418	22,767,627
TPL Insurance Limited	5,427,436	1,282,985
TPL Life Insurance Limited	-	65,410
TPL Security Services (Pvt) Limited	-	1,130
	153,834,861	24,117,152

10.2 Movement of allowance for expected credit loss on receivables is as follows:

	2021	2020
	(Rupees)	
Opening balance	155,022	806,623
Charge / (reversal) for the year	2,878,861	(651,601)
Closing balance	3,033,883	155,022

10.3 The maximum amount outstanding receivable from the related parties at any time during the year calculated by reference to month end balances were as follows:

	Note	2021	2020
		------------- (Rupees) -------------	
TPL Corp Limited		62,733,007	-
TPL Trakker Limited		85,674,418	83,703,104
TPL Insurance Limited		5,427,436	17,809,590
TPL Life Insurance Limited		-	65,410
TPL Security Services (Private) Limited		-	1,130

11 LOANS, ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES

	Note	2021	2020
Loan to employee		37,656	808,568
Advances - unsecured, considered good			
Suppliers and contractors	11.1	145,329,753	21,109,918
Others		-	15,000,000
		145,329,753	36,109,918
Prepayments			
Insurance		1,983,527	2,880,860
Other receivables			
Receivable from Bank Al-Habib Limited against sale of Centrepoint building	1.4	387,500,000	-
Receivable for cost reimbursement		12,225,924	-
Sales tax receivable		4,899,003	6,773,571
		551,975,863	46,572,917

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

12 DUE FROM RELATED PARTIES - unsecured, considered good

	Note	2021	2020
		------------- (Rupees) -------------	
Parent Company			
TPL Corp Limited		6,492,863	-
Associated Companies			
TPL Security Services (Private) Limited		5,648,262	-
TPL Insurance Limited		286,522	-
TPL Life Insurance Limited		4,822,578	203,845
	12.1	17,250,225	203,845

12.1 These amounts are non-interest bearing and are receivable on demand. The maximum amount outstanding at any time during the year calculated by reference to month end balances was as follows:

	Note	2021	2020
		------------- (Rupees) -------------	
TPL Corp Limited		6,492,863	-
TPL Security Services (Private) Limited		5,648,262	-
TPL Insurance Limited		286,522	-
TPL Life Insurance Limited		4,822,578	203,845

		Note	2021	2020
			------------- (Rupees) -------------	
13	**SHORT-TERM INVESTMENTS**			
	Investment in mutual funds (designated at fair value through profit or loss)	13.1	634,352,790	49,857,359
	Term deposit receipts (TDR)	13.2	150,455,431	-
			784,808,221	49,857,359

13.1 The particulars of mutual funds are as follows:

Number of units 2021	Number of units 2020	Name of Mutual Funds	2021 Carrying Value	2021 Fair Value	2020 Carrying Value	2020 Fair Value
			(Rupees)			
130,112	5,578	AKD Securities Limited	16,390,536	17,788,370	300,654	374,818
1,069	413,914	AKD Aggressive Income Fund	55,090	54,684	21,357,807	21,133,886
393,133	-	AKD Islamic Fund	20,600,691	19,830,587	-	-
1,267,006	-	AKD Opportunity Fund	170,318,981	173,220,314	-	-
4,631	203	Pak Oman Investment Limited	256,691	244,440	10,639	10,673
2,345,220	2,867,492	NBP Money Market Fund	23,377,483	23,214,395	28,298,487	28,337,982
3,924,015	-	Faysal Money Market Fund	400,000,000	400,000,000	-	-
8,065,186	3,287,187		630,999,472	634,352,790	49,967,587	49,857,359

13.2 These carry interest of 6% per annum.

		Note	2021	2020
			------------- (Rupees) -------------	
14	**CASH AND BANK BALANCES**			
	Cash in hand		115,311	243,623
	Cash at banks in local currency			
	- current accounts		1,471,355,919	8,524,817
	- saving accounts	14.1	1,481,912,552	224,099,254
			2,953,268,471	232,624,071
	Less: Allowance for expected credit loss		-	(1,199,537)
			2,953,383,782	231,668,157

14.1 Included herein a cash deposit of Rs. 16.854 million under lien (note 23.2.1) and Rs. 100 million in a saving account placed with a commercial bank carrying mark-up ranging 6 percent to 7 percent and 6.75 percent respectively. Other balances carry mark-up ranging from 5.5 percent to 8.06 percent (2020: 5.5 percent to 6.5 percent) per annum.

15 **ISSUED, SUBSCRIBED AND PAID-UP CAPITAL**

2021	2020		Note	2021	2020
---- (No. of shares) ----				------------- (Rupees) -------------	
		Ordinary shares of Rs.10/- each			
175,920,448	175,920,448	- Issued for cash consideration		1,759,204,483	1,759,204,480
151,472,658	151,472,658	- Issued for consideration other than cash		1,514,726,580	1,514,726,580
327,393,106	327,393,106		15.1	3,273,931,063	3,273,931,060

15.1 Voting rights, board selection, right of first refusal and block voting are in proportion to their shareholding.

15.2 During the year, the Holding Company has introduced Employee Share Option Scheme (Scheme) to certain key employees meeting certain criteria. The exercise price of the shares is Rs. 10/-. The share options vest after a period of 2 years from the date of grant and the concerned employee remains employed on such date. The Scheme is subject to approval from the Securities and Exchange Commission of Pakistan.

The share options can be exercised up to one year after the two-year vesting period and therefore, the contractual term of each option granted is two years. There are no cash settlement alternatives. The Holding Company accounts for the Scheme as an equity-settled plan.

The expense recognized during the year related to equity settled share based payments amounts to Rs. 80.440 million (2020: Rs. Nil).

16 LONG-TERM FINANCING	**Note**	**2021**	**2020**
		(Rupees)	
Term finance certificates		-	2,006,134,027
Long-term financings		-	576,270,000
Musharaka finance facility		-	132,249,222
JS Bank Limited - payroll financing	16.1	21,888,997	19,847,680
JS Bank Limited - project financing I	16.2	75,000,000	75,000,000
JS Bank Limited - project financing II	16.3	200,000,000	-
Diminishing Musharaka facility - I	16.4	25,960,825	39,054,303
Diminishing Musharaka facility - II	16.5	48,446,200	-
Habib Metro Bank Limited	16.6	1,000,000,000	-
Soneri Bank Limited	16.7	500,000,000	-
Bank of Punjab	16.8	1,000,000,000	-
		2,871,296,022	2,848,555,232
Less: current maturity		(549,725,621)	(191,117,792)
		2,321,570,401	2,657,437,440

16.1 The Holding Company has availed the refinance scheme of Rs. 29.803 million from a commercial bank through an agreement dated January 14, 2020. The purpose of availing the facility is to finance 3 months salaries of the workers and employees of business concerns for combating impact of COVID-19 under the SBP Refinance Scheme. The amount received is repayable in 8 equal quarterly installments for a period of 2 years and 6 months (inclusive of 6 months grace period) at mark-up of SBP rate plus 3%. The facility has been secured against the following:

- First pari pasu charge on present and future fixed assets;
- First pari pasu charge on present and future current assets;
- Corporate guarantee of TPL Trakker Limited; and
- Assignment of receivables from TPL Insurance Limited.

16.2 The Group has availed the facility of Rs. 75 million from a commercial bank through an agreement dated December 27, 2019. The purpose of availing the facility is to finance HKC's residential/commercial building project. The amount received is repayable in 10 equal quarterly installments for a period of 2.5 years at the rate of 3 months KIBOR plus 300 basis points.

The facility has been secured against the following:

- Equitable mortgage charge to the extent of PKR 100M over fixed asset of HKC; and
- Corporate guarantee of TPL Properties Limited.

16.3 During the year, the Group has availed the facility of Rs. 200 million from a commercial bank through an agreement dated June 30, 2021. The purpose of availing the facility is to finance HKC's residential / commercial building project. The amount received is repayable in 8 equal quarterly installments over a period of 2.5 years at the rate of 3 months KIBOR plus 300 basis points.

The facility has been secured against an equitable mortgage charge to the extent of fixed asset of HKC."

16.4 The Holding Company has entered into the Musharaka facility agreement of up to Rs. 50 million with a commercial modaraba company dated October 23, 2019. The purpose of the loan is to purchase HPE Proliant DL 380 Generation 10 server & core switches, access switches and transceivers. The amount received against the facility is repayable in monthly installments for a period of 3 years at the rate of 6 months KIBOR plus 3.5% per annum. The facility has been secured against the following:

- Title of the assets in the name of Modaraba Company for the entire facility tenor; and

- Post dated cheques for the entire facility tenor.

16.5 The Holding Company had entered into Musharka agreement with commercial bank dated December 24, 2020 for the purpose of purchasing new imported vehicle operating lease amounting to Rs. 63.68 million. The amount received is repayable in equal quarterly installments over a period of 5 years at mark-up of 3 months KIBOR plus 1.90% per annum. The facility has been secured against the following:

- Title and ownership of DM assets under HPA/ Lien marking in favor of the bank with excise & taxation authority (motor / vehicles);
- Minimum 10% equity contribution made by the Holding Company towards the price of DM Asset;
- Exclusive Charge over DM vehicle in favor of ABPL to be registered with SECP; and
- Post-dated cheques to be provided for quarterly DM installments (principal + profit) to be provided.

16.6 During the year, the Holding Company has entered into an agreement with a commercial bank dated June 24, 2021, for raising financing to the extent of Rs. 1 billion. It is repayable on September 30, 2022, including mark-up at 1 year KIBOR per annum. The purpose of the loan is to facilitate Real Estate Development Projects. The facility has been secured against the following:

- Ranking charge of Rs.1,333 million over Non-Current Assets (excluding Land & Building) of the Holding Company with 25% margin duly insured in bank's favor covering all risk and registered with SECP;
- Ranking charge of Rs.1,333 million over receivables and short-term investments of the Holding Company with 25% margin duly insured in bank's favor covering all risk and registered with SECP; and
- Personal Guarantee of Directors.

16.7 During the year, the Holding Company has entered into a demand finance facility amounting to Rs. 500 million from a commercial bank through an agreement dated June 23, 2021. The purpose of availing the facility is to bridge the gap of funding till issuance of REIT to support different projects in pipeline. The amount received is repayable on or before December 31, 2021 / June 30, 2022 at mark-up of 3 months KIBOR + 0.250% per annum. The facility has been secured against the following:

- Pari passu charge over current and non-current assets (i.e. receivables, short-term investments, long-term investments and long-term loans to subsidiaries only) of the Holding Company for Rs. 666.667 million covering approved limit with 25% margin.

16.8 During the year, TPL TZ has entered into an agreement with a commercial bank dated June 25, 2021, for raising financing to the extent of Rs. 2.275 billion. TPL TZ has availed a portion of the facility to the extent of PKR 1 billion. The amount received is repayable in 8 semi-annual installments for a period of 7 years (inclusive of 3 years grace period) including mark-up at the rate of 6 months KIBOR plus 2.25%. The purpose of the loan is to facilitate Real Estate Development Projects. The facility has been secured against the following:

- create a first charge by way of hypothecation over hypothecated assets in favour intercreditor agent in the sum of Rs.3.033 billion;

- equitable mortgage by the way of deposit of title deeds over the mortgaged property in favour of intercredit agent in the sum of Rs.3.03 billion, which mortgage shall rank with pari passu, inter se, the syndicate;

- assign the rights, benefits and receivables of the customer under the project documents in favour of intercreditor agent in the sum of Rs.3.033 billion;

- assign all the future receivables of the customer including but not limited to cashflows arising from rent/sale proceeds of offices and hotel(s) rented/sold by the customer to the allotees under the pursuant to the respective agreements, in favour of the intercredit agent in the sum of Rs.3.033 billion;

- create a lien and right of set-off over the project accounts in favour of intercredit agent in the sum of Rs.3.033 billion;

- procure issuance of the corporate guarantee from the guarantor in form and substance acceptable to the intercredit agent;

- execute such other documents and deeds as may reasonably be requested by the intercredit agent for the purpose of more fully perfecting the security created in terms of this clause 3; and

- provide such other security either by way of pledge, hypothecation, mortgage or otherwise as may be mutually agreed between the syndicate and the customer, either in addition to or in substitution of the securities mentioned above.

		2021	2020
17	**DEFERRED TAX LIABILITY**	------------- (Rupees)	-------------
	Deferred tax liability on taxable temporary differences:		
	Advance from tenants (net of receivables)	-	15,808,675
18	**GAS INFRASTRUCTURE DEVELOPMENT CESS (GIDC) LIABILITY**		
	GIDC liability	31,221,926	-
	Less: current portion of GIDC liability	(11,642,332)	-
		19,579,594	-

18.1 The Honorable Supreme Court of Pakistan ("SCP") through its judgement dated August 13, 2020 ("Judgement") declared that the levy imposed under the Gas Infrastructure Development Cess ("GIDC") Act, 2015 ("the Act") is valid and in accordance with the provisions of the Constitution of Pakistan, 1973. The SCP in its Judgement has issued the following directions:

- All industrial and commercial entities which consume gas for their business activities pass on the burden to their customers, therefore, GIDC that has become due upto July 31, 2020, and has not been recovered so far shall be recovered by the companies responsible under the Act to recover from their consumers;

- Gas companies responsible to collect GIDC under the Act should recover the unpaid GIDC (which has accrued but yet not collected) in 24 equal monthly installments starting from August 1, 2020, without the component of Late Payment Surcharge ("LPS"). The LPS shall only become payable for the delays that may occur in the payment of any of the 24 installments.

Pursuant to the Judgement, the Holding Company recognised a provision amounting to Rs. 76,391,813 as at June 30, 2020.

On November 2, 2020, the SCP in their judgment on the review petitions instructed the Government to recover the GIDC in 48 installments instead of 24. In pursuance of the aforementioned decision, Sui Southern Gas Company Limited has commenced invoicing of GIDC payable to the Holding Company in 48 equal installments from August 2020. Accordingly, the management of the Company, derecognised the existing liability for GIDC and recognised new liability for GIDC resulting in gain amounting to Rs. 29,822,466 (note 28).

Considering the recent events and developments in GIDC case, the Institute of Chartered Accountants of Pakistan (ICAP) released financial reporting guidance on the "Accounting of GIDC" via Circular No. 1/2021 dated January 19, 2021 which discusses key accounting considerations for gas consumer companies. Keeping in view the financial reporting guidance of ICAP and giving due consideration to the latest available information and the expected timing of the settlement (i.e. monthly installment rather than lump sum amount), the Holding Company has remeasured its previously undiscounted liability at its present value and has accordingly, recognised remeasurement gain on liability for GIDC amounting to Rs. 4,675,263 (note 28).

19 TRADE AND OTHER PAYABLES

	Note	2021	2020
		(Rupees)	
Creditors		52,634,135	88,269,529
Accrued liabilities		197,368,134	11,239,140
Share application money		898,750	898,750
Provision for GIDC	18.1	-	76,391,813
Retention money		609,251	5,809,251
Payable to employees fund	19.1	2,002,638	1,107,183
Withholding income tax payable		9,169,232	1,342,304
	19.2	262,682,140	185,057,970

19.1 Investments out of provident fund have been made in accordance with the provisions of the Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

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

20 DUE TO RELATED PARTIES - unsecured

	Note	2021	2020
		(Rupees)	
Parent Company			
TPL Corp Limited		-	4,531,886
Associated Companies			
TPL Trakker Limited		2,169,130	5,700,233
TPL Security Service (Private) Limited		-	13,256,100
	20.1	2,169,130	23,488,219

20.1 Represents the amount payable to related parties on account of expenses incurred and services acquired by the Company.

21 ACCRUED MARK-UP

	2021	2020
	(Rupees)	
Long-term financing	43,513,585	93,155,109
Mark-up on Diminishing Musharaka Arrangements	959,939	552,944
Short term borrowings - secured	210,959	13,747,833
	44,684,483	107,455,886

Notes to the Consolidated Financial statements

For the year ended June 30, 2021

22 CONTINGENCIES AND COMMITMENTS

22.1 Contingencies

22.1.1 The Holding Company has filed a petition before the Honorable Sindh High Court (the Court) challenging the vires of Section 5A of Income Tax Ordinance 2001 introduced through Finance Act 2017 whereby the Holding Company is required to make payment of additional amount of 7.5% of the accounting profit after tax. The Court passed an interim order that no coercive action would be taken against the petitioner under the garb of the impugned Section, as has been passed in similar other petitions pending adjudication.

During the current year, the Court, through its order dated 30 April 2021, declared the insertion of section 5A of the Ordinance as ultra vires to the Constitution of Islamic Republic of Pakistan, 1973 and therefore struck down the provisions of the aforesaid section. Accordingly, in light of the above judgment of the Court, the provisions of section 5A of the Ordinance are no longer applicable on the Holding Company, until such matter is decided otherwise by the Honorable Supreme Court."

22.1.2 The Holding Company does not charge SST on its rental income on the ground that lending property on rent is not a service. The Holding Company had challenged the above levy before the Court. The Honorable High Court of Sindh held, vide its judgment dated 18 August 2017, that the renting of immovable properties shall not be services on the premise that such activity is not covered in the definition of economic activity as provided in the Sindh Sales Tax on Services Act, 2011. The said order of High Court of Sindh has been challenged by the Sindh Revenue Board (SRB) before the Honorable Supreme Court of Pakistan (SCP) simultaneously the Sindh Legislature has amended the definition of economic activity to neutralize effect of the said judgment of the Sindh High Court. Certain taxpayers have again challenged the levy of Sindh sales tax on renting of immovable property on the basis that it does not involve any element of service and that the judgement of SHC is still in-tact. SHC has also granted stay to the said taxpayers. The management is also of the view that the judgement of SHC is still intact and, therefore, currently no SST is being charged by the Holding Company while invoicing rentals and no provision has been made in the consolidated financial statements in this respect.

		Note	2021	2020
			------------- (Rupees) -------------	
22.2	**Commitments**			
	22.2.1 Letter of credit			
	Outstanding amount		16,854,000	16,854,000
	Commitments in respect of purchase of shares	8.2	2,380,000,000	-
23	**INCOME**			
	Rental Income		283,898,566	505,973,897
	Less: Discount		-	(9,729,529)
			283,898,566	496,244,368
	Maintenance and other services		177,577,332	209,671,325
	Less: Sale tax on services		(23,085,053)	(27,547,474)
			154,492,279	182,123,851
			438,390,845	678,368,219
24	**DIRECT OPERATING COSTS**			
	Salaries, wages and other benefits		39,864,223	49,980,297
	Oil, gas and diesel		53,301,027	129,589,961
	Housekeeping and cleaning		12,610,000	14,027,532
	Insurance		5,869,524	7,978,628
	Repairs and maintenance		7,482,630	7,807,000
	Landscaping and plantation		3,250,000	3,765,000
	Water expenses - net	24.1	1,292,874	2,796,766
	Duties and taxes		760,147	1,031,628
			124,430,425	216,976,812

24.1 These include water expenses net of reimbursement from tenants.

25 ADMINISTRATIVE AND GENERAL EXPENSES	Note	2021	2020
		(Rupees)	
Salaries, wages and other benefits	25.1 & 25.2	292,698,109	44,101,524
Legal and professional		33,000,438	22,198,610
Repairs and maintenance		38,572,680	29,206,454
Rent		19,074,495	11,737,841
Donations	25.3	25,500,000	3,400,000
Gym running expenses		2,200,000	3,650,034
Entertainment and recreation		122,793	1,872,822
Fuel and mobile		2,687,865	1,689,978
Advertisement		3,040,477	1,428,695
Depreciation	4	7,667,320	3,611,320
Amortization	5	250,140	250,130
Travelling expenses		11,940,682	1,321,715
Auditors' remuneration	25.4	3,747,898	4,362,206
Printing and stationery		858,065	1,269,967
Insurance		3,855,308	2,916,543
IT related expenses		1,285,462	1,115,927
Provision for expected credit loss		2,878,861	547,936
Subscriptions		350,299	226,950
Utilities		1,729,627	714,588
Staff welfare		671,266	309,980
Training and development		-	40,460
Courier and telecommunication		981,079	311,478
Tenant compensation		131,586,000	-
Security fees		12,202,726	1,330,812
Operating lease		2,831,026	-
Fire and safety		780,122	-
Others		-	13,035,330
		600,512,738	150,651,300

25.1 These include Rs. 7.634 million (2020: Rs. 6.421 million) in respect of staff retirement benefits (provident fund contribution).

25.2 This includes provision for staff bonus amounting to Rs. 160 million (2020: nil) and provision of employee share options of Rs. 80.440 million (note 15.2).

25.3 Details of donations where donation to a single party exceeded the higher of 10% of the Group's total amount of donations or Rs. 1 million are as follows:

	2021	2020
	(Rupees)	
Sindh Institute of Urology and Transplantation (SIUT) Trust	2,500,000	2,500,000
The Aga Khan University Hospital (The Patient's Behbud Society for AKUH)	-	500,000
Friends of Pink Ribbon Karachi Chapter	-	200,000
Pakistan Institute of Labor Education & Research	-	200,000
Patient Aid Foundation	10,000,000	-
Shaukat Khanam Hospital	4,200,000	-
Baitul Sukoon	2,500,000	-
Jafaria Disaster Cell Welfare Organization	1,000,000	-
Karwan-e-Hayat, Institute of Mental Health Care	1,000,000	-
	21,200,000	3,400,000

25.3.1 The recipients of donations do not include any donee in which a director or spouse had any interest.

	2021	2020
	------------- (Rupees) -------------	

25.4 Auditors' remuneration

	2021	2020
Audit fees		
Statutory		
- standalone	2,250,000	2,050,000
- consolidation	290,000	275,000
	2,540,000	2,325,000
Half yearly review fee	550,000	500,000
Certifications	416,679	1,166,100
Out of pocket	241,219	371,106
	3,747,898	4,362,206

26 FINANCE COSTS

	2021	2020
Mark-up on		
- long-term financing	320,818,758	351,657,830
- assets under Diminishing Musharaka Arrangement	21,291,246	5,029,255
- short-term borrowings	81,605,441	61,760,110
	423,715,445	418,447,195
Bank charges	1,571,499	624,433
	425,286,944	419,071,628

27 OTHER INCOME

	Note	2021	2020
		------------- (Rupees) -------------	
Income from financial assets			
Profit on saving accounts		27,960,367	12,995,439
Un-realised gain on investments in mutual funds		3,353,318	383,601
Realised gain on sale of investment in mutual fund		21,430,236	3,339,941
Mark-up on investments		-	744,384
Dividend income		1,170,379	4,570,351
Exchange gain		1,295	-
		53,915,595	22,033,716
Income from non-financial assets			
Fair value gain on investment property	6.2	684,723,458	292,165,699
Gain on disposal of operating fixed assets		500,000	-
Gain on disposal of non-current asset held for sale		30,651,665	-
Reversal of provision for GIDC	18.1	29,822,466	-
Remeasurement gain on GIDC	18.1	4,675,267	-
Reversal for Workers' Welfare Fund (WWF)		-	9,290,946
Others		418,364	3,353,363
		750,791,220	304,810,008
		804,706,815	326,843,724

		2021	2020
28	**TAXATION**	------------- (Rupees)	-------------
	Current	8,126,782	7,954,306
	Prior	(3,156,351)	(13,990,296)
	Deferred	(15,808,675)	111,276,616
		(10,838,244)	105,240,626

28.1	**Relationship between accounting profit and tax expense**		
	Profit before taxation	59,191,900	218,447,305
	Tax at the rate of 29% (2020: 29%)	17,165,651	63,349,718
	Effect of non-taxable income for tax purpose	(233,364,976)	(105,582,815)
	Income taxed at reduced rate	3,000,233	-
	Non-deductible expense for tax purpose - net	297,481,908	205,222,756
	Others	(95,121,060)	(57,749,033)
	Tax expense for the year	(10,838,244)	105,240,626
	Effective tax rate	-18.31%	48.18%

		2021	2020
29	**EARNINGS PER SHARE - BASIC AND DILUTED**	------------- (Rupees)	-------------
	Earnings per share - basic and diluted	70,409,087	113,632,316
		------- Number of shares	-------
	Weighted average number of ordinary shares outstanding during the year	327,393,106	327,393,106
		------------- (Rupees)	-------------
	Earnings per share - basic and diluted	0.22	0.35

29.1 As further explained in note 15.2 to the consolidated financial statements, the Holding Company has granted employee share options to certain key employees meeting certain criteria. These options have anti-dilutive effect on the Group's earnings per share for the year ended 30 June 2021, and therefore have not been included in the said calculation.

		Note	2021	2020
30	**Cash and cash equivalents**		------------- (Rupees)	-------------
	Cash and bank balances	14	2,953,383,782	231,668,157
	Term deposit receipts (TDR)	13	150,455,431	-
			3,103,839,213	231,668,157

31 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND OTHER EXECUTIVES

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

	Chief Executive		Directors		Other Executives	
	2021	2020	2021	2020	2021	2020
	(Rupees)					
- Directors' fee (note 31.3)	-	-	1,500,000	200,000	-	-
- Managerial remuneration, utilities, housing perquisites, etc.	33,679,440	22,451,613	-	-	59,218,077	37,030,852
- Employee share options	50,275,000	-	-	-	30,165,000	-
- Retirement benefit	1,934,826	-	-	-	3,087,850	1,920,010
- Bonus	80,000,000	-	-	-	52,750,000	-
- Medical	2,320,560	1,548,387	-	-	3,703,423	2,302,793
Total	168,209,826	24,000,000	1,500,000	200,000	148,924,350	41,253,655
Number of persons	1	1	2	2	10	7

31.2 In addition, the Chief Executive Officer has been provided with free use of Group owned and maintained car and other benefits and is also entitled to employee share options in accordance with their entitlement.

31.3 Represents aggregate of meeting fees paid / payable to non-executive directors.

31.4 As per the Act, executive means an employee, other than chief executive and directors, whose basic salary exceeds twelve hundred thousand rupees in a financial year.

31.5 The total number of directors as at the reporting date were 8 (2020: 8).

	2021	2020
	(Rupees)	
Parent Company		
TPL Corp Limited [TPLC]		
Expenses paid by TPLC on behalf of the Holding Company	81,109,040	4,531,886
Payment made by the Holding Company	76,802,484	-
Expenses paid by the Holding Company on behalf of TPLC	15,331,305	-
Services rendered by the Group	59,203,947	-
Common Directorship		
TPL Insurance Limited [TIL]		
Expenses incurred / paid by the Holding Company on behalf of TIL	286,552	-
Payment made by the Holding Company	-	6,097,828
Amount received from TIL on account of rent	13,097,124	120,085,898
Services rendered by the Group	56,581,002	89,747,148
TPL Life Insurance Limited [TLIL]		
Expenses paid by the Holding Company on behalf of TLIL	-	4,578,101
Expenses incurred/paid by TLIL on behalf of the Holding Company	4,445,042	2,551,329
Payment made by the Holding Company	2,818,202	-
Services acquired by the Holding Company	2,709,920	-
Amount received from TLIL	-	4,800,000

	2021	2020
	------------- (Rupees) -------------	
TPL Security Services (Private) Limited [TSS]		
Payment made by the Group	19,611,360	-
Services acquired by the Group	13,260,000	12,320,880
Expenses incurred / paid by the Holding Company on behalf of TSS	46,667	-
TPL Trakker Limited [TTL]		
Payment made by the Holding Company	17,000,233	28,498,000
Expenses paid by the Holding Company on behalf of TTL	4,754,256	8,014,673
Expenses incurred/paid by TTL on behalf of the Holding Company	18,223,386	38,390,049
Amount received from TTL on account of rent and other services	-	180,965,630
Services rendered by the Group	56,694,091	128,792,776
TPL Properties Limited - Provident fund		
Employer contribution	7,633,563	6,420,588

32.1 The related parties status of outstanding receivables and payables, if any, as at June 30, 2021 and June 30, 2020 are disclosed in respective notes to these consolidated financial statements.

33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks namely credit risk, market risk, liquidity risk and capital management risk. The Group finances its operations through equity and management of working capital with a view of providing maximum return to shareholders.

33.1 Operational Risk

COVID-19 pandemic has created an unprecedented challenge for Group in terms of Business Continuity Plans. The Group is closely monitoring the situation and has invoked required actions to ensure the safety and security of Group's staff and uninterrupted service to shareholders.

Business Continuity Plans for respective areas are in place and tested. Work-from-Home capabilities have been enabled for staff where required, while ensuring adequate controls to ensure that Group's information assets are adequately protected from emerging cyber threats.

33.2 Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties failed completely to perform as contracted.

Credit risk arises from short term investments and bank balances, as well as credit exposures to customers, including trade receivables. The maximum credit risk is equal to the carrying amount of financial assets. For banks and financial institutions, only independently rated parties with reasonable credit rating are accepted. For trade receivables, internal risk assessment process considers the credit risk of the customer, taking into account its financial position, past experience and other factors.

	2021		2020	
	Consolidated Statement of Financial Position	Maximum exposure	Consolidated Statement of Financial Position	Maximum exposure
	------------- Rupees -------------		------------- Rupees -------------	
Receivables from tenants	166,921,747	166,921,747	120,040,829	120,040,829
Due from a related party	17,250,225	17,250,225	203,845	203,845
Bank balances	2,953,383,782	2,953,383,782	231,668,157	231,668,157
	3,137,555,754	3,137,555,754	351,912,831	351,912,831

Ageing analysis of receivables from tenants is as follows:

	2021			2020		
	Due from related parties	Others	Total	Due from related parties	Others	Total
	(Rupees)					
- Not overdue	-	-	-	24,120,542	8,248,205	32,368,747
- 01 to 30 days	10,953,719	2,006,816	12,960,535	-	37,044,510	37,044,510
- 31 to 60 days	7,497,704	1,907,521	9,405,225	-	481,568	481,568
- 61 to 90 days	6,198,750	6,465,631	12,664,381	-	218,706	218,706
- Past due over 90 days	129,184,688	5,740,801	134,925,489	-	50,082,320	50,082,320
Total receivables from tenants	153,834,861	16,120,769	169,955,630	24,120,542	96,075,309	120,195,851
Allowance for expected credit losses	(2,878,861)	(155,022)	(3,033,883)	-	(155,022)	(155,022)
	150,956,000	15,965,747	166,921,747	24,120,542	95,920,287	120,040,829

The credit quality of financial assets other than bank balances and short term investments can be assessed with reference to their historical performance with no or some defaults in recent history, however, no losses.

The credit quality of Group's bank balances and short term investments can be assessed with reference to external credit ratings as follows:

Bank Balances by short-term rating category	Rating Agency	2021	2020
		(Rupees)	
A1+	PACRA	-	5,522,383
A-1+	JCR-VIS	2,656,194,461	3,754,891
A1	PACRA	73,232,933	315,623
A2	JCR-VIS	22,868,006	14,740,463
A3	JCR-VIS	155,112,412	201,754,688
A4	JCR-VIS	45,975,970	-
		2,953,383,782	226,088,048

33.3 Market risk

Market risk is the risk that the value of the financial instruments may fluctuate as a result of changes in market currency rates, interest rates or the equity prices due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. There has been no change in the Group's exposure to market risk or the manner in which this risk is managed and measured.

33.4 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 reporting date, the Company is not materially exposed to currency risk and accordingly, the sensitivity to a reasonably possible change in the exchange rate with all other variables held constant is not reported.

33.5 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 reporting date, the Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term financing and short-term borrowings at floating interest rates.

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

	Increase / decrease in basis points	(Decrease) / increase in profit before tax (Rupees)
2021	+100	(23,662,417)
	-100	23,662,417
2020	+100	(15,152,656)
	-100	15,152,656

33.6 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 reporting date, the Group is not exposed to other price risk.

33.7 Liquidity risk

Liquidity risk represents the risk that the 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 reporting date, the Group is exposed to liquidity risk in respect of long-term financings, short-term borrowings, trade and other payables and due to related parties.

The table below summarises the maturity profile of the Group's financial liabilities at June 30, 2021 and June 30, 2020 based on contractual undiscounted payment dates and present market interest rates:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	(Rupees)					
June 30, 2021						
Long-term financing	-	14,885,396	534,840,225	2,321,570,401	-	2,871,296,022
GIDC liability	-	1,940,388	9,701,940	19,579,594	-	31,221,922
Trade and other payables	-	-	262,682,140	-	-	262,682,140
Due to related parties	-	-	2,169,130	-	-	2,169,130
Accrued mark-up	-	44,684,483	-	-	-	44,684,483
	-	61,510,267	809,393,435	2,341,149,995	-	3,212,053,697

June 30, 2020	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	(Rupees)					
Long-term financing	-	88,000,000	88,000,000	1,482,500,000	1,200,000,000	2,858,500,000
Short term borrowings	-	-	400,000,000	-	-	400,000,000
Trade and other payables	-	-	195,230,383	-	-	195,230,383
Due to related parties	-	-	22,206,298	-	-	22,206,298
Accrued mark-up	-	104,486,276	-	-	-	104,486,276
	-	192,486,276	705,436,681	1,482,500,000	1,200,000,000	3,580,422,957

33.8 Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

Fair value hierarchy

Financial instruments carried at fair value are categorized as follows:

Level 1 : Quoted prices in active markets for identical assets or liabilities;

Level 2 : Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 : Inputs for the asset or liability that are not based on observable market data.

The Group held the following financial instruments measured at fair value:	Level 1	Level 2	Level 3	Total
	(Rupees)			
June 30, 2021				
Investment property	-	1,470,752,861	-	1,470,752,861
Short-term investments at fair value through profit or loss	-	784,808,221	-	784,808,221
June 30, 2020				
Investment property	-	28,308,153	-	28,308,153
Short-term investments at fair value through profit or loss	-	49,857,359	-	49,857,359

33.9 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.

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, capital reserve and revenue reserve. The gearing ratio as at June 30, 2021 and June 30, 2020 are as follows:

Notes to the Consolidated Financial statements

For the year ended June 30, 2021

	Note	2021	2020
		------------- (Rupees)	-------------
Long-term financing	16	2,321,570,401	248,555,232
GIDC liability	18	19,579,594	-
Trade and other payables	19	262,682,140	185,057,970
Due to related parties	20	2,169,130	23,488,219
Accrued mark-up	21	44,684,483	107,455,886
Short-term borrowings		-	400,000,000
Advance against rent from tenants		-	148,002,285
Total debts		2,650,685,748	1,112,559,592
Less: Cash and bank balances	14	2,953,383,782	225,528,957
Net (surplus) / debt		(302,698,034)	887,030,635
Total equity		6,158,359,125	6,438,268,372
Total capital		5,855,661,091	7,325,299,007
Gearing ratio		-	12%

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, 2021 was 22 (June 30, 2020: 24) and average number of employees during the year was 17 (June 30, 2020: 22).

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

35 DATE OF AUTHORIZATION OF ISSUE

These consolidated financial statements were authorised for issue on 10th September, 2021 by the Board of Directors of the Group.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting ("AGM") of TPL Properties Limited ("Company") will be held on Thursday, October 21, 2021 at 11:30 a.m. through electronic mode, to transact the following business:

ORDINARY BUSINESS:

1. To approve the minutes of the Extraordinary General Meeting held on August 09, 2021.

   "RESOLVED THAT the minutes of Extraordinary General Meeting of TPL Properties Limited held on August 09, 2021 at 11:30 am be and are hereby approved."

2. To receive, consider and adopt the Annual Standalone and Consolidated Audited Financial Statements of the Company together with the Directors', Auditors' and Chairman's Review Report thereon for the year ended June 30, 2021.

   "RESOLVED THAT the Annual Standalone and Consolidated Audited Financial Statements of TPL Properties Limited together with the Directors', Auditors' and Chairman's Review Report thereon for the year ended 30 June 2021 be and are hereby approved."

3. To appoint Auditors for the year ending June 30, 2022 and fix their remuneration. M/s. EY Ford Rhodes, Chartered Accountants retire and being eligible, have offered themselves for re-appointment.

   "RESOLVED THAT M/s EY Ford Rhodes, Chartered Accountants be and are hereby appointed as Auditors of M/s. TPL Properties Limited on the basis of consent received from them, at a fee mutually agreed for the period ending June 30, 2022."

4. To consider and approve the interim cash dividend already paid at Rs. 1 per share i.e 10%. **"RESOLVED THAT** the interim cash dividend of Rs. 01/- per share (i.e. 10%), already paid to members on June 25, 2021, be and is here approved."

ANY OTHER BUSINESS:

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

By Order of the Board

Danish Qazi
Company Secretary **Karachi, September 30, 2021**

Notes:

1. **Reason for holding AGM through electronic mode i.e. Coronavirus Contingency Planning**

   In view of the threat of pandemic outbreak of COVID-19 (Corona Virus) and directives of the Securities and Exchange Commission of Pakistan (SECP) vide its Circulars requiring listed companies to modify their usual planning for general meetings to protect the wellbeing of shareholders, the Company requests its members to attend and participate in the general meeting through video link facility only to avoid large gathering at one place and prevent pandemic outbreak of COVID-19 (Corona Virus).

   Therefore, to attend and participate in the AGM through video link facility, members are requested to register their particulars (Name, Folio/CDS Account Number, CNIC Number and Cell Phone Number) with the Company Secretary by emailing to company.secretary@tplholdings.com at least 24 hours before the time of AGM.

   The members can also provide comments/suggestions for the proposed agenda items of the Annual General Meeting by emailing the same to company.secretary@tplholdings.com.

Notice of Annual General Meeting

2. Closure of Share Transfer Books:

The Share Transfer Book of the Company will remain closed from October 15, 2021 to October 21, 2021 (both days inclusive). Share Transfers received at M/s THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi-75500. Pakistan by the close of business hours (5:00 PM) on October 14, 2021, will be treated as being in time for the purpose of above entitlement to the transferees.

3. Participation in the Meeting:

As per directives of Securities and Exchange Commission of Pakistan to convene the general meeting with minimum members ensuring quorum of the meeting, the members are requested to consolidate their attendance and voting at Annual General Meeting through proxies.

All members of the Company are entitled to attend the meeting and vote there at through Proxy. A proxy duly appointed shall have such rights as respect to the speaking and voting at the meeting as are available to a member. Duly filled and signed Proxy Form must be received at the Registrar of the Company M/s THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi-75500. Pakistan, not less than 48 hours before the Meeting.

4. For Attending the Meeting:

i. In case of individual, the Account holder and/or Sub-account holder whose registration details are uploaded as per the CDC regulations, shall authenticate his/her identity by providing copy of his/her valid CNIC or passport along with other particulars (Name, Folio/CDS Account Number, Cell Phone Number) via email to aforementioned ID and in case of proxy must enclose copy of his/her CNIC or passport.

ii. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be provided via email to aforementioned ID.

5. Change of Address:

Members are requested to immediately notify the change, if any, in their registered address to the Share Registrar M/s. THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi-75500. Pakistan.

6. Accounts of the Company for the year ended June 30, 2021 have been placed on the website of the Company, http://tplproperty.com/.

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Form of Proxy
Annual General Meeting of TPL Properties Limited

I/We _______________________________S/o / D/o / W/o _______________________ resident of (full address) ____ being a member(s) of TPL Properties Limited, holding _______________ ordinary shares, hereby appoint _____________________________ S/o / D/o / W/o ___________________________ resident of (full address)_______________________________________ or failing him / her _______________________________ S/o / D/o / W/o ___________________________ resident of (full address)______________________________ as my / our proxy in my / our absence to attend and vote for me / us on my / our behalf at Annual General Meeting of the Company to be held on Thursday, 21 October, 2021 and/or adjournment thereof.

As witness my / our hand (s) seal this on the _______________ day of _____________________ 2021.

Signed by the said:

Folio No. / CDC Account No.

In presence of:

1. Signature: ____________________

   Name: ____________________

   Address: ____________________

   CNIC or Passport No: ____________________

2. Signature: ____________________

   Name: ____________________

   Address: ____________________

   CNIC or Passport No: ____________________

Signature on Revenue Stamp of Appropriate Value.

The signature should agree with the specimen registered with the Company.

Important Instructions:

1. The Proxy form, duly completed and signed, must be received at the Registrar's Office of the Company not less than forty eight (48) hours before the time of holding the meeting.

2. If a member appoints more than one proxy and more than one instrument of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

3. In case of a proxy for an individual CDC shareholder, attested copies of CNIC or the passport, account and participant's ID number of the beneficial owner and along with the proxy is required to be furnished with the proxy form.

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

(نیابت) پراکسی فارم

TPL پراپرٹیز لمیٹڈ

میں/ہم ______________________ جس کا / جن کا / مکمل پتہ
______________________ ہے، ٹی پی ایل پراپرٹیز لمیٹڈ کا ممبر ہوں/ ہیں۔
اور میرے/ہمارے پاس ______________________ نمبر کے آرڈنری شیئرز ہیں
بذریعہ تقرر ______________________
______________________ جس کا مکمل پتہ ______________________
____
یا اسکی عدم موجودگی میں ______________________ مکمل پتہ ______________________
____

میری/ہماری جانب سے کمپنی کی سالانہ جنرل میٹنگ میں، جو کہ جمعرات ۲۱ اکتوبر ۲۰۲۱ کی میٹنگ، یا اس کے التواء کی صورت میں اس کے بعد جب بھی میٹنگ ہو، میری/ ہماری نیابت (پراکسی) میں میری/ہماری طرف سے ووٹ دینے کا حق رکھتا/رکھتی ہے۔

زیر دستخطی ______________________ دن ______________________ ۲۰۲۱

1۔ دستخط: ______________________
نام: ______________________
پتہ: ______________________
شناختی کارڈ یا پاسپورٹ نمبر ______________________

دستخط کنندہ
فولیو نمبر/ سی ڈی سی آ کاؤنٹ نمبر

برائے مہربانی یہاں ریونیو سٹمپ چسپاں کریں

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

2۔ دستخط: ______________________
نام: ______________________
پتہ: ______________________
شناختی کارڈ یا پاسپورٹ نمبر ______________________

ہدایات:

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

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

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

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

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

Corporate Office*

12th Floor, Centrepoint, Off Shaheed-e-Millat Expressway,
Adjacent KPT Interchange, Karachi-74900
+92-21-34390300 info@tplproperty.com www.tplproperty.com
tplproperties tpl-properties-ltd

*The registered office of the Company will be changed to 20th Floor, Sky Tower - East Wing, Dolmen City, HC-3, Abdul Sattar Edhi Avenue, Block No. 4, Clifton, Karachi.