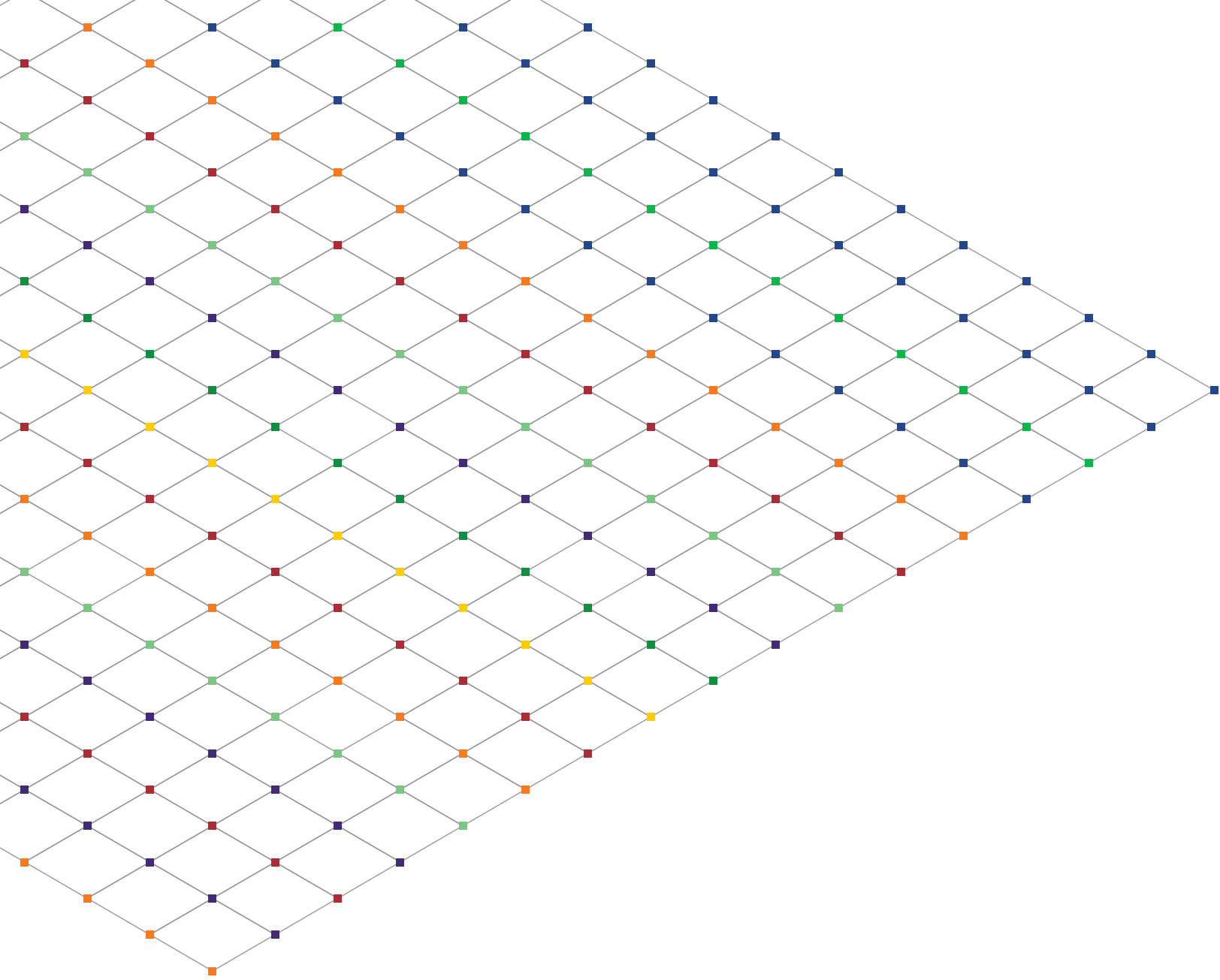




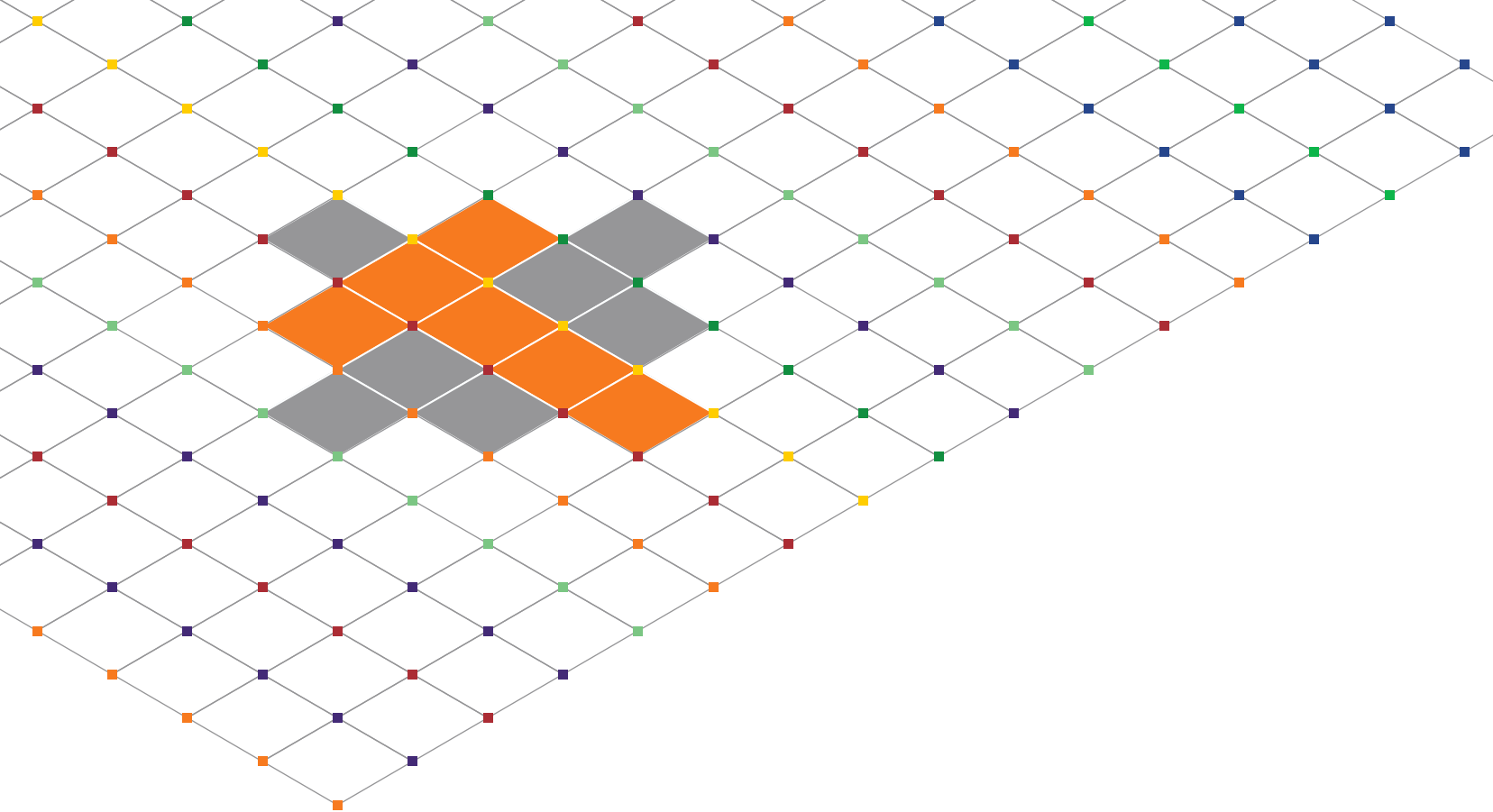
Annual Report 2019-20



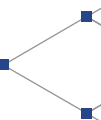
The Grid represents the strong connection between the industries we serve, however diverse they may be. Our actions, with technology at their core, remain interconnected to reach a common destination – parallel paths on a journey driven by innovation and growth.

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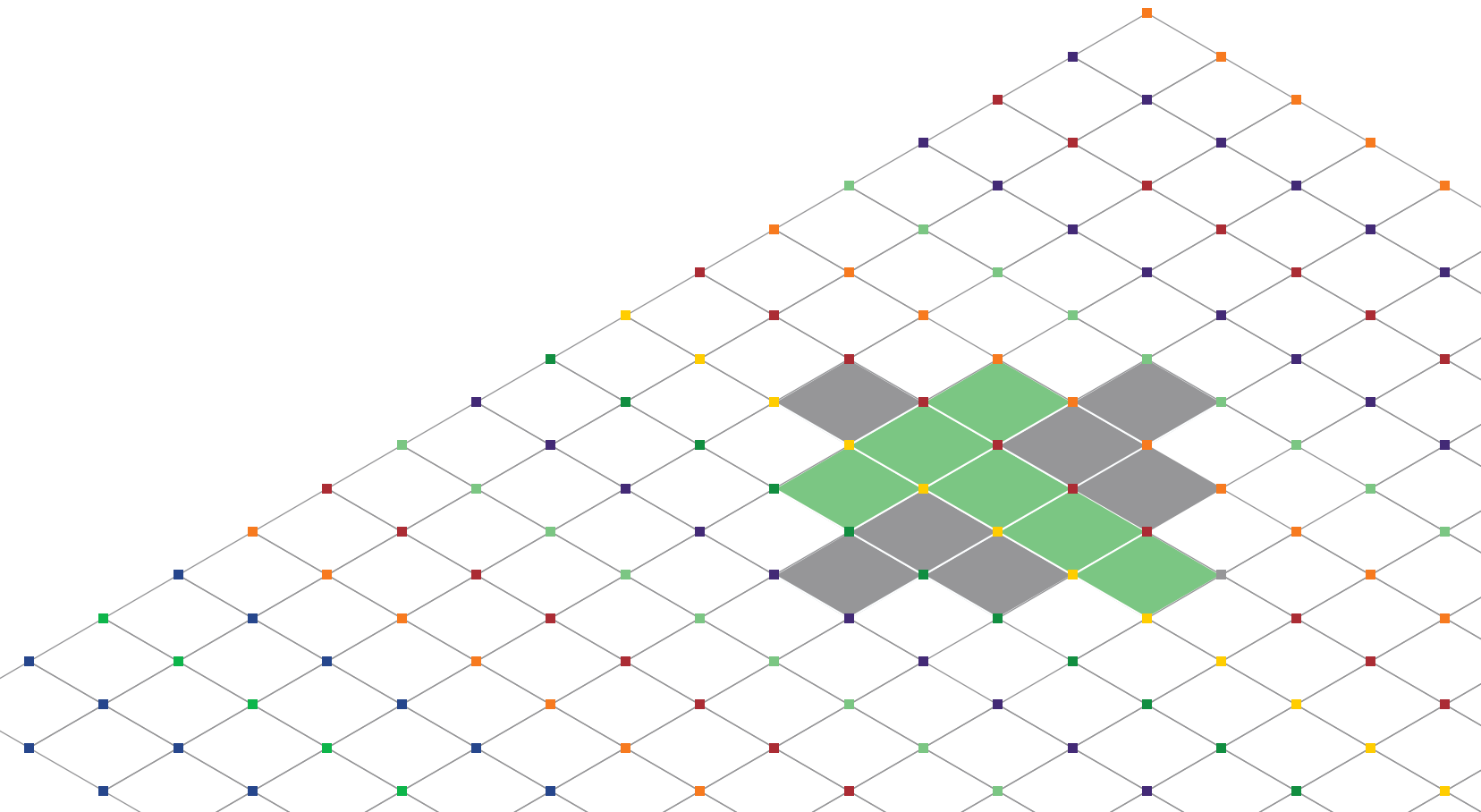


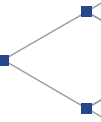
TPL Insurance is Pakistan's first digital insurance company to pioneer a call center and web-based services. With the promise to lodge claims in just 60 seconds and process them in 45 minutes, TPL Insurance upholds quality service standards through highly trained staff and innovative digital products and services.





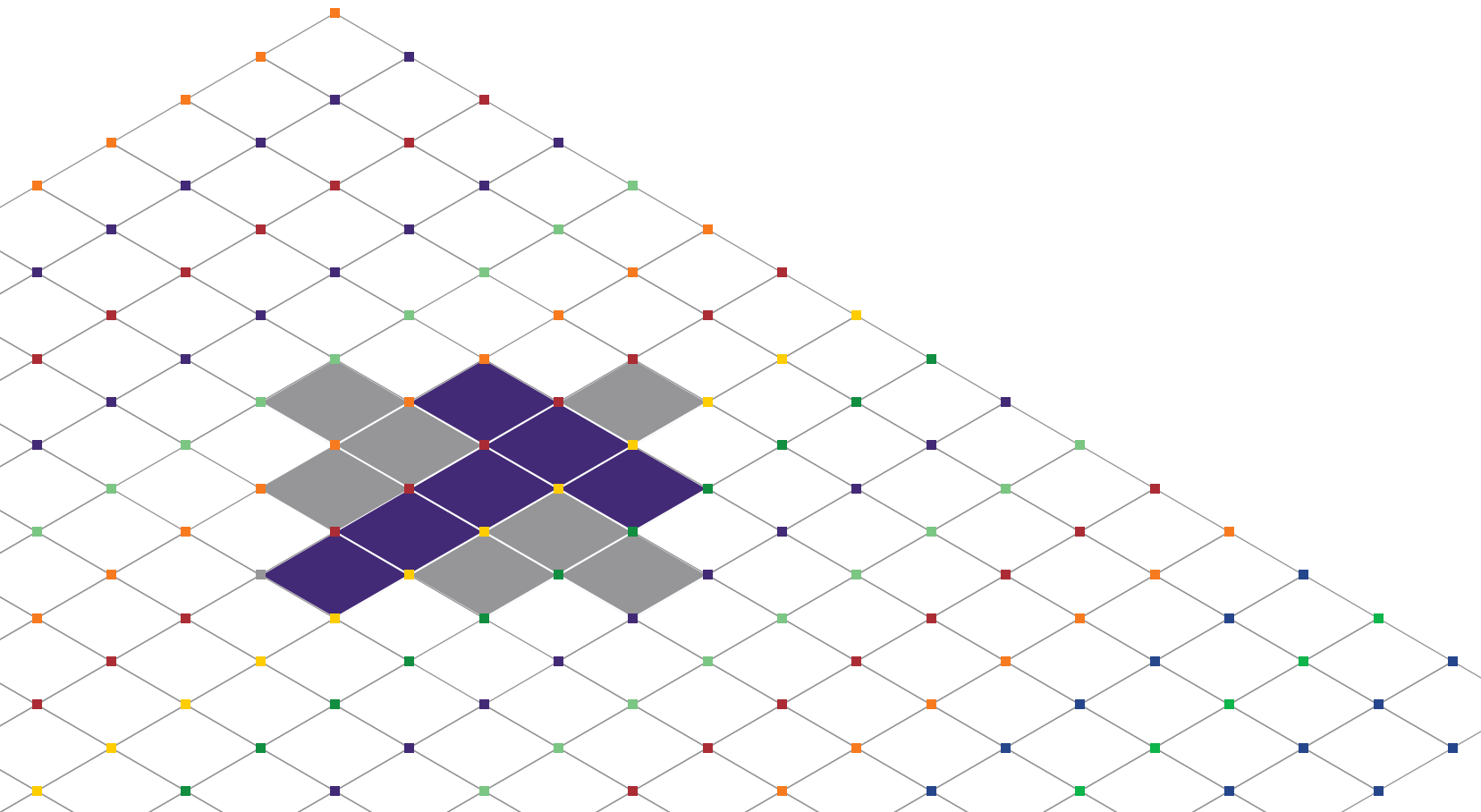
TPL Life Insurance Limited aims to provide innovative insurance solutions catering to both the Life and Health insurance needs of Corporates and Individuals. Technology, digitization and ease are at the core of everything that TPL Life does, enabling us to deliver an unmatched customer experience.

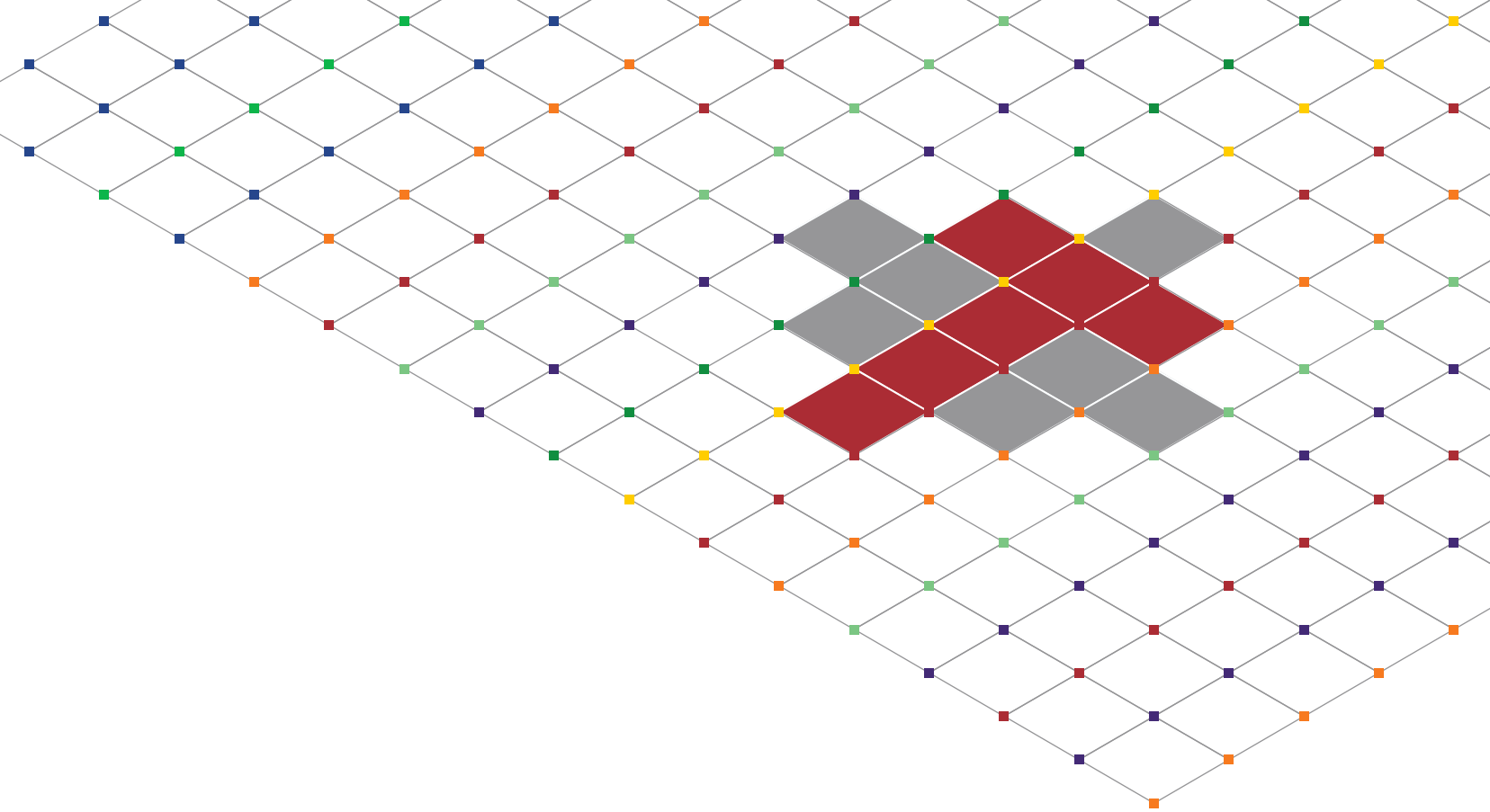




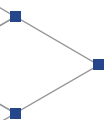
TPL Properties

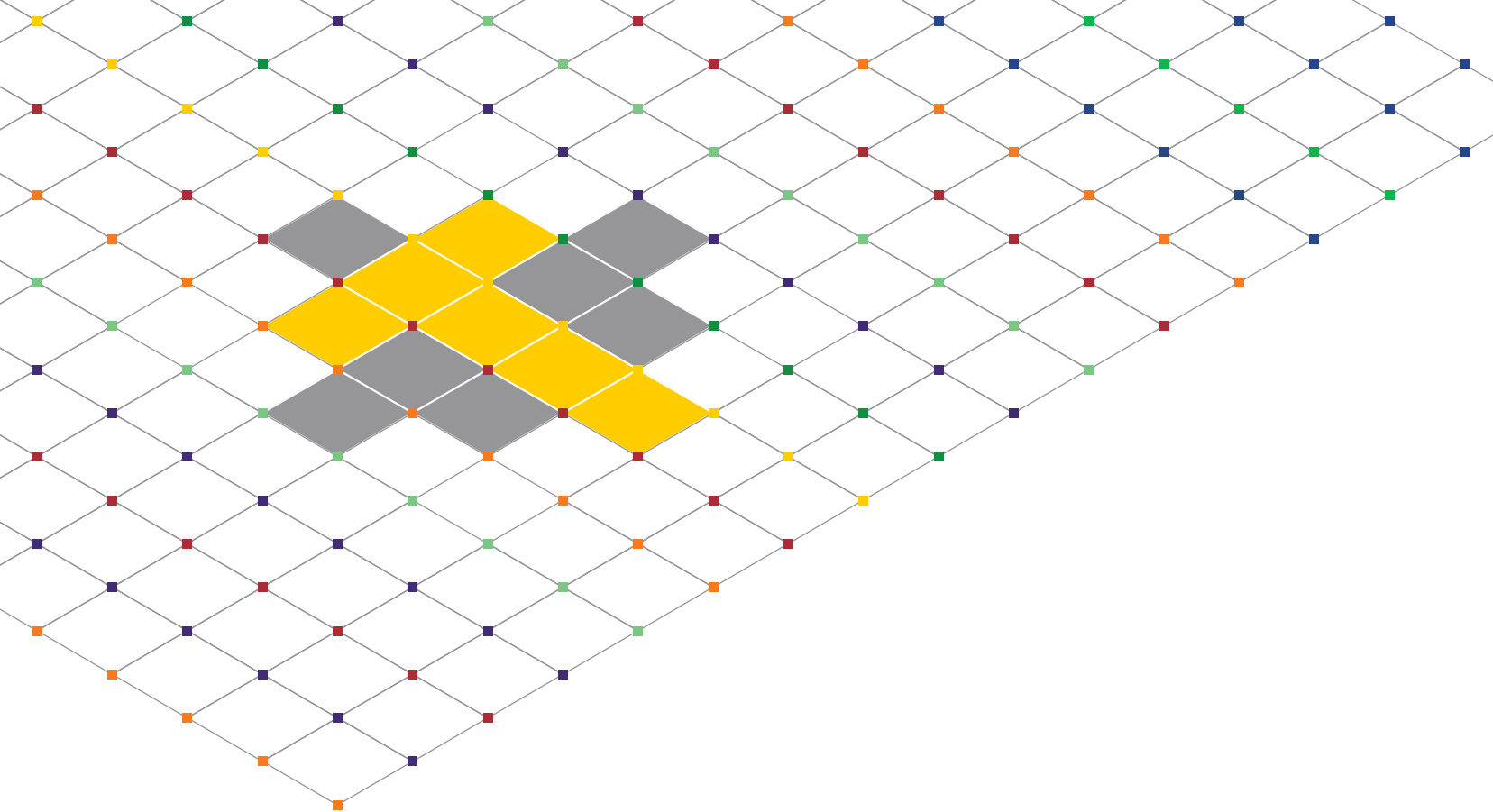
TPL Properties develops and invests in bespoke commercial and luxury residential spaces. We capitalize on growth opportunities, using our expertise to deliver value for our partners, customers and shareholders. Centrepont was TPL Properties' first project and is designed as an avant-garde commercial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





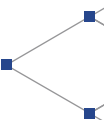
Established in 2001 as an Asset Tracking Company, TPL Trakker Ltd. has transformed into Pakistan's leading Telematics Company providing IoT, Tracking, Mapping, and Location Based Solutions. It is the only vehicle tracking company with a long-term financial status rating of A- by the Pakistan Credit Rating Agency Limited (PACRA) and, currently the only service provider of container tracking services for bonded cargo in Pakistan.

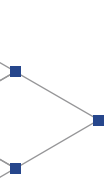




TPL Logistics

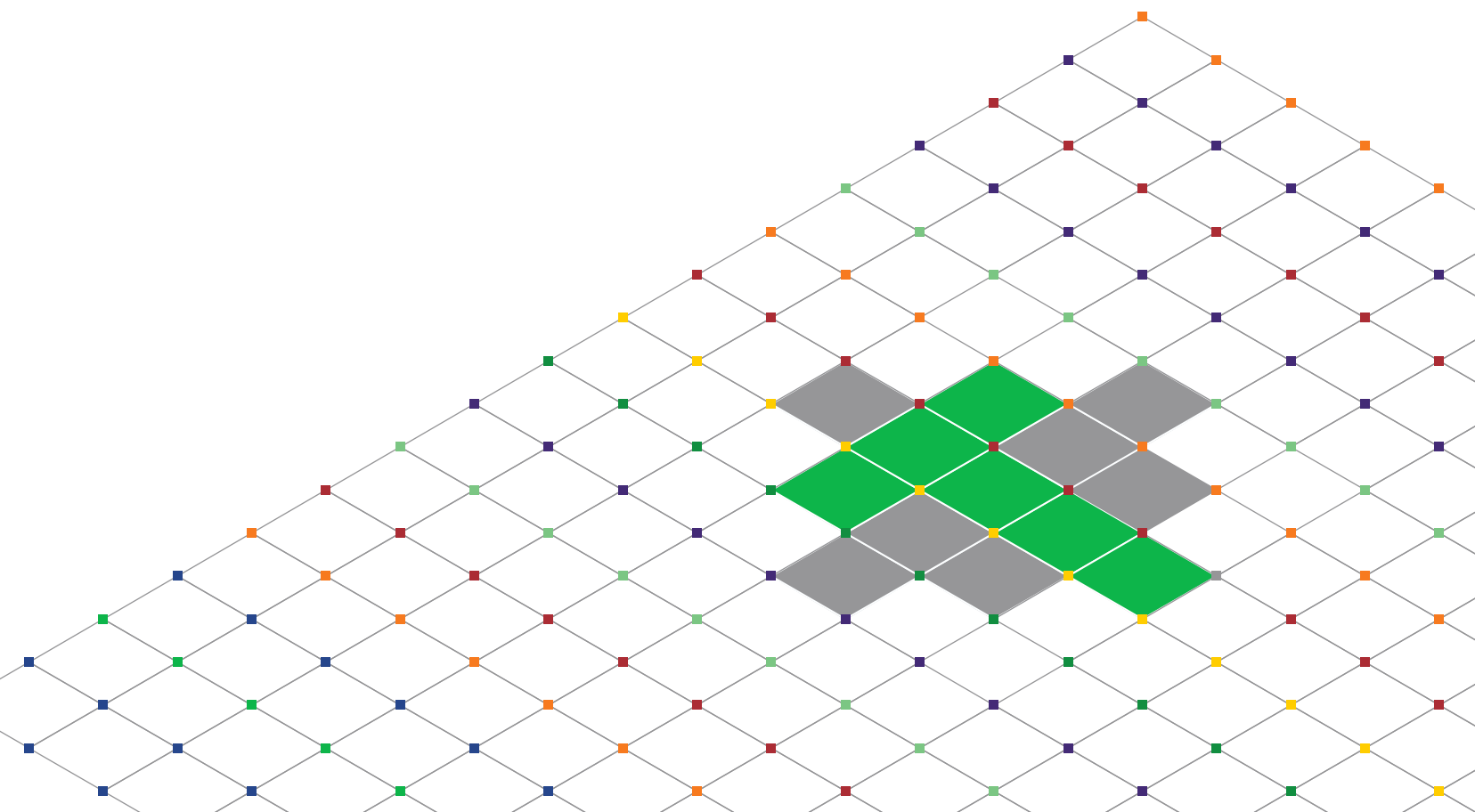
TPL Logistics was launched in 2018 and is Pakistan's first digital end-to-end logistics provider. The Company is committed to its vision of using technology to remove bottlenecks throughout the supply chain. Rider, the first initiative in the product offering, is a last mile delivery service that uses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





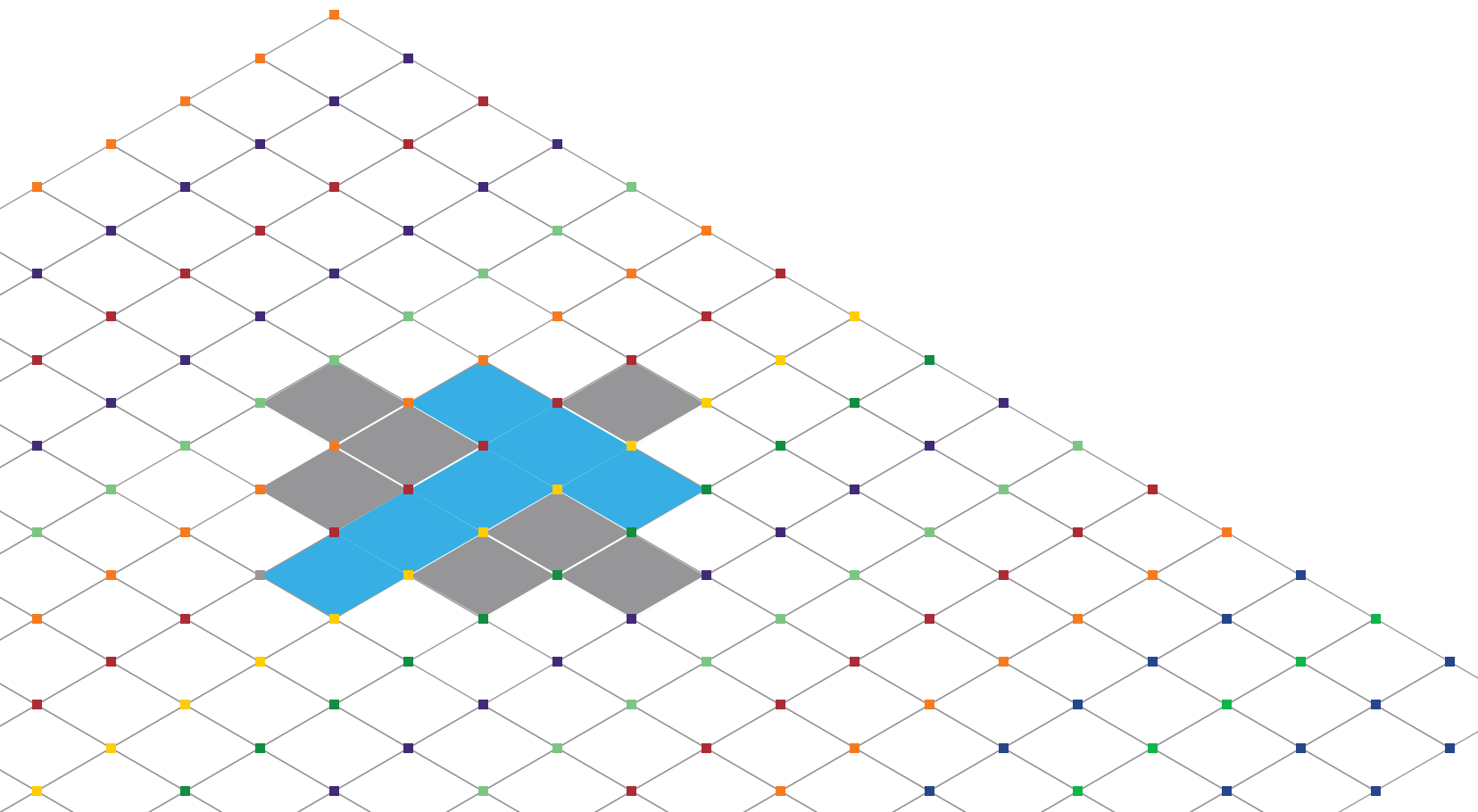
TPL Security Services

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 your needs.





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.





Rising Blue

Mural Painter: Mr. Giuseppe Percivati

Pseudonym: Pepe Gaka

Location: Centrepont, Karachi – Pakistan

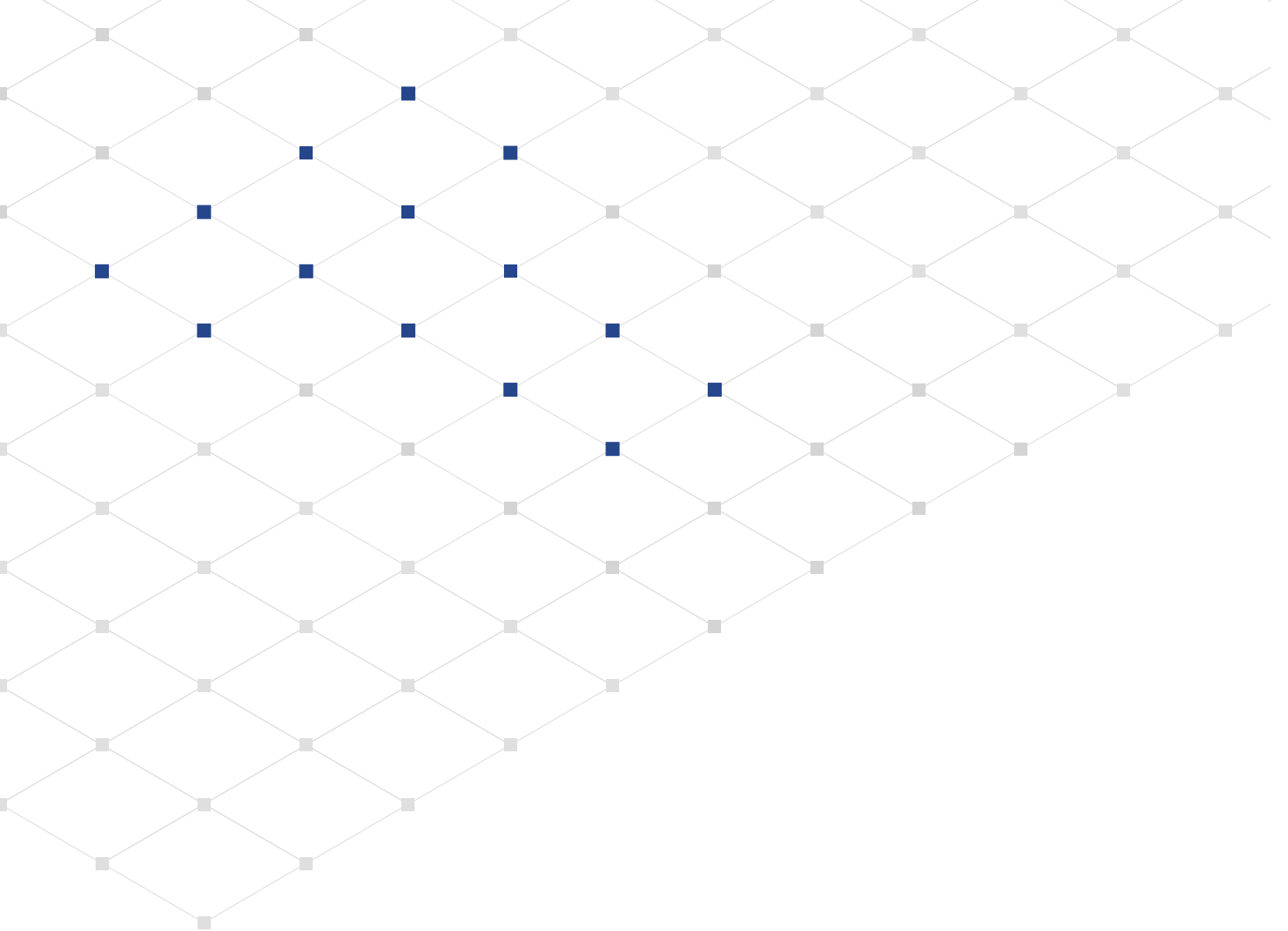
In collaboration with the International Public Art Festival (IPAF) – an initiative of I AM Karachi (IAK) – and supported by the Government of Italy and Berger Paints Pakistan Limited, the World's Tallest Mural was painted on Centrepont Karachi, the flagship office building of TPL Properties.

Pepe Gaka is a mural artist from Italy. His work includes depictions of the relationship between human beings and nature, creating pieces that are in harmony with their surroundings.

The 286 feet tall mural traces the stunning Karachi coastline. The bird shown is found in Karachi around the record breaking million mangroves planted across a coast stretching 350 km.

The Red Dot on the top, dates back to Britain's greatest art rivalry in the 18th century between Joseph Mallord William Turner and John Constable, whose painting, "The Opening of Waterloo Bridge" was hung alongside Turner's latest seascape. The surface of Constable's painting stood out, leaving its rival in the shadow. Turner retaliated by painting a red dot in the middle of his green sea, changing the entire composition.

The red dot also represents the logo of Centrepont.



Vision

Disrupt. Innovate. Create Value.

Mission

To use disruptive technology to maximize stakeholder return and achieve sustainable growth for our portfolio companies.

Core Values

Integrity | Entrepreneurial Spirit | Value Creation
Team Work | Diversity | Gender Equality

Company Information

Board of Directors

Jameel Yusuf S.St.
Ali Jameel
Vice Admiral (R) Muhammad Shafi HI(M)
Major Gen (R) Zafar-ul-Hasan Naqvi
Bilal Alibhai
Mark Rousseau
Nadeem Arshad Elahi
Sabiha Sultan Ahmed

Director/Chairman
Director/CEO
Director
Director
Director
Director
Director

Chief Executive Officer

Ali Jameel

Chief Financial Officer

Adnan Quaid Johar Khandwala

Company Secretary

Danish Qazi

Audit Committee

Nadeem Arshad Elahi
Maj Gen (R) Zafar-ul-Hasan Naqvi
Mark Rousseau
Yousuf Zohaib Ali

Chairman
Member
Member
Secretary

Human Resource & Remuneration Committee

Nadeem Arshad Elahi
Major Gen (R) Zafar-ul-Hasan Naqvi
Ali Jameel
Nader Nawaz

Chairman
Member
Member
Secretary

Auditors

EY Ford Rhodes Chartered Accountants

Legal Advisor

Mohsin Tayebali & Co

Bankers

Habib Metropolitan Bank Limited
Standard Chartered Bank Limited
National Bank of Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Summit Bank Limited
Bank Al Habib Limited

Habib Bank Limited
JS Bank Limited
Silkbank Limited
United Bank Limited
Faysal Bank Limited

Share Registrar

THK Associates 1st Floor, 40-C, Block-6, P.E.C.H.S.,
Karachi 75530 Tel: (021) 34168270
UAN: 111-000-322 Fax: (021) 34168271

Registered Office

12th Floor, Centrepont, Off-Shaheed-e-Millat Expressway,
Adjacent KPT Interchange, Karachi-74900

Web Presence

www.tplcorp.com

Geographical Presence

Karachi

Corporate Office
12th & 13th Floor, Centrepont,
Off Shaheed-e-Millat Expressway,
Adjacent KPT Interchange,
Karachi-74900

TPL Trakker Installation Center

20-B, Block 6, P.E.C.H.S.
Shahrah-e-Faisal, Karachi.
Phone: +92-21-34324011-13
UAN: +92-21-111-000-300
Fax: +92-21-34324014

Lahore Office

Tower 75, 4th Floor, L Block,
Gulberg III, Kalma Chow,
Main Ferozpur Road, Lahore
UAN: +92-42-111-000-300

Multan Office

House No. 2, Shalimar Colony,
Haider Street, Bosan Road
(near Toyota Multan), Multan
UAN: +92-61-111-000-300

Islamabad Office

10th Floor (South) ISE Towers,
55-B Jinnah Avenue,
Blue Area, Islamabad.
UAN: +92-51-111-000-300
Fax: +92-51-2895073

Faisalabad Office

Office No. 2, 4th Floor,
Mezan Executive Tower,
Liaquat Road, Faisalabad.
UAN: 041-111-000-300,

Hyderabad Office

A-8 District Council Complex, Hyderabad.
Phone: +92-22-2728676
Fax: +92-22-2783154
2nd Floor Plot # 15/5,
Main Auto Bhan Road Railway
Cooperative Housing Society, Hyderabad.



Chairman's Review

I am honored to apprise our shareholders, the performance of the Board of Directors of TPL Corp Limited ("Company"), which remained outstanding. The Board ably assisted the Company, specifically at the challenging moment, emerging from pandemic outbreak of COVID-19, to maintain its commitment to serving well. The Board remained well-focused towards its duties, ensuring the effective performance and reinforcing of its stakeholders' concerns.

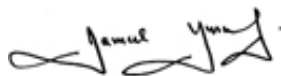
The right combination of skills and experience of independent, non-executive and executive directors aided the Management to thrive consistently in all the situations through their knowledge, thoughtful engagement and regular support, thus enabling the Company to effectively operate varied businesses in complex and fast-changing markets and environment.

The Board has conducted its annual review, on a self-assessment basis, to ensure the high standards of corporate governance throughout the Group, aiming evaluation of its processes and effectiveness, focusing on succession planning, the Board composition and the use of Boards' time.

The Committees of the Board have also played pivotal role in complying with all regulatory requirements by the Management. In order to ensure the fair representation of the financial position of the Company, the Audit Committee provided an independent review and supervision of financial reporting and monitoring. The Human resource Committee assisted in ensuring hiring and retaining key management personnel.

With the same determination and zeal, our Board shall continue its efforts for the growth of the Company in the years to come.

Wishing success in the year to come.



Jameel Yusuf S.St.
Chairman of the Board
As of June 30, 2020



CEO's Message

It has been an extraordinary year and it's safe to say a black swan event has happened. No amount of planning would have allowed us to cope better with what we faced.

TPL Corp tried to create opportunities and emerge ahead. For that, I would like to thank our team for their resilience and commitment to deliver in a difficult situation, and our stakeholders, for their trust and support during this period.

We have spent a lot of time this past year on discussing our long-term strategy and how to build sustainable shareholder value given that we will be 20 years old next year. We faced operational and strategic challenges during the year and our leadership overcame these obstacles with commitment and hard work.

Our consolidated approach to create disruption through digital expertise has enabled us to create benchmarks to achieve a new level of operational excellence and exemplary customer service. Our passion to utilize the digital paradigm brought a new shift in the Industry, exceeding the expectations of our clients and our stakeholders.

COVID-19 fundamentally changed the environment for all businesses. At the heart of it all, TPL Corp worked to ensure the safety of our people and our Nation by utilizing our core strengths within each industry domain. We remained fully functional, despite 60% of our force working from home, by equipping our people with any tool required to provide a seamless transition between locations. TPL Trakker was selected as the primary Location Based Services (LBS) provider by NITB (National Information Technology Board) and NCOC (National Command and Operation Center) to support multiple national-level applications as part of Pakistan's fight against COVID-19. Through this collaboration, TPL Maps, the mapping arm of TPL Trakker, provided vital digital tools and services to effectively eliminate the spread of the COVID-19 virus in Pakistan, playing an integral role in the Government's Smart Lockdown strategy. TPL Life launched the first exclusive COVID-19 Insurance coverage product in the country at affordable pricing for individuals and family members. TPL Properties' Centrepont, was one of the first office buildings in Karachi to enforce strict SOPs in compliance with international guidelines following the onset of COVID-19. We will continue to ensure the safety of our people, suppliers, customers and local communities by adapting to any changes in the environment with precision and speed.

Our Group Companies

TPL Trakker remained on the innovative tech path, with concentrated business development initiatives for IoT, Mapping and Trakking solutions, as well as an increased focus on expanding sales in the GCC. Across the globe, the tracking business is evolving and propelling providers to solve mobility, connectivity and location challenges. With the consolidation of TPL Maps, TPL Trakker is positioned to lead the industry as a one-stop solutions provider to face these challenges. Our footprint in FY19-20 has expanded our portfolio to provide a vast array of services and solutions to extremely diverse market segments from Telecommunications and Banking to Food Delivery and Government. Our ventures and partnerships have included Telenor, Shell, foodpanda & J Holdings, Government Departments, National Command Operation Center (NCOC) and National Information Technology Board (NITB), Directorate of Agricultural Engineering (DAE) and Public sectors like Dolphin & City Police, Rawalpindi.

TPL Insurance managed to steer itself during the economic slowdown by investing in new products, channels and digital processes. During the year, the Company registered a 3.5% growth with a Gross Written Premium of PKR 2,478 million vs. PKR 2,395 million in the preceding year (including Window Takaful Operations). We actively worked on deepening channels with existing relationships, adding

B2C digital channels and micro insurance brokers to improve our penetration in the retail and micro segments. The future outlook remains positive, with the economy showing signs of recovery. The current monetary policy will provide much needed impetus for the industry to grow. Coupled with the volume of non-motor business, we plan to increase our portfolio with some major corporate customers in the industrial, commercial and agricultural sectors.

TPL Life continued its focus on being a disruptor through the continuous evolution and transformation of its existing digital capabilities to improve customer service and payment solutions. We carved a niche in the existing club of Life insurance players through tech driven initiatives during the last year including a holistic tele-health platform. Our UBI (Usage Based Insurance) witnessed growth through partnerships with market leaders such as Telenor Microfinance bank, JS Bank, HBL Konnect & Nisa, Ubank, Faysal Bank and UBL Omni. We aim to completely digitize our claims payment and optimize customer experience through our digital channels to truly become the leading Insurtech in the country.

At TPL Properties our growth in revenue was 14%. We have adopted a meticulous approach to quality construction and management by engaging the best designers, project management consultants and contractors. Our flagship project, Centrepont, is a benchmark for state-of-the-art office space. Our first high-end residential project, One Hoshang (LEED Gold Targeting project) is nearing completion of Detail design phase which will be followed by the tendering process. We will soon begin a new chapter of property development with a mix of residential and commercial projects in the city of Karachi. Our aim is to set a bench mark by delivering on the excellence that has come to be our trademark.

TPL Logistics maintains its vision to eradicate bottlenecks along the supply chain. Through its last-mile delivery brand, Rider, the Company is now operating in 6 cities with plans to expand nationwide. Synergies with TPL Trakker's Mapping and LBS technologies, will propel the entire delivery experience providing hassle-free services to customer doorsteps.

TPL Security Services serves multinational companies, government organizations and financial institutions. With an expanded footprint in over 20 cities, including interior Sindh, our core business remains to support our clients' nation-wide operations. With our dedication, involvement and professionalism, we have emerged as a front-runner for both individual and corporates across the country.

As our companies build technologies that strive to elevate life, we are cognizant of the ethical responsibilities that must be integrated in the use of AI. As responsible stewards in the digital age, we aim to ensure that all our AI tech will be deployed with accountability to create social benefits. We remain focused to champion Sustainability, understanding that this parameter is significant for investors around the world, as tech companies outstrip traditional industries in market capitalization. We aim to step up our Gender Equality initiatives and help break the proverbial glass ceiling.

I stand proud today to be at the helm of a team that has stepped up to meet an unprecedented challenge. It has been truly inspiring to witness the teamwork, ingenuity and integrity that was exhibited on all levels in the Company. We know that we can excel when we create a culture of respect and inclusivity as guardians for our clients, customers, shareholders and communities. This is what we will always strive to do.

Best,



Ali Jameel



Board of Directors



Jameel Yusuf S. St. Chairman



Ali Jameel CEO



Sabiha Sultan Ahmed Director



Vice Admiral (R)
Muhammad Shafi HI(M) Director



Nadeem Arshad Elahi Director



Zafar-ul Hasan Naqvi Director

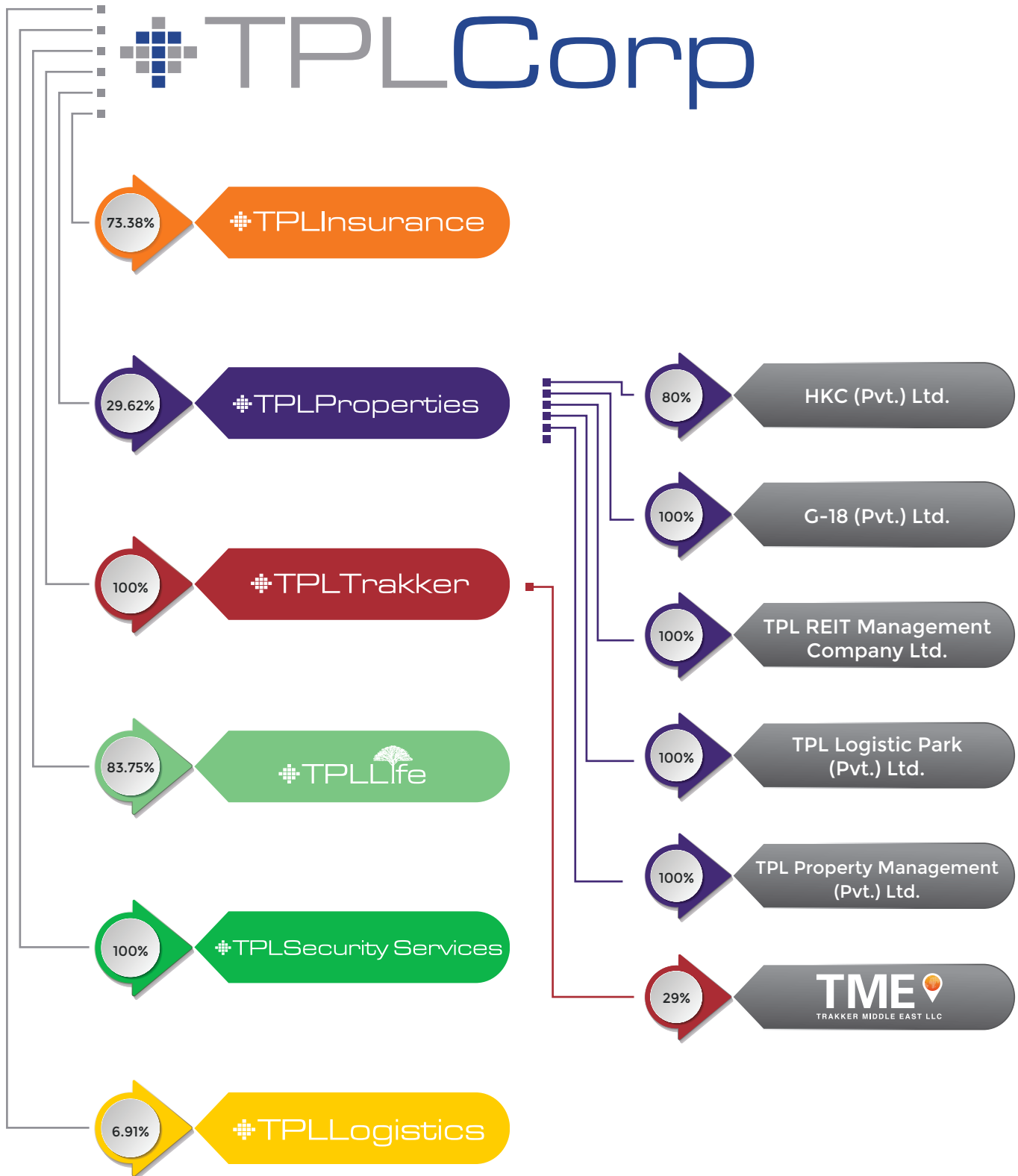


Mark Rousseau Director



Bilal Alibhai Director

TPL Corp



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.

Our Focus Areas



Health

908,931

Beneficiaries provided with good health and well-being



Education

7,774

Beneficiaries provided with quality education



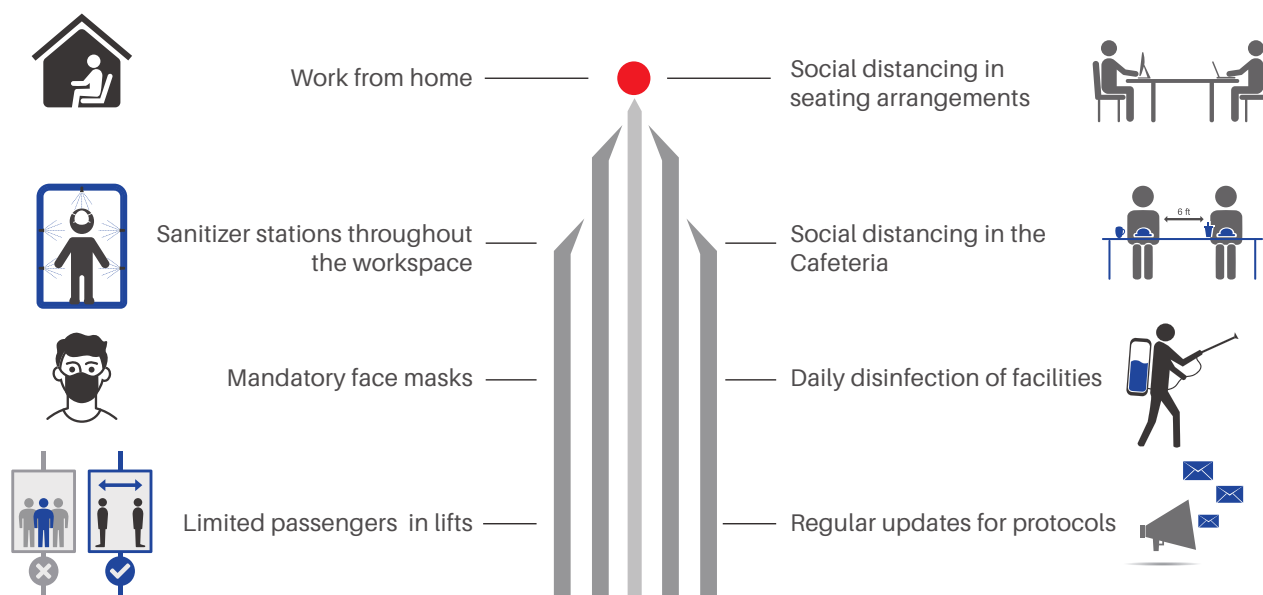
Environment

35,133

Agents of environmental change

COVID-19 Response at Centrepont

In January 2020, the World Health Organization (WHO) declared the outbreak of COVID-19 to be a Public Health Emergency of International Concern. In response, we minimized the risk faced by our people and implemented strict precautionary measures at our offices, in compliance with international guidelines for the workplace. We will continue to ensure the safety and well-being of our employees, suppliers, customers, and local communities in the battle against COVID-19.



Health



COVID-19 Financial Assistance

Financial aid was provided to AKUH and The Indus Hospital, supporting them in the areas of diagnostics and PCR COVID-19 tests.



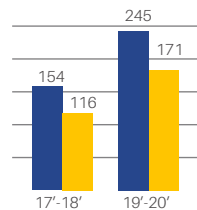
Rs. 500,000 donated to AKUH
Rs. 5 million donated to TIH



63 Patients Served at AKUH
847 Patients Served at TIH

Blood Donation 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.



Number of blood units drawn in four years

■ Registrations ■ Blood units drawn

Sindh Institute of Urology & Transplantation (SIUT)

SIUT provides the best possible health care and treatment free of cost to eligible individuals. With the financial assistance provided by TPL in 2019-20, SIUT was able to provide dialysis services to multiple patients.



1,926 dialyses performed

The Lady Dufferin Hospital

TPL contributed towards the construction of Lady Dufferin Hospital's new OPD building which provides free of cost gynaecological surgeries and deliveries, ensuring low clinical charges for the needy.



Construction of the OPD building that will result in a 10% increase in capacity

Awareness Sessions

To encourage employees to be mentally and physically fit, we regularly arrange awareness programs.



Session on Mental Health Awareness held for 100+ female staff on International Women's Day



Session on Breast Cancer Awareness held in collaboration with Shaikat Khanum Memorial Cancer Hospital for 45+ female employees



Session on Good Health & Well-Being conducted by Dr. Kholod Shafi (MBBS & CFT) for 20+ employees

58th TPL Sindh Open Boys Swimming Championship 2019

TPL was the proud Sponsor of the 58th TPL Sindh Open Boys Swimming Championship 2019. Organized by the Sindh Swimming Association (SSA), the three-day championship is one of the largest sporting events in the province.



400 contestants from schools, colleges and recreational clubs



Education



80+ employees successfully completed the sessions

Language Sessions

TPL held basic English Language sessions for lift operators, housekeeping, security, electricians and kitchen staff.



45+ Students provided with environmental education

Educating the Marginalized

A workshop with the theme 'Clean Green Pakistan' was conducted at Nano's School. Employees volunteered to teach the students about environmental sustainability.



Environment



Number of plastic bottles saved: 32,643

Drinking Water

We have reduced our mineral water expense and mitigated plastic consumption by installing water purifying dispensers throughout Centrepont.



10 % reduction in meat consumption per month

No-Meat Monday

TPL introduced the concept of going meat-less on Mondays at the Centrepont cafeteria to increase awareness on adopting a healthier lifestyle.

TPL Vertical Garden



48 agents of change engaged in plantation

TPL installed a Vertical Garden at the Kiran School in Lyari enabling students to produce their own vegetables. They were also made aware of the environmental & health benefits of installing vertical gardens.

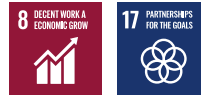
Responsible Consumption and Waste Management

TPL launched a Company-wide water and energy conservation awareness campaign to reduce our carbon footprint. We also partnered with Davaam Waste to recycle the waste generated from Centrepont.



70 % waste recycled per month

Social Responsibility



CPR Training Workshop

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



50+

Employees received basic CPR certification

Health and Safety in the Workplace

TPL strives to ensure the routine implementation of strict policies and targeted safety drills. We aim to provide a workplace environment where employees are physically and mentally safe.



0

Fatalities reported in 2019-20



2 Fire Drills

conducted in 2019-20

TPL Trakker Powers Smart Lockdown Solutions

TPL Trakker partnered with NITB (National Information Technology Board) and NCOC (National Command and Operation Center) to develop a smart lockdown and clustering solution. This helped the Government in its efforts to control and reduce the number of COVID-19 cases in Pakistan.



Training and Development

TPL is committed to creating a dynamic and inclusive workplace that fosters a healthy, highly engaged and skilled workforce where everyone can excel. We ensure that everyone working with us feels welcomed, supported and valued for their talents. To ensure the continuous growth of our employees in their professional endeavors, we regularly conduct training sessions which include both soft and technical trainings.



173

Employees trained in soft and technical skills

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.



145

Total number of employees



1:6

Gender Diversity Ratio

Scaling for Impact

Over the years, TPL has supported more than 50 nonprofit organizations 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

	2020		Restated 2019		Restated 2018		2017		2016		2015	
	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %
Fixed Assets	1,390,115,661	-50%	2,760,068,510	25%	2,214,071,587	23%	1,799,520,629	38%	1,305,464,831	-1%	1,321,226,709	96%
Intangible Assets	2,844,723,120	0%	2,846,548,546	7%	2,656,249,953	52%	1,749,481,140	15%	1,520,261,040	5%	1,451,210,613	-18%
Right of use asset	72,269,178	100%	-	-	-	-	-	-	-	-	-	-
Investment Property	28,308,153	-100%	5,909,238,595	11%	5,322,678,273	22%	4,348,453,273	6%	4,090,415,737	6%	3,846,097,684	100%
Development property	1,437,387,784	14%	1,285,142,970	16%	1,090,147,420	23%	888,738,740	100%	506,417,217	4%	487,176,150	0%
Long-term investments	77,647,347	-22%	99,847,459	100%	-	-100%	536,285,330	6%	430,466	-25%	573,844	-100%
Long term bans	2,547,710	300%	637,436	46%	436,577	-47%	826,538	92%	36,207,905	18%	30,714,384	20%
Long term deposits	36,740,882	-33%	54,887,344	-21%	69,917,932	54%	45,518,147	26%	71,458,824	2%	70,288,697	100%
Deferred tax	108,404,040	-27%	148,297,825	18%	125,769,341	51%	83,451,967	17%	-	0%	-	-100%
Interest Accrued	119,774,215	360%	26,064,633	100%	23,985,785	0%	-	0%	-	0%	-	-100%
Stock-in-trade	247,185,472	-8%	267,410,363	-18%	326,691,767	-9%	357,216,927	21%	294,125,367	16%	253,413,777	7%
Trade debts	1,164,282,072	-17%	1,397,979,627	2%	1,374,343,522	7%	1,280,586,976	18%	1,086,022,757	24%	873,159,703	32%
Short-term investments	851,593,543	-13%	979,694,307	-38%	1,579,553,006	403%	314,120,415	117%	144,572,243	-7%	155,081,166	6677%
Loan and advances	799,026,895	107%	385,175,061	123%	172,837,318	496%	28,989,687	-12%	33,126,089	-53%	70,421,589	244%
Trade deposits and prepayments	276,380,312	-48%	528,155,490	20%	439,726,280	202%	145,391,626	260%	40,430,992	-44%	72,083,588	9%
Accrued mark-up	-	0%	-	0%	-	-100%	7,658,694	-2%	7,822,178	-84%	47,775,309	6%
Other receivables	1,175,229,556	78%	659,069,883	2%	646,485,988	3224%	19,448,697	138%	8,183,393	50%	5,455,132	-82%
Due from related parties	574,764,579	617%	80,217,260	585%	11,706,548	28%	9,132,004	-67%	27,695,462	-4%	28,747,657	55%
Deferred commission expense	121,156,815	-28%	169,248,562	36%	124,090,599	100%	-	0%	-	0%	-	-100%
Premium due but unpaid	56,641,726	-68%	179,807,632	11%	162,290,955	-11%	181,497,171	65%	110,111,218	64%	67,322,910	100%
Taxation- net	1,470,767,684	52%	965,791,935	-5%	1,014,153,309	107%	490,104,431	-47%	927,774,474	255%	281,706,141	130%
Cash and bank balances	6,981,095,074	100%	-	0%	-	0%	-	0%	-	0%	-	0%
Non-current asset held for sale	19,836,041,818	-	18,723,283,438	-	17,355,141,160	-	12,347,706,953	-	10,210,520,193	-	9,042,455,063	-
TOTAL ASSETS	19,836,041,818		18,723,283,438		17,355,141,160		12,347,706,953		10,210,520,193		9,042,455,063	
Issued, subscribed and paid-up capital	2,672,977,630	0%	2,672,977,630	13%	2,372,977,630	9%	2,172,489,630	0%	2,172,489,630	0%	2,172,489,630	0%
Capital Reserve	60,855,762	0%	60,855,762	0%	60,855,762	100%	-	0%	-	0%	-	0%
Revenue Reserve - unappropriated profit	(429,237,761)	-295%	219,731,701	-59%	533,299,515	-3%	548,301,049	3%	533,816,997	-41%	901,176,240	147%
Other components of equity	327,728,085	-42%	566,082,175	161%	216,527,056	-5%	228,790,596	100%	-	0%	-	0%
Non-Controlling Interest	4,766,383,687	3%	4,618,489,560	9%	4,220,516,153	6%	3,978,088,025	58%	2,525,420,572	213%	806,550,205	337%
Participants' Takatuf Fund (PTF)	69,048,465	-159%	(117,588,716)	-45%	(214,849,810)	100%	-	0%	-	0%	-	0%
Long term ban	289,014,488	81%	148,888,890	-52%	308,133,420	6%	290,277,330	473%	50,653,413	-58%	121,666,672	100%
Long term financing	3,029,423,456	23%	2,472,910,025	-25%	3,287,127,280	30%	2,523,542,514	-8%	2,746,866,809	15%	2,380,324,831	751%
Deferred liabilities	9,570,575	46%	6,570,620	6%	6,206,490	-47%	11,729,338	9%	10,738,080	-33%	16,137,601	-16%
Due to related Parties	-	0%	-	0%	-	-100%	-	-100%	32,338,178	-92%	383,451,093	100%
Accrued mark-up	-	0%	-	0%	-	-100%	4,326,432	-23%	5,612,555	-96%	135,219,102	100%
Liabilities against assets subject to finance lease	31,530,021	0%	52,145,571	10246%	504,016	-95%	10,975,935	-64%	30,217,506	-51%	61,959,628	251%
Trade and other payables	1,982,561,038	31%	1,518,411,668	5%	1,452,849,178	92%	757,916,747	22%	620,806,027	-28%	859,374,125	90%
Accrued mark-up	438,548,881	84%	238,534,790	81%	131,603,069	25%	105,627,379	-41%	178,348,148	19%	150,489,126	508%
Running finance under mark-up arrangements	1,105,194,287	12%	988,025,014	5%	939,871,844	7%	876,719,637	108%	420,965,430	52%	276,890,459	-33%
Short-term financing	1,944,169,173	106%	946,017,222	126%	419,181,204	574%	62,238,722	-73%	234,199,476	208%	75,920,456	100%
Due to related parties	976,883,204	-17%	1,173,751,929	132%	504,988,182	474%	87,949,756	-4%	91,453,670	-63%	245,196,504	100%
Liabilities against insurance contracts	877,069,162	-30%	1,249,626,397	7%	1,163,727,403	4564%	24,950,923	100%	-	0%	-	0%
Underwriting provisions	1,197,304,214	85%	645,855,456	-5%	682,899,704	100%	-	0%	-	0%	-	0%
Unclaimed dividend	1,729,583	-48%	3,307,473	89%	1,747,962	62%	1,078,801	100%	-	0%	-	0%
Unpaid dividend	3,000,000	0%	3,000,000	0%	3,000,000	0%	3,000,000	100%	-	0%	-	0%
Current portion of non-current liabilities	465,149,706	-62%	1,209,038,572	-1%	1,226,350,997	149%	492,142,691	9%	451,312,032	17%	384,527,132	193%
Advance monitoring fees	37,140,162	-20%	46,651,699	23%	37,824,105	-77%	167,561,448	59%	105,281,670	48%	71,072,249	139%
TOTAL EQUITY AND LIABILITIES	19,836,041,818		18,723,283,438		17,355,141,160		12,347,706,953		10,210,520,193		9,042,455,063	



Horizontal Analysis Profit and Loss Account

	Restated											
	2020		2019		2018		2017		2016		2015	
	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %
Turnover - net	4,968,420,905	-1%	5,013,470,487	44%	3,471,416,104	60%	2,168,433,363	6%	2,037,361,029	-6.48%	2,178,542,463	34%
Cost of sales	(3,601,079,746)	16%	(3,092,894,458)	58%	(1,960,688,714)	68%	(1,168,704,303)	26%	(929,332,914)	-28.61%	(1,301,779,283)	36%
Gross profit	1,367,341,159	-29%	1,920,576,029	27%	1,510,727,390	51%	999,729,060	-10%	1,108,028,115	26%	876,763,180	32%
Distribution expenses	(384,688,014)	9%	(351,365,123)	24%	(282,607,965)	32%	(214,246,828)	-4%	(222,153,244)	-2%	(228,821,445)	33%
Administrative expenses	(1,255,095,189)	-9%	(1,375,337,150)	33%	(1,031,398,509)	106%	(501,505,198)	27%	(393,626,600)	-12%	(448,491,211)	18%
Other operating expenses	(74,326,889)	141%	(30,822,802)	-68%	(97,311,519)	7057%	(1,359,659)	-98%	(69,974,083)	-12%	(79,266,319)	2120%
Operating profit	(346,768,933)	-313%	163,050,954	64%	99,409,397	-65%	282,617,375	-33%	422,274,188	246%	122,184,205	11%
Finance costs	(1,262,316,471)	70%	(741,592,269)	46%	(507,568,032)	52%	(334,819,965)	-9%	(369,731,356)	18%	(312,566,150)	298%
Other Income	742,327,304	-13%	858,003,202	-25%	1,145,123,813	229%	348,374,235	48%	235,642,452	-65%	679,838,853	926%
Net profit attributable to PTF	(189,216,313)	118%	(86,855,158)	0%	-	0%	-	0%	-	0%	-	0%
Share of (loss)/profit from investment in associates - net	(25,649,189)	123%	(11,491,773)	-13%	(13,147,234)	-178%	16,962,359	94%	8,732,144	-118%	(48,591,465)	-340%
Profit before taxation	(1,081,623,602)	-697%	181,114,956	-75%	723,817,944	131%	313,134,004	5%	296,917,428	-33%	440,865,443	274%
Taxation	(138,636,366)	40%	(98,730,149)	66%	(59,569,819)	33%	(44,853,506)	-31%	(65,288,456)	-689%	11,084,839	-134%
Profit / (Loss) after taxation	(1,220,259,968)	-1581%	82,384,807	-88%	664,248,125	148%	268,280,498	16%	231,628,972	-49%	451,950,282	429%
Other comprehensive income	22,710,349	-94%	361,981,842	-3037%	(12,325,742)	-105%	229,088,489	100%	-	-100%	449,706	659%
Other comprehensive income attributable to PTF	(2,759,130)	-73%	(10,405,937)	-100%	-	0%	-	0%	-	0%	-	0%
Total comprehensive income	(1,200,308,749)	-377%	433,960,712	-33%	651,922,383	31%	497,368,987	115%	231,628,972	-49%	452,399,988	429%

Vertical Analysis of Balance Sheet

	2020			Restated			Restated			2017			2016			2015		
	Rupees	Variance %		Rupees	Variance %		Rupees	Variance %		Rupees	Variance %		Rupees	Variance %		Rupees	Variance %	
Fixed Assets	1,390,115,661	7.01%		2,760,068,510	14.74%		2,214,071,587	12.76%		1,799,520,629	14.57%		1,305,464,831	12.79%		1,321,226,709	14.61%	
Intangible Assets	2,844,723,120	14.34%		2,846,548,546	15.20%		2,656,249,953	15.31%		1,749,481,140	14.17%		1,520,261,040	14.89%		1,451,210,613	16.05%	
Right of use asset	72,269,178	0.36%		-	0.00%		-	0.00%		-	0.00%		-	0.00%		-	0.00%	
Investment Property	28,308,153	0.14%		5,909,238,595	31.56%		5,322,678,273	30.67%		4,348,453,273	35.22%		4,090,415,737	40.06%		3,846,097,684	42.53%	
Development property	1,437,387,784	7.25%		1,265,142,970	6.76%		1,090,147,420	6.28%		888,738,740	7.20%		506,417,217	0.00%		-	0.00%	
Long-term investments	77,647,347	0.39%		99,847,459	0.53%		-	0.00%		536,285,330	4.34%		430,466	0.00%		487,176,150	5.39%	
Long term loans	2,547,710	0.01%		637,436	0.00%		436,577	0.00%		826,538	0.01%		36,207,905	0.35%		573,844	0.01%	
Long term deposits	36,740,882	0.19%		54,887,344	0.29%		69,917,932	0.40%		45,518,147	0.37%		71,458,824	0.70%		30,714,384	0.34%	
Deferred tax	108,404,040	0.55%		148,297,825	0.79%		125,769,341	0.72%		83,451,967	0.68%		-	0.00%		70,288,697	0.78%	
Intrest Accrud	119,774,215	0.60%		26,064,633	0.14%		23,985,785	0.14%		-	0.00%		-	0.00%		-	0.00%	
Stock-in-trade	247,185,472	1.25%		267,410,363	1.43%		326,691,767	1.88%		357,216,927	2.89%		294,125,367	2.88%		253,413,777	2.80%	
Trade debts	1,164,282,072	5.87%		1,397,979,627	7.47%		1,374,343,522	7.92%		1,280,586,976	10.37%		1,086,022,757	10.64%		873,159,703	9.66%	
Short-term investments	851,593,543	4.29%		979,694,307	5.23%		1,579,553,006	9.10%		314,120,415	2.54%		144,572,243	1.42%		155,081,166	1.72%	
Loan and advances	799,026,895	4.03%		385,175,061	2.06%		172,837,318	1.00%		28,989,687	0.23%		33,126,089	0.32%		70,421,589	0.78%	
Trade deposits and prepayments	276,380,312	1.39%		528,155,490	2.82%		439,726,280	2.53%		145,391,626	1.18%		40,430,992	0.40%		72,083,588	0.80%	
Accrued mark-up	-	0.00%		-	0.00%		-	0.00%		-	0.00%		-	0.00%		47,775,309	0.53%	
Other receivables	1,175,229,556	5.92%		659,069,883	3.52%		646,485,988	3.73%		19,448,697	0.16%		8,183,393	0.08%		5,455,132	0.06%	
Due from related parties	574,764,579	2.90%		80,217,260	0.43%		11,706,548	0.07%		9,132,004	0.07%		27,695,462	0.27%		28,747,657	0.32%	
Premium due but unpaid	121,156,815	0.61%		169,248,562	0.90%		124,090,599	0.72%		61,284,561	0.50%		-	0.00%		-	0.00%	
Deferred commission expense	56,641,726	0.29%		179,807,632	0.96%		162,290,955	0.94%		181,497,171	1.47%		110,111,218	1.08%		67,322,910	0.74%	
Taxation- net	1,470,767,684	7.41%		965,791,935	5.16%		1,014,158,309	5.84%		490,104,431	3.97%		927,774,474	9.09%		261,706,141	2.89%	
Cash and bank balances	6,981,095,074	35.19%		-	0.00%		-	0.00%		-	0.00%		-	0.00%		-	0.00%	
Non-current asset held for sale	-	0.00%		-	0.00%		-	0.00%		-	0.00%		-	0.00%		-	0.00%	
Total Assets	19,836,041,818	100.00%		18,723,283,438	100.00%		17,355,141,160	100.00%		12,347,706,953	100.00%		10,210,520,193	100.00%		9,042,455,053	100.00%	
Issued, subscribed and paid-up capital	2,672,977,630	13.48%		2,672,977,630	14.3%		2,372,977,630	13.7%		2,172,489,630	17.6%		2,172,489,630	21.3%		2,172,489,630	24.0%	
Capital Reserve	60,855,762	0.31%		60,855,762	0.3%		60,855,762	0.4%		-	0.0%		-	0.0%		-	0.0%	
Revenue Reserve - unappropriated profit	(429,237,761)	-2.16%		219,731,701	1.2%		533,299,515	3.1%		548,301,049	4.4%		533,816,997	5.2%		901,176,240	10.0%	
Non-Controlling Interest	4,766,383,686	24.03%		4,618,489,560	24.7%		4,220,516,153	24.3%		3,978,088,025	32.2%		2,525,420,572	24.7%		808,560,205	8.9%	
Participants' Takaful Fund (PTF)	69,048,465	0.35%		(117,588,716)	-0.6%		(214,849,810)	-1.2%		-	0.0%		-	0.0%		-	0.0%	
Other components of equity	327,728,085	1.65%		566,082,175	3.0%		216,527,056	1.3%		228,790,596	1.9%		-	0.0%		-	0.0%	
Long term loan	269,014,488	1.36%		148,888,890	0.8%		308,133,420	1.8%		290,277,330	2.4%		50,653,413	0.5%		121,666,672	1.3%	
Long term financing	3,029,423,456	15.27%		2,472,910,025	13.2%		3,287,127,280	18.9%		2,523,542,514	20.4%		2,746,866,809	26.9%		2,380,324,831	26.3%	
Deferred liabilities	-	0.00%		6,570,620	0.0%		6,206,490	0.0%		11,729,338	0.1%		10,738,080	0.1%		16,137,601	0.2%	
Due to related Parties	-	0.00%		-	0.0%		-	0.0%		32,338,178	0.3%		32,338,178	0.3%		383,451,093	4.2%	
Accrued mark-up	-	0.00%		-	0.0%		-	0.0%		4,326,432	0.0%		5,612,555	0.1%		135,219,102	1.5%	
Liabilities against assets subject to finance lease	31,530,021	0.16%		52,145,571	0.3%		504,016	0.0%		10,975,935	0.1%		30,217,506	0.3%		61,959,628	0.7%	
Trade and other payables	1,982,561,038	9.99%		1,518,411,668	8.1%		1,452,849,178	8.4%		757,916,747	6.1%		620,806,027	6.1%		859,374,125	9.5%	
Accrued mark-up	438,546,881	2.21%		238,534,790	1.3%		131,603,069	0.8%		106,627,379	0.9%		178,348,148	1.7%		150,489,126	1.7%	
Running finance under mark-up arrangements	1,105,194,287	5.57%		988,025,014	5.3%		939,871,844	5.4%		876,719,637	7.1%		420,965,430	4.1%		276,890,459	3.1%	
Short-term financing	1,944,169,174	9.80%		946,017,222	5.1%		419,181,204	2.4%		62,238,722	0.5%		234,199,476	2.3%		75,920,456	0.8%	
Due to related parties	976,883,204	4.92%		1,173,751,929	6.3%		504,988,182	2.9%		87,949,756	0.7%		91,453,670	0.9%		245,196,504	2.7%	
Liabilities against insurance contracts	877,069,162	4.42%		1,249,626,397	6.7%		1,163,727,403	6.7%		24,950,923	0.2%		-	0.0%		-	0.0%	
Underwriting provisions	1,197,304,214	6.04%		645,855,456	3.4%		682,699,704	3.9%		-	0.0%		-	0.0%		-	0.0%	
Unclaimed dividend	1,729,583	0.01%		3,307,473	0.0%		1,747,962	0.0%		1,078,801	0.0%		-	0.0%		-	0.0%	
Unpaid dividend	3,000,000	0.02%		3,000,000	0.0%		3,000,000	0.0%		3,000,000	0.0%		-	0.0%		-	0.0%	
Taxation - net	-	0.00%		-	0.0%		-	0.0%		-	0.0%		-	0.0%		-	0.0%	
Current portion of non-current liabilities	465,149,706	2.34%		1,209,038,572	6.5%		1,226,350,997	7.1%		492,142,691	4.0%		451,312,032	4.4%		384,527,132	4.3%	
Advance monitoring fees	37,140,162	0.19%		46,651,700	0.2%		37,824,105	0.2%		167,561,448	1.4%		105,281,670	1.0%		71,072,249	0.8%	
TOTAL EQUITY AND LIABILITIES	19,836,041,818	100%		18,723,283,438	100%		17,355,141,160	100%		12,347,706,953	100%		10,210,520,193	100%		9,042,455,053	100%	

Vertical Analysis of Profit and Loss Account

	Restated									
	2020	2019	2018	2017	2016	2015	2020	2019	2018	2017
	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %
Turnover - net	4,968,420,905	100%	5,013,470,487	100%	3,471,416,104	100%	2,168,433,363	100%	2,037,361,029	100%
Cost of sales	(3,601,079,746)	-72%	(3,092,894,458)	-62%	(1,960,688,714)	-56%	(1,168,704,303)	-54%	(929,332,914)	-46%
Gross profit	1,367,341,159	28%	1,920,576,029	38%	1,510,727,390	44%	999,729,060	46%	1,108,028,115	54%
Distribution expenses	(384,688,014)	-8%	(351,365,123)	-7%	(282,607,965)	-8%	(214,246,828)	-10%	(222,153,244)	-11%
Administrative expenses	(1,255,095,189)	-25%	(1,375,337,150)	-27%	(1,031,398,509)	-30%	(501,505,198)	-23%	(393,626,600)	-19%
Other operating expenses	(74,326,889)	-1%	(30,822,802)	-1%	(97,311,519)	-3%	(1,359,659)	0%	(69,974,083)	-3%
Operating profit	(346,768,933)	-7%	163,050,954	3%	99,409,397	3%	282,617,375	13%	422,274,188	21%
Finance costs	(1,262,316,471)	-25%	(741,592,269)	-15%	(507,568,032)	-15%	(334,819,965)	-15%	(369,731,356)	-18%
Other Income	742,327,304	15%	858,003,202	17%	1,145,123,813	33%	348,374,235	16%	235,642,452	12%
Net profit attributable to PTF	(189,216,313)	-4%	(86,855,158)	-2%	-	0%	-	0%	-	0%
Share of (loss)/profit from investment in associates - net	(25,649,189)	-1%	(11,491,773)	-0.2%	(13,147,234)	-0.4%	16,962,359	1%	8,732,144	0%
Profit before taxation	(1,081,623,602)	-22%	181,114,956	4%	723,817,944	21%	313,134,004	14%	296,917,428	15%
Taxation	(138,636,366)	-3%	(98,730,149)	-2%	(59,569,819)	-2%	(44,853,506)	-2%	(65,288,456)	-3%
Profit after taxation	(1,220,259,968)	-25%	82,384,807	2%	664,248,125	19%	268,280,498	12%	231,628,972	11%
									451,950,282	21%

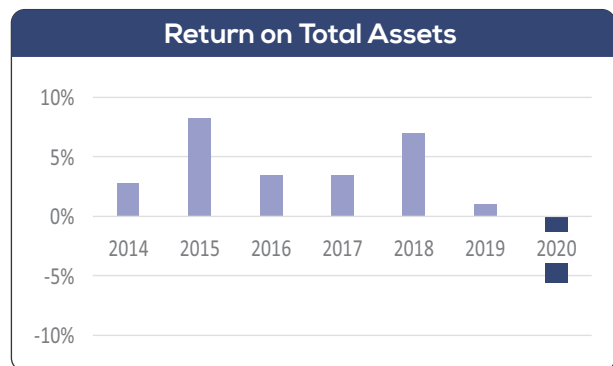
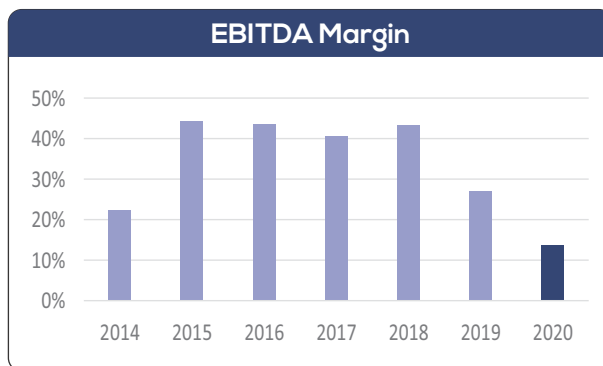
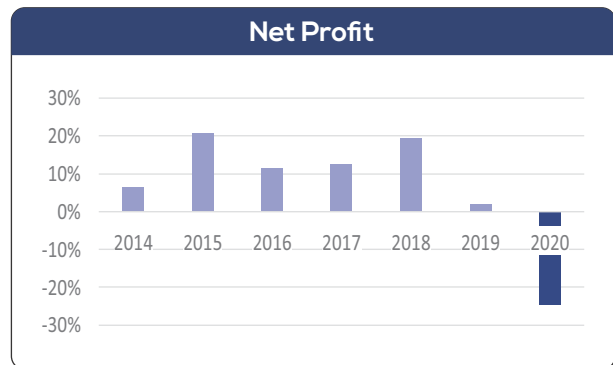
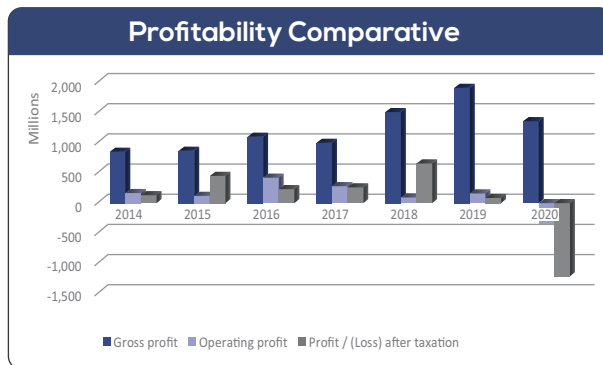
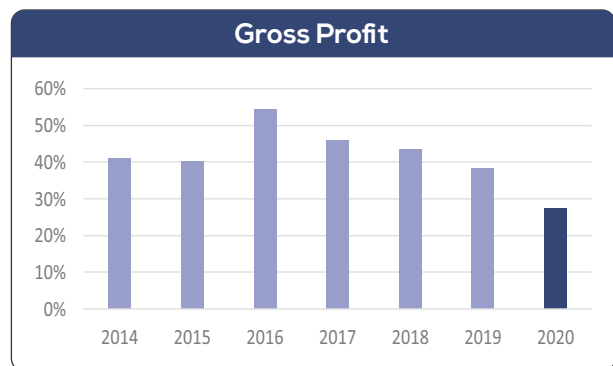
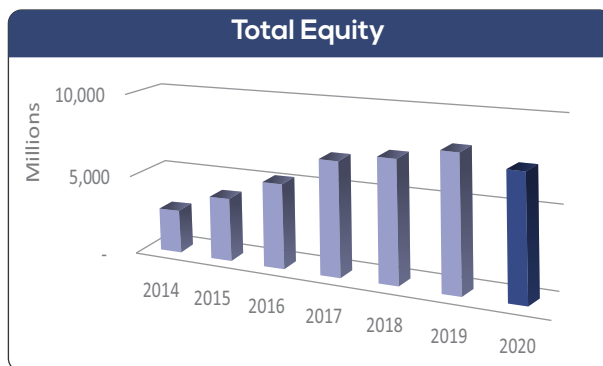
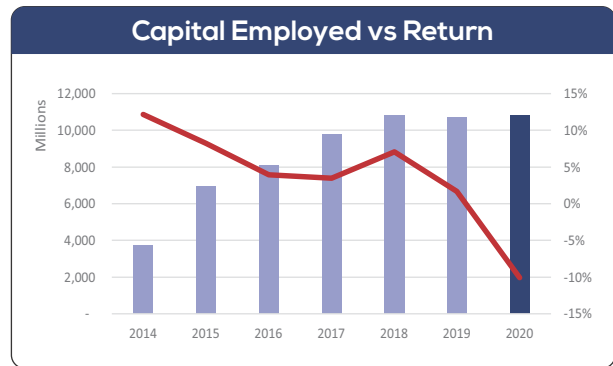
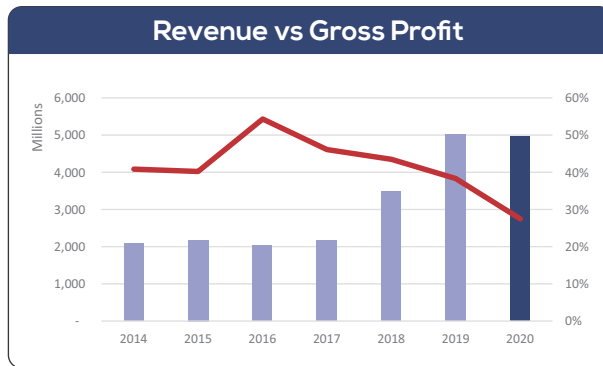
Cash Flow Analysis

	2020	Restated 2019	2018	2017	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES						
Net profit before taxation	(1,081,623,602)	181,114,956	723,817,944	313,134,004	296,917,428	440,865,443
Adjustment for non cash charges and other items:						
Depreciation	314,629,558	317,836,993	197,437,309	173,540,920	159,005,045	169,123,738
Depreciation on ROUA	79,814,409	-	-	-	-	-
Bad debts written off	-	-	-	-	-	15,643,056
Amortisation of intangible assets	89,799,918	102,735,340	74,649,674	54,076,217	57,667,501	43,829,792
Finance cost	1,176,350,085	741,592,269	507,568,032	334,819,965	369,731,356	312,566,150
Gain on sale of property and equipment	(540,383)	(4,572,085)	(16,454,245)	(3,691,013)	(2,055,305)	6,458,137
Valuation gain on Investment Property	(286,315,367)	(592,882,635)	(944,646,887)	(202,928,224)	(209,459,641)	(241,709,520)
Exchange loss / (gain) - net	74,326,889	29,953,692	17,280,153	588,438	-	70,703,190
Share of (profit) / loss from investment in associates - net	25,649,189	11,491,773	13,147,234	(29,868,123)	(8,732,144)	48,591,465
Net profit attributable to PTF	189,216,313	86,855,158	-	-	-	-
Provision for bad debts	-	-	14,979,058	19,252,497	22,241,419	26,009,833
Loss on acquisition of TPL Insurance Limited	-	-	79,494,134	-	-	-
Reversal of provision for gratuity	278,860	364,130	(3,078,404)	-	-	-
Gain on Bargain Purchase	-	-	-	(86,282,392)	-	(9,552,414)
Gain on disposal of subsidiary	-	-	-	-	-	(321,024,922)
Deferred income	(3,692,836)	-	(2,444,444)	4,378,914	(5,399,521)	(2,699,267)
Allowance for Expected Credit Losses	(30,076,185)	25,678,986	-	-	-	-
Loss on investment in mutual fund	(11,414,736)	51,097,948	-	-	-	-
Unwinding of PTF	(3,786,209)	(4,604,005)	(3,641,717)	-	-	-
	1,614,239,505	765,547,564	(65,710,103)	263,887,199	382,998,710	117,939,238
Operating profit before working capital changes (Increase) / decrease in current assets	532,615,903	946,662,520	658,107,841	577,021,203	679,916,138	558,804,681
Stock-in-trade	20,224,891	(141,246,066)	30,525,160	(63,091,560)	(40,711,590)	(25,513,002)
Trade debts	263,773,740	(49,315,091)	(146,579,551)	(187,260,924)	(235,104,473)	(240,670,841)
Deferred commission expense	48,091,747	(45,157,963)	(18,513,632)	-	-	-
Loans and advances	(413,851,834)	(212,337,743)	146,500,801	4,136,302	37,295,500	(21,980,554)
Trade deposits and prepayments	251,775,178	(88,429,210)	(13,925,741)	(104,960,634)	31,652,596	(29,862,965)
Other receivables	(516,159,673)	(12,583,895)	(125,598,960)	(37,820,996)	(2,728,267)	(1,500,872)
Accrued markup	(93,709,582)	(2,078,848)	(15,591,611)	163,484	39,953,131	(47,320,169)
Short Term Investments	-	-	-	12,905,770	-	-
Premium due but unpaid	-	-	61,284,560	(61,284,560)	-	-
Due from related parties	(494,547,319)	(68,510,712)	(2,574,544)	18,563,457	1,052,195	(10,213,600)
	(934,402,852)	(619,659,528)	(84,473,518)	(418,649,661)	(168,590,908)	(377,062,003)
Increase / (decrease) in current liabilities						
Trade and other payables	464,149,369	65,562,490	407,273,023	166,438,338	(238,208,182)	271,547,299
Due to a related party	(196,868,725)	668,763,747	417,038,426	(35,842,092)	(504,855,749)	(60,859,269)
Liabilities against insurance contracts	(372,557,235)	85,898,994	181,409,223	-	-	-
Underwriting provisions	551,448,758	(36,844,248)	(24,612,215)	-	-	-
Claims Paid	-	-	-	-	-	-
Advance monitoring fees	(9,511,537)	8,827,594	(129,737,343)	62,279,778	34,209,421	(4,396,950)
Cash generated from operations	34,873,681	1,119,211,569	1,425,005,437	351,247,566	(197,529,280)	388,033,758
Receipts / (payments) for:						
Finance cost	(1,038,353,165)	(634,660,548)	(485,918,773)	(408,826,857)	(471,478,881)	(285,263,196)
Income taxes	30,894,377	(147,044,208)	(91,407,145)	(141,410,609)	(109,246,890)	(82,362,651)
	(1,007,458,788)	(781,704,756)	(577,325,918)	(550,237,466)	(580,725,771)	(367,625,847)
Net cash generated from operating activities	(972,585,107)	337,506,812	847,679,519	(198,989,900)	(778,255,050)	20,407,911
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of - property and equipment	(58,385,225)	(185,960,989)	(318,283,111)	(409,261,102)	(87,211,500)	(99,116,737)
- capital work-in-progress	-	(50,888,577)	(261,014,678)	(23,271,293)	(66,921,983)	(72,914,888)
- intangible	(9,488,478)	(14,923,910)	(29,765,776)	(29,027,283)	(65,886,889)	(90,963,729)
- intangible assets under development	(78,486,014)	(278,110,023)	(231,496,244)	(253,695,713)	(60,831,039)	-
- investment property	(87,836,349)	(3,590,551)	(32,951,900)	-	(34,858,412)	(8,769,320)
- development property	(172,244,814)	(174,995,550)	(201,408,680)	-	-	-
Sale proceed from fixed assets	340,970,265	5,579,814	58,880,164	-	12,585,711	22,346,623
Long-term deposits	18,146,462	15,030,588	(15,377,273)	(9,310,242)	11,360,479	(44,464,950)
Long-term loans	(3,456,615)	(200,859)	389,961	(396,072)	143,378	(308,145)
Investments - mutual funds and listed securities	-	-	-	(182,453,942)	-	(78,157,300)
Long-term Investments	-	-	-	29,868,113	-	-
Proceed from disposal of investment	590,681,164	454,357,669	1,225,935,477	-	-	455,400,000
Net cash (used in) / generated from investing activities	539,900,396	(233,702,388)	(2,256,963,014)	(877,547,534)	(291,620,255)	83,051,554
CASH FLOWS FROM FINANCING ACTIVITIES						
Obligation under finance lease repaid	(73,094,737)	(18,754,320)	(18,428,140)	(45,762,473)	(58,706,448)	(52,835,512)
Proceeds from share issue by TPL Properties Limited - net	-	-	-	300,000,004	1,119,872,151	-
Dividend paid	(1,577,890)	(18,379)	(53,643,080)	-	-	-
Long-term loans - net	(49,723,735)	(152,252,399)	127,165,543	320,920,256	(81,013,260)	188,000,000
Long term Financing - net	(53,264,402)	(856,134,888)	1,396,439,840	(220,083,852)	470,291,205	(47,675,318)
Short-term financing	998,151,951	526,836,018	356,942,482	(171,960,752)	158,279,020	75,920,456
Proceeds from issuance of ordinary right shares	-	300,000,000	-	-	-	-
Net cash generated (used in) / from financing activities	820,491,187	(200,323,968)	1,808,476,645	183,113,183	1,608,722,668	163,409,626
Net (decrease) / increase in cash and cash equivalents	387,806,476	(96,519,544)	399,193,150	(893,424,251)	538,847,362	266,869,093
Cash and cash equivalents at the beginning of the year	(22,233,079)	74,286,465	(386,615,206)	506,809,044	(32,038,318)	(298,907,411)
Cash and cash equivalents at the end of the year	365,573,397	(22,233,079)	12,577,944	(386,615,207)	506,809,044	(32,038,318)

Ratio Analysis Profit and Loss Account

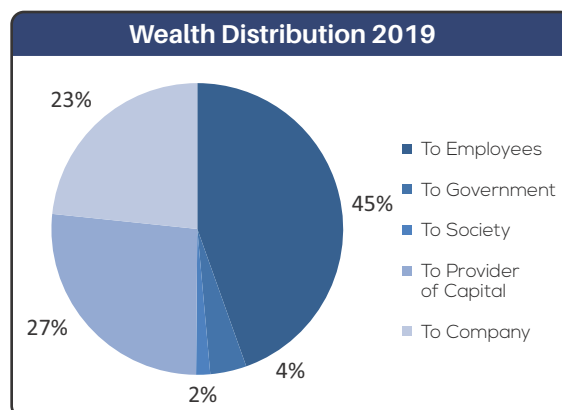
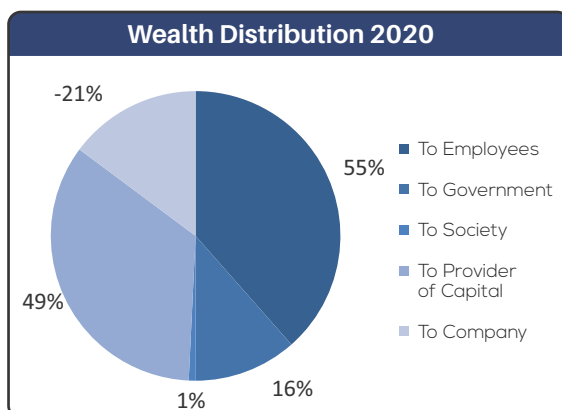
		2020	2019	2018	2017	2016	2015
Profitability Ratios							
Gross Profit to Sales	percent	28%	38%	44%	46%	54%	40%
Net Profit to Sales	percent	-25%	2%	19%	12%	11%	21%
EBITDA Margin to sales	percent	14%	27%	43%	40%	43%	44%
Return on Equity	percent	-14%	2.33%	10%	5%	7%	13%
Return on Capital Employed	percent	-10%	2%	7%	4%	4%	8%
Liquidity Ratios							
Current Ratio	Ratio	0.76	0.70	0.89	1.12	1.27	0.89
Quick / Acid test ratio	Ratio	0.73	0.67	0.84	0.98	1.13	0.77
Cash to Current Liabilities	Ratio	0.04	0.00	0.002	-0.15	0.24	-0.02
Cashflow from Operations to sales	Ratio	-0.20	0.067	0.24	-0.09	-0.38	0.01
Activity/ Turnover Ratios							
Inventory turnover	Number of times	14	10	6	4	3	5
No of days in inventory (Days)	Number of days	26	35	64	102	108	69
Debtor turnover	Number of times	4	4	3	2	2	3
No of days in Receivables (Days)	Number of days	94	101	140	199	175	129
Credit turnover	Number of times	2	3	3	2	1	3
No of days in Payables	Number of days	151	130	128	231	257	113
Operating cycle	Number of days	-30	6	75	86	-8	14
Total asset turnover	percent	26%	28%	23%	19%	21%	31%
Fixed assets turnover	percent	239%	202%	173%	140%	155%	218%
Investment Valuation Ratios							
Earning per Share	Ratio	-4.57	-1.20	0.07	0.09	0.29	1.54
Capital structure Ratios							
Financial leverage Ratio	Ratio	1.12	0.89	0.92	0.64	0.80	0.95
Debt Equity Ratio	Ratio	0.45	0.33	0.49	0.41	0.55	0.80
Interest cover Ratio	Ratio	0.14	1.24	2.43	1.94	1.80	2.41

Graphical Presentation of Key Financial Ratios



Statement of Value Addition and its Distribution

WEALTH GENERATED	RESTATED			
	2020 Amount in Rs	%	2019 Amount in Rs	%
Total revenue inclusive of sales tax other income	5,965,078,263		5,970,203,838	
Cost of Sales and services	(3,410,797,170)		(3,233,129,285)	
	2,554,281,093	100%	2,737,074,553	100%
WEALTH DISTRIBUTION				
To Employees				
Salaries, benefits and other costs	1,397,176,091	51%	1,219,348,349	45%
To Government				
Income tax, sales tax, excise duty and others	418,615,609	15%	110,221,922	4%
To Society				
Donation towards education, health and environment	26,421,548	1%	42,580,491	2%
To Provider of Capital				
Dividend to shareholders	-	0%	-	0%
Markup / Interest expenses on borrowed funds	1,249,675,688	46%	725,767,008	27%
To Company				
Depreciation, amortization & retained profit	(537,607,843)	-20%	639,156,783	23%
	2,554,281,093	100%	2,737,074,553	100%



Directors' Report

On behalf of the Board of Directors of TPL Corp Limited, we are pleased to present the Annual Financial Statements with the performance review of the Company for the year ended June 30th, 2020.

1. ECONOMIC OUTLOOK

The Economic Survey of Pakistan stated that the economy started to show improvement in the beginning of FY 2019-20, based on the Government's actions to address macro-economic imbalances. This resulted in a reduction of the fiscal deficit to 4% of GDP and macro-economic indicators became stable. However, on account of the outbreak of Coronavirus (COVID-19) during the second half of the fiscal year, much like the rest of the world, Pakistan's economy was also affected.

The Government and the State Bank of Pakistan took various measures to curtail the adverse economic impact of COVID-19, such as a PKR 1.24 trillion relief package and a reduction in interest rates from 13.25% to 7%. This meant that refinancing schemes for medical centers, payroll financing and various fiscal incentives resulted in a projected negative GDP growth of 0.38% during FY 2019-20 against the global contraction of 3% in 2020.

The outlook for the construction and real estate sector appears to be promising given the steps undertaken by the Government. The introduction of a fixed tax regime on the basis of per square foot on saleable area, giving the construction sector the status of an industry and the relaxation in declaring the source of funds will not only provide the necessary growth opportunities to the sector, but also lead to the documentation of the economy. Measures such as a 90% tax reduction under the Naya Pakistan Housing Scheme will benefit the economy and create employment opportunities going forward.

With the reopening of businesses, we expect macro-economic indicators and earnings to improve in FY 2020-21.

2. FINANCIAL HIGHLIGHTS

During this period the Group's gross revenue was PKR 4,968.42 million, representing a decrease of 1% as compared to the corresponding period last year. The revenue includes the Participant Takaful Fund of PKR 1,115.49 million. Loss before tax stands at PKR 1,081.62 million as compared to a profit before tax of PKR 181.11 million in the same period last year. The Group reported a loss per share of PKR 4.57 as compared to loss per share of PKR 1.20 in the corresponding period.

3. GROUP PERFORMANCE

A brief review of the Group's businesses is as follows:

a. TPL Trakker Limited

The Company achieved a total revenue of PKR 1.605 billion, showing a decline of 9% compared to last year. The Connected car segment contributed 60% to the topline of the Company, followed by Digital Mapping & Location Services at 38% and Industrial Internet of things (IoT) at 2%. Increased borrowing and higher benchmark rates for the major part of the year contributed to an increase in finance cost of 43% when compared with last year.

FUTURE OUTLOOK

TPL Trakker will continue exploring opportunities for smart solutions in the Oil & Gas, Banking and Agriculture sectors. Success in these sectors has demonstrated the potential for growth as more industries opt for the efficiencies brought about by digitization and automation. The demand for the Company's IoT portfolio complements the market shifts and is expected to continue as the portfolio will proactively expand over the next year.

Although the automotive sector has yet to recover from past declines, the Company's R&D for bespoke retail products for Toyota, Honda and Suzuki have led to successful product innovations that can address the needs of both the retail market and the national dealer network. As R&D continues the Company will capitalize on its

Directors' Report

expertise and position to grow market and customer share with new solutions such as Predictive Vehicle Maintenance, Mobile UBI and Cold-Chain Monitoring.

The Government's Auto Policy 2016-21 means that the Company will continue to maintain leadership in the Audio Video Navigation (AVN) market with its existing clientele and any new entrants. Innovations for in-car software and hardware will see the Company harnessing the opportunity to scale its business in high value segments.

Growth in the Mapping division is expected as the Company looks to increase sales, improve the service portfolio, gain a stronger foothold in analytics and cater to an increasing demand for location-based services. Increased coordination between business lines should serve the existing pipeline well as opportunities for cross-sell materialize.

International expansion will continue through the HERE Technologies partnership where, along with HERE's data integration for Pakistan, the Company is pursuing international sales opportunities for HERE Location Services (HLS) and Solutions sales in the Middle East through Trakker Middle East (TME).

The Company also expects growth in Container Security solutions, already used to track and monitor Afghan Transit bonded cargo. This year we expect to increase monthly volumes by 60% (MoM) with the tracking of Transshipment cargo and Reverse Commercial Cargo coming from Afghanistan into Pakistan. We are also the first Company to have started commercial tracking operations from the Gwadar Port which will add to the growth of the Container Security business.

b. TPL Insurance Limited

During the year, the Company registered 3.5% growth with a Gross Written Premium of PKR 2,478 million vs. PKR 2,395 million in the preceding year (including Window Takaful Operations). Due to the COVID-19 pandemic no motor sales were recorded in the entire month of April for the first time in Pakistan's history. This decline, coupled with an increase in vehicle prices, saw a significant downturn in overall sales. Despite these challenges, the auto portfolio reported GWP at PKR 2,040 million compared to last year's PKR 2,064 million. The Health business supported top-line growth by contributing PKR 202 million compared to PKR 147 million in the same period last year. The Company reported a robust growth in its bottom-line with a profit before tax of PKR 129 million (including results of Window Takaful operations) as compared to PKR 33 million last year. This is mainly attributed to improved claims and investment income.

FUTURE OUTLOOK

Despite a challenging economic environment, our operations continued at an optimum level and our claims were settled in record time. Our investments in digitization initiatives are paying off and we are able to serve our customer through digital channels. Though the pandemic has impacted our top-line growth during the year, we are confident to cover the shortfall through the further deepening of relationships with our business partners.

We would like to thank all our stakeholders, business partners, Pakistan Stock Exchange, the SECP and our people for their continued support.

c. TPL Properties Limited

During the financial year under review, growth in revenue was 14%, mainly due to the renewal of contracts with tenants. Operating profit improved by 13% in line with revenue. However, profit before tax (PBT) was under pressure and down by PKR 483m (-69%) on account of the increased finance cost and lower revaluation gain compared to last year.

FUTURE OUTLOOK

During the second half of the outgoing fiscal year we have seen a drop in the occupancy ratio and the demand of office space including pressure on valuations due to COVID-19. However, an opportunity also arose in the shape

Directors' Report

of a bid for the purchase of Centrepoint building from Bank AL Habib Limited, We have accepted on the same and decided to sell this asset as per our exit strategy at the right valuation. This has opened up various new avenues for us in terms of acquiring more real estate for development. We are actively exploring these new development avenues with a focus in Karachi.

Our One Hoshang project is moving towards finalization of detailed designing which will be followed by tender documentation. Regulatory approvals are under process and we expect to receive them from the Culture department shortly. The project launch has been planned for Jan 2021.

As things resume normalcy, we are working closely with our JV partner for the Logistic Park project for transferring of project land into SPV. At the same time, engagement with design and project management teams has been initiated to finalize their appointments.

d. TPL Life Insurance Limited

The Company's top line growth has done well. The Gross Written Premium (GWP) during the year ended June 30, 2020 is PKR 979.2 million which has improved by 85% as compared to PKR 529.0 million for the corresponding period last year. Due to the pandemic, quite a few companies suspended their daily operations. However, TPL Life remained operational due to our system's flexibility which allowed teams to operate remotely and ensure uninterrupted service to our customers.

During the year, premium from Corporate business posted a growth of 84% to PKR 879 million from PKR 476.6 million during the same period last year. Similarly, the Retail business grew 91% to PKR 100.2 million compared to PKR 52.4 million last year.

The Company's Takaful line of business contributed 17% of the total premium revenue and we are expecting this to increase in the coming year due to an inherent need for Shariah based Takaful solutions in both the retail and corporate sectors.

The Company paid total health and life claims of PKR 542.0 million during the FY, with health claims to the tune of PKR 472.1 million and life insurance claims of PKR. 69.9 million.

The Company issued 30 million Right shares at PKR 10 per share to TPL Corp Ltd. to meet solvency and working capital requirements.

The Company has a reinsurance arrangement with Hannover Re having awarded "AA-" rating by Standard & Poor's. This will provide diversification of risk and depth to the underwriting capacity of the Company.

The Company has maintained an IFS (Insurer Financial Strength) rating of Company A- (Single A minus) by PACRA.

The loss after tax for the year was PKR 282.1 million compared with PKR 178.1 million in the same period last year. Major contributors include building-up of the risk based solvency margin for health and life business as well as startup and associated costs for life and health insurance operations. In the current economic environment and with a recent hike in operational costs, we will review cost centers and realign business and operational strategies to reign in major cost heads.

For policy holders, the Company extended the grace period for premium payments, to enable them to keep their policies.

FUTURE OUTLOOK

While it is hard to estimate the potential impact of the COVID-19 Pandemic on different aspects of the business, the Company is closely monitoring the market situation and preparing for a new post-pandemic world. The Life insurance industry is facing various challenges, the most important of which is the imposition of provincial sales tax

Directors' Report

on life and health insurance as well as on agent commission. Support from the Government for the development of the insurance sector will play a key role in increasing penetration and resolving current issues.

From a market development perspective, with major growth previously coming from banc assurance sales, the life insurance sector has been adversely hit by COVID-19 related measures taken by banks. With a sudden decrease in the policy rate, approx. 575 bps since March, 2020, the investment income of insurers has also taken a hit.

TPL Life, being a front runner in Insurtech, is ideally positioned to capitalize on future market distribution models. With digital platforms in place, the focus will now be on aggressive go-to-market strategies to increase the awareness and usage of digital platforms. For the retail line of business, the Company will focus on B2B partnerships to increase its digital footprint, enabling accelerated penetration as well as diversification of risk.

The Corporate business will continue to focus on enhancing its portfolio through the delivery of top notch customer experience and maintain an edge via tech-based solutions.

e. TPL e-Ventures

TPL e-Ventures, with the patronage of the TPL group, managed to strengthen its presence in the local ecosystem through collaboration and strategic partnership with local Incubators, Accelerators and VC funds. During the year, the Company evaluated several startups from different sectors such as Digital Banking, TeleHealth, e-Commerce and Et al; and shortlisted six startups, out of which three startups are at due diligence stage.

TPL e-Ventures not only aims to invest in diverse range of startups, but also focuses to build strategic partnerships by extending its support to them through facilitating building dynamic teams, edifying marketing, and improving their sales & product portfolio, resultantly cultivating their businesses.

To date, TPL e-Ventures has invested in three startups namely TelloTalk, Rider and KarloCompare.

TelloTalk – offers all-in-one chat application that integrates all C2C, B2C and B2B communications. During FY20, it recorded a significant growth on the account of new clients on-boarded for Chat SDK Solutions. At the same time, monthly active users on its mobile app doubled supported by the launch of additional feature of Chat Rooms. TPL successfully integrated TelloTalk Chat SDK Solution for Web and Mobile Application across three subsidiaries namely TPL Insurance, TPL Life and TPL Trakker. The integration triggers conversion of warrants into additional equity stake of 1.5%, leading to cumulative equity stake of TPL at 3.5%, appreciating investment value by 75%.

Rider – last mile delivery provider allows businesses to deliver products at customer's doorstep. During FY20, Rider expanded its operations to six new cities in Pakistan and recorded phenomenal growth in monthly volumes. The Company integrated its solution with TPL Maps to improve delivery success and minimize mis-deliveries. In light of Rider's growth in FY20, TPL participated by PKR 17.3m in follow-up funding round, bringing the total investment to PKR 20.6 million. The investment is currently valued at PKR 66 million, translating into gain of 220.4%.

KarloCompare – a platform that provides a comprehensive comparison of insurance and credit products. In Dec'19, the management of KarloCompare ("KC") decided to shut down its operations as it believed that such online price aggregation platform is ahead of its time in Pakistan given the low financial inclusion. The decision was backed by lower demand of banking products due to high interest rates, high user acquisition cost digitally led by currency devaluation and lower marketing budgets of financial institutions.

However, with Covid-19 pandemic disrupting consumer spending and purchasing behavior altogether and leading the pathway for digital Pakistan, TPL's management intends to revamp KC by taking over its management control. At present, TPL e-Ventures management is undertaking the due diligence proceedings to conclude this the way forward.

Directors' Report

Strategic Focus and Future Outlook

Pakistan's tech ecosystem has been direct beneficiary of the Covid-19 Pandemic, which brought the digital upheaval in the country long aimed for, evident from the multifold increase in online sales and digital transaction volumes over the 4QFY20. The growth has brought Startup eco-system in limelight as evident from healthy participation of Foreign VCs in fund raising of local startups. At the same time, the government has taken the lead by building national and provincial incubators, introducing a three-year tax relief and creating regulations to allow local venture capital firms and investors to set up shop in the country.

TPL e-Ventures, as a key development plan moving forward, will focus towards maturing existing portfolio companies while continuing to identify high-growth opportunities for investment and work on incubating ideas that can be executed via TPL Corp or strategic/JV partners. Furthermore, the Company has setup clear funnel generating steady deal flow to assess investment opportunities, find channel partner relationships with other TPL Corp entities and provide access to co-investment/funding partners.

f. TPL Security Services (Private) Limited

TPL Security Services (Private) Limited performed well, with a revenue growth of 5%. This increase was attributed to the expansion of its customer base. During the Pandemic we focused on sustaining our existing business as well as securing potential clients in the north and central regions of the country.

FUTURE OUTLOOK

Private Security has reduced the crime rate and injected a sense of security into communities at large. Our pipeline is looking strong in the private sector as well as in multinationals and local companies. We will continue to strengthen our operations and service our clients with the provision of highly trained personnel.

4. INTERNAL CONTROL SYSTEM

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. To maintain its objectivity, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. The Internal Audit Department monitors and evaluates the efficiency and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of the internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

5. CREDIT RATING

The Pakistan Credit Rating Agency Limited (PACRA) has assigned a long-term entity rating of "A" (Single A) and short-term entity rating of A1 (A one) to TPL Corp Limited. These ratings indicate a stable outlook and high credit quality.

Directors' Report

6. KEY FINANCIAL DATA FOR THE LAST SIX YEARS

	2020 PKR'000	Restated 2019 PKR'000	Restated 2018 PKR'000	2017 PKR'000	2016 PKR'000	2015 PKR'000
Balance Sheet						
Paid - up capital	2,672,978	2,672,978	2,372,978	2,172,490	2,172,490	2,172,490
Capital Reserve	60,856	60,856	60,856	-	-	-
Revenue Reserve	(429,238)	219,732	533,300	548,301	533,817	901,176
Other components of equity	327,728	566,082	216,527	228,791	-	-
Non-Controlling Interest	4,766,384	4,618,490	4,220,516	3,978,088	2,525,421	806,560
Total Shareholders' equity	7,398,707	8,138,137	7,404,176	6,927,669	5,231,727	3,880,226
Participants' Takaful Fund (PTF)	69,048	(117,589)	(214,850)	-	-	-
Total equity	7,467,756	8,020,548	7,189,326	6,927,669	5,231,727	3,880,226
Long term Loan and short term	6,844,481	5,817,025	6,181,169	4,255,897	3,934,215	3,301,289
Due to related parties	976,883	1,173,752	504,988	87,950	123,792	628,648
Other Liabilities	4,546,922	3,711,958	3,479,658	1,076,191	920,786	1,232,292
Total Liabilities	12,368,286	10,702,735	10,165,815	5,420,038	4,978,793	5,162,229
Total Equity & Liabilities	19,836,042	18,723,283	17,355,141	12,347,707	10,210,520	9,042,455
Total Assets						
Investment	2,394,937	8,253,923	7,992,379	6,087,598	4,741,405	4,488,355
Fixed Assets	1,390,116	2,760,069	2,214,072	1,799,521	1,305,465	1,321,227
Other non - current assets	3,064,685	3,050,371	2,852,374	1,879,278	1,628,358	1,552,788
Trade debts	1,164,282	1,397,980	1,374,344	1,280,587	1,086,023	873,160
Stock-in-trade	247,185	267,410	326,692	357,217	294,125	253,414
Other current assets	3,122,974	2,027,739	1,581,123	453,402	227,369	291,806
Cash and bank balances	1,470,768	965,792	1,014,158	490,104	927,774	261,706
Non-current asset held for sale	6,981,095	-	-	-	-	-
Total Assets	19,836,042	18,723,283	17,355,141	12,347,707	10,210,520	9,042,455

Directors' Report

	2020 PKR'000	Restated 2019 PKR'000	2018 PKR'000	2017 PKR'000	2016 PKR'000	2015 PKR'000
Turnover -net	4,968,421	5,013,470	3,471,416	2,168,433	2,037,361	2,178,542
Cost of sales	(3,601,080)	(3,092,894)	(1,960,689)	(1,168,704)	(929,333)	(1,301,779)
Gross profit	1,367,341	1,920,576	1,510,727	999,729	1,108,028	876,763
Distribution expenses	(384,688)	(351,365)	(282,608)	(214,247)	(222,153)	(226,821)
Administrative expenses	(1,255,095)	(1,375,337)	(1,031,399)	(501,505)	(393,627)	(448,491)
Other operating expenses	(74,327)	(30,823)	(97,312)	(1,360)	(69,974)	(79,266)
Operating profit	(346,769)	163,051	99,409	282,617	422,274	122,184
Finance costs	(1,262,316)	(741,592)	(507,568)	(334,820)	(369,731)	(312,566)
Other Income	742,327	858,003	1,145,124	348,374	235,642	679,839
Net surplus attributable to PTF	(189,216)	(86,855)	-	-	-	-
Share of profit/(loss) from investment in associates - net	(25,649)	(11,492)	(13,147)	16,962	8,732	(48,591)
Profit before taxation	(1,081,624)	181,115	723,818	313,134	296,917	440,865
Taxation	(138,636)	(98,730)	(59,570)	(44,854)	(65,288)	11,085
Profit / (Loss) after taxation	(1,220,260)	82,385	664,248	268,280	231,629	451,950
Other comprehensive income	19,951	351,576	(12,326)	229,088	-	450
Total comprehensive income	(1,200,309)	433,961	651,922	497,369	231,629	452,400
EPS	(4.57)	(1.20)	0.07	0.09	0.29	1.54

7. AUDITORS

M/s EY Ford Rhodes, Chartered Accountants retire and offer themselves for reappointment. The Board of Director has recommended their appointment as auditors for the year ending June 30, 2021 at a fee to be mutually agreed.

8. DIRECTORS' TRAINING

As required under Regulation 19 of the Listed Companies Code of Corporate Governance, 2019 the Company has duly complied with the requirement of the Directors Training Program.

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 fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- The Company has maintained proper books of accounts as required under the Companies Act 2017.

Directors' Report

- The Company has followed consistently appropriate accounting policies in the preparation of Financial Statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standard as applicable in Pakistan has been followed in the preparation of the financial statements and any departure therefrom has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented 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 the best practices of the Corporate Governance as laid down under the Listed Companies Code of Corporate Governance, 2019 and there has been no material departure there from.
- Key operating and financial data for the last six years in summarized form, is included in this annual report.

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. Nadeem Arshad Elahi Mr. Mark Rousseau
Executive Directors	Mr. Mohammad Ali Jameel
Non-Executive Directors	Mr. Jameel Yusuf S.St Mr. Bilal Alibhai Mr. Zafar -ul-Hassan Naqvi Mr. Mohammad Shafi
Female Director	Mrs. Sabiha Sultan Ahmed (Executive Director)

The Board has formed committees comprising of members given below:

Audit Committee	Mr. Nadeem Arshad Elahi – Chairman Mr. Zafar -ul-Hassan Naqvi – Member Mr. Mark Rousseau – Member Mr. Yousuf Zohaib Ali – Secretary
HR and Remuneration Committee	Mr. Nadeem Arshad Elahi – Chairman Mr. Zafar -ul-Hassan Naqvi – Member Mr. Mohammad Ali Jameel – Member Mr. Nader Nawaz – Secretary

DIRECTORS' REMUNERATION

A formal Directors' Remuneration Policy, approved by the Board of Directors, is in place. The policy includes a transparent procedure for remuneration of Directors in accordance with the Companies Act, 2017 and the Listed Companies Code of Corporate Governance 2019. The Directors are paid a remuneration of PKR 20,000/- for attending each meeting of the Board or its sub-committees.

Directors' Report

9. PATTERN OF SHAREHOLDING

A statement of pattern of shareholding of the Company as at June 30, 2020 is as follows:

Shareholder's Category	Number of shares	Percentage of shareholding
Associated Companies	166,830,748	62.41%
Banks, DFI & NBFI	10,680,500	4.00%
Mutual Funds	6,302,000	2.36%
General Public (Local)	75,424,210	28.22%
General Public (Foreign)	4,463,407	1.67%
Others	3,488,898	1.31%
Modarabas	108,000	0.04%
Total	267,297,763	100

Pattern of holding of shares held by the shareholders of the Company as at June 30, 2020:

NO. OF SHAREHOLDERS	From	To	SHARES HELD	PERCENTAGE
296	1	100	4,248	0.0016
635	101	500	310,972	0.1163
689	501	1,000	677,441	0.2534
1,589	1,001	5,000	4,760,658	1.7810
659	5,001	10,000	5,560,188	2.0801
275	10,001	15,000	3,631,158	1.3585
197	15,001	20,000	3,679,496	1.3766
132	20,001	25,000	3,152,000	1.1792
82	25,001	30,000	2,369,000	0.8863
45	30,001	35,000	1,505,500	0.5632
52	35,001	40,000	2,015,150	0.7539
26	40,001	45,000	1,118,738	0.4185
62	45,001	50,000	3,075,500	1.1506
20	50,001	55,000	1,048,600	0.3923
14	55,001	60,000	827,000	0.3094
16	60,001	65,000	1,013,500	0.3792
17	65,001	70,000	1,157,736	0.4331
14	70,001	75,000	1,026,500	0.3840
13	75,001	80,000	1,025,000	0.3835
5	80,001	85,000	415,000	0.1553
6	85,001	90,000	526,500	0.1970
7	90,001	95,000	653,500	0.2445
43	95,001	100,000	4,297,877	1.6079
5	100,001	105,000	517,500	0.1936
4	105,001	110,000	440,000	0.1646
3	110,001	115,000	342,000	0.1279
3	115,001	120,000	356,000	0.1332
3	120,001	125,000	375,000	0.1403
3	125,001	130,000	390,000	0.1459

Directors' Report

NO. OF SHAREHOLDERS	From	To	SHARES HELD	PERCENTAGE
3	130,001	135,000	396,000	0.1481
5	135,001	140,000	687,000	0.2570
4	140,001	145,000	576,000	0.2155
5	145,001	150,000	749,000	0.2802
1	150,001	155,000	152,000	0.0569
1	155,001	160,000	157,500	0.0589
3	170,001	175,000	525,000	0.1964
2	175,001	180,000	354,500	0.1326
3	180,001	185,000	547,500	0.2048
2	190,001	195,000	384,500	0.1438
8	195,001	200,000	1,597,500	0.5976
3	205,001	210,000	625,500	0.2340
1	210,001	215,000	212,000	0.0793
2	215,001	220,000	435,500	0.1629
3	220,001	225,000	669,000	0.2503
1	225,001	230,000	227,500	0.0851
1	235,001	240,000	239,000	0.0894
1	240,001	245,000	245,000	0.0917
8	245,001	250,000	1,997,000	0.7471
1	250,001	255,000	251,000	0.0939
1	255,001	260,000	260,000	0.0973
1	260,001	265,000	262,500	0.0982
1	290,001	295,000	295,000	0.1104
3	295,001	300,000	900,000	0.3367
1	325,001	330,000	330,000	0.1235
1	330,001	335,000	332,000	0.1242
1	360,001	365,000	364,000	0.1362
1	380,001	385,000	385,000	0.1440
1	385,001	390,000	385,500	0.1442
1	395,001	400,000	400,000	0.1496
2	425,001	430,000	853,000	0.3191
1	430,001	435,000	434,500	0.1626
2	445,001	450,000	900,000	0.3367
1	485,001	490,000	490,000	0.1833
1	490,001	495,000	495,000	0.1852
6	495,001	500,000	3,000,000	1.1223
1	510,001	515,000	514,000	0.1923
2	520,001	525,000	1,050,000	0.3928
1	525,001	530,000	526,000	0.1968
1	545,001	550,000	550,000	0.2058
1	550,001	555,000	550,500	0.2060
1	615,001	620,000	618,000	0.2312
1	675,001	680,000	676,500	0.2531
1	695,001	700,000	700,000	0.2619
1	785,001	790,000	790,000	0.2956

Directors' Report

NO. OF SHAREHOLDERS	From	To	SHARES HELD	PERCENTAGE
1	895,001	900,000	900,000	0.3367
1	990,001	995,000	992,500	0.3713
2	995,001	1,000,000	2,000,000	0.7482
1	1,015,001	1,020,000	1,018,500	0.3810
1	1,020,001	1,025,000	1,022,500	0.3825
1	1,095,001	1,100,000	1,100,000	0.4115
1	1,245,001	1,250,000	1,247,000	0.4665
1	1,345,001	1,350,000	1,347,500	0.5041
1	1,395,001	1,400,000	1,400,000	0.5238
1	1,995,001	2,000,000	1,999,500	0.7480
1	2,080,001	2,085,000	2,083,000	0.7793
1	3,410,001	3,415,000	3,412,000	1.2765
1	4,060,001	4,065,000	4,061,500	1.5195
1	5,145,001	5,150,000	5,150,000	1.9267
1	8,395,001	8,400,000	8,400,000	3.1426
1	36,220,001	36,225,000	36,225,000	13.5523
1	121,575,001	121,580,000	121,577,501	45.4839
5026	Company	Total	267297763	100.0000

10. ADDITIONAL INFORMATION

Associated Companies, Undertaking and Related Parties (name wise details)	No of shares held (2020)
TPL HOLDINGS (PRIVATE) LIMITED	166,830,401
TRUSTEE TPL DIRECT INSURANCE LTD -EMPLOYEES PROVIDENT FUND	347
Mutual Funds (name wise details)	
ARIF HABIB LIMITED	1,247,000
AXIS GLOBAL LIMITED - MF	77,000
CDC - TRUSTEE AKD OPPORTUNITY FUND	385,500
MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES LTD. - MF	193,500
MRA SECURITIES LIMITED - MF	245,000
PEARL SECURITIES LIMITED - MF	4,061,500
STANDARD CAPITAL SECURITIES (PVT) LIMITED - MF	157,500
TRUSTEES OF PAKISTAN MOBILE COMMUNICATION LTD -PROVIDENT FUND	50,000
DAWOOD EQUITIES LIMITED - M	12,000
HORIZON SECURITIES LIMITED - MF	10,000

Directors' Report

Associated Companies, Undertaking and Related Parties (name wise details)	No of shares held (2020)
TRUST SECURITIES & BROKERAGE LIMITED - MF	62,500
Directors, CEO and their Spouse and Minor Children (name wise details)	
Following directors are nominee director of TPL Holdings (Private) Limited and do not have any shares of the Company as of June 30, 2020.	
MR. JAMEEL YUSUF	
MR. BILAL ALIBHAI	
Following directors are the independent director of the Company and do not have any shares of the Company as of June 30, 2020.	
MR. NADEEM ARSHAD ELAHI	
MR. MARK ROUSSEAU	
Following directors are the executive directors of the Company and do not have any shares of the Company as of June 30, 2020.	
MR. MUHAMMAD ALI JAMEEL	
MS. SABIHA SULTAN	
Following non -executive directors of the Company have shares of the Company as of June 30, 2020 as follows:	
MR. ZAFAR -UL-HASSAN NAQVI	500
MR. MUHAMMAD SHAFI	1
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.	

11. BOARD MEETINGS

The Board of Directors held 4 meetings during the financial year. Attendance of Directors is indicated below:

Name of Director	Meetings Attended
Mr. Jameel Yusuf Ahmed (S.St)	4
Mr. Muhammad Ali Jameel (CEO)	4
Vice Admiral (R) Muhammad Shafi, HI(M)	2
Mr. Mark Dean Rousseau	4
Ms. Sabiha Sultan	4
Mr. Nadeem Arshad Elahi	3
Major General (R) Zafar u l Hasan Naqvi	3
Mr. Bilal Alibhai	4

Directors' Report

12. ACKNOWLEDGEMENT

We would like to thank the shareholders of the Company for their confidence and faith in us. We also appreciate the valued support and guidance provided by the Securities and Exchange Commission of Pakistan, the Federal Board of Revenue and the Pakistan Stock Exchange. We express our sincere thanks to our people, strategic partners, vendors, suppliers and customers for their continued trust in us.

On behalf of the Board of Directors:



ALI JAMEEL
CHIEF EXECUTIVE OFFICER



JAMEEL YUSUF (S.ST.)
DIRECTOR

ڈائریکٹر رپورٹ:

ہمارے لئے یہ باعث مسرت ہے کہ ٹی پی ایل کارپوریشن لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے ہم 30 جون، 2020 کو ختم ہونے والی مالی سال کے لئے کمپنی کے کارکردگی جائزہ کے ساتھ سالانہ مالیاتی اسٹیٹمنٹ پیش کریں۔

۱. معاشی جائزہ:

اکنامک سروے آف پاکستان نے بتایا ہے کہ مالی سال 20-2019 کے آغاز میں حکومت کی جانب سے میکرو معاشی عدم توازن کو دور کرنے کے اقدامات کی بنیاد پر معیشت میں بہتری آنا شروع ہو گئی۔ اس کے نتیجے میں مالی خسارہ کم ہو کر جی ڈی پی کے 4 فیصد ہو گیا اور میکرو معاشی اشارے مستحکم ہو گئے۔ تاہم، مالی سال کے دوسرے نصف حصے کے دوران، کورونا وائرس (COVID-19) کے پھیلنے کی وجہ سے، پوری دنیا کی طرح، پاکستان کی معیشت بھی متاثر ہوئی۔

حکومت اور اسٹیٹ بینک آف پاکستان نے کوویڈ-19 کے پڑنے والے بڑے اثرات سے نمٹنے کیلئے فوری طور پر 1.24 کھرب روپے کا امدادی پیکیج دیا، شرح سود 13.25 فیصد بلندی سے 7 فیصد تک کمی کر دی، طبی مراکز صحت اور برآمدی صنعتوں پر مختلف مراعات دی گئیں، جس کے نتیجے میں مالی سال 20-2019 کیلئے جی ڈی پی 3 فیصد بڑھوتری عالمی پیشگوئی کے مقابلے میں 0.38 فیصد منفی رہی۔

حکومت کی طرف سے تعمیراتی اور ریل اسٹیٹ سیکٹر کے لئے کئے گئے اقدامات کے پیش نظر کارکردگی کافی حوصلہ کن رہی۔ قابل فروخت رقبے پر فی مربع فٹ کی بنیاد پر ایک مقررہ ٹیکس نظام کا تعارف، تعمیراتی شعبے کو ایک صنعت کا درجہ فراہم کرنے اور فنڈز کا ذریعہ بتانے میں نرمی نہ صرف اس شعبے کو ترقی کے ضروری مواقع فراہم کرے گی بلکہ اس کا باعث بھی ہوگی۔ معیشت کی دستاویزات نیا پاکستان ہاؤسنگ اسکیم کے تحت 90 فیصد ٹیکس میں کمی جیسے اقدامات سے معیشت کو فائدہ ہو گا اور روزگار کے مواقع آگے بڑھیں گے۔

کاروبار دوبارہ کھولنے کے ساتھ، ہم توقع کرتے ہیں کہ مالی سال 2020-21 میں میکرو معاشی اشاریے اور آمدنی میں بہتری آئے گی۔

۲. مالیاتی جھلکیاں۔

اس عرصے کے دوران گروپ کی مجموعی آمدنی 4,968.42 ملین پاکستانی روپے تھی جو گزشتہ سال کے اسی عرصے کے مقابلے میں ا فیصد کمی کی نشاندہی کرتی ہے۔ آمدنی میں 11,115.49 ملین پاکستانی روپے کا حصہ دار تکافل فنڈ شامل ہے۔ ٹیکس سے پہلے کا نقصان 1,081.62 ملین پاکستانی روپے رہ گیا ہے جبکہ پچھلے سال کی اسی مدت میں 181.11 ملین پاکستانی روپے ٹیکس سے پہلے منافع تھا۔ گروپ نے اس مدت میں 4.57 پاکستانی روپے فی شیئر نقصان کیا جبکہ گزشتہ سال فی شیئر نقصان 1.20 پاکستانی روپے تھا۔

۳. گروپ کی کارکردگی۔

گروپ کے کاروبار کا ایک مختصر جائزہ درج ذیل ہے۔

a. ٹی پی ایل ٹریڈر لمیٹڈ۔

کمپنی نے 1.65 ملین پاکستانی روپے کی مجموعی آمدنی حاصل کی، جو پچھلے سال کے مقابلہ میں 9 فیصد کم ہے۔ منسلک کار طبقہ نے کمپنی کی ٹاپ لائن میں 60 فیصد حصہ ڈالا، اس کے بعد ڈیجیٹل میڈنگ اور لوکیشن سروسز 38 فیصد اور صنعتی انٹرنیٹ کی اشیاء (IoT) 2 فیصد رہی۔ پچھلے سال کے مقابلے میں زیادہ قرضے اور اعلیٰ بیٹنچ مارک کی شرحوں کی وجہ سے سود کے اخراجات میں 43 فیصد اضافہ ہوا ہے۔

ڈائریکٹر رپورٹ:

مستقبل کا جائزہ

ٹی بی ایل ٹریڈر آئل اینڈ گیس، بینکاری اور زراعت کے شعبوں میں سمارٹ سلوشنز کے مواقع کی تلاش جاری رکھے گا۔ ان شعبوں میں کامیابی نے ترقی کے امکانات کا مظاہرہ کیا ہے کیونکہ مزید صنعتیں ڈیجیٹائزیشن اور آٹومیشن کے ذریعہ سامنے آنے والی افادیت کو منتخب کرتی ہیں۔ کمپنی کے IOT پورٹ فولیو کی مانگ مارکیٹ کی تبدیلیوں کو پورا کرتا ہے اور توقع ہے کہ اگلے سال کے دوران پورٹ فولیو میں تیزی سے وسعت ہوگی۔

اگرچہ آٹوموٹو سیکٹر ابھی تک پچھلے نقصانات سے سنبھلا نہیں ہے، ٹویوٹا، ہونڈا اور سوزوکی کے لئے کمپنی کے آر اینڈ ڈی بیسپوک ریٹیل پروڈکٹس میں کامیاب مصنوعات کی جدت طرازی کا باعث بنی ہے جو ریٹیل مارکیٹ اور قومی ڈیلر نیٹ ورک دونوں کی ضروریات کو پورا کر سکتی ہے۔ جیسے ہی آر اینڈ ڈی جاری ہے، کمپنی اپنی پیشہ وارانہ صلاحیتوں اور مارکیٹ میں اضافے کی پوزیشن کا فائدہ اٹھائے گی اور کسٹمر شیئر کو نئے سلوشنز جیسے پیش گوئی والی گاڑیوں کی بحالی، موبائل یو بی آئی اور کولڈ چین مانیٹرنگ کے ساتھ فائدہ اٹھائے گی۔

حکومت کی آٹو پالیسی 2016-21 کا مطلب ہے کہ کمپنی آڈیو ویڈیو نیوٹیکیشن (اے وی این) مارکیٹ میں اپنے موجودہ گاہک اور کسی بھی نئے داخل ہونے والے افراد کے ساتھ قیادت برقرار رکھے گی۔ کار میں سوفٹویئر اور ہارڈ ویئر کی ایجادات کمپنی کو اعلیٰ قدر والے حصوں میں اپنے کاروبار کو بڑھانے کے مواقع فراہم کرے گی۔

میپنگ ڈویژن میں بڑھوتری کی توقع کی جارہی ہے کیونکہ کمپنی کی سیلز میں اضافہ، سروس پورٹ فولیو کو بہتر بنانا، تجزیات میں ایک مضبوط قدم حاصل کرنا اور لوکیشن پر مبنی سروسز کی بڑھتی طلب کو پورا کرنا ہے۔ کاروباری خطوط کے مابین بڑھتی ہم آہنگی کو موجودہ پائپ لائن کے ساتھ ساتھ کراس سیل میٹریا لائز کے مواقع بھی فراہم کرنا چاہیے۔

بین الاقوامی توسیع ہیز ٹیکنالوجی پارٹنرشپ کے ذریعے جاری رہے گی جہاں، پاکستان کے لئے یہاں کے ڈیٹا انضمام کے ساتھ ساتھ، کمپنی ٹریڈر ڈیل ایسٹ (ٹی ایم ای) کے ذریعہ مشرق وسطیٰ میں ہیز لوکیشن سروسز (ایچ ایل ایس) اور سلوشنز سیلز کی بین الاقوامی مواقع کی تلاش میں ہے۔

کمپنی کنٹینر سیکورٹی سلوشنز میں بھی ترقی کی توقع رکھتی ہے، جو پہلے ہی افغان ٹرانزٹ بانڈ ڈکارگو کو ٹریک کرنے اور مانیٹر کرنے کے لئے استعمال کیا جاتا تھا۔ اس سال ہم ٹرانسپینٹ کارگو اور رپورس کمرشل کارگو کا افغانستان سے پاکستان آنے والے ٹریکنگ کے ساتھ ماہانہ حجم میں 60 فیصد (ایم او ایم) اضافہ کی توقع کریں گے۔ ہم ہی پہلی کمپنی ہیں جنہوں نے گواڈر پورٹ سے تجارتی ٹریکنگ آپریشن شروع کیا ہے جس سے کنٹینر سیکورٹی کے کاروبار میں اضافہ ہوگا۔

b. ٹی بی ایل انشورنس لمیٹڈ

سال کے دوران، کمپنی نے گزشتہ سال (جس میں ونڈو ٹکافل آپریشنز سمیت) 2,478 ملین پاکستانی روپے بمقابلہ 2,395 ملین پاکستانی روپے کے مجموعی تحریری پریمیم کے ساتھ 3.5 فیصد اضافہ ریکارڈ کیا۔ COVID-19 وبائی امراض کی وجہ سے پاکستان کی تاریخ میں پہلی بار اپریل کے پورے مہینے میں کوئی گاڑی فروخت نہیں ہوئی۔ گاڑیوں کی قیمتوں میں اضافے کے ساتھ اس مجموعی فروخت میں مجموعی طور پر مندی دیکھی گئی۔ ان مشکلات کے باوجود، آٹو پورٹ فولیو نے گزشتہ سال 2,064 ملین پاکستانی روپے کے مقابلے میں جی ڈبلیو پی کو 2,040 ملین پاکستانی روپے رپورٹ کیا۔ صحت کے کاروبار نے کو 202 ملین پاکستانی روپے شراکت میں ٹاپ لائن بڑھوتری کی حمایت کی ہے جبکہ پچھلے سال کی اسی مدت میں 147 ملین پاکستانی روپے تھی۔ کمپنی نے 169 ملین پاکستانی روپے (ونڈو ٹکافل آپریشنز کے نتائج سمیت) کے ٹیکس سے پہلے منافع کے ساتھ اپنے نچلے حصے میں مضبوط اضافے کی اطلاع دی تھی جبکہ گزشتہ سال 33 ملین پاکستانی روپے کے مقابلے میں تھی۔ یہ بنیادی طور پر بہتر دعوؤں اور سرمایہ کاری کی آمدنی سے منسوب ہے۔

ڈائریکٹر رپورٹ:

مستقبل کا جائزہ:

ایک مشکل معاشی ماحول کے باوجود، ہماری سرگرمیاں زیادہ سے زیادہ سطح پر جاری رہیں اور ہمارے دعوے ریکارڈ وقت پر طے پائے۔ ڈیجیٹلائزیشن اقدامات میں ہماری سرمایہ کاریوں کا معاوضہ ختم ہو رہا ہے اور ہم ڈیجیٹل چینلز کے ذریعے اپنے صارفین کی خدمت کرنے کے اہل ہیں۔ اگرچہ وبائی مرض نے ایک سال کے دوران ہماری اولین لائن کی بڑھوتری کو متاثر کیا ہے، لیکن ہم اپنے کاروباری شرائط داروں کے ساتھ تعلقات کو مزید گہرا کرنے کے ذریعے اس کمی کو پورا کرنے کے لئے پراعتماد ہیں۔

ہم اپنے تمام اسٹیک ہولڈرز، کاروباری شرائط داروں، پاکستان اسٹاک ایکسچینج، ایس ای سی پی اور اپنے عوام کی مسلسل حمایت پر شکریہ ادا کرنا چاہیں گے۔

c. ٹی پی ایل پر اپریٹیز لمیٹڈ

زیر غور مالی سال کے دوران، آمدنی میں اضافے کی شرح 14 فیصد تھی، جس کی بنیادی وجہ کرایہ داروں کے ساتھ معاہدوں کی تجدید ہے۔ آپریٹنگ منافع میں محصول کی وجہ سے 13 فیصد اضافہ ہوا۔ تاہم، ٹیکس سے قبل منافع (پی بی ٹی) دباؤ میں تھا اور گزشتہ سال کے مقابلہ میں مالیت کی لاگت میں اضافے اور کم تشخیصی فائدہ کی وجہ سے 483 ملین پاکستانی روپے (-69 فیصد) گزشتہ سال سے کم تھا۔

مستقبل کا جائزہ:

ختم ہونے والے مالی سال کے دوسرے نصف حصے کے دوران، ہم نے قبضے کے تناسب اور آفس کی جگہ کی طلب میں کمی دیکھی ہے جس میں کوویڈ-19 کے باعث قیمتوں پر دباؤ بھی شامل ہے۔ تاہم، ایک موقع یہ بھی سامنے آیا کہ بینک الجلب لمیٹڈ سے سینئر پوائنٹ کی عمارت کی خریداری کے لئے بولی کی شکل میں، ہم نے اس کو قبول کر لیا ہے اور اس اثاثہ کو صحیح قیمت پر اپنی خارجی حکمت عملی کے مطابق فروخت کرنے کا فیصلہ کیا ہے۔ اس سے ترقی کے لئے زیادہ ریکل اسٹیٹ کے حصول کے سلسلے میں ہمارے لئے مختلف نئی راہیں کھل گئیں۔ ہم کراچی میں توجہ کے ساتھ ان نئی ترقیاتی راہوں کی سرگرمی سے تلاش کر رہے ہیں۔

ہمارا ون ہوشنگ پروجیکٹ تفصیلی ڈیزائننگ کو حتمی شکل دینے کی طرف گامزن ہے جس کے بعد ٹینڈر دستاویزات آئیں گی۔ انضباطی منظور یوں پر کارروائی جاری ہے اور ہم انہیں جلد ہی محکمہ ثقافت سے وصول کرنے کی توقع کرتے ہیں۔ پروجیکٹ کا آغاز جنوری 2021 میں متوقع ہے۔

جب چیزیں معمول پر آتی ہیں تو، ہم پروجیکٹ کی زمین کو ایس پی وی میں منتقل کرنے کے لئے لاجسٹک پارک پروجیکٹ کے لئے اپنے بے وی پارٹنر کے ساتھ مل کر کام کر رہے ہیں۔ اسی کے ساتھ ہی، تقریروں کو حتمی شکل دینے کے لئے ڈیزائن اور پروجیکٹ مینجمنٹ ٹیموں کے ساتھ مشغولیت کا آغاز کیا گیا ہے۔

d. ٹی پی ایل لائف انشورنس لمیٹڈ

کمپنی کی اولین لائن بڑھوتری نے اچھی کارکردگی کا مظاہرہ کیا ہے۔ 30 جون 2020 کو ختم ہوئے سال کے دوران مجموعی تحریری پریمیم (جی ڈبلیو پی) 979.2 ملین پاکستانی روپے ہے جو گزشتہ سال کی اسی مدت کے لئے 529.0 ملین پاکستانی روپے کے مقابلے میں 75 فیصد بہتر ہوا ہے۔ وبائی امراض کی وجہ سے، بہت سی کمپنیوں نے اپنے روزمرہ کے کاموں کو معطل کر دیا۔ تاہم، ہمارے نظام کی پچک کی وجہ سے ٹی پی ایل لائف آپریشنل رہی جس کی وجہ سے ٹیموں کو دور سے کام کر کے ہمارے صارفین کو بلا تعطل خدمات کو فراہم کرنے کو یقینی بنایا۔

ایک سال کے دوران، کارپوریٹ کاروبار سے حاصل ہونے والے پریمیم نے گزشتہ سال کی اسی مدت کے دوران 476.6 ملین پاکستانی روپے کے مقابلے میں 85 فیصد اضافے سے 879 ملین پاکستانی روپے کمائے کیا۔ اسی طرح، ریشیل کاروبار 100.2 ملین پاکستانی روپے میں 91 فیصد بڑھ گیا جو گزشتہ سال 52.4 ملین پاکستانی روپے تھا۔

ڈائریکٹر رپورٹ:

کمپنی کے مکافل لائن آف بزنس نے مجموعی پریمیم ریونیو میں 17 فیصد حصہ ڈالا اور ہم توقع کر رہے ہیں کہ ریٹیل اور کارپوریٹ دونوں شعبوں میں شریعت پر مبنی مکافل سلوشنز کی موروثی ضرورت کی وجہ سے آئندہ سال میں اس میں اضافہ ہو گا۔

کمپنی نے مالی سال کے دوران 542.0 ملین پاکستانی روپے کے صحت اور زندگی کے دعووں کی ادائیگی کی، جس میں صحت کے دعوے 472.1 ملین پاکستانی روپے اور 69.9 ملین پاکستانی روپے کے لائف انشورنس دعوے تھے۔

سالوہی اور ورکنگ سرمایہ کی ضروریات کو پورا کرنے کے لئے کمپنی نے ٹی پی ایل کارپوریشن لمیٹڈ کو فی حصص 10 پاکستانی روپے پر 30 ملین رائٹ شیئر جاری کیے۔

کمپنی کے پاس بینڈ اور کے ساتھ ایک انشورنس انتظام ہے جس میں اسٹینڈرائیڈ پورٹرز کے ذریعہ "AA" درجہ بندی دی گئی ہے۔ اس سے کمپنی کی خط لکھنے کی صلاحیت کے خطرے اور گہرائی میں تنوع ملے گا۔

کمپنی نے پی اے سی آر اے کے ذریعہ کمپنی اے۔ (سنگل اے مائنس) کی آئی ایف ایس (انشورر فائننشل اسٹریٹج) کی درجہ بندی برقرار رکھی ہے۔

اس سال کے لئے ٹیکس کے بعد ہونے والا نقصان 282.1 ملین پاکستانی روپے تھا جبکہ پچھلے سال کی اسی مدت میں 178.1 ملین پاکستانی روپے تھا۔ اہم شرائط کاروں میں صحت اور زندگی کے کاروبار کے لئے خطرے پر مبنی سالوہی مارجن کی تشکیل کے ساتھ ساتھ زندگی اور صحت کی انشورنس کے آپریشنز کے لئے آغاز اور اس سے وابستہ اخراجات شامل ہیں۔ موجودہ معاشی ماحول میں اور آپریشنل لاگتوں میں حالیہ اضافے کے ساتھ، ہم لاگت کے مراکز کا جائزہ لیں گے اور اہم لاگت میں اضافے کے لئے کاروبار اور آپریشنل حکمت عملی کو دوبارہ تشکیل دیں گے۔

پالیسی رکھنے والوں کے لئے، کمپنی نے پریمیم ادائیگیوں کے لئے انضمام کی مدت میں توسیع کی، تاکہ ان کو اپنی پالیسیاں برقرار رکھنے کا اہل بنایا جاسکے۔

مستقبل کا جائزہ:

اگرچہ COVID-19 وبائی امراض کے کاروبار کے مختلف پہلوؤں پر پائے جانے والے امکانی اثرات کے بارے میں اندازہ لگانا مشکل ہے، لیکن کمپنی مارکیٹ کی صورتحال پر گہری نظر رکھے ہوئے ہے اور ایک وبائی مرض کے بعد ایک نئی دنیا کی تیاری کر رہی ہے۔ لائف انشورنس صنعت کو مختلف چیلنجز کا سامنا کرنا پڑ رہا ہے، ان میں سب سے اہم زندگی اور صحت کی انشورنس کے ساتھ ساتھ ایجنٹ کمیشن پر بھی صوبائی سیلز ٹیکس لگانا ہے۔ انشورنس سیکٹر کی ترقی کے لئے حکومت کا تعاون اثر و رسوخ بڑھانے اور موجودہ مسائل کو حل کرنے میں کلیدی کردار ادا کرے گا۔

مارکیٹ کی ترقی کے نقطہ نظر سے، اس سے پہلے بینک انشورنس فروخت سے آنے والی بڑی بڑھوتری، لائف انشورنس کا شعبہ بینکوں کے ذریعہ کوویڈ-19 سے متعلق اقدامات سے بری طرح متاثر ہوا ہے۔ پالیسی کی شرح میں اچانک کمی کے ساتھ، تقریباً 575 بی پی ایس مارچ، 2020 سے، بیمہ کنندگان کی سرمایہ کاری کی آمدنی نے بھی خاصا نقصان اٹھایا ہے۔

ٹی پی ایل لائف، انشورٹیک میں فرنٹ رنر ہونے کے ناطے، مستقبل کے بازار کی تقسیم کے ماڈلز کو فائدہ اٹھانے کے لئے مثالی طور پر پوزیشن میں ہے۔ ڈیجیٹل پلیٹ فارمز کی جگہ پر، اب ڈیجیٹل پلیٹ فارم کے شعور اور استعمال کو بڑھانے کے لئے اب مارکیٹ میں جارحانہ حکمت عملی پر توجہ دی جائے گی۔ کاروبار کی ریٹیل لائن کے لئے، کمپنی اپنے ڈیجیٹل زیر اثر کو بڑھانے کے لئے B2B شرائط داری پر توجہ دے گی، جس میں تیز سرایت کو تیز کرنے کے ساتھ ساتھ خطرے میں تنوع کو بھی ممکن بنایا جائے گا۔

کارپوریٹ کاروبار اعلیٰ درجے کے کسٹمر کے تجربے کی فراہمی کے ذریعے اپنے پورٹ فولیو کو بڑھانے پر توجہ مرکوز رکھے گا اور ٹیک پر مبنی سلوشنز کے ذریعہ اپنا رخ برقرار رکھے گا۔

ڈائریکٹر رپورٹ:

e. ٹی پی ایل ای-وینچرز

ٹی پی ایل ای-وینچرز، ٹی پی ایل گروپ کی سرپرستی کے ساتھ، مقامی انکیوبیٹرز، ایکسلریٹرز اور وی سی فنڈز کے ساتھ باہمی تعاون اور اسٹریٹجک شراکت داری کے ذریعہ مقامی ماحولیاتی نظام میں اپنی موجودگی کو مضبوط بنانے میں کامیاب ہو گی سال کے دوران، کمپنی نے مختلف شعبوں جیسے ڈیجیٹل مینیکنگ، ٹیلی ہیلتھ، ای کامرس اور ایٹ ال سے کئی اسٹارٹ اپس کی جانچ کی۔ اور چھ اسٹارٹ اپ کو شارٹ لسٹ کیا گیا، جن میں سے تین اسٹارٹ اپ مستعدی مرحلے پر ہیں۔

ٹی پی ایل ای-وینچرز کا مقصد نہ صرف مختلف قسم کے اسٹارٹ اپس میں سرمایہ کاری کرنا ہے، بلکہ متحرک ٹیموں کی تعمیر، مارکیٹنگ میں ترمیم اور ان کی فروخت اور مصنوعات کے پورٹ فولیو کو بہتر بنانے، اور اس کے نتیجے میں اپنے کاروباروں کو بہتر بنانے کے ذریعے اسٹریٹجک شراکت داری کو فروغ دینے پر بھی توجہ مرکوز ہے۔ آج تک، ٹی پی ایل ای-وینچرز نے تین اسٹارٹ اپس یعنی ٹیلوٹاک، رائڈر اور کرلو کمپیوٹر میں سرمایہ کاری کی ہے۔

ٹیلوٹاک- آل ان ون چیٹ ایپلی کیشن پیش کرتا ہے جو تمام B2C، C2C اور B2B مواصلات کو مربوط کرتا ہے۔ مالی سال 20 کے دوران، اس نے چیٹ ایپس ڈی کے حل کے لئے آن بورڈ نئے کلائنٹوں کے کھاتے میں ایک نمایاں اضافہ ریکارڈ کیا۔ ایک ہی وقت میں، اس کے موبائل ایپ پر ماہانہ متحرک صارفین چیٹ رومز کی اضافی خصوصیت کے اجراء سے دگنا ہو گئے۔ ٹی پی ایل نے ٹی پی ایل انشورنس، ٹی پی ایل لائف اور ٹی پی ایل ٹریڈر جیسے تین ذیلی اداروں میں ویب اور موبائل اپلیکیشن کے لئے ٹیلوٹاک چیٹ ایپس ڈی کے سلوشن کو کامیابی کے ساتھ مربوط کیا۔ انضمام کے تحت وارنٹ میں 1.5 فیصد اضافی ایکویٹی اسٹیک میں تبادلہ ہونا شروع ہوتا ہے، جس کی وجہ سے ٹی پی ایل کا مجموعی ایکویٹی حصص 3.5 فیصد رہ جاتا ہے، جس سے 75 فیصد کی سرمایہ کاری کی قدر کو سراہا جاتا ہے۔

رائڈر- آخری میل کی ڈیلیوری فراہم کرنے والا، کاروبار کو گاہکوں کے دہلیز پر مصنوعات کی فراہمی کی اجازت دیتا ہے۔ مالی سال 20 کے دوران، رائڈر نے اپنی کارروائیوں کو پاکستان کے چھ نئے شہروں تک بڑھایا اور ماہانہ حجم میں غیر معمولی اضافہ ریکارڈ کیا۔ ترسیل کی کامیابی کو بہتر بنانے اور غلط ترسیل کو کم سے کم کرنے کے لئے کمپنی نے اپنا حل ٹی پی ایل میپس کے ساتھ مربوط کیا۔ مالی سال 20 میں رائڈر کی بڑھوتری کی روشنی میں، ٹی پی ایل نے 17.3 ملین پاکستانی روپے فالو اپ فنڈنگ رائڈر میں حصہ لیا، جس سے کل سرمایہ کاری کو 20.6 ملین پاکستانی روپے تک پہنچی۔ اس وقت اس سرمایہ کاری کی قیمت 66 ملین پاکستانی روپے ہے، جس میں 22.4 فیصد اضافہ ہوا۔

کرلو کمپیوٹر- ایک ایپلیٹ فارم جو انشورنس اور کریڈٹ مصنوعات کا جامع موازنہ فراہم کرتا ہے۔ دسمبر 19 میں، کرلو کمپیوٹر ("کے سی") کی انتظامیہ نے اپنے آپریٹرز بند رکھنے کا فیصلہ کیا کیوں کہ اس کا خیال ہے کہ کم آن لائن مالی شمولیت کے پیش نظر پاکستان میں اس طرح کے آن لائن قیمتوں میں اضافہ کاپلیٹ فارم اپنے وقت سے آگے ہے۔ اس فیصلے کی اعلیٰ شرح سود کی وجہ سے بینکاری مصنوعات کی کم طلب کی حمایت، اعلیٰ صارف کے حصول کی لاگت کی وجہ سے ڈیجیٹل طور پر کرنسی کی قدر میں کمی اور مالیاتی اداروں کے کم مارکیٹنگ بجٹ کی طرف فداری ہوئی۔

تاہم، کوویڈ-19 وبائی مرض سے صارفین کے اخراجات اور خریداری کے طرز عمل میں پوری طرح خلل پڑتا ہے اور ڈیجیٹل پاکستان کی راہ ہموار ہوتی ہے، ٹی پی ایل کی انتظامیہ کا 'کے سی' کا انتظام سنبھال کر اس کو بہتر بنانے کا ارادہ رکھتی ہے۔ فی الحال، ٹی پی ایل ای-وینچرز مینجمنٹ اس راستے کو آگے بڑھانے کے لئے مناسب تندہی کی کارروائی کر رہی ہے۔

مرکوز حکمت عملی اور مستقبل کا جائزہ

پاکستان کا ٹیکنالوجی ماحولیاتی نظام کوویڈ-19 وبائی مرض کا براہ راست فائدہ حاصل کر رہا ہے، جس نے ملک میں ڈیجیٹل پلچل مچادی جس کا مقصد مالی سال 20 کے چوتھے حصے کے دوران آن لائن فروخت اور ڈیجیٹل لین دین میں متعدد اضافہ تھا۔ اس اضافے نے اسٹارٹ اپ ایکوسسٹم کو کافی حد تک روشنی میں لایا ہے جو کہ

ڈائریکٹر رپورٹ:

مقامی اسٹارٹ اپس کے فنڈ اکٹھا کرنے میں غیر ملکی دی سیز کی بھاری شرکت سے ظاہر ہوتا ہے۔ اسی کے ساتھ ہی، حکومت نے قومی اور صوبائی انکیوبیٹروں کی تعمیر، تین سالہ ٹیکس میں ریلیف متعارف کرانے اور ملک میں مقامی ویئر کیسٹل فرموں اور سرمایہ کاروں کو دکان قائم کرنے کی اجازت دینے کے لئے ضوابط تشکیل دینے کی پیش کش کی ہے۔

ٹی پی ایل ای-ویئر، ایک اہم ترقیاتی منصوبے کے طور پر، آگے بڑھنے والی موجودہ پورٹ فولیو کمپنیوں کی پختگی کی طرف توجہ مرکوز کرے گا جبکہ سرمایہ کاری کے لئے زیادہ بڑھنے کے مواقع کی نشاندہی کرنا جاری رکھے گا اور ٹی پی ایل کارپوریشن یا اسٹریٹجک / بے وی شراکت داروں کے ذریعہ عملدرآمد کرنے والے نظریات پر کام کرے گا۔ مزید برآں، کمپنی کے پاس سرمایہ کاری کے مواقع کا اندازہ کرنے، دیگر ٹی پی ایل کارپوریشن اداروں کے ساتھ چینل کے شراکت دار تعلقات تلاش کرنے اور شریک سرمایہ کاری / فنڈنگ شراکت داروں تک رسائی فراہم کرنے کے لئے مستحکم سودے کی فراہمی کا آغاز ہے۔

f. ٹی پی ایل سیکیورٹی سروسز (پرائیویٹ) لمیٹڈ

ٹی پی ایل سیکیورٹی سروسز (پرائیویٹ) لمیٹڈ نے اچھی کارکردگی کا مظاہرہ کیا، آمدنی میں 5 فیصد اضافہ ہوا۔ اس اضافے کو اس کے کسٹمر بیس میں توسیع سے منسوب کیا گیا تھا۔ وبائی مرض کے دوران ہم نے اپنے موجودہ کاروبار کو برقرار رکھنے کے ساتھ ساتھ ملک کے شمالی اور وسطی علاقوں میں ممکنہ گاہکوں کو تحفظ فراہم کرنے پر توجہ دی۔

مستقبل کا جائزہ

نئی سیکیورٹی نے جرائم کی شرح کو کم کر دیا ہے اور بڑے پیمانے پر معاشروں میں تحفظ کا احساس پیدا کیا ہے۔ ہماری پائپ لائن نئی شعبے کے ساتھ ساتھ ملٹی نیشنلز اور مقامی کمپنیوں میں بھی مضبوط نظر آرہی ہے۔ ہم اپنے آپریشنز کو مستحکم بناتے رہیں گے اور اعلیٰ تربیت یافتہ اہلکاروں کی فراہمی کے ساتھ اپنے کلائنٹس کو سروسز فراہم کریں گے۔

۴. اندرونی کنٹرول سسٹم

کمپنی کا اندرونی کنٹرول سسٹم ہے، جو اپنے کاموں کے سائز، پیمانے اور پیچیدگی کے عین مطابق ہے۔ اندرونی آڈٹ فنکشن کی وسعت اور اتھارٹی اندرونی آڈٹ چارٹر میں بیان کی گئی ہے۔ اس کی اعتراض کو برقرار رکھنے کے لئے، داخلی آڈٹ تقریب بورڈ کی آڈٹ کمیٹی کے چیئرمین کو رپورٹ کرتی ہے۔ محکمہ کا داخلی آڈٹ کمیٹی میں اندرونی کنٹرول سسٹم کی کارکردگی اور اہلیت، اس کے آپرٹنگ سسٹم، کمپنی اور اس کے ماتحت اداروں کے تمام مقامات پر اکاؤنٹنگ کے طریقہ کار اور پالیسیاں کے ساتھ تعمیل کی نگرانی اور جانچ کرتا ہے۔ داخلی آڈٹ تقریب کی رپورٹ کی بنیاد پر، عمل کے ماکان اپنے علاقوں میں اصلاحی کارروائی کرتے ہیں اور اس طرح کنٹرول کو مضبوط کرتے ہیں۔ اہم آڈٹ مشاہدات اور اس پر اصلاحی اقدامات بورڈ کی آڈٹ کمیٹی کو پیش کیے گئے ہیں۔

۵. کریڈٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پی اے سی آر اے) نے ٹی پی ایل کارپوریشن لمیٹڈ کو طویل مدتی تنظیم کی درجہ بندی "اے" (سنگل اے) اور اے (اے) (ون) کی قلیل مدتی تنظیم کی درجہ بندی تفویض کی ہے۔ یہ درجہ بندی مستحکم آؤٹ لک اور اعلیٰ کریڈٹ کوالٹی کی طرف اشارہ کرتی ہے۔

ڈائریکٹر رپورٹ:

۶. آخری چھ سالوں کے نمایاں / کلیدی مالیاتی اعداد و شمار

2015 PKR'000	2016 PKR'000	2017 PKR'000	Restated 2018 PKR'000	Restated 2019 PKR'000	2020 PKR'000
2,172,490	2,172,490	2,172,490	2,372,978	2,672,978	2,672,978
-	-	-	60,856	60,856	60,856
901,176	533,817	548,301	533,300	230,753	(429,238)
-	-	228,791	216,527	566,082	327,728
806,560	2,525,421	3,978,088	4,220,516	4,618,490	4,766,384

بیلنس شیٹ

اداشدہ کیپٹل

کیپٹل ریزرو

ریونیوریزرو

ایکونٹی کے دیگر اجزاء

غیر کنٹرولنگ سود

3,880,226	5,231,727	6,927,669	7,404,176	8,138,137	7,398,707
-	-	-	(214,850)	(117,589)	69,048
3,880,226	5,231,727	6,927,669	7,189,326	8,020,548	7,467,756

کل حصص یافتگان کی ایکویٹی

شرکاء تکافل فنڈ (پی ٹی ایف)

کل ایکویٹی

3,301,289	3,934,215	4,255,897	6,181,169	5,817,025	6,844,481
628,648	123,792	87,950	504,988	1,173,752	976,883
1,232,292	920,786	1,076,191	3,479,658	3,711,958	4,546,922
5,162,229	4,978,793	5,420,038	10,165,815	10,702,735	12,368,286
9,042,455	10,210,520	12,347,707	17,355,141	18,723,283	19,836,042

طویل مدتی اور قلیل مدتی قرضے

متعلقہ فریقوں پر واجب الادا

دیگر واجبات

کل واجبات

کل ایکویٹی اور واجبات

کل اثاثے

سرمایہ کاری

فلڈ اثاثے

دوسرے غیر موجودہ اثاثے

تجارتی خسارہ

مال تجارت

دوسرے موجودہ اثاثے

کیش اور بینک بیلنس

غیر موجودہ اثاثہ فروخت کیلئے رکھا گیا

کل اثاثے

9,042,455	10,210,520	12,347,707	17,355,141	18,723,283	19,836,042
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ڈائریکٹر رپورٹ:

2015 PKR'000	2016 PKR'000	2017 PKR'000	Restated 2018 PKR'000	Restated 2019 PKR'000	2020 PKR'000	
2,178,542	2,037,361	2,168,433	3,471,416	5,013,470	4,968,421	کاروبار-نیٹ
(1,301,779)	(929,333)	(1,168,704)	(1,960,689)	(3,092,894)	(3,601,080)	سیلز کی قیمت
876,763	1,108,028	999,729	1,510,727	1,920,576	1,367,341	کل منافع
(226,821)	(222,153)	(214,247)	(282,608)	(351,365)	(384,688)	تقسیم کے اخراجات
(448,491)	(393,627)	(501,505)	(1,031,399)	(1,375,337)	(1,255,095)	انتظامی اخراجات
(79,266)	(69,974)	(1,360)	(97,312)	(30,823)	(74,327)	دوسرے آپریٹنگ اخراجات
122,184	422,274	282,617	99,409	163,051	(346,769)	آپریٹنگ منافع
(312,566)	(369,731)	(334,820)	(507,568)	(741,592)	(1,262,316)	فنانس لاگت
679,839	235,642	348,374	1,145,124	858,003	742,327	دوسری آمدنی
-	-	-	-	(86,855)	(189,216)	پلی ٹی ایف سے منسلک منافع-نیٹ
(48,591)	8,732	16,962	(13,147)	(11,492)	(25,649)	ایسوسی ایشن کی طرف سے سرمایہ کاری پر منافع / نقصان-نیٹ
440,865	296,917	313,134	723,818	181,115	(1,081,624)	منافع اہل از محصول
11,085	(65,288)	(44,854)	(59,570)	(98,730)	(138,636)	محصول / ٹیکس لگانا
451,950	231,629	268,280	664,248	82,385	(1,220,260)	منافع / نقصان بعد از محصول
450	-	229,088	(12,326)	351,576	19,951	دیگر جامع آمدنی
452,400	231,629	497,369	651,922	433,961	(1,200,309)	کل جامع آمدنی
1.54	0.29	0.09	0.07	(1.20)	(4.57)	ای پی ایس

۷. آڈیٹرز

میسرز ای وائی فورڈ روڈس، چارٹرڈ اکاؤنٹنٹ ریٹائر ہوئے اور انہوں نے اپنے آپ کو دوبارہ تقرری کے لئے پیش کیا۔ بورڈ آف ڈائریکٹرز نے باہمی اتفاق رائے کیا تھا 30 جون 2021 کو ختم ہونے والے سال کے لئے بطور آڈیٹر ان کی تقرری کی اجازت دے دی ہے۔

۸. ڈائریکٹرز کی ٹریننگ

2019 کارپوریٹ گورننس کے مندرجہ فہرست کمپنیوں کے ضابطہ 19 کے تحت، 2019 کے تحت، کمپنی نے ڈائریکٹرز ٹریننگ پروگرام کی ضرورت کے ساتھ پوری طرح عمل کیا ہے۔

کارپوریٹ اور مالی رپورٹنگ فریم ورک پر بیان:

سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے ذریعہ مقرر کردہ کوڈ آف کارپوریٹ گورننس کے تحت بورڈ کو اپنی کارپوریٹ ذمہ داریوں سے بخوبی آگاہی حاصل ہے اور

ڈائریکٹر رپورٹ:

اس بات کی تصدیق کرنے پر خوشی محسوس کرتے ہیں کہ:

- فنانشل اسٹیٹمنٹ، جو کہ کمپنی کی طرف سے پیش کئے گئے ہیں میں اس کی کاروائیوں، نقد بہاؤ اور ایکویٹی میں بدلاؤ کا نتیجہ منصفانہ طور پر پیش کیا گیا ہے۔
- کمپنی نے بک آف اکاؤنٹس کو مناسب طریقے سے برقرار رکھا ہے جو کہ کمپنیز ایکٹ 2017 کے تحت ہے۔
- کمپنی نے فنانشل اسٹیٹمنٹ کی تیاری میں مستقل اکاؤنٹنگ کی پالیسیوں کی پیروی کی ہے اور محاسبہ کا تخمینہ معقول اور محتاط فیصلے پر مبنی ہے۔
- بین الاقوامی مالیاتی رپورٹنگ اسٹینڈرڈ، جو کہ پاکستان میں بھی جیسا قابل اطلاق ہے، مالی بیانات کی تیاری میں اس پر عمل کیا گیا ہے اور رپورٹنگ میں کسی بھی طرح کی رواگتی کا مناسب طور پر انکشاف اور وضاحت کی گئی ہے۔
- اندرونی انتظام کو کنٹرول کرنے کا نظام بہت ہی بہترین طریقے سے تیار کیا گیا اور کافی موثر طریقے سے اس کا نفاذ بھی کیا گیا اور اس کی نگرانی بھی کی جا رہی ہے۔
- کمپنی کے بنیادی اصول مضبوط ہیں اور کمپنی کے جاری رہنے کی تشویش کے حوالے سے کوئی شقوک و شبہات موجود نہیں ہیں۔
- کمپنی نے تمام کوڈ آف کارپوریٹ گورننس کے بہترین طریقوں کی پیروی و عمل کیا ہے جیسا کہ لسٹڈ کمپنیز کوڈ برائے کارپوریٹ گورننس، 2019 میں درج ہے اور وہاں سے کوامادی اخراج نہیں ہے۔
- گزشتہ چھ سالوں سے جاری اہم آپریٹنگ اور مالی اعداد و شمار کو خلاصہ کی شکل میں، اس سالانہ رپورٹ میں شامل کیا گیا ہے۔

بورڈ اور بورڈ کمیٹیوں کی تشکیل:

درج ذیل کے مطابق ڈائریکٹر کی کل تعداد آٹھ (8) ہے۔

مرد	خواتین
7	1

بورڈ کی تشکیل درج ذیل ہے۔

نام	کینگری
جناب ندیم ارشد الہی	آزاد ڈائریکٹر
جناب مارک روسیو	ایگزیکٹو ڈائریکٹر
جناب محمد علی جمیل	غیر ایگزیکٹو ڈائریکٹر
جناب جمیل یوسف ایس۔ ایس ٹی	خاتون ڈائریکٹر
جناب بلال علی بھائی	
جناب ظفر الحسن نقوی	
جناب محمد شفیع	
محترمہ صبیحہ سلطان احمد (ایگزیکٹو ڈائریکٹر)	

ڈائریکٹر رپورٹ:

بورڈ نے درج ممبران پر مشتمل کمیٹیاں تشکیل دی ہیں۔

آڈٹ کمیٹی	جناب ندیم ارشد الہی - چیئر مین جناب ظفر الحسن نقوی - ممبر جناب مارک روسیو - ممبر جناب یوسف زوہیب علی - سیکریٹری
ایچ آر اور معاوضہ کمیٹی	جناب ندیم ارشد الہی - چیئر مین جناب ظفر الحسن نقوی - ممبر جناب محمد علی جمیل - ممبر جناب نادر نواز - سیکریٹری

معاوضہ ڈائریکٹر:

بورڈ آف ڈائریکٹرز کے ذریعہ منظور شدہ، ایک باضابطہ ڈائریکٹرز کی معاوضہ پالیسی موجود ہے۔ اس پالیسی میں کمپنیز ایکٹ، 2017 اور کارپوریٹ گورننس کے درج شدہ کمپنیز کوڈ 2019 کے مطابق ڈائریکٹروں کے معاوضے کے لئے ایک شفاف طریقہ کار شامل ہے۔ بورڈ اور سب کمیٹی / زیریں کمیٹی کے ہر اجلاس میں شرکت کرنے یا اس کے سب میٹنگ میں شرکت کرنے کے لئے ڈائریکٹرز کو 20,000 پاکستانی روپے کا معاوضہ دیا جاتا ہے۔

۹. حصص یافتگی کا طریقہ کار

30 جون 2020 کو کمپنی کے حصص یافتگی کے طریقے کے بارے میں ایک اسٹیٹمنٹ مندرجہ ذیل ہے۔

حصص یافتگان کی قسم	تعداد	حصص یافتگی کی فیصد
ایسوسی ایٹڈ کمپنیز	166,830,748	62.41%
میکلز، ڈی ایف آئی اور این بی ایف آئی	10,680,500	4.00%
میو چل فنڈز	6,302,000	2.36%
جزل پبلک (مقامی)	75,424,210	28.22%
جزل پبلک (غیر ملکی)	4,463,407	1.67%
دیگر	3,488,898	1.31%
مضارباز	108,000	0.04%
ٹوٹل	267,297,763	100

ڈائریکٹر ز رپورٹ:

شرح فیصد	حامل حصص	حامل حصص (تک)	حامل حصص (سے)	حصص یافتگان کی تعداد
296	1	100	4,248	0.0016
635	101	500	310,972	0.1163
689	501	1,000	677,441	0.2534
1,589	1,001	5,000	4,760,658	1.7810
659	5,001	10,000	5,560,188	2.0801
275	10,001	15,000	3,631,158	1.3585
197	15,001	20,000	3,679,496	1.3766
132	20,001	25,000	3,152,000	1.1792
82	25,001	30,000	2,369,000	0.8863
45	30,001	35,000	1,505,500	0.5632
52	35,001	40,000	2,015,150	0.7539
26	40,001	45,000	1,118,738	0.4185
62	45,001	50,000	3,075,500	1.1506
20	50,001	55,000	1,048,600	0.3923
14	55,001	60,000	827,000	0.3094
16	60,001	65,000	1,013,500	0.3792
17	65,001	70,000	1,157,736	0.4331
14	70,001	75,000	1,026,500	0.3840
13	75,001	80,000	1,025,000	0.3835
5	80,001	85,000	415,000	0.1553
6	85,001	90,000	526,500	0.1970
7	90,001	95,000	653,500	0.2445
43	95,001	100,000	4,297,877	1.6079
5	100,001	105,000	517,500	0.1936
4	105,001	110,000	440,000	0.1646
3	110,001	115,000	342,000	0.1279
3	115,001	120,000	356,000	0.1332
3	120,001	125,000	375,000	0.1403
3	125,001	130,000	390,000	0.1459
3	130,001	135,000	396,000	0.1481
5	135,001	140,000	687,000	0.2570
4	140,001	145,000	576,000	0.2155
5	145,001	150,000	749,000	0.2802
1	150,001	155,000	152,000	0.0569
1	155,001	160,000	157,500	0.0589
3	170,001	175,000	525,000	0.1964
2	175,001	180,000	354,500	0.1326
3	180,001	185,000	547,500	0.2048
2	190,001	195,000	384,500	0.1438
8	195,001	200,000	1,597,500	0.5976
3	205,001	210,000	625,500	0.2340
1	210,001	215,000	212,000	0.0793
2	215,001	220,000	435,500	0.1629

ڈائریکٹر ز رپورٹ:

شرح فیصد	حامل حصص	حامل حصص (تک)	حامل حصص (سے)	حصص یافتگان کی تعداد
3	220,001	225,000	669,000	0.2503
1	225,001	230,000	227,500	0.0851
1	235,001	240,000	239,000	0.0894
1	240,001	245,000	245,000	0.0917
8	245,001	250,000	1,997,000	0.7471
1	250,001	255,000	251,000	0.0939
1	255,001	260,000	260,000	0.0973
1	260,001	265,000	262,500	0.0982
1	290,001	295,000	295,000	0.1104
3	295,001	300,000	900,000	0.3367
1	325,001	330,000	330,000	0.1235
1	330,001	335,000	332,000	0.1242
1	360,001	365,000	364,000	0.1362
1	380,001	385,000	385,000	0.1440
1	385,001	390,000	385,500	0.1442
1	395,001	400,000	400,000	0.1496
2	425,001	430,000	853,000	0.3191
1	430,001	435,000	434,500	0.1626
2	445,001	450,000	900,000	0.3367
1	485,001	490,000	490,000	0.1833
1	490,001	495,000	495,000	0.1852
6	495,001	500,000	3,000,000	1.1223
1	510,001	515,000	514,000	0.1923
2	520,001	525,000	1,050,000	0.3928
1	525,001	530,000	526,000	0.1968
1	545,001	550,000	550,000	0.2058
1	550,001	555,000	550,500	0.2060
1	615,001	620,000	618,000	0.2312
1	675,001	680,000	676,500	0.2531
1	695,001	700,000	700,000	0.2619
1	785,001	790,000	790,000	0.2956
1	895,001	900,000	900,000	0.3367
1	990,001	995,000	992,500	0.3713
2	995,001	1,000,000	2,000,000	0.7482
1	1,015,001	1,020,000	1,018,500	0.3810
1	1,020,001	1,025,000	1,022,500	0.3825
1	1,095,001	1,100,000	1,100,000	0.4115
1	1,245,001	1,250,000	1,247,000	0.4665
1	1,345,001	1,350,000	1,347,500	0.5041
1	1,395,001	1,400,000	1,400,000	0.5238
1	1,995,001	2,000,000	1,999,500	0.7480
1	2,080,001	2,085,000	2,083,000	0.7793
1	3,410,001	3,415,000	3,412,000	1.2765

ڈائریکٹر رپورٹ:

حصہ یافتگان کی تعداد	حاصل حصہ (سے)	حاصل حصہ (تک)	حاصل حصہ	شرح فیصد
1.5195	4,061,500	4,065,000	4,060,001	1
1.9267	5,150,000	5,150,000	5,145,001	1
3.1426	8,400,000	8,400,000	8,395,001	1
13.5523	36,225,000	36,225,000	36,220,001	1
45.4839	121,577,501	121,580,000	121,575,001	1
100.0000	267297763	Total	Company	5026

۱۰. اضافی معلومات

ایسوسی ایٹ کمپنیاں، انڈر ٹیکنگ اور اس سے متعلقہ پارٹیاں (نام کے مطابق تفصیلات)	قابل شیئر کی تعداد (2020)
ٹی پی ایل ہولڈنگز (منجی) محدود	166,830,401
ٹرسٹی TPL ڈائریکٹ انشورنس لمیٹڈ - ایسپلائز امدادی فنڈ	347
میو چل فنڈز (نام کے مطابق تفصیلات)	
عارف حبیب لمیٹڈ	1,247,000
ایکسٹریکٹو لمیٹڈ - ایم ایف	77,000
سی ڈی سی - ٹرسٹی اے کے ڈی آپریشنل فنڈ	385,500
محمد منیر محمد احمد خانانی سیکورٹیز لمیٹڈ - ایم ایف	193,500
ایم آر اے سیکورٹیز لمیٹڈ - ایم ایف	245,000
پرل سیکورٹیز لمیٹڈ	4,061,500
اسٹیٹرز ڈیپٹل سیکورٹیز (پرائیوٹ) لمیٹڈ - ایم ایف	157,500
ٹرسٹیز آف پاکستان موبائل کمیونیکیشن لمیٹڈ - امدادی فنڈ	50,000
داؤد ایکویٹیز لمیٹڈ - ایم	12,000
ہورائیز سیکورٹیز لمیٹڈ - ایم ایف	10,000
ٹرسٹ سیکورٹیز اینڈ بروکرز لمیٹڈ - ایم ایف	62,500
مندرجہ ذیل ڈائریکٹر ٹی پی ایل ہولڈنگز (پرائیوٹ) لمیٹڈ کے نامزد ڈائریکٹر ہیں اور 30 جون 2020 تک اس کمپنی کا کوئی حصہ نہیں ہے۔	
جناب جمیل یوسف	
جناب بلال علی بھائی	
مندرجہ ذیل ڈائریکٹر کمپنی کے آزاد ڈائریکٹر ہیں اور 30 جون 2020 تک اس کمپنی کا کوئی حصہ نہیں ہے۔	
جناب ندیم ارشد الہی	
جناب مارک روسیو	

ڈائریکٹر رپورٹ:

مندرجہ ذیل ڈائریکٹر کمپنی کے ایگزیکٹو ڈائریکٹر ہیں اور 30 جون 2020 تک اس کمپنی کا کوئی حصہ نہیں ہے۔	
جناب محمد علی جمیل	
محترمہ صبیحہ سلطان	
کمپنی کے مندرجہ ذیل نان ایگزیکٹو ڈائریکٹر کے 30 جون 2020 تک کمپنی کے حصص ہیں۔	
جناب ظفر الحسن نقوی	500
جناب محمد شفیع	1
ڈائریکٹر، سی ای او، سی ایف او، کمپنی سکریٹری، اور ان کے شریک حیات اور نابالغ بچوں کے ذریعہ حصص میں تجارت کی تفصیلات	
کسی بھی ڈائریکٹر، سی ای او، سی ایف او، کمپنی سکریٹری، اور ان کی شریک حیات اور نابالغ بچے سال کے دوران کمپنی کے حصص میں تجارت کرتے ہیں۔	

۱۱. بورڈ میٹنگز / اجلاس

مالی سال کے دوران بورڈ ڈائریکٹر کے 14 اجلاس منعقد ہوئے۔ ڈائریکٹر کی حاضری کی نشاندہی درج ذیل ہے۔

ڈائریکٹر کا نام	اجلاس کی حاضری
جناب جمیل یوسف احمد (ایس ایس ٹی)	4
جناب محمد علی جمیل (سی ای او)	4
وائس ایڈمرل (ریٹائرڈ) محمد شفیع ایچ آئی (ایم)	4
جناب مارک ڈین روسیو	4
محترمہ صبیحہ سلطان	4
جناب ندیم ارشد الہی	4
میجر جنرل (ریٹائرڈ) ظفر الحسن نقوی	4
جناب بلال علی بھائی	4

۱۲. اظہارِ تشکر:

ہم شکریہ ادا کرنا چاہتے ہیں اپنی کمپنی کے تمام حصص یافتگان کا جنہوں نے ہم پر بھروسہ اور اعتماد کیا۔ ہم سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، فیڈرل بورڈ آف ریونیو اور پاکستان اسٹاک ایکسچینج کی قابل قدر تعاون اور رہنمائی کو سراہتے ہیں۔ ہم بہت شکریہ ادا کرنا چاہتے ہیں اپنے لوگوں کا، اسٹریٹجک شراکت داروں، ویبنڈرز، سپلائرز اور گاہکوں کو کہ انہوں نے ہم پر اعتماد کیا۔

بورڈ آف ڈائریکٹر کی جانب سے:



ALI JAMEEL
CHIEF EXECUTIVE OFFICER



JAMEEL YUSUF (S.S.T.)
DIRECTOR

Independent Auditors' Review Report To the members of TPL Corp 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 Corp Limited (the Company) for the year ended 30 June 2020 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 2020.


Chartered Accountants
Place: Karachi
Date: October 05, 2020

Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of company TPL Corp Limited

Year ended: June 30, 2020

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance Regulations, 2019 (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. Nadeem Arshad Elahi Mr. Mark Rousseau
Executive Directors	Mr. Mohammad Ali Jameel
Non-Executive Directors	Mr. Jameel Yusuf S.St Mr. Bilal Alibhai Mr. Zafar-ul-Hassan Naqvi Mr. Mohammad Shafi
Female Director	Mrs. Sabiha Sultan Ahmed (Executive Director)

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 i.e. Six (06) Non-Executive Directors as compared to two (02) Executive 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 their date of approval or updating 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 these Regulations.

Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019

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 the Companies Act, 2017 and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.
8. The Board have 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 requirement and the criteria as prescribed in the Listed Companies Corporate Governance Regulations, 2019.
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. No new appointments were made during the year.
11. The Chief Financial Officer and Chief Execution Officer duly endorsed the financial statements before approval of the Board.

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

Audit Committee	<p>Mr. Nadeem Arshad Elahi – Chairman</p> <p>Mr. Zafar-Ul-Hassan Naqvi – Member</p> <p>Mr. Mark Rousseau – Member</p> <p>Mr. Yousuf Zohaib Ali – Secretary</p>
HR and Remuneration Committee	<p>Mr. Nadeem Arshad Elahi – Chairman</p> <p>Mr. Zafar-Ul-Hassan Naqvi – Member</p> <p>Mr. Mohammad Ali Jameel – Member</p> <p>Mr. Nader Nawaz – Secretary</p>

13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the Committees for compliance.
14. The frequency of meetings of the Committee was as follows:

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	1 meeting was held during the year. The meeting of the HR and Remuneration Committee is held on a 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.

Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019

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 Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not close relative (spouse, parent, 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.
19. We have complied with all the requirements of repealed Listed Companies (Code of Corporate Governance) Regulations, 2017 until the date of its applicability.



Signature (s)
Jameel Yusuf S.St
Chairman

Independent Auditors' Report

To the members of TPL Corp Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **TPL Corp Limited** (the Company), which comprise the statement of financial position as at **30 June 2020**, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the 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 statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 2020 and of the loss and other comprehensive loss, 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 financial statements of the current period. These matters were addressed in the context of our audit of the 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 the matter was addressed in our audit
1. Valuation of investment in subsidiaries	
<p>(Refer notes 8 and 29.4 to the accompanying financial statements)</p> <p>The Company's investment in subsidiaries represents the significant portion of its assets. These investments are measured at fair value on the basis of observable market prices, where such prices are available, and by applying valuation techniques, where quoted prices are not available.</p> <p>We considered valuation of subsidiaries as a key audit matter due to volatility in the quoted equity prices and the judgment involved in estimating future cashflows in relation to the subsidiaries for the purpose of applying valuation techniques.</p>	<p>Our audit procedures amongst others, comprised understanding the management process for valuation of investments, considered whether the application of methodologies are consistent with generally accepted valuation methodologies and prior periods, and that assumptions and inputs used are consistent, in all material respects, with the business' past performance and management business strategy.</p> <p>We involved our specialists to assess the appropriateness of the methodology and assumptions used by the management to determine the fair value of investment in unquoted subsidiaries. As part of these audit procedures, our specialists:</p> <ul style="list-style-type: none"> - assessed whether, for a selection of models, the model valuation methodology is appropriate; - checked the accuracy of key inputs used in the valuation such as the expected cash flows, discount and inflation rates used by benchmarking them with external data; and - evaluated the Company's assessment, whether objective evidence of impairment exists for individual investments. <p>We checked the allocation of investments to the correct level (1, 2 and 3) within the fair value hierarchy in line with the established policy, and that the policy classifications were appropriate.</p> <p>We also assessed the adequacy of the related disclosures in the financial statements in accordance with the financial reporting standards.</p>

Information Other than the 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 financial statements and our auditors' report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 is responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the 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 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 statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditors' report is **Arif Nazeer**.


Chartered Accountants
Place: Karachi
Date: October 05, 2020

Statement of Financial Position

As at June 30, 2020

		2020	2019
	Note	Rupees	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	1,336,377	1,109,847
Intangible assets	7	360,556	727,223
Long-term investments	8	4,706,994,606	5,129,258,792
		4,708,691,539	5,131,095,862
CURRENT ASSETS			
Advances	9	28,452,300	12,902,868
Trade deposits and prepayments	10	100,000	100,000
Interest accrued	11	6,457,582	617,237
Due from related parties	12	104,645,416	489,167,114
Taxation – net	13	6,731,147	33,105,923
Cash and bank balances	14	5,307,238	7,393,912
		151,693,683	543,287,054
TOTAL ASSETS		4,860,385,222	5,674,382,916
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Authorised			
330,000,000 (2019: 330,000,000) ordinary shares of Rs.10/- each		3,300,000,000	3,300,000,000
Issued, subscribed and paid-up capital	15	2,672,977,630	2,672,977,630
Capital reserves		60,855,762	60,855,762
Revenue reserves		(300,342,044)	7,906,620
Other component of equity		397,080,356	798,550,090
		2,830,571,704	3,540,290,102
NON-CURRENT LIABILITIES			
Long-term financing	16	22,009,291	-
Government grant	17	940,087	-
		22,949,378	-
CURRENT LIABILITIES			
Trade and other payables	18	48,036,704	23,012,924
Accrued mark-up	19	274,075,532	72,611,078
Short-term financing	20	150,000,000	533,279,917
Current portion of non-current liabilities	21	9,981,731	400,000,000
Due to related parties	22	1,520,040,590	1,100,459,312
Unclaimed dividend		1,729,583	1,729,583
Unpaid dividend		3,000,000	3,000,000
		2,006,864,140	2,134,092,814
CONTINGENCIES AND COMMITMENTS			
	23		
TOTAL EQUITY AND LIABILITIES		4,860,385,222	5,674,382,916

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

Statement of Profit or Loss and other Comprehensive Income

For the year ended June 30, 2020

		2020	2019
	Note	Rupees	
Dividend income		-	174,751,920
Administrative expenses	24	(108,485,497)	(126,536,614)
Operating (loss) / profit		(108,485,497)	48,215,306
Finance costs	25	(325,434,131)	(177,945,952)
Other income	26	13,627,177	609,338
Loss before taxation		(420,292,452)	(129,121,308)
Taxation	27	-	(26,212,790)
Loss for the year		(420,292,452)	(155,334,098)
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)			
Fair value (loss) / gain on equity instruments designated at fair value through other comprehensive income (FVOCI)	8.8	(289,425,946)	272,413,928
Total comprehensive (loss) / income for the year		(709,718,398)	117,079,830
Loss per share - basic and diluted	28	(1.57)	(0.63)

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

Statement of Changes in Equity

For the year ended June 30, 2020

	Issued, subscribed and paid-up capital	Capital reserve created under Scheme of Arrangement (note 15.2)	Revenue reserve - accumulated profit / (loss)	Fair value reserve of financial assets designated at FVOCI	Total reserves	Total equity
Rupees						
Balance as at June 30, 2018	2,372,977,630	60,855,762	163,240,718	526,136,162	750,232,642	3,123,210,272
Issuance of ordinary shares	300,000,000	-	-	-	-	300,000,000
Loss for the year	-	-	(155,334,098)	-	(155,334,098)	(155,334,098)
Other comprehensive income for the year, net of tax	-	-	-	272,413,928	272,413,928	272,413,928
Total comprehensive (loss) / income for the year	-	-	(155,334,098)	272,413,928	117,079,830	117,079,830
Balance as at June 30, 2019	2,672,977,630	60,855,762	7,906,620	798,550,090	867,312,472	3,540,290,102
Transfer of fair value reserve of equity instrument designated at FVTOCI	-	-	112,043,788	(112,043,788)	-	-
Loss for the year	-	-	(420,292,452)	-	(420,292,452)	(420,292,452)
Other comprehensive loss for the year, net of tax	-	-	-	(289,425,946)	(289,425,946)	(289,425,946)
Total comprehensive loss for the year	-	-	(420,292,452)	(289,425,946)	(709,718,398)	(709,718,398)
Balance as at June 30, 2020	<u>2,672,977,630</u>	<u>60,855,762</u>	<u>(300,342,044)</u>	<u>397,080,356</u>	<u>157,594,074</u>	<u>2,830,571,704</u>

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

Statement of Cash Flows

For the year ended June 30, 2020

		2020	2019
	Note	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(420,292,452)	(129,121,308)
Adjustment for non-cash charges and other items:			
Depreciation	6.1	542,833	76,653
Amortisation	7	366,667	354,444
Finance costs	25	325,434,131	177,945,952
Deferred income		(1,276,065)	-
		325,067,566	178,377,049
Operating (loss) / profit before working capital changes		(95,224,886)	49,255,741
(Increase) / decrease in current assets			
Advances		(20,291,541)	(152,500)
Trade deposits and prepayments		-	870,000
Interest accrued		(11,743,786)	(609,337)
Due from related parties		384,521,698	(425,507,730)
		352,486,371	(425,399,567)
Increase / (decrease) in current liabilities			
Trade and other payables		25,023,730	18,812,924
Due to related parties		419,581,278	655,459,312
		444,605,008	674,272,236
Cash flows generated from operations		701,866,493	298,128,410
Payments for:			
Finance costs		(123,969,677)	(111,827,300)
Income taxes - net	13	26,374,776	(26,212,790)
		(97,594,901)	(138,040,090)
Net cash flows generated from operating activities		604,271,591	160,088,320
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	6.1 & 30.1	(769,363)	-
Proceeds from disposal of investment in TPL Insurance Limited		462,580,400	-
Advances given to TPL Life for future purchase of ordinary shares		(125,000,000)	(100,000,000)
Proceeds from investment in Islamic Commercial Papers - net		5,903,441	-
Purchase of investment in:			
- TPL Life Insurance Limited (TPL Life)		(200,000,000)	(100,000,000)
Net cash flows generated from / (used in) investing activities		142,714,478	(200,000,000)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of ordinary right shares		-	300,000,000
Dividend paid		-	(18,379)
Long-term financing - net*		(365,792,826)	(787,703,908)
Short-term financing - net*		(383,279,917)	533,279,917
Net cash flows (used in) / generated from financing activities		(749,072,743)	45,557,630
Net increase in cash and cash equivalents		(2,086,674)	5,645,950
Cash and cash equivalents at the beginning of the year		7,393,912	1,747,962
Cash and cash equivalents at the end of the year	14	5,307,238	7,393,912

*No non-cash item is included in these activities.

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

Notes to the Financial Statements

For the year ended June 30, 2020

1. LEGAL STATUS AND OPERATIONS

1.1 TPL Trakker Limited (the Company) was incorporated in Pakistan on December 04, 2008 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). In year 2009, the Company was converted into a public company and got listed on Pakistan Stock Exchange Limited effective from July 16, 2012. The name of the Company was changed to TPL Corp Limited effective from November 24, 2017. The registered office of the Company is situated at Centrepoint Building, Off Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi. The principal activity of the Company is to make investment in group and other companies.

1.2 Geographical location and address of business unit is as under:

Location	Address
Corporate office, Karachi	12th and 13th floor, Centrepoint, Off Shaheed-e-Millat Expressway, Adjacent KPT Interchange, Karachi.

1.3 TPL Holdings (Private) Limited is the parent company, which holds 166,830,401 (June 30, 2019: 166,680,401) ordinary shares of the Company representing 62.41 percent (June 30, 2019: 62.35 percent) shareholding as of the reporting date.

1.4 These financial statements are the separate financial statements of the Company, in which investments in the below mentioned subsidiaries and associates have been accounted for at fair value and cost less accumulated impairment losses, if any, respectively. As of reporting date, the Company has the following subsidiaries and associates:

	Note	% of shareholding	
		2020	2019
Subsidiaries			
TPL Insurance Limited [TPLI]	8.1	73.38	93.51
TPL Properties Limited [TPLP]	8.2	29.62	29.62
Centrepoint Management Services (Private) Limited [CMS]		-	29.62*
TPL Property Management (Pvt.) Limited [TPL PM]		29.62*	29.62*
TPL Logistic Park (Pvt.) Limited [TPL LP]		29.62*	-
HKC Limited (sub-subsidiary) [HKC]		29.62*	29.62*
G-18 (Private) Limited (sub-subsidiary) [G-18]		29.62*	29.62*
TPL REIT Management Company Limited (sub-subsidiary) [TPL REIT]		29.62*	29.62*
TPL Life Insurance Limited [TPL Life]	8.3	83.75	78.30
TPL Maps (Pvt.) Limited [TPLM]	8.4	-	100
TPL Trakker Limited [TPLT]	8.4	100	100
TPL Security Services (Private) Limited [TPLSS]	8.5	99.99	99.99
TPL Rupiya (Private) Limited [TPLR]	8.4	-	100

* Represents direct holding of TPLP as at the reporting date.

1.5 Impact of COVID-19 pandemic

The outbreak of the Novel Coronavirus (COVID-19) has disrupted commercial and economic activities all around the world and has impacted almost every organization and industry. The Company is not materially impacted by COVID -19 pandemic due to lockdown situation around the region because of the nature of Company's business to make equity investments in group and other companies. However, during the year the Company has not received any dividend income from its investment in subsidiaries and other companies.

Notes to the Financial Statements

For the year ended June 30, 2020

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of International Financial Reporting Standards (IFRSs), issued by International Accounting Standard Board (IASB) and Islamic Financial Accounting Standards (IFASs) issued by Institute of Chartered Accountants of Pakistan (ICAP), as notified under Companies Act, 2017 (the Act) and, provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ from the IFRSs, the provisions of and directives issued under the Act have been followed.

3. BASIS OF PREPARATION

These financial statements have been prepared under the 'historical cost' convention, unless otherwise specifically stated.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Standards, amendments, interpretations and improvements adopted during the year

The Company has adopted, wherever applicable, the following new / amended standards, interpretations and improvements to International Financial Reporting Standards (IFRSs) which became effective for the current year:

New / amended standards, interpretations and improvements

IFRS 9	Prepayment Features with Negative Compensation (Amendments)
IFRS 14	Regulatory Deferral Accounts
IFRS 16	Leases
IFRS 16	COVID 19 Related Rent Concessions (Amendments)
IAS 19	Plan Amendment, Curtailment or Settlement (Amendments)
IAS 28	Long-term Interests in Associates and Joint Ventures (Amendments)
IFRIC 23	Uncertainty over income tax treatments

Improvements to accounting standards issued by IASB (Annual improvements 2015-2017 cycle)

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

The adoption of the above standards, interpretations and improvement to standards did not have any material effect on these financial statements in the period of initial application.

4.2 Significant accounting judgments, estimates and assumptions

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

Notes to the Financial Statements

For the year ended June 30, 2020

Investment in subsidiaries

The Company value its investment in subsidiaries at fair value using fair value hierarchy; Level 1 - quoted prices (unadjusted) in active markets, Level 2 - valuations based on directly or indirectly observable market input and Level 3 - valuations based on unobservable market input. The Company determines whether objective evidence of impairment exists for individual investments. In these cases, the difference between amortised cost and fair value is transferred from other comprehensive income to the profit or loss. In addition, the determination of fair value of unquoted subsidiaries involves inherent subjectivity, key assumptions (such as future cash flow forecasts, discount and growth rates and volatility), and estimation relation to valuation inputs and techniques. Any change in these assumptions and estimates may have significant impact on the fair value of investments with corresponding impact in other comprehensive income.

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

4.3 Property, plant and equipment

4.3.1 Operating fixed assets

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land, which is stated at cost, if any.

Depreciation charge is based on the straight-line method whereby the cost of an asset is written off to statement of profit or loss over its estimated useful life after taking into account residual value, if material. The cost of leasehold land is depreciated in equal installments over the lease period and charged to statement of profit or loss. Depreciation on additions is charged from the month in which the asset is available for use and no depreciation is charged in the month of disposal. The rates of depreciation disclosed in note 6.1 to these financial statements. When a particular class of asset under property, plant and equipment includes an item having different useful life and is required to be replaced at different intervals, the Company depreciates it separately based on its specific useful life.

The residual value, depreciation method and the useful lives of each part of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed at each reporting date and adjusted, if appropriate. The Company assesses at each reporting date whether there is any indication that assets may be impaired. If such indication exists, the carrying amounts of such assets are written down immediately to its recoverable amount if the same is greater than its estimated recoverable amount.

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalised when it is probable that respective future economic benefits will flow to the Company and the cost of the item can be measured reliably and assets so replaced, if any, are derecognised or retired.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Gains and losses on disposal of assets are taken to the statement of profit or loss.

4.3.2 Capital work-in-progress

Capital work-in-progress is stated at cost less accumulated impairment losses, if any and consists of costs incurred in respect of operating fixed assets in the course of their construction, installation and acquisition. Transfers are made to relevant asset category as and when assets are available for intended use.

Notes to the Financial Statements

For the year ended June 30, 2020

4.4 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 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 7.1 to these 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. The residual value, amortisation method and the useful lives of intangibles assets are reviewed at each reporting date and adjusted, if appropriate.

4.4.1 Intangible assets under development

Intangible assets under development are stated at cost less accumulated impairment losses, if any, and 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.

4.4.2 Business combinations and Goodwill

The Company uses acquisition method of accounting for acquisition of assets or class of assets, whereby, the purchase consideration is allocated to the identifiable assets, liabilities and contingent liabilities assumed based on the fair value at the date of acquisition. Acquisition related costs are expensed as incurred and included in administrative expenses.

Goodwill is initially measured at the acquisition date, being the excess of:

- a) the aggregate of consideration transferred, the amount of any non-controlling interest in the acquiree and in a business combination achieved in stages, the acquisition date fair value of the previously held equity interest in the acquiree; and
- b) the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

In case the fair value attributable to the Company's interest in the identifiable net assets exceeds the fair value of consideration, the Company recognises the resulting gain in the statement of profit or loss on the acquisition date.

Goodwill acquired in a business combination is measured subsequent to initial recognition, at cost less accumulated impairment losses, if any, and is tested annually or whenever, there is an indication of impairment. Impairment loss in respect of goodwill is recognised in statement of profit or loss.

4.5 Surplus on revaluation of property and equipment

A revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

An annual transfer from the asset revaluation surplus to unappropriated profit is made for the difference between

Notes to the Financial Statements

For the year ended June 30, 2020

depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to unappropriated profit.

4.6 Right-of-use assets and leases liabilities

The Company assess at contract inception whether a contract is, or contain a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company acts as a lessee and applies a single recognition and measurement approach for all the leases except for short-term leases and leases of low value assets (if any). The Company recognises lease liability to make lease payments and right-of-use assets representing the right to use the underlying assets. As of reporting date, the Company has no contractual arrangement in place as a lessee.

i) Right-of-use assets

The Company recognises right-of-use assets (ROU assets) at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, if any, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised ROU assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. ROU assets are subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option (if any) reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy). Any change is accounted for change in estimate and applied prospectively with corresponding change in ROU assets and lease liabilities.

Notes to the Financial Statements

For the year ended June 30, 2020

iii) **Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

4.7 Investments in subsidiaries and associates

4.7.1 Investments in subsidiaries

Investment in subsidiaries are stated at fair value.

4.7.2 Investments in associates

Investments in associates are stated at cost less accumulated impairment losses, if any, in the value of such investments. A reversal of impairment loss on associates is recognised as it arises provided the increased carrying value does not exceed cost.

4.8 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.

4.8.1 Financial assets

4.8.1.1 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 Company's business model for managing them. With the exception of trade debts, 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.

4.8.1.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

a) Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

Notes to the Financial Statements

For the year ended June 30, 2020

- 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 rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

b) Financial assets designated at fair value through OCI with recycling of cumulative gains and losses (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 profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Company's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

c) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (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 profit or loss. Dividends are recognised as dividend income in the statement of profit or loss 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 OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company elected to classify irrevocably its non-listed equity investments under this category.

d) 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. Financial assets with

Notes to the Financial Statements

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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 statement of financial position at fair value with net changes in fair value recognised in the Statement of profit or loss. This category includes listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as dividend income in the Statement of profit or loss when the right of payment has been established.

This category includes listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as dividend income in the statement of profit or loss when the right of payment has been established.

4.8.1.3 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 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.

4.8.1.4 Impairment

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. 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, discounted at an approximation of the 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. The Company applies a simplified approach in calculating ECLs for its receivables. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. For bank balances that are held with reputational banks, the Company

Notes to the Financial Statements

For the year ended June 30, 2020

applies low credit risk simplifications. At each reporting date, the Company evaluates whether these assets are considered to have low credit risk using all reasonable and supportable information that is available without un-due cost or effort including their credit ratings assessed by reputable agencies and therefore assessed to have immaterial impact of allowances for ECL. For receivables, the Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the third parties and the economic environment.

The Company considers a financial asset in default when contractual payments are past due over agreed credit 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. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

4.8.2 Financial liabilities

4.8.2.1 Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, 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.

4.7.2.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) 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 profit or loss. 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.

b) 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 statement of profit or loss.

4.8.2.3 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 profit or loss.

Notes to the Financial Statements

For the year ended June 30, 2020

4.8.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the 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.

4.9 Impairment of non-financial assets, goodwill and investments in subsidiaries and associates

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

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

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

Goodwill is tested for impairment annually at year end and when the circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash generating unit (CGU) or group of CGUs to which the goodwill relates. When the recoverable amount of CGU is less than its carrying amount, an impairment loss is recognised.

Intangible assets with indefinite useful lives are tested for impairment annually at year end either individually or at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

Impairment losses relating to goodwill are not reversed in future periods.

4.10 Stock-in-trade

Stock-in-trade is valued at the lower of cost, determined on a first-in-first-out basis and net realisable value. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

Spare parts and loose tools are valued at lower of weighted average cost and net realisable value, except items in transit, which are stated at cost. Spare parts and loose 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.

Notes to the Financial Statements

For the year ended June 30, 2020

4.11 Cash and cash equivalents

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

4.12 Government grant

Government grant is recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised in statement of profit or loss as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

4.13 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. The contribution of the Company for the year is charged to the profit or loss.

4.14 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 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 statement of profit or loss.

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

Notes to the Financial Statements

For the year ended June 30, 2020

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.

4.15 Provisions

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

4.16 Revenue recognition

- a) Dividend income is recognised when the right to receive the dividend is established.
- b) Income on bank accounts are recognised using effective interest rate.
- c) Other income, if any, is recognised on accrual basis.

4.17 Foreign currency translation

Transactions in foreign currencies are translated into Pakistani Rupee at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling at the reporting date. Exchange gains and losses are recognised in statement of profit and loss. 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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

4.18 Borrowing costs

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

4.19 Dividend and appropriation to reserves

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

4.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (i.e. a single segment at the Company level). Segment results, assets and liabilities include items directly attributable to a segment. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment and intangible assets.

4.21 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.

Notes to the Financial Statements

For the year ended June 30, 2020

4.22 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

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

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

Standards		Effective date (annual periods beginning on or after)
IFRS 3	Definition of a Business (Amendments)	January 01, 2020
IFRS 3	Reference to the Conceptual Framework (Amendments)	January 01, 2022
IFRS 9 / IAS 39 /		
IFRS 7	Prepayment Features with Negative Compensation (Amendments)	January 01, 2020
IFRS 10 /	Sale or Contribution of Assets between an	
IAS 28	Investor and its Associate or Joint Venture (Amendment)	Not yet finalised
IAS 1/ IAS 8	Definition of Material (Amendments)	January 01, 2020
IAS 1	Classification of Liabilities as Current or Non-current (Amendments)	January 01, 2022
IAS 16	Proceeds before Intended Use (Amendments)	January 01, 2022
IAS 37	Onerous Contracts – Costs of Fulfilling a Contract (Amendments)	January 01, 2022
Improvements to Accounting Standards Issued by the IASB (2018-2020 cycle)		
IFRS 9	Financial Instruments – Fees in the '10 percent' test for derecognition of financial liabilities	January 01, 2022
IAS 41	Agriculture – Taxation in fair value measurements	January 01, 2022

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

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after January 01, 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

Further, following new standard have been issued by IASB which is yet to be notified by the Securities Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan. The management of the Company expects that below new standards will not have any material impact on the Company's financial statements in the period of initial application.

Standards		IASB Effective date (annual periods beginning on or after)
IFRS 17	Insurance Contracts	January 01, 2023

Notes to the Financial Statements

For the year ended June 30, 2020

5. DETAILS OF RELATED PARTIES

Name of a related party	Basis of relationship	Shareholding
TPL Holdings (Private) Limited	Parent company	-
TPL Trakker Limited	Wholly owned subsidiary	100%
TPL Security Services (Private) Limited	Subsidiary	99.99%
TPL Insurance Limited	Subsidiary	73.38%
TPL Life Insurance Limited	Subsidiary	83.75%
TPL Properties Limited [TPLP]	Subsidiary	29.62%
TPL Property Management (Pvt.) Limited	Sub-subsidiary of TPLP	29.62%
TPL Logistic Park (Pvt.) Limited	Sub-subsidiary of TPLP	29.62%
HKC (Private) Limited	Sub-subsidiary of TPLP	29.62%
G18 (Private) Limited	Sub-subsidiary of TPLP	29.62%
TPL REIT Management Company Limited	Sub-subsidiary of TPLP	29.62%
TPL Logistics (Private) Limited	Common directorship	6.91%
TPL E-Ventures (Pvt.) Limited	Associated undertaking	-
TPL Mobile (Private) Limited	Common directorship	-
TPL Tech Pakistan (Private) Limited	Common directorship	-
Sapphire Fibers Limited	Common directorship	-
Agriauto Industries Limited	Common directorship	-
IBEX Global Solutions (Private) Limited	Common directorship	-
Virtual World (Private) Limited	Common directorship	-
Digital Globe Services (Private) Limited	Common directorship	-
Afiniti Software Solutions (Private) Limited	Common directorship	-
Vestruie DMCC, Dubai, UAE	Common directorship	-
Vestruie Holdings Limited, Dubai, UAE	Common directorship	-
Kulsum Holdings Limited, Dubai, UAE	Common directorship	-
Brans Holdings Limited, Dubai, UAE	Common directorship	-
Rashwell Company LLC, Dubai, UAE	Common directorship	-
Slaide (Pty) Ltd	Common directorship	-
Macanta (Pty) Ltd	Common directorship	-
Fleetcam (Pty) Ltd	Common directorship	-
Cherosco (Pty) Ltd	Common directorship	-
Casi International (Pty) Ltd	Common directorship	-
TPL Direct Finance (Private) Limited	Common directorship	-
TRG Pakistan Limited	Common directorship	-
Trakker Energy (Private) Limited	Common directorship	-
TRG (Private) Limited	Common directorship	-
Pakistan Oxygen Limited (formerly Linde Pakistan Limited)	Common directorship	-
Fauji Akbar Portia Terminals (Pvt.) Limited	Common directorship	-
Asia Petroleum Limited	Common directorship	-
Princely Jets Private Limited.	Common directorship	-
Adira Capital Holding (Private) Ltd.	Common directorship	-
Noesis (Private) Ltd.	Common directorship	-
Institute of Business Administration	Common directorship	-
The i-care Pakistan	Common directorship	-
State Bank of Pakistan	Common directorship	-
Shakarganj Food Products Limited	Common directorship	-
KASB Investment Management (Private) Limited	Common directorship	-
Merit Packaging Limited	Common directorship	-
Grant Thornton Consulting (Private) Limited	Common directorship	-
JS Investment Limited	Common directorship	-
TPL Direct Insurance Limited - Employees' Provident Fund	Retirement benefit fund	-
TPL Properties Limited - Employees' Provident Fund	Retirement benefit fund	-
Employees' Provident Fund	Retirement benefit fund	-
Trakker (Private) Limited Staff Provident Fund	Retirement benefit fund	-

Notes to the Financial Statements

For the year ended June 30, 2020

6. PROPERTY, PLANT AND EQUIPMENT

6.1 Operating fixed assets

	COST			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2019	Additions	As at June 30, 2020	As at July 01, 2019	Depreciation for the year	As at June 30, 2020	As at June 30, 2020	Depreciation rate %
				(Rupees)				
Owned								
Laptops	1,106,500	741,400	1,847,900	59,986	502,057	562,043	1,285,857	33.33
Mobile phones	80,000	-	80,000	16,667	40,000	56,667	23,333	50
Electrical equipment	-	27,963	27,963	-	776	776	27,187	33.33
2020	1,186,500	769,363	1,955,863	76,653	542,833	619,486	1,336,377	

	COST			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2018	Additions	As at June 30, 2019	As at July 01, 2018	Depreciation for the year	As at June 30, 2019	As at June 30, 2019	Depreciation rate %
				(Rupees)				
Owned								
Laptops	-	1,106,500	1,106,500	-	16,667	16,667	1,089,833	33.33
Mobile phones	-	80,000	80,000	-	59,986	59,986	20,014	50
2019	-	1,186,500	1,186,500	-	76,653	76,653	1,109,847	

6.2 Depreciation charge for the year has been allocated to administrative expenses (note 24).

7. INTANGIBLE ASSETS

	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)				
Owned								
Softwares	1,100,000	-	1,100,000	372,777	366,667	739,444	360,556	33
2020	1,100,000	-	1,100,000	372,777	366,667	739,444	360,556	

	COST			ACCUMULATED AMORTISATION			WRITTEN DOWN VALUE	
	As at July 01, 2018	Additions	As at June 30, 2019	As at July 01, 2018	Charge for the year	As at June 30, 2019	As at June 30, 2019	Amortisation rate %
				(Rupees)				
Owned								
Softwares	660,000	440,000	1,100,000	18,333	354,444	372,777	727,223	33
2019	660,000	440,000	1,100,000	18,333	354,444	372,777	727,223	

7.1 Amortisation charge for the year has been allocated to administrative expenses (note 24).

Notes to the Financial Statements

For the year ended June 30, 2020

		2020	2019
	Note	Rupees	
8. LONG-TERM INVESTMENTS			
Investment designated at FVOCI			
Subsidiaries companies:			
TPL Insurance Limited [TPLI]	8.1	1,515,271,120	1,829,652,602
TPL Properties Limited [TPLP]	8.2	504,201,298	803,813,223
TPL Life Insurance Limited [TPLL]	8.3	1,132,447,114	408,215,090
TPL Trakker Limited [TPLT]	8.4	1,445,307,036	1,615,016,734
TPL Maps (Private) Limited [TPLM]	8.4	-	350,291,292
TPL Rupiya (Private) Limited [TPLR]	8.4	-	37,770,447
TPL Security Services (Private) Limited [TPLSS]	8.5	106,318,961	84,499,404
		4,703,545,529	5,129,258,792
Others:			
TPL Logistics (Private) Limited - [TPL Logistics]	8.6	3,449,077	-
TPL Tech Pakistan (Private) Limited [TPL Tech]	8.7	-	-
		3,449,077	-
		4,706,994,606	5,129,258,792

8.1 The Company holds 68,875,960 (2019: 87,375,960) ordinary shares of Rs.10/- each, representing 73.38 percent (2019: 93.51) percent) of the share capital of TPL Insurance Limited [TPLI] as of the reporting date. The market value per share of TPLI is Rs. 22 (2019: Rs. 20.94). Out of 68,875,960 (2019: 87,375,96) ordinary shares of TPLI held by the Company, 52,904,007 (2019: 13,634,860) ordinary shares are pledged with financial institutions against various financing facilities availed by group companies.

8.2 The Company holds 96,961,788 (2019: 96,961,788) ordinary shares of Rs.10/- each, representing 29.62 percent (2019: 29.62 percent) of the share capital of TPLP as of the reporting date. The market value per share amounts to Rs. 5.20 (2019: Rs.8.29). Out of these 96,961,788 (2019: 96,961,788) ordinary shares of TPLP held by the Company, 71,549,590 (2019: 71,700,000) ordinary shares are pledged against sukuk financing of TPLT.

The Company, as of reporting date, has reassessed its defacto control over TPLP and based on such assessment, the management has concluded that the Company alongwith other related parties has a defacto control over TPLP having the majority shareholding i.e. 45.88 percent (2019: 45.69 percent) and representation on the board of directors of TPLP (i.e. 05 out of 08 directors) to appoint majority of the directors on Board of TPLP. Accordingly, as of June 30, 2020, the Company continues to account for TPLP as it's subsidiary in these financial statements.

As disclosed in note 15.2 to these financial statements, under the Scheme of Arrangement sanctioned / approved by Honorable High Court of Sindh vide its order dated November 17, 2017, 21,104,000 ordinary shares of TPLP has been allotted to the Company. In this regard, the legal formalities are in process to transfer said shares in the name of the Company alongwith the entitlement of 4,157,488 ordinary bonus shares announced by TPLP.

8.3 The Company holds 100,495,937 (2019: 70,495,937) ordinary shares of Rs.10/- each, representing 83.75 percent (2019: 78.33 percent) of the share capital of TPL Life Insurance Limited as of the reporting date. The Company has calculated the fair value of its investment based on market approach.

During the year, 20 million ordinary shares of TPL Life at par i.e. Rs.10 each has been further acquired by way of accepting the right offered to the Company. In addition, the Company has paid advance of Rs.125 million to TPL Life for the purchase of additional 12.5 million ordinary shares. The Company has obtained approval of Rs.300 million investment in last annual general meeting and the post facto approval for additional amount of Rs. 25 million will be obtained in the meeting of Board of Directors and upcoming Annual General Meeting.

Notes to the Financial Statements

For the year ended June 30, 2020

- 8.4 The Company holds 120,442,253 (2019: 92,926,253) ordinary shares of Rs.10/- each, representing 100 percent (2019: 100 percent) of the share capital of TPL Trakker Limited (TPLT) as of the reporting date. The Company has calculated the fair value of its investment based on value-in-use calculations and the discount rate applied to cash flow projections is 14.1 percent (2019: 17.51 percent) and the growth rate use to extrapolate the cash flows beyond the five-year period is 5 percent (2019: 4.1 percent).

During the year, effective from July 01, 2019, TPLM and TPLR has been amalgamated into TPLT under the Scheme of Arrangement dated November 22, 2019 as approved by Board of Directors of TPLM, TPLR and TPLT in their meetings held on 22 November 2019. Resultantly, as of the effective date, 38.329 million ordinary shares and 3.235 million ordinary shares of TPLM and TPLR, respectively, held by the Company shall stand cancelled and extinguished without any consideration to the Company in terms of the requirement of Section 284(2)(i) of the Companies Act, 2017, under the Arrangement. Subsequently, on August 10, 2020, the Company got listed on Pakistan Stock Exchange Limited at the strike price of Rs.12 per share

- 8.5 The Company holds 2,099,900 (2019: 2,099,900) ordinary shares of Rs.10/- each, representing 99.99 percent (2019: 99.99 percent) of the share capital of TPL Security Services (Private) Limited as of the reporting date. The Company has calculated the fair value of its investment based on value-in-use calculations and, the discount rate applied to cash flow projections is 15.7 percent (2019: 19.72 percent) and the growth rate use to extrapolate the cash flows beyond the five-year period is 4.5 percent (2019: 4 percent).
- 8.6 During the year, the Company has made an investment in 0.474 million ordinary shares of TPL Logistics by adjusting advance of Rs. 4.742 million as stated in note 9.2 to these financial statementst. TPL Logistics is engaged in the business of delivering logistic support services and transport business.
- 8.7 During the year, the Company has made an investment in 5 ordinary shares of TPL Tech having face value of Rs.10 each. TPLT Tech is yet to commenced its business operation.
- 8.8 During the year, the Company has recorded net gain of Rs. 289.426 million on its equity investments designated at FVOCI in other comprehensive income, which will not be reclassified to statement of profit or loss in subsequent periods.

		2020	2019
Note		Rupees	
9.	ADVANCES - unsecured, considered good		
	Advances against issue of shares:		
	- TPL E-Ventures (Private) Limited	25,999,180	10,000,000
	- TPL Logistics (Private) Limited	1,953,120	2,902,868
		27,952,300	12,902,868
	- Advances to employee	500,000	-
		28,452,300	12,902,868

- 9.1 Represents advance paid to TPL E-Ventures (Private) Limited (a related party) for the purchase of shares.
- 9.2 Represents expenses incurred by the Company on behalf of TPL Logistics which will be adjustable by the Company against future issue of shares by TPL Logistics as per the agreed terms.

Notes to the Financial Statements

For the year ended June 30, 2020

		2020	2019
	Note	Rupees	
10. TRADE DEPOSITS			
Trade deposits, unsecured and considered good			
- security deposits	10.1	100,000	100,000

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

11. INTEREST ACCRUED - unsecured, considered good

Represents markup on current account balance with TPL E-Ventures (Private) Limited on agreed terms (note 12.1).

		2020	2019
	Note	Rupees	
12. DUE FROM RELATED PARTIES - unsecured, considered good			
Subsidiary companies			
- TPL Properties Limited [TPLP]	12.2	4,531,886	-
- TPL Life Insurance Limited [TPLL]	12.2	6,067,158	-
- TPL Trakker Limited (TPLT)	12.2	-	411,504,033
- TPL Security Services (Private) Limited [TPLSS]	12.2	51,316,077	50,000,000
		61,915,121	461,504,033
Others			
- TPL E-Ventures (Private) Limited (TPLE)	12.1	42,245,034	27,663,081
- TPL Tech Pakistan (Private) Limited [TPL Tech]	12.2	485,261	-
		104,645,416	489,167,114

12.1 Represents current account balance with a related party carrying markup at the variable rate of 6 months KIBOR plus 3 percent (2019: variable rate of 6 months KIBOR plus 3 percent) per annum and is repayable on demand. These are neither past due nor impaired.

12.2 Represents interest free current account balances which are repayable on demand and these are neither past due nor impaired.

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

		2020	2019
	Note	Rupees	
Subsidiary companies			
- TPL Properties Limited		4,531,886	-
- TPL Life Insurance Limited		6,067,158	-
- TPL Trakker Limited		-	411,504,033
- TPL Security Services (Private) Limited		51,316,077	50,000,000
Others			
- TPL E-Ventures (Private) Limited		42,245,034	27,680,750
- TPL Tech Pakistan (Private) Limited		485,261	-

Notes to the Financial Statements

For the year ended June 30, 2020

		2020	2019
	Note	Rupees	
13	TAXATION - net		
	Opening balance – refundable	33,105,923	33,105,923
	Provision for current tax	-	(26,212,790)
	Tax refund received	(26,455,895)	-
	Income tax paid and deducted at source	81,119	26,212,790
	Closing balance – refundable	6,731,147	33,105,923

14 CASH AND BANK BALANCES

At banks in:			
- current accounts		5,013,158	3,929,393
- saving accounts	14.1	294,080	3,464,519
		5,307,238	7,393,912

14.1 These carry markup at the rate 3 percent (2019: 5 percent) per annum.

15. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2020	2019		2020	2019
Number of shares		Note	Rupees	
60,009,900	30,009,900	Ordinary shares of Rs.10/- each		
-	30,000,000	- issued for cash	600,099,000	300,099,000
60,009,900	60,009,900	- opening balance	-	300,000,000
		- issued during the year	600,099,000	600,099,000
207,287,863	207,287,863	- issued for consideration other than cash	2,072,878,630	2,072,878,630
267,297,763	267,297,763	15.1 & 15.2	2,672,977,630	2,672,977,630

15.1 During the year ended June 30, 2009, the shareholders of the Company, namely Ali Bhai Group (AB), Ali Jameel Group (AJ) and Digicore International (Pty) Limited (DL) entered into a Scheme of Arrangement, in respect of transfer of entire operations and exchange of assets of Trakker (Private) Limited into a new company in consideration for 187,239,063 ordinary shares of the Company.

15.2 During the year ended June 30, 2018, TPL Corp Limited (the parent company) had transferred net assets of Rs.383.291 million and Rs.607.771 million related to its Maps and Tracking businesses to the wholly owned subsidiaries namely TPL Maps (Pvt.) Limited and TPL Trakker Limited, respectively, effective from July 01, 2017 under the Scheme of Arrangement (the Scheme) sanctioned / approved by Honorable High Court of Sindh vide its order No. J.C.M. Petition No. 48 of 2016 dated November 17, 2017, in consideration for ordinary shares of these subsidiaries.

Under the said Scheme, the Company has also acquired 21.104 million ordinary shares of TPL Properties Limited (a subsidiary company) from TPL Holdings (Private) Limited (the ultimate parent company) in consideration of issuance of 20.048 million ordinary shares of the Company at par in a swap ratio 0.95. Resultantly, the capital reserve of Rs.60.856 million was created under the said Scheme.

15.3 These are ordinary shares carry one vote per share and right to dividend.

Notes to the Financial Statements

For the year ended June 30, 2020

		2020	2019
	Note	Rupees	
16 LONG-TERM FINANCING – secured			
Refinance scheme for payment of wages and salaries	16.1	30,561,084	-
Term finance certificates	16.2	-	400,000,000
		30,561,084	400,000,000
Less: Current portion shown under current liabilities		(8,551,793)	(400,000,000)
		<u>22,009,291</u>	<u>-</u>

16.1 During the year, the Company and its wholly owned subsidiary TPL Trakker Limited [TPLT] has jointly obtained financing under Refinance Scheme for Payment of Wages & Salaries by State Bank of Pakistan from a commercial bank having a limit of Rs. 150 million. Out of which Rs 34.207 million was availed by the Company against the facility limit of Rs. 52.614 million for its share. This facility carries mark-up at the rate of 1 month KIBOR plus 2 percent per annum until the date of refinance to the bank and thereafter it will carry markup at the rate of 3 percent per annum and is repayable in 8 quarterly equal installments commencing from January 2021 discounted at effective rate of interest of 11.5 percent per annum. The differential mark-up has been recognised as government grant (see note 17) which will be amortised to interest income over the period of facility. The facility is secured under first pari passu charge on fixed assets and on present and future receivables of TPLT, 21.6 million ordinary shares of TPL Insurance Limited and 8.7 million ordinary shares of TPL Properties Limited held by the Company created on the various group financing facilities.

16.2 During the year, the Company has repaid in full privately placed Term Finance Certificates (TFCs) aggregating to Rs.1,200 million issued by the Company to various parties for the acquisition of additional shares of TPL Insurance Limited in year 2017-18 alongwith markup thereon at the rate of 3 months KIBOR plus 1.5 percent per annum. These TFCs are secured by way of pledge of 26.868 million shares of TPL Insurance Limited which was also released on settlement of all payments by the Company.

		2020	2019
	Note	Rupees	
17 GOVERNMENT GRANT			
Recognised during the year	16.1	3,646,090	-
Released to statement of profit or loss	26	(1,276,065)	-
As at June 30, 2020		<u>2,370,025</u>	<u>-</u>
Current portion		1,429,938	-
Non-current portion shown under current liabilities		940,087	-
		<u>2,370,025</u>	<u>-</u>

18 TRADE AND OTHER PAYABLES

Creditors - non trade	15,989,496	14,678,843
Salaries payable	19,437,880	-
Accrued liabilities	6,404,970	5,605,600
Withholding tax payable	6,037,784	2,728,481
Sales tax payable	166,574	-
	<u>48,036,704</u>	<u>23,012,924</u>

Notes to the Financial Statements

For the year ended June 30, 2020

		2020	2019
	Note	Rupees	
19. ACCRUED MARK-UP			
Long-term financing	16	237,412	1,935,277
Short-term financing	20	-	856,491
Due to related parties	22	273,838,120	69,819,310
		<u>274,075,532</u>	<u>72,611,078</u>
20. SHORT-TERM FINANCING			
Islamic Commerical Paper	20.1	-	533,279,917
Short-term loan	20.2	150,000,000	-
		<u>150,000,000</u>	<u>533,279,917</u>

20.1 During the year, the Company has repaid in full privately placed Islamic Commercial Paper (ICP) issued 1,100 aggregating to Rs.1,100 million at a discounted value of Rs. 1,019 million alongwith the markup thereon at the rate of 6 months KIBOR plus 2.75 per annum.

20.2 Represents short-term loan obtained by the Company during the year from a commercial bank for a period of six months. The loan carries mark-up at a rate of 1 month KIBOR plus 3 percent per annum and principal and mark-up are repayable as a single bullet payment upon maturity. The loan is secured against joint pari passu charge on fixed assets of TPL Properties Limited (a subsidiary company) and pledged on 14.85 million ordinary shares of TPL Insurance Limited (a subsidiary company) amounting to Rs 250 million held by the Company.

		2020	2019
	Note	Rupees	
21. CURRENT PORTION OF NON-CURRENT LIABILITIES			
Long-term financing		8,551,793	400,000,000
Government grant	17	1,429,938	-
		<u>9,981,731</u>	<u>400,000,000</u>
22. DUE TO RELATED PARTIES - unsecured			
Holding company			
- TPL Holdings (Private) Limited		976,883,209	1,072,000,000
Subsidiary companies			
- TPL Trakker Limited [TPLT]		519,635,426	-
- TPL Insurance Limited [TPLI]		23,521,955	28,459,312
		543,157,381	28,459,312
	22.1	<u>1,520,040,590</u>	<u>1,100,459,312</u>

22.1 Represents current account balances with related parties carrying markup at a variable rate of 6 months KIBOR plus 3 percent (2019: variable rate of 6 months KIBOR plus 3 percent) per annum and are repayable on demand.

		2020	2019
	Note	Rupees	
23. CONTINGENCIES AND COMMITMENTS			
23.1 Contingencies			
23.1.1 Corporate guarantees		60,000,000	60,000,000

Notes to the Financial Statements

For the year ended June 30, 2020

23.1.2 During the year, Assistant Commissioner Sindh Revenue Board has issued a show cause under Section 23 of the Sindh Sales Tax Act, 2011 (the Act) for tax periods from July 2016 to June 2017 whereby, sales tax of Rs. 107.941 million has been demanded on account of short declared sales for financial year 2017 amounting to Rs. 567.644 million. The proceedings against the show cause notice is pending to be heard.

In addition, Assistant Commissioner Sindh Revenue Board (AC SRB) passed an Order under Section 23 of the Act for tax periods from July 2011 to June 2012 whereby, sales tax amounting to Rs. 605.022 million (including penalty of Rs. 44.816 million) has been demanded on account of various services and inadmissible input tax. The Company being aggrieved has filed an appeal before the Commissioner Appeals, which is pending adjudication. The Company based on the view of its tax advisor is confident of the favourable outcome. Accordingly, no provision has been made in these financial statements.

23.1.3 Tax contingencies as disclosed in note 27.1 to these financial statements.

23.2 Commitments

As of the reporting date, the Company has no commitments to report.

		2020	2019
	Note	Rupees	
24. ADMINISTRATIVE EXPENSES			
Salaries and other benefits		50,179,546	53,883,814
Legal and professional		30,280,337	21,411,908
Depreciation	6.1	542,833	76,652
Amortisation	7.1	366,669	354,445
Travelling and conveyance		5,514,585	9,294,140
Vehicle running and maintenance		7,216,971	1,596,803
Subscription		35,000	685,000
Donations	24.3	1,400,000	21,256,459
Insurance		645,271	-
Training		117,940	-
Computer expenses		-	641,276
Telephone		1,512,059	246,863
Auditors' remuneration	24.1	6,129,970	8,392,891
Entertainment		80,940	9,909
Printing and stationery		1,873,442	1,778,300
Postage and courier		-	498,140
Publicity		2,454,387	6,066,077
Others		135,547	343,937
		108,485,497	126,536,614

24.1 Auditors' remuneration

Audit fee – standalone	850,000	850,000
Audit fee – consolidated	1,250,000	1,250,000
Code of corporate governance	250,000	250,000
Half yearly review fee and other assurance services	3,569,970	5,677,391
Out of pocket expenses	210,000	365,500
	6,129,970	8,392,891

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

Notes to the Financial Statements

For the year ended June 30, 2020

	2020	2019
	Rupees	
24.3 Donation to donees equal to or exceeds Rs.1 million or 10 percent of the Company's total amount of donation, whichever is higher are as follows:		
The Aman Foundation	1,400,000	-
Patients Aid Foundation	-	10,000,000
Habib University Foundation	-	6,365,000
The Kidney Centre Post Graduate Training Institute	-	1,213,200
	1,400,000	17,578,200

24.4 Investments out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the conditions specified thereunder.

	2020	2019
	Rupees	
25. FINANCE COSTS		
Mark-up on:		
- long-term financing	28,653,259	109,964,781
- short-term financing	86,233,680	856,491
- due to related parties	204,018,811	67,102,598
Bank and other charges	6,528,381	22,082
	325,434,131	177,945,952

26. OTHER INCOME

Income from financial assets:

- markup on saving account
- markup on Islamic Commercial Papers

Income from related parties:

- mark-up on current account with related parties

Income from other than financial assets

- deferred income

607,327	-
5,903,441	-
5,840,344	609,338
12,351,112	609,338
1,276,065	-
13,627,177	609,338

26.1 During the year, the Company has made investment in Islamic Commercial Papers (ICPs) amounting to Rs. 231.717 million, which has been disposed at the carrying value of investment and accrued markup thereon.

	2020	2019
	Rupees	
27. TAXATION		
Current	-	26,212,790

27.1 The returns of the total income of the Company have been filed for and upto tax year 2019 which are considered as deemed assessments, except for tax years 2016 and 2017. In respect of tax year 2016, the Company had received an order from Deputy Commissioner Inland Revenue (DCIR) whereby, a demand of Rs. 1.08 million was raised on account of disallowance of certain expenses. Being aggrieved the Company filed an appeal before Commissioner Inland Revenue (Appeals) CIR(A) against which appeal effect order was issued by CIR(A) in favour of the Company. Thereafter, the Tribunal has filed an appeal against the said order which is pending adjudication.

Notes to the Financial Statements

For the year ended June 30, 2020

- 27.2 The major income of the Company falls under final tax regime, therefore, no deferred tax asset and liabilities are recorded in these financial statements.

	2020	2019
	Rupees	
28. LOSS PER SHARE – basic and diluted		
Loss attributable to the ordinary shareholders	(420,292,452)	(155,334,098)
	----- Number of shares -----	
Weighted average number of ordinary shares in issue	267,297,763	244,893,489
Loss per share – basic and diluted	(1.57)	(0.63)

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

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company finances its operations through equity, borrowings and management of working capital with a view of maintaining and appropriate mix between various sources of finance to minimize risks. Taken as a whole, the Company is exposed to market risk (including currency, interest rate and other price risks), credit risk and liquidity risk. The Company's overall risk management policies focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. No changes were made in the risk and capital management framework and objectives, policies or processes and assumptions during the year ended June 30, 2020. The policies for managing each of these risks are summarised below:

Risk management framework

The Board of Directors has overall responsibility for the establishment and over sight of the Company's risk management framework. The executive management team is responsible for developing and monitoring the Company's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through the audit committee.

Risk management systems are reviewed regularly by the executive management team to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees compliance by management with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

29.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and other price risk. The sensitivity analyses in the following sections relate to the position as at June 30, 2020.

29.1.1 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. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short-term financing arrangements at floating interest rates to meet its business operations and working capital requirements.

Notes to the Financial Statements

For the year ended June 30, 2020

29.1.2 Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, on the Company's loss before tax (through impact on floating rate borrowings). There is no direct impact on Company's equity. This analysis excludes the impact of movement in market variables on the carrying values of provisions and on non-financial assets and liabilities of the Company.

	(Increase) / decrease in basis points	Effect on loss before tax ------(Rupees)-----
2020	+100	17,006,017
	-100	(17,006,017)
2019	+100	17,085,193
	-100	(17,085,193)

29.1.3 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As of balance sheet, the Company is not exposed to currency risk, since the Company do not have any assets and liabilities in foreign company.

29.1.4 Other price risk

Other price risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market prices such as equity price risk. Equity price risk is the risk arising from uncertainties about future values of investments securities. As at reporting date, the Company is exposed to equity price risk to the extent of its investment in its listed subsidiaries (note 8).

29.2 Credit risk

29.2.1 Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharging an obligation and cause the other party to incur a financial loss without taking into account the fair value of any collateral. The financial assets excludes statutory assets and comprise of investments, deposits, interest accrued, due from related parties and other receivables, cash and bank balances. Out of the total financial assets of Rs. 4,823 million (2019: Rs. 5,574 million), the financial assets which are subject to credit risk amounted to Rs. 5,307 million (2019: Rs. 7,494 million). The Company's credit risk attributable to its bank balances are assessed as low.

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

Bank Balances by short-term rating category	Rating Agency	2020	2019
		Rupees	
A-1+	JCR-VIS	598	803,790
A-1+	PACRA	3,228,540	1,396,015
A-1	PACRA	294,080	3,464,519
A-2	JCR-VIS	54,438	-
A-3	VIS	1,729,583	1,729,583
		5,307,239	7,393,907

Notes to the Financial Statements

For the year ended June 30, 2020

29.2.3 As at reporting date, there are no financial assets that would otherwise be past due or impaired whose terms have been renegotiated.

29.3 Liquidity risk

Liquidity risk represents the risk that a Company will encounter difficulties in meeting obligations with the financial liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility through the management of working capital and financing facilities.

The table below summarises the maturity profile of the Company's financial liabilities at June 30, 2020 and 2019 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	Total
	(Rupees)				
2020					
Long-term financing	-	-	8,551,793	22,009,291	30,561,084
Trade and other payables	41,832,346	-	-	-	41,832,346
Accrued markup	274,075,532	-	-	-	274,075,532
Short-term financing	-	-	150,000,000	-	150,000,000
Due to related parties	1,520,040,590	-	-	-	1,520,040,590
Unclaimed dividend	1,729,583	-	-	-	1,729,583
Unpaid dividend	3,000,000	-	-	-	3,000,000
	<u>1,840,678,051</u>	<u>-</u>	<u>158,551,793</u>	<u>22,009,291</u>	<u>2,021,239,135</u>
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	(Rupees)				
2019					
Long-term financing	-	-	400,000,000	-	400,000,000
Trade and other payables	-	20,284,443	-	-	20,284,443
Accrued markup	69,819,310	1,935,277	-	-	71,754,587
Short-term financing	-	-	533,279,917	-	533,279,917
Due to related parties	1,100,459,312	-	-	-	1,100,459,312
Unclaimed dividend	1,729,583	-	-	-	1,729,583
Unpaid dividend	3,000,000	-	-	-	3,000,000
	<u>1,175,008,205</u>	<u>22,219,720</u>	<u>933,279,917</u>	<u>-</u>	<u>2,130,507,842</u>

29.4 Fair value 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 between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measure using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants at in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participants ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Notes to the Financial Statements

For the year ended June 30, 2020

29.4.1. Fair value hierarchy

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted market price.

Level 2: Valuation techniques (market observable)

Level 3: Valuation techniques (non- market observables)

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

	Total	Level 1	Level 2	Level 3
	Rupees '000			
Financial assets - Designated at FVOCI				
2020	4,706,994,606	2,019,472,418	2,684,073,111	3,449,077
2019	5,129,258,792	2,633,465,825	2,495,792,967	-

29.5 Capital management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business sustain future development of the business and maximise shareholders value. No changes were made in the objectives, policies or processes during the year ended June 30, 2020.

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 capital plus net debt. Equity comprises of share capital and revenue reserves. The gearing ratio as at June 30, 2020 and 2019 are as follows:

		2020	2019
		Rupees	
Long-term financing	16	30,561,084	400,000,000
Accrued mark-up	19	274,075,532	72,611,078
Short-term financing	20	150,000,000	533,279,917
Due to related parties	22	1,520,040,590	1,100,459,312
Total debts		1,974,677,206	2,106,350,307
Less: Cash and bank balances	14	5,307,238	7,393,912
Net debt		1,969,369,968	2,098,956,395
Share capital	15	2,672,977,630	2,672,977,630
Capital reserve		60,855,762	60,855,762
Revenue reserve		(300,342,044)	7,906,620
Other component of equity		397,080,356	798,550,090
Total equity		2,830,571,705	3,540,290,102
Total capital		4,799,941,672	5,639,246,497
Gearing ratio		41%	37%

Notes to the Financial Statements

For the year ended June 30, 2020

30. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	Chief Executive		Directors		Executives	
	2020	2019	2020	2019	2020	2019
	(note 29.1)		(note 29.2)			
	Rupees					
Basic salary	15,484,800	11,613,600	-	-	14,740,368	6,715,562
Allowances and benefits:						
- house rent	6,968,160	5,226,120	-	-	6,633,156	3,021,894
- medical	1,547,040	1,160,280	-	-	1,472,652	671,044
- vehicle allowance	-	-	-	-	1,512,000	1,207,500
Staff retirement benefits	1,289,880	967,413	-	-	768,288	554,763
	<u>25,289,880</u>	<u>18,967,413</u>	<u>-</u>	<u>-</u>	<u>25,126,464</u>	<u>12,170,763</u>
Number of person(s)	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>28</u>	<u>4</u>

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

30.2 No remuneration is paid / payable to Directors of the Company.

30.3 During the year, the Company has paid Rs. 0.40 million (2019: Rs. 0.37 million) to a non - executive Director on account of board meeting fees.

Notes to the Financial Statements

For the year ended June 30, 2020

31. TRANSACTIONS WITH RELATED PARTIES

31.1 Related parties comprise of holding company, subsidiary, associate and companies where directors hold common directorship, key management personnel and their close family members and staff retirement benefit funds. Transactions and balances with related parties other than those disclosed elsewhere in these financial statements are as follows:

	2020	2019
	Rupees	
TPL Holdings (Private) Limited – (Holding Company)		
Amount received by the Company from TPLH	483,438,567	696,500,000
Mark-up on current account (net) - (note 24)	171,305,639	67,102,598
Expenditure incurred by the Company on behalf of TPLH	250,000	-
Amount paid / repaid by the Company to TPLH	578,305,358	69,500,000
TPL Security Services (Private) Limited – (Subsidiary Company)		
Expenditure incurred by the Company on behalf of TPLSS	1,316,077	-
Settlement of amount receivable by the Company from TPLT against the amount payable by TPLSS to TPLT under signed Memorandum of Arrangement	-	50,000,000
TPL Insurance Limited – (Subsidiary Company)		
Dividend income received from the Company	-	174,751,920
Expense paid / payable on behalf of TPLI	10,735,237	-
Amount received by the Company	4,900,000	-
Expenses incurred on behalf of the Company	897,880	28,459,312
TPL Life Insurance Limited - (Subsidiary Company)		
Advance against issue of shares paid to TPLL (note 8.3)	125,000,000	100,000,000
Expenditure incurred by the Company on behalf of TPLL	6,067,158	-
TPL Trakker Limited - (Subsidiary Company)		
Expenditure incurred by TPLT on behalf of the Company	70,181,582	71,856,900
Purchase of operating fixed assets on behalf of the Company	301,000	1,186,500
Purchase of intangible asset on behalf of the Company	-	440,000
Expenditure incurred for TPLL on behalf of the Company	5,000,000	-
Expenditure incurred for TPL Logistics on behalf of the Company	1,153,536	323,229
Expenditure incurred for TPLE on behalf of the Company	13,378,030	21,813,967
Expenditure incurred by the Company on behalf of TPLT	118,706,762	401,737
Amount received by the Company	2,098,832,782	286,436,804
Amount paid / repaid to the Company	1,129,000,709	809,661,902
Mark-up on current account - net	32,713,172	-
Settlement of amount receivable by the Company from TPLT against:		
- amount payable by TPLSS to TPLT under signed Memorandum of Arrangement	-	50,000,000
- amount payable by TPL Logistics to TPLT under signed Memorandum of Arrangement	-	2,427,139
- amount payable by TPLE to TPLT under signed Memorandum of Arrangement	-	5,682,374
Amount paid by TPLT on behalf of the Company	-	26,262,205
TPL Properties Limited - (Subsidiary Company)		
Expenditure incurred by the Company on behalf of TPLP	4,531,886	-

Notes to the Financial Statements

For the year ended June 30, 2020

	2020	2019
	Rupees	
TPL Tech Pakistan (Private) Limited - (Common directorship)		
Expenditure incurred by the Company on behalf of TPL Tech	485,261	-
TPL Logistics (Private) Limited - (Common directorship)		
Amount paid to the Company	733,266	152,500
Expenditure incurred by TPLT for TPL Logistics on behalf of the Company	1,976,897	323,229
Settlement of amount receivable by the Company from TPLT against the amount payable by TPL Logistics to TPLT under signed Memorandum of Arrangement	-	2,427,139
TPL E-venture (Private) Limited - (Common directorship)		
Expenditure incurred by TPLT for TPLE on behalf of the Company	14,581,952	21,813,967
Settlement of amount receivable by the Company from TPLT against the amount payable by TPLE to TPLT under signed Memorandum of Arrangement	-	5,682,374
Markup on current account	5,840,345	609,737
Staff retirement benefit		
TPL Trakker Limited - Provident fund employer contribution	2,096,868	1,522,176
Key management personnel		
Salaries and other benefits	48,364,464	29,616,000
Post employment benefits	1,891,365	1,522,176

31.2 All transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Company. The related parties status of outstanding receivables / payables as at June 30, 2020 and 2019 is disclosed in respective notes to these financial statements.

31.3 Certain employees of the Company also provide services to the group companies and their cost are proportionately charged to the group companies on agreed terms. In addition, certain common expenses (other than salaries and related benefits) are also allocated within the group companies on agreed basis and terms.

32. SUBSEQUENT EVENTS

The Board of Directors of the Company in their meeting held on 18 September 2020 have recommended cash dividend @ Nil percent amounting to Rs. Nil million on the existing paid-up value of the ordinary share capital for approval of the shareholders in the annual general meeting to be held on 28 October 2020.

33. DATE OF AUTHORISATION OF ISSUE

These financial statements were authorised for issue on 18 September 2020 by the Board of Directors of the Company.

34. GENERAL

34.1 Number of employees as at June 30, 2020 was 145 (2019: 5) and average number of employees during the year was 160 (2019: 5).

34.2 Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and to reflect the substance of the transactions. However, there are no material reclassifications to report.

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

Independent Auditors' Report To the members of TPL Corp Limited

Opinion

We have audited the annexed consolidated financial statements of TPL Corp Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 30 June 2020, 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 and 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 2020, 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 Auditors' 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 the 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.



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Following are the key audit matters:

Key audit matter	How the matter was addressed in our audit
1. Impairment of goodwill and intangible assets.	
<p>(Refer note 8 to the accompanying consolidated financial statements)</p> <p>The intangible assets includes goodwill, indefinite life and under development intangible assets having carrying value of Rs.2,628 million as of 30 June 2020, and tested for impairment at least on an annual basis.</p> <p>The determination of recoverable amount requires judgement in both identifying and then valuing the relevant CGUs, and the impairment assessment for such assets involves significant judgments and estimates about future business performance, with key assumptions including cash flows, inflation rates, the overall long-term growth rates, discount rates used and to the extent relevant, the fair value less costs to dispose. Changes in these assumptions might lead to a significant change in the carrying values of the related assets, for such reasons we considered this as a key audit matter.</p>	<p>Our audit procedures amongst others, included review of Group's intangible assets impairment process and evaluating the Group's assumptions used in assessing the recoverability of intangible assets, in particular, revenue and cash flow projections, useful economic lives and discount rates.</p> <p>We involved our specialist to:</p> <ul style="list-style-type: none"> - assessed the key assumptions and methodologies used in the impairment analysis, in particular growth rates, inflation rate and discount rate applied; - examined the business plans approved and assumptions used by management, including forecasted revenue base, profit from operations margin, working capital for terminal value calculations and cash flows necessary for the continuing use of the CGU's assets and allocated goodwill; and - evaluated the sensitivity analysis performed by management around the key assumptions for various CGU's as well as performing break-even analysis on key assumptions and challenged the outcomes of the assessment. <p>We also assessed the adequacy of disclosures in the consolidated financial statements in accordance with the financial reporting standards.</p>
2. Valuation of investment property	
<p>(Refer note 10 to the accompanying consolidated financial statements)</p> <p>The investment property comprises 'Centrepont Project', principally given as rented office premises to related parties and other companies and is accounted by the Group under fair value model. As of 30 June 2020, the fair value of investment property amounted to Rs. 6,631 million constituting 33% of total assets of the Group and during the year, classified as non-current asset held for sale in accordance with the applicable financial reporting framework.</p>	<p>Our audit procedures amongst others, comprised understanding the management valuation process, including the involvement of independent external valuer in performing the valuation of investment property.</p> <p>We assessed the competence of the management independent external valuer and reviewed the valuation report prepared by them to understand the basis and methodology used for valuation.</p> <p>We involved our specialists to review the valuation report of management independent external valuer and to assess the appropriateness of the methodology, assumptions and estimates used to determine the fair value of investment property under IAS 40 'Investment Property' (IAS 40).</p>

2. Valuation of investment property	
<p>In determining the fair value in respect of investment properties, the Group engaged an independent external valuer to perform the valuation, which involves use of assumptions and estimates in terms of estimated selling price, occupancy, condition, market projections, market rents and currency valuation. Changes in any of these key assumptions can have a material impact on the valuation of investment property.</p> <p>Due to significant management judgment and estimation relating to valuation assumptions that are inherently complex and require specialist input, and the investment property value being material to the total assets, we considered this as a key audit matter.</p>	<p>We have evaluated the conditions as per the International Financial Reporting Standard (IFRS) 5 'Non-Current Assets Held for Sale' for classifying the investment property held for sale as non-current assets held for sale.</p> <p>We also assessed the adequacy of the related disclosures in the consolidated financial statements in accordance with the financial reporting standards.</p>
3. Liabilities against insurance contracts	
<p>(Refer note 36 to the accompanying consolidated financial statements)</p> <p>The Group operates life and general insurance businesses. The liabilities in respect of insurance contracts issued as of 30 June 2020 amounts to Rs. 424 million.</p> <p>The methods used and significant assumptions applied in determining the insurance contract liabilities relating to life and general insurance business are disclosed in note 5 to the consolidated financial statements. We considered valuation of insurance liabilities as a key audit matter due to significant judgment involved in estimating the liabilities and use of experts in this regard.</p>	<p>In obtaining sufficient audit evidence:</p> <ul style="list-style-type: none"> - we tested controls over recording and settlement of claims both in respect of life and general insurance business. - for policy holders' liabilities in respect of life insurance business, we assessed the professional competence of the actuary appointed by the management, the methods used and key assumptions applied in estimating the life insurance contract liabilities. In this regard, we also reviewed the accuracy and completeness of the data used for the actuarial valuation of insurance liabilities; - in respect of general insurance contract liabilities (including IBNR and premium deficiency reserve) which are measured on the basis of undiscounted value of expected future payments, we reviewed historical loss experience and other factors considered by the actuary in developing the expectations of future claim liabilities based on the contract issued at the reporting date; - for general insurance claims we also evaluated the management estimates regarding cost of claims settlements by considering reports of independent surveyors and the estimates regarding salvage values of insured assets; and - we assessed the adequacy of disclosures made in respect of insurance contract liabilities in accordance with the approved accounting standards as applicable in Pakistan.

Information Other than the 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 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 is responsible for overseeing the Group's financial reporting process.

Auditors' 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 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 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 auditors' 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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 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.

The engagement partner on the audit resulting in this independent auditors' report is Arif Nazeer.


Chartered Accountants
Place: Karachi
Date: October 05, 2020

Consolidated Statement of Financial Position

as at June 30, 2020

			(Restated)	(Restated)
		2020	2019	2018
	Note		Rupees	
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	7	1,390,115,661	2,760,068,510	2,214,071,587
Intangible assets	8	2,844,723,120	2,846,548,546	2,656,249,953
Right-of-use asset	9	72,269,178	-	-
Investment properties	10	28,308,153	5,909,238,595	5,322,678,273
Development properties	11	1,437,387,784	1,265,142,970	1,090,147,420
Long-term investments	12	77,647,347	99,847,459	-
Long-term loans	13	2,547,710	637,436	436,577
Long-term deposits	14	36,740,882	54,887,344	69,917,932
Deferred tax asset - net	15	108,404,040	148,297,825	125,769,341
		5,998,143,875	13,084,668,685	11,479,271,083
CURRENT ASSETS				
Stock-in-trade	16	247,185,472	267,410,363	326,691,767
Trade debts	17	1,164,282,072	1,397,979,627	1,374,343,522
Loans and advances	18	799,026,895	385,175,061	172,837,318
Trade deposits and prepayments	19	276,380,312	528,155,490	439,726,280
Interest accrued	20	119,774,215	26,064,633	23,985,785
Other receivables	21	1,175,229,556	659,069,883	646,485,988
Short-term investments	22	851,593,543	979,694,307	1,579,553,006
Due from related parties	23	574,764,579	80,217,260	11,706,548
Deferred commission expense		121,156,815	169,248,562	124,090,599
Taxation - net	24	56,641,726	179,807,632	162,290,955
Cash and bank balances	25	1,470,767,684	965,791,935	1,014,158,309
		6,856,802,869	5,638,614,753	5,875,870,077
NON-CURRENT ASSET HELD FOR SALE	26	6,981,095,074	-	-
TOTAL ASSETS		19,836,041,818	18,723,283,438	17,355,141,160

The annexed notes from 1 to 59 form an integral part of these consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

Consolidated Statement of Financial Position

as at June 30, 2020

			(Restated) 2020	(Restated) 2019	(Restated) 2018
	Note		Rupees		
EQUITY AND LIABILITIES					
SHARE CAPITAL AND RESERVES					
Share capital					
Authorised					
330,000,000 (2019: 330,000,000) ordinary shares of Rs.10/- each			3,300,000,000	3,300,000,000	3,300,000,000
Issued, subscribed and paid-up capital	27		2,672,977,630	2,672,977,630	2,372,977,630
Capital reserves			60,855,762	60,855,762	60,855,762
Revenue reserves			(429,237,761)	219,731,701	533,299,515
Surplus on revaluation of property, plant and equipment	28		327,728,085	566,082,175	216,527,056
			2,632,323,716	3,519,647,268	3,183,659,963
Non-controlling interest			4,766,383,687	4,618,489,560	4,220,516,153
Total Shareholders' equity			7,398,707,403	8,138,136,828	7,404,176,116
Participants' Takaful Fund (PTF)			69,048,465	(117,588,716)	(214,849,810)
Total Equity			7,467,755,868	8,020,548,112	7,189,326,306
NON-CURRENT LIABILITIES					
Long-term financing	29		3,029,423,456	2,472,910,025	3,287,127,280
Lease liabilities	30		31,530,021	52,145,571	504,016
Long-term loans	31		269,014,488	148,888,890	308,133,420
Deferred liabilities	32		9,570,575	6,570,620	6,206,490
			3,339,538,540	2,680,515,106	3,601,971,206
CURRENT LIABILITIES					
Trade and other payables	33		1,984,561,038	1,518,411,668	1,452,849,178
Accrued mark-up	34		438,546,881	238,534,790	131,603,069
Short-term financing	35		1,944,169,173	946,017,222	419,181,204
Liabilities against insurance contracts	36		877,069,162	1,249,626,397	1,163,727,403
Underwriting provisions	37		1,197,304,214	645,855,456	682,699,704
Running finance under mark-up arrangements	38		1,105,194,287	988,025,014	939,871,844
Current portion of non-current liabilities	39		465,149,706	1,209,038,572	1,226,350,997
Due to related parties	40		976,883,204	1,173,751,929	504,988,182
Unclaimed dividend			1,729,583	3,307,473	1,747,962
Unpaid dividend			3,000,000	3,000,000	3,000,000
Advance monitoring fees	41		37,140,162	46,651,699	37,824,105
			9,028,747,410	8,022,220,220	6,563,843,648
CONTINGENCIES AND COMMITMENTS					
	42				
TOTAL EQUITY AND LIABILITIES			19,836,041,818	18,723,283,438	17,355,141,160

The annexed notes from 1 to 59 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, 2020

		(Restated)	
		2020	2019
		Rupees	
	Note		
Turnover - net	43	4,968,420,905	5,013,470,487
Cost of sales and services	44	(3,601,079,746)	(3,092,894,458)
Gross profit		1,367,341,159	1,920,576,029
Distribution expenses	45	(384,688,014)	(351,365,123)
Administrative expenses	46	(1,255,095,189)	(1,375,337,150)
Operating (loss) / profit		(272,442,044)	193,873,756
Other expenses	47	(74,326,889)	(30,822,802)
Finance costs	48	(1,262,316,471)	(741,592,269)
Other income	49	742,327,304	858,003,202
Share of loss from investment in associates - net	12	(25,649,189)	(11,491,773)
Net profit attributable to PTF		(189,216,313)	(86,855,158)
(Loss) / profit before taxation		(1,081,623,602)	181,114,956
Taxation	50	(138,636,366)	(98,730,149)
(Loss) / profit for the year		(1,220,259,968)	82,384,807
Other comprehensive income / (loss)			
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):			
Unrealised gain on available-for-sale investment at fair value		-	34,493,803
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax):			
Fair value gain on equity instruments designated at FVOCI		32,248,993	31,157
(Deficit) / surplus on revaluation of property, plant and equipment		(9,538,644)	327,456,882
		22,710,349	361,981,842
Other comprehensive loss attributable to PTF		(2,759,130)	(10,405,937)
Other comprehensive income for the year, net of tax		19,951,219	351,575,905
Total comprehensive (loss) / income for the year		(1,200,308,749)	433,960,712
Loss per share - basic and diluted	51	(4.57)	(1.20)
(Loss) / profit for the year attributable to:			
Owners of the Holding Company		(1,223,507,612)	(293,895,222)
Non-controlling interest		3,247,644	376,280,029
		(1,220,259,968)	82,384,807

The annexed notes from 1 to 59 form an integral part of these consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

for the year ended June 30, 2020

The annexed notes from 1 to 59 form an integral part of these consolidated financial statements.

James Yu
DIRECTOR

for the year ended June 30, 2020

Participants' Takaful Fund:



CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER

James Yu
DIRECTOR

Consolidated Statement of Cash Flows

for the year ended June 30, 2020

		2020	2019
	Note	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / profit before taxation		(1,081,623,602)	181,114,956
Adjustment for non-cash charges and other items:			
Depreciation	7.1	314,629,558	317,836,993
Depreciation on ROUA	9.1	79,814,409	-
Amortisation	8.1	89,799,918	102,735,340
Share of loss from investment in associates - net	11	25,649,189	11,491,773
Net profit attributable to PTF		189,216,313	86,855,158
Reversal / allowance for expected credit losses	17.4	(30,076,185)	25,678,986
Charge / reversal of provision for gratuity	32.2	278,860	364,130
Exchange loss - net	47	74,326,889	29,953,692
Finance costs	48	1,76,350,085	741,592,269
Loss on investment in mutual funds	49	(11,414,736)	51,097,948
Unwinding of PTF	49	(3,786,209)	(4,604,005)
Gain on disposal of property, plant and equipment	49	(540,383)	(4,572,085)
Valuation gain on investment property	49	(286,315,367)	(592,882,635)
Amortisation of government grant	49	(3,692,836)	-
		1,614,239,505	765,547,563
Operating profit before working capital changes		532,615,903	946,662,519
(Increase) / decrease in current assets			
Stock-in-trade		20,224,891	(141,246,066)
Trade debts		263,773,740	(49,315,091)
Loans and advances		(413,851,834)	(212,337,743)
Trade deposits and prepayments		251,775,178	(88,429,210)
Interest accrued		(93,709,582)	(2,078,848)
Other receivables		(516,159,673)	(12,583,895)
Due from related parties		(494,547,319)	(68,510,712)
Deferred commission expense		48,091,747	(45,157,963)
		(934,402,852)	(619,659,528)
Increase / (decrease) in current liabilities			
Trade and other payables		464,149,369	65,562,490
Liabilities against insurance contracts		(372,557,235)	85,898,994
Underwriting provisions		551,448,758	(36,844,248)
Due to related parties		(196,868,725)	668,763,747
Advance monitoring fees		(9,511,537)	8,827,594
		436,660,630	792,208,577
Cash flows from operations		34,873,681	1,119,211,568
Finance costs paid		(1,038,353,165)	(634,660,548)
Income taxes paid		30,894,377	(147,044,208)
		(1,007,458,788)	(781,704,756)
Net cash flows (used in) / generated from operating activities		(972,585,107)	337,506,812


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

Consolidated Statement of Cash Flows

for the year ended June 30, 2020

	2020	2019
Note	Rupees	
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of - property, plant and equipment	(58,385,225)	(185,960,989)
- capital work-in-progress	-	(50,888,577)
- investment property	(87,836,349)	(3,590,551)
- development property	(172,244,814)	(174,995,550)
- intangible assets	(9,488,478)	(14,923,910)
- intangible assets under development	(78,486,014)	(278,110,023)
Sale proceeds from disposal of property, plant and equipment	340,970,265	5,579,814
Sale proceeds from / (cost of investment) - net	128,100,764	454,357,669
Proceeds from disposal of investment in TPL Insurance Limited	462,580,400	-
Long-term loans - net	(3,456,615)	(200,859)
Long-term deposits - net	18,146,462	15,030,588
Net cash flows generated from / (used in) investing activities	539,900,396	(233,702,388)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(1,577,890)	(18,379)
Proceeds from issuance of ordinary right shares	-	300,000,000
Long-term financing - net	(53,264,402)	(856,134,888)
Lease liabilities repaid	(73,094,737)	(18,754,320)
Long-term loans - net	(49,723,735)	(152,252,399)
Short-term financing - net	998,151,951	526,836,018
Net cash flows generated from / (used in) financing activities	820,491,187	(200,323,968)
Net increase / (decrease) in cash and cash equivalents	387,806,476	(96,519,544)
Cash and cash equivalents at the beginning of the year	(22,233,079)	74,286,465
Cash and cash equivalents at the end of the year	365,573,397	(22,233,079)

* No non-cash item is included in investing and financing activities

The annexed notes from 1 to 59 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, 2020

1. LEGAL STATUS AND OPERATIONS

1.1 The Group consists of TPL Corp Limited (the Holding Company) and its subsidiary companies i.e. TPL Insurance Limited, TPL Properties Limited and its subsidiaries [i.e. HKC (Private) Limited, G-18 (Private) Limited, TPL REIT Management Company Limited, TPL Property Management (Private) Limited, TPL Logistics Park (Private) Limited], TPL Life Insurance Limited, TPL Trakker Limited and TPL Security Services (Private) Limited that have been consolidated in these financial statements.

1.2 Holding Company

TPL Trakker Limited was incorporated in Pakistan on December 04, 2008 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). In year 2009, the Holding Company was converted into a public company and got listed on Pakistan Stock Exchange Limited on July 16, 2012. Later, with effect from November 24, 2017, the name of the Holding Company has been changed to TPL Corp Limited. The principal activity of the Company is to make investment in group and other companies. TPL Holdings (Private) Limited is the ultimate parent company by virtue of 62.41 percent (2019: 62.36 percent) shareholding as of the reporting date.

1.3 Impact of COVID-19 pandemic

The outbreak of the Novel Coronavirus (COVID-19) has disrupted commercial and economic activities all around the world and has impacted almost every organization and industry. The Group operations were also impacted like rest of the industry however, the impact on Group was not significant. During the period, COVID 19 pandemic caused country wide lockdowns, closure of businesses across the country and halted the economic activity. For the first time in Pakistan's history, no motor sales were recorded for the entire month in April 2020 which impacted the revenue from vehicle tracking and vehicle insurance segments of the Group however; the health and Life business showed growth as compared to the corresponding period.

1.4 As of reporting date, the Holding Company has the following subsidiaries and associates:

	% of shareholding	
	2020	2019
Subsidiaries		
TPL Insurance Limited [TPLI]	73.38	93.51
TPL Properties Limited [TPLP]	29.62	29.62
Centrepoint Management Services (Private) Limited (sub-subsidiary) [CMS]	-	29.62*
TPL Property Management (Pvt.) Limited [TPL PM]	29.62	-
TPL Logistics Park (Private) Limited (sub-subsidiary) [TPL LP]	29.62	-
HKC Limited (sub-subsidiary) [HKC]	29.62*	29.62*
G-18 (Private) Limited (sub-subsidiary) [G-18]	29.62*	29.62*
TPL REIT Management Company Limited (sub-subsidiary) [TPL REIT]	29.62*	29.62*
TPL Life Insurance Limited [TPLL]	83.75	78.30
TPL Maps (Pvt.) Limited [TPLM]	-	100
TPL Trakker Limited [TPLT]	100	100
TPL Security Services (Private) Limited [TPL SS]	99.99	99.99
TPL Rupiya (Private) Limited [TPLR]	-	100
Associates		
Trakker Middle East LLC [TME]	29	29

* Represents direct holding of TPLP as at the reporting date.

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

1.4.1 TPL Insurance Limited [TPLI]

TPLI was incorporated in Pakistan in 1992 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The principal activity of TPLI is to carry on general insurance business. The Company was allowed to work as Window Takaful operator on September 04, 2014 by SECP under SECP Takaful Rules, 2012 to carry on General Window Takaful operations in Pakistan the TPLI has formed a waqf/Participant Takaful Fund (PTF), which is managed by TPLI under the waqf deed. In this regard, TPLI is listed on Pakistan Stock Exchange Limited with effect from September 22, 2011. The financial year end of TPLI is December 31.

In terms of the requirements of the Takaful Rules 2012 and General Takaful Accounting Regulations 2019, read with SECP Circular 25 of 2015 dated July 09, 2015, the PTF was not consolidated with the conventional insurance business. However, as per SECP letter number ID/MDPR/GTAR/2020/760 dated February 19, 2020, the Company has been granted relaxation from the above requirements and has been allowed line by line consolidation of financial statements of conventional and WTO (including PTF) upto the period ending December 31, 2020. Therefore, these consolidated financial statements includes the consolidated financial position, results of operations and cashflows of the conventional business and WTO (including PTF) for the period ended June 30, 2020. Accordingly, in line with the requirements of IAS 01 "Preparation of Financial Statements" comparative figures have also been restated to correspond to current year's presentation.

1.4.2 TPL Properties Limited [TPLP]

TPLP was a private limited company incorporated in Pakistan on February 14, 2007 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). In year 2016, TPLP has changed its status from private limited company to public company and got listed on Pakistan Stock Exchange Limited. The principal activity of TPLP is to invest, purchase, develop and build real estate and to sell, rent out or otherwise dispose off in any manner the real estate including commercial and residential buildings, houses, shops, plots or other premises. The financial year end of TPLP is June 30.

As of reporting date, the Holding Company has reassessed its defacto control over TPLP and based on such assessment, the management has concluded that the Holding Company alongwith other related parties has a defacto control over TPLP having the majority shareholding of 45.88 percent (2019: 45.69 percent) and representation on the board of directors of TPLP (i.e. 05 out of 08 directors) to appoint majority of the directors on Board of TPLP. Accordingly, as of June 30, 2020, the Holding Company continues to account for TPLP as it's subsidiary in these consolidated financial statements.

Effective from July 01, 2019, Centrepont Management Services (Private) Limited has been amalgamated into TPLP under the scheme of agreement dated February 26, 2020. Accordingly is now also providing building maintenance services to all kinds and description of residential and commercial buildings.

1.4.2.1 TPL Property Management (Pvt.) Limited [TPL PM]

TPL PM was incorporated in Pakistan on April 10, 2020 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 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. However, as of the reporting date, TPL PM has not commenced its operations.

1.4.2.2 TPL Logistics Park (Private) Limited (sub-subsidiary) [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

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

of holding/parent 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.

1.4.2.3 HKC Limited (sub-subsidiary) [HKC]

HKC was incorporated in Pakistan on September 13, 2005 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). HKC is principally engaged in the acquisition and development of real estates and renovation of buildings and letting out. The financial year end of HKC is June 30. As of reporting date, HKC is not generating revenue as it is in the process of developing the property, therefore it is fully supported by the financial support of the TPLP to activate its full potential in order to make adequate profits and generate positive cashflows.

1.4.2.4 G-18 (Private) Limited (sub-subsidiary) [G-18]

G-18 (Private) Limited (the Company) was incorporated in Pakistan as a private limited company on April 12, 2018 under the Companies Act, 2017 for the purpose of property development. However, as at the reporting date, G-18 has not commenced its operations.

1.4.2.5 TPL REIT Management Company Limited [TPL REIT]

TPL REIT was incorporated in Pakistan as a public limited company on October 12, 2018 under the Companies Act, 2017. The principal activity of TPL REIT 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 (as amended, replaced or supplemented from time to time) and all rules, regulations etc. framed pursuant to the same or generally applicable to a 'REIT management company' under applicable laws. However, as of reporting date, TPL REIT has not commenced its operations.

1.4.3 TPL Life Insurance Limited [TPLL]

TPLL was incorporated on March, 19 2008 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a public limited company and is registered as a life insurance company with the Securities and Exchange Commission of Pakistan (SECP) under the Insurance Ordinance, 2000. TPLL obtained license to carry on life and related lines of insurance business on March 2, 2009. TPLL is engaged in life insurance business including ordinary life business, accidental and health business. In August 09, 2018, SECP has also granted Window Takaful license to TPLL to undertake Takaful Window Operation. The financial year end of TPLL is December 31.

1.4.4 TPL Trakker Limited [TPLT]

TPL Vehicle Tracking (Private) Limited (TPLT) was incorporated in Pakistan on December 27, 2016 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). Later, on November 30, 2017, the name of TPLV changed to TPL Trakker (Private) Limited and therefore on January 17, 2018, the status of TPLT changed into a public Company. Subsequently, on August 10, 2020, TPLT got listed on Pakistan Stock Exchange Limited at the strike price of Rs.12 per share. The principal activity of the TPLT is installation and sale of tracking devices, vehicle tracking and fleet management. The financial year end of TPLT is June 30. TPLT is fully supported by the financial assistance of the Holding Company for smooth running of business operations.

Effective from July 01, 2019, TPL Maps (Private) Limited (TPLM) and TPL Rupiya (Private) Limited (TPLR) has been amalgamated into TPLT under the Scheme of Arrangement dated November 22, 2019.

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

Resultantly TPLT now also providing navigation services and facilities related to cashless payments and e-ticketing to bus users.

1.4.5 TPL Security Services (Private) Limited [TPLSS]

TPLSS is a private limited company incorporated on May 01, 2000 in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The principal activity of TPLSS is to provide security services and other surveillance related services. The financial year end of TPLSS is June 30. TPLSS is fully supported by the financial assistance of the Holding Company for smooth running of business operations.

1.4.6 Trakker Middle East L.L.C. (TME)

TME is a limited liability company registered in Abu Dhabi, United Arab Emirates. The registered office of TME is at P.O. Box 52331, Abu Dhabi, United Arab Emirates. The principal activities of TME are the selling, marketing and distribution of products and services in the field of wireless, fleet management, tracking and telemetry services. The book value per share amounts to AED 224.83 (equivalent to Rs 10,191.78) based on the latest available un-audited financial statements for the period ended June 30, 2020. Subsequent to the reporting date, TPLT has acquired 21% additional shareholding in TME by virtue of which it becomes a subsidiary, the legal proceeding are under way to complete the transactions.

1.5 The geographical location and addresses of business units of the Group are as under:

Location	Addresses
a) Holding Company	
Corporate office, Karachi	12th and 13th floor, Centrepoint Building, Off Shaheed-e-Millat Expressway, Adjacent KPT Interchange, Karachi.
b) Subsidiary companies	
Location	Addresses
<u>Corporate / registered office at Karachi</u>	
TPL Insurance Limited	Centrepoint Building, Off Shaheed-e-Millat Expressway, Adjacent KPT Interchange.
TPL Properties Limited	Centrepoint Building, Off Shaheed-e-Millat Expressway, Adjacent KPT Interchange.
TPL Property Management (Private) Limited (sub-subsidiary)	Centrepoint Building, Off Shaheed-e-Millat Expressway, Adjacent KPT Interchange.
TPL Logistic Park (Private) Limited (sub-subsidiary)	Centrepoint Building, Off Shaheed-e-Millat Expressway, Adjacent KPT Interchange.
HKC Limited (sub-subsidiary) Development property site	Centrepoint Building, Off Shaheed-e-Millat Expressway, Adjacent KPT Interchange. Plot No 22/7, Street CL-9, Civil Lines Quarter, Karachi
G-18 (Private) Limited (sub-subsidiary)	Centrepoint Building, Off Shaheed-e-Millat Expressway, Adjacent KPT Interchange.
TPL REIT Management Company Limited (sub-subsidiary)	Centrepoint Building, Off Shaheed-e-Millat Expressway, Adjacent KPT Interchange.
TPL Life Insurance Limited	Centrepoint Building, Off Shaheed-e-Millat Expressway, Adjacent KPT Interchange.
TPL Trakker Limited	Centrepoint Building, Off Shaheed-e-Millat Expressway, Adjacent KPT Interchange.
TPL Security Services (Private) Limited	Centrepoint Building, Off Shaheed-e-Millat Expressway, Adjacent KPT Interchange.

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

Regional offices:

Hyderabad office	A-8 District Council Complex, Hyderabad.
Lahore office	Tower 75, 4th Floor, L Block, Gulberg III, Kalma Chow, Main Ferozpur Road, Lahore
Islamabad office	10th floor (South) ISE Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad.
Faisalabad office	P6161, West Canal road, Adjacent to Toyota Faisalabad Motors, Faisalabad.
Multan office	House No. 5, Suraj Miani Road, Opp. Ashraf Cardiac Clinic, Chungi No. 1, Multan.
Peshawar office	C-7 & C-8 3rd Floor, Jasmine Arcade, Fakhre-e-Alam Road, Peshawar.

2. 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 International Accounting Standard Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by Institute of Chartered Accountants of Pakistan (ICAP), as notified under Companies Act 2017 (the Act). and, provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ from the IFRSs, the provisions of and directives issued under the Act have been followed.

3. BASIS OF PREPARATION

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

4. BASIS OF CONSOLIDATION

These consolidated financial statements comprises the financial statements of the Holding Company and its subsidiaries as at June 30, 2020, 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 arrangement(s) with the other vote holders of the investee;
- rights arising from other contractual arrangements; and

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

- 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 of during the year are included in the profit or loss from the date the Group gains control until the date the Group ceases to control the subsidiary.

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

After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill acquired in a business combination is, on the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination. Goodwill is tested annually or whenever there is an indication of impairment exists. Impairment loss in respect of goodwill is recognised in profit or loss 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.

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

When the ownership of a subsidiary is less than 100 percent and, therefore, a non-controlling interest (NCI) exists, the NCI is allocated on its share of the total comprehensive income of the period, even if that results in a deficit balance.

A change in the ownership interest of subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over subsidiary, it derecognises the assets (including goodwill) and liabilities of the subsidiary, carrying amount of any NCI, cumulative translation differences recognised in equity, and recognises fair value of consideration received, any investment retained, surplus or deficit in the profit or loss, and reclassifies the Holding Company share of component previously recognised in other comprehensive income to profit or loss, or retained earnings, as appropriate.

Associates

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

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

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

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

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

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 Standards, amendments, interpretations and improvements adopted during the year

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

New / amended standards, interpretations and improvements

IFRS 9	Prepayment Features with Negative Compensation (Amendments)
IFRS 14	Regulatory Deferral Accounts
IFRS 16	Leases
IFRS 16	COVID 19 Related Rent Concessions (Amendments)
IAS 19	Plan Amendment, Curtailment or Settlement (Amendments)
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 (2015-2017 cycle)

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

The adoption of the above standards, amendments and improvements to accounting standards did not have any material effect on these consolidated financial statements in the period of initial application except for the adoption of IFRS 16 'Leases' as disclosed in notes 4.1.1 to these consolidated financial statements.

5.1.1 IFRS 16 - Leases

IFRS 16 supersedes IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC-15 'Operating Leases-Incentives' and SIC-27 'Evaluating the Substance of Transactions Involving the Legal Form of a

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Lease'. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for most leases under a single on-balance sheet model. Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 does not have an impact for leases where the Group is lessor.

The Group adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying standard recognised at the date of initial application, that is in case of the Group is July 01, 2019. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 as of July 01, 2019. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

The Group has operating and finance lease contracts for various items of computers and accessories, electrical devices, vehicles and office premises. Before the adoption of IFRS 16, the Group classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Group; otherwise it was classified as an operating lease. Finance leases were capitalised at the commencement of the lease at the inception date fair value of the leased item or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability. In an operating lease, the leased item was not capitalised and the lease payments were recognised as rent expense in the profit or loss on straight-line basis over the lease term. Prepaid rent was recognised as prepayments under non-current / current assets and rent payable as accrued liabilities under trade and other payables, accordingly. Upon adoption of IFRS 16, the Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Group. Further, vehicles obtained under ijarah agreements continues to be recorded under Islamic Financial Accounting Standards - 2 (IFAS-2), as per local law requirement.

i) Leases previously accounted for as operating leases

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets, if any. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

ii) Leases previously classified as finance leases

The Group did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal to the leased assets and liabilities recognised under IAS 17). The requirements of IFRS 16 were applied to these leases from July 01, 2019.

The Group also applied the available practical expedients wherein it has used hindsight in determining the lease term where the contract contains options to extend or terminate the lease and applied the short-term leases exemptions to leases with lease terms that ends within 12 months at the date of initial application.

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- iii) Based on the foregoing, as at July 01, 2019:
- right-of-use assets and lease liabilities of Rs. 52.743 million and Rs. 52.743 million respectively, were recognised and presented separately in the statement of financial position. Further, lease assets recognised previously under finance leases of Rs. 105.250 million were reclassified from operating fixed assets under property, plant and equipment to right-of-use assets.
 - Short-term prepayments of Rs. 0.063 million related to previous operating leases were derecognised.
- iv) The effect of adoption of IFRS 16 and related adjustments did not have any impact on revenue reserves as of July 01, 2019 and accordingly, there is no effect on basic / diluted earning per share. The lease liabilities as at July 01, 2019 can be reconciled to the operating lease commitments as of June 30, 2019 as follows:

5.2 Significant accounting judgments, estimates and assumptions

	Rupees
Operating lease commitments as at June 30, 2019	247,239,594
Incremental borrowing rate as at July 1, 2019	15%
Discounted operating lease commitments as at July 01, 2019	188,352,159
Less: Commitments relating to short-term leases	(135,546,610)
Less: Commitments relating to low value assets	-
Less: Prepaid rentals	(62,920)
	52,742,629

The accounting policy in respect of right of use assets and lease liabilities is stated in note 5.5 to these consolidated financial

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

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

a) Operating fixed assets and intangible assets

The Group reviews the useful lives, methods of depreciation / amortisation and residual values of operating fixed assets and intangible assets on the reporting date. Any change in the estimates in future years might affect the carrying amounts of the respective items of operating fixed assets and intangible assets with a corresponding effect on the depreciation / amortisation charge and impairment. The Group assesses at each reporting date whether there is any indication that assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying value exceeds recoverable amount, assets are

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written down to the recoverable amounts and the resulting impairment loss is recognized as expense in the profit or loss, unless the asset is carried at revalued amount. Any impairment loss of revalued assets is treated as revaluation decrease.

b) Investment property

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

c) Classification of property

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

d) Stock-in-trade / development properties

The Group reviews the net realisable value of stock-in-trade / development properties to assess any diminution in the respective carrying values. Net realisable value is determined with reference to estimated selling price less estimated expenditure to make the sales.

e) Allowance for expected credit losses

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 debtors and the economic environment. 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. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. Any change might affect the carrying value and amount of expected credit loss charge to profit or loss.

g) Recognition of tax and deferred tax

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

Significant management judgement is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax

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planning strategies. The management consider tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

h) Policyholders liabilities

Policyholders' liabilities are calculated by the appointed actuary on the basis of assumptions. calculation for premium deficiency reserve and claims incurred but not reported (IBNR) is calculated by the appointed actuary on the basis of assumptions that the claim lag patterns will follow the historical trend experience. If for any policy the reserve is negative, the negative value is excluded and the reserves for the policies is set equal to zero.

h) Policyholders liabilities

Policyholders' liabilities are calculated by the appointed actuary on the basis of assumptions. calculation for premium deficiency reserve and claims incurred but not reported (IBNR) is calculated by the appointed actuary on the basis of assumptions that the claim lag patterns will follow the historical trend experience. If for any policy the reserve is negative, the negative value is excluded and the reserves for the policies is set equal to zero.

SECP vide its Circular 17/2013 dated September 13, 2013 has stipulated that SLIC(2001-05) Individual Life Mortality Table published by Pakistan Society of Actuaries be used as the minimum valuation basis prescribed under SECP's notification S.R.O 16(1)/2012. A test was previously conducted to compare the existing valuation basis i.e. EFU (1961-66) mortality table with the minimum valuation basis SLIC (2001-05) for the relevant reserves. The test revealed that the existing valuation basis was more prudent than the minimum valuation basis and therefore, it was considered to be more appropriate to continue with the existing valuation basis.

The rate of discount was taken as 3.75% in line with the requirements under SECP's notification S.R.O 16(1)/2012, for determining reserves of traditional products and supplementary coverage. Any differential between the assumed rate and the actual rate is intended to be available to the Group for meeting its administrative expenses. The general principles adopted in the actuarial valuation to estimate policyholders' liabilities includes following:

- a) for unit linked policies, the reserve for bid value of allocated units is calculated using the latest bid value of units and the total number of units belonging to policyholders' accounts as at the valuation date. The latest bid value is the last "announced" bid price at the valuation date.
- b) group life insurance, individual accident & health insurance and group accident & health have been valued using unearned gross premium.
- c) unearned premium reserves have been maintained for all riders.
- d) reinsurance premium reserves have been maintained on an unearned premium basis.
- e) reserves have been maintained for Incurred But Not Reported (IBNR) claims, using the chain ladder method for IBNR reserves.

For the purpose of conventional business, no provision has been made for lapses and surrenders. This gives prudence to the value placed on the liability by not taking any credits for the profits made on

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surrenders. Provisions have been made in respect of all intimated claims. Most claims require lump sum payments, and reserves have been maintained in each statutory fund, where applicable. Adequate reserves have also been maintained for Incurred But Not Reported (IBNR) claims. The IBNR is determined based on chain ladder method that analyses the time lag between the claim occurrence date and claim reported date from the Group's own experience.

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

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

5.3 Property, plant and equipment

5.3.1 Owned

Property, plant and equipment (except for leasehold land and buildings on leasehold land) are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Leasehold land and buildings on leasehold land are stated at revalued amounts, which are the fair value at the date of revaluation. Subsequently, these are stated at revalued amounts less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. Depreciation is charged to profit or loss applying the straight-line method. Depreciation on additions during the year is charged from the month of addition when the asset is available for use, whereas, depreciation on disposals is charged upto the month in which the disposal takes place.

Rates of depreciation which are disclosed in note 7.1 to these consolidated financial statements are designed to write-off the cost over the estimated useful lives of the assets.

Major renewals and improvements for assets are capitalised and the assets so replaced, if any, are retired. Maintenance and normal repairs are charged to profit or loss, as and when incurred.

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.

Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount at the reporting date. Accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is charged to profit or loss.

5.3.2 Capital work-in-progress

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

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5.3.3 Surplus on revaluation of property, plant and equipment

A revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in the profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

An annual transfer from the asset revaluation surplus to unappropriated profit is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to unappropriated profit.

5.4 Intangible assets

Intangible assets other than goodwill, management rights, customers related intangible assets and marketing related intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Goodwill, management rights, 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 profit or loss 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 8.1 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 up to the month in which the disposal takes place.

5.4.1 Intangible assets under development

Intangible assets under development are stated at cost less accumulated impairment losses, if any, and are tested for impairment annually. It consists of expenditure incurred and advances made 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.

5.4.2 Business combinations and Goodwill

The Group uses acquisition method of accounting for acquisition of assets or class of assets, whereby, the purchase consideration is allocated to the identifiable assets, liabilities and contingent liabilities assumed based on the fair value at the date of acquisition. Acquisition related costs are expensed as incurred and included in administrative expenses.

Goodwill is initially measured at the acquisition date, being the excess of:

- a) the aggregate of consideration transferred, the amount of any non-controlling interest in the acquiree and in a business combination achieved in stages, the acquisition date fair value of the previously held equity interest in the acquiree; and
- b) the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

In case the fair value attributable to the Group's interest in the identifiable net assets exceeds the fair value of consideration, the Group recognises the resulting gain in the profit or loss on the acquisition date.

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Goodwill acquired in a business combination is measured subsequent to initial recognition, at cost less accumulated impairment losses, if any, and is tested annually or whenever, there is an indication of impairment. Impairment loss in respect of goodwill is recognised in profit or loss.

5.5 Leases

The Group assess at contract inception whether a contract is, or contain a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

5.5.1 Group as a lessee

The Group acts as a lessee and applies a single recognition and measurement approach for all the leases except for short-term leases and leases of low value assets (if any). The Group recognises lease liability to make lease payments and right-of-use assets representing the right to use the underlying assets.

a) Right-of-use assets

The Group recognises right-of-use assets (ROU assets) at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, if any, and lease payments made at or before the commencement date less any lease incentives received. Unless the group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised ROU assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term, on the rates as disclosed in the note 9.1 to these consolidated financial statements. ROU assets are subject to impairment.

b) Lease liabilities

At the commencement date of the lease, the group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option (if any) reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under its lease arrangements to lease the assets for additional term under the contract. The Group applies judgement in evaluating whether it is reasonably certain to exercise

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the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy). Any change is accounted for change in estimate and applied prospectively with corresponding change in ROU assets and lease liabilities.

c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

5.5.2 Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

5.6 Investment property

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

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

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

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

Investment property is derecognised when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the derecognition of investment property are recognised in the profit or loss 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.

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

5.7 Stock-in-trade

Stock-in-trade is valued at the lower of cost, determined on a first-in-first-out basis and net realisable value. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

Spare parts and loose tools are valued at lower of weighted average cost and net realisable value, except items in transit, which are stated at cost. Spare parts and loose 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.

5.8 Development properties

Property acquired, constructed or in the course of construction for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is classified as development properties. The Group will sell the completed housing units and not providing any construction services as a contractor engaged by the buyer. In addition, the buyer of housing units does not have an ability to specify the major structural elements of the design or major structural changes before construction and / or construction is in progress. All project costs incurred or to be incurred till the completion of project are capitalised as development properties and is stated in lower of cost and net realisable value. Accordingly, the cost of development properties under construction includes:

- a) cost of leasehold land;
- b) amounts paid to contractors for construction; and
- c) planning and design costs, cost of site preparation, professional fee for legal services, property transfer taxes, development charges, construction overheads and other related costs necessary to bring the premises in saleable condition.
- d) contractors for developing inner perimeter, including but not limited to road development, amenities and utilities and other infrastructure.

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

5.9 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.

5.9.1 Financial assets

5.9.1.1 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 debts, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not

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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.

5.9.1.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

a) Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. 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 profit or loss when the asset is derecognised, modified or impaired.

b) Financial assets designated at fair value through OCI with recycling of cumulative gains and losses (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 profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

c) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

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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 profit or loss. Dividends are recognised as dividend income in the profit or loss 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 OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its listed and non-listed equity investments, if any, under this category.

d) 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. 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 statement of financial position at fair value with net changes in fair value recognised in the profit or loss.

This category includes listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as dividend income in the profit or loss when the right of payment has been established.

5.9.1.3 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 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

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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.

5.9.1.4 Impairment

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. 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, discounted at an approximation of the 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. For trade, lease and other receivables (if any), the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For other assets including deposits, accrued interest and bank balances that are held with reputational banks and other third parties, the Group applies low credit risk simplifications. At each reporting date, the Group evaluates whether these assets are considered to have low credit risk using all reasonable and supportable information that is available without un-due cost or effort including their credit ratings assessed by reputable agencies and therefore assessed to have immaterial impact of allowances for ECL.

The Group considers a financial asset in default when contractual payments are past due over the agreed 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. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

5.9.2 Financial liabilities

5.9.2.1 Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, 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.

5.9.2.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) 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 profit or loss. 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.

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b) 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 profit or loss.

5.9.2.3 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 profit or loss.

5.9.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the 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.

5.9.4 For life insurance business, the Group has adopted for temporary exemption to apply IFRS 9 'Financial Instruments' with IFRS 17 'Insurance Contracts'. However, the general insurance business has adopted the IFRS 9. Though the group, initially effected, the group during the year using the modified retrospective method of adoption. The adoption of IFRS 9 by general insurance business does not have any impact on opening retained earnings and the only change relates to classification and measurement of financial assets and financial liabilities as follows:

- i) all the investments in units of mutual funds previously classified as 'Available for Sale' will be reclassified as 'at Fair Value through Profit or Loss' as such investments are managed on a fair value basis and are held for trading purposes in accordance with the objectives of the Company. The impact has been disclosed in table below. Further, return on Mutual funds is not considered as solely payments of principal and interest.
- ii) The investment in term finance certificates previously classified as "Available for sale" will be reclassified as 'Fair Value through other comprehensive income' as per the business model of the company and characteristics of the financial instrument.

Considering the nature of the financial assets related to general insurance business, the Group has applied the simplified approach allowed under IFRS 9 and has calculated ECL based on life time ECL. For this purpose, the management has conducted an exercise to assess the impairment of its financial assets relating to general insurance business using credit rating of the counterparties/instruments and the related probability of default factors. Based on the above approach, the impact of ECL is not considered as material to these consolidated financial statements.

5.10 Impairment of non-financial assets, goodwill and investments in associates

The Holding Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Holding Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less

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costs to sell and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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

Goodwill is tested for impairment annually at year end and when the circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash generating unit (CGU) or group of CGUs to which the goodwill relates. When the recoverable amount of CGU is less than its carrying amount, an impairment loss is recognised.

Intangible assets with indefinite useful lives are tested for impairment annually at year end either individually or at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Holding Company estimates the asset's recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit or loss.

Impairment losses relating to goodwill are not reversed in future periods.

5.11 Cash and cash equivalents

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

5.12 Non-current assets held for sale

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.

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Investment property held for sale continues to be measured at fair value. Assets and liabilities classified as held for sale are presented separately in the statement of financial position.

5.13 Staff retirement benefits

5.13.1 Defined contribution plan

The Group 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 Group and the employees at the rate of 8.33 percent of the basic salary. The contribution of the Group for the year is charged to the profit or loss.

5.13.2 Defined benefit plan

TPL SS operates an unfunded gratuity scheme covering all its employees completing the minimum qualifying period of 1 year of service under the scheme.

5.14 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 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 asset 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 profit or loss.

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

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

5.15 Government grant

Government grant is recognised where there is reasonable assurance that the grant will be received and all

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attached conditions will be complied with. When the grant related to an expense item, it is recognised in the statement of profit or loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

5.16 Provisions

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

5.17 Operating leases / Ijarah agreements

Leases, where a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating lease. Payments made under operating leases (net of any incentives received from the lessor) / ijarah agreements are charged to the profit or loss on a straight line basis over the lease / ijarah term.

5.18 Revenue recognition

5.18.1 Revenue from Contract with Customers

The Group is in the business of sale of equipment and provides associated monitoring and other services. Revenue from contracts with customers is recognised when control of the goods and services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods and services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods and services before transferring them to the customer.

- a) Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer i.e. when goods are installed. Revenue from rendering of monitoring services is recognised over the time i.e. as and when services are rendered. Revenue from rendering of other associated services are recognised at the point in time when services are rendered.
- b) Revenue from sale of goods and rendering of maps navigation services is recognised at the point in time when control of the goods and services are transferred to the customer, generally on delivery of goods and rendering services for installation of goods.
- c) Revenue from rendering e-ticketing services is recognised at point in time i.e. when services are rendered to the customers.
- d) The revenue for providing security services is recognised over the time, when services are rendered to the customers.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., right of returns, volume rebates). In determining the transaction price for the sale of goods and maps navigation services, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

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Contract assets

A contract asset is the right to consideration in exchange for goods transferred to the customer. If the Group performs by transferring goods to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. (Refer to accounting policies of financial assets as detailed in note 5.9.1 to these financial statements.)

Trade debts

Trade debts is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due): (Refer to accounting policies of financial assets as detailed in note 5.9.1 to these financial statements.)

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e. transfers control of the related goods to the customer).

5.18.2 Other revenues

a) Income from Investment properties

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 consolidated statement of profit or loss and other comprehensive income 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 consolidated statement of profit or loss and other comprehensive income when the right to receive them arises.

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 (See accounting policies on financial assets as disclosed in note 5.9.1 to these consolidated financial statements).

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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.

Revenue from contracts of services with 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 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 over time 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.

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). (See accounting policies of financial assets as disclosed in note 5.9.1 to these consolidated financial statements).

- b) Revenue from sale of residential property is recognised when both: (i) construction is complete; and (ii) legal title to the property has been transferred.
- c) The revenue recognition policies for premium and commission from reinsurer are given under the notes 5.19.2 and 5.19.3 below.
- d) Gain / loss on sale / redemption of investments is taken to profit or loss in the year of sale / redemption.
- e) Income from held to maturity investments is recognised on a time proportionate basis taking account the effective yield on the investments.
- f) Dividend income is recognised when the right to receive the dividend is established.
- g) Income on bank accounts is recorded using effective interest rate.
- h) Other income, if any, is recognized on accrual basis.

5.19 Insurance related policies

5.19.1 Insurance contracts

Insurance contracts are those contracts where the Group (the insurer) has accepted significant insurance

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risk from another party (the policy holders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its period, even if the insurance risk reduces significantly during this period, unless all rights and liabilities are extinguished or expired.

General Insurance

The Group underwrites non-life insurance contracts that can be categorised into fire and property damage, marine, aviation and transport, health, motor and miscellaneous contracts. Contracts may be concluded for a fixed term of one year, for less than one year and in some cases for more than one year. However, most of the contracts are for twelve months duration. Insurance contracts entered into by the Group under which the contract holder is another insurer (inwards reinsurance) of a facultative nature are included within the individual category of insurance contracts, other than those which fall under Treaty. The insurance risk involved in these contracts is similar to the contracts undertaken by the Group as insurer.

Fire and property insurance contracts mainly compensate the customers for damage suffered to their property. Customers who undertake commercial activities on their premises could also receive compensation for the loss of earnings caused by the inability to use the insured properties in their business activities (business interruption cover).

Marine, aviation and transport class of business provides coverage against loss and damage to goods in transit by any means of conveyance, physical loss or damage to aircraft, ships and liabilities to third parties and passengers arising from their use.

Motor insurance covers physical loss or damage to the vehicle and liabilities to third parties as provided under the requirements of the Motor Vehicle Ordinance, 1965.

All other insurances like cash in hand, cash in transit, personal accident, travel are included under miscellaneous insurance cover.

The Group neither issues investments contracts nor does it issue insurance contracts with discretionary participation features (DPF).

These contracts are made with group companies, corporate clients and individuals residing or located in Pakistan.

Life insurance

Insurance contracts represent contracts with policy holders and reinsurers.

Those contracts where the Group (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders.

Those insurance contracts that are issued by one insurer (the reinsurer) to compensate another insurer (the cedant) for losses on one or more contracts issued by the cedant are reinsurance contracts.

The Group enters into insurance contracts with policyholders which are divided into following two major categories:

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Group insurance contracts

The Group offers group life and group health to its clients. The risk underwritten is mainly death, hospitalization and disability. The group insurance contracts are issued typically on yearly renewable term basis.

Individual insurance contracts

Individual life unit linked policies are regular life policies, where policy value is determined as per the underlying assets' value. Various types of riders (Accidental Death, Family Income Benefit, etc.) are also sold along with the basic policies.

Individual health contracts are mainly protection policies sold to a wide cross-section of population with different income levels. The risk underwritten is medical expenses related to outpatient services and hospitalization.

5.19.2 Premium

General insurance

Premium income under a policy is recognized, evenly over the period of insurance from the date of issuance of the policy till the date of its expiry. Administrative surcharge is recognised as income at the time policies are written.

Revenue from premiums is determined after taking into account the unearned portion of premium by applying 1/24th method as prescribed by the Insurance Rules, 2017. The unearned portion of premium income is recognised as liability.

Premium due but unpaid under insurance contracts are recognised when due, at the fair value of the consideration receivable less provision for doubtful debts, if any. If there is objective evidence that the receivable is impaired, the Group reduces the carrying amount of the receivable accordingly and recognizes it as impairment loss.

Life insurance

First year individual life and individual accident & health premiums are recognized once the related policy have been issued and premiums received. Renewal premiums are recognized upon receipt of premium provided the policy is still in force.

Premiums for group life, group health business are recognized as and when due. Receivables under insurance contracts are recognized when due, at the fair value of the consideration receivable less provision for doubtful debts, if any. If there is objective evidence that the receivable is impaired, the Group reduces the carrying amount of the receivable accordingly and recognizes it as impairment loss.

5.19.3 Reinsurance contracts

General Insurance

Insurance contracts entered into by the Group with reinsurers for compensation of losses suffered on insurance contracts issued are reinsurance contracts. These reinsurance contracts include both facultative and treaty arrangement contracts and are classified in same categories of insurance contracts for the purpose of these consolidated financial statements. The Group recognises the entitled benefits under the contract as various reinsurance assets. Outward reinsurance premiums are accounted for in the same period as the related premiums for the direct or accepted reinsurance business being reinsured.

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Reinsurance liabilities represent balances due to reinsurance companies. Amounts payable are estimated in a manner consistent with the related reinsurance contract. Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the provision for outstanding claims or settled claims associated with the reinsurance policies and are in accordance with the related reinsurance contract.

Reinsurance premiums are recognized at the same time when the premium income is recognized. It is measured in line with the terms and condition of the reinsurance treaties.

The deferred portion of reinsurance premium ceded is recognised as a prepayment which is calculated by using 1/24th method as prescribed by the Insurance Rules, 2017.

The Group assesses its reinsurance assets for impairment on reporting date. If there is an objective evidence that the reinsurance asset is impaired, the Group reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in the profit or loss.

Reinsurance contracts held

Reinsurance premiums are recognised at the same time when the premium income is recognised. It is measured in line with the terms and condition of the reinsurance treaties.

Reinsurance liabilities represents balances due to reinsurance companies. Reinsurance liabilities are estimated in a manner consistent with the related reinsurance contract. Reinsurance assets represent balance due from reinsurance companies which are stated on the basis of amount receivable under the respective contract after considering any impairment in the value of such assets.

Reinsurance assets are not offset against related insurance liabilities. Income or expenses from reinsurance contract are not offset against expenses or income from related insurance assets as required by Insurance Ordinance, 2000.

5.19.4 Claims expense

General insurance

Insurance claims include all claims incurred during the year, whether reported or not, related internal and external claims handling costs that are directly related to the processing and settlement of claims, and any adjustments to claims outstanding from previous years.

The Group recognises liability in respect of all claims incurred upto the reporting date which is measured at the undiscounted value of the expected future payments. The claims are considered to be incurred at the time of the incident giving rise to the claim except as otherwise expressly indicated in an insurance contract.

The liability for claims include amounts relating to unpaid reported claims, claims incurred but not reported (IBNR) and expected claims settlement costs. Provision for liability in respect of unpaid reported claims is made on the basis of individual case estimates.

The provision for claims incurred but not reported (IBNR) is made at the balance sheet date. In accordance with SECP circular No. 9 of 2016, the Group takes actuarial advice for the determination of IBNR claims. The Company follows the chain ladder method for determination of provision of claims IBNR by analyzing the pattern of the incurred cases (on net reinsurance basis) of a given accident year in the succeeding development years. Thereafter link ratios of the accumulated incurred claims (benefits)

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through the development years are used for the estimation of the incurred claims (benefits) ultimately expected.

Life insurance

Claim expenses are recognized on the date the insured event is intimated except for individual life unit linked where claim expenses are recognized earlier of the date the policy cease to participate in the earnings of the fund and the date insured event is intimated. A liability for outstanding claims is recognized in respect of all claims incurred up to the reporting period, as soon as reliable estimates of the claim amount can be made. The liability for claims "Incurred But Not Reported"(IBNR) is included in policyholders' liabilities. Claims recoveries receivable from reinsurers are recognized as assets at the same time when the corresponding claims are recorded in accordance with the terms of the re-insurance contracts.

Experience refund of premium payable / receivable to / from Group policy holders is included in outstanding claims.

5.19.5 Reinsurance recoveries against outstanding claims

Claims recoveries against outstanding claims from the reinsurer and salvage are recognised as an asset at the same time as the claims which give rise to the right of recovery are recognised as a liability and are measured at the amount expected to be received.

5.19.6 Commission

Commission expense incurred in obtaining and recording policies is deferred and recognised in profit or loss as an expense in accordance with the pattern of recognition of premium revenue. Commission income from reinsurers is recognised at the time of issuance of the underlying insurance policy. These are deferred and recognised as liability and recognised in the profit or loss as revenue in accordance with the pattern of recognition of the reinsurance premiums.

5.19.7 Premium deficiency reserve

The Group is required as per Insurance Rules, 2017, SEC (Insurance) Rules, 2002 and IFRS-4, to maintain a provision in respect of premium deficiency for the class of business where the unearned premium reserve is not adequate to meet the expected future liability, after reinsurance, from claims and other expenses, including reinsurance expense, commissions and other underwriting expenses, expected to be incurred after the reporting date in respect of the unexpired policies in that class of business at the reporting date. The charge for premium deficiency reserve is recorded as an expense in the profit or loss.

For this purpose, loss ratios for each class are estimated based on historical claim development. Judgment is used in assessing the extent to which past trends may not apply in future or the effects of one-off claims. If these ratios are adverse, premium deficiency is determined. Further actuarial valuation has been carried out to determine the amount of premium deficiency reserve in respect of Health insurance as required by SRO 16 (I) / 2012 issued by Securities and Exchange Commission of Pakistan on January 09, 2012.

5.19.8 Acquisition cost

Acquisition cost comprise of commission and other costs incurred in acquiring insurance policies and include without limitation all forms of remuneration paid to insurance agents. These are recognized as an expense in the earlier of the financial year in which they are paid and financial year in which they become due and payable, except those which are directly referable to the acquisition or renewal of specific

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contracts that are recognised not later than the period in which the premium to which they refer is recognised as revenue.

5.19.9 Policyholders' liabilities

Policyholders' liabilities including IBNR are stated at a value determined by the appointed actuary through an actuarial valuation / advice carried out at each reporting date, in accordance with Section 50 of the Insurance Ordinance, 2000. In determining the value both acquired policy values as well as estimated values which will be payable against risks which the Group underwrites are considered. The basis used are applied consistently from year to year. Calculation for premium deficiency reserve and claims incurred but not reported (IBNR) is calculated by the appointed actuary on the basis of assumptions that the claim pattern will follow the historical trend experience.

5.19.10 Receivables and payables related to insurance contract

Receivables and payables are recognised when due. These include amounts due to and from agents and policyholders.

5.19.11 Liability adequacy test

At each reporting date, liability adequacy tests are performed to ensure the adequacy of the contract liabilities. Any deficiency is immediately charged to profit or loss initially by writing off the deferred policy acquisition costs, if any, and by subsequently establishing a provision for losses arising from liability adequacy tests.

5.19.12 Statutory funds (Life Insurance)

The Group maintains statutory funds for accident and health businesses, conventional business and individual life unit linked. Assets, liabilities, revenues and expenses are recorded in the fund, if referable or, on the basis of actuarial advice if not referable. Other assets, liabilities, revenue and expenses are allocated to shareholders' funds. Policyholders' liabilities have been included in statutory funds on the basis of actuarial valuation carried out by the appointed actuary of the Group on the reporting date as required by Section 50 of the Insurance Ordinance, 2000. A capital transfer provided to statutory funds by the shareholders' funds is recorded as a reduction in the shareholders' equity. However, such capital transfers are eliminated at the entity level.

5.19.13 Management expenses

Underwriting expense has been allocated to various classes of business on a basis deemed equitable by the management. Expenses not attributable to the underwriting business are charged as administrative expenses.

5.19.14 Investments (Life insurance business - see note 5.9.4 to these consolidated financial statements)

Investment at fair value through profit or loss (held for trading)

At the time of acquisition, quoted investments which are acquired principally for the purpose of generating profit from short term fluctuations in price or are part of portfolio for which there is a recent actual pattern of short term profit taking are classified as held for trading. Subsequent to initial recognition these are remeasured at fair value by reference to quoted market prices with the resulting gain or loss being included in net profit or loss for the period in which it arises.

Available-for-sale

Available-for-sale investments are those non-derivative instruments /contracts that are designated as

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available for sale or are not classified in any other category. At the time of acquisition, investments which are intended to be held for an undefined period of time but may be sold in response to the need for liquidity or changes in interest rates are classified as available for sale.

Quoted

Subsequent to initial measurement, these are remeasured at fair value. Surplus / (deficit) on revaluation from one reporting date to other is taken to other comprehensive income. On derecognition or impairment of available-for-sale investments, the cumulative gain or loss previously reported in other comprehensive income is transferred to profit or loss for the period.

These are reviewed for impairment at year end. The Group considers that available-for-sale equity investments and mutual funds are impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgment. The Group considers that a decline of 30% in the market value of any scrip below its cost shall constitute as a significant decline and where market value remains below the cost for a period of one year shall constitute as a prolonged decline. Any losses arising from impairment in values are charged to the profit or loss.

Held-to-maturity

At the time of acquisition, investments with fixed maturity, where management has both the intent and the ability to hold to maturity, are classified as held-to-maturity.

Subsequently, these are measured at amortised cost less provision for impairment in value, if any. Amortised cost is calculated by taking into account any discount or premium on acquisition by using the effective yield method.

The difference between the redemption value and the purchase price of the held-to-maturity investments is amortised and taken to the profit and loss account over the term of the investment.

These are reviewed for impairment at year end and any losses arising from impairment in values are charged to the profit or loss.

5.19.15 Financial instruments (See note 5.9.4)

Financial assets and financial liabilities within the scope of IAS - 39 are recognised at the time when the Group becomes a party to the contractual provisions of the instrument. Financial assets are de-recognised when the contractual right to future cash flows from the asset expire or is transferred along with the risk and reward of the asset. Financial liabilities are de-recognised when obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on de-recognition of the financial asset and liabilities is recognised in the profit and loss account of the current year.

5.19.16 Offsetting of financial assets and financial liabilities (See note 5.9.4)

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position, if the Group has a legally enforceable right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses arising from such assets and liabilities are also offset accordingly.

5.19.17 Impairment of financial assets (See note 5.9.4)

The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has

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occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Any impairment losses on financial assets including financial assets carried at amortised cost are recognised in profit or loss.

5.19.18 Trade and other payables (See note 5.9.4)

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

5.20 Foreign currency translation

Transactions in foreign currencies are translated into Pakistani Rupee at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling at the reporting date. Exchange gains and losses are recognised in profit or loss. 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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

5.21 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 period in which they are incurred.

5.22 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 financial statements are authorised for issue, they are disclosed in the notes to the consolidated financial statements.

5.23 Government grant

Government grant is recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant related to an expense item, it is recognised in the statement of profit or loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

5.24 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. Segment results, assets and liabilities include items directly attributable to a segment. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment and intangible assets.

Segment results, assets and liabilities include items directly attributable to a segment as well as those allocated on a reasonable basis.

5.25 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.

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

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

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Standards		Effective date (annual periods beginning on or after)
IFRS 3	Definition of a Business (Amendments)	January 01, 2020
IFRS 3	Reference to the Conceptual Framework (Amendments)	January 01, 2022
IFRS 9 / IAS 39		
/ IFRS 7	Prepayment Features with Negative Compensation (Amendments)	January 01, 2020
IFRS 10 /	Sale or Contribution of Assets between an Investor	
IAS 28	and its Associate or Joint Venture (Amendment)	Not yet finalised
IAS 1 / IAS 8	Definition of Material (Amendments)	January 01, 2020
IAS 1	Classification of Liabilities as Current or Non-current (Amendments)	January 01, 2022
IAS 16	Proceeds before Intended Use (Amendments)	January 01, 2022
IAS 37	Onerous Contracts - Costs of Fulfilling a Contract (Amendments)	January 01, 2022

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

IFRS 9	Financial Instruments - Fees in the '10 percent' test for derecognition of financial liabilities	January 01, 2022
IAS 41	Agriculture - Taxation in fair value measurements	January 01, 2022

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

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after January 01, 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

Further, following new standard have been issued by IASB which is yet to be notified by the SECP for the purpose of applicability in Pakistan. The management of the Group expects that below new standard will not have any material impact on the Group's financial statements in the period of initial application.

Standards	Effective date (annual periods beginning on or after)
IFRS 17 Insurance Contracts	January 01,

6. DETAILS OF RELATED PARTIES

Name of a related party	Basis of relationship	Shareholding
TPL Holdings (Private) Limited	Parent company	-
TPL Trakker Limited	Wholly owned subsidiary	100%
TPL Security Services (Private) Limited	Subsidiary	99.99
TPL Insurance Limited	Subsidiary	73.38%
TPL Life Insurance Limited	Subsidiary	83.75%
TPL Properties Limited [TPLP]	Subsidiary	29.62%
TPL Property Management (Pvt.) Limited [TPL PM]	Sub-subsidiary of TPLP	29.62%

Notes to the Consolidated Financial Statements

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TPL Logistics Park (Private) Limited (sub-subsidiary) [TPL LP]	Sub-subsidiary of TPLP	29.62%
HKC (Private) Limited	Sub-subsidiary of TPLP	29.62%
G18 (Private) Limited	Sub-subsidiary of TPLP	29.62%
TPL REIT Management Company Limited	Sub-subsidiary of TPLP	29.62%
TPL Logistics (Private) Limited	Common directorship	6.91%
Trakker Middle East LLC	Associated company	29%
TPL E-Ventures (Pvt.) Limited	Associated company	-
TPL Mobile (Private) Limited	Associated undertaking	-
TPL Tech Pakistan (Private) Limited	Common directorship	-
Sapphire Fibers Limited	Common directorship	-
Agriauto Industries Limited	Common directorship	-
IBEX Global Solutions (Private) Limited	Common directorship	-
Virtual World (Private) Limited	Common directorship	-
Digital Globe Services (Private) Limited	Common directorship	-
Afiniti Software Solutions (Private) Limited	Common directorship	-
Vestruie DMCC, Dubai, UAE	Common directorship	-
Vestruie Holdings Limited, Dubai, UAE	Common directorship	-
Kulsum Holdings Limited, Dubai, UAE	Common directorship	-
Brans Holdings Limited, Dubai, UAE	Common directorship	-
Rashwell Company LLC, Dubai, UAE	Common directorship	-
Slaide (Pty) Ltd	Common directorship	-
Macanta (Pty) Ltd	Common directorship	-
Fleetcam (Pty) Ltd	Common directorship	-
Cherosco (Pty) Ltd	Common directorship	-
Casi International (Pty) Ltd	Common directorship	-
TPL Direct Finance (Private) Limited	Common directorship	-
TRG Pakistan Limited	Common directorship	-
Trakker Energy (Private) Limited	Common directorship	-
TRG (Private) Limited	Common directorship	-
Pakistan Oxygen Limited (formerly Linde Pakistan Limited)	Common directorship	-
Engro Corporation Limited	Common directorship	-
Adira Capital Holding (Private) Ltd.	Common directorship	-
Noesis (Private) Ltd.	Common directorship	-
Institute of Business Administration	Common directorship	-
The i-care Pakistan	Common directorship	-
State Bank of Pakistan	Common directorship	-
Shakarganj Food Products Limited	Common directorship	-
KASB Investment Management (Private) Limited	Common directorship	-
Merit Packaging Limited	Common directorship	-
Grant Thornton Consulting (Private) Limited	Common directorship	-
JS Investment Limited	Common directorship	-
TPL Direct Insurance Limited - Employees' Provident Fund	Retirement benefit fund	-
TPL Properties Limited - Employees' Provident Fund	Retirement benefit fund	-
Centrepont Management Services (Private) Limited - Employees' Provident Fund	Retirement benefit fund	-
Trakker (Private) Limited Staff Provident Fund	Retirement benefit fund	-

		2020	2019
	Note	Rupees	
7. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	7.1	1,107,594,200	2,476,625,741
Capital work-in-progress	7.3	282,521,461	283,442,769
		<u>1,390,115,661</u>	<u>2,760,068,510</u>

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7.1 Operating fixed assets

	COST / REVALUED AMOUNT			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	Depreciation rate %
	As at July 01, 2019	Addition / (disposals) / transfers / write off	As at June 30, 2020	As at July 01, 2019	Charge for the year / (On disposals) / transfers / write off	As at June 30, 2020	As at June 30, 2020	
	(Rupees)							
<u>Owne</u>								
Leasehold land	735,350,000	*** (9,538,644) (314,811,356)	411,000,000	2,794,603	-	2,794,603	408,205,397	-
Building on leasehold land	463,661,435	***** (350,043,325) (50,841,986)	62,776,124	45,938,899	***** 21,794,378 (18,423,333) (25,653,342)	23,656,602	39,119,522	5
Machinery	8,588	-	8,588	8,588	-	8,588	-	10
Computers and accessories	324,347,002	39,910,382 921,328 ** (160,469) **** (57,570,556) (4,610,839)	302,836,848	206,634,460	69,997,600 (93,055) ** (57,570,556) **** (4,301,016)	214,667,433	88,169,415	33-33.33
Generators	5,516,565	**** (1,092,900)	4,423,665	5,441,065	15,100 **** (1,092,900)	4,363,265	60,400	20
Power generation unit	163,964,749	** (163,964,749)	-	33,136,424	** (33,136,424)	-	-	3.33-5
Electrical equipment and devices	1,374,283,531	5,244,451 ** (317,212,004) ***** 72,097,985 **** (8,766,922) ***** (48,135,616) ***** (145,749)	1,077,365,676	553,187,620	166,662,204 ** (106,394,244) *** (8,766,922) ***** (19,232,989) (136,416)	585,319,254	492,046,422	3.33-33.33
IT equipment	33,050,440	- ** (33,050,440)	-	31,467,277	- ** (31,467,277)	-	-	20
Furniture and fittings	226,427,345	1,427,529 **** (1,069,180) ** (18,728,262) (224,679)	207,832,753	148,423,939	27,435,838 **** (1,069,180) ** (5,972,242) (220,037)	168,598,317	39,234,436	16.67-20
Vehicles	89,096,641	3,255,000 **** (3,985,623)	88,366,018	41,515,450	19,983,913 **** (3,985,623)	57,513,740	30,852,278	20
Construction of shed	6,048,277	-	6,048,277	6,048,277	-	6,048,277	-	20
Mobile phones	17,136,582	1,303,853 **** (398,540) **** (1,042,000)	16,999,895	13,049,681	3,494,719 **** (345,789) **** (1,042,000)	15,156,612	1,843,283	33.33-50
Weapons	6,316,093	-	6,316,093	3,099,510	631,608	3,731,118	2,584,975	10-20
ICOM based station	25,000	-	25,000	23,981	1,019	25,000	-	25
Leasehold improvements	5,149,000	7,244,010	12,393,010	2,301,760	4,613,178	6,914,938	5,478,072	10-33
Gym equipments	17,175,024	- ** (17,175,024)	-	3,108,447	- ** (3,108,447)	-	-	33.33
	3,467,556,272	58,385,225 (371,033,149) * 921,328 ** (550,290,948) *** (9,538,644) **** (73,527,181) ***** 72,097,985 ***** (48,135,616) ***** (350,043,325)	2,196,391,947	1,096,179,981	314,629,557 (30,656,600) ** (180,171,689) **** (73,527,182) ***** (19,232,989) ***** (18,423,333)	1,088,797,747	1,107,594,200	
<u>Leased</u>								
Computer and accessories	121,222,333	(121,222,333)	-	46,014,377	(46,014,377)	-	-	33.33
Vehicles	67,070,794	- (67,070,794)	-	37,029,300	- (37,029,300)	-	-	20
	188,293,127	(188,293,127)	-	83,043,677	(83,043,677)	-	-	
2020	3,655,849,399	(129,907,902)	2,196,391,947	1,179,223,658	225,098,713	1,088,797,747	1,107,594,200	

* Represents transfers from capital work-in-progress to owned asset
 ** Represents transfers from owned to investment property to
 *** Represents assets deficit under revaluation at the time of disposal
 **** Represents assets transferred from stock in trade
 ***** Represents assets transferred from lease to right of used assets
 ***** Represents assets written off during the year

Notes to the Consolidated Financial Statements

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7.1 Operating fixed assets

	COST / REVALUED AMOUNT			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2018	Addition / (disposals) / transfers / write off	As at June 30, 2019	As at July 01, 2018 (Rupees)	Charge for the year / (On disposals) / transfers / write off	As at June 30, 2019	As at June 30, 2019	Depreciation rate %
Owned								
Leasehold land	413,000,000	322,350,000	735,350,000	-	2,794,603	2,794,603	732,555,397	-
Building on leasehold land	456,468,643	7,192,792	463,661,435	42,576,461	3,362,438	45,938,899	417,722,536	5
Machinery	8,588	-	8,588	8,588	-	8,588	-	10
Computers and accessories	220,311,716	127,045,601 (23,010,315)	324,347,002	187,162,715	42,388,048 (22,916,303)	206,634,460	117,712,542	33-33.33
Generators	5,441,065	75,500	5,516,565	5,441,065	-	5,441,065	75,500	20
Power generation unit	162,874,749	1,090,000	163,964,749	25,386,041	7,750,383	33,136,424	130,828,325	3.33-5
Electrical equipment and devices	1,150,377,421	28,855,243 ** 200,527,470 (5,476,603)	1,374,283,531	382,814,337	175,849,886 (5,476,603)	553,187,620	821,095,911	3.33-33.33
IT equipment	33,050,440	-	33,050,440	26,826,494	4,640,783	31,467,277	1,583,163	20
Furniture and fittings	199,615,039	12,742,656 * 14,069,650	226,427,345	107,543,339	40,880,600	148,423,939	78,003,406	16.67-20
Vehicles	72,965,737	17,268,022 **** 3,440,836 (4,577,954)	89,096,641	22,671,586	19,429,315 **** 3,440,836 (4,026,287)	41,515,450	47,581,191	20
Construction of shed	6,048,277	-	6,048,277	6,048,277	-	6,048,277	-	20
Mobile phones	14,776,316	3,873,966 (1,513,700)	17,136,582	9,809,440	4,391,891 (1,151,650)	13,049,681	4,086,901	33.33-50
Weapons	4,389,593	1,926,500	6,316,093	2,524,828	574,682	3,099,510	3,216,583	10-20
ICOM based station	25,000	-	25,000	23,641	340	23,981	1,019	25
Leasehold improvements	5,149,000	-	5,149,000	1,193,760	1,108,000	2,301,760	2,847,240	10-33
Gym equipments	14,178,658	2,996,366	17,175,024	1,500,992	1,607,455	3,108,447	14,066,577	33.33
	2,758,680,242	525,416,646 * 14,069,650 ** 200,527,470 **** 3,440,836 (34,578,572)	3,467,556,272	821,531,564	304,778,424 **** 3,440,836 (33,570,843)	1,096,179,981	2,371,376,291	
Leased								
Computer and accessories	39,470,381	81,751,952	121,222,333	37,963,726	8,050,651	46,014,377	75,207,956	33.33
Electrical equipment	-	-	-	-	-	-	-	20
Mobile phones	279,800	*** (279,800)	-	279,800	*** (279,800)	-	-	20
Generators	-	-	-	-	-	-	-	20
Vehicles	64,254,630	6,257,000 **** (3,440,836)	67,070,794	35,462,218	5,007,918 **** (3,440,836)	37,029,300	30,041,494	20
	104,004,811	88,008,952 **** (3,440,836) *** (279,800)	188,293,127	73,705,744	13,058,569 **** (3,440,836) *** (279,800)	83,043,677	105,249,450	
2019	2,862,685,053	613,425,598 * 14,069,650 ** 200,527,470 **** (279,800) (34,578,572)	3,655,849,399	895,237,308	317,836,993 **** (279,800) (33,570,843)	1,179,223,658	2,476,625,741	

* Represents transfers from capital work-in-progress to owned asset
 ** Represents transfers from stock-in-trade to owned assets
 *** Represents assets derecognised on termination of lease
 **** Represents assets transferred from leased asset to owned asset

Notes to the Consolidated Financial Statements

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		2020	2019
	Note	Rupees	
7.1.1	Depreciation charge for the year has been allocated as follows:		
Cost of sales and services	43	137,805,489	191,044,872
Distribution expenses	44	43,988,685	42,966,155
Administrative expenses	45	132,567,541	83,825,966
		314,361,715	317,836,993

7.1.2 Computers and accessories and vehicles includes assets costing Rs. 4.443 million (2019: Rs. 4.443 million) and Rs. 1.972 million (2019: Rs. 1.972 million) respectively purchased on maturity of ijarah agreements. However, as of the reporting date, the Group is in the process of obtaining no objection certificates and transferring the ownership of these assets in the name of the Group.

7.1.3 During the year, the Group has transferred tracking devices from stock-in-trade at a cost of Rs. 72.098 million (2019: Rs. 200.527 million) to owned assets. As of the reporting date, assets costing Rs. 892.337 million (2019: Rs. 820.239 million) are in possession of third parties, on rental basis. The particulars of these assets have not been disclosed due to several numbers of parties involved.

7.1.4 Includes in operating fixed assets are fully depreciated assets having cost of Rs. 420.579 million (2019: Rs. 504.999 million).

7.1.5 During the year, the Group has written off fully depreciated assets costing Rs. 73.527 million.

7.1.6 The details of immovable assets (i.e land and building) of the Group as at June 30, 2020 are as follows:

Location	Addresses	Usage	Covered Area (sq.ft)
Karachi	Plot no. 20-B & 20-C, Block No. 6, P.E.C.H.S. Ltd., Survey sheet no. 35-P/1.	Installation Centre	10,240
7.1.7	The forced sale value as per the latest revaluation report are as follows:		Rupees
	Leasehold land		349,350,000
	Building on leasehold land		12,066,600
			361,416,600

7.1.8 The Group had carried out last revaluation exercise through an independent valuer as of June 30, 2019 for its leasehold land and building on leasehold land. The fair values were determined with reference to market based evidence, based on active market prices and relevant enquiries and information as considered necessary, and adjusted for any difference in nature, location or condition of the specific properties. The fair value of leasehold land and building on leasehold land falls under level 2 of fair value hierarchy (i.e. significant observable inputs).

Had there been no revaluation, the aggregated cost and written down value of revalued leasehold land and building on leasehold land would have been Rs. 140.181 million and Rs. 137.497 million respectively.

7.1.9 The immoveable assets of the Group are placed as security against various financing facilities obtained from commercial banks as stated in notes 27, 29 and 33 respectively to these consolidated financial statements.

Notes to the Consolidated Financial Statements

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7.2 The details of operating fixed assets disposed off during the year are as follows:

	Original cost	Accumulated depreciation	Written down value	Sale proceeds	Loss / (gain) on disposals	Mode of disposal	Particulars of buyers	Location
	----- (Rupees) -----							
Aggregate amount of assets disposed off having written down value less than Rs. 5,000,000								
<u>Owned</u>								
Leasehold land	314,811,356	-	314,811,356	340,000,000	-	Negotiation	Mindbridge Pvt. Limited	Lahore
Building on leasehold land	50,841,986	25,653,342	25,188,644		-			
	365,653,342	25,653,342	340,000,000	340,000,000	-			
Aggregate amount of assets disposed off not having WDV more than Rs. 5,000,000 each								
Computers and accessories	4,610,839	4,301,016	309,823	136,950	136,950	Various	Various	Karachi
Electrical devices	145,749	136,416	9,333	70,610	61,277	Various	Various	Karachi
Furniture and fittings	224,679	220,037	4,642	64,500	59,858	Various	Various	Karachi
Mobile phones	398,540	345,789	52,751	192,816	86,732	Various	Various	Karachi
2020	371,033,149	30,656,600	340,376,549	340,464,876	25,441,294			
2019	34,578,572	33,570,843	1,007,729	5,579,814	(4,572,085)			

7.3 Capital work-in-progress

Note

Rupees

	2020	2019
Opening balance	283,442,769	246,623,842
Additions during the year	-	50,888,577
Less: Transferred to operating fixed assets	921,308	14,069,650
Closing balance	282,521,461	283,442,769

7.3.1. Represents expenditure in respect of renovation of the building on leasehold land, procurement of computer equipment and software, office equipment, furniture and fixtures.

8. INTANGIBLE ASSETS

Note

Rupees

	2020	2019
Intangible assets	1,942,104,086	2,022,415,526
Intangible assets under development	902,619,034	824,133,020
	2,844,723,120	2,846,548,546

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8.1 Intangible assets

	COST			ACCUMULATED AMORTISATION / IMPAIRMENT			WRITTEN DOWN VALUE	Amortisation rate %
	As at July 01, 2019	Additions / (disposals)	As at June 30, 2020	Charge for the			As at June 30, 2020	
				As at July 01, 2019	year / (disposals) /	As at June 30, 2020		
<u>Owned</u>								
Goodwill (notes 8.4 and 8.5)	874,148,027	-	874,148,027	-	-	-	874,148,027	-
Management rights	108,155,997	-	108,155,997	-	-	-	108,155,997	-
Customers related intangible assets	453,635,249	-	453,635,249	-	-	-	453,635,249	-
Marketing related intangible assets	289,021,582	-	289,021,582	-	-	-	289,021,582	-
Customer relationships	222,585,519	-	222,585,519	66,775,656	44,517,104	111,292,760	111,292,759	20
Internally generated computer softwares	25,840,000	-	25,840,000	25,840,000	-	25,840,000	-	13.33
Maps database	147,858,790	-	147,858,790	75,777,627	7,525,184	83,302,811	64,555,979	5
Software	381,000,488	9,488,478	390,488,966	311,436,843	37,757,630	349,194,473	41,294,493	20-33.33
PTA license	1,000,500	-	1,000,500	1,000,500	-	1,000,500	-	6.67
Decarta maps	22,884,695	-	22,884,695	22,884,695	-	22,884,695	-	20
2020	2,526,130,847	9,488,478	2,535,619,325	503,715,321	89,799,919	593,515,239	1,942,104,086	
	COST			ACCUMULATED AMORTISATION / IMPAIRMENT			WRITTEN DOWN VALUE	Amortisation rate %
	As at July 01, 2018	Additions / (disposals)	As at June 30, 2019	Charge for the			As at June 30, 2019	
				As at July 01, 2018	year / (disposals) /	As at June 30, 2019		
<u>Owned</u>								
Goodwill (notes 8.4 and 8.5)	874,148,027	-	874,148,027	-	-	-	874,148,027	-
Management rights	108,155,997	-	108,155,997	-	-	-	108,155,997	-
Customers related intangible assets	453,635,249	-	453,635,249	-	-	-	453,635,249	-
Marketing related intangible assets	289,021,582	-	289,021,582	-	-	-	289,021,582	-
Customer relationships	222,585,519	-	222,585,519	22,258,552	44,517,104	66,775,656	155,809,863	20
Internally generated computer softwares	25,840,000	-	25,840,000	25,840,000	-	25,840,000	-	13.33
Maps database	147,858,790	-	147,858,790	68,384,687	7,392,940	75,777,627	72,081,163	5
Software	370,945,136	14,923,910 (4,868,558)	381,000,488	265,480,105	50,825,296 (4,868,558)	311,436,843	69,563,645	20-33.33
PTA license	1,000,500	-	1,000,500	1,000,500	-	1,000,500	-	6.67
Decarta maps	22,884,695	-	22,884,695	22,884,695	-	22,884,695	-	20
2019	2,516,075,495	14,923,910 (4,868,558)	2,526,130,847	405,848,539	102,735,340 (4,868,558)	503,715,321	2,022,415,526	

- 8.2 Represents expenditure incurred for development of map database including business intelligence and applications solutions, etc. which is expected to be completed earliest by year 2021. The Company has estimated that the total cost requires to complete the development of these intangibles assets aggregates to Rs. 1,620 million, out of which Rs.902.619 million has been incurred by the Company as of the reporting date.

Further, the management has carried out an annual impairment assessment for intangible assets under development based on the value-in-use calculations. The discount rate applied to the cashflow projections is 14.1 percent (2019: 23.3 percent and the growth rate used to extrapolate the cashflows beyond the five year period is 5 percent (2019: 4.1). As a result of this assessment, the management did not identify any impairment in the carrying value of intangible assets under development as of reporting date.

Key assumptions used in value-in-use calculations

The calculation of value-in-use is most sensitive to the following assumptions:

- Discount rates
- Key business assumptions

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

Discount rates

The discount rate reflects current market assessment of the rate of return required for the business and is calculated using the Capital Asset Pricing Model. The discount rate reflects the target Weighted Average Cost of Capital of the Group.

Key business assumptions

These assumptions are based on industry data for growth rates, management assess how the technology might change over the projected period. Management expects revenues and margins to improve on the basis of multiple strategies planned including, greater focus on development of new databases, applications and solutions, and expected increase in navigation business.

Sensitivity to changes in assumptions

Management believes that after considering the various scenarios no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

		2020	2019
	Note	Rupees	
8.3	Amortisation charge for the year has been allocated as follows:		
	Cost of sales and services	42	45,282,814
	Administrative expenses	44	44,517,104
			58,484,525
			89,799,918
			102,735,340

8.4 Impairment testing of goodwill, intangibles with indefinite lives and under development

The Group has performed its annual impairment test on the following cash generating units as at June 30, 2020.

Tracking business

Goodwill acquired through business combinations and intangibles with indefinite useful lives have been allocated and monitored at the Group level (tracking business - excluding non-operating assets). Intangible assets with indefinite useful lives include customer and marketing related intangibles assets. The Group has performed its annual impairment test as at June 30, 2020.

The recoverable amount is determined based on a value-in-use calculation using cash flow projections from financial budgets approved by the senior management covering a five year period and applying the expected value approach. The discount rate applied to cash flow projections is 14.1 percent (2019: 18.9 percent). The growth rate used to extrapolate the cash flows beyond the five-year period is 5 percent (2019: 4.1 percent). As a result of this analysis, the management did not identify any impairment for the cash generating unit to which goodwill of Rs. 403,380,571/- and intangible assets with indefinite useful lives are allocated to tracking business.

Real estate

Goodwill acquired through business combination have been allocated and monitored at the Group level (i.e. Real Estate business and related services). The Group calculated the recoverable amount of its investment based on the fair value less costs to sell using observable market prices less incremental costs to sell the asset including valuation of investment property, as prescribed under "Impairment of Assets" (IAS-36), which was higher than the carrying value. As a result of this analysis, the management did not identify any impairment for the cash generating unit to which goodwill of Rs. 59,328,763/- is allocated.

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

Insurance business

Goodwill acquired through business combinations have been allocated and monitored at the Group level (insurance business). The Group calculated the recoverable amount of its investment based on the fair value less cost to sell using observable market prices less incremental cost to sell the assets, as prescribed under IAS-36, which was higher than the carrying value. As a result of this assessment, the management did not identify any impairment for cash generating unit to which provisional goodwill of Rs. 381,105,397/- and intangible assets with indefinite useful lives are allocated.

Other business

Goodwill acquired through business combinations have been allocated and monitored at the Group level (other business i.e. security and maps / navigation services). The recoverable amount of security services is determined based on value in use calculations, which was higher than the carrying value. The discount rate applied to cash flow projections is 15.7 percent (2019: 19.72 percent). The growth rate used to extrapolate the cash flows beyond the five-year period is 4.5 percent (2019: 4 percent). As a result of this assessment, the management did not identify any impairment for the cash generating unit to which goodwill of Rs. 30,333,296/- is allocated.

Key assumptions used in value-in-use calculations

The calculation of value-in-use is most sensitive to the following assumptions:

- Discount rates
- Key business assumptions

Discount rates

The discount rate reflects current market assessment of the rate of return required for the business and is calculated using the Capital Asset Pricing Model. The discount rate reflects the target Weighted Average Cost of Capital of the Group.

Key business assumptions

These assumptions are based on industry data for growth rates, management assess how the unit's position might change over the projected period. Management expects revenues and margins to improve on the basis of multiple strategies planned including increase in vehicle tracking sales volume, greater focus on container tracking and development of new databases, applications and solutions, and expected increase in navigation business.

Sensitivity to changes in assumptions

Management believes that after considering the various scenarios no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

9. RIGHT-OF-USE ASSETS

The carrying amounts of right-of-use assets recognized and movement during the year is as follows:

	Vehicles	Computers and accessories	Regional offices	Total
	(Rupees)			
9.1 Net carrying value basis				
Reclassified from operating fixed assets on initial application of IFRS 16 (note 5.1.1)	30,041,494	75,207,956	-	105,249,450
Right-of-use assets recognised on initial application of IFRS 16 (note 5.1.1)	-	-	52,742,629	52,742,629
Less: Depreciation charge for the year	28,450,732	27,250,492	24,113,185	79,814,409
Less: Derecognised during the year	-	-	5,908,492	5,908,492
Closing net book value	<u>1,590,762</u>	<u>47,957,464</u>	<u>22,720,952</u>	<u>72,269,178</u>
Depreciation rate (%)	<u>20%</u>	<u>33%</u>	<u>10%</u>	

	2020	2019
Note	Rupees	
9.2 Gross carrying value basis		
Cost	157,922,079	-
Less: Accumulated depreciation	79,814,409	-
Less: Derecognised during the year	5,908,492	-
Net book value	<u>72,269,178</u>	<u>-</u>

9.3 Included herein fully depreciated electrical devices having cost of Rs. 3.571 million.

	2020	2019
Note	Rupees	
9.4 Depreciation charge for the year has been allocated as follows:		
Cost of sales and services	46,882,748	-
Distribution expenses	15,034,279	-
Administrative expenses	17,897,382	-
	<u>79,814,409</u>	<u>-</u>

10. INVESTMENT PROPERTIES

Investment property - completed	10.1	-	5,905,204,107
Investment property - under construction	10.3	28,308,153	4,034,488
		<u>28,308,153</u>	<u>5,909,238,595</u>

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

		2020	2019
	Note	Rupees	
10.1	The movement in investment property during the year is as follows:		
	As at July 1	5,905,204,107	5,298,404,608
	Add : Additions to investment property	87,836,349	13,916,864
	Add : Transfer from operating fixed asset at WDV	370,119,259	-
		6,363,159,715	5,312,321,472
	Add: Remeasurement adjustment	286,315,367	592,882,635
		6,649,475,082	5,905,204,107
	Less: Non-current assets held for sale (refer note 26)	6,649,475,082	-
	As at June 30	-	5,905,204,107

10.1.1 Investment property comprises of leasehold land having area of 2,914 square yards and building thereon, situated at 66/3-2, Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi, hereinafter referred to as Centrepont Project.

10.1.2 An independent valuation of Centrepont Project was carried out by an independent professional valuer on June 30, 2020 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).

10.1.3 Forced sale value of the investment property is Rs. 6,855 million (2019: Rs. 6,514 million).

10.2 Subsequent to year end, the TPLP in its Board of Directors meeting held on August 19, 2020, after giving due consideration, has approved the sale of its flagship project "Centrepont" to Bank Al-Habib Limited (independent third party). The transaction completion is subject to execution of appropriate legal agreements, completion of related formalities and obtaining of all necessary approvals and consents. The decision was taken keeping in mind the best interest of the shareholders and the transaction is expected to close by March 2021. TPLP plans to use sale proceed to invest in development of high end office tower, hotel/service apartments and low income housing projects. Accordingly, the same has been transferred to non-current assets held for sale on the face of the consolidated statement of financial position.

10.3 Represents expenses incurred on various projects of the Group related to the construction of investment property.

		2020	2019
	Note	Rupees	
11.	DEVELOPMENT PROPERTIES		
	Land	801,225,879	801,225,879
	Design and consultancy	176,769,050	129,251,534
	Project management and ancillary costs	330,225,183	280,391,870
	Other project costs	129,167,672	54,273,687
	11.1	1,437,387,784	1,265,142,970

11.1 Represents Group project under construction at Plot No 22/7, Street CL-9, Civil Lines Quarter, Karachi. The project is currently in the initial design stages of the project with construction due to commence after approval of design.

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

		2020	2019
	Note	Rupees	
12. LONG-TERM INVESTMENTS			
Investment in associated company - at equity method			
Trakker Middle East LLC [TME]	12.2	74,198,270	99,847,459
Investments designated at FVOCI - Related parties			
TPL Logistics (Private) Limited [TPL Logistics]	12.4	3,449,077	-
TPL Tech Pakistan (Private) Limited [TPL TECH]	12.5	-	-
		77,647,347	99,847,459

- 12.1 Represents 29 percent investment of the Company in TME at a purchase cost of Rs. 85.030 million (equivalent to 1,644 ordinary shares of AED 1,000). The book value per share amounts to AED 224.83 equivalent to Rs. 10,191.78 based on the latest un-audited financial statements for the period ended June 30, 2020. Subsequent to the reporting date, the Group has acquired 21% additional shareholding in TME by virtue of which it becomes a subsidiary, the legal proceeding are under way to complete the transactions.

TME is a limited liability company registered in Abu Dhabi, United Arab Emirates. The registered office of TME is at P.O. Box 52331, Abu Dhabi, United Arab Emirates. The principal activities of TME are the selling, marketing and distribution of products and services in the field of wireless, fleet management, tracking and telemetry services.

The name of Chief Executive is Asim Syed and name/addresses of beneficial owners are as follows:

Name	Addresses
Al Jaber Group LLC	P.O. Box #: 2175, Abu Dhabi Petroleum Service Area Plot No. 1 & 1A.
Jamal Hohd Matar Al Hai	P.O. Box #: 2116, Dubai UAE

Investment in associated companies have been made in accordance with the requirement of Companies Act, 2017.

		2020	2019
	Note	Rupees	
12.2 Movement of investment in associated company			
Balance at the beginning of the year		99,847,459	111,339,232
Share of loss for the current year (un-audited)		(25,649,189)	(11,491,773)
Balance at the end of the year		74,198,270	99,847,459

- 12.3 The summarised financial information of an associate based on the financial statements for the year ended June 30, 2020 and 2019, is as follows:

		2020	2019
	Note	Rupees	
Total assets		373,624,620	329,134,632
Total liabilities		315,300,385	286,929,601
Revenues		244,143,902	259,065,222
Loss after tax		88,445,458	39,626,804

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

- 12.4 Represents investment made in 0.474 million ordinary shares of TPL Logistics having fair value of Rs. 10 each. TPL Logistics is engaged in the business of delivering logistics support services and transport business.
- 12.5 Represents investment made in 5 ordinary shares of TPL Tech having fair value of Rs. 10 each. TPL Tech is yet to commence its business operations.

		2020	2019
	Note	Rupees	
13. LONG-TERM LOANS – secured considered good			
Executives	13.1 & 13.2	1,601,108	461,530
Employees		4,229,595	1,912,558
	13.3	5,830,703	2,374,088
Less: Current portion	18	3,282,993	1,736,652
		<u>2,547,710</u>	<u>637,436</u>

13.1 Reconciliation of the carrying amount of loans to executives

Opening balance	461,530	474,427
Disbursements	3,400,000	500,000
Less: Repayments / adjustments	2,260,422	512,897
Balance as on June 30	<u>1,601,108</u>	<u>461,530</u>

- 13.2 The maximum aggregate amount of loans due from the executives at the end of any month during the year was Rs.2.281 million (2019: Rs.0.665 million).

- 13.3 The loans are provided to employees of the Group for the purchase of furniture and fixtures, renovation of house and marriage of self / children in accordance with the terms of employment and carrying mark up at the rate of 5 percent (2019: 5 percent) per annum. Further, it also includes loans provided on interest free basis of Rs.0.803 million (2019: Rs.1.168 million). All loans are repayable over a period of two years in equal monthly instalments and are secured against salaries and provident fund balances of the employees. The management of the Group has not discounted these loans to their present value, as they considers the impact is immaterial to these financial statements, taken as whole.

		2020	2019
	Note	Rupees	
14. LONG-TERM DEPOSITS			
Security deposits - leased and ijarah assets		47,513,623	47,513,623
Less: Current portion	19	36,892,609	19,669,967
		10,621,014	27,843,656
Utilities		177,450	177,450
Rent deposits		4,302,756	4,012,756
Cash margin against guarantees	14.1	21,639,662	17,853,482
Others	14.2	-	5,000,000
		<u>36,740,882</u>	<u>54,887,344</u>

- 14.1 Represents cash margin on guarantee issued by a commercial bank on behalf of the Group.

- 14.2 These are non-interest bearing, generally on a term of more than a year and are neither past due nor impaired.

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

		2020	2019
	Note	Rupees	
15. DEFERRED TAX ASSET - NET			
Deferred tax asset on deductible temporary differences:			
- unused tax losses		72,871,726	167,438,325
- minimum tax		964,544	-
- surplus on revaluation of fixed assets		4,096,787	5,666,341
- lease liabilities		24,099,543	21,192,369
- trade debts		10,469,058	28,815,562
- liabilities against insurance contracts		15,265,487	-
- unrealised loss on available for sale investments		14,738,893	9,490,902
- provision for gratuity		1,986,349	12,362,607
		144,492,387	244,966,106
Deferred tax liabilities on taxable temporary differences:			
accelerated tax depreciation on:			
- property, plant and equipment		2,278,844	(74,877,011)
- right-of-use asset		(20,958,062)	(495,549)
- intangible assets		(1,600,454)	(4,107,521)
- advance against rent from tenants		(15,808,675)	(17,188,200)
		(36,088,347)	(96,668,281)
		108,404,040	148,297,825
15.1 The movement in deferred tax assets is as follows:			
- charge for deferred tax recognised due to adoption of IFRS 9		-	(4,318,272)
- charge to other comprehensive income in respect of surplus on revaluation of property, plant and equipment	28	-	2,085,910
- transfer to unappropriated profit on disposal of property, plant and equipment	28	6,165,294	-
- transfer to unappropriated on account of incremental depreciation for the year	28	305,758	315,860
- charge / (reversal) (net) to profit or loss	50	(46,364,837)	(20,611,982)
		(39,893,785)	(22,528,484)
16. STOCK-IN-TRADE			
Tracking devices	16.1	228,296,492	255,515,852
Spare parts	16.2	17,925,233	10,823,805
Tools		963,747	1,070,706
		247,185,472	267,410,363
16.1	Includes stock of Rs. 15.696 million (2019: Rs. 36.822 million) held with third parties.		
16.2	Represents bonnet locks, window motors etc. which are held for sale.		
17. TRADE DEBTS - unsecured			
Considered good			
- tracking devices	17.1	1,018,674,042	1,309,502,023
- security services		48,335,201	43,746,864
- rent		73,923,740	19,499,329
- electricity, air conditioning and other services		23,349,089	25,231,411
	17.2	1,164,282,072	1,397,979,627
Considered Doubtful		32,055,222	62,131,407
Less: Allowance for expected credit losses	17.4	32,055,222	62,131,407
		1,164,282,072	1,397,979,627

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

- 17.1 Represents amount receivable from various customers on account of sale and installation of tracking devices and vehicle tracking services provided by the Holding Company.
- 17.2 These are unsecured, interest free and generally on 30 to 60 days terms.
- 17.3 The ageing analysis of trade debts as of June 30, 2020 and 2019 are as follows:

	Total	Current	Days past due		
			> 30 days upto 120 days (Rupees)	> 121 days upto 180 days	180 days and above
2020					
Expected credit loss rate	2.68%	0.57%	0.50%	9.00%	8.97%
Estimated total gross carrying amount at default	1,196,337,294	323,366,268	568,622,630	122,309,838	182,038,558
Expected credit loss	32,055,222	1,858,119	2,861,290	11,011,934	16,323,879
	Total	Current	Days past due		
			> 30 days upto 120 days (Rupees)	> 121 days upto 180 days	180 days and above
2019					
Expected credit loss rate	4.26%	1.64%	2.71%	15.42%	19.51%
Estimated total gross carrying amount at default	1,460,111,031	672,839,969	588,383,010	88,390,401	110,497,654
Expected credit loss	62,131,407	11,022,645	15,921,828	13,626,475	21,560,459

		2020	2019
Note		Rupees	
17.4 Allowance for expected credit losses			
Opening balance		62,131,407	30,997,873
Adjustment due to adoption of IFRS 9		-	43,618,479
		62,131,407	74,616,352
Reversal / charge for the year	45	(30,076,185)	25,678,986
Less: Written off during the year		-	38,163,931
Closing balance		32,055,222	62,131,407
18. LOANS AND ADVANCES			
Loans – secured, considered good			
Current portion of long-term loans	12	3,282,993	1,736,652
Others	18.1	25,000,000	25,000,000
		28,282,993	26,736,652
Advances – unsecured, considered good			
- suppliers	18.4	125,397,011	329,741,362
- advance against issue of shares	18.3	627,952,300	12,902,868
- employees		2,290,350	5,794,179
- others		15,104,241	10,000,000
		770,743,902	358,438,409
		799,026,895	385,175,061

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

18.1 Represents loan given to Pearl Securities Limited by TPL Insurance Limited and carries mark up at the rate of 11% per annum (2019: 8 percent) with maturity latest by July 10, 2020.

18.2 These are non-interest bearing and generally on an average term of 1 to 6 months.

		2020	2019
	Note	Rupees	
18.3 Advance against issue of shares			
TPL E-Ventures (Private) Limited (a related party)	18.3.1	25,999,180	10,000,000
TPL Logistics (Private) Limited (a related party)	18.3.2	1,953,120	2,902,868
Security Packers (Private) Limited (a related party)	18.3.3	600,000,000	-
		627,952,300	12,902,868

18.3.1 Represents advance paid to TPL E-Ventures (Private) Limited (a related party) for the purchase of shares.

18.3.2 Represents expenses incurred by TPLT on behalf of TPL Logistics which will be adjustable by TPLT against future issue of shares by TPL Logistics as per the agreed terms.

18.3.3 Represents advance paid against future issuance of shares under share purchase agreement with Security Packers (Private) Limited for purchase 60 million ordinary shares at face value of 10 per share.

18.4 The details of advances paid to the following foreign companies are as follows:

Name of the Company and	Name and address of investee company	2020 Rupees	2019 Rupees	Terms, conditions and period
Sportics	Lode de Boningestraat 19, 8560 Wevelgem, Belgium	-	99,000	Purchase of goods to be settled within 90 days
FlyAudio Corp	11 Nanxiang 3rd Road Luogang District Guangzhou, 510700 China	-	356,210	Purchase of goods to be settled within 90 days
Traclogis Co. Ltd.	7/F Block ,80 Bldg Huanan Industrial Park Liaobu Town Dongguan	-	790,010	Purchase of goods to be settled within 90 days
Howen Technologies Co. Ltd.	No.201, 2/F,B Zone, Hivac Building, Langshan 2nd Rd, North Zone of Technology Park, Nan Shan, Shenzhen, China	-	2,764,716	Purchase of goods to be settled within 90 days
Digicore Technologies (Pty) Ltd	37, Hillclimb Road, Westmead, Pinetown, KZN 3610, South Africa	-	55,415	Purchase of goods to be settled within 90 days
SPC - Orbcomm	395 W Passaic Street, Suite 325, Rochelle Park, NJ, United States	-	-	Purchase of goods to be settled within 90 days
		-	4,065,351	

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

		(Restated)	(Restated)
	2020	2019	2018
		Rupees	
19. TRADE DEPOSITS AND PREPAYMENTS	Note		
Trade deposits			
- security deposits	25,391,310	12,904,140	12,215,220
- suppliers and contractors	-	7,130,281	18,772,920
- hospital enlistment	5,290,000	5,290,000	5,290,000
- LC margin and cash margin against guarantee	377,546	1,262,546	3,406,270
- current portion of leased and ijarah deposits 14	44,492,609	19,669,967	21,935,962
- others	711,516	20,756,743	6,301,534
	76,262,981	67,013,677	67,921,906
Prepayments			
- monitoring charges	18,762,971	190,426,750	274,313,370
- insurance	4,201,479	15,365,315	10,336,778
- rent	42,194,431	35,885,384	24,964,737
- maintenance	1,265,925	11,118,451	10,210,994
- reinsurance	125,084,219	195,529,387	45,632,333
- others	8,608,306	12,816,526	6,346,162
	200,117,331	461,141,813	371,804,374
	276,380,312	528,155,490	439,726,280

19.1 These are non-interest bearing and generally on an average term of 1 to 6 months.

	(Restated)	(Restated)
2020	2019	2018
	Rupees	
20. INTEREST ACCRUED - unsecured, considered good		
Mark-up accrued on due from related parties		
Ultimate parent company		
- TPL Holdings (Private) Limited	66,313,202	-
Associates		
- Trakker Middle East LLC.	9,218,594	3,739,729
- TPL Tech Pakistan (Private) Limited	6,622,491	1,225,292
- Trakker Direct Finance (Private) Limited	1,100,644	967,884
- TRG Pakistan Limited	6,447,350	5,201,813
- TPL E-Ventures (Private) Limited	6,457,582	617,237
- TPL Logistics (Private) Limited	-	-
	96,159,863	11,751,956
Other than related parties		
On investments:		
- Pakistan Investment Bonds (PIBs)	4,133,185	3,275,272
- Treasury bills	-	3,109,772
- Term deposit receipts	11,900,413	1,178,082
- Investment income	7,580,754	6,749,552
	23,614,352	14,312,678
	119,774,215	26,064,634

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for the year ended June 30, 2020

		(Restated)	(Restated)
	2020	2019	2018
21. OTHER RECEIVABLES - unsecured, considered good	Note	Rupees	
Earnest money		7,715,044	9,330,919
Claims receivable from insurance companies		3,491,228	3,469,853
Insurance / reinsurance receivables		789,430,383	519,071,584
Reinsurance recoveries against outstanding claims		89,005,974	21,792,985
Receivable from a broker	21.1	149,500,000	-
Salvage recoveries accrued		108,669,624	95,782,696
Sales tax recievable		6,773,571	-
Others	21.2	20,643,732	9,621,846
	21.3	1,175,229,556	659,069,883
			646,485,988

21.1 Represents receivable from a broker in respect of sale of invesment.

21.2 Included herein Rs. 17.0 million receivable on account of disposal of property, plant and equipment.

21.3 These are non-interest bearing receivables which are neither past due nor impaired, and generally on an average term of 1 to 6 months.

22. SHORT-TERM INVESTMENTS		(Restated)	(Restated)
	2020	2019	2018
Related parties			
Investment in an associated companies - equity method	Note	Rupees	
Trakker Middle East LLC (TME)		-	-
Others		-	111,339,232
Financial assets at amortised cost			
Pakistan Investment Bonds (PIBs)	22.1	96,271,046	-
Term deposit receipts (TDRs)	22.2	425,000,000	-
		521,271,046	-
Financial assets designated at FVOCI - listed equity	22.6	1,024,757	-
Financial assets designated at FVTPL - mutual funds	22.7	78,036,276	-
Held-to-maturity (see note 5.9.4)			
Pakistan Investment Bonds (PIBs)	22.3	115,420,000	144,200,512
Treasury bills	22.4	39,597,000	115,265,928
Term deposit receipts (TDRs)	22.5	85,000,000	435,000,000
		240,017,000	694,466,440
Available-for-sale (see note 5.9.4)			
Sukuk		-	30,000,000
Term finance certificate (TFCs)		-	120,000,000
		-	150,000,000
Held-for-trading (see note 5.9.4)			
Listed equity	22.6	-	1,018,460
Open ended mutual funds	22.7	11,244,464	134,209,407
		11,244,464	405,030,548
		851,593,543	979,694,307
			1,579,553,006

22.1 Includes 5 and 10 years PIBs having face value of Rs. 100 million carrying mark-up ranging from 7.75 percent to 12 percent per annum and will mature between August 18, 2021 to July 12, 2023. These have been deposited with the State Bank of Pakistan (SBP) as statutory deposit in accordance with the requirements of Section 29 of the Insurance Ordinance, 2000.

22.2 These carry mark-up at the rate ranging from 12 percent to 12.75 percent per annum and will mature latest by January 11, 2021.

22.3 Includes 3, 5 and 10 years PIBs having face value of Rs. 127.8 million carrying mark-up ranging from 7.75 percent to 12 percent per annum and will mature between July 12, 2021 to September 19, 2024. These have been deposited with the State Bank of Pakistan (SBP) as statutory deposit in accordance with the requirements of Section 29 of the Insurance Ordinance, 2000.

22.4 Represents T-Bills having face value of Rs. 41 million for the period of one year. It carries markup at the rate 11.75 percent per annum.

22.5 These carry mark-up at 11.75 percent per annum and will mature latest by June 30, 2021.

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

22.6 The Group has the following instruments in listed equities:

Financial assets designated at FVTPL		Held for trading	
2020	2019	2020	2019
Number of Shares	Number of Shares	Rupees	Rupees
16,000	-	16,000	-
7,731	-	7,731	-
10,000	-	10,000	-
15,195	-	15,195	-
		Summit Bank Limited	10,400
		Bank of Punjab Limited	70,738
		Hub Power Company Limited	787,500
		Bank of Khyber	149,822
		1,024,757	1,018,460

22.7 The Group has the following instruments in open ended mutual funds:

Financial assets designated at FVTPL		Held for trading	
2020	2019	2020	2019
No. of Units	No. of Units	Cost	Carrying value
2020	2019	2020	2019
(Restated)	(Restated)	(Restated)	(Restated)
ABL Stock Fund	-	-	-
NAFA Stock Fund	-	-	-
Atlas Stock Market Fund	-	-	-
AKD Islamic Income Fund	373,872	-	-
AKD Islamic Stock Fund	-	10,000,000	11,183,124
HBL Energy Fund	-	-	-
MCB Pakistan Stock Market Fund	-	-	-
Lakson Equity Fund	-	-	-
Alfalah GHP Income Fund	-	-	-
Meezan Islamic Fund	-	-	-
Meezan Islamic Income Fund	-	-	-
AKD Aggressive Income	413,914	21,357,807	21,133,886
AKD Opportunity	-	-	-
Askari High Yield Scheme	165,617	15,994,666	16,995,792
Alfalah GHP Stock Fund	-	-	-
Faysal Asset Allocation	-	-	-
Faysal Money Market	-	-	-
HBL Cash Fund	-	-	-
UBL Stock Advantage	-	-	-
NBP Money Market Fund	-	-	-
(Formerly: NAFA Money Market Fund)	2,867,492	28,296,487	28,337,982
Pak Oman Advantage Islamic Income Fund	203	10,639	10,673
AKD Securities Limited	5,578	300,654	374,818
MCB Aifir Habib AlHamra Islamic Income Fund	-	-	-
		75,962,253	78,036,275
		9,163,964	440,392,873
		11,244,464	134,209,407
		403,773,823	403,773,823

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

		2020	2019
	Note	Rupees	
23. DUE FROM RELATED PARTIES – unsecured considered good			
Ultimate parent company			
- TPL Holdings (Private) Limited	23.1	433,701,979	464,932
Others			
- Trakker Direct Finance (Private) Limited		850,070	802,100
- TPL E-Ventures (Private) Limited		42,334,191	27,714,099
- TPL Logistic (Private) Limited		2,096,798	-
- Trakker Middle East (LLC)		46,715,880	21,839,006
- TPL Tech Pakistan (Private) Limited		41,449,429	21,780,891
- TRG Pakistan Limited		7,616,232	7,616,232
	23.2	141,062,600	79,752,328
	23.3	574,764,579	80,217,260

23.1 Represents loan financing facility having a limit of Rs. 400 million, carrying mark-up at the variable rate of 3 months KIBOR and is repayable on or before August 31, 2021. As of reporting date, Rs. 399.535 million remained unutilised.

23.2 Represents current account balances carrying mark-up at the variable rate of 3 months to 6 months KIBOR plus 3 percent (2019: 3 months to 6 months KIBOR plus 3 percent) per annum and are repayable on demand.

23.3 These are neither past due nor impaired.

23.4 The maximum amount outstanding at any time during the year calculated by reference to month end balances are as follows:

	Note	2020	2019
		Rupees	
- TPL Holdings (Private) Limited		433,701,979	464,932
- Trakker Direct Finance (Private) Limited		850,070	802,100
- TPL E-Ventures (Private) Limited		42,245,034	27,680,750
- TPL Logistic (Private) Limited		5,246,290	1,951,600
- Trakker Middle East (LLC)		46,715,880	21,839,006
- TPL Tech Pakistan (Private) Limited		40,964,168	21,780,891
- TRG Pakistan Limited		7,616,232	7,616,232

24. TAXATION - NET

Opening balance	179,807,632	162,290,955
Less: Adjustment due to adoption of IFRS 9	-	10,185,400
Less: Provision for current and prior taxation	(92,271,529)	119,342,131
Add: Income tax paid and deducted at source	153,642,250	147,044,208
Add: Refund received during the year	(184,536,627)	-
Closing balance	56,641,726	179,807,632

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

			(Restated) 2020	(Restated) 2019	(Restated) 2018
25. CASH AND BANK BALANCES	Note			Rupees	
Cash in hand			1,464,429	1,423,702	1,115,363
At banks in local currency:					
- current accounts	25.1		410,186,294	172,774,023	360,424,885
- saving accounts	25.2 & 25.3		1,060,316,498	791,594,211	652,618,061
			1,470,502,792	964,368,233	1,013,042,946
Less: Allowance for expected credit loss			(1,199,537)	-	-
			1,470,767,684	965,791,935	1,014,158,309

25.1 These include Rs.13.7 million deposited with State Bank of Pakistan under Section 29 of Insurance Ordinance, 2000.

25.2 These accounts carry mark-up at a rate between 5 percent to 13.5 percent (2019: 5 percent to 10.5 percent) per annum.

25.3 Included herein Rs. 16.85 million cash deposit kept in bank account under lien. This also includes Rs. 50 million earmarked for Window Takaful Operations, as required under Takaful Rules, 2012.

			2020	2019
26. NON-CURRENT ASSET HELD FOR SALE	Note			Rupees
Transferred from:				
- property, plant and equipment				
(share of owner occupied property) - at WDV	7.1		331,619,992	-
- investment properties	10.1		6,649,475,082	-
			6,981,095,074	-

27. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2020	2019		2020	2019
Number of Shares		Note	Rupees	
		Ordinary shares of Rs.10/- each		
		- issued for cash		
60,009,900	30,009,900	- opening balance	600,099,000	300,099,000
-	30,000,000	- issued during the year	-	300,000,000
60,009,900	60,009,900		600,099,000	600,099,000
		- issued for consideration		
207,287,863	207,287,863	other than cash	2,072,878,630	2,072,878,630
267,297,763	207,287,863		2,672,977,630	2,672,977,630

27.1 During the year ended June 30, 2009, the shareholders of the Holding Company, namely Ali Bhai Group (AB), Ali Jameel Group (AJ) and Digicore International (Pty) Limited (DL) entered into a Scheme of Arrangement, in respect of transfer of entire operations and exchange of assets of Trakker (Private) Limited into a new company in consideration for ordinary shares of the Holding Company.

During the year ended June 30, 2018, the Holding Company had transferred net assets of Rs.383.291 million and Rs.607.771 million related to its Maps and Tracking businesses to the wholly owned subsidiaries namely TPL Maps (Pvt.) Limited and TPL Trakker Limited, respectively, effective from July 01, 2017 under the Scheme of Arrangement (the Scheme) sanctioned / approved by Honorable High Court of Sindh vide its order No. J.C.M. Petition No. 48 of 2016 dated November 17, 2017, in consideration for ordinary shares of these subsidiaries.

Under the said Scheme, the Holding has also acquired 21.104 million ordinary shares of TPL Properties Limited (a subsidiary company) from TPL Holdings (Private) Limited (the ultimate parent company) in consideration of issuance of 20.048 million ordinary shares of the Holding Company at par in a swap ratio 0.95. Resultantly, the capital reserve of Rs.60.856 million was created under the said Scheme.

27.2 These are ordinary shares carry one vote per share and right to dividend.

Notes to the Consolidated Financial Statements

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		2020	2019
	Note	Rupees	
28. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT			
Opening balance			
Leasehold land		541,225,035	218,875,035
Building on leasehold land		19,713,333	13,293,853
		560,938,368	232,168,888
Surplus on revaluation recognised during the year:			
Leasehold land	7.1	(266,594,744)	322,350,000
Building on leasehold land	7.1	(4,357,916)	7,192,792
		(270,952,660)	329,542,792
Transfer to unappropriated profit on account of incremental depreciation charge for the year		(1,456,708)	(773,312)
Deferred tax:			
- on account of surplus on revaluation of building on leasehold land		(4,614,078)	(5,982,201)
- impact of deferred tax on incremental depreciation charged for the year		305,758	315,860
		(4,308,320)	(5,666,341)
		284,220,680	555,272,027
29. LONG - TERM FINANCING – secured			
Project finance I	29.1	-	44,642,833
Project finance II	29.2	75,000,000	-
Term finance certificates I	29.3	-	400,000,000
Term finance certificates II	29.4	2,006,134,027	2,108,762,771
Diminishing musharika I	29.5	132,249,222	187,249,222
Diminishing musharika II	29.6	47,450,437	58,615,245
Diminishing Musharika III	29.7	39,054,303	-
Long term Financing	29.8	576,270,000	-
Sukuk financing	29.9	450,000,000	600,000,000
		3,326,157,989	3,399,270,071
Less: Current portion shown under current liabilities	39	296,734,533	926,360,046
		3,029,423,456	2,472,910,025

29.1 During the year, TPLT has repaid in full project financing facility of US Dollars 3.5 million (equivalent to Rs.367.663 million) obtained from Overseas Private Investment Corporation (a foreign financial institution) through an agreement dated November 27, 2013 for a period of 5 years. It carries mark-up at the rate of 5 year United States Treasury Rate plus 3.75 percent (i.e. 5.12 percent) per annum and TPLT was liable to pay maintenance fee of US Dollars 7,500 per annum in arrears. Accordingly, the pledge on 35 million ordinary shares and charge on saving account as security for financing was released.

29.2 During the year, TPLP entered into an agreement with a commercial bank dated December 27, 2019 and obtained a financing facility of Rs. 75 million. The facility amount is repayable in 10 equal quarterly installments over a period of 2.5 years and carries markup at the rate of 3 months KIBOR plus 3 percent per annum. The facility is secured against corporate guarantee and equitable mortgage charge to the extent of Rs.100 million over fixed asset of TPLP.

29.3 During the year, the Holding Company has repaid in full privately placed Term Finance Certificates (TFCs) aggregating to Rs.1,200 million issued by the Holding Company to various parties for the acquisition of additional

Notes to the Consolidated Financial Statements

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shares of TPL Insurance Limited in year 2017-18 alongwith markup thereon at the rate of 3 months KIBOR plus 1.5 percent per annum. These TFCS are secured by way of pledge of 26.868 million shares of TPLI which was also released on settlement of all payments by the Holding Company.

29.4 TPLP entered into an agreement with a financial institutions, dated March 14, 2018 , for the issuance of redeemable capital in the amount of Rs. 3,500 million in the form of Term Finance Certificates (TFCs) of the face value of Rs. 5,000/- each. Out of the total proposed issuance, the TFCs issued and TFCs proposed to be issued, are detailed as follows:

- a) sum equal to Rs. 2,200 million as a first tranche (Series A TFC Issue) comprising of 440,000 TFCs, issued during the previous year for the purpose of prepaying the outstanding Musharaka Facility in the amount of Rs. 1,796 million availed by the Company; and for financing of the construction project of HKC. The amount received against issuance of Series A TFCs is repayable in semi-annual installments for a period of 10 years at the rate of 6 months KIBOR plus 1.25 percent per annum. This facility was fully drawn during last year and has been secured against the following:
 - Include first pari pasu charge on present and future fixed assets (plant, machinery, fixtures and fittings, etc.);
 - Include first pari pasu charge over land and building with 25% margin; and
 - Include assignment over rental agreements; and
- b) sum equal to Rs. 1,300 million as a second tranche (Series B TFC Issue), proposed to be issued for the purpose of making an equity investment upcoming new project/development.

29.5 Represents musharaka facility obtained by TPLP from a commercial bank having limit of Rs. 275 million. The facility amount is repayable in semi-annual installments for a period of 6 years at the rate of 6 months KIBOR plus 2 percent per annum and is secured against the following:

- first hypo charge on present and future plant and machinery of TPLP with 25% margin;
- assignment over maintainance agreements including utilities, general maintainance and IT services; and
- corporate guarantees of TPLP upto Rs. 367 million.

29.6 Represents diminishing musharaka facility availed by TPLT to finance the purchase of computer servers and related accessories aggregating to Rs 58.615 million from an islamic bank for a period of 5 years (after deferment of 1 year) (2019: 4 years) and carries mark-up at the rate of 1 month KIBOR plus 2 percent per annum. The musharaka units are to be purchased by January 2024. The facility is secured by exclusive charge over the diminishing musharaka assets, first charge over all present and future current and fixed assets of TPLT and corporate guarantee of the Holding Company.

29.7 During the year, TPLP has obtained musharaka facility of Rs. 45.35 million from a commercial bank. The facility amount is repayable in monthly installments over a period of 3 years and carries markup at the rate of 6 months KIBOR plus 3.5 percent per annum. The facility is 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.

29.8 During the year, TPLP has availed the facility of Rs. 600 million from a commercial bank to finance equity instrument in TPL LP. The facility amount is repayable in 20 equal quarterly installments for a period of 7 years (inclusive of 2 years grace period) and carries markup at the rate of 3 months KIBOR plus 1.65 percent per annum. The facility is

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secured against the following:

- first pari pasu charge on present and future fixed assets (plant, machinery, fixtures and fittings, etc.)
- first pari passu mortgage over land and building with 25% margin;
- a pari passu assignment over existing rental agreements;
- a pari passu assignment over existing contracts;
- a pari passu assignment over existing dividend income of the company (from HKC);
- exclusive assignment of existing dividend income of the company (from TPL LP); and
- lien over collection account, debt payment account and debt service reserve account.

29.9 Represents Sukuk certificates issued by TPLT amounting to Rs. 600 million divided into 600 certificates of Rs.1 million each for a period of 5 years under an agreement dated April 08, 2016 to be read with amendment agreement for Green Shoe Option dated May 08, 2016 and second supplemental agreement dated Jun 30, 2020. The said certificates are redeemable in periodic installments by April 2022 i.e. redemption date. The rate for rental payment is 1 year KIBOR plus 3 percent (2019: 1 year KIBOR plus 3 percent). These certificates are secured against pledge of 55 million ordinary shares of TPLP owned by the Holding Company, charge by way of hypothecation of Rs. 750 million (inclusive of 20% margin) over the hypothecated assets in favour of the trustee and a ranking charge ranking subordinate and subservient to the charge in favour of the existing creditors.

		2020	2019
	Note	Rupees	
30. LEASE LIABILITIES			
Current maturity of lease liabilities		55,253,012	3,319,419
Non-current maturity of lease liabilities	30.1	31,530,021	504,016
		<u>86,783,033</u>	<u>3,823,435</u>
30.1 Reconciliation of total lease liabilities:			
Opening balance		73,078,067	3,823,435
Lease liabilities due to initial application of IFRS 16 - note 4.6		52,742,629	-
Additions for the year - net		-	76,183,457
Interest expense for the year		38,704,343	2,247,505
Payments / adjustments made during the year		(73,094,737)	(9,176,330)
Cancellation		(4,647,269)	-
Closing balance		<u>86,783,033</u>	<u>73,078,067</u>

30.2 The following are the amounts recognised in statement of profit or loss in respect of leases:

		2020	2019
	Note	Rupees	
Depreciation expense of right-of-use assets		79,814,409	-
Interest expense on lease liabilities		38,704,343	2,247,505
Total amount recognised in statement of profit or loss		<u>118,518,752</u>	<u>2,247,505</u>

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

30.3 The maturity analysis of lease liabilities is presented in note 52.3 to these financial statements.

30.1 The Group had total cash outflows for leases of Rs. 136.996 million (2019: Rs. 0.678 million) as of reporting date. The Group also had non-cash additions to right-of-use assets and lease liabilities of Rs. 153.14 million (2019: Rs. 71.918 million). The Group do not have any future cashflows relating leases other than as disclosed in these financial statements.

	Note	2020	2019
		Rupees	
31. LONG-TERM LOANS			
Term finance I	31.1	-	12,500,000
Term finance II	31.2	33,333,337	58,333,333
Term finance III	31.3	-	15,277,777
Term finance IV	31.4	16,250,000	32,500,000
Term finance V	31.5	16,769,782	62,857,143
Term finance VI	31.6	166,666,667	229,166,667
Term finance VII	31.7	37,000,000	-
Payroll financing I	31.8	19,847,680	-
Payroll financing II	31.9	88,170,304	-
		378,037,770	410,634,920
Less: Current portion shown under current liabilities	39	109,023,282	261,746,030
		269,014,488	148,888,890

32.1 During the year, the TPLT has repaid outstanding balance of term finance facility of Rs. 37.5 million obtained from a commercial bank in last years under an agreement dated January 26, 2017. It was carrying a mark-up at the rate of 3 months KIBOR plus 2.1 percent per annum.

32.2 During the year, TPLT (a subsidiary company), has obtained a term finance facility of Rs. 100 million for a period of three years from a commercial bank through an agreement dated November 27, 2017. The loan is repayable in equal quarterly installments of Rs. 8.3 million each from the date of disbursement. The mark-up on the said facility is 3 months KIBOR plus 2.1 percent per annum. The facility is secured against first charge over land and building of the TPLT to the extent of Rs.216 million with 40% margin, personal guarantee of directors and cross corporate guarantee of the Holding Company.

32.3 During the year, TPLT has repaid the outstanding balance of term finance of Rs. 50 million obtained from a commercial bank in last years under an agreement dated March 13, 2017. It carries mark-up at the rate of 1 month KIBOR plus 3 percent per annum.

32.4 TPLT has obtained a term finance facility of Rs. 65 million was obtained for a period of three years from a commercial bank through an agreement dated March 02, 2017. The loan is repayable in 36 equal monthly instalments of Rs.1.8 million latest by November, 2021 (after deferment of 1 year). It carries mark-up at the rate of 1 month KIBOR plus 3 percent per annum and is secured against first parri passu hypothecation charge over TPLT's book debts of Rs. 100 million, first parri passu hypothecation charge over current assets of TPLT of Rs. 70 million, first parri passu hypothecation charge over the fixed assets of TPLT of Rs. 70 million and pledge of the shares of TPLI and TPLP owned by the Holding Company, first exclusive charge over shares amounting to Rs. 429.07 million duly registered with 50 percent margin.

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for the year ended June 30, 2020

- 31.5 TPLT has obtained a term finance facility of Rs. 200 million for a period of three years from a commercial bank through an agreement dated May 09, 2017. The loan is repayable in 36 equal monthly instalments of Rs. 5.556 million latest by May, 2021 (after deferment of 1 year) . It carries mark-up at the rate of 3 months KIBOR plus 1.75 percent (2019: 1 month KIBOR plus 2.5 percent) per annum. The facility is secured against specific charge of Rs. 300 million over tracking devices owned by TPLT and assignment of receivables from customers and personal guarantee of directors of the Holding Company.
- 31.6 TPLT has obtained a term finance facility of Rs. 250 million for a period of three years from a commercial bank through an agreement dated December 24, 2018. The loan is repayable in 12 equal quarterly instalments of Rs. 20.833 million latest by December, 2022 (after deferment of 1 year).It carries mark-up at the rate of 1 month KIBOR plus 2.50 percent per annum. The facility is secured against first parri passu charge over current assets (receivables only) of TPLT to the extent of Rs. 266 million and first pari passu charge over the fixed assets of TPLT of Rs. 266 million and pledge of the shares of TPLI and TPLP owned by the Holding Company, first exclusive charge over shares amounting to Rs. 429.07 million duly registered with 50 percent margin.
- 31.7 During the year, TPLT has obtained a term finance facility of Rs. 37 million for a period of five years from a commercial bank through an agreement dated August 27, 2019. The loan is repayable in 18 equal quarterly instalments of Rs. 2.05 million each and carries mark-up at the rate of 3 months KIBOR plus 2.50 percent per annum. The facility is secured against first parri passu equitable mortgage charge of Rs. 71 million over land and building of TPLT and personal guarantees of directors / sponsors of TPLT.
- 31.8 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 the rate of SBR 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
- 31.9 During the year, the Group has obtained financing under Refinance Scheme for Payment of Wages & Salaries by State Bank of Pakistan from a commercial bank having a limit of Rs. 150 million. Out of which Rs. 86.261 million was availed by the Group. This facility carries mark-up at the rate of 1 month KIBOR plus 2 percent per annum until the date of refinance to the bank and thereafter it will carry markup at the rate of 3 percent per annum and is repayable in 8 quarterly equal installments commencing from January 2021 discounted at effective rate of interest of 11.5 percent per annum. The differential mark-up has been recognised as government grant (see note 17) which will be amortised to interest income over the period of facility. The facility is secured under first pari passu charge on fixed assets and on present and future receivables of TPLT, 21.6 million ordinary shares of TPLI and 8.7 million ordinary shares of TPLP held by the Company created on the various group financing facilities.

		2020	2019
	Note	Rupees	
32. DEFERRED LIABILITIES			
Government grant	32.1	2,721,095	-
Gratuity	32.2	6,849,480	6,570,620
		<u>9,570,575</u>	<u>6,570,620</u>

Notes to the Consolidated Financial Statements

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	Note	2020	2019
		Rupees	
32.1 The movement is as follow:			
Recognised during the year		10,552,910	-
Released to profit or loss		(3,692,836)	-
As at June 30, 2020		14,245,746	-
Current portion		4,138,979	-
Non-current portion shown under current liabilities		2,721,095	-
		6,860,074	-
32.2 The movement is as follows:			
Opening balance		6,570,620	6,206,490
Charge for the year		278,860	364,130
Closing balance		6,849,480	6,570,620

As of the reporting date, no actuarial valuation of gratuity has been carried out by the Group since the management believes that effect of actuarial valuation would not be materially different. Further, provision of gratuity has been made at the year end.

	Note	2020	(Restated) 2019	(Restated) 2018
		Rupees		
33. TRADE AND OTHER PAYABLES				
Creditors		550,381,548	449,899,521	475,308,818
Accrued liabilities		442,447,533	307,332,812	161,071,460
Unearned income		120,363,997	344,370,448	361,833,030
Retention money		5,809,251	5,809,251	8,762,007
Share application money		-	-	100,898,750
Margin deposit from customers		1,942,411	4,048,313	2,533,313
Advance premium from insurers		28,816,564	17,598,131	5,930,166
Other liabilities				
Sales commission		4,055,767	4,036,412	46,672,874
Amounts due to other insurers / reinsurers		349,043,589	194,214,727	146,437,465
Federal insurance fee		2,593,868	1,899,858	1,810,365
Sales tax		107,132,813	78,382,330	49,578,459
Withholding tax		176,517,553	42,476,554	56,659,024
Workers Welfare Fund		2,638,267	11,929,213	10,362,178
Provident fund		81,797,246	42,460,243	20,909,531
Gas Infrastructure Development Cess (GIDC)		76,391,813	-	-
Others	31.1	32,628,816	13,953,854	4,081,738
		832,799,732	389,353,192	336,511,634
	31.2	1,982,561,036	1,518,411,668	1,452,849,178

33.1 In accordance with the Gas Infrastructure Development Cess Act, 2011 (GIDC Act, 2011), TPLP was required to pay GIDC to applicable supplier of Gas, as specified in the First Schedule and at rates specified in the Second Schedule to the GIDC Act, 2011. Subsequently, on August 13, 2020, Supreme Court of Pakistan has announced a judgement, "As all industrial and commercial entities which consume gas for their business activities pass on the burden to their customers / clients therefore, all arrears of 'Cess' that have become due upto July 31, 2020 and have not been recovered so far shall be recovered by the companies responsible under the GIDC Act, 2015 to recover from their consumers. However, as a concession, the same be recovered in twenty four equal monthly installments starting from August 01, 2020 without the component of late payment surcharge". Accordingly, the TPLP has recognised a liability and intends to pay the amount within next 12 months.

33.1 Includes stale cheques amounting to Rs.1.647 million (2018: Rs.1.647 million).

33.2 These are non-interest bearing and generally on a term of 1 to 6 months except for creditors which are on a credit term of 30 days.

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

		2020	2019
		Rupees	
34	ACCRUED MARK-UP		
	Long-term financing	106,061,522	105,955,539
	Long-term loans	26,845,199	14,906,627
	Short-term financing	26,857,357	13,780,751
	Running finance under mark-up arrangement	37,657,843	31,258,030
	Due to related parties	241,124,959	72,633,843
		438,546,881	238,534,790
35	SHORT-TERM FINANCING		
	Payable against LC's	170,665,871	12,737,305
	Musharakah	400,000,000	400,000,000
	Commercial Paper	1,223,503,302	-
	Islamic Commercial Paper II	-	533,279,917
	Short term loan	150,000,000	-
		1,944,169,173	946,017,222
35.1	Represents LCs facilities obtained by TPLT from various commercial banks having an aggregate limit of Rs. 210 million (2019: Rs.210 million). It carries mark-up ranging from 3 months KIBOR plus 2.5 percent to 3.5 percent and 1 month KIBOR plus 3 percent per annum and is secured against first pari passu hypothecation charge of Rs. 866 million (2019: Rs.866 million) over all present and future stocks, book debts and fixed assets excluding land and buildings of TPLT with cash margins ranging from 5 percent to 15 percent. As of the reporting date, Rs. 39.33 million (2019: Rs.197.26 million) remains unutilized.		
35.2	TPLP has obtained a musharakah facility of Rs. 400 million from an Islamic bank to create joint ownership in the Centrepont Project against bank's share of 6.49%. The amount is repayable through quarterly payments at the rate of 2.5% plus 3 months KIBOR, as consideration for use of bank's share by TPLP. The said periodic payments are secured against equitable interest over the Centrepont Project.		
35.3	Represents subscription money received from various investors against privately placed Islamic Commercial Paper units amounting to Rs. 1,140 million having face value of Rs. 1,000,000 each issued at a discounted value of Rs. 0.927 million calculated using a rate equivalent to 6 months KIBOR plus 2.50 percent over the period of 1 year. Subsequent to the reporting date, the Company has redeemed Rs. 736.58 million (736 units), while the remaining units will be redeemed latest by January 2021 (after deferment of 6 months).		
35.4	During the year, the Holding Company has repaid in full privately placed Islamic Commercial Paper (ICP) issued 1,100 aggregating to Rs.1,100 million at a discounted value of Rs. 1,019 million alongwith the markup thereon at the rate of 6 months KIBOR plus 2.75 per annum.		
35.5	Represents short-term loan obtained by the Holding Company during the year from a commercial bank for a period of six months. The loan carries mark-up at a rate of 1 month KIBOR plus 3 percent per annum and principal and mark-up are repayable as a single bullet payment upon maturity. The loan is secured against joint pari passu charge on fixed assets of TPLP and pledged on 14.85 million ordinary shares of TPLI of Rs 250 million held by the Holding Company.		
36.	LIABILITIES AGAINST INSURANCE CONTRACTS	(Restated) 2020	(Restated) 2018
		Rupees	
	Provisions against outstanding claims	423,774,342	361,152,366
	Insurance liabilities	453,294,820	888,474,031
		877,069,162	1,249,626,397
		400,707,818	763,019,585
		1,163,727,403	

Notes to the Consolidated Financial Statements

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		(Restated) 2020	(Restated) 2019	(Restated) 2018
	Note	Rupees		
37. UNDERWRITING PROVISIONS				
Unearned premium reserves		1,161,297,666	619,566,818	677,709,564
Unearned reinsurance commission		36,006,548	26,288,638	4,990,140
		1,197,304,214	645,855,456	682,699,704

38. RUNNING FINANCE UNDER MARK-UP ARRANGEMENTS

These facilities are obtained from various commercial banks having an aggregate limit of Rs. 1,112.5 million (2019: Rs. 1,012.5 million) out of which Rs. 7.31 million (2019: Rs. 34.47 million) was un-utilised as of the reporting date. The facilities carry mark-up ranging between 1 month KIBOR plus 2 percent to 3 percent and 3 months KIBOR plus 1.5 percent to 3 percent (2019: 3 months KIBOR plus 1 percent to 2.5 percent) per annum. These are secured by way of registered hypothecation over stocks and book debts aggregating to Rs. 1,356 million (2019: Rs.759 million) and pledge of the shares of TPLI and TPLP owned by the Holding Company, first exclusive charge over shares amounting to Rs. 429.07 million duly registered with 50 percent margin. (2019: 18.4 million ordinary shares of TPLI) and equitable first pari passu charge over property to the extent of Rs. 385 million (2019: Rs. 809 million) and Rs.115 million on fixed assets. (2019: Nil).

		2020	2019
	Note	Rupees	
39. CURRENT PORTION OF NON-CURRENT LIABILITIES			
Long-term financing	29	296,734,533	926,360,046
Lease liabilities	30	55,253,012	20,932,496
Long-term loans	31	109,023,282	261,746,030
Government grant	32.1	4,138,879	-
		465,149,706	1,209,038,572

40. DUE TO RELATED PARTIES - unsecured

TPL Holdings (Private) Limited - the parent company	40.1	976,883,209	1,173,751,929
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40.1 Represents current account balances with related parties carrying markup at a variable rate of 6 months KIBOR plus 3 percent (2019: variable rate of 6 months KIBOR plus 3 percent) per annum and are repayable on demand.

		2020	2019
	Note	Rupees	
41. ADVANCE MONITORING FEES			
Opening balance		46,651,699	37,463,676
Additions during the year		405,472,734	440,420,122
Less: Transferred to income during the year	43	414,984,271	431,232,099
Closing balance	41.1	37,140,162	46,651,699

41.1 Represents monitoring fee invoiced in advance, which is taken to income as per the appropriate monitoring period.

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

42. CONTINGENCIES AND COMMITMENTS

42.1 Contingencies

- 42.1.1 During the year, Assistant Commissioner Sindh Revenue Board has issued a show cause under Section 23 of the Sindh Sales Tax Act, 2011 (the Act) to the Holding Company for tax periods from July 2016 to June 2017 whereby, sales tax of Rs. 107.941 million has been demanded on account of short declared sales for financial year 2017 amounting to Rs. 567.644 million. The proceedings against the show cause notice is pending to be heard. In addition, Assistant Commissioner Sindh Revenue Board (AC SRB) passed an Order under Section 23 of the Act for tax periods from July 2011 to June 2012 whereby, sales tax amounting to Rs. 605.022 has been demanded on account of various services and inadmissible input tax. The Holding Company being aggrieved has filed an appeal before the Commissioner Appeals, which is pending adjudication. The Holding Company based on the view of its tax advisor is confident of the favourable outcome. Accordingly, no provision has been made in these consolidated financial statements.
- 42.1.2 TPLP has filed a petition before the Honorable Sindh High Court challenging the vires of Section 5A of Income Tax Ordinance, 2001 introduced through Finance Act, 2017, whereby the TPLP 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. The matter is still at hearing stage and management is confident of a favorable outcome, accordingly, no provision has been recorded in these consolidated financial statements.
- 42.1.3 TPLP does not charge SST on its rental income on the ground that lending property on rent is not a service. TPLP had challenged the above levy before the Honorable High Court of Sindh (SHC). The SHC held, vide its judgment dated August 18, 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 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. TPLP is also of the view that the judgement of SHC is still intact and, therefore, currently no SST is being charged by TPLP while invoicing rentals, Accordingly, no provision has been made in these consolidated financial statements.
- 42.1.4 The proceedings for amendment of assessment of TPLP for the tax year 2018 have been initiated by the Additional Commissioner under Section 122(9) read with section 122(5A) of the Ordinance. In response to the same, the TPLP has submitted relevant information along with all necessary evidences. There has been no further correspondence from the department since then and the proceeding is yet to be finalised. Accordingly, no provision has been recorded in these consolidated financial statements in this respect.
- 42.1.5 The Deputy Commissioner Inland Revenue (DCIR) has amended the deemed assessment of TPLP by passing an Order under Section 122(1) of the Income Tax Ordinance, 2001 for the tax year 2017 thereby creating a tax demand of Rs.7,931,385/-. In this connection, TPLP has filed an appeal before the Commissioner (Appeals) and simultaneously has also moved a rectification application with the concerned DCIR which is pending. The management is confident of a favorable outcome in respect of the appeal filed. Accordingly, no provision has been recorded in these consolidated financial statement with respect to said matter.

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

- 42.1.6** Federal Government, through Finance Act 2017, has imposed a tax on undistributed profits at the rate of 7.5% of profit before tax, in case a Company does not distribute at least 40% of its profit after tax to its shareholders either through cash dividend or issuance of bonus shares. The legislation requires tax to be paid for Tax Year 2017 and onwards. In respect of Tax Year 2017 (Financial Year 2016) TPLI did not make distribution to its shareholders. TPLI has filed a constitutional petition in the High Court of Sindh challenging the tax on undistributed reserves. The constitutional petition is pending in the High Court of Sindh and TPLI has been granted stay order by the Court. TPLI believes based on the opinion of its legal counsel, that outcome of this would be in its favour and accordingly, no provision for taxation on undistributed reserve amounted to Rs. 11.162 million has been made in these financial statements.
- 42.1.7** During the year, FBR has issued order to TPLI under Section 122(5A) demanding income tax of Rs. 53 million in respect of tax year 2017. TPLI has filed appeal before Commissioner Inland Revenue (Appeal), which is pending adjudication. TPLI is confident that the order issued by the Assessing Officer is not in accordance with the applicable law and therefore, no provision for any potential liability has been made in these consolidated financial statements.
- 42.1.8** TPLT is defending various suits filed against it in various courts in Pakistan for sums, aggregating to Rs. 20.289 (2019: 20.289 million), related to its business operations. The legal counsel is confident that these suits are expected to be decided in the favor of the Group and, accordingly, no provision has been made for any liability against these law suits in these financial statements. Details of these legal cases are given below:

Court	Description	Date of insitution	Names	Relief sought
High Court of Sindh	Dispute arising on the reimbursement on return of tracking device and un-utilised monitoring charges.	April 01, 2011	Geofizyka Krakow Limited vs TPL Trakker Limited	Reimbursement of Rs.10.929 million being the price paid for the equipment in respect of returned units and un-utilised monitoring charges
District and Session Court (East)	Dispute arising due to the non-functionality of tracking device	April 08, 2013	Muhammad Aziz Khan vs TPL Trakker Limited	Recovery of Rs. 1.350 million being the cost of the car and Rs.1 million as damages.
District and Session Court (West)	Dispute arising due to the non-functionality of tracking device	October 29, 2015	Ahmed Shah vs TPL Trakker Limited	Recovery of damages and compensation of Rs.7.010 million

		2020	2019
Note		Rupees	
42.1.9	Guarantees issued by banks on behalf of the Holding Company	23,093,482	22,853,482
42.1.10	Corporate guarantee issued by the Holding Company	60,000,000	60,000,000
42.2	Commitments		
42.2.1	Letter of credits	170,665,871	12,737,305
42.2.2	Revolving letter of credits	16,854,000	16,854,000
42.2.3	Capital expenditure	8,380,569	8,380,569
42.2.4	Represents TPLP contractual commitments in respect of Centrepoint Project at year end.		

Notes to the Consolidated Financial Statements

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42.2.5 Ijarah agreements

TPLT has various ijarah agreements with various financial institutions in respect of purchase of vehicles and office equipment for a period upto three years. As of reporting date, total ijarah payments due under the agreements are Rs. 2.077 million (2019: Rs.9.662 million) and are payable in monthly instalments latest by March 2021. Taxes and repairs are to be borne by TPLT (lessee), however, major repairs and insurance costs are to be borne by the lessors. These payments are secured against promissory notes in favor of the lessors for the entire amount of the ijarah rentals and security deposits of Rs. 1.77 million (2019: Rs.10.19 million). Future minimal rentals payable under ijarah agreements as at reporting date are as follows:

	2020	2019
Note	Rupees	
Not later than one year	11,075,586	16,398,700
Later than one year but not later than five years	16,239,885	25,893,860
	<u>27,315,471</u>	<u>42,292,560</u>

42.2.6 TPLP has entered into commercial property leases on its investment property with tenants. These non-cancellable leases have terms of five years. Future minimum rentals receivable under non-cancellable operating leases as at year end are as follows:

	2020	2019
Note	Rupees	
Not later than one year	306,559,848	267,708,362
Later than one year but not later than five years	850,066,689	902,784,385
	<u>1,156,626,537</u>	<u>1,170,492,747</u>

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

	2020	2019
Note	Rupees	
Dimensions		
- Total contract value	2,383,393	-
- Paid upto last year by the Group	(1,000,000)	-
Balance commitment	<u>1,383,393</u>	<u>-</u>
Greaves Pakistan (Private) Limited		
- Total contract value	996,373	-
- Paid during the year by the Group	(498,186)	-
Balance commitment	<u>498,187</u>	<u>-</u>

Notes to the Consolidated Financial Statements

for the year ended June 30, 2020

		(Restated)	
		2020	2019
Note	Rupees		
43.	TURNOVER - net		
	Equipment installation and sales	259,429,013	435,680,751
	Monitoring fees	255,025,485	517,114,413
	Rental income	1,255,390,280	1,193,790,823
	Premium	3,008,229,189	2,627,107,583
	Service income:		
	- security	136,008,189	146,430,760
	- navigation	45,586,868	79,821,152
	- maintenance, electricity and air conditioning	95,539,776	155,262,932
	- others	167,542,159	216,750,808
		444,676,992	598,265,652
		5,222,750,959	5,371,959,222
	Less: Sales tax	254,330,054	358,488,735
		4,968,420,905	5,013,470,487
44.	COST OF SALES AND SERVICES		
	Cost of equipment sold		
	Opening stock	266,339,657	325,897,495
	Purchases	157,620,662	264,622,676
		423,960,319	590,520,171
	Less: Units transferred to operating fixed assets given under renal arrangements	(72,097,988)	(200,527,470)
	Closing stock	(246,221,725)	(266,339,657)
		105,640,606	123,653,044
	Direct expenses		
	Salaries, wages and other benefits	816,524,362	706,210,871
	Monitoring charges	19,810,192	24,810,926
	Net insurance claims / deficit	1,543,276,359	1,358,427,370
	Net insurance commission	374,080,693	204,746,672
	Landscape and plantation	3,765,000	4,223,000
	Activation and connection charges	187,932,165	177,987,817
	Housekeeping and cleaning	14,027,532	14,444,400
	Publicity	-	40,777,642
	Insurance	19,468,443	26,910,617
	Repairs and maintenance	7,807,000	8,326,456
	Vehicle running and maintenance	170,356,256	22,846,549
	Depreciation	137,805,489	191,044,872
	Depreciation on ROUA	46,882,748	-
	Amortisation	45,282,814	44,250,815
	Printing and stationery	-	6,902,878
	License renewal fee	4,686,650	18,648,176
	Communication	5,019,355	5,700,883
	Travelling and conveyance	22,091,248	47,028,948
	Utilities	21,294,482	42,471,763
	Rent, rates and taxes	31,440,535	18,881,053
	Uniform and liveries	731,337	1,134,831
	Computer expenses	23,149,230	2,491,065
	Others	7,250	973,810
		3,495,439,140	2,969,241,414
		3,601,079,745	3,092,894,458

44.1 Includes Rs. 31.46 million (2019: Rs. 16.982 million) in respect of staff retirement benefits (provident fund contribution).

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		2020	2019
	Note	Rupees	
45. DISTRIBUTION EXPENSES			
Salaries, wages and other benefits	45.1	98,510,975	84,087,472
Commission		63,579,649	58,100,731
Depreciation	9.4	43,988,685	42,966,155
Depreciation on ROUA		15,034,279	-
Sales promotion and publicity		52,955,528	57,515,093
Computer expenses		7,423,455	843,748
Utilities		5,931,816	7,893,496
Postage and courier		8,818,961	6,019,158
Printing and stationery		1,425,872	1,551,572
Communication		1,609,598	5,816,324
Rent, rates and taxes		8,868,188	6,598,740
Vehicle running and maintenance		13,072,865	8,517,958
Insurance		3,684,642	4,788,160
Research and development		-	750,443
Outsourcing		52,655,210	49,693,918
Travelling and conveyance		6,599,091	15,815,814
Newspapers and periodicals		529,200	406,342
		384,688,014	351,365,123

45.1 Includes Rs. 6.832 million (2019: Rs. 4.602 million) in respect of staff retirement benefits (provident fund contribution).

		2020	2019
	Note	Rupees	
46. ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits	46.1	504,277,034	520,300,608
Monitoring charges		18,911,326	24,810,926
Legal and professional		125,259,626	99,486,299
Depreciation	7.1.1	132,835,384	83,825,965
Depreciation ROUA	9.4	17,897,382	-
Amortisation	8.3	44,517,104	58,484,525
(Reversal) / charge of allowance for expected credit losses		(30,076,185)	25,678,986
Utilities		8,379,192	41,441,398
Rent, rates and taxes		32,953,925	67,736,027
Travelling and conveyance		43,104,936	62,132,462
Late payment surcharge		20,946,485	-
Repairs and maintenance		74,269,113	78,309,076
Security		-	974,091
Vehicle running and maintenance		46,601,898	39,789,356
Computer expenses		11,470,619	12,889,098
Communication		29,982,945	20,286,137
Training		3,356,755	3,379,286
Auditors' remuneration	46.2	21,021,319	20,805,526
Insurance		17,065,128	6,819,619
Entertainment		27,070,150	25,614,454
Printing and stationery		21,490,240	29,033,490
Postage and courier		12,516,076	11,994,955
Donations	46.3 & 46.4	26,421,548	42,580,491
Ijarah rentals		8,152,647	47,851,903
Subscription		12,931,569	18,109,947
Fire, safety and security		416,450	1,770,856
Others		23,322,523	31,231,669
		1,255,095,189	1,375,337,150

Notes to the Consolidated Financial Statements

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46.1 These include Rs. 11.583 million (2019: Rs. 9.268 million) in respect of staff retirement benefits (provident fund contribution).

	2020	2019
Note	Rupees	
46.2 Auditors' remuneration		
Audit fees (Holding Companies and its subsidiaries)	10,804,603	10,651,820
Half yearly review fee, CCG and other assurance services	9,066,666	9,198,448
Out of pocket expenses	1,150,050	955,258
	21,021,319	20,805,526

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

	2020	2019
Note	Rupees	
46.4 Donation to donees equal to or exceeds Rs. 1 million or 10 percent of the Group's total amount of donation, whichever is higher are as follows:		
Patent Aid Foundation	10,000,000	15,000,000
Habib University Foundation	-	6,365,000
The Kidney Centre Post Graduate Training Institute	-	1,213,200
Institute Of Business Administration	-	1,950,000
Sindh Institute Of Urology And Transplantation	2,500,000	2,500,000
The Indus Hospital	5,000,000	2,500,000
The Aman Foundation	1,400,000	-
Al Umeed Rehabilitation Association	-	1,000,000
Pakistan Agriculture Coalition	1,500,000	-
Lady Dufferin Hospital	1,000,000	-
	21,400,000	30,528,200

46.5 Investments out of provident fund has been made in accordance with the provisions of Section 218 of the Companies Act, 2017, and the conditions specified thereunder.

	2020	2019
Note	Rupees	
47. OTHER EXPENSES		
Workers Welfare Fund	-	869,110
Exchange losses - net	74,326,889	29,953,692
	74,326,889	30,822,802
48. FINANCE COSTS		
Mark-up on:		
- long-term financing	457,085,317	426,678,357
- lease liabilities	38,704,343	2,247,505
- long-term loans	83,607,181	63,972,427
- short-term financing	247,598,791	52,904,028
- running finance under mark-up arrangements	164,285,989	105,666,546
- due to related parties	258,394,067	83,675,040
Bank and other charges	12,640,783	6,448,366
	1,262,316,471	741,592,269

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		2020	2019
	Note	Rupees	
49. OTHER INCOME			
Income from financial assets:			
Interest income on loan given to employees	13.3	198,805	39,407
Income on term deposits receipts		74,602,076	27,985,013
Income on debt securities		62,361,307	41,360,607
Mark-up on saving accounts		66,325,836	53,447,943
Mark-up on Commercial Papers		5,903,441	-
Dividend income		4,703,177	197,798
Realized loss on investment in mutual funds		(8,899,594)	(7,676,494)
Unrealized gain / (loss) on investment in mutual funds		20,314,330	(43,421,454)
		225,509,378	71,932,820
Income from related parties:			
Mark-up on current account with related parties		170,223,225	8,587,127
Rentals from takaful operations		-	147,300,096
		170,223,225	155,887,223
Total income from financial assets		395,732,603	227,820,043
Income from assets other than financial assets:			
Amortisation of government grant		3,692,836	-
Gain on disposal of property, plant and equipment		540,383	4,572,085
Unwinding of PTF		3,786,209	4,604,005
Remeasurement adjustment on investment property	10.1	286,315,367	592,882,635
Others		52,259,906	28,124,434
		346,594,701	630,183,159
		742,327,304	858,003,202
50. TAXATION			
Current		110,646,096	120,956,129
Prior		(18,374,567)	(1,613,998)
		92,271,529	119,342,131
Deferred		46,364,837	(20,611,982)
		138,636,366	98,730,149
50.1 Relationship between accounting profit and tax expense			
Profit before taxation		(1,081,623,602)	181,114,956
Applicable tax rate		29%	29%
Tax at the above rate		-	52,523,337
Alternate corporate tax / minimum tax		-	-
Tax effect of income subject to lower tax rate		157,010,933	220,010,680
Tax effect of prior year tax		(18,374,567)	(1,613,998)
		(138,636,366)	98,730,149
Effective tax rate		-	55%

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for the year ended June 30, 2020

		2020	2019
	Note	Rupees	
51. EARNINGS PER SHARE - basic and diluted			
(Loss) / profit attributable to the ordinary shareholders of parent (Rupees)		(1,223,507,612)	(293,895,222)
Weighted average number of ordinary shares in issue (in Numbers)		267,297,763	244,893,489
Earnings per share - basic and diluted (Rupees)		(4.57)	(1.20)

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

52. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group finances its operations through equity, borrowings and management of working capital with a view of maintaining and appropriate mix between various sources of finance to minimize risks. Taken as a whole, the Group is exposed to market risk (including currency, interest rate and other price risks), credit risk and liquidity risk. The Group overall risk management policies focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. No changes were made in the risk and capital management framework and objectives, policies or processes and assumptions during the year ended June 30, 2020. The policies for managing each of these risks are summarised below:

Risk management framework

The Board of Directors has overall responsibility for the establishment and over sight of the Company's risk management framework. The executive management team is responsible for developing and monitoring the Company's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through the audit committee.

Risk management systems are reviewed regularly by the executive management team to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees compliance by management with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Group finances its operations through equity, borrowings and management of working capital with a view of maintaining and appropriate mix between various sources of finance to minimize risks. Taken as a whole, the Group is exposed to market risk, credit risk, and liquidity risk. No changes were made in the objectives, policies or processes and assumptions during the year ended June 30, 2020. The policies for managing each of these risks are summarised below:

Notes to the Consolidated Financial Statements

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Financial assets and liabilities by category and their respective maturities are as follows:

	Interest bearing			Non-Interest bearing			Total
	Maturity upto one year	Maturity after one year but less than five years	Total	Maturity upto one year	Maturity after one year but less than five years	Total	
	(Rupees)						
Financial assets							
Loans	2,605,332	544,480	3,149,812	677,661	125,418	803,079	3,952,891
Long-term deposits	-	-	-	-	36,740,882	36,740,882	36,740,882
Trade debts	-	-	-	1,164,282,072	-	1,164,282,072	1,164,282,072
Trade deposits	-	-	-	76,262,981	-	76,262,981	76,262,981
Interest accrued	-	-	-	119,774,215	-	119,774,215	119,774,215
Other receivables	-	-	-	1,175,229,556	-	1,175,229,556	1,175,229,556
Short-term investments	761,288,046	-	761,288,046	90,305,497	-	90,305,497	851,593,543
Due from related parties	574,764,579	-	574,764,579	-	-	-	574,764,579
Cash and bank balances	1,060,316,498	-	1,060,316,498	411,650,723	-	411,650,723	1,471,967,221
2020	2,398,974,455	544,480	2,399,518,935	3,038,182,705	36,866,300	3,075,049,005	5,474,567,940
Financial liabilities							
Long-term financing	280,186,803	3,065,818,866	3,346,005,669	-	-	-	3,346,005,669
Lease liabilities	55,253,012	31,530,021	86,783,033	-	-	-	86,783,033
Long-term loans	109,023,282	249,457,597	358,480,879	-	-	-	358,480,879
Trade and other payables	-	-	-	1,415,125,478	-	1,415,125,478	1,415,125,478
Short term financing	1,944,169,173	-	1,944,169,173	-	-	-	1,944,169,173
Accrued mark-up	-	-	-	438,546,881	-	438,546,881	438,546,881
Liabilities against insurance contracts	-	-	-	453,294,820	-	453,294,820	453,294,820
Running finance under mark-up arrangements	1,105,194,287	-	1,105,194,287	-	-	-	1,105,194,287
Due to related parties	976,883,204	-	976,883,204	-	-	-	976,883,204
Unclaimed dividend	-	-	-	1,729,583	-	1,729,583	1,729,583
Unpaid dividend	-	-	-	3,000,000	-	3,000,000	3,000,000
2020	4,470,709,761	3,346,806,484	7,817,516,245	2,311,696,762	-	2,311,696,762	10,129,213,007
	Interest bearing			Non-Interest bearing			Total
	Maturity upto one year	Maturity after one year but less than five years	Total	Maturity upto one year	Maturity after one year but less than five years	Total	
	(Rupees)						
Financial assets							
Loans	1,736,652	637,436	2,374,088	-	-	-	2,374,088
Long-term deposits	-	-	-	-	54,887,344	54,887,344	54,887,344
Trade debts	-	-	-	1,397,979,627	-	1,397,979,627	1,397,979,627
Trade deposits	-	-	-	67,013,677	-	67,013,677	67,013,677
Interest accrued	-	-	-	26,064,633	-	26,064,633	26,064,633
Other receivables	-	-	-	659,069,883	-	659,069,883	659,069,883
Short-term investments	844,466,440	-	844,466,440	135,227,867	-	135,227,867	979,694,307
Due from related parties	574,764,579	-	574,764,579	-	-	-	574,764,579
Cash and bank balances	791,594,209	-	791,594,209	174,197,726	-	174,197,726	965,791,935
2019	2,212,561,880	637,436	2,213,199,316	2,459,553,413	54,887,344	2,514,440,757	4,727,640,073
Financial liabilities							
Long-term financings	2,114,609,267	1,284,660,803	3,399,270,070	-	-	-	3,399,270,070
Lease liabilities	20,932,496	52,145,571	73,078,067	-	-	-	73,078,067
Long-term loans	261,746,029	148,888,891	410,634,920	-	-	-	410,634,920
Trade and other payables	-	-	-	1,311,158,993	-	1,311,158,993	1,311,158,993
Accrued mark-up	-	-	-	238,534,790	-	238,534,790	238,534,790
Liabilities against insurance contracts	-	-	-	463,842,693	-	463,842,693	463,842,693
Short-term financing	946,017,222	-	946,017,222	-	-	-	946,017,222
Running finance under mark-up arrangements	988,025,014	-	988,025,014	-	-	-	988,025,014
Due to related parties	1,173,751,929	-	1,173,751,929	-	-	-	1,173,751,929
Unclaimed dividend	-	-	-	1,729,583	-	1,729,583	1,729,583
Unpaid dividend	-	-	-	3,000,000	-	3,000,000	3,000,000
2019	5,505,081,957	1,485,695,265	6,990,777,221	2,018,266,059	-	2,018,266,059	9,009,043,280

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52.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and other price risk. The sensitivity analyses in the following sections relate to the position as at June 30, 2020 and 2019.

52.1.1 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. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term and short-term financing arrangements at floating interest rates to meet its business operations and working capital requirements.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, on the Group's (loss) / profit before tax (through impact on floating rate borrowings). There is no direct impact on Group's equity. This analysis excludes the impact of movement in market variables on the carrying values of provisions and on non-financial assets and liabilities of the Group.

	(Increase) / decrease in basis points	Effect on loss before tax (Rupees)
2020	+100	(44,578,199)
	-100	<u>44,578,199</u>
2019	+100	(46,022,258)
	-100	<u>46,022,258</u>

52.1.2 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. The Group's exposure to the risk of changes in foreign currency exchange rates primarily relates to the group's long-term financing arrangements and operating activities. The group manages its currency risk by effective fund management and timely repayment of its current liabilities. The group, however, has not hedged its foreign currency liabilities as the management has assessed that it will not be cost beneficial.

	2020 USD	2019 USD	2020 ----- Equivalent Rupees -----	2019 ----- Equivalent Rupees -----
Assets				
Advances	25,898	24,713	4,009,936	4,065,351
Liabilities				
Long-term financing	-	(278,282)	-	(45,777,389)
Trade creditors	(399,962)	(319,550)	(61,927,631)	(52,565,941)
	<u>(399,962)</u>	<u>(597,832)</u>	<u>(61,927,631)</u>	<u>(98,343,330)</u>
	<u>(374,064)</u>	<u>(573,118)</u>	<u>(57,917,695)</u>	<u>(94,277,979)</u>

The exchange rates applied during the year and at year end were as follows:

	Average rate		Spot rate	
	2020	2019	2020	2019
	-----Rupees-----		-----Rupees-----	
US Dollar	<u>150.06</u>	<u>156.95</u>	<u>154.83</u>	<u>164.50</u>

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Sensitivity analysis

Every 5% increase or decrease in exchange rate, with all other variables held constant, will decrease or increase (loss) / profit before tax for the year by Rs 2.896 million (2019: Rs 4.714 million).

52.1.3 Other price risk

Other price risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market prices such as equity price risk. Equity price risk is the risk arising from uncertainties about future values of investments securities. As at reporting date, the Company is not exposed to equity price risk other than its investment in associated company (note 8).

Equity price risk

Equity price risk is the risk arising from uncertainties about future values of investments securities. The Group manages the price risk through diversification and placing limits on individual and total equity instruments and continuous monitoring of developments in equity market. As of reporting date, the Group is exposed to equity price risk in respect of investment in quoted securities. Change of 10 percent in equity prices will result in change in price of respective equity instruments by Rs. 0.102 million (2018: Rs. 0.126 million).

52.2 Credit risk

52.2.1 Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharging an obligation. The financial assets excludes statutory assets and includes deposits, trade and other receivables, interest accrued, investments, due from related parties and cash and bank balances. Out of the total financial assets of Rs. 5,824 million (2019: 4,934.081 million), the financial assets which are subject to credit risk amounted to Rs. 5,823.347 million (2019: 4,932.966 million). The Company's credit risk is primarily attributable to its trade debts and bank balances. The Company has large number of customers, including corporate and individuals, due to large number and diversity of its customer base, concentration of credit risk with respect to trade debtors is limited. Further, the Company manages its credit risk by obtaining advance monitoring fee for device and service charges and effective implementation of credit policy for its customers.

The credit quality of financial assets that are past due but not impaired is disclosed in note 37.3 to these financial statements. As at the reporting date, there are no financial assets that would otherwise be past due or impaired whose terms have been renegotiated.

52.2.2 The Group monitors the credit policy of its financial assets with reference to historical performance of such assets and available external credit ratings. The carrying values of financial assets which are neither past due nor impaired are as under:

		2020	2019
	Note	Rupees	
impaired are as under:			
Long-term loans	13	5,830,703	5,830,703
Long-term deposits	14	36,740,882	54,887,344
Trade debts	17	323,366,268	672,839,969
Loans	17	25,000,000	25,000,000
Trade deposits	19	76,262,981	67,013,677
Interest accrued	20	119,774,215	26,064,633
Short term investments	21	22,851,593,543	979,694,307
Other receivables	21	1,175,229,556	659,069,883
Due from related parties	23	574,764,579	80,217,260
Bank balances	25	1,470,502,792	964,368,233
		4,659,065,619	3,534,986,009

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

		2020	2019
		Rupees	
Bank Balances by short-term	Rating Agency		
A-1+	PACRA / JCR-VIS	37,897,122	146,056,477
A-1	PACRA / JCR-VIS	6,009,848	105,463,369
A-2	PACRA / JCR-VIS	14,794,901	17,550,420
A-3	PACRA / JCR-VIS	201,754,688	441,855,476
A-3	VIS	1,729,583	-
A	PACRA	38,928,081	-
A+	PACRA / JCR-VIS	81,222,545	112,697,862
AA-	PACRA / JCR-VIS	21,816,499	-
A-	JCR-VIS	4,690,488	-
AA	PACRA / JCR-VIS	46,402,390	35,426,446
AA+	PACRA / JCR-VIS	286,443,880	105,318,183
BBB	JCR-VIS	25,000,000	-
AAA	PACRA/JCR-VIS	151,692,411	-
	Unrated	552,120,356	-
		1,470,502,792	964,368,233

52.3 Liquidity risk

Liquidity risk represents the risk that a Group will encounter difficulties in meeting obligations with the financial liabilities. The financial liabilities excludes statutory liabilities and provisions and includes long-term and short-term financing, trade and other payables, accrued markup and due to related parties. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of various financing facilities. The table below summarises the maturity profile of the Group's financial liabilities at June 30, 2020 and 2019 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	Total
	(Rupees)				
2020					
Long-term financing	-	88,000,000	192,186,803	3,065,818,866	3,346,005,669
Lease liabilities	-	-	55,253,012	31,530,021	86,783,033
Long-term loans	-	-	109,023,282	249,457,597	358,480,879
Due to related parties	976,883,204	-	-	-	976,883,204
Trade and other payables	41,832,346	1,200,816,606	172,476,526	-	1,415,125,478
Accrued markup	438,546,881	-	-	-	438,546,881
Running finance under markup arrangements	1,105,194,287	-	-	-	1,105,194,287
Short-term financing	-	1,223,503,302	720,665,871	-	1,944,169,173
Liabilities against insurance contracts	-	142,882,570	310,412,250	-	453,294,820
Unclaimed dividend	1,729,583	-	-	-	1,729,583
Unpaid dividend	3,000,000	-	-	-	3,000,000
	2,567,186,301	2,655,202,478	1,560,017,744	3,346,796,484	10,129,213,007

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	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	(Rupees)				
2019					
Long-term financing	127,142,833	86,686,803	1,900,779,632	1,284,660,803	3,399,270,071
Liabilities against assets subject to finance lease	348,400	4,958,470	15,625,626	52,145,571	73,078,067
Long-term loans	37,291,666	57,589,285	166,865,078	148,888,891	410,634,920
Due to related parties	1,173,751,929	-	-	-	1,173,751,929
Trade and other payables	-	855,781,005	455,377,988	-	1,311,158,993
Accrued markup	238,534,790	-	-	-	238,534,790
Running finance under markup arrangements	988,025,014	-	-	-	988,025,014
Short-term financing	-	646,017,222	300,000,000	-	946,017,222
Liabilities against insurance contracts	-	313,949,000	149,893,693	-	463,842,693
	<u>2,565,094,631</u>	<u>1,964,981,785</u>	<u>2,988,542,017</u>	<u>1,485,695,265</u>	<u>9,004,313,698</u>

52.4 Fair value 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 between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Holding Company.

The fair value of an asset or a liability is measure using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants at in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participants ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Holding Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the fiancial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted market price.

Level 2: Valuation techniques (market observable)

Level 3: Valuation techniques (non- market observables)

The Group held the following financial instruments measured at fair value other than those disclosed in note 7.1.1 and note 9 to these consolidated financial statements.

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	Total	Level 1	Level 2	Level 3
		Rupees ' 000		
Financial assets				
2020				
Government securities	251,288,046	-	251,288,046	-
Term deposit receipts (TDRs)	510,000,000	-	510,000,000	-
Listed securities	1,024,757	1,024,757	-	-
Open ended mutual funds	89,280,740	89,280,740	-	-
	851,593,543	90,305,497	761,288,046	-
2019				
Government securities	259,466,440	-	259,466,440	-
Term deposit receipts (TDRs)	85,000,000	-	85,000,000	-
Listed securities	1,018,460	1,018,460	-	-
Open ended mutual funds	81,630,277	81,630,277	-	-
	427,115,177	82,648,737	344,466,440	-

52.5 Risk related to insurance business

52.5.1 Insurance risk

The risk under any insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of compensation to the insured. Generally most insurance contracts carry the insurance risk for a period of one year. The Group's major insurance contracts are in respect of motor vehicles through issuance of general insurance contracts relating to motor insurance. For these contracts the most significant risks arise from theft, accidents and terrorist activities.

The Group's risk exposure is mitigated by employing a comprehensive framework to identify, assess, manage and monitor risk. This framework includes implementation of underwriting strategies which aim to ensure that the underwritten risks are well diversified in terms of type and amount of the risk. Adequate reinsurance is arranged to mitigate the effect of the potential loss to the Group from individual to large or catastrophic insured events. Further, the Group adopts strict claim review policies including active management and prompt pursuing of the claims and regular detailed review of claim handling procedures and frequent investigation of possible false claims to reduce the insurance risk.

52.5.2 Frequency and severity of claims

Risk associated with general insurance contracts includes the reasonable possibility of significant loss as well as the frequent occurrence of the insured events. This has been managed by having in place underwriting strategy, reinsurance arrangements and proactive claim handling procedures. The reinsurance arrangements against major risk exposure include excess of loss, quota share, surplus arrangements and catastrophic coverage. The objective of having such arrangements is to mitigate adverse impacts of severe losses on Group's net retentions.

52.5.3 Uncertainty in the estimation of future claim payments

Claims on motor insurance contracts are payable on a claim occurrence basis. The Group is liable for all insured events that occur during the term of the insurance contracts respectively, including the event reported after the expiry of the insurance contract term.

An estimated amount of the claim is recorded immediately on the intimation to the Group. The estimation of the amount is based on management judgment or preliminary assessment by the independence

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surveyor appointed for the purpose. The initial estimates include expected settlement cost of the claims. Provision for incurred but not reported (IBNR) is based on the management's best estimate which takes into account expected future patterns of reporting of claims and the claim actually reported subsequent to the reporting date. There are several variable factors which affect the amount and timing of recognized claim liabilities. The Group takes all reasonable measures to mitigate the factors affecting the amount and timing of claim settlements. However, uncertainty prevails with estimated claim liabilities and it is likely that final settlement of these liabilities may be different from initial recognized amount. Outstanding claims are reviewed on a periodic basis.

52.5.4 Key assumptions

The process used to determine the assumptions for calculating the outstanding claim reserve is intended to result in neutral estimates of the most likely or expected income. The nature of the business makes it very difficult to predict with certainty the likely outcome of any particular claim and the ultimate cost of notified claims. Each notified claim is assessed on a separate case to case basis with due regard to the claim circumstances, information available from surveyors and historical evidence of the size of similar claims. Core estimates are reviewed regularly and are updated as and when new information is available.

The principal assumption underlying the liability estimation of IBNR and premium deficiency reserves is that the Group's future claim development will follow similar historical pattern for occurrence and reporting. The management uses qualitative judgment to assess the extent to which past occurrence and reporting pattern will not apply in future. The judgment includes external factors e.g. treatment of one-off occurrence claims, changes in market factors, economic conditions, etc. During the year, the Group has not changed its assumptions for the insurance contracts.

52.5.5 Sensitivity analysis

The risks associated with the insurance contracts are complex and subject to a number of variables which complicate quantitative sensitivity analysis. The Group makes various assumptions and techniques based on past claims development experience. This includes indications such as average claims cost, ultimate claims numbers and expected loss ratios. The Group considers that the liability for claims recognized in the statement of financial position is adequate. However, actual experience may differ from the expected outcome.

The claim liabilities are sensitive to the incidence of insured events and severity / size of claims. As the Group enters into short term insurance contracts, it does not assume any significant impact of changes in market conditions on unexpired risks. However, some results of sensitivity testing are set out below, showing the impact on profit before tax net of reinsurance. The impact of 10 percent increase / decrease in incidence of insured events on profit before tax and shareholder's equity is as follows:

	Profit before tax		Shareholder's equity	
	2020	2019	2020	2019
	----- (Rupees) -----		----- (Rupees) -----	
Average claim cost				
Fire and property damage	1,539,552	71,937	1,093,082	51,794
Marine, aviation & transport	1,905,687	2,825,528	1,353,038	2,034,380
Motor business	77,178,459	38,738,005	54,796,706	27,891,363
Health	8,823,845	988,375	6,264,930	711,630
Miscellaneous	580,777	40,845	412,352	29,408
	90,028,320	42,664,690	63,920,106	30,718,575

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50.5.6 Concentration of risk

To optimise benefits from the principle of average and law of large numbers, geographical spread of risk is of extreme importance. There are a number of parameters which are significant in assessing the accumulation of risk with reference to the geographical location, the most important of which is risk survey.

Risk surveys are carried out on a regular basis for the evaluation of physical hazards associated with the insured property.

The adequate event limit is a multiple of the treaty capacity or the primary recovery from excess of loss treaty, which is very much in line with the risk management philosophy of the Group.

Reinsurance ceded does not relieve the Group from its obligation towards policy holders and, as a result the Group remains liable for the portion of outstanding claims reinsured to the extent that reinsurer fails to meet the obligation under the reinsurance agreements.

The Group minimises its exposure to significant losses by obtaining reinsurance from a number of reinsurers, who are dispersed over several geographical regions. The concentration of risk by type of contracts based on single risk with maximum exposure is summarised below:

	Gross sum insured		Reinsurance		Net	
	2020	2019	2020	2019	2020	2019
	----- (Rupees) -----		----- (Rupees) -----		----- (Rupees) -----	
Fire & property damage	5,779,386,634	4,809,655,529	5,754,386,634	4,713,462,418	25,000,000	96,193,111
Marine, aviation & transport	518,125,000	948,763,200	-	928,763,200	518,125,000	20,000,000
Motor business	25,000,000	20,000,000	20,000,000	15,000,000	5,000,000	5,000,000
Health	-	40,000	-	-	-	40,000
Miscellaneous	262,000,000	245,000,000	183,400,000	220,000,000	78,600,000	25,000,000
	<u>6,584,511,634</u>	<u>6,023,458,729</u>	<u>5,957,786,634</u>	<u>5,877,225,618</u>	<u>626,725,000</u>	<u>146,233,111</u>

52.6 Risk related to life insurance business

The Group's overall risk management seeks to minimize potential adverse effects on the Group's financial performance of such risk. The Board of Directors has the overall responsibility for the establishment and oversight of the Group's risk management framework. There are Board Committees and Management Committees for developing risk management policies and its monitoring.

The risks involved with financial instruments and the Group's approach to managing such risks are discussed below.

52.6.1 Insurance risk

The risk under an insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable. The principal risk that the Group faces under such contracts is that the occurrence of the insured events and the severity of reported claims. The Group's risk profile is improved by diversification of these risks of losses to a large portfolio of contracts as a diversified portfolio is less likely to be affected by an unexpected event in single subset.

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52.6.2 Individual life unit linked

The risk underwritten is mainly death and sometimes disability and/or critical illness. The risk of death and disability will vary from region to region. The Group may get exposed to poor risks due to unexpected experience in terms of claim severity or frequency. This can be a result of anti-selection, fraudulent claims, a catastrophe or poor persistency. The Group may also face the risk of poor investment return, inflation of business expenses and liquidity issues on monies invested in the fund. The Group faces the risk of underpricing particularly due to the fact that these contracts are long term. Additionally, the risk of poor persistency may result in the Group being unable to recover expenses incurred at policy acquisition.

The Group manages these risks through its underwriting, reinsurance, claims handling policy and other related controls. The Group has a well defined medical under-writing policy and avoids selling policies to high risk individuals. This puts a check on anti-selection. Profit testing is conducted on an annual basis to ensure reasonableness of premiums charged. Reinsurance contracts have been purchased by the Group to limit the maximum exposure on any one policyholder. To avoid poor persistency the Group applies quality controls on the standard of service provided to policyholders and has placed checks to curb mis-selling and improvement in standard of service provided to the policyholders. For this, a regular monitoring of lapsation rates is conducted. On the claims handling side, the Group has procedures in place to ensure that payment of any fraudulent claims is avoided. For this, claims committee with variable materiality limits review all claims for verification and specific and detailed investigation of all apparently doubtful claims (particularly of high amounts) is conducted. The Group maintains adequate liquidity in each unit fund to cater for potentially sudden and high cash requirement. The Group reserves the right to review the charges deductible under the contracts, thus limiting the risk of underpricing.

a) Frequency and severity of claims

The Group charges for mortality risk on a monthly basis for all insurance contracts. It has the right to alter these charges based on its mortality experience and hence minimises its exposure to mortality risk. Delays in implementing increases in charges and market or regulatory restraints over the extent of the increases may reduce its mitigating effect. The Group manages these risks through its underwriting strategy and reinsurance arrangements.

b) Sources of uncertainty in the estimation of future benefit payments and premium receipts

Uncertainty in the estimation of future benefit payments and premium receipts for long – term unit linked insurance contracts arises from the unpredictability of long-term changes in overall levels of mortality and variability in policyholder's behavior.

c) Process used to decide on assumptions

For long-term unit linked insurance contracts, assumptions are made in two stages. At inception of the contract, the Group determines assumptions on future mortality, persistency, administrative expenses and investment returns. At regular intervals, profit testing is conducted on main policies.

d) Changes in assumptions

There has been no change in assumptions during the year.

52.6.3 Group life

The main risk written by the Group is mortality. The Group may be exposed to the risk of unexpected claim severity or frequency. This can be a result of writing business with higher than expected mortality (such as mining or other hazardous industries), writing high cover amounts without adequate underwriting,

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difficulty of verification of claims, fraudulent claims or a catastrophe. The Group also faces risk such as that of under-pricing to acquire business in a competitive environment and of non-receipt of premium in due time. There also exists a potential risk of asset liability term mismatch due to liabilities being very short term in nature.

The Group manages these risks through underwriting, reinsurance, effective claims handling and other related controls. The Group has a well defined medical under-writing policy and avoids writing business for groups with overly hazardous exposure. Pricing is done in line with the actual experience of the Group. The premium charged takes into account the actual experience of the client and the nature of mortality exposure the group faces. The rates are certified by the appointed actuary for large groups. The Group also maintains an MIS to track the adequacy of the premium charged. Reinsurance contracts have been purchased by the Group to limit the maximum exposure to any life. At the same time, due caution is applied in writing business in areas of high probability of terrorism. The Group ensures writing business with good geographical spread and tries to maintain a controlled exposure to large groups which generally have poor claim experience. Writing business of known hazardous groups is also avoided. On the claims handling side, the Group ensures that payment of any fraudulent claims is avoided. For this, a claims committee reviews all large claims for verification. Strict monitoring is in place in order to keep the outstanding balances of premium at a minimum, especially the ones that are overdue. The bulk of the assets held against liabilities of this line of business have a short duration, thus mitigating the risk of asset value deterioration.

a) Frequency and severity of claims

The risk is affected by several factors e.g. age, occupation, benefit structure and life style. The Group attempts to manage this risk through its underwriting, claims handling and reinsurance policy. Concentration of risk arising from geographical area is not a factor of concern due to spread of risks across various parts of the country.

b) Sources of uncertainty in the estimation of future benefits payments and premium receipts

Other than conducting a liability adequacy for Unexpired Risk Reserves (URR), there is no need to estimate mortality for future years because of the short duration of the contracts.

c) Process used to decide on assumptions

Statistical methods are used to adjust the rates to a best estimate of mortality. Where data is sufficient to be statistically credible, the statistics generated by the data is assigned appropriate credibility factors to account for the group's experience.

d) Changes in assumptions

There has been no change in assumptions during the year.

52.6.4 Accident and health

The main risk written by the Group is morbidity. The Group may be exposed to the risk of unexpected claim severity or frequency. This can be a result of high exposure in a particular geographical areas, medical expense inflation, fraudulent claims and catastrophic event. The Group potentially faces the risk of lack of adequate claims control (such as for very large groups). The Group also faces a risk of under-pricing to acquire business in a competitive environment and of non-receipt of premium in due time.

The Group manages these risks through its underwriting, reinsurance, claims handling policy and other

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related controls. The Group has a well defined medical under-writing policy and avoids writing business for groups with potentially high health related risk exposure such as Government Schemes. Any pre-existing conditions are screened at this stage. Pricing is done as per actual experience of the Group's portfolio. The premium charged takes into account the actual experience of the client and an MIS is maintained to track the adequacy of the premium charged.

a) **Frequency and severity of claims**

Group measures risk accumulation in terms of potentially high exposure concentration in a particular geographical area (such as micro insurance policy in northern areas).

b) **Sources of uncertainty in the estimation of future benefit payments and premium receipts**

Other than conducting a liability adequacy for Unexpired Risk Reserves (URR), there is no need to estimate morbidity for future years because of the short duration of the contracts.

c) **Process used to decide on assumptions**

An investigation into Group's experience is performed periodically, and statistical methods are used to adjust the rates to a best estimate of morbidity. Where data is sufficient to be statistically credible, the statistics generated by the data are assigned appropriate credibility factors to account for the group's experience.

d) **Changes in assumptions**

There has been no change in assumptions.

Reserve risks are controlled by constantly monitoring the provisions for insurance claims that have been submitted but not yet settled and by amending the provision, if deemed necessary. There are several variable factors that affect the amount and timing of recognized claim liabilities. However the management considers that uncertainty about the amount and timing of claim payments is generally resolved within a year. As the Group enters into short term insurance contracts, it does not assume any significant impact of changes in market conditions on unexpired risks. However, some results of sensitivity testing are set out below:

	Change in claims assumption	Impact on loss / profit before taxation (Rupees in '000)
2020		
Provision for current claims	+10%	12,951
	-10%	(12,951)
2019		
Provision for current claims	+10%	(7,736)
	-10%	7,736

52.7 Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business sustain future development of the business and maximize shareholders value. No changes were made in the objectives, policies or processes during the year ended June 30, 2020. The parent Group is committed to provide full support to the Group, as and when required.

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The Group manages its capital structure and makes adjustment to it in the light of changes in economic conditions. The Group monitors capital using a debt equity ratio, which is net debt divided by total capital plus net debt. Equity comprises of share capital and revenue reserves. The gearing ratio as at June 30, 2020 and 2019 are as follows:

		2020	2019
	Note	Rupees	
Long-term financing	29	3,326,157,989	3,399,270,071
Lease liabilities	30	86,783,033	73,078,067
Long-term loans	31	378,037,770	410,634,920
Accrued mark-up	34	438,546,881	238,534,790
Short-term financing	35	1,944,169,173	946,017,222
Running finance under mark-up arrangements	38	1,105,194,287	988,025,014
Due to related parties		976,883,204	1,173,751,929
Total debts		8,255,772,337	7,229,312,013
Less: Cash and bank balances	25	1,470,767,684	772,349,444
Net debt		6,785,004,653	6,456,962,569
Share capital	27	2,672,977,630	2,672,977,630
Reserves - total		(40,653,914)	846,669,638
Participants' Takaful Fund (PTF)		69,048,465	(117,588,716)
Total equity		2,701,372,181	3,402,058,552
Total capital		9,486,376,834	9,976,609,837
Gearing ratio		71.52%	64.72%

53 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	Chief Executive		Directors		Executives	
	2020	2019	2020	2019	2020	2019
	(note 51.1)					
	----- Rupees -----					
Basic salary	66,909,627	79,201,507	-	4,326,066	190,841,728	184,193,372
Bonus	-	-	-	-	550,000	550,000
House rent allowance	28,534,280	29,025,922	-	1,946,727	68,262,659	70,118,857
Utilities	4,397,549	6,029,634	-	-	13,682,503	23,479,699
Allowances	5,147,900	6,806,937	-	3,273,225	15,096,764	11,565,033
Retirement benefits	3,476,068	5,146,141	-	360,361	14,167,792	13,681,806
Others	-	-	-	3,700,000	14,822,441	14,959,296
	108,465,424	126,210,141	-	13,606,379	317,423,887	318,548,063
Number of person(s)	6	8	8	13	105	75

53.1 Included herein aggregate remuneration of Chief Executive of group companies amounting to Rs. 78.95 million (2019: Rs. 92.119 million).

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

53.3 During the year, the Group has paid Rs. 3.9 million (2019: Rs. 0.37 million) to the non-executive directors on account of board meeting fees.

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No remuneration is paid / payable to Chief Executive and Executives of the Company on and before June 30, 2017. In addition, no remuneration is paid / payable to the directors of the Company.

The Chief Executive, Directors and certain executives of the Company have also been provided with Company's owned and maintained cars and other benefits in accordance with their entitlements as per rules of the Company.

54 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of ultimate parent company, subsidiaries, associated companies, where directors hold common directorship, key management personnel and their close family members and staff retirement benefit funds. Transactions and balances with related parties other than those disclosed elsewhere in these consolidated financial statements are as follows:

	2020	2019
	Rupees	
TPL Holdings (Private) Limited – (Ultimate Parent Company)		
Amount received by the Holding Company and TPLT	571,531,663	869,000,000
Expenses incurred / paid by TPLT on behalf of TPLH	3,016,100	1,490,460
Mark-up on current account	239,576,883	85,549,889
Amount paid / repaid by the Holding Company and TPLT	1,204,684,262	198,745,794
Mark-up paid by TPLT to TPLH on account of accrued mark-up	-	16,555,806
Trakker Middle East LLC. - (Associated Company)		
Expenses incurred / paid on behalf of the Holding Company	24,876,874	18,800,878
Mark-up on current account	5,478,865	1,015,882
TPL Logistics (Private) Limited – (Common directorship)		
Amount paid by the Holding Company to TPL Logistics	733,266	152,500
Expenditure incurred by TPLT for TPL Logistics on behalf of the Holding Company	1,976,897	323,229
Settlement of amount receivable by the Holding Company from TPLT against the amount payable by TPL Logistics to TPLT under signed Memorandum of Arrangement	-	2,427,139
TPL Tech Pakistan (Private) Limited		
Expenses incurred / paid on behalf of the Holding Company	19,668,539	18,800,878
Mark-up on current account	5,397,198	1,015,882
Trakker Direct Finance Private) Limited - (Common directorship)		
Expenses incurred / paid by TPLT	47,970	12,000
Mark-up on current account	132,760	104,767
TRG Pakistan Limited - (Common directorship)		
Expenses incurred / paid by the Holding Company	-	780,580
Services rendered by TPLSS	1,011,560	-
Mark-up on current account	1,245,536	943,318
Virtual World (Private) Limited — (Common directorship)		
Services received during the year from TPLI	-	22,392,138
Outsourcing expense paid during the year to TPLI	-	14,497,845

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	2020	2019
	Rupees	
TPL E-venture (Private) Limited – (Common directorship)		
Expenditure incurred by TPLT for TPLE on behalf of the Holding Company	16,291,069	21,813,967
Expenditure incurred by TPLI for TPLE	-	217,358
Settlement of amount receivable by the Holding Company from TPLT against the amount payable by TPLE to TPLT under signed Memorandum of Arrangement	-	5,682,374
Markup on current account	5,840,345	609,737
Staff retirement benefit		
Employer contribution	39,279,731	63,339,728
Key management personnel		
Salaries and other benefits	88,258,464	171,702,399
Post employment benefits	3,854,889	4,296,226

54.1 All transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Holding Company. The related parties' status of outstanding receivables and payables as at June 30, 2019 and 2018 are disclosed in respective notes to these consolidated financial statements.

54.2 Certain employees of the group companies provides services to the Holding Company and accordingly, their cost are proportionately charged to the Holding Company on agreed terms. In addition, certain common expenses (other than salaries and other benefits) are also allocated within the group companies on agreed basis and terms.

	2020	2019
	Rupees	
55 CASH AND CASH EQUIVALENTS		
Cash and bank balances	25 1,470,767,684	965,791,935
Running finance under mark-up arrangements	38 (1,105,194,287)	(988,025,014)
	365,573,397	(22,233,079)

56 INFORMATION ABOUT OPERATING SEGMENTS

56.1 For management purposes, the activities of the Group are organised into business units based on their services. Accordingly, the Group has three reportable operating segments as follows:

- The 'Tracking and other digital services' segment relates to installation and sales of tracking devices, vehicle tracking and fleet management and services of monitoring, navigation and E-ticketing.
- The 'Insurance' segment includes activities relating to general and life insurance business.
- The 'Real estate and related services' includes premises given on rent and its related maintenance, electricity and air conditioning services provided to tenants.
- Other segments represents security services and road side assistance services of providing vehicle assistance in emergency.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on certain key performance indicators, including business volume, gross and operating profit and reduction in operating cost.

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		2020	2019
		Rupees	
56.2 Geographical information			
Following is the geographical breakup of Group's gross turnover:			
Pakistan	43	5,222,750,959	4,682,366,225

Non-current assets of the Group are confined within Pakistan and consist of property and equipment, intangible assets, investment property, long-term investments, loans, deposits and receivables. No customer of the Group constitutes more than 10% of the Group's total revenue relating to aforesaid segments.

	Tracking and other digital services	Insurance	Real estate and related services	Others	Total
2020	(Rupees)				
TURNOVER - NET	1,364,355,232	3,008,229,189	459,828,295	136,008,189	4,968,420,905
RESULT - (segment results)	(588,063,874)	(13,982,282)	12,665,544	(492,242,990)	(1,081,623,602)
Taxation					(138,636,366)
Loss for the year					(1,220,259,968)
OTHER INFORMATION					
Total capital expenditure	105,354,182	23,206,317	261,640,192	911,363	391,112,054
Total depreciation and amortisation	367,723,106	57,079,300	3,861,450	20,255,018	448,918,874
ASSETS AND LIABILITIES					
Total segment assets	5,523,008,451	3,768,308,584	10,212,900,567	331,824,217	19,836,041,819
Total segment liabilities	4,375,037,726	2,867,745,352	3,670,076,533	1,455,426,339	12,368,285,950
2019					
TURNOVER - NET	1,768,612,829	2,627,107,583	429,221,202	188,528,873	5,013,470,487
RESULT - (segment results)	(30,742,395)	(232,058,274)	628,195,599	(184,279,974)	181,114,956
Taxation					(98,730,149)
Profit for the year					82,384,807
OTHER INFORMATION					
Total capital expenditure	104,242,578	61,501,225	226,531,379	1,926,500	110,118,486
Total depreciation and amortisation	219,961,065	53,256,055	42,998,349	1,148,261	415,703,773
ASSETS AND LIABILITIES					
Total segment assets	5,190,227,649	3,482,307,177	9,366,197,584	684,551,028	23,131,142,341
Total segment liabilities	2,572,049,000	2,576,342,056	3,039,824,328	2,514,519,942	10,020,729,735

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Segment assets and liabilities

Segment assets include all operating assets by a segment and consist principally of property and equipment, stock-in-trade, trade debts and loans and advances net of impairment and provisions, if any. Segment liabilities include all operating liabilities and consist principally of trade and other payables.

57 SUBSEQUENT EVENTS

The Board of Directors of the Holding Company in their meeting held on 18 September 2020 have recommended cash dividend @ Nil percent amounting to Rs. Nil million on the existing paid-up value of the ordinary share capital for approval of the shareholders in the annual general meeting to be held on 28 October 2020.

58 DATE OF AUTHORISATION OF ISSUE

These consolidated financial statements were authorised for issue on 18 September 2020 by the Board of Directors of the Holding Company.

59 NUMBER OF EMPLOYEES

Number of employees as at June 30, 2020 was 2,000 (2019: 2,317) and average number of employees during the year was 1,931 (2019: 1,955).

60 GENERAL

59.1 Number of employees as at June 30, 2020 was 2,000 (2019: 2,317) and average number of employees during the year was 1,931 (2019: 1,955).

59.2 Corresponding figures have been rearranged, wherever necessary, however, there are no material reclassifications to report.

59.3 All figures have been rounded off to the nearest rupee, unless otherwise stated.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting ("AGM") of TPL Corp Limited ("Company") will be held on Wednesday, 28th October, 2020 at 12:15 p.m. to transact the following business:

(Members are requested to attend and participate in the AGM through video link facility as there will be no venue to prevent pandemic outbreak of COVID-19 (Corona Virus)).

ORDINARY BUSINESS:

1. To approve the minutes of the Annual General Meeting held on October 25th, 2019.

"RESOLVED THAT the minutes of Annual General Meeting of TPL Corp Limited held on October 25, 2019 at 12:15 pm 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' and Auditors' Report thereon for the year ended June 30, 2020.

"RESOLVED THAT the Annual Standalone and Consolidated Audited Financial Statements of TPL Corp Limited, together with the Directors' and Auditors' Report thereon for the year ended 30 June 2020 be and are hereby approved."
3. To appoint Auditors for the year ending June 30, 2021 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 Corp Limited on the basis of consent received from them, at a fee mutually agreed for the period ending June 30, 2021."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017 to authorize the Company to make further equity investment of Rs. 400 million in the subsidiary company, TPL Life Insurance Limited.

"RESOLVED THAT pursuant to Section 199 of the Companies Act 2017, the Company be and is hereby authorized to make further equity investment of Rs. 400 million in the subsidiary company i.e TPL Life Insurance Limited."
5. To consider and, if thought fit, pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017, to authorize the Company for renewal of advance up to Rs. 100 million to the holding company, TPL Holdings (Private) Limited.

"RESOLVED THAT pursuant to Section 199 of the Companies Act 2017, the Company be and is hereby authorized to renew advance up to Rs.100 million to the holding company i.e. TPL Holdings (Private) Limited."
6. To consider and, if thought fit, pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017, to authorize the Company for renewal of investment of enhanced amount up to Rs 250 million in the associated company, TPL Properties Limited.

"RESOLVED THAT pursuant to Section 199 of the Companies Act 2017, the Company be and is hereby authorized to renew investment of enhanced amount of PKR. 250 Million in TPL Properties Limited."
7. To consider and, if thought fit, pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017, to authorize the Company for renewal of advance and /or investment of Rs 100 million in the associated company, TPL E-Ventures (Private) Limited.

"RESOLVED THAT pursuant to Section 199 of the Companies Act 2017, the Company be and is hereby authorized for renewal of advance and /or investment of PKR. 100 Million in TPL E-Ventures (Private) Limited."

Notice of Annual General Meeting

8. To consider and, if thought fit, pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017, to authorize the Company for investment of Rs 100 million in the associated company, TPL Logistics (Private) Limited.

"RESOLVED THAT pursuant to Section 199 of the Companies Act 2017, the Company be and is hereby authorized to invest PKR. 100 Million in TPL Logistics (Private) Limited."

9. To consider and, if thought fit, amend the Articles of Association of the Company, to conform with the requirements of the applicable regulations/rules in respect of further issue of share capital, and pass the following resolution as a special resolution, with or without modification:

"RESOLVED THAT the Article of Association of the Company, be and is hereby amended, subject to any modifications as may be required by the Securities and Exchange Commission of Pakistan and the fulfilment of all formalities / procedures required under the applicable regulations/rules by adding the following new sub-article (1) in Article 24:

24.1 The Company may, by Special Resolution, reserve certain percentage of further issue for its employees under Employees Stock Option Scheme."

10. To consider and if thought fit, to pass with or without modification, special resolution for enhancement in the remuneration of non-executive directors from PKR 20,000/- per meeting (including sub-committee meetings) to PKR 100,000/- per meeting (including sub-committee meetings):

"RESOLVED THAT the enhancement in the remuneration of non-executive directors from PKR 20,000/- per meeting (including sub-committee meetings) to PKR 100,000/- per meeting (including sub-committee meetings) be and is hereby approved."

11. To consider and if thought fit to pass with or without modification(s), the following resolution as special resolution to create, offer, issue and allot shares under TPL Corp Limited Employee Stock Option Scheme 2020 (the ESOP Scheme) under Companies (Further Issue of Capital) Regulations, 2020.

"RESOLVED THAT pursuant to section 83 of the Companies Act, 2017 (the Act) read along with regulation 7 of the Companies (Further Issue of Capital) Regulations, 2020 and Memorandum and Articles of Association of the Company, approval of the members be and is hereby accorded to the Board of Directors of the Company, for setting aside of 10% of the shareholders Equity/Paid-Up Capital as Stock Options to be awarded to the Key Managerial Personnel and other key employees, from time to time, as a mechanism to attract, retain and motivate them to realize the stated business goals."

"RESOLVED FURTHER THAT pursuant to section 82 and 83 of the Companies Act, 2017 (the Act) read along with regulation 7 of the Companies (Further Issue of Capital) Regulations, 2020 and Memorandum and Articles of Association of the Company, approval of the members be and is hereby accorded to the Board of Directors of the Company, subject to any amendments that may be required by the Securities and Exchange Commission of Pakistan (the SECP), to issue, offer and allot to eligible employees of the Company, options exercisable into equity shares of the Company of nominal value of Rs.10 each up to 12,500,000 shares under TPL Corp Limited Employee Stock Option Scheme 2020 (the ESOP scheme), at discounted exercise price with retrospective effect from July 01, 2020."

"RESOLVED FURTHER THAT pursuant to sub sec (1)(b) of sec 83 of the Act read along with regulation 5 of the Companies (Further Issue of Capital) Regulations, 2020, the Company be and is hereby authorized to raise further capital and allot and issue up to 4.68% of the existing paid-up Capital, 12,500,000 further ordinary shares of PKR.10/- each, without issue of right shares, to its employees under the ESOP Scheme at the price mentioned in above resolution."

"RESOLVED FURTHER THAT pursuant to provision under regulation 7 of the Companies (Further Issue of Capital) Regulations, 2020, the grant of options equal to or exceeding one percent of the issued or paid up capital of the company at the time of grant of options, within one year, to any employee be and is hereby approved."

Notice of Annual General Meeting

"RESOLVED FURTHER THAT pursuant to provision under regulation 7 of the Companies (Further Issue of Capital) Regulations, 2020, the grant of options to any employee of subsidiary or holding Company, subject to the approval of the members at the General Meeting, be and is hereby approved."

RESOLVED FURTHER THAT the Board be and is hereby authorized to make modifications in the Scheme including in any ancillary documents thereto, as it may deem fit, from time to time in its absolute discretion in conformity with the provisions of the Act, the memorandum of association and articles of association of the Company and any other applicable laws."

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

Equity investment of PKR 400 Million in TPL Life Insurance Limited:

The Company is desirous of making equity investment in TPL Life Insurance Limited. The equity investment to a maximum amount of PKR. 400 Million has been approved by the Board of Directors of the Company in their meeting held on September 18, 2020.

The information required to be annexed to the Notice by Notification No. S. R. O. 1240(I)/2017 dated December 06, 2017 is set out below:

S. No.	Requirement	Information																																								
i.	Name of the associated company or associated undertaking	TPL Life Insurance Limited																																								
ii.	Basis of relationship	Subsidiary																																								
iii.	Earnings per share for the last three years of the Associated Company	(Loss) per shares for 2017, 2018 and 2019 are Rs. (2.58), Rs. (2.73) and Rs. (2.91) respectively.																																								
iv.	Break-up value per share, based on latest audited financial statements	Rs. 2.40 per share (considering Rs. 100 million advance against shares)																																								
v.	Financial position of the associated company	<div>The extracts of the audited/reviewed balance sheet and profit and loss account of the associated company as at and for the period ended June 30, 2020 is as follows:</div> <table><tr><th>Balance Sheet</th><th>Rupees</th></tr><tr><td>Non-current assets</td><td>23,705,499</td></tr><tr><td>Other assets</td><td>1,056,553,597</td></tr><tr><td>Total Assets</td><td>1,080,259,096</td></tr><tr><td></td><td></td></tr><tr><td>Total Liabilities</td><td>764,013,007</td></tr><tr><td></td><td></td></tr><tr><td>Represented by:</td><td></td></tr><tr><td>Paid up capital</td><td>1,200,000,000</td></tr><tr><td>Advance against right shares</td><td>125,000,000</td></tr><tr><td>Capital Reserve</td><td>-</td></tr><tr><td>Accumulated (loss)</td><td>(1,008,753,911)</td></tr><tr><td>Surplus on Revaluation of Fixed Assets</td><td>-</td></tr><tr><td>Equity</td><td>316,246,089</td></tr><tr><td></td><td></td></tr><tr><td>Profit and Loss</td><td></td></tr><tr><td>(Loss) before interest and taxation</td><td>(96,348,208)</td></tr><tr><td>Financial charges</td><td>(516,787)</td></tr><tr><td>(Loss) before taxation</td><td>(96,864,995)</td></tr><tr><td>Taxation</td><td>(301,319)</td></tr></table>	Balance Sheet	Rupees	Non-current assets	23,705,499	Other assets	1,056,553,597	Total Assets	1,080,259,096			Total Liabilities	764,013,007			Represented by:		Paid up capital	1,200,000,000	Advance against right shares	125,000,000	Capital Reserve	-	Accumulated (loss)	(1,008,753,911)	Surplus on Revaluation of Fixed Assets	-	Equity	316,246,089			Profit and Loss		(Loss) before interest and taxation	(96,348,208)	Financial charges	(516,787)	(Loss) before taxation	(96,864,995)	Taxation	(301,319)
Balance Sheet	Rupees																																									
Non-current assets	23,705,499																																									
Other assets	1,056,553,597																																									
Total Assets	1,080,259,096																																									
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Surplus on Revaluation of Fixed Assets	-																																									
Equity	316,246,089																																									
Profit and Loss																																										
(Loss) before interest and taxation	(96,348,208)																																									
Financial charges	(516,787)																																									
(Loss) before taxation	(96,864,995)																																									
Taxation	(301,319)																																									

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

		(Loss) after taxation	(97,166,314)
vi	In case of investment in a project of an associated company / undertaking that has not commenced operations, in addition to the information referred to above, the following further information is also required: a) a description of the project and its history since conceptualization; b) starting date and expected date of completion; c) time by which such project shall become commercially operational; d) expected return on total capital employed in the project; and e) funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts;	Not applicable	
vii.	Maximum amount of investment to be made	PKR 400,000,000	
viii.	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	Subsidiary will be in compliance with the minimum solvency requirement as per the Insurance rules, 2017	
ix.	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,- (I) justification for investment through borrowings; (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis;	Own Source.	
x.	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	None	
xi.	Direct or indirect interest, of directors, sponsors, majority shareholders and their relatives, if any, in the associated company/undertaking or the transaction under consideration	None	
xii.	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	None	
xiii.	Any other important details necessary for the members to understand the transaction;	None	
xiv.	maximum price at which securities will be	At par value	

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

	acquired;	
xv.	In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	None
xvi.	maximum number of securities to be acquired	40 million shares
xvii.	number of securities and percentage thereof held before and after the proposed investment	<p>Before the proposed investment No. of shares: 113,000,000 85.28%(based on June FS and considering Rs. 125 million advance against shares)</p> <p>After the proposed investment No. of shares: 151,000,000 Percentage: 88.56%</p>
xviii.	Current and preceding twelve wee weighted average market price where investment is proposed to be made in listed securities;	Not applicable
xix.	Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	Not applicable

Renewal of advance of Rs. 100 Million to TPL Holdings (Private) Limited:

TPL Corp Limited (the "Company") is desirous to renew its advance made to TPL Holdings (Private) Limited. The advance amount was initially approved by the Board of Directors and its renewal approved by the members subsequently to a maximum amount of Rs. 100 million on 10th October 2017, 17th October, 2018 and 25th October, 2019. The outstanding balance due to TPL Holdings (Private) Limited as at 30th June 2020 amounts to Rs. 976.9 million. The renewal of advance has been approved by the Board of Directors of the Company in their meeting held on September 18, 2020.

The information required to be annexed to the Notice by Notification No. S. R. O. 1240(I)/2017 dated December 06, 2017 is set out below:

S. No.	Requirement	Information				
i.	Name of the associated company or associated undertaking	TPL Holdings (Private) Limited				
ii.	Basis of relationship	Holding				
iii.	Earnings per share for the last three years of the Associated Company	2020: (41.40) 2019: (25.55) and 2018: (2.26)				
iv.	Break-up value per share, based on latest audited financial statements	PKR 271.02 per share				
v.	Financial position of the associated company	<div>The extracts of the reviewed balance sheet and profit and loss account of the associated company as at and for the period ended June 30, 2020 is as follows:</div> <table><tr><th>Balance Sheet</th><th>Rupees</th></tr><tr><td>Non-current assets</td><td>1,782,821,983</td></tr></table>	Balance Sheet	Rupees	Non-current assets	1,782,821,983
Balance Sheet	Rupees					
Non-current assets	1,782,821,983					

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

		<table><tr><td>Other assets</td><td>1,449,119,299</td></tr><tr><td>Total Assets</td><td>3,231,941,281</td></tr><tr><td></td><td></td></tr><tr><td>Total Liabilities</td><td>2,209,019,950</td></tr><tr><td></td><td></td></tr><tr><td>Represented by:</td><td></td></tr><tr><td>Paid up capital</td><td>37,744,000</td></tr><tr><td>Accumulated (loss)</td><td>985,177,332</td></tr><tr><td>Surplus on Revaluation of Fixed Assets</td><td></td></tr><tr><td>Equity</td><td>1,022,921,332</td></tr><tr><td></td><td></td></tr><tr><td>Profit and Loss</td><td></td></tr><tr><td>Profit before interest and taxation</td><td>173,366,935</td></tr><tr><td>Financial charges</td><td>(329,623,726)</td></tr><tr><td>Profit/(Loss) before taxation</td><td>(156,256,792)</td></tr><tr><td>Taxation</td><td>-</td></tr><tr><td>Profit/(Loss) after taxation</td><td>(156,256,792)</td></tr></table>	Other assets	1,449,119,299	Total Assets	3,231,941,281			Total Liabilities	2,209,019,950			Represented by:		Paid up capital	37,744,000	Accumulated (loss)	985,177,332	Surplus on Revaluation of Fixed Assets		Equity	1,022,921,332			Profit and Loss		Profit before interest and taxation	173,366,935	Financial charges	(329,623,726)	Profit/(Loss) before taxation	(156,256,792)	Taxation	-	Profit/(Loss) after taxation	(156,256,792)
Other assets	1,449,119,299																																			
Total Assets	3,231,941,281																																			
Total Liabilities	2,209,019,950																																			
Represented by:																																				
Paid up capital	37,744,000																																			
Accumulated (loss)	985,177,332																																			
Surplus on Revaluation of Fixed Assets																																				
Equity	1,022,921,332																																			
Profit and Loss																																				
Profit before interest and taxation	173,366,935																																			
Financial charges	(329,623,726)																																			
Profit/(Loss) before taxation	(156,256,792)																																			
Taxation	-																																			
Profit/(Loss) after taxation	(156,256,792)																																			
vi	In case of investment in a project of an associated company / undertaking that has not commenced operations, in addition to the information referred to above, the following further information is also required: a) a description of the project and its history since conceptualization; b) starting date and expected date of completion; c) time by which such project shall become commercially operational; d) expected return on total capital employed in the project; and e) funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts;	Not applicable																																		
vii.	Maximum amount of investment to be made	PKR 100,000,000																																		
viii.	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	To make investment																																		
ix.	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,- (III)justification for investment through borrowings;	Own Source.																																		

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

	(IV) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis;	
x.	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	Not applicable
xi.	Direct or indirect interest, of directors, sponsors, majority shareholders and their relatives, if any, in the associated company/undertaking or the transaction under consideration	Mr. Ali Jameel, Mr. Jameel Yusuf, and Mr. Bilal Alibhai are the directors of the Company, and TPL Holdings (Pvt.) Limited.
xii.	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	None
xiii.	Any other important details necessary for the members to understand the transaction;	Not applicable
xiv.	Category-wise amount of investment;	Loan repayable on demand
xv.	Average borrowing cost of the investing company or in case of absence of borrowing the KIBOR (Karachi Inter Bank Offered Rate) for the relevant period	The average estimated borrowing cost of the Company is KIBOR + 3%.
xvi.	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	Markup to be charged equivalent to the borrowing cost
xvii.	Particulars of collateral or security to be obtained in relation to the proposed investment;	Letter of comfort
xviii.	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and	None
xix.	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	None
xx..	Sources of funds from where loans or advances will be given	Own source
xxi.	Where loans or advances are being granted using borrowed funds: a) justification for granting loan or advance out of borrowed funds;	Not applicable

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

	b) detail of guarantees / assets pledged for obtaining such funds, if any; and c) repayment schedules of borrowing of the investing company	
xxii.	Particulars of collateral or security to be obtained in relation to the proposed investment;	The loan is unsecured.
xxiii.	If the loans or advances carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable;	Not applicable.
xxvi.	Repayment schedule and terms of loans or advances to be given to the investee company	Repayable on demand.

Renewal of equity investment of enhanced amount up to Rs. 250 Million in TPL Properties Limited:

The Company is desirous to make equity investment in TPL Properties Limited. The equity investment to a maximum amount of Rs.100 million was initially approved by the Board of Directors of the Company in their meeting held on August 17, 2018 and was subsequently approved by the Members on October 17, 2018 and 25th October, 2019.

The renewal of investment of enhanced amount of Rs. 250 million has been approved by the Board of Directors of the Company in their meeting held on September 18, 2020 and the information required to be annexed to the Notice by Notification No. S. R. O. 1240(I)/2017 dated December 06, 2017 is set out below:

S. No.	Requirement	Information																				
i.	Name of the associated company or associated undertaking	TPL Properties Limited																				
ii.	Basis of relationship	Associated																				
iii.	Earnings per share for the last three years of the Associated Company	2020: 0.85, 2019: 2.23, 2018: 3.77																				
iv.	Break-up value per share, based on latest audited financial statements	PKR 19.67 per share																				
v.	Financial position of the associated company	<div>The extracts of the audited/reviewed balance sheet and profit and loss account of the associated company as at and for the period ended June 30, 2020 is as follows:</div> <table><tr><th>Balance Sheet</th><th>Rupees</th></tr><tr><td>Non-current assets</td><td>1,967,915,491</td></tr><tr><td>Other assets</td><td>8,129,642,030</td></tr><tr><td>Total Assets</td><td>10,097,557,521</td></tr><tr><td></td><td></td></tr><tr><td>Total Liabilities</td><td>3,659,289,149</td></tr><tr><td></td><td></td></tr><tr><td>Represented by:</td><td></td></tr><tr><td>Paid up capital</td><td>3,273,931,063</td></tr><tr><td>Advance against right shares</td><td></td></tr></table>	Balance Sheet	Rupees	Non-current assets	1,967,915,491	Other assets	8,129,642,030	Total Assets	10,097,557,521			Total Liabilities	3,659,289,149			Represented by:		Paid up capital	3,273,931,063	Advance against right shares	
Balance Sheet	Rupees																					
Non-current assets	1,967,915,491																					
Other assets	8,129,642,030																					
Total Assets	10,097,557,521																					
Total Liabilities	3,659,289,149																					
Represented by:																						
Paid up capital	3,273,931,063																					
Advance against right shares																						

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

		Capital Reserve	(404,845,756)
		Accumulated (loss)	3,569,183,065
		Surplus on Revaluation of Fixed Assets	-
		Equity	6,438,268,372
		Profit and Loss	
		Profit/(Loss) before interest and taxation	696,594,969
		Financial charges	(419,071,628)
		Profit/(Loss) before taxation	277,523,341
		Taxation	(543,270)
		Profit/(Loss) after taxation	276,980,071
vi.	In case of investment in a project of an associated company / undertaking that has not commenced operations, in addition to the information referred to above, the following further information is also required: a) a description of the project and its history since conceptualization; b) starting date and expected date of completion; c) time by which such project shall become commercially operational; d) expected return on total capital employed in the project; and e) funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts;	Not applicable	
vii.	Maximum amount of investment to be made	PKR 250,000,000	
viii.	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	To make investment in associated company	
ix.	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,- (I) justification for investment through borrowings; (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis;	Own Source.	
x.	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	None	

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

xi.	Direct or indirect interest, of directors, sponsors, majority shareholders and their relatives, if any, in the associated company/undertaking or the transaction under consideration	None
xii.	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	None
xiii.	Any other important details necessary for the members to understand the transaction;	Investment will be made through right issue, whenever announced by the company.
xiv.	Maximum price at which securities will be acquired;	At par value
xv.	In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	None
xvi.	Maximum number of securities to be acquired	25 million shares
xvii.	Number of securities and percentage thereof held before and after the proposed investment	Before the proposed investment No. of shares: 96,961,788 Percentage: 29.62% After the proposed investment Proportionate to the right issue.
xviii.	weighted average market price where investment is proposed to be made in listed securities;	Current PKR 5.20 , preceding 12 weeks Avg. PKR 4.85 per share.
xix.	Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	Not applicable

Renewal of advance and / or invest Rs. 100 million to an associated company TPL E-Ventures (Private) Limited.

TPL Corp Limited (the "Company") is desirous to renew its a advance made to TPL E-Ventures (Private) Limited. The advance amount was initially approved by the Board of Directors and its renewal approved by the members to a maximum amount of Rs. 200 million on 10th October 2017 and 17th October, 2018 and subsequently to an amount of Rs. 100 million on 25th October, 2019. The outstanding balance due to TPL E-Ventures (Private) Limited as at 30th June 2019 amounts to Rs. 27.66 million. The renewal of advance has been approved by the Board of Directors of the Company in their meeting held on September 18, 2020.

The information required to be annexed to the Notice by Notification No. S. R. O. 1240(I)/2017 dated December 06, 2017 is set out below:

S. No.	Requirement	Information
i.	Name of the associated company or associated undertaking	TPL E-Ventures (Private) Limited
ii.	Basis of relationship	Subsidiary

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

iii.	Earnings per share for the last three years of the Associated Company	Not applicable																																							
iv.	Break-up value per share, based on latest audited financial statements	Not applicable																																							
v.	Financial position of the associated company	<div>The extracts of the reviewed balance sheet and profit and loss account of the associated company as at and for the period ended June 30, 2019 is as follows:</div> <table><tr><th>Balance Sheet</th><th>Rupees</th></tr><tr><td>Non-current assets</td><td>N.A</td></tr><tr><td>Other assets</td><td>N.A</td></tr><tr><td>Total Assets</td><td>N.A</td></tr><tr><td></td><td></td></tr><tr><td>Total Liabilities</td><td>N.A</td></tr><tr><td></td><td></td></tr><tr><td>Represented by:</td><td></td></tr><tr><td>Paid up capital</td><td>N.A</td></tr><tr><td>Accumulated (loss)</td><td>N.A</td></tr><tr><td>Surplus on Revaluation of Fixed Assets</td><td>N.A</td></tr><tr><td>Equity</td><td>N.A</td></tr><tr><td></td><td></td></tr><tr><td>Profit and Loss</td><td></td></tr><tr><td>Profit before interest and taxation</td><td>N.A</td></tr><tr><td>Financial charges</td><td>N.A</td></tr><tr><td>(Loss) before taxation</td><td>N.A</td></tr><tr><td>Taxation</td><td>N.A</td></tr><tr><td>Profit/(Loss) after taxation</td><td>N.A</td></tr></table>		Balance Sheet	Rupees	Non-current assets	N.A	Other assets	N.A	Total Assets	N.A			Total Liabilities	N.A			Represented by:		Paid up capital	N.A	Accumulated (loss)	N.A	Surplus on Revaluation of Fixed Assets	N.A	Equity	N.A			Profit and Loss		Profit before interest and taxation	N.A	Financial charges	N.A	(Loss) before taxation	N.A	Taxation	N.A	Profit/(Loss) after taxation	N.A
Balance Sheet	Rupees																																								
Non-current assets	N.A																																								
Other assets	N.A																																								
Total Assets	N.A																																								
Total Liabilities	N.A																																								
Represented by:																																									
Paid up capital	N.A																																								
Accumulated (loss)	N.A																																								
Surplus on Revaluation of Fixed Assets	N.A																																								
Equity	N.A																																								
Profit and Loss																																									
Profit before interest and taxation	N.A																																								
Financial charges	N.A																																								
(Loss) before taxation	N.A																																								
Taxation	N.A																																								
Profit/(Loss) after taxation	N.A																																								
vi	<div>In case of investment in a project of an associated company / undertaking that has not commenced operations, in addition to the information referred to above, the following further information is also required:</div> <div>a) a description of the project and its history since conceptualization;</div> <div>b) starting date and expected date of completion;</div> <div>c) time by which such project shall become commercially operational;</div> <div>d) expected return on total capital employed in the project; and</div> <div>e) funds invested or to be invested by the promoters distinguishing between cash and non-cash</div>	Not applicable																																							

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

	amounts;	
vii.	Maximum amount of investment to be made	PKR 100,000,000
viii.	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	To make investment in subsidiaries
ix.	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,- (I) justification for investment through borrowings; (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis;	Own Fund
x.	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	None
xi.	Direct or indirect interest, of directors, sponsors, majority shareholders and their relatives, if any, in the associated company/undertaking or the transaction under consideration	-
xii.	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	Not applicable
xiii.	Any other important details necessary for the members to understand the transaction;	None
xiv.	Category-wise amount of investment;	-
xv.	Average borrowing cost of the investing company or in case of absence of borrowing the KIBOR (Karachi Inter Bank Offered Rate) for the relevant period	3 months KIBOR + 3%.per annum
xvi.	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	None
xvii.	Particulars of collateral or security to be obtained in relation to the proposed investment;	Letter of comfort
xviii.	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and	None

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

xix.	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	None
xx.	Sources of funds from where loans or advances will be given	Own Investment
xxi.	Where loans or advances are being granted using borrowed funds: a) justification for granting loan or advance out of borrowed funds; b) detail of guarantees / assets pledged for obtaining such funds, if any; and c) repayment schedules of borrowing of the investing company	Not applicable
xxii.	Particulars of collateral or security to be obtained in relation to the proposed investment;	The loan is unsecured.
xxiii.	If the loans or advances carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable;	Not applicable.
xxvi.	Repayment schedule and terms of loans or advances to be given to the investee company	Repayable on demand.

Equity investment of PKR 100 Million in TPL Logistics (Pvt.) Limited:

The Company is desirous of making equity investment in TPL Logistics (Pvt.) Limited. The equity investment to a maximum amount of PKR. 100 Million has been approved by the Board of Directors of the Company in their meeting held on September 18, 2020.

The information required to be annexed to the Notice by Notification No. S. R. O. 1240(I)/2017 dated December 06, 2017 is set out below:

S. No.	Requirement	Information				
i.	Name of the associated company or associated undertaking	TPL Logistics (Pvt.) Limited				
ii.	Basis of relationship	Associated				
iii.	Earnings per share for the last three years of the Associated Company	2020: (9.67) 2019: (436.27) 2018: (115.61)				
iv.	Break-up value per share, based on latest audited financial statements	-				
v.	Financial position of the associated company	<div>The extracts of the audited/reviewed balance sheet and profit and loss account of the associated company as at and for the period ended June 30, 2020 is as follows:</div> <table><tr><th>Balance Sheet</th><th>Rupees</th></tr><tr><td>Non-current assets</td><td>4,766,354</td></tr></table>	Balance Sheet	Rupees	Non-current assets	4,766,354
Balance Sheet	Rupees					
Non-current assets	4,766,354					

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

		Other assets	65,781,417
		Total Assets	70,547,771
		Total Liabilities	32,940,056
		Represented by:	
		Paid up capital	68,665,850
		Advance against right shares	
		Capital Reserve	-
		Accumulated (loss)	(31,058,135)
		Surplus on Revaluation of Fixed Assets	-
		Equity	37,607,715
			-
		Profit and Loss	
		Profit/(Loss) before interest and taxation	(38,214,689)
		Financial charges	(31,572)
		Profit/(Loss) before taxation	(36,378,955)
		Taxation	10,890,629
		Profit/ (Loss) after taxation	(25,488,326)
vi	In case of investment in a project of an associated company / undertaking that has not commenced operations, in addition to the information referred to above, the following further information is also required: a) a description of the project and its history since conceptualization; b) starting date and expected date of completion; c) time by which such project shall become commercially operational; d) expected return on total capital employed in the project; and e) funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts;	Not applicable	
vii.	Maximum amount of investment to be made	PKR 100,000,000	
viii.	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	To make investment in associated company over a period of two years.	

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

ix.	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,- (I) justification for investment through borrowings; (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis;	Through working capital.
x.	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	To provide working capital support for execution of contracts.
xi.	Direct or indirect interest, of directors, sponsors, majority shareholders and their relatives, if any, in the associated company/undertaking or the transaction under consideration	None
xii.	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	None
xiii.	Any other important details necessary for the members to understand the transaction;	Investment will be made through right issue, whenever announced by the company.
xiv.	maximum price at which securities will be acquired;	At face value
xv.	In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	Not Applicable
xvi.	maximum number of securities to be acquired	10,000,000 Shares
xvii.	number of securities and percentage thereof held before and after the proposed investment	Before the proposed investment No. of shares: 474,216 Percentage: 7%
xviii.	Current and preceding twelve wee weighted average market price where investment is proposed to be made in listed securities;	Not applicable
xix.	Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	Not applicable

To amend the Articles of Association of the Company in respect of requirements of the applicable Regulations/Rules pertaining to further issue of share capital

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

The Company is desirable, to amend its Articles of Association to meet the requirements of the applicable regulations/rules in respect of further issue of share capital by inserting the given sub-article (1) to Article 24 as recommended for the approval of shareholders by the Board of Directors of the Company in its meeting held on September 18, 2020:

Existing Article 24 of the Articles of Association of the Company	Proposed Article 24 of the Articles of Association of the Company
<p>24. POWER TO INCREASE CAPITAL</p> <p>The Company may, from time to time, increase its share capital in accordance with the provisions of the Ordinance.</p>	<p>24. POWER TO INCREASE CAPITAL</p> <p>The Company may, from time to time, increase its share capital in accordance with the provisions of the Ordinance.</p> <p>24.1 The Company may, by Special Resolution, reserve certain percentage of further issue for its employees under Employees Stock Option Scheme.</p>

To enhance remuneration of non-executive directors from PKR 20,000/- per meeting (including sub-committee meetings) to PKR 100,000/- per meeting (including sub-committee meetings):

The Board of Directors of the Company in its meeting held on September 18, 2020 has approved to enhance the Directors' remuneration for attending Board and Committees' meeting as follows:

From PKR 20,000/- per meeting (including sub-committee meetings) to PKR 100,000/- per meeting (including sub-committee meetings)

To create, offer, issue and allot shares under TPL Corp Limited Employee Stock Option Scheme 2020 (the Scheme) under Companies (Further Issue of Capital) Regulations, 2020.

With an objective to attract, retain and motivate the best talent, the Board of Directors (the Board) of the Company has proposed to reserve certain percentage of further issue, not exceeding 10% of the shareholders Equity/Paid-Up Capital of the Company, for its employees under Employee Stock Option Scheme. The Board also proposed to issue, offer, and allot options exercisable into equity shares of the Company of nominal value of Rs.10 each up to 12,500,000 shares under TPL Corp Limited Employee Stock Option Scheme 2020 (the ESOP scheme), to the employees, duly determined by the Board and its Human Resource & Remuneration/Compensation Committee for the vesting period of 2 years at discounted exercise price within exercise period of 1 year.

ANY OTHER BUSINESS

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

By Order of the Board

Danish Qazi
Company Secretary

Karachi, October 07, 2020

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

Notes

1. Coronavirus Contingency Planning

In view of the pandemic outbreak of COVID-19 (Corona Virus) and directives of the Securities and Exchange Commission of Pakistan (SECP) vide Circular No. 05 of 2020 dated March 17, 2020, and extension of the applicability thereof vide Circular No. 25 of 2020 dated August 31, 2020, requiring listed companies to modify their usual planning for annual general meetings to protect the wellbeing of shareholders, the Company requests its members to attend and participate in the AGM 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.

2. Closure of Share Transfer Books:

The Share Transfer Book of the Company will remain closed from October 22, 2020 to October 28, 2020 (both days inclusive). Share Transfers received at M/s THK Associates (Pvt.) Ltd, 1st Floor, 40-C, Block-6, P.E.C.H.S, KARACHI-75400 by the close of business hours (5:00 PM) on October 21, 2020, 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 annual general meeting with minimum members ensuring quorum of the meeting, the members are requested to consolidate their attendance and voting at the 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, 1st Floor, 40-C, Block-6, P.E.C.H.S, KARACHI-75400, not less than 48 hours before the Meeting.

4. For Attending the Meeting:s

- 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, 1st Floor, 40-C, Block-6, P.E.C.H.S, Karachi-75400.

6. Accounts of the Company for the year ended June 30, 2020 have been placed on the website of the Company, <http://tplcorp.com/>.

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Proxy Form

Annual General Meeting of TPL Corp Limited

I/We _____ S/o / D/o / W/o _____
resident of (full address) _____ being
a member(s) of TPL Corp 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 Wednesday, 28th October, 2020 and/or adjournment thereof.

As witness my / our hand (s) seal this on the _____ day of _____ 2020.

In presence of:

1. Signature: _____
Name: _____
Address: _____
CNIC or Passport No: _____
2. Signature: _____
Name: _____
Address: _____
CNIC or Passport No: _____

Signed by the said:

Folio No. / CDC Account 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

میں/ہم _____ جس کا/جن کا مکمل پتہ _____

_____ ہے، ٹی بی ایل کارپوریٹڈ کا ممبر ہوں/ہیں۔

اور میرے/ہمارے پاس _____ نمبر کے آرڈری شیٹرز ہیں

_____ جن کارڈز فلیو نمبر _____

_____ اور ذیلی اکاؤنٹ نمبر _____ 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 بدھ ۲۸ اکتوبر، ۲۰۲۰ 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 _____ ۲۰۲۰

دستخط کنندہ

فلیو نمبر / سی ڈی سی اکاؤنٹ نمبر

برائے مہربانی یہاں ریونیوسٹمپ
چسپال کریں

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

1- دستخط: _____

نام: _____

پتہ: _____

شناختی کارڈ یا پاسپورٹ نمبر _____

2- دستخط: _____

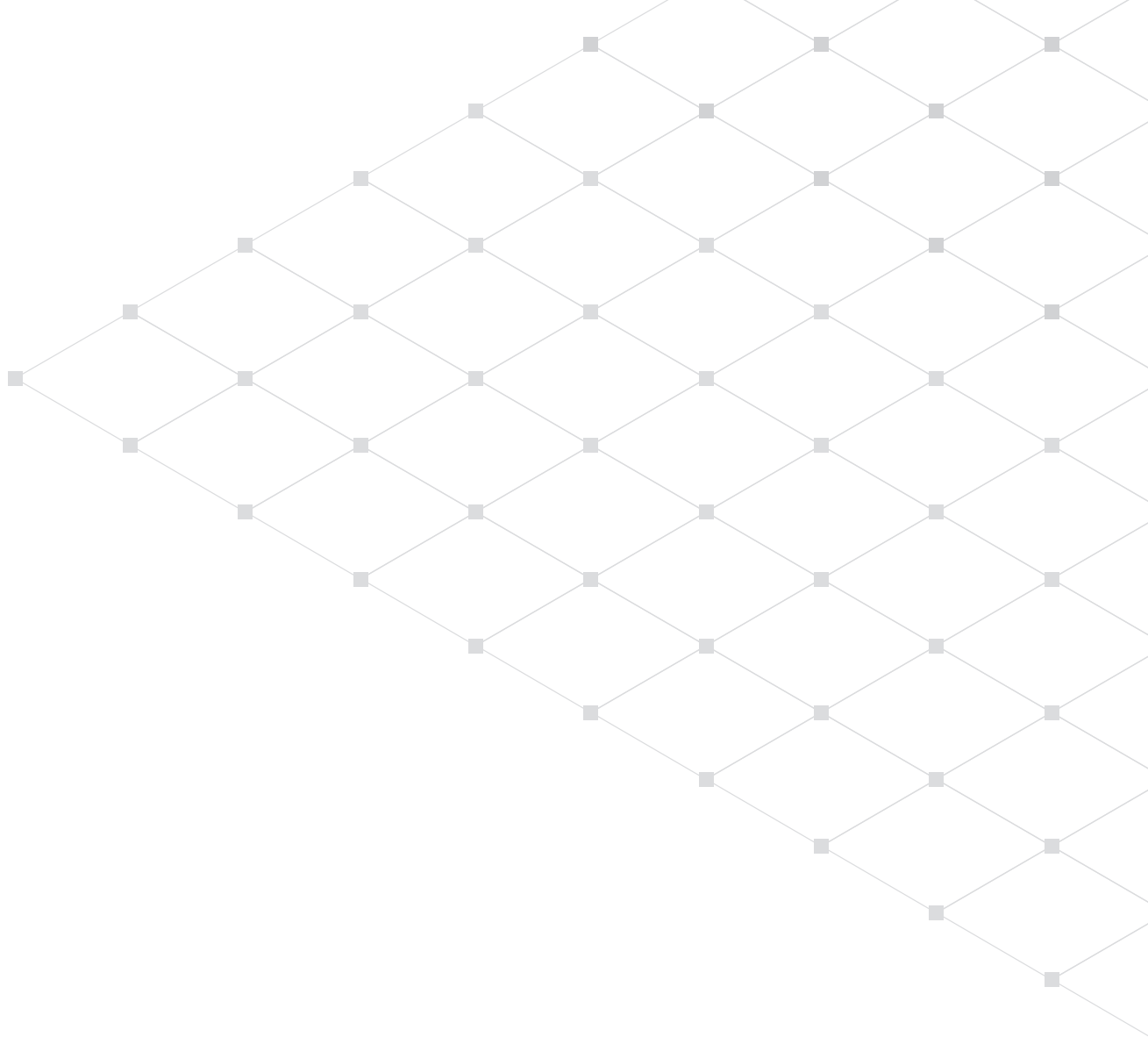
نام: _____

پتہ: _____

شناختی کارڈ یا پاسپورٹ نمبر _____

ہدایات:

- ۱۔ نیابت (پراسی) صرف اسی صورت میں موثر سمجھی جائے گی جب یہ کمپنی کو مینٹنگ سے کم از کم 48 گھنٹے پہلے موصول ہو۔
- ۲۔ سی ڈی سی شیئر ہولڈرز اور ان کے نیابت کاروں کے لئے لازم ہے کہ وہ اس نیابت (پراسی) کو کمپنی میں جمع کروانے سے پہلے اپنے کمپیوٹر انز شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ فوٹو کاپی کو اس فارم کے ساتھ منسلک کر دیں۔
- ۳۔ نیابت کار کو مینٹنگ کے وقت اپنا اصل شناختی کارڈ یا اپنا اصل پاسپورٹ دکھانا ہوگا۔
- ۴۔ کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ دستخطوں کے نمونے کے ساتھ نیابت (پراسی) فارم کے ساتھ کمپنی میں جمع کروانے ہونگے (سوائے اس کے کہ وہ پہلے ہی فراہم کئے جاسکے ہوں)۔
- ۷۔ ان شرائط و ضوابط کی تشریح اور تفصیل کے لئے یا مبالغے کی صورت میں انگریزی میں لکھی ہوئی شرائط و ضوابط کو حتمی حیثیت حاصل ہوگی۔



Corporate Office

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☎ +92-21-34390300

✉ info@tplcorp.com

🌐 www.tplcorp.com

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