



Annual Report

2020-21

This year's theme for the Annual Report is inspired by how each of our corporate entities acts as the building blocks for TPL Corp, strengthening it with their performance, management and dedicated employees. There are many cogs in motion that have brought us to where we are, therefore it's fitting to dedicate this report to them.

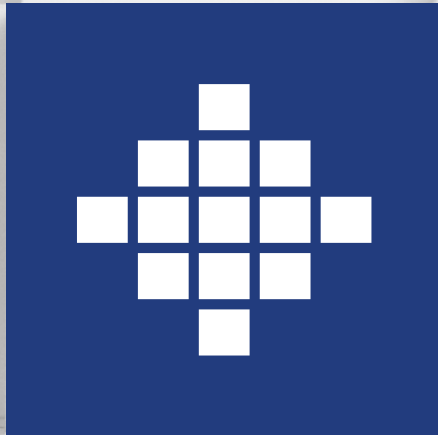
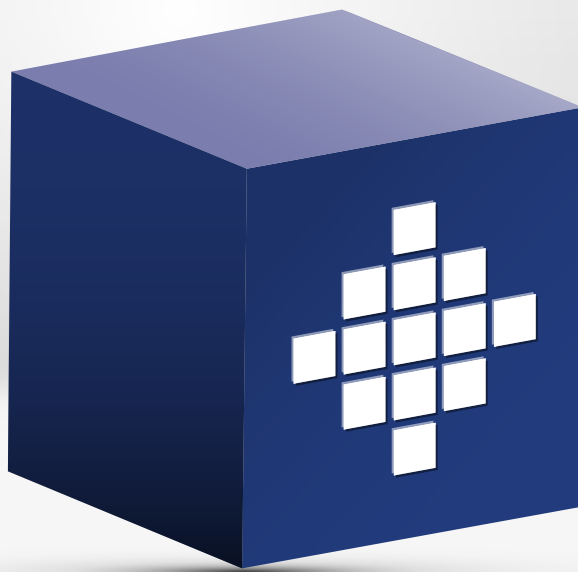


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TPL Corp is a technology-driven conglomerate with investments across Life and General Insurance, Real Estate, Security, Asset Tracking, Navigation and Mapping and several technology startups. Our purpose at TPL Corp is to make life better for millions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



TPL Insurance

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



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



TPL Properties

TPL Properties develops and invests in bespoke commercial and luxury residential spaces. We capitalize on growth opportunities, using our expertise to deliver value for our partners, customers and shareholders. 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.



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



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



TPL Security Services

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



TPL e-Ventures

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

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

Rising Blue

Mural Painter: **Mr. Giuseppe Percivati**

Pseudonym: **Pepe Gaka**

Location: **Centrepont, Karachi – Pakistan**

Sustainability is present in various aspects of our corporate life. To ensure that we do our part in taking care of the environment, we showcase a 286 feet tall mural on our flagship building at Centrepont depicting Karachi's coastline.

The mural is sponsored by a partnership between the Italian Government and Berger Paints. It is painted by an Italian street artist, Pepe Gaka. He specializes in creating mural art that depicts the relationship between humans and nature.

Through this mural, we aim to encourage mangroves restoration across Karachi's coastline. Mangroves can solve a number of global issues - from minimising natural disasters to providing livelihood opportunities to coastal communities.

We desire balanced economic development and thus ensure to take care of the environment and defend social wellbeing in many fields. We employ art as a vehicle and medium of expression to showcase our commitment towards sustainable development.



Company Information

Board of Director

Mr. Jameel Yusuf S.St.	Chairman/Non-Executive Director
Mr. Ali Jameel	Executive Director/CEO
Ms. Sabiha Sultan Ahmed	Executive Director
Vice Admiral (R) Mohammad Shafi	Non-Executive Director
Major General (R) Syed Zafar-ul-Hasan Naqvi	Non-Executive Director
Mr. Bilal Alibhai	Non-Executive Director
Mr. Mark Dean Rousseau	Independent Director
Vice Admiral (R) Nadeem Arshad Elahi	Independent Director

Chief Executive Officer

Mr. Ali Jameel

Chief Financial Officer

Mr. Adnan Quaid Johor Khandwala

Company Secretary

Mr. Danish Qazi

Audit Committee

Vice Admiral (R) Nadeem Arshad Elahi	Chairman
Maj Gen (R) Zafar-ul-Hasan Naqvi	Member
Mr. Mark Dean Rousseau	Member
Mr. Muhammad Asif	Secretary

Human Resource & Remuneration Committee

Vice Admiral (R) Nadeem Arshad Elahi	Chairman
Major Gen (R) Zafar-ul-Hasan Naqvi	Member
Mr. Ali Jameel	Member
Mr. Nader Nawaz	Secretary

Auditors

EY Ford Rhodes Chartered Accountants

Legal Advisor

Mohsin Tayebali & Co

Bankers

Habib Metropolitan Bank Limited	Bank Islami Pakistan Limited
National Bank of Pakistan Limited	Al Baraka Bank Pakistan Limited
Summit Bank Limited	The Bank of Punjab
Bank Al Habib Limited	Bank Alfalah Limited
Habib Bank Limited	Soneri Bank Limited
JS Bank Limited	Askari Bank Limited
Silkbank Limited	

Share Registrar

THK Associates Plot No. 32C, 2nd Jami Commercial Street, Phase VII, D.H.A. Karachi 75500
Tel: 009221 35310191-6 Fax: 009221 35310190 Email: sfc@thk.com.pk.

Registered Office*

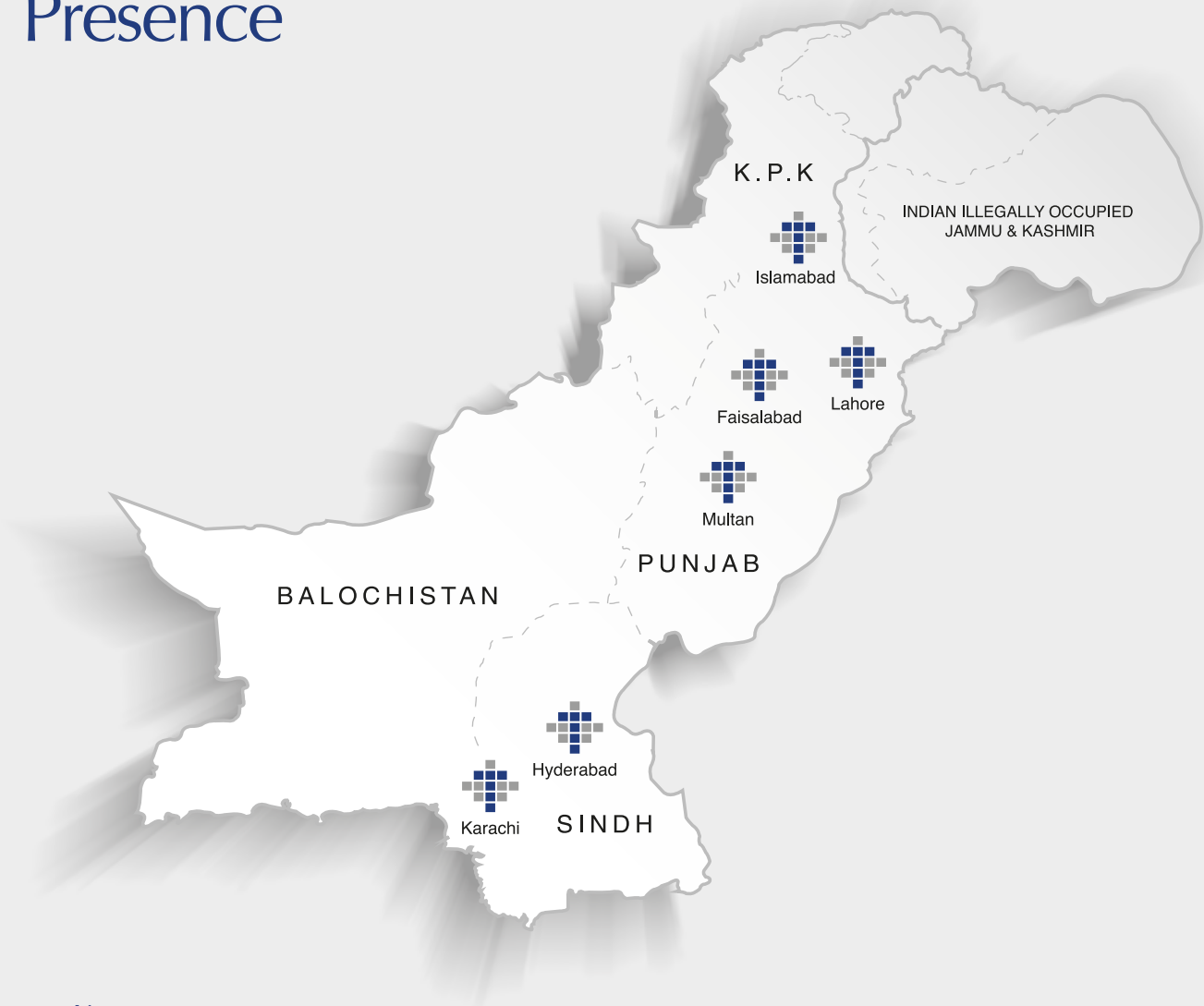
12th Floor, Centrepont, Off-Shaheed-e-Millat Expressway, Adjacent KPT Interchange, Karachi-74900

Web Presence

www.tplcorp.com

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

Geographical Presence



Karachi

Corporate Office*: 12th Floor, Centrepoint, Off Shaheed-e-Millat Expressway, Adjacent to KPT Interchange Flyover, Karachi - 74900
Phone: +92-21-34390300-5 Fax: +92-21-35316032

Korangi Office: Plot No. 1, Sector #24, Near Shan Chowranghi, Korangi Industrial Area, Karachi – 74900
Phone: +92-21-34390300-5

Shahrah-e-Faisal Office: 19-B, S.M.C.H.S, near Roomi Masjid, Shahrah-e-Faisal, Karachi. Phone: +92-21-34390300-5

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

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

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

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

Peshawar: C-7 & C-8, 3rd Floor, Jasmine Arcade, Fakhr-e-Alam Road, Peshawar Cantonment, Peshawar.

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

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



Chairman's Review

I am honoured to apprise our shareholders about the outstanding performance of the Board of Directors of TPL Corp Limited (the Company). The Board remained committed to efficiently discharging its duties towards the effective performance of the Company and enhancement of its stakeholders' concerns. The performance is particularly noteworthy in light of the challenging trading environment, fuelled by the pandemic (Covid-19), in which the Company's various businesses operate.

The Board comprises a mix of independent, non-executive and executive directors who collectively provide a balance of skills and experience, helping the Company to thrive in its business. The Management of the Company has benefited immensely from the knowledge, guidance and continued commitment of the Board. The unrivalled expertise of the Board has enabled the Company to effectively partake in varied businesses in complex and fast-changing markets.

The Board is ably assisted by its Committees, which play a pivotal role in ensuring adherence to all regulatory requirements by the Management of the Company. The Audit Committee provides an independent review and supervision of financial reporting and monitoring and ensures that the audit function fairly represent the financial position of the Company. The Human Resource Committee assists by ensuring that the right talent is hired and retained in key management positions. The performance of the Board has been remarkable and the Committees worked efficiently in accordance with the requirements enshrined under the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Looking ahead, the Board is determined to continue its efforts with the same zeal and aims at flourishing growth and garner profitable ventures in the years to come. I hope and pray that the Company continues to grow under the bright leadership of our worthy Directors.



Jameel Yusuf S. St.

Chairman

As of June 30, 2021



CEO's Message

In what can only be described as an extraordinary year, filled with unpredictability and speculation, I am proud to say we not only survived, but prospered as a company.

Our Management team and employees at TPL Corp deserve praise for their drive, commitment and competence in steering the company through such a difficult period, while our stakeholders deserve gratitude for trusting us and supporting us during this time.

A considerable amount of time has been spent in planning ahead, working around operational and strategic hurdles to create sustainable growth and value for our shareholders. By using our digital expertise and innovative outlook, we have achieved new levels of excellence and handled situations in ways that were not considered possible in the past. This has not only exceeded the expectations of our clients and stakeholders but has created a shift in the industry altogether.

The pandemic brought all businesses all over the world into a situation of uncertainty with an ever-changing and unpredictable landscape. At TPL Corp, the safety of our people was on top priority, and through active and aggressive implementation of SOPs, we remained fully functional despite over half our workforce working remotely from home. TPL Trakker was used by NITB (National Information Technology Board) and NCOC (National Command and Operation Center) to implement their many applications on a national level as part of the nation's fight against COVID-19. TPL Trakker Maps, the mapping arm of TPL Trakker played a vital role in the government's initiative of establishing smart lockdowns all over the country. TPL Life took the pioneering step of launching the first exclusive COVID-19 insurance product at an affordable cost to aid the people of Pakistan in dealing with the financial hit of this pandemic on an individual level. TPL Corp believes in working for our people, our suppliers, our customers and our local communities, to ensure their safety and do what we can to make lives better.

Best,



Ali Jameel

Board of Directors



Mr. Jameel Yusuf S. St.
Chairman/Non-Executive Director



Mr. Ali Jameel
Executive Director/CEO



Ms. Sabiha Sultan Ahmed
Executive Director



**Vice Admiral (R)
Mohammad Shafi**
Non-Executive Director



**Major General (R)
Syed Zafar-ul-Hasan Naqvi**
Non-Executive Director



Mr. Bilal Alibhai
Non-Executive Director



Mr. Mark Rousseau
Independent Director



**Vice Admiral (R)
Nadeem Arshad Elahi**
Independent Director

Profiles of the Board of Directors

Mr. Jameel Yusuf Ahmed S. St.

Chairman/Non-Executive Director

Mr. Jameel Yusuf Ahmed is a businessman by profession and is the Chairman of TPL Corp Limited. He was the Founding Chairman of the Citizen-Police Liason Committee (CPLC) and remained its chairman from September 1989 to March 2003. He is also the Director of Asia Crime Prevention Foundation (ACPF) and is the Founding Trustee of “Panah”, a shelter home established for women in distress. Mr. Yusuf is also a member of the Advisory Council Fellowship Fund for Pakistan (FFFP), Woodrow Wilson International Centre for Scholars (WWC) since 2004. He was awarded Presidential Award “Sitara-e-Shujaat” for gallantry services in August 1992 and was also nominated for the first United Nations Vienna Civil Society Award in 1999.

Mr. Ali Jameel

Chief Executive Officer / Executive Director

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

Ms. Sabiha Sultan Ahmed

Executive Director

Ms. Sabiha Sultan has an overall professional experience of twenty-six years and served several companies at senior-level management positions. She has a track record of building a new business in emerging markets along with a specialized focus on fund management, equity trading and advisory services and formulating regulatory framework. Moreover, she has worked on several corporate finance transactions ranging from fundraising, mergers, and acquisition, disposals, restructuring and tender offers. She holds an LLB degree in law from the University of London Westminster. Moreover, she is also a qualified barrister to practice common law in England & Wales. She recently joined TPL Corp as a director in March 2019. Prior to TPL Corp., she was serving Cenkos Asia since 2006, as a director international, where she was providing strategic and regulatory advice to its clients. Furthermore, Ms. Sabiha Sultan was also the director of Asian equity sales at Standard Chartered Singapore, director head of sales at JP Morgan Pakistan and fund manager at Societe Generale Asset Management (Asia) – Singapore between the years of 1995 ad 2012.

Vice Admiral (R) Mohammad Shafi

Non-Executive Director

Vice Admiral (R) Mohammad Shafi was commissioned in 1974 into the operation branch of Pakistan Navy where he held various positions including Commander Coastal Areas (responsible for the defence of Pakistan’s coast), Commander Logistics (Commanded over 12,000 service and civilian personnel and responsible for all logistics in the Pakistan Navy), Commander of 25th Destroyer Squadron of Pakistan Navy and also Commanded Pakistan Naval Destroyer PNS Shahjahan and Frigate PNS Shamsher. He has also held various other positions including Assistant Chief of the Naval Staff (Plans), Deputy Chief of Naval Staff (Training & Personnel as well as Operations), Director General Naval Intelligence and Principal Staff Officer to the Chief of Naval Staff. He has been the Member of the Board of Trustees of Karachi Port Trust, Chairman of Pakistan National Shipping Corporation and Chairman of Port Qasim Authority. He is also the author of Information Warfare; Research paper at NDU, Maritime Options for Pakistan; Thesis at Naval War College, Rhode Island, USA, Customs, Traditions and Ceremonials in the Pakistan Navy. He also holds prestigious Military awards which include Hilal-e-Imtiaz, Sitara-e-Imtiaz and Tamgha-e-Imtiaz. He has obtained his MSc in Defence and Strategic Studies from National Defence University, Islamabad in the year 2001 and his BSc in Physics and Mathematics from Karachi University, 1974. He has also obtained many other additional qualifications including a certification in financial management from Naval Officers Training Centre, USA – 1990.

Major General (R) Syed Zafar-ul-Hasan Naqvi

Non-Executive Director

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

Mr. Bilal Alibhai

Non-Executive Director

Mr. Bilal Alibhai is the Managing Director of Rashwell Company, Dubai, UAE. The company is one of the leading food commodity trading businesses in the UAE and is also one of the oldest being founded in 1976. Mr. Bilal Alibhai also serves on the board of TPL Corp and TPL Properties which are both publicly traded on the Pakistan Stock Exchange. Bilal holds BBA (Hons.) degree from Queen's University, Canada, with a concentration in Finance and Strategy.

Mr. Mark Dean Rousseau

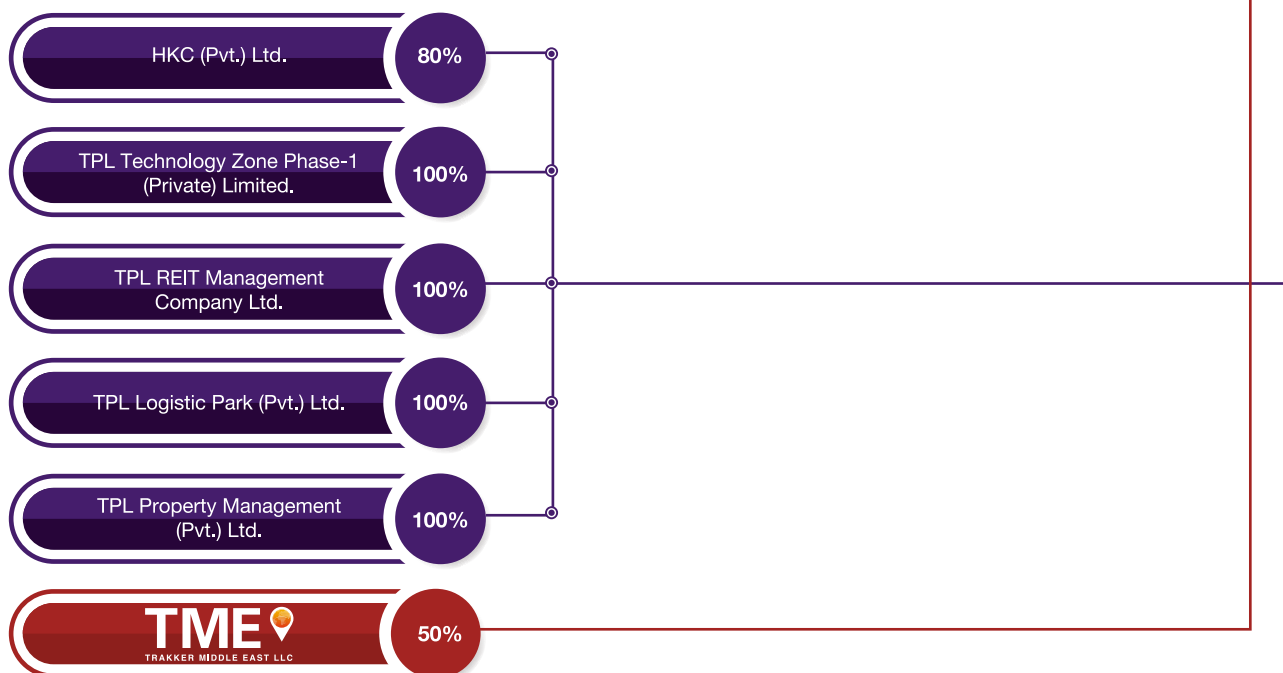
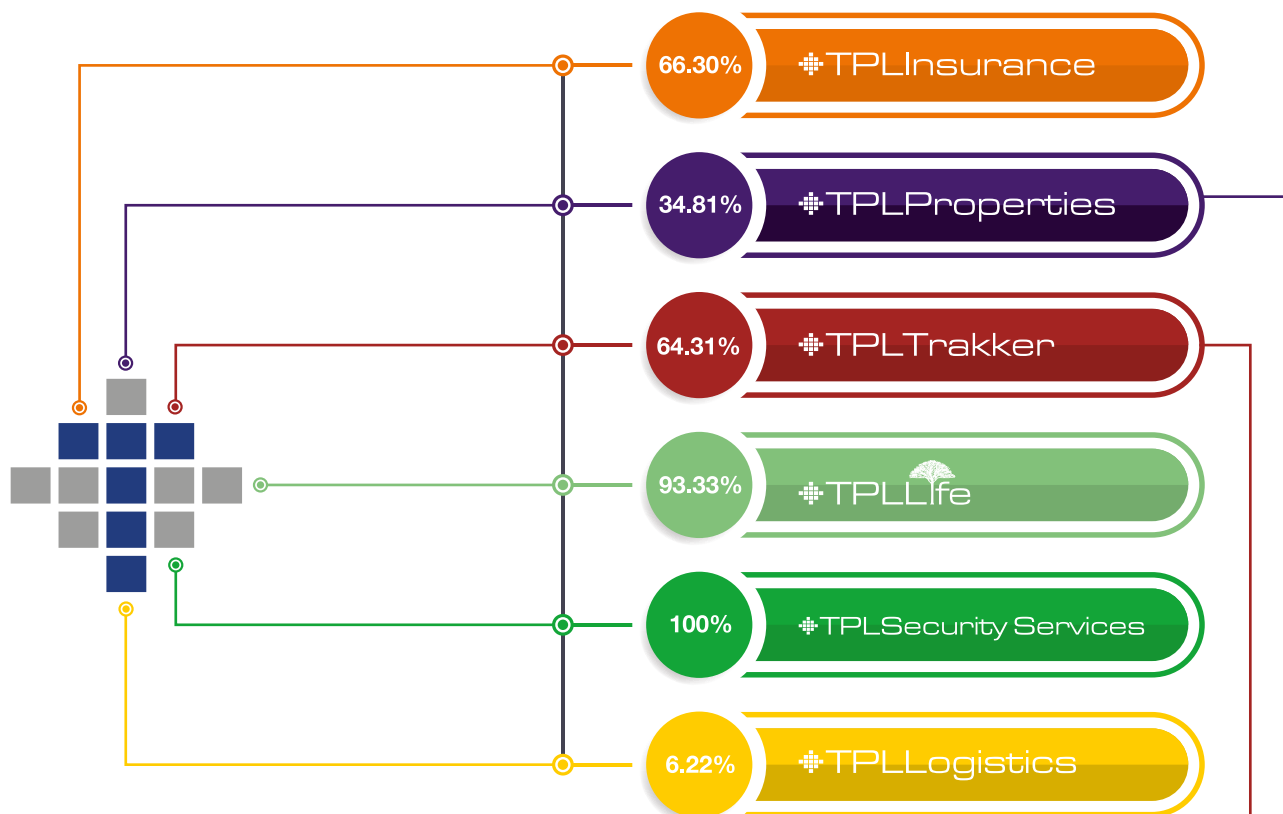
Independent Director

Mr. Mark Rousseau is responsible for overseeing the company's operations in six continents and has focused on putting optimal structures and group strategy in place to meet the changing needs of both consumer and fleet customers. Wholly owned and third party distribution models are used to drive overall service and delivery to new levels.

Vice Admiral (R) Nadeem Arshad Elahi

Independent Director

Mr. Elahi has an extensive background in operations, general management and business development. He is amongst the co-founders of TRG and joined the company at its inception in 2002 where he served as head of North American Operations. Prior to TRG, he was an Associate in the Global Business Development Group at Terra Lycos Inc. where he assisted in financial due diligence on acquisition targets in Asia/Pacific. He also co-founded FTA Direct Inc., a provider of internet-based, textile supply-chain solutions based in New York. Prior to FTA Direct, he served as Director of Manufacturing for over six years at Tanveer Textiles. Mr. Elahi was amongst the founding members of OPEN (Organization of Pakistani Entrepreneurs of North America), Washington, DC Chapter. He recently served as Chairman, P@SHA (Pakistan Software Houses Association for IT and ITes) and currently serves as President of the American Business Council of Pakistan. He is also the current President of the Harvard Business School Club of Pakistan and a member of the Board of Directors of the OPEN-Karachi Chapter. Mr. Elahi has an MBA from Harvard Business School and a B.A. in Mathematics and Economics from Brown University, USA.



Sustainability

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



Beneficiaries provided with good health and well-being

749,785



Beneficiaries provided with quality education

7,647



Agents of environmental change

38,935

COVID-19 Response

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

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



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

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

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

Health



Bait-ul-Sukoon

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

Blood Drive

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

Rashan Distribution

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

500 families provided with Rashan

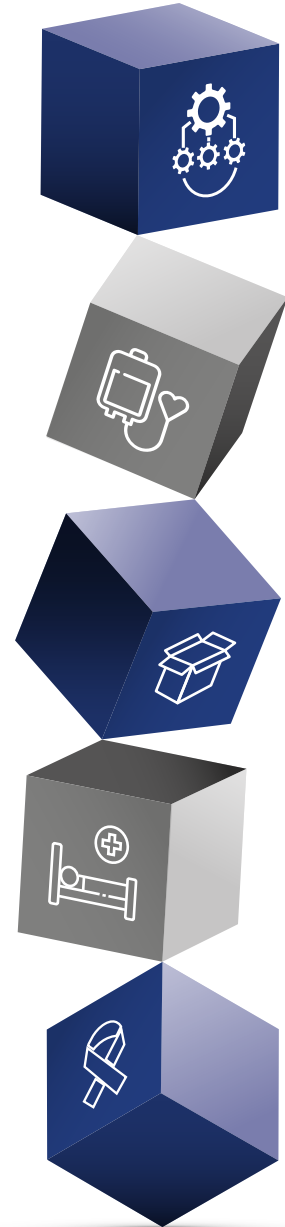
ChildLife Foundation

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

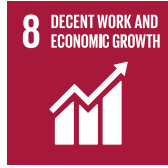
life-saving treatment to 250 children

Breast Cancer Awareness Session

In an effort to spread awareness about breast cancer, TPL hosted an online session for all female employees in collaboration with Shaukat Memorial Cancer Hospital.



Education



Online Education

TPL distributed tablets with paid mobile data SIMs to facilitate the online education of our employees' children. With school closures due to the COVID-19 pandemic, TPL aims to support its employees by providing their children with access to online schooling during these challenging times.

Ida Rieu Welfare Association

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

27 deserving students covered

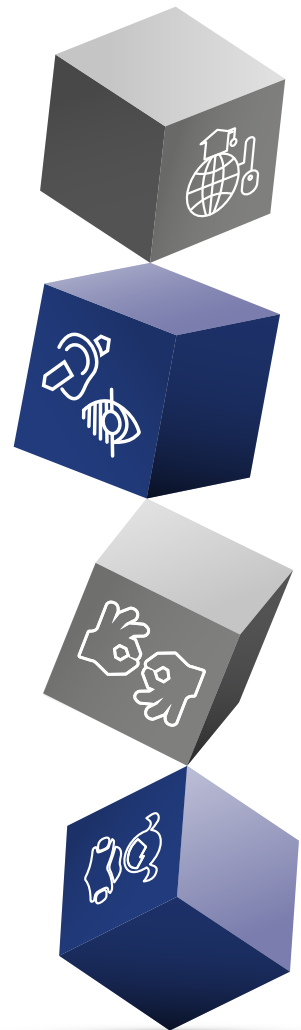
FESF

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

Children Education Policy

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

82 children were provided with quality education



Environment

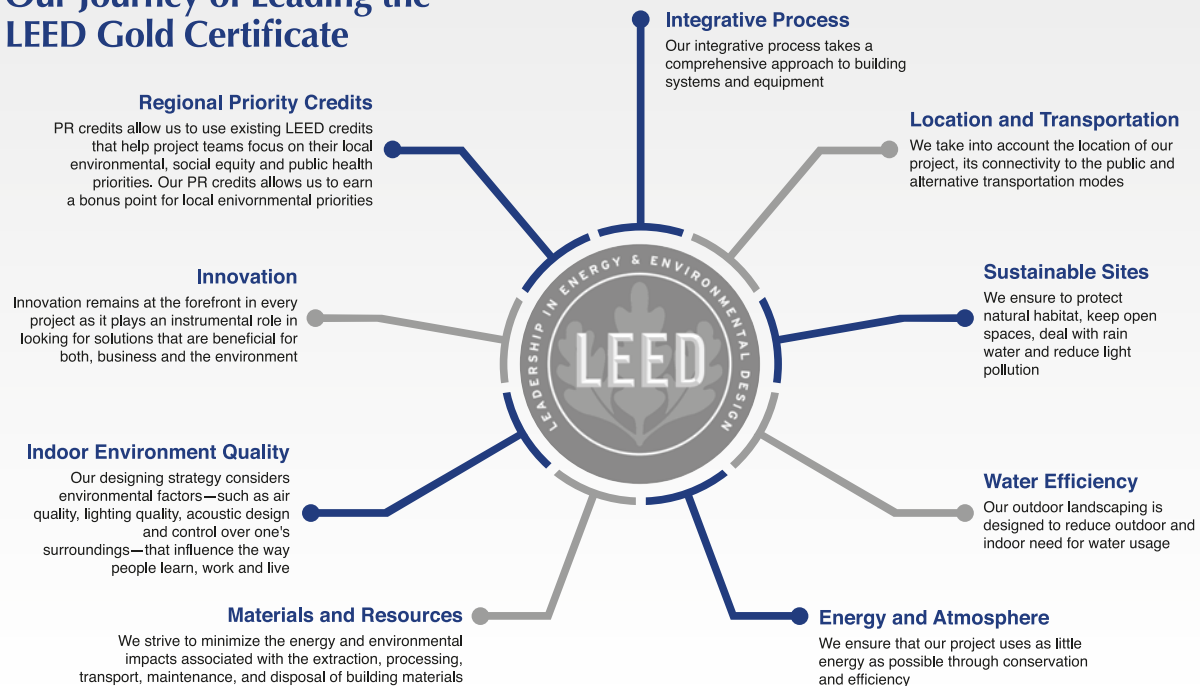


Sustainability holds an imperative position in our decision-making process and, for every future and real-estate projects, we aim to use internationally recognized sustainable frameworks - LEED, BREEAM, and Well as the fundamental pillars to ensure a better, greener future and achieve environmental efficiency.

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

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

Our Journey of Leading the LEED Gold Certificate



Partnering with Other Key Players

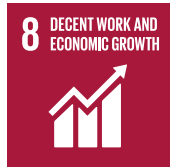
Reduce, Reuse & Recycle: After a successful out-of-home campaign for Trakker Pro, TPL Trakker donated the Panaflex skins to Garbage Can and Ra'ana Liaquat Craftsmen's Colony (RLCC), an institute that aims to empower women through improved health, education, and economic independence. To show support,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

7,735 sqft of panaflex skins were donated

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

70 % waste recycled per month

Social Performance



Fostering sustainable growth

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

CPR training workshop

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

Training and Development

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

Soft Training: 303 employees

Technical Training: 145 employees

Diversity and Inclusion

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



Awards

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

TPL Corp won three awards at the 10th Annual Corporate Social Responsibility Summit & Awards 2021.

The categories were:

- Culture/Art & Music Program
- Sustainability Initiative
- Business Practices



Scaling for Impact

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

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



Board Meetings

The Board of Directors held five (5) meetings during the financial year ending on June 30, 2021. The attendance for all Directors is as tabulated below:

Name	Number of Meetings Attended
Mr. Jameel Yusuf Ahmed S. St.	5
Mr. Ali Jameel	5
Major General (R) Zafar ul Hasan Naqvi	5
Mr. Bilal Ali Bhai	4
Mr. Mark Dean Rousseau	5
Mr. Muhammad Shafi HI(M)	5
Vice Admiral (R) Nadeem Arshad Elahi	3
Ms. Sabiha Sultan	4

Directors' Training Program (DTP)

The Majority of the Board members have either completed their certification in DTP or are exempt from DTP pursuant to the proviso under regulation 19(2) of the Listed Companies (Code of Corporate Governance) Regulations, 2019 based on the prescribed qualification and experience. Out of a Board of eight members, only two directors, who do not hold DTP certificates, are well conversant with their duties and responsibilities as directors of a listed company. The Company will, however, seek exemption and/or encourage these two directors, as the case may be, to complete their DTP certification as soon as practicable.



Management Team



HORIZONTAL ANALYSIS BALANCE SHEET

HORIZONTAL ANALYSIS BALANCE SHEET

	2021			2020			Restated 2019			Restated 2018			2017			2016		
	Rupees	Variance %		Rupees	Variance %		Rupees	Variance %		Rupees	Variance %		Rupees	Variance %		Rupees	Variance %	
Fixed Assets	1,522,180,915	10%		1,390,115,661	-50%		2,760,068,510	25%		2,214,071,587	23%		1,799,530,629	38%		1,305,464,831	-1%	
Intangible Assets	3,095,595,393	9%		2,844,231,120	0%		2,846,48,546	7%		2,656,249,953	52%		1,749,481,140	15%		1,520,261,040	5%	
Right of use asset	107,974,195	49%		72,669,178	-100%		-	-		-	-		-	-		-	-	
Investment Property	1,470,752,861	509%		28,308,153	-100%		5,909,238,595	11%		5,322,678,273	22%		4,348,453,273	6%		4,090,415,737	6%	
Development property	1,833,175,473	28%		1,437,387,784	14%		1,265,142,970	16%		1,090,147,420	23%		888,738,740	100%		506,417,217	4%	
Long-term investments	1,820,616,779	169%		677,647,347	579%		99,847,459	100%		436,577	-47%		536,285,330	6%		36,207,905	-25%	
Long term loans	24,903,459	87%		25,477,710	300%		637,436	46%		69,917,932	54%		826,538	92%		430,466	0%	
Long term deposits	43,381,787	18%		36,740,882	-33%		54,887,344	-21%		45,518,147	26%		45,518,147	26%		71,458,824	2%	
Deferred tax	67,585,157	-38%		108,404,040	-27%		148,397,825	18%		125,769,341	51%		83,451,967	17%		-	-	
Interest Accrued	182,242,296	52%		119,774,215	360%		26,064,633	100%		23,985,785	0%		-	-		-	-	
Stock-in-trade	445,649,520	80%		247,185,472	-8%		26,740,363	-18%		326,691,767	-9%		357,216,927	21%		294,125,367	16%	
Trade debts	1,342,965,720	15%		1,164,282,072	-17%		1,397,979,627	2%		1,374,344,322	18%		1,086,022,757	24%		1,086,022,757	24%	
Short-term investments	1,781,744,812	109%		851,593,543	-13%		979,694,307	-38%		1,579,553,006	403%		314,120,415	117%		144,572,243	-7%	
Loan and advances	264,486,659	33%		199,026,895	-48%		385,175,061	123%		172,837,318	496%		28,989,687	-12%		33,126,089	-53%	
Trade deposits and prepayments	351,209,873	27%		276,380,312	-48%		528,155,490	20%		439,736,280	202%		145,391,626	260%		40,430,992	-44%	
Accrued mark-up	-	0%		-	0%		-	0%		-	-100%		7,658,694	-2%		7,822,178	-84%	
Other receivables	1,539,594,924	31%		1,175,229,556	78%		659,069,883	2%		646,485,988	3224%		19,448,697	138%		8,183,393	50%	
Due from related parties	751,551,740	31%		574,764,579	617%		80,177,260	585%		11,706,548	28%		9,132,004	-46%		27,695,462	-4%	
Premium due but unpaid	-	0%		-	0%		-	0%		-	100%		61,284,561	100%		-	0%	
Deferred commission expense	155,763,662	29%		121,156,815	-28%		169,248,562	36%		124,090,599	100%		-	0%		-	0%	
Taxation- net	14,465,299	-74%		56,641,726	-68%		179,807,632	11%		162,290,955	-11%		181,497,171	65%		110,111,218	64%	
Cash and bank balances	4,801,025,667	228%		1,470,767,684	52%		965,911,935	-5%		1,014,158,309	107%		490,104,431	-47%		927,774,474	25%	
Non-current asset held for sale	-	100%		6,981,095,074	100%		-	0%		-	0%		-	0%		-	0%	
TOTAL ASSETS	21,616,866,191			19,836,041,818			18,723,283,437			17,355,141,160			12,347,706,953			10,210,520,193		
Issued, subscribed and paid-up capital	2,672,977,630	0%		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%	
Capital Reserve	118,155,762	94%		60,855,762	0%		60,855,762	100%		60,855,762	100%		-	0%		-	0%	
Revenue reserves	153,774,086	-136%		429,237,761	-295%		219,731,701	-59%		533,299,515	-3%		548,301,049	3%		533,816,997	-41%	
Other components of equity	204,832,408	-37%		327,728,085	-42%		566,082,175	161%		216,527,056	-5%		228,790,596	100%		-	0%	
Non-controlling interest	4,471,600,481	-6%		4,766,383,687	3%		4,618,489,560	9%		4,202,516,153	6%		3,978,088,025	58%		2,525,420,572	213%	
Participants' Takaful Fund (PTF)	13,175,297	-81%		69,048,465	-159%		(117,388,716)	-45%		(214,849,810)	100%		-	0%		-	0%	
Long term loan	169,165,150	-37%		269,014,488	81%		148,888,890	-52%		308,133,420	6%		290,277,330	473%		50,653,413	-58%	
Long term financing	4,408,114,768	46%		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%	
Deferred liabilities	21,639,358	126%		9,570,575	46%		6,570,620	6%		6,206,490	-47%		11,729,338	9%		10,738,080	-33%	
Gas Infrastructure Development Cess (GIDC) liability	19,579,594	100%		-	0%		-	0%		-	0%		-	0%		-	0%	
Liabilities against assets subject to finance lease	81,889,252	160%		31,530,021	0%		52,145,571	10246%		504,016	-95%		10,975,935	-64%		30,217,506	-51%	
Trade and other payables	2,578,037,850	30%		1,982,561,038	31%		1,518,411,668	5%		1,452,849,178	92%		757,916,747	22%		620,806,027	-28%	
Accrued mark-up	183,315,325	-58%		438,546,881	84%		238,534,790	81%		131,603,069	-40%		109,953,811	-40%		183,960,703	19%	
Running finance under mark-up arrangements	1,062,507,117	-4%		1,105,194,287	12%		988,025,014	5%		939,871,844	7%		876,719,637	108%		420,965,430	52%	
Short-term financing	1,018,938,067	-48%		1,944,169,173	106%		946,017,222	126%		419,181,204	574%		62,238,722	-73%		234,199,476	208%	
Due to related parties	252,252,923	-74%		976,883,204	-17%		1,173,751,929	132%		504,988,182	474%		87,949,756	-29%		123,791,848	-46%	
Liabilities against insurance contracts	1,367,233,961	56%		877,069,162	-30%		1,249,626,397	7%		1,163,727,403	4564%		24,950,923	100%		-	0%	
Underwriting provisions	1,408,969,326	18%		1,197,304,214	85%		645,655,456	-5%		682,698,704	100%		-	0%		-	0%	
Unclaimed dividend	1,729,583	0%		1,729,583	-48%		3,307,473	89%		1,747,962	62%		1,078,801	100%		-	0%	
Unpaid dividend	3,000,000	0%		3,000,000	0%		3,000,000	0%		3,000,000	0%		3,000,000	100%		-	0%	
Current portion of non-current liabilities	1,370,155,150	195%		465,149,706	-62%		1,209,038,572	-1%		492,142,691	149%		492,142,691	9%		451,312,032	17%	
Advance monitoring fees	35,853,103	-3%		37,140,162	-20%		46,651,699	23%		37,824,105	-77%		167,561,448	59%		105,281,670	48%	
TOTAL EQUITY AND LIABILITIES	21,616,866,191			19,836,041,818			18,723,283,438			17,355,141,160			12,347,706,953			10,210,520,193		

HORIZONTAL ANALYSIS PROFIT AND LOSS ACCOUNT

	2021				2020				Restated 2019				2018				2017				2016			
	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %
Turnover - net	5,362,331,992	8%	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%												
Cost of sales	(4,270,189,082)	12%	(3,799,931,790)	23%	(3,092,894,458)	58%	(1,960,688,714)	68%	(1,168,704,303)	26%	(929,332,914)	-28.61%												
Gross profit	1,092,142,910	-7%	1,168,489,115	-39%	1,920,576,029	27%	1,510,727,390	51%	999,729,060	-10%	1,108,028,115	26%												
Distribution expenses	(145,421,872)	-22%	(186,659,716)	-47%	(351,365,123)	24%	(282,607,965)	32%	(214,246,828)	-4%	(222,153,244)	-2%												
Administrative expenses	(1,960,902,705)	56%	(1,254,271,443)	-9%	(1,375,337,150)	33%	(1,031,398,509)	106%	(501,505,198)	27%	(393,626,600)	-12%												
Other operating expenses	(82,830,758)	11%	(74,326,889)	141%	(30,822,802)	-68%	(97,311,519)	7057%	(1,359,659)	-98%	(69,974,083)	-12%												
Operating profit	(1,097,012,425)	216%	(346,768,933)	-313%	163,050,954	64%	99,409,397	-65%	282,617,375	-33%	422,274,188	246%												
Finance costs	(880,132,987)	-30%	(1,262,316,471)	70%	(741,592,269)	46%	(507,568,032)	52%	(334,819,965)	-9%	(369,731,356)	18%												
Other Income	1,813,847,321	144%	742,327,304	-13%	858,003,202	-25%	1,145,123,813	229%	348,374,235	48%	235,642,452	-65%												
Net (profit)/Loss attributable to PTF	55,873,168	-130%	(189,216,313)	118%	(86,855,158)	0%	-	0%	-	0%	-	0%												
Share of profit/(loss) from investment in associates - net	(9,349,375)	-64%	(25,649,189)	123%	(11,491,773)	-13%	(13,147,234)	-178%	16,962,359	94%	8,732,144	-118%												
Profit before taxation	(116,774,298)	-89%	(1,081,623,602)	-697%	181,114,956	-75%	723,817,944	131%	313,134,004	5%	296,917,428	-33%												
Taxation	(76,105,604)	-45%	(138,636,366)	40%	(98,730,149)	66%	(59,569,819)	33%	(44,853,506)	-31%	(65,288,456)	-689%												
Profit / (Loss) after taxation	(192,879,902)	-84%	(1,220,259,968)	-1581%	82,384,807	-88%	664,248,125	148%	268,280,498	16%	231,628,972	-49%												
Other comprehensive income	(48,542,507)	-343%	19,951,219	-94%	351,575,905	-2952%	(12,325,742)	-105%	229,088,489	100%	-	-100%												
Total comprehensive income	(241,422,409)	-80%	(1,200,308,749)	-377%	433,960,712	-33%	651,922,383	31%	497,368,987	115%	231,628,972	-49%												

VERTICAL ANALYSIS OF BALANCE SHEET

	2021			2020			Restated 2019			Restated 2018			2017			2016		
	Rupees	Variance %		Rupees	Variance %		Rupees	Variance %		Rupees	Variance %		Rupees	Variance %		Rupees	Variance %	
Fixed Assets	1,522,180,915	7.04%		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%	
Intangible Assets	3,095,593,393	14.32%		2,844,723,120	14.34%		2,846,548,546	15.20%		2,656,249,953	15.31%		1,749,401,140	14.17%		1,520,261,040	14.09%	
Right of use asset	107,974,195	0.50%		72,269,178	0.36%		5,809,238,595	31.56%		5,322,678,273	30.67%		4,348,453,273	35.22%		4,090,415,737	40.06%	
Investment Property	1,470,752,861	6.80%		28,308,153	0.14%		1,265,142,970	6.76%		1,090,147,420	6.28%		888,738,740	7.20%		-	0.00%	
Development property	1,833,175,473	8.48%		1,437,387,784	7.25%		99,847,459	0.34%		677,647,347	3.42%		536,285,330	4.34%		506,417,217	4.96%	
Long-term investments	1,820,616,779	8.42%		677,647,347	3.42%		637,436	0.00%		436,577	0.00%		826,538	0.01%		430,466	0.00%	
Long-term loans	24,903,459	0.12%		2,547,710	0.01%		54,887,344	0.29%		69,917,932	0.40%		45,518,147	0.37%		36,207,905	0.35%	
Long-term deposits	43,381,787	0.20%		36,740,882	0.19%		146,297,825	0.79%		125,769,341	0.72%		83,451,967	0.68%		71,458,824	0.70%	
Deferred tax	67,585,157	0.31%		108,404,040	0.55%		26,064,633	0.14%		23,985,785	0.14%		-	0.00%		-	0.00%	
Interest Accrued	182,242,296	0.84%		119,774,215	0.60%		267,410,363	1.43%		326,691,767	1.88%		357,216,927	2.89%		294,125,367	2.88%	
Stock-in-trade	445,649,520	2.06%		247,185,472	1.25%		1,397,979,627	7.47%		1,374,343,522	7.93%		1,280,586,976	10.37%		1,086,022,757	10.64%	
Trade debts	1,342,965,720	6.21%		1,647,282,072	5.87%		979,694,307	5.23%		1,579,553,006	9.10%		314,120,415	2.54%		144,572,243	1.42%	
Short-term investments	1,781,744,812	8.24%		851,593,543	4.29%		385,175,061	2.06%		172,837,318	1.00%		28,989,687	0.23%		33,126,089	0.32%	
Loans and advances	264,486,659	1.22%		199,026,895	1.00%		528,155,490	2.82%		439,726,280	2.53%		145,391,636	1.18%		40,430,992	0.40%	
Trade deposits and prepayments	351,209,873	1.62%		276,380,312	1.39%		-	0.00%		-	0.00%		7,658,694	0.06%		7,822,178	0.08%	
Accrued mark-up	-	0.00%		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%	
Other receivables	1,539,594,924	7.12%		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%	
Due from related parties	751,551,740	3.48%		-	0.00%		-	0.00%		-	0.00%		61,284,561	0.50%		-	0.00%	
Premium due but unpaid	-	0.00%		-	0.00%		-	0.00%		-	0.00%		-	0.00%		-	0.00%	
Deferred commission expense	155,763,662	0.72%		121,156,815	0.61%		169,248,562	0.90%		124,090,599	0.72%		181,497,171	1.47%		110,111,218	1.08%	
Taxation - net	14,465,299	0.07%		56,641,726	0.29%		179,807,632	0.96%		162,980,955	0.94%		490,104,431	3.97%		927,774,474	9.09%	
Cash and bank balances	4,801,025,667	22.21%		1,470,767,684	7.41%		965,791,935	5.16%		1,014,158,309	5.84%		-	0.00%		-	0.00%	
Non-current asset held for sale	-	0.00%		6,981,095,074	35.19%		-	0.00%		-	0.00%		-	0.00%		-	0.00%	
Total Assets	21,616,866,191	100.00%		19,836,041,818	100.00%		18,723,283,437	100.00%		17,355,141,160	100.00%		12,347,706,953	100.00%		10,210,520,193	100.00%	
Issued, subscribed and paid-up capital	2,672,977,630.00	12.37%		2,672,977,630	13.48%		2,672,977,630	14.28%		2,372,977,630	13.67%		2,172,489,630	17.59%		2,172,489,630	21.28%	
Capital Reserve	118,155,762.00	0.55%		60,855,762	0.31%		60,855,762	0.33%		60,855,762	0.35%		-	0.00%		-	0.00%	
Revenue Reserve - unappropriated profit	153,724,086.00	0.71%		(429,237,761)	-2.16%		219,317,701	1.17%		533,299,515	3.07%		548,301,049	4.44%		533,816,997	5.23%	
Non-controlling Interest	4,471,600,481.00	20.69%		4,766,383,687	24.03%		4,618,489,560	24.67%		4,220,516,153	24.32%		3,978,088,025	32.22%		2,525,420,572	24.73%	
Participants' Takaful Fund (PTF)	13,175,297.00	0.06%		69,048,465	0.35%		(117,849,810)	-0.63%		(214,849,810)	-1.24%		-	0.00%		-	0.00%	
Other components of equity	204,832,408.00	0.95%		327,728,085	1.65%		566,082,175	3.02%		216,527,056	1.25%		228,790,596	1.85%		-	0.00%	
Long term loan	169,165,150.00	0.78%		269,014,488	1.36%		148,888,890	0.80%		308,133,420	1.78%		290,277,330	2.35%		50,653,413	0.50%	
Long term financing	4,408,114,768.00	20.39%		3,029,423,456	15.27%		2,472,910,025	13.21%		3,287,127,280	18.94%		2,523,542,514	20.44%		2,746,866,809	26.90%	
Deferred liabilities	21,639,358.00	0.10%		9,570,575	0.05%		6,570,620	0.04%		6,206,490	0.04%		11,729,338	0.09%		10,738,080	0.11%	
Gas Infrastructure Development Cess (GIDC) Liability	19,579,594.00	0.09%		-	0.00%		-	0.00%		-	0.00%		-	0.00%		-	0.00%	
Lease liabilities	81,889,252.00	0.38%		31,530,021	0.16%		52,145,571	0.28%		504,016	0.00%		10,975,935	0.09%		30,217,506	0.30%	
Trade and other payables	2,578,037,850.00	11.93%		1,982,561,038	9.99%		1,518,411,668	8.11%		1,452,849,178	8.37%		757,916,747	6.14%		620,806,027	6.08%	
Accrued mark-up	183,315,325.00	0.85%		438,546,881	2.21%		238,534,790	1.27%		131,603,069	0.76%		109,953,811	0.89%		183,960,703	1.80%	
Running finance under mark-up arrangements	1,062,507,117.00	4.92%		1,105,194,287	5.57%		988,025,014	5.28%		939,871,844	5.47%		876,719,637	7.10%		420,965,430	4.12%	
Short-term financing	1,018,938,067.00	4.71%		1,944,169,173	9.80%		946,017,222	5.05%		419,181,204	2.47%		62,238,722	0.50%		234,199,476	2.29%	
Due to related parties	252,252,923.00	1.17%		976,883,204	4.92%		1,173,751,929	6.27%		504,988,182	2.91%		87,949,756	0.71%		123,791,848	1.21%	
Liabilities against insurance contracts	1,367,253,961.00	6.32%		877,069,162	4.42%		1,249,626,397	6.67%		1,163,727,403	6.71%		24,950,923	0.20%		-	0.00%	
Underwriting provisions	1,408,969,326.00	6.52%		1,197,304,214	6.04%		645,855,456	3.45%		682,699,704	3.93%		-	0.00%		-	0.00%	
Unclaimed dividend	1,729,583.00	0.01%		1,729,583	0.01%		3,307,473	0.02%		3,747,962	0.01%		1,078,801	0.01%		-	0.00%	
Unpaid dividend	3,000,000.00	0.01%		3,000,000	0.02%		3,000,000	0.02%		3,000,000	0.02%		3,000,000	0.02%		-	0.00%	
Current portion of non-current liabilities	1,370,155,150.00	6.34%		465,149,706	2.34%		1,209,038,572	6.46%		1,226,350,997	7.07%		492,142,691	3.99%		451,312,032	4.42%	
Advance monitoring fees	35,853,103.00	0.17%		37,140,162	0.19%		46,651,699	0.25%		37,824,105	0.22%		167,561,448	1.36%		105,281,670	1.03%	
TOTAL EQUITY AND LIABILITIES	21,616,866,191	100%		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%	

VERTICAL ANALYSIS OF PROFIT AND LOSS ACCOUNT

	2021		2020		Restated 2019		2018		2017		2016	
	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %
Turnover - net	5,362,331,992	100%	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	(4,270,189,082)	-80%	(3,799,931,790)	-76%	(3,092,894,458)	-62%	(1,960,688,714)	-56%	(1,168,704,303)	-54%	(929,332,914)	-46%
Gross profit	1,092,142,910	20%	1,168,489,115	24%	1,920,576,029	38%	1,510,727,390	44%	999,729,060	46%	1,108,028,115	54%
Distribution expenses	(145,421,872)	-3%	(186,659,716)	-4%	(351,365,123)	-7%	(282,607,965)	-8%	(214,246,828)	-10%	(222,153,244)	-11%
Administrative expenses	(1,960,902,705)	-37%	(1,254,271,443)	-25%	(1,375,337,150)	-27%	(1,031,398,509)	-30%	(501,505,198)	-23%	(393,626,600)	-19%
Other operating expenses	(82,830,758)	-2%	(74,326,889)	-1%	(30,822,802)	-1%	(97,311,519)	-3%	(1,359,659)	0%	(69,974,083)	-3%
Operating profit	(1,097,012,425)	-20%	(346,768,933)	-7%	163,050,954	3%	99,409,397	3%	282,617,375	13%	422,274,188	21%
Finance costs	(880,132,987)	-16%	(1,262,316,471)	-25%	(741,592,269)	-15%	(507,568,032)	-15%	(334,819,965)	-15%	(369,731,356)	-18%
Other Income	1,813,847,321	34%	742,327,304	15%	858,003,202	17%	1,145,123,813	33%	348,374,235	16%	235,642,452	12%
Net (profit)/Loss attributable to PTF	55,873,168	1%	(189,216,313)	-4%	(86,855,158)	-2%	-	0%	-	0%	-	0%
Share of profit from investment in associates - net	(9,349,375)	0%	(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	(116,774,298)	-2%	(1,081,623,602)	-22%	181,114,956	4%	723,817,944	21%	313,134,004	14%	296,917,428	15%
Taxation	(76,105,604)	-1%	(138,636,366)	-3%	(98,730,149)	-2%	(59,569,819)	-2%	(44,853,506)	-2%	(65,288,456)	-3%
Profit after taxation	(192,879,902)	-4%	(1,220,259,968)	-25%	82,384,807	2%	664,248,125	19%	268,280,498	12%	231,628,972	11%

CASH FLOW ANALYSIS

CASH FLOWS FROM OPERATING ACTIVITIES

Net profit/(loss) before taxation
Adjustment for non cash charges and other items:

Depreciation
Depreciation ROUA
Bad debts written off
Amortisation of intangible assets
Share based reserve
Finance cost
Gain on disposal of property, plant and equipment
Gain on investment property
Exchange loss / (gain) - net
Share of (profit)/ loss from investment in associates - net
Net Profit attributable to PTF
Impairment loss on investment in associate
Provision for bad debts
Loss on acquisition of TPL Insurance Limited
Reversal of provision for gratuity
Fair value gain on investment in TME
Fair value gain on investment property
Gain on Bargain Purchase
Reversal of provision for GIDC
Remeasurement gain on GIDC
Investment property written off
Amortisation of government grant
Allowance for Expected Credit Losses
Gain on investment in mutual fund
Unwinding of PTF

Operating profit before working capital changes

(Increase) / decrease in current assets

Stock-in-trade
Trade debts
Deferred commission expense
Loans and advances
Trade deposits and prepayments
Other receivables
Interest accrued
Short Term Investments
Premium due but unpaid
Due from related parties

Increase / (decrease) in current liabilities

Trade and other payables
Due to a related party
Liabilities against insurance contracts
Underwriting provisions
Claims Paid
Advance monitoring fees
Cash generated from operations
Receipts / (payments) for :
Finance cost
Gratuity paid
Income taxes

Net cash generated from operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of - property and equipment
- capital work-in-progress
- intangible
- intangible assets under development
- investment property
- development property
Sale proceed from fixed assets
Long-term deposits
Long-term loans
Investments - mutual funds and listed securities
Acquisition of a subsidiary, net of cash acquired
Proceeds from disposal of investment properties
Purchase of shares of TPL Life, TPLI and TPLP
Proceeds from shares issued by TPLI
Proceeds from disposal of investment in TPLI
Long-term Investments
Sale proceeds from / (cost of investment) - net

Net cash (used in) / generated from investing activities

CASH FLOWS FROM FINANCING ACTIVITIES

Lease liabilities - net
Proceeds from share issue by TPL Properties Limited – net
Dividend paid
Long-term loans – net
Long-term Financing - net
Short-term financing
Proceeds from issuance of ordinary shares of TPLT
Share issuance costs of TPLT
Proceeds from issuance of ordinary right shares

Net cash generated (used in) / from financing activities

Net (decrease) / increase in cash and cash equivalents

Cash and cash equivalents at the beginning of the year

Net foreign exchange differences

Cash and cash equivalents at the end of the year

	2021	2020	2019	2018	2017	2016
Net profit/(loss) before taxation	(116,774,298)	(1,081,623,602)	181,114,956	723,817,944	313,134,004	296,917,428
Adjustment for non cash charges and other items:						
Depreciation	312,536,675	314,629,558	317,836,993	197,437,309	173,540,920	159,005,045
Depreciation ROUA	66,938,503	79,814,409	-	-	-	-
Bad debts written off	-	-	-	-	-	-
Amortisation of intangible assets	76,043,704	89,799,918	102,735,340	74,649,674	54,076,217	57,667,501
Share based reserve	237,347,500	-	-	-	-	-
Finance cost	880,132,987	1,262,316,471	741,592,269	507,568,032	334,819,965	369,731,356
Gain on disposal of property, plant and equipment	(15,725,420)	(540,383)	(4,572,085)	(16,454,245)	(3,691,013)	(2,055,305)
Gain on investment property	(684,723,458)	(286,315,367)	(592,882,635)	(944,646,887)	(202,928,224)	(209,459,641)
Exchange loss / (gain) - net	82,830,758	74,326,889	29,953,692	17,280,153	588,438	-
Share of (profit)/ loss from investment in associates - net	9,349,375	25,649,189	11,491,773	13,147,234	(29,868,123)	(8,732,144)
Net Profit attributable to PTF	(55,873,168)	189,216,313	86,855,158	-	-	-
Impairment loss on investment in associate	11,531,207	-	-	-	-	-
Provision for bad debts	-	-	-	14,979,058	19,252,497	22,241,419
Loss on acquisition of TPL Insurance Limited	-	-	-	79,494,134	-	-
Reversal of provision for gratuity	2,955,806	278,860	364,130	(3,078,404)	-	-
Fair value gain on investment in TME	(33,327,406)	-	-	-	-	-
Fair value gain on investment property	(645,949,089)	-	-	-	-	-
Gain on Bargain Purchase	(89,486,545)	-	-	-	(86,282,392)	-
Reversal of provision for GIDC	(29,822,466)	-	-	-	-	-
Remeasurement gain on GIDC	(4,675,267)	-	-	-	-	-
Investment property written off	33,675,653	-	-	-	-	-
Amortisation of government grant	(15,210,981)	(3,692,836)	-	(2,444,444)	4,378,914	(5,399,521)
Allowance for Expected Credit Losses	18,863,151	(30,076,185)	25,678,986	-	-	-
Gain on investment in mutual fund	(44,730,791)	(11,414,736)	51,097,948	-	-	-
Unwinding of PTF	-	(3,786,209)	(4,604,005)	(3,641,717)	-	-
	112,680,728	1,700,205,891	765,547,564	(65,710,103)	263,887,199	382,998,710
	(4,093,570)	618,582,289	946,662,520	658,107,841	577,021,203	679,916,138
Operating profit before working capital changes	(214,274,896)	20,224,891	(141,246,066)	30,525,160	(63,091,560)	(40,711,590)
(Increase) / decrease in current assets	(178,683,649)	263,773,740	(49,315,091)	(146,579,551)	(187,260,924)	(235,104,473)
Stock-in-trade	(34,606,847)	48,091,747	(45,157,963)	(18,513,632)	-	-
Trade debts	(65,459,764)	186,148,166	(212,337,743)	146,500,801	4,136,302	37,295,500
Deferred commission expense	(74,829,560)	251,775,178	(88,429,210)	(13,925,741)	(104,960,634)	31,652,596
Loans and advances	(364,365,368)	(516,159,673)	(12,583,895)	(125,598,960)	(37,820,996)	(2,728,267)
Trade deposits and prepayments	(62,468,081)	(93,709,582)	(2,078,848)	(15,591,611)	163,484	39,953,131
Other receivables	-	-	-	-	12,905,770	-
Interest accrued	-	-	-	61,284,560	(61,284,560)	-
Short Term Investments	-	-	-	(2,574,544)	18,563,457	1,052,195
Premium due but unpaid	-	-	-	-	-	-
Due from related parties	(1,171,475,326)	(334,402,852)	(619,659,528)	(84,473,518)	(418,649,661)	(168,590,908)
Increase / (decrease) in current liabilities	595,476,812	464,149,369	65,562,490	407,273,023	166,438,338	(238,208,182)
Trade and other payables	(724,630,281)	(196,868,725)	668,763,747	417,038,426	(35,842,092)	(504,855,749)
Due to a related party	490,184,799	(372,557,235)	85,898,994	181,409,223	-	-
Liabilities against insurance contracts	211,665,112	551,448,758	(36,844,248)	(24,612,215)	-	-
Underwriting provisions	-	-	-	-	-	-
Claims Paid	(1,287,059)	(9,511,537)	8,827,594	(129,737,343)	62,279,778	34,209,421
Advance monitoring fees	(604,159,513)	720,840,067	1,119,211,569	1,425,005,437	351,247,566	(197,529,280)
Cash generated from operations	(1,135,364,543)	(1,124,319,551)	(634,660,548)	(485,918,773)	(408,826,857)	(471,478,881)
Receipts / (payments) for :	(2,563,850)	-	-	-	-	-
Finance cost	(77,666,396)	30,894,377	(147,044,208)	(91,407,145)	(141,410,609)	(109,246,890)
Gratuity paid	(1,215,594,789)	(1,093,425,174)	(781,704,756)	(577,325,918)	(550,237,466)	(580,725,771)
Income taxes	(1,819,754,302)	(372,585,107)	337,506,813	847,679,519	(198,989,900)	(778,255,050)
Net cash generated from operating activities	(257,024,699)	(58,385,225)	(185,960,989)	(318,283,111)	(409,261,102)	(87,211,500)
CASH FLOWS FROM INVESTING ACTIVITIES	(84,066,500)	-	(50,888,577)	(261,014,678)	(23,271,293)	(66,921,983)
Purchase of - property and equipment	(27,322,976)	(9,488,478)	(14,923,910)	(29,765,776)	(29,027,283)	(65,886,889)
- capital work-in-progress	(12,240,333)	(78,486,014)	(278,110,023)	(231,496,244)	(253,695,713)	(60,831,039)
- intangible	(791,396,903)	(87,836,349)	(3,590,551)	(32,951,900)	-	(34,858,412)
- intangible assets under development	(395,787,689)	(172,244,814)	(174,995,550)	(201,408,680)	-	-
- investment property	33,135,360	340,970,265	5,579,814	58,880,164	-	12,585,711
- development property	27,964,876	18,146,462	15,030,588	(15,377,273)	(9,310,242)	11,360,479
Sale proceed from fixed assets	(99,849,338)	(3,456,615)	(200,859)	389,961	(396,072)	143,378
Long-term deposits	-	-	-	-	(182,453,942)	-
Long-term loans	-	-	-	-	-	-
Investments - mutual funds and listed securities	3,335,756	-	-	-	-	-
Acquisition of a subsidiary, net of cash acquired	7,362,500,000	-	-	-	-	-
Proceeds from disposal of investment properties	(613,731,767)	-	-	-	-	-
Purchase of shares of TPL Life, TPLI and TPLP	466,500,000	-	-	-	-	-
Proceeds from shares issued by TPLI	-	462,580,400	-	-	-	-
Proceeds from disposal of investment in TPLI	(1,202,566,484)	(600,000,000)	-	-	29,868,113	-
Long-term Investments	(930,151,268)	128,100,764	454,357,669	(1,225,935,477)	-	-
Sale proceeds from / (cost of investment) - net	3,479,298,036	(60,099,604)	(233,702,388)	(2,256,963,014)	(877,547,534)	(291,620,255)
Net cash (used in) / generated from investing activities	(70,205,689)	(73,094,737)	(18,754,320)	(18,428,140)	(45,762,473)	(58,706,448)
CASH FLOWS FROM FINANCING ACTIVITIES	-	-	-	-	300,000,004	1,119,872,151
Lease liabilities - net	(203,795,468)	(1,577,890)	(18,379)	(53,643,080)	-	-
Proceeds from share issue by TPL Properties Limited – net	(84,382,193)	(49,723,735)	(152,252,399)	127,165,543	320,920,256	(81,013,260)
Dividend paid	2,259,978,505	(53,264,402)	(856,134,888)	1,396,439,840	(220,083,852)	470,291,205
Long-term loans – net	(925,231,106)	998,151,951	526,836,017	356,942,482	(171,960,752)	158,279,020
Long-term Financing - net	801,846,000	-	-	-	-	-
Short-term financing	(64,484,030)	-	-	-	-	-
Proceeds from issuance of ordinary shares of TPLT	-	-	300,000,000	-	-	-
Share issuance costs of TPLT	-	-	-	-	-	-
Proceeds from issuance of ordinary right shares	-	-	-	-	-	-
Net cash generated (used in) / from financing activities	1,713,726,019	820,491,187	(200,323,969)	1,808,476,645	183,113,183	1,608,722,668
Net (decrease) / increase in cash and cash equivalents	3,373,269,753	387,806,476	(96,519,544)	399,193,150	(893,424,251)	538,847,362
Cash and cash equivalents at the beginning of the year	365,573,397	(22,233,079)	74,286,465	(386,615,206)	506,809,044	(32,038,318)
Net foreign exchange differences	(324,600)	-	-	-	-	-
Cash and cash equivalents at the end of the year	3,738,518,550	365,573,397	(22,233,079)	12,577,944	(386,615,207)	506,809,044

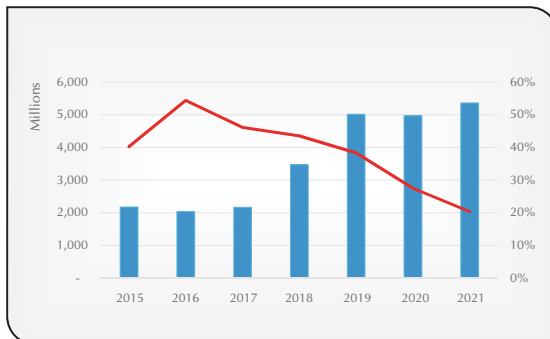
RATIO ANALYSIS PROFIT AND LOSS ACCOUNT

		2021	2020	2019	2018	2017	2016
<u>Profitability Ratios</u>							
Gross Profit to Sales	percent	20%	24%	38%	44%	46%	54%
Net Profit to Sales	percent	-4%	-25%	2%	19%	12%	11%
EBITDA Margin to sales	percent	21%	14%	27%	43%	40%	43%
Return on Equity	percent	-3%	-16%	1.08%	9%	4%	5%
Return on Capital Employed	percent	-2%	-11%	1%	6%	3%	3%
<u>Liquidity Ratios</u>							
Current Ratio	Ratio	1.25	0.69	0.70	0.90	1.12	1.25
Quick / Acid test ratio	Ratio	1.21	0.67	0.67	0.85	0.98	1.11
Cash to Current Liabilities	Ratio	0.40	0.04	0.00	0.011	-0.15	0.24
Cashflow from Operations to sales	Ratio	-0.34	-0.07	0.067	0.24	-0.09	-0.38
<u>Activity/ Turnover Ratios</u>							
Inventory turnover	Number of times	12	15	10	6	4	3
No of days in inventory (Days)	Number of days	30	25	35	64	102	108
Debtor turnover	Number of times	4	4	4	3	2	2
No of days in Receivables (Days)	Number of days	85	94	101	140	199	175
Credit turnover	Number of times	1.9	3	3	3	2	2
No of days in Payables	Number of days	195	143	130	128	231	291
Operating cycle	Number of days	-80	-24	6	75	70	-8
Total asset turnover	percent	26%	26%	28%	23%	19%	21%
Fixed assets turnover	percent	368%	239%	202%	173%	140%	155%
<u>Investment Valuation Ratios</u>							
Earning per Share	Ratio	(0.50)	(4.57)	(1.20)	0.07	0.09	0.29
<u>Capital structure Ratios</u>							
Financial leverage Ratio	Ratio	1.06	0.92	0.73	0.86	0.61	0.75
Debt Equity Ratio	Ratio	0.61	0.45	0.33	0.50	0.41	0.54
Interest cover Ratio	Ratio	0.87	0.14	1.24	2.43	1.94	1.80

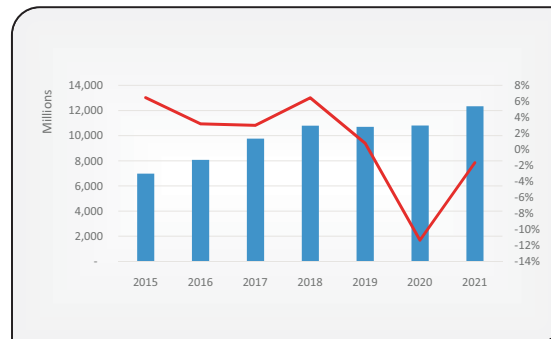


STATEMENT OF VALUE ADDITION AND ITS DISTRIBUTION

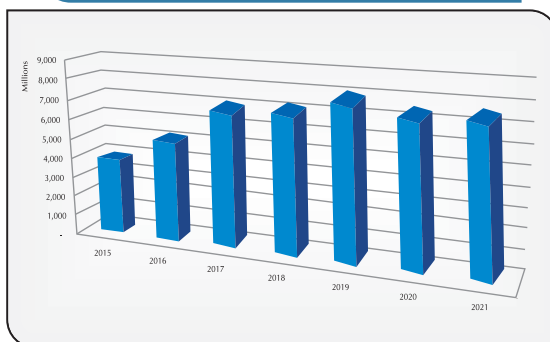
REVENUE VS GROSS PROFIT



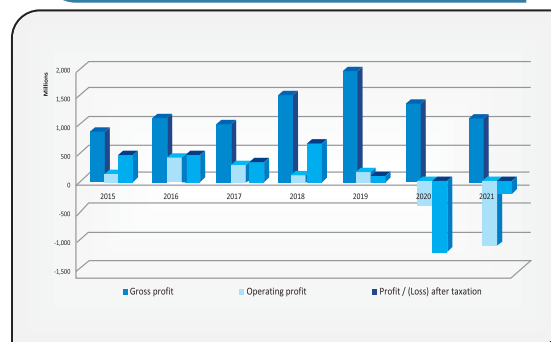
CAPITAL EMPLOYED VS RETURN



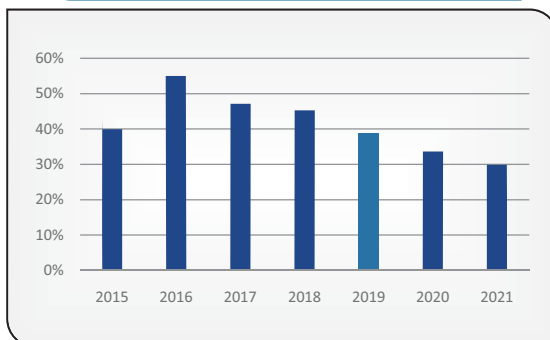
TOTAL EQUITY



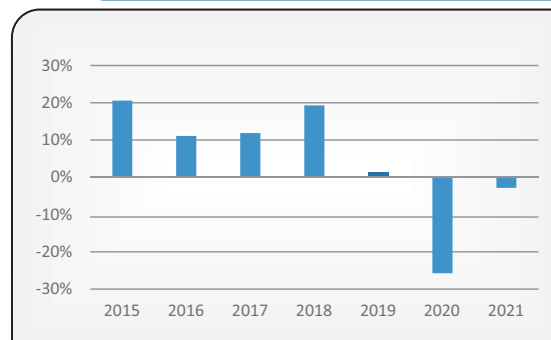
PROFITABILITY COMPARATIVE



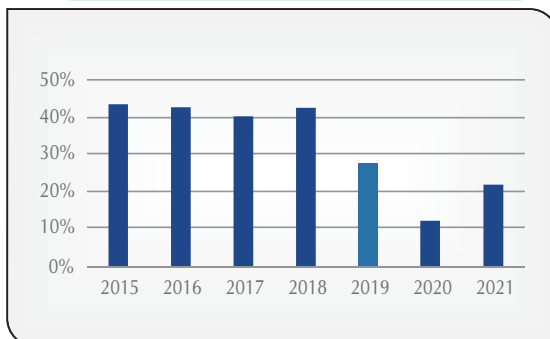
GROSS PROFIT



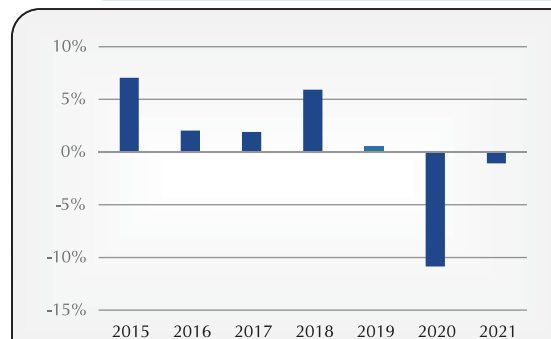
NET PROFIT



EBITDA MARGIN



RETURN ON TOTAL ASSETS



STATEMENT OF VALUE ADDITION AND ITS DISTRIBUTION

WEALTH GENERATED

	2021 Amount in Rs	%	2020 Amount in Rs
Total revenue inclusive of sales tax other income	7,514,148,350		5,965,078,263
Cost of Sales and services	(4,085,200,191)		(3,410,797,170)
	3,428,948,159	100%	2,554,281,093

WEALTH DISTRIBUTION

To Employees

Salaries, benefits and other costs	2,008,483,371	59%	1,397,176,091
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To Government

Income tax, sales tax, excise duty and others	414,074,641	12%	418,615,609
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To Society

Donation towards education, health and environment	41,149,889	1%	26,421,548
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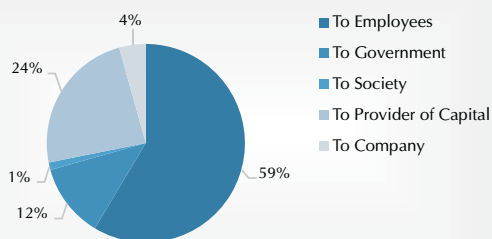
To Provider of Capital

Dividend to shareholders	-	0%	-
Markup / Interest expenses on borrowed funds	817,017,566	24%	1,249,675,688

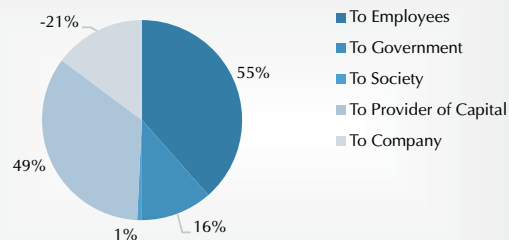
To Company

Depreciation, amortization & retained profit	148,222,692	4%	(537,607,843.37)
	3,428,948,159	100%	2,554,281,093

Wealth Distribution 2021



Wealth Distribution 2020



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, 2021.

1. ECONOMIC OUTLOOK

Pakistan's domestic economy has been on the road to recovery as it recuperates from the far reaching implications of Covid 19 and consequent global lockdowns. Surpassing its economic growth target after 15 years, the economy witnessed a v-shape recovery in FY21, posting GDP growth rate of 3.94% which had dropped to negative 0.4% in FY20. The economic growth momentum strengthened, considerably, as business confidence index jumped to 64 in June 2021, up 25 points from June 2020.

Average yearly inflation for the financial year 2021 clocked in at 8.9% resulting in the Consumer Price Index (CPI) to be relatively high but stabilized as compared to preceding years. On the external end, Country's position has strengthened as foreign exchange reserves rose by USD 5.2Bn in FY21. The Current Account Deficit (CAD) was reported at USD 1.8Bn, down 59% YoY which fell to only 0.6% of GDP, the lowest in 10 years, on the back of record home remittance inflows, recovery in exports and deferred interest payments on external debt. However, the debt-to-GDP ratio has skyrocketed to ~81%, far exceeding the cap of 60% placed under The Fiscal Responsibility and Debt Limitation Act 2005 on account of ballooning national debt levels.

The present government has taken a pragmatic approach in order to achieve long term sustainability through the implementation of various monetary and fiscal policies such as maintaining the policy rate at 7% throughout the fiscal year, promoting growth, expansion and ease of doing business by policy measures such as 'Temporary Economic Refinance Facility', 'Roshan Digital Account', 'Mera Pakistan, Mera Ghar' and other form of bank loans.

As per the Economic Survey, IT and IT-enabled services (ITeS) posted a CAGR growth of 19% from FY16-FY21, which has been the highest among the sectors. Market capitalization of companies listed under technology and communication sector grew 1.35x during FY21 (2nd highest growth among sectors). Continuing the efforts for the enrichment of the Tech sector. The government is creating platforms (Special Economic Zones, SEZs) and introducing laws and regulations such as Special Technology Zone Act, 2021 to accommodate tech companies.

The optimistic outlook of FY22 and robust economic activity has led the International Monetary Fund (IMF) revising Pakistan's expected GDP growth to 4.9%. Continued strengthening of domestic consumption, increase in vaccine rollouts, resilient manufacturing, and construction activity is expected to support the economy towards a more sustainable and inclusive growth path.

2. FINANCIAL HIGHLIGHTS

During this period the Group's revenue after eliminating intercompany transactions were PKR 5,362.3 million, representing an increase of 7.9% as compared to the corresponding period last year. Trakker Middle East (TME) contributed PKR 225 million, which has become a foreign subsidiary effective from July 1st, 2020. Loss before tax stands at PKR 116.77 million in contrast to the loss of PKR 1,081.6 million in the corresponding period. The Group reported a loss per share of PKR 0.50 as compared to loss per share of PKR 4.57 in the corresponding period.

3. GROUP PERFORMANCE

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

a. TPL Trakker Limited

On July 1, 2020, the Company acquired an additional 21% stake in TME, whereby management control was obtained. Ending the financial year 2020-2021, the Company achieved consolidated revenues of Rs. 2.11 billion representing a growth of 32% when compared with last year. The Company also witnessed an improvement in the financial results before taxation by 82% relative to the last year. The Connected Car segment contributed 53% to the topline of the Company, where 16% growth was observed from last year, whereas the Digital Mapping & Location services far exceeded expectations by achieving 297% over last year.

Future Outlook - Connected Car & IoT

As the world has experienced unprecedented challenges during the past two years on account of stabilization measures and the COVID-19 outbreak that has affected the businesses, TPL Trakker Limited has managed positive results by focusing on diversification and exploring new and untapped avenues, both product and geographical wise. Looking ahead, we are focusing on expanding our product line by bringing to market vertical specific solutions for industries such as healthcare, manufacturing, agriculture, telecommunication, pharmaceuticals, Oil & Gas and transportation. There is a renowned focus by clients on digitization and shifting to IOT solutions to bring about efficiencies and TPL is well positioned to take advantage of this opportunity through our capability to connect complex infrastructure & monitor its patterns.

The lower interest rates will result in increased volumes in the financial sector as the banks have started maintaining an average of 5000 to 6000 vehicles being financed on a monthly basis. We also partnered with different business associations and banks for Below-The-Line advertising activities and this will remain one of our main focus in FY 2021-2022.

The unexpected shortfall in microchip production which has ultimately hit the automobile production resulting in late and in some cases cancelled orders is expected to return to normalcy by October 2021. Subsequent to which, we expect a sharp increase in monthly volumes in our tracking and auto hardware business.

Future Outlook - Digital Mapping & Location Services

The upcoming focus of the Mapping & Location Services business unit is to introduce the Digital Maps Platform for Pakistan. Starting with the strategy to position the TPL Maps Flagship App as the Maps App of Pakistan. This endeavor is multi-tiered with a complete revamp of the existing App. A comprehensive user experience research was conducted and a roadmap for the new App was finalized.

The aim of this app will be to enable movers to have a wholesome travelling experience in Pakistan by providing companionship, assistance, planning, and facilitation through an integrated mapping platform. Heavily focusing on localization in terms of hyper local reach, connections, partnerships, this app will be a Pure Pakistani App bringing together the startup and entrepreneurial sector to service the end user and fulfilling all their traveling and mobility needs.

Carving out a differentiated space where international giants may be hesitant to compete given the local advantage that TPL Trakker has on ground, the new TPL Maps app will raise user expectations through additional benefits, continuous innovation and value additions via features that integrate themselves into the user's life.

The new TPL Maps App will be rolled out in three phases - capitalizing on Ease of Use, Personalization & Accuracy and Localization respectively. As a Pure Pakistani app, our focus will be to garner sustainable monetization and revenue generation from this platform through local partnerships specifically in the areas of tourism, hospitality, payment gateway engines, local merchants, local transport agencies, and advertisements.

For the existing LBS platform, we forecast a revenue growth of about fifty percent over last year. The focus is on high value client acquisitions like Muller & Phipps, HBL, KE, TCS, Daraz, 4B Group, easypaisa, Telenor to name among few. Reseller partnership agreements will also lock in big names such as Telenor and Systems Ltd. Steps are also underway to position TPL Maps LBS as the preferred LBS platform on the national level with an alignment with NITB and its associated applications and mobile apps.

FY 20-21 saw the commercial go to market of DART. DART was also enabled for international markets through integration with HERE maps. This B2B Software-As-A-Service (SAAS) product is completely configurable to cater to all industry verticals whether they be distribution, logistics, services, rapid delivery, e-com last mile or Financial Service Institutions. Prospective pipeline for the current fiscal includes Cybernet, Wateen, Nayatel, PizzaHut, M&P, BlueEx and HBL. Reseller partnership is also under consideration with Telenor B2B.

The current data points acquired stand at 5,153,235. TPL Trakker will be partnering with organizations with similar data collections for their customer addresses and locations, reinforcing our data collections with respect to entries and accuracy.

In conclusion, a diversified approach factoring direct business development, innovations, partnerships, and product development is anticipated to drive stable and sustainable growth for the rest of the financial year.

Trakker Middle East

Following the acquisition of Trakker Middle East LLC. by TPL, a new management team was put in place with the aim to grow the company and expand our market to the wider GCC region for our IoT and SaaS solutions.

In the past year, TME has added some valuable products to its list of offerings. Most notable among these is the AI-Based Driver Monitoring & ADAS system. With its safety and audit features, this product has huge potential in the market. TME has already been able to commercialize this solution and the company is seeing increasing demand from some major players such as Dubai Petroleum and DNATA. In order to diversify our product portfolio further we have also added GenSet Monitoring & Cold Chain Monitoring solutions.

TME has added DART, a SaaS based route planning solution, to its portfolio as well. DART is an existing system developed by TPL which has been customized for the UAE & Middle East market.

Despite the COVID situation, TME has been able to add new clients to its portfolio regularly in the past year. Top of the list is Gargash Mercedes UAE, with a fleet of around 3,000 vehicles. Another notable client is QER (Quality Equipment Rentals) which is among the top 3 equipment rental companies in UAE, with a fleet over 2,500.

Overall, the past year was one of transition, where old solutions were replaced with new more cost effective and efficient ones. New product lines were added to the portfolio. TME is also effectively managing government mandated transition from 2G to 4G telco services. After having successfully navigated these challenges, TME looks towards a promising year with great growth potential.

b. TPL Insurance Limited

During the year, the Company reported Gross Written Premium of Rs. 2,911 million Vs Rs. 2,478 million in the preceding year (including Window Takaful Operations), registering 17.5% growth compared to prior year. Motor sales reported an increase of 57% YoY. As a result, the motor insurance portfolio reported the GWP at Rs. 2,344 million compared to last year of Rs. 2,040 million. The Company continued its growth journey in Non-motor segment. GWP from Property business reported increase of Rs. 170 million (growth of 123.4%), while for Marine class GWP growth was Rs. 18 million (36.7%). Miscellaneous class reported YoY increase of Rs. 10 million (20%). The Company didn't renew loss-making accounts in Health portfolio resulting in shortfall of Rs. 71 million. The Company reported profit before tax of Rs. 80.6 million (2020: loss before tax of Rs. 59.7 million), including results of Window Takaful operations, mainly attributed to increase in expenses YoY due to investment in digital infrastructure and cost of employee share option plan.

During the year, equity injection from DEG - Deutsche Investitions - und Entwicklungsgesellschaft mbH ("DEG"), a wholly owned subsidiary of KfW Group based in Cologne, Germany, a major Development Finance Institution has been completed. Capital injection comprises of 23.325 million ordinary shares of Rs. 20/- each amounting to Rs. 466.5 million giving DEG 19.9% stake in the Company post capital injection.

During the year, the Company's reinsurance treaty limits for property business increased from Rs. 750 million to Rs. 1,050 million.

During the year, Pakistan Credit Rating Agency has upgraded our Issuer Financial Strength Rating to AA-.

FUTURE OUTLOOK

With the reduction in interest rates, the consumer financing sector has reported robust growth especially in auto financing. Further, we expect that the softening of the interest rates would help support the industry growth and would create new opportunities for insurance penetration predominantly in the manufacturing and house building projects.

During 2021, our strategy is to continually innovate to utilize digital paradigm to redefine insurance. During the course of past few years, we capitalized on our digital assets and utilize rich data to ensure most hassle free policy issuance, claims and renewal process. The Company plans to continue its growth path in non-motor segment to diversify its portfolio and increase its market share. We are confident that these measures will enable the Company to achieve sustainable profitable growth in the years to come.

c. TPL Properties Limited

During the financial year under review the company posted a negative growth in revenue as it had to get the floors vacated upon completion of the Sale transaction of Centrepont Building (Investment property), consequently, the operating profit and profit after tax (PAT) were lower as compared to the corresponding period.

FUTURE OUTLOOK

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

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

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

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

The company's wholly owned subsidiary, TPL RMC Ltd, (licensed by the SECP) is working towards the launch of Pakistan's first hybrid REIT Fund, which will invest in acquisition of land for development, development of real estate assets, and acquisition of yielding and underperforming real estate assets. TPL REIT Fund I will be restricted to investments in real estate assets located in Pakistan. Further, in order to attract foreign investment into the Fund and Pakistan, it is incorporating a Feeder Fund structure (based in an appropriate international jurisdiction) which will be managed by a fund management company in Abu Dhabi Global Market (ADGM). The Company will own a strategic stake in TPL REIT Fund I after transferring the three projects under development to the fund to enable a faster and funded development to take place.

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

d. TPL Life Insurance Limited

Gross Written Premium (GWP) during the year ended June 30, 2021 was PKR 1,056.7 million which has improved by 8% as compared to PKR 979.3 million for the corresponding period last year.

During the year, premium from Corporate business has declined by 9% to PKR 802 million from PKR 879 million during the same period last year. However, Retail business has shown growth of 155% to PKR 255 million compared to PKR 100.2 million last year.

The Company's Takaful line of business contributed 13% 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 loss after tax for the year was PKR 351.3 million compared with PKR 282.1 million in the same period last year. Major contributors were the health claim expenses which showed unprecedented surge on account of Covid-19 related health protocols which increased the general treatment costs substantially. Further, increment in the risk based solvency margin for health and life business as well as associated costs for life and health insurance

operations were major contributors of losses. Company is constantly reviewing its major cost centers and realign business / operational strategies to reign in major cost heads. As a strategic focus, the Company has reviewed its corporate business strategy and has opted not to pursue Corporate Health line of business. The current book will be allowed to complete its term with no impact on existing clients. However it will continue its flourishing retail and digital health insurance solutions. This will have a positive impact on the company's future on expenses and overall P&L.

The Company paid total health and life claims of PKR 888.2 million during the FY, with health claims to the tune of PKR 712.8 million and life insurance claims of PKR. 175.3 million.

The Company issued 22.5 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 been 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.

FUTURE OUTLOOK

The economic and geopolitical situation of Pakistan is passing through a challenging phase. Fiscal discipline, FATF Compliance, stabilization of equity market, as well as interest rates, stability of economic and taxation policies and improved governance will ultimately lead to better economic growth. Whilst the measures being taken by the government to document the economy are appreciable, these will take their due time to yield the positive results.

Life insurance industry is facing various challenges, the overall regulatory environment is quickly changing e.g. introduction of new corporate agent regulations where restrictions have been placed on the minimum allocation and commission on ULIPs and introduction of draft regulations for digital insurers. These will have long lasting impact on the business. Other significant development is the imposition of provincial sales taxes on the business of life and health insurance as well as on commission of insurance agents. In a country like Pakistan having one of the lowest insurance penetrations in the world, the support from the Government for the development of the insurance sector will play a key role in increasing penetration and resolving the current issues being faced. The company, along with other life insurance companies, has filed a constitutional petition and writ petition respectively in High Court of Sindh and Lahore High Court challenging the levy of sales tax on life and health premium.

TPL life, being a front runner in tech led solutions, is ideally positioned to capitalize on the future market distribution models. With digital platforms in place, focus will now be on aggressive go-to-market strategies and increase awareness about insurtech solutions.

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.

For the retail line of business, the Company will focus on increasing its digital footprint and will explore partnerships with digital platforms which will enable accelerated penetration as well as diversification of risk. B2B2C sales, Bancassurance and Fintech channels will be core development areas in coming months.

The Corporate business will focus on balancing portfolio profitability by regularly reviewing claims experience and retaining profit bearing corporate relationships. As mentioned earlier, current corporate health insurance risk will be tapered off till Q2 2022. Company intends to retain clients in corporate life insurance domain specially in profitable premium buckets.

e. TPL e-Ventures

During the year, TPL e-Ventures continued underpinning its presence in the local ecosystem through collaboration and strategic partnership with key stakeholders. While exploring investment opportunities, together, with participating in follow-on funding round of portfolio companies remained its strategic focal point.

TPL e-Ventures took various initiatives to broaden its alliances in the ecosystem, including the execution of a Memorandum of Understanding (MoU) with National Incubation Centre (NIC) across Karachi, Lahore and Islamabad in collaboration with TPL Trakker. The MoU offers credit to startups, being incubated at NICs, of over PKR 35,000 to avail Location Based Services (LBS) by integrating TPL Maps into their Application Programming Interface (API). In addition, the Company signed up for the Amazon Web Services "Activate Program" (avail credit for cloud and other services up to USD 100,000; coupled with a Startup Mentorship, Free Consultation on Technical Roadmap, and Access to Global Investor Network).

The Company also participated in various local and international events arranged by renowned stakeholders; such as Investor Roundtable of 021Disrupt Conference organized by the Nest IO and Innovation Matchmaking Conference organized by NIC Karachi, to name a few. The team also represented TPL e-Ventures as on Expert Judges' panels at Pitch Contests hosted by NIC Karachi as well as Unicorn Battle.

During the year, TPL e-Ventures proactively assessed various startup opportunities in Digital Banking, Hospitality, EdTech, Automotive Trading Platform, e-Logistics, e-Commerce and Electric Vehicles. Eight were shortlisted and preliminary due diligence conducted, while two investment opportunities being negotiated with (one in HealthTech and second in electric vehicle mobility).

Performance of Portfolio Companies

TelloTalk - is an all-in-one chat application that integrates all C2C, B2C, and B2B communications. During FY21, the venture noted a significant growth in Daily Active Users and Monthly Active Users on account of new In-App features being launched. Furthermore, TelloTalk executed a Service Level Agreement for Integration of TelloTalk Chat SDK Solutions for Web & Mobile application across TPL Group of companies namely TPL Insurance, TPL Trakker, and TPL life. However, the major achievement for the venture was closing a pre-series A funding round raising USD 1.1 mn successfully, wherein, TPL e-Ventures also participated by investing USD 100,000. Till date, the total investment yields an upside in value by 2.7 folds.

Rider - is an end-to-end digital logistics solution that allows businesses to deliver products to customers. During FY21, the venture launched a Micro Distribution Hub at LuckyOne Mall, Karachi; and expanded its warehousing as well as its front office, while unlocking operations in two new cities covering an additional 30 delivery locations. It also on-boarded thirty new merchants including five of the largest e-commerce retailers of Pakistan. These developments empowered Rider to achieve significant growth in delivery volumes of over 1.1 million deliveries to date, with 87% first attempt delivery success ratio, and a 16% positive contribution margin. In light of its growth potential, TPL e-Ventures participated in pre-seed funding round by making an investment of PKR 18.5 Mn.

Strategic Focus and Future Outlook

In recent times, Pakistan based startups have gauged the interest of local and international investors leading to the Pakistan startup ecosystem to attain second position in South Asia region as stated in the "Global Startups Ecosystem Index 2021" report released by StartupBlink. Pakistan has also experienced a 97% increase in venture capital funding during 2020 as suggested in Emerging Venture Markets Report, 2021.

The combination of a large smartphone penetration of 102 million mobile broadband users and the lockdowns subsequent to the Covid-19 pandemic has accelerated consumer behavior towards digital products. Startups in FinTech, EdTech, HealthTech and e-commerce and related e-supply chain and e-Logistics are emerging in Pakistan.

TPL e-Ventures is looking to establish itself as a significant player in the tech disruption ecosystem, participate in new investment opportunities and continue supporting its existing portfolio companies.

f. TPL Security Services (Private) Limited

COVID 19 impacted the security business in the whole country. Security guards were not allowed to operate as a precautionary measure for social distancing measures by most of the clients. Consequently, the revenue of the Company declined by 5% during the year. The company reported a loss before tax of PKR 8.8 million in contrast to profit before tax of PKR 19.5 million, last year.

FUTURE OUTLOOK

Despite the impacts of COVID 19 on Company's business, the Company is focused to increase its revenue stream by commencing CCTV and electronic security solutions to corporates, commercial banks and commercial & residential projects for a sustainable revenue stream going forward.

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.

6. KEY FINANCIAL DATA FOR THE LAST SIX YEARS

	2021	2020	Restated 2019	Restated 2018	2017	2016
	PKR'000	PKR'000	PKR'000	PKR'000	PKR'000	PKR'000
Balance Sheet						
Paid-up capital	2,672,978	2,672,978	2,672,978	2,372,978	2,172,490	2,172,490
Capital Reserve	118,156	60,856	60,856	60,856	-	-
Revenue Reserve	153,724	(429,238)	219,732	533,300	548,301	533,817
Other components of equity	204,832	327,728	566,082	216,527	228,791	-
Non-Controlling Interest	4,471,600	4,766,384	4,618,490	4,220,516	3,978,088	2,525,421
Total Shareholders' equity	7,621,290	7,398,707	8,138,137	7,404,176	6,927,669	5,231,727
Participants' Takaful Fund (PTF)	13,175	69,048	(117,589)	(214,850)	-	-
Total equity	7,634,466	7,467,756	8,020,548	7,189,326	6,927,669	5,231,727
Long term Loan and short term	8,110,770	6,844,481	5,817,025	6,181,169	4,255,897	3,934,215
Due to related parties	252,253	976,883	1,173,752	504,988	87,950	123,792
Other Liabilities	5,619,378	4,546,922	3,711,958	3,479,658	1,076,191	920,786
Total Liabilities	13,982,401	12,368,286	10,702,735	10,165,815	5,420,038	4,978,793
Total Equity & Liabilities	21,616,866	19,836,042	18,723,283	17,355,141	12,347,707	10,210,520
Total Assets						
Investment	6,906,290	2,994,937	8,253,923	7,992,379	6,087,598	4,741,405
Fixed Assets	1,512,259	1,390,116	2,760,069	2,214,072	1,799,521	1,305,465
Other non-current assets	3,339,440	3,064,685	3,050,371	2,852,374	1,879,278	1,628,358
Trade debts	1,342,966	1,164,282	1,397,980	1,374,344	1,280,587	1,086,023
Stock-in-trade	445,650	247,185	267,410	326,692	357,217	294,125
Other current assets	3,259,314	2,522,974	2,027,739	1,581,123	453,402	227,369
Cash and bank balances	4,801,026	1,470,768	965,792	1,014,158	490,104	927,774
Non-current asset held for sale	-	6,981,095	-	-	-	-
Total Assets	21,616,866	19,836,042	18,723,283	17,355,141	12,347,707	10,210,520

			Restated	Restated		
	2021	2020	2019	2018	2017	2016
	PKR'000	PKR'000	PKR'000	PKR'000	PKR'000	PKR'000
Turnover – net	5,362,332	4,968,421	5,013,470	3,471,416	2,168,433	2,037,361
Cost of sales	(4,270,189)	(3,601,080)	(3,092,894)	(1,960,689)	(1,168,704)	(929,333)
Gross profit	1,092,143	1,367,341	1,920,576	1,510,727	999,729	1,108,028
Distribution expenses	(145,422)	(384,688)	(351,365)	(282,608)	(214,247)	(222,153)
Administrative expenses	(1,960,903)	(1,255,095)	(1,375,337)	(1,031,399)	(501,505)	(393,627)
Other operating expenses	(82,831)	(74,327)	(30,823)	(97,312)	(1,360)	(69,974)
Operating profit	(1,097,012)	(346,769)	163,051	99,409	282,617	422,274
Finance costs	(880,133)	(1,262,316)	(741,592)	(507,568)	(334,820)	(369,731)
Other Income	1,813,847	742,327	858,003	1,145,124	348,374	235,642
Net deficit / (surplus) attributable to PTF	55,873	(189,216)	(86,855)	-	-	-
Share of profit/(loss) from investment in associates - net	(9,349)	(25,649)	(11,492)	(13,147)	16,962	8,732
Profit before taxation	(116,774)	(1,081,624)	181,115	723,818	313,134	296,917
Taxation	(76,106)	(138,636)	(98,730)	(59,570)	(44,854)	(65,288)
Profit / (Loss) after taxation	(192,880)	(1,220,260)	82,385	664,248	268,280	231,629
Other comprehensive income	(48,543)	19,951	351,576	(12,326)	229,088	-
Total comprehensive income	(241,422)	(1,200,309)	433,961	651,922	497,369	231,629
EPS	(0.50)	(4.57)	(1.20)	0.07	0.09	0.29

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, 2022 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 majority of the Board members have completed their certification in DTP while one director was granted exemption by SECP based on prescribed qualification and experience. The directors, who do not hold the certification, are well conversant with their duties and responsibilities as directors of a listed company. The Company, however, aims to encourage the remaining directors, as the case may be, to complete their certification.

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.
- 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. Muhammad Asif – 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 100,000/- for attending each meeting of the Board or its sub-committees.

9. PATTERN OF SHAREHOLDING

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

Shareholder's Category	Number of shares	Percentage of shareholding
Associated Companies	166,830,748	62.41
Banks, DFI & NBFI	4,568,500	1.71
Mutual Funds	8,440,770	3.16
General Public (Local)	71,536,136	26.76
General Public (Foreign)	5,505,806	2.06
Others	10,415,803	3.90
Total	267,297,763	100

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

NO. OF SHAREHOLDERS	From	To	SHARES HELD	PERCENTAGE
285	1	100	3,809	0.0014
575	101	500	281,314	0.1052
561	501	1,000	551,685	0.2064
1,098	1,001	5,000	3,267,437	1.2224
375	5,001	10,000	3,111,793	1.1642
143	10,001	15,000	1,906,957	0.7134
108	15,001	20,000	2,043,495	0.7645
89	20,001	25,000	2,131,000	0.7972
48	25,001	30,000	1,392,500	0.521
33	30,001	35,000	1,104,220	0.4131
32	35,001	40,000	1,245,500	0.466
8	40,001	45,000	349,000	0.1306
50	45,001	50,000	2,478,500	0.9272
9	50,001	55,000	480,000	0.1796
16	55,001	60,000	949,104	0.3551
5	60,001	65,000	319,000	0.1193
2	65,001	70,000	140,000	0.0524
12	70,001	75,000	894,000	0.3345
6	75,001	80,000	471,000	0.1762
3	80,001	85,000	251,000	0.0939
2	85,001	90,000	175,000	0.0655
2	90,001	95,000	184,500	0.069
42	95,001	100,000	4,196,877	1.5701
3	100,001	105,000	306,500	0.1147
1	105,001	110,000	110,000	0.0412
4	110,001	115,000	454,000	0.1698
2	115,001	120,000	234,500	0.0877
2	120,001	125,000	250,000	0.0935
2	130,001	135,000	268,000	0.1003
2	135,001	140,000	280,000	0.1048
4	145,001	150,000	600,000	0.2245
1	150,001	155,000	151,500	0.0567
4	155,001	160,000	639,500	0.2392
1	165,001	170,000	165,500	0.0619
2	170,001	175,000	350,000	0.1309
2	180,001	185,000	361,500	0.1352
10	195,001	200,000	2,000,000	0.7482
1	200,001	205,000	203,000	0.0759
1	205,001	210,000	210,000	0.0786
1	210,001	215,000	214,500	0.0802
1	215,001	220,000	215,500	0.0806
2	220,001	225,000	448,000	0.1676
1	240,001	245,000	241,000	0.0902
2	245,001	250,000	500,000	0.1871
1	270,001	275,000	275,000	0.1029
1	285,001	290,000	290,000	0.1085
1	290,001	295,000	295,000	0.1104
2	295,001	300,000	600,000	0.2245
1	305,001	310,000	310,000	0.116
2	325,001	330,000	656,000	0.2454
1	335,001	340,000	338,000	0.1265



NO. OF SHAREHOLDERS	From	To	SHARES HELD	PERCENTAGE
1	345,001	350,000	350,000	0.1309
1	360,001	365,000	364,000	0.1362
2	370,001	375,000	750,000	0.2806
1	385,001	390,000	385,500	0.1442
2	395,001	400,000	800,000	0.2993
2	445,001	450,000	900,000	0.3367
8	495,001	500,000	4,000,000	1.4965
1	505,001	510,000	508,000	0.19
1	510,001	515,000	514,000	0.1923
1	555,001	560,000	557,770	0.2087
1	585,001	590,000	588,500	0.2202
2	600,001	605,000	1,203,000	0.4501
1	670,001	675,000	673,000	0.2518
2	695,001	700,000	1,400,000	0.5238
2	795,001	800,000	1,600,000	0.5986
1	945,001	950,000	946,000	0.3539
3	995,001	1,000,000	3,000,000	1.1223
1	1,000,001	1,005,000	1,003,500	0.3754
1	1,015,001	1,020,000	1,018,500	0.381
1	1,020,001	1,025,000	1,025,000	0.3835
1	1,245,001	1,250,000	1,250,000	0.4676
1	1,295,001	1,300,000	1,300,000	0.4863
2	1,495,001	1,500,000	3,000,000	1.1223
2	1,500,001	1,505,000	3,005,500	1.1244
1	1,695,001	1,700,000	1,700,000	0.636
1	1,995,001	2,000,000	2,000,000	0.7482
1	2,145,001	2,150,000	2,150,000	0.8043
1	2,150,001	2,155,000	2,151,000	0.8047
1	2,450,001	2,455,000	2,452,500	0.9175
1	2,500,001	2,505,000	2,500,500	0.9355
1	2,585,001	2,590,000	2,589,500	0.9688
1	2,770,001	2,775,000	2,771,801	1.037
1	3,120,001	3,125,000	3,125,000	1.1691
1	8,395,001	8,400,000	8,400,000	3.1426
1	9,995,001	10,000,000	10,000,000	3.7411
1	36,220,001	36,225,000	36,225,000	13.5523
1	122,195,001	122,200,000	122,195,501	45.7151
3616	Company Total		267297763	100.0000

10. ADDITIONAL INFORMATION

Associated Companies, Undertaking and Related Parties (name wise details)	No of shares held (June 30, 2021)
TPL HOLDINGS (PRIVATE) LIMITED	166,680,401
TRUSTEE TPL DIRECT INSURANCE LTD -EMPLOYEES PROVIDENT FUND	347
Mutual Funds (name wise details)	
EFG HERMES PAKISTAN LIMITED – MF	1,000,000
PEARL SECURITIES LIMITED – MF	7,000
BMA CAPITAL MANAGEMENT LTD. – MF	1,500,000
JS GLOBAL CAPITAL LIMITED – MF	673,000
NEXT CAPITAL LIMITED – MF	1,300,000

Associated Companies, Undertaking and Related Parties (name wise details)	No of shares held (June 30, 2021)
ADAM SECURITIES LTD. – MF	1,000
CEDAR CAPITAL (PRIVATE) LIMITED – MF	800,000
ABA ALI HABIB SECURITIES (PVT) LIMITED – MF	19,000
INTERMARKET SECURITIES LIMITED – MF	60,000
HORIZON SECURITIES LIMITED – MF	28,500
BACKERS & PARTNERS (PRIVATE) LIMITED – MF	557,770
MRA SECURITIES LIMITED – MF	101,000
MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES LTD. – MF	1,505,000
N. U. A. SECURITIES (PRIVATE) LIMITED – MF	24,500
DAWOOD EQUITIES LIMITED – MF	20,000
FRIENDLY SECURITIES (PVT.) LIMITED – MF	203,000
TRUST SECURITIES & BROKERAGE LIMITED – MF	25,000
CDC - TRUSTEE AKD OPPORTUNITY FUND	385,500
CDC - TRUSTEE FIRST CAPITAL MUTUAL FUND	50,000
CDC - TRUSTEE FIRST HABIB STOCK FUND	180,500
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, 2021.	
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, 2021.	
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, 2021.	
MR. MUHAMMAD ALI JAMEEL	
MS. SABIHA SULTAN	
Following non-executive directors of the Company have shares of the Company as of June 30, 2021 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	
NUMBER OF SHARES BOUGHT BY THE CHIEF FINANCIAL OFFICER OF THE COMPANY ON AUGUST 27, 2021	6,000
APART FROM ABOVE OFFICER, NONE OF DIRECTORS, CEO, 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 5 meetings during the financial year. Attendance of Directors is indicated below:

Name of Director	Meetings Attended
Mr. Jameel Yusuf Ahmed (S.St)	5
Mr. Muhammad Ali Jameel (CEO)	5
Vice Admiral (R) Muhammad Shafi, HI(M)	5
Mr. Mark Dean Rousseau	5
Ms. Sabiha Sultan	5
Mr. Nadeem Arshad Elahi	4
Major General (R) Zafar ul Hasan Naqvi	5
Mr. Bilal Alibhai	4

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

ڈائریکٹرز کی رپورٹ

TPL کارپوریشن لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے، ہم کمپنی کے 30 جون 2021 کو ختم ہونے والے سال کے سالانہ مالیاتی گوشوارے مع کمپنی کی کارکردگی کا جائزہ پیش کرتے ہوئے خوش محسوس کرتے ہیں۔

1۔ اقتصادی نقطہ نظر

پاکستان کی معیشت بحالی کی راہ پر گامزن ہے کیونکہ یہ کوویڈ 19 اور اس کے نتیجے میں عالمی لاک ڈاؤن کے دورِ راست اثرات سے نکل رہی ہے۔ 15 سالوں کے بعد اپنے معاشی ترقی کے ہدف کو پیچھے چھوڑتے ہوئے، معیشت نے مالی سال 21 میں تیز ترین بحالی دیکھی، جی ڈی پی کی شرح نمو 3.94 فیصد رہی جو مالی سال 20 میں منفی 0.4 فیصد تک گئی۔ اقتصادی نمو کی رفتار کافی مضبوط ہوئی، کیونکہ کاروباری اعتماد انڈیکس جون 2021 میں 64 پوائنٹس تک بڑھ گیا، جو کہ جون 2020 سے 25 پوائنٹس کا اضافہ ہے۔

مالی سال 2021 کی اوسط سالانہ افراط زر 8.9 فیصد تک پہنچ گئی جس کے نتیجے میں کنزیومر پرائس انڈیکس (سی پی آئی) نسبتاً زیادہ ہے لیکن پچھلے سالوں کے مقابلے میں مستحکم ہے۔ بیرونی لحاظ سے، ملک کی پوزیشن مستحکم ہوئی ہے کیونکہ مالی سال 21 میں زرمبادلہ کے ذخائر میں 5.2 بلین ڈالر کا اضافہ ہوا ہے۔ کرنٹ اکاؤنٹ خسارہ (CAD) 1.8 بلین امریکی ڈالر ریکارڈ کیا گیا، جو کہ سال بہ سال 59 فیصد کم ہے جو کہ ریکارڈ گھر پلو ترسیلات زر کی آمد، برآمدات میں بحالی اور سود کی ادائیگی میں تاخیر کی وجہ سے GDP کے صرف 0.6 فیصد پر آ گیا، جو 10 سالوں میں سب سے کم ہے۔ بیرونی قرض تاہم، قرض سے جی ڈی پی کا تناسب 81 فیصد تک پہنچ گیا ہے، جو کہ قومی قرضوں کی سطح بڑھنے کی وجہ سے مالیاتی ذمہ داری اور قرض کی حد بندی ایکٹ 2005 کے تحت 60 فیصد کی حد سے کہیں زیادہ ہے۔

موجودہ حکومت نے مختلف مالیاتی اور مانیٹری پالیسیوں کے نفاذ کے ذریعے طویل مدتی پائیداری کے حصول کے لیے ایک عملی نقطہ نظر اختیار کیا ہے جسے کہ مالی سال کے دوران پالیسی شرح کو 7 فیصد پر برقرار رکھنا، ترقی، توسیع اور کاروبار میں آسانی کو فروغ دینے جیسے 'عارضی اقتصادی ری فنانس سہولت'، 'روشن ڈیجیٹل اکاؤنٹ'، 'میرا پاکستان'، 'میرا گھر' اور بینک قرضوں کی دیگر صورتوں میں سہولت پہنچانا۔

اقتصادی سروے کے مطابق، آئی ٹی اور آئی ٹی سے چلنے والی خدمات (ITeS) نے مالی سال 16- مالی سال 21 میں 19 فیصد کی CAGR نمو درج کی، جو کہ شعبوں میں سب سے زیادہ ہے۔ ٹیکنالوجی اور کیوٹیکیشن سیکٹر کے تحت مندرجہ کمپنیوں کی مارکیٹ کمپیٹو ترقی میں مالی سال 21 کے دوران 1.35x گنا بڑھ گئی (سیکٹر میں دوسری سب سے زیادہ نمو)۔ ٹیک سیکٹر کی توسیع کے لیے کوششیں جاری ہیں۔ حکومت ٹیک کمپنیوں کو سہولت دینے کے لیے پلیٹ فارم (ایپیل اکائونٹ زونز، SEZs)، بنیادی ہے اور ایپیل ٹیکنالوجی زون ایکٹ، 2021 جیسے قوانین اور ضابطے متعارف کر رہی ہے۔

مالی سال 22 کے پُر امید نقطہ نظر اور مضبوط معاشی سرگرمیوں کے باعث بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) نے پاکستان کی متوقع جی ڈی پی نمو 4.9 فیصد پر ریوایز کی ہے۔ مقامی کھیت کی مسلسل مضبوطی، ویکسین کے رول آؤٹ میں اضافہ، پگڈار مینوفیکچرنگ اور تعمیراتی سرگرمیوں کے باعث معیشت مزید پائیدار اور جامع ترقی کی راہ پر گامزن ہونے کی توقع ہے۔

2۔ مالی جھلکیاں

اس عرصے کے دوران انٹرکمپنی لین دین کرنے کے بعد گروپ کی آمدنی 5,362.3 ملین روپے تھی جو کہ پچھلے سال کے اسی عرصے کے مقابلے میں 7.9 فیصد کا اضافہ ظاہر کر رہی ہے۔ ٹریکڈ مل ایسٹ (TME) نے 225 ملین روپے کا حصہ شامل کیا، جو کہ جولائی 2020 کو غیر ملکی ذیلی ادارہ بنا ہے۔ گزشتہ سال کے اسی عرصے میں 1,081.6 ملین پاکستانی روپے نقصان کے برعکس ٹیکس سے پہلے نقصان 116.77 ملین پاکستانی روپے ہے۔ گروپ نے 0.50 روپے فی حصص نقصان درج کیا جبکہ گزشتہ اسی مدت میں فی حصص نقصان 4.57 روپے تھا۔

3۔ گروپ کی کارکردگی

کمپنی کے مختلف کاروباری شعبوں کا مختصر جائزہ مندرجہ ذیل ہے:

a۔ ٹی بی ایل ٹریڈر لمیٹڈ

کیم جولائی 2020، کو، کمپنی نے TME میں مزید 21 فیصد حصص حاصل کر لئے، جس کے تحت انتظامی کنٹرول حاصل کیا گیا۔ مالی سال 2020-2021 کے اختتام تک، کمپنی نے 2.11 بلین روپے کی مجموعی آمدنی حاصل کی جو گزشتہ سال کے مقابلے میں 31 فیصد کا اضافہ ظاہر کرتی ہے۔ پچھلے سال کی اسی مدت کے مقابلے میں ٹیکس سے قبل کمپنی کے مالی نتائج میں 84% کی بہتری آئی ہے۔ منسلک کار شعبہ نے کمپنی کی ٹاپ لائن میں 53 فیصد کا حصہ شامل کیا، جہاں گزشتہ سال کے مقابلے میں 16 فیصد اضافہ دیکھا گیا، جبکہ ڈیجیٹل میپنگ اینڈ لوکیشن سروسز شعبہ، نے گزشتہ سال سے 297 فیصد حاصل کر کے توقعات سے تجاوز کیا۔

مستقبل کا نقطہ نظر۔ منسلک کار اور IoT

چونکہ دنیا نے پچھلے دو سالوں میں استحکام کے اقدامات اور COVID-19 کی وبا کی وجہ سے بے مثال چیلنجوں کا سامنا کیا ہے جس نے کاروبار کو متاثر کیا ہے، ٹی پی ایل ٹریڈر لمیٹڈ نے تنوع پر توجہ مرکوز کر کے اور نئے اور غیر استعمال شدہ راستوں کی تلاش میں مثبت نتائج حاصل کیے ہیں، دونوں مصنوعات اور جغرافیائی لحاظ سے آگے دیکھتے ہوئے، ہم صحت کی دیکھ بھال، مینوفیکچرنگ، زراعت، ٹیلی کمیونیکیشن، دواسازی، جیل اور گیس اور نقل و حمل جیسی صنعتوں کے لیے عمومی مخصوص حل مارکیٹ میں لاتے ہوئے اپنی پروڈکٹ لائن کو بڑھانے پر توجہ دے رہے ہیں۔ موبائلوں کی طرف سے ڈیجیٹلائزیشن اور آئی او ٹی کے حل پر منتقل ہونے پر ایک خاص توجہ مرکوز ہے اور ٹی پی ایل پیچیدہ انفراسٹرکچر کو جوڑنے اور اس کے نمونوں کی نگرانی کرنے کی ہماری صلاحیت کے ذریعے اس موقع سے فائدہ اٹھانے کے لیے اچھی طرح پوزیشن میں ہے۔

کم شرح سود کے نتیجے میں مالیاتی شعبے میں حجم میں اضافہ ہوگا کیونکہ بینکوں نے ماہانہ بنیاد پر 5000 سے 6000 گاڑیوں کی اوسط کو برقرار رکھنا شروع کر دیا ہے۔ ہم نے مختلف کاروباری ایسوسی ایشنوں اور بینکوں کے ساتھ نیچے لائن کی اشتہاری سرگرمیوں کے لیے شراکت داری کی اور یہ مالی سال 2021-2022 میں ہماری مرکزی توجہ کا مرکز رہے گا۔

مانیکروچپ کی پیداوار میں غیر متوقع کمی جس نے بالآخر ٹومو بال کی پیداوار کو متاثر کیا ہے جس کے نتیجے میں دیر سے اور بعض صورتوں میں منسوخ شدہ آرڈر اکتوبر 2021 تک معمول پر آجائیں گے۔

مستقبل کا نقطہ نظر۔ ڈیجیٹل میپنگ اور لوکیشن سروسز

میپنگ اینڈ لوکیشن سروسز برنس یونٹ پر آئندہ توجہ پاکستان کے لیے ڈیجیٹل میپنگ پلیٹ فارم متعارف کرانا ہے۔ ٹی پی ایل میپس فلیک شپ ایپ کو میپس ایپ آف پاکستان کی پوزیشن دینے کی حکمت عملی سے آغا دیا جا رہا ہے۔ یہ کوشش موجودہ ایپ کی مکمل اصلاح کے ساتھ بہت زیادہ مربوط ہے۔ صارف کے تجربے کی ایک جامع تحقیق کی گئی اور نئی ایپ کے روڈ میپ کو حتمی شکل دی گئی۔

اس ایپ کا مقصد متحرک میپنگ پلیٹ فارم کے ذریعے صحت، مدد، منصوبہ بندی اور سہولت فراہم کر کے پاکستان میں سفر کرنے والوں کو صحت مند سفر کرنے کے قابل بنانا ہوگا۔ ہائپر لوکل رسائی، کنکشنز، شراکت داری کے لحاظ سے لوکلائزیشن پر بہت زیادہ توجہ مرکوز کرتے ہوئے، یہ خالص پاکستانی ایپ ہوگی جو اشارت اپ اور انٹر پرائیوریل سیکٹر کے ساتھ ساتھ آخری صارف کی خدمت اور ان کی سفر اور نقل و حرکت کی تمام ضروریات کو پورا کرے گی۔

ٹی پی ایل ٹریڈر کو حاصل ہونے والے مقامی فائدے کو دیکھتے ہوئے جہاں بین الاقوامی دیوتا مقابلہ کرنے میں چیلنکھاٹ کا شکار ہیں، نئی ٹی پی ایل میپس ایپ صارفین کی توقعات سے زیادہ فوائد، مسلسل جدت اور ویلیو ایڈیشنز کے ذریعے ان خصوصیات کو بڑھادے گی جو خود کو صارف کی زندگی کے ساتھ مربوط کرتی ہیں۔

نئی ٹی پی ایل میپس ایپ کو بالترتیب استعمال میں آسانی، ذاتی نوعیت اور درستی اور لوکلائزیشن کو استعمال کرتے ہوئے تین مراحل میں شروع کیا جائے گا۔ خالص پاکستانی ایپ ہونے کی وجہ سے، ہماری توجہ اس پلیٹ فارم سے خاص طور پر سیاحت، مہمان نوازی، ادائیگی کے گیٹ ویں، مقامی تاجروں، مقامی ٹرانسپورٹ ایجنسیوں اور اشتہارات کے شعبوں میں مقامی شراکت داری کے ذریعے پائیدار موبیلائزیشن اور آمدنی حاصل کرنے پر مرکوز ہوگی۔

موجودہ LBS پلیٹ فارم کے لیے، ہم پچھلے سال کے مقابلے میں تقریباً پچاس فیصد آمد آمدنی کی پیش گوئی کرتے ہیں۔ اعلیٰ ویلیو کلائنٹ جیسے کہ مولرا اینڈ فیس، ایچ بی ایل، کے ای، ٹی سی ایس، دراز، 4 بی گروپ، ایزی پیس، ٹیلی نار کے حصول پر توجہ مرکوز ہے۔ دوبارہ فروخت کرنے والے شراکت داری معاہدے ٹیلی نار اور سسٹمز لمیٹڈ جیسے بڑے ناموں میں بھی لاک کئے جائیں گے۔

مالی سال 20-21 میں ڈارٹ کی مارکیٹ میں کمرشل گو دیکھا گیا۔ HERE میپس کے ساتھ انتظام کے ذریعے بین الاقوامی منڈیوں کے لیے بھی ڈارٹ کو فعال کیا گیا۔ یہ B2B سافٹ ویئر-ایز-اے-سروس (SAAS) پروڈکٹ مکمل طور پر صنعت کے تمام شعبوں جیسا کہ ڈسٹری بیوشن، لاجسٹکس، خدمات، تیز ترین ترسیل، ای کام لاسٹ میل یا فنانشل سروسز انشیلوشن کی ضروریات کو پورا کرنے کے قابل ہے۔ رواں مالی سال کی متوقع پائپ لائن میں سامبرینٹ، وٹین، نیائیل، پیڑا، ایم اینڈ پی، بلیو ایکس اور ایچ بی ایل شامل ہیں۔ ٹیلی نار B2B کے ساتھ ری سیکٹر شراکت داری بھی زیر غور ہے۔

موجودہ ڈیٹا پوائنٹس 153,235 پر پہنچ گئے ہیں۔ ٹی پی ایل ٹریڈر ان تنظیموں کے ساتھ شراکت داری کرے گا جو اپنے صارفین کے سپتہ اور مقامات کے لیے اسی طرح کا ڈیٹا اکٹھا کرتی ہیں، اندراجات اور درستی کے حوالے سے ہمارے ڈیٹا کی کمیشن کو تقویت دیتے ہیں۔

آخر میں، باقی مالی سال کے لیے مستحکم اور پائیدار ترقی کی راہ پر گامزن رہنے کے لئے ایک متنوع نقطہ نظر جو کہ براہ راست کاروباری ترقی، جدت، شراکت داری اور مصنوعات کی ترقی متوقع ہے۔

ٹرکیر مڈل ایسٹ

ٹی پی ایل کی طرف سے، ٹرکیر مڈل ایسٹ ایل ایل سی کے حصول کے بعد، ایک نئی مینجمنٹ ٹیم رکھی گئی جس کا مقصد کمپنی کو ترقی دینا اور ہماری مارکیٹ کو ہمارے IoT اور SaaS حل کے لیے وسیع GCC خطے تک پھیلانا ہے۔

پچھلے سال میں، TME نے اپنی پیشکشوں کی فہرست میں چند قیمتی مصنوعات شامل کی ہیں۔ ان میں سب سے زیادہ قابل ذکر AI پر مبنی ڈرائیور مانیٹرنگ اور ADAS سسٹم ہے۔ اس کی حفاظت اور آڈٹ کی خصوصیات کے ساتھ، ان مصنوعات کی مارکیٹ میں بہت زیادہ گنجائش ہے۔ TME پہلے ہی اس حل کو کمرشلایز کرنے میں کامیاب رہا ہے اور کمپنی چند بڑے کھلاڑیوں جیسے کہ دینی پٹرولیم اور DNATA کی بڑھتی ہوئی طلب کو دیکھ رہی ہے۔ اپنی پروڈکٹ پورٹ فولیو میں مزید تنوع لانے کے لیے ہم نے چین سیٹ مانیٹرنگ اور کولڈ چین مانیٹرنگ سلوشنز بھی شامل کیے ہیں۔

TME نے اپنی پورٹ فولیو میں SaaS، DART پر مبنی روٹ پلاننگ سلوشن بھی شامل کیا ہے۔ DART ایک موجودہ نظام ہے جو TPL نے تیار کیا ہے جسے متحدہ عرب امارات اور مشرق وسطیٰ کی مارکیٹ کی ضروریات کے مطابق بنایا گیا ہے۔

COVID صورتحال کے باوجود، TME پچھلے ایک سال میں باقاعدگی سے اپنے پورٹ فولیو میں نئے گاہکوں کو شامل کرنے میں کامیاب رہا ہے۔ سرفہرست گرگاش سرسڈیز متحدہ عرب امارات، جس میں تقریباً 3,000 گاڑیوں کا فلیٹ ہے۔ دوسرا قابل ذکر کلائنٹ QER (کوالٹی ایکویٹی پیمائش) ہے جو کہ متحدہ عرب امارات کی ٹاپ 13 ایکویٹی پیمائش کمپنیوں میں شامل ہے، جس کا فلیٹ 2500 سے زائد ہے۔ مجموعی طور پر، پچھلا سال ایک تبدیلی کا سال تھا، جہاں پرانے سلوشنز کی جگہ نئے زیادہ ارزان اور کارآمد سلوشنز لائے گئے۔ پورٹ فولیو میں نئی مصنوعات کی لائسنس شامل کی گئیں۔ TME ٹیلیکومرسوز 2G سے 4G میں مکالماتی لازمی منتقلی کا بھی مؤثر انتظام کر رہا ہے۔ کامیابی کے ساتھ ان چیلنجوں کو ختم کرنے کے بعد، TME نمونہ کی زیادہ صلاحیت کے ساتھ ایک امید افزا سال کی طرف گامزن ہے۔

b۔ ٹی پی ایل انشورنس لمیٹڈ

اس عرصے کے دوران، کمپنی نے مجموعی تحریری پریمیم (بشمول ونڈو ٹکافل آپریشنز) گزشتہ سال میں 2,478 ملین روپے کے برعکس 2,911 ملین روپے درج کرایا، جو گزشتہ سال کے مقابلے 17.5 فیصد نمو ظاہر کر رہا ہے۔ گاڑیوں کی فروخت نے سالہا سال میں 57 فیصد کا اضافہ ریکارڈ کیا ہے۔ جس کے نتیجے میں، موٹر انشورنس پورٹ فولیو نے گزشتہ سال کی اسی مدت میں 2,040 ملین روپے کے مقابلے موجودہ مدت میں 2,344 ملین روپے GWP درج کرایا۔ کمپنی نے نان موٹر سیکورٹ میں اپنی نمو کا سفر جاری رکھا۔ پراپرٹی بزنس سے GWP نے 170 ملین روپے (123.4 فیصد نمو) کا اضافہ درج کرایا، جبکہ کیریئر کلاس کے لئے GWP 18 ملین روپے (36.7%) تھی۔ متفرق کلاس نے سال بہ سال 10 ملین روپے (20%) کا اضافہ درج کیا۔ کمپنی نے ہیلتھ پورٹ فولیو میں نقصان اٹھانے والے کھاتوں کی تجدید نہیں کی جس کے نتیجے میں 71 ملین روپے کا شارٹ فال ہوا۔ کمپنی نے ٹیکس سے قبل 80.6 ملین روپے (59.7:2020) ملین روپے ٹیکس سے قبل نقصان) منافع درج کرایا، جس میں ونڈو ٹکافل آپریشنز کے نتائج بھی شامل ہیں، جس کی بنیادی وجہ ڈیجیٹل انفراسٹرکچر میں سرمایہ کاری اور ایمپلائی شیز آپشن پلان کی لاگت کے باعث سال بہ سال اخراجات میں اضافہ ہے۔

سال کے دوران، Cologne، جرمنی میں واقع، ایک اہم ڈویپمنٹ فنانس انشٹیٹیوٹ، KfW گروپ میٹڈ کی ایک مکمل ذیلی کمپنی، und DEG-Deutsche Investments ("DEG") سے ایکویٹی انجکشن مکمل کی گئی۔ کمپنل انجکشن کی رقم 466.5 ملین روپے جو کہ ہر ایک 20 روپے کے 23.325 ملین عمومی شیئرز پر مشتمل ہے، کمپنل انجکشن کے بعد DEG کو کمپنی میں 19.9% حصہ دیا جا رہا ہے۔

سال کے دوران، پراپرٹی بزنس کے لئے کمپنی کی رینی انشورنس حدود 750 ملین روپے سے بڑھ کر 1,050 ملین روپے ہو گئی ہیں۔

سال کے دوران، پاکستان کریڈٹ ریٹنگ ایجنسی نے ہماری ایسٹورنٹس سٹریٹنگ ریٹنگ کو AA- پر اپ گریڈ کیا ہے۔

مستقبل کا نظریہ

شرح سود میں کمی کے ساتھ، کزن پرم فنانسنگ سیکٹر نے خاص طور پر آٹو فنانسنگ میں مضبوط نمو درج کی ہے۔ مزید برآں ہم توقع کرتے ہیں کہ شرح سود میں کمی صنعت کی نمو میں معاون ہوگی اور بنیادی طور پر مینوفیکچرنگ اور ہاؤس بلڈنگ پراجیکٹس میں انشورنس کی رسائی کے نئے مواقع پیدا ہوں گے۔

2021 کے دوران، ہماری حکمت عملی ہے کہ ڈیجیٹل نمونے کو استعمال کرتے ہوئے انشورنس کو نئے سرے سے متعین کرنے کے لئے مسلسل جدت لائیں۔ پچھلے کچھ سالوں کے دوران، ہم نے اپنے ڈیجیٹل اثاثوں کا فائدہ اٹھایا اور پریشنائی سے بہت ہی پاک پالیسی کے اجراء، کلیمز اور تجدید کے عمل کو یقینی بنانے کے لیے بھرپور ڈیٹا استعمال کیا۔ کمپنی اپنے پورٹ فولیو کو متنوع بنانے اور مارکیٹ میں اپنا حصہ بڑھانے کے لیے نان موٹر سیکیشن میں اپنی نمونہ کی راہ ہموار کئے کاراؤد رکھتی ہے۔ ہمیں یقین ہے کہ یہ اقدامات کمپنی کو آئندہ سالوں میں پائیدار منافع بخش نمو حاصل کرنے کے قابل بنائیں گے۔

c۔ ٹی پی ایل پراپرٹیز لمیٹڈ

زیر جائزہ مالی سال کے دوران کمپنی نے آمدنی میں منفی نمودار کی کیونکہ اسے سینٹر پوائنٹ بلڈنگ (سرمایہ کاری پراپرٹی) کی فروخت کا لین دین مکمل ہونے پر فلورز خالی کرنے پڑے، اس کے نتیجے میں آپریٹنگ منافع اور ٹیکس کے بعد منافع (PAT) گزشتہ سال کی مدت کے مقابلے میں کم تھا۔

مستقبل کا نقطہ نظر

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

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

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

زیر تعمیر تیسرا پروجیکٹ کورنگی انڈسٹریل پارک کے قریب 140 ایکڑ کا ماسٹر پلانڈ مسکڈ یوز ڈویلپمنٹ ہے۔ متعدد شہری تخلیق نو کے اقدامات کے ساتھ، یہ ترقی TPL پراپرٹیز میں نمایاں قدر کا اضافہ کرے گی۔ ماسٹر پلاننگ کے لیے بین الاقوامی فرموں کا انتخاب کیا جا رہا ہے اور فیئر 1 مالی سال 2022 کی آخری سہ ماہی میں شروع ہو جائے گا۔

کمپنی کا مکمل ملکیتی ماتحت ادارہ، TPL آر ایم سی لمیٹڈ، (ایس ای سی پی کی لائسنس یافتہ) پاکستان کا پہلا باہر ڈیٹا REIT فنڈ شروع کرنے کے لیے کام کر رہا ہے، جو ڈویلپمنٹ کے لیے زمین کے حصول، رینٹل اسٹیٹ اثاثوں کی ڈویلپمنٹ، اور کم پیداوار اور ایئر کراڈ کی مظاہرہ کرنے والے رینٹل اسٹیٹ اثاثوں کے حصول میں سرمایہ کاری کرے گا۔ ٹی پی ایل REIT فنڈ پاکستان میں واقع رینٹل اسٹیٹ اثاثوں میں سرمایہ کاری تک محدود رہے گا۔ مزید یہ کہ فنڈ اور پاکستان میں غیر ملکی سرمایہ کاری کو راغب کرنے کے لیے، یہ فیڈرل سٹریٹجی (ایک مناسب بین الاقوامی دائرہ اختیار پر مبنی) قائم کیا جا رہا ہے جس کا انتظام ابوظہبی گلوبل مارکیٹ (ADGM) میں ایک ڈیٹا مینجمنٹ کمپنی کرے گی، جس کے لائسنس کے لیے درخواست لکھاری کی گئی ہے۔ کمپنی فنڈ ڈویلپمنٹ کو تیز ترین اور وقوع پذیر کے قابل بنانے کے لئے فنڈ کو ڈویلپمنٹ کے تحت تین پراجیکٹس کو فنڈ منتقل کرنے کے بعد ٹی پی ایل REIT فنڈ میں اسٹریٹجک اسٹیک کی مالک ہوگی۔

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

d۔ ٹی پی ایل لائف انشورنس لمیٹڈ

30 جون 2021 کو ختم ہونے والے سال کے دوران مجموعی تحریری پرییمیم (جی ڈبلیو پی) 1,056.7 ملین روپے رہا جو گزشتہ سال کی اسی مدت میں 979.3 ملین روپے کے مقابلے میں 8 فیصد بہتر ہوا ہے۔ سال کے دوران، کارپوریٹ کاروبار سے پرییمیم گزشتہ سال کی اسی مدت کے 879 ملین روپے سے 9 فیصد کم ہو کر 802 ملین روپے ہو گیا۔ تاہم، رینٹل بزنس نے گزشتہ سال کی 100.2 ملین روپے کے مقابلے میں 255 ملین روپے تک یعنی 155 فیصد کی نمو ظاہر کی۔

کمپنی کے تکافل لائن آف بزنس نے مجموعی پرییمیم ریونیو میں 13 فیصد حصہ شامل کیا ہے اور ہم توقع کر رہے ہیں کہ رینٹل اور کارپوریٹ سیکٹر میں شریعہ پر مبنی تکافل سلیوشن کی موروٹی ضرورت کی بدولت آئندہ سال میں تکافل لائن آف بزنس سے شراکت میں اضافہ ہوگا۔

رواں سال میں ٹیکس کے بعد نقصان 351.3 ملین روپے رہا جبکہ پچھلے سال کی اسی مدت میں 282.1 ملین روپے تھا۔ اہم شراکت و راحت کے گیمز کے اخراجات تھے جنہوں نے کوئیڈ 19 سے متعلقہ ہسپتال پروڈکٹ کی وجہ سے غیر معمولی اضافہ دکھایا جس سے عام علاج کے اخراجات میں خاطر خواہ اضافہ ہوا۔ مزید یہ کہ صحت اور زندگی کے کاروبار کے لیے رسک پر مبنی سالوینسی مارجن میں اضافہ کے ساتھ ساتھ زندگی اور ہسپتال انشورنس آپریشنز سے متعلقہ اخراجات نقصانات کے بڑے شراکت دار تھے۔ کمپنی اپنے اہم کاسٹ سنڈر کا مسلسل جائزہ لے رہی ہے اور اہم کاسٹ ہیڈز کی گمرانی کے لیے کاروبار آپریشنل حکمت عملیوں

کو دوبارہ ترتیب دے رہی ہے۔ اسٹرٹجک توجہ کے طور پر، کمپنی نے اپنی کارپوریٹ کاروباری حکمت عملی پر نظر ثانی کی ہے اور کارپوریٹ ہیلتھ لائن آف بزنس کی پیروی نہ کرنے کا انتخاب کیا ہے۔ موجودہ کھاتوں کو اپنی مدت پوری کرنے کی اجازت دی جائے گی جس کا کوئی اثر موجودہ کارپوریٹ پر نہیں پڑے گا۔ تاہم یہ اپنے فروغ پذیر خوردہ اور ڈیجیٹل ہیلتھ انشورنس سلویشنز جاری رکھے گی۔ اس سے کمپنی کے مستقبل کے اخراجات اور مجموعی P&L پر مثبت اثر پڑے گا۔

کمپنی نے مالی سال کے دوران کل 888.2 ملین روپے صحت اور زندگی کے کٹیز میں ادا کئے، جس میں سے صحت کے کٹیز 712.8 ملین روپے اور لائف انشورنس کٹیز 175.3 ملین روپے ہیں۔

اس مدت کے دوران کمپنی نے سالانہ سیٹل اور روٹنگ کپٹل کی ضروریات کو پورا کرنے کے لئے ٹی پی ایل کارپوریشن لمیٹڈ کو 10 روپے فی شیئر کے حساب سے 22.5 ملین رائٹ شیئرز جاری کئے۔

کمپنی کے پاس Hannover Re کے ہاں ری انشورنس کا بندوبست ہے جسے اسٹینڈرڈ اینڈ پوز کی طرف سے "AA-" درجہ بندی سے نوازا گیا ہے۔ یہ کمپنی کی انڈر رائٹنگ صلاحیت کو خطرہ اور گہرائی کی تنوع فراہم کرے گی۔

کمپنی نے PACRA کی طرف سے کمپنی کی A- (سنگل اے مائنس) کی IFS (انشورنس فنانسل سٹریٹجی) کی درجہ بندی کو برقرار رکھا ہوا ہے۔

مستقبل کا نقطہ نظر

پاکستان کی معیشت اب بھی ایک مشکل مرحلے سے گزر رہی ہے۔ مالی نظم و ضبط، (FATF) فیٹف کی تعمیل، ایکوینی مارکیٹ کا استحکام، معاشی اور ٹیکس پالیسیوں کا استحکام، اور بہتر گورننس بالآخر بہتر معاشی نمو کا باعث بنے گی۔ جب کہ حکومت کی جانب سے معیشت کو متاویزی بنانے کے لئے اٹھائے جانے والے اقدامات قابل تعریف ہیں، ان کے مثبت نتائج آج کے دن ہونے میں اس کا مقررہ وقت درکار ہوگا۔

لائف انشورنس انڈسٹری کو مختلف چیلنجز کا سامنا ہے، مجموعی ریگولیٹری ماحول تیزی سے بدل رہا ہے مثلاً نئے کارپوریٹ ایجنٹ قواعد وضوابط متعارف کرانا جہاں ULIPs پر کم سے کم ایلویشن اور کمیشن پر پابندیاں لگائی گئی ہیں اور ڈیجیٹل انشورنس کمپنیوں کے لیے مسودہ قوانین متعارف کرایا گیا ہے۔ یہ کاروبار پر دیرپا اثرات مرتب کریں گے۔ دوسری اہم پیش رفت زندگی اور صحت انشورنس کے کاروبار کے ساتھ ساتھ انشورنس ایجنٹوں کے کمیشن پر صوبائی سبزیٹیکس لگانا ہے۔ پاکستان جیسے ملک میں جو کہ دنیا میں سب سے کم انشورنس کی رسائی رکھتا ہے، حکومت کی طرف سے انشورنس سیکٹر کی ترقی کے لیے تعاون رسائی کو بڑھانے اور موجودہ مسائل کو حل کرنے میں اہم کردار ادا کرے گا۔ کمپنی نے دیگر لائف انشورنس کمپنیوں کے ساتھ مل کر لائف اور ہیلتھ پریمیم پریزنٹیکس کے نفاذ کو چیلنج کرتے ہوئے بالترتیب سندھ ہائی کورٹ اور لاہور ہائی کورٹ میں ایک آئینی پٹیشن اور رٹ پٹیشن دائر کی ہے۔

ٹی پی ایل لائف، ایک لیڈر مل میں فرنٹ رنر ہونے کے ناطے، مستقبل کے مارکیٹ ڈسٹری بیوشن ماڈل کا فائدہ اٹھانے کے لیے مثالی پوزیشن میں ہے۔ ڈیجیٹل پلیٹ فارمز کے ساتھ، اب مارکیٹ پر جارحانہ حکمت عملی پر توجہ مرکوز کی جائے گی اور انشورنس سلویشنز کے بارے میں شعور بڑھایا جائے گا۔

کارپوریٹ کاروبار کسٹمر کے بہترین تجربے کی فراہمی کے ذریعے اپنے پورٹ فولیو کو بڑھانے پر توجہ مرکوز رکھے گا اور ایک پڑھنی حل کے ذریعے ایک کنارے کو برقرار رکھے گا۔

ریشل لائن آف بزنس کے لیے، کمپنی اپنے ڈیجیٹل فوٹ پرنٹ کو بڑھانے پر توجہ مرکوز کرے گی اور ڈیجیٹل پلیٹ فارمز کے ساتھ شراکت داری کو تلاش کرے گی جو کہ تیزی سے اندراج کے ساتھ ساتھ خطرے کی تنوع کے بھی قابل بنائے گی۔ B2B2C سبزیٹیکس، بینک ایڈیٹریٹس اور فنانسک جیولز آئینڈ مینیو میں بنیادی ترقیاتی شعبے ہوں گے۔

کارپوریٹ کاروبار کسٹمر کے تجربے کا باقاعدگی سے جائزہ لینے اور کارپوریٹ تعلقات کو برقرار رکھنے والے منافع کو برقرار رکھنے کے ذریعے پورٹ فولیو منافع کو متوازن کرنے پر توجہ دے گا۔ جیسا کہ پہلے ذکر کیا گیا، موجودہ کارپوریٹ ہیلتھ انشورنس کا خطرہ 2022 کی دوسری سہ ماہی تک کم کر دیا جائے گا۔ کمپنی کارپوریٹ لائف انشورنس ڈومین میں گاہکوں کو خاص طور پر منافع بخش پریمیم پلینس میں برقرار رکھنے کا ارادہ رکھتی ہے۔

e-ٹی پی ایل ای وینچرز

سال کے دوران، ٹی پی ایل ای وینچرز نے مقامی ماحولیاتی نظام میں کلیدی شراکت داروں کے ساتھ شراکت اور اسٹرٹجک شراکت داری کے ذریعے اپنی موجودگی کو جاری رکھا۔ سرمایہ کاری کے مواقع کی تلاش کے دوران، پورٹ فولیو کمپنیوں کے فالو آؤنگ ٹک راؤنڈ میں حصہ لینے کے ساتھ، اس کا اسٹرٹجک فوکل پوائنٹ رہا۔

ٹی پی ایل ای وی پی نے ماحولیاتی نظام میں اپنے اتحاد کو بڑھانے کے لیے مختلف اقدامات کیے، جن میں ٹی پی ایل ٹریڈر کے تعاون سے کراچی، لاہور اور اسلام آباد میں ٹیکسٹائل انڈسٹری سنٹر (این آئی سی) کے ساتھ معاہدہ کی یادداشت پر دستخط شامل ہے۔ ایم او یو، این آئی سی میں انڈیا بیٹ ہونے کی وجہ سے، کے ٹی پی ایل میپس کو اپنے آپٹیکیشن پروگرامنگ انٹرفیس (API) میں ضم کر کے لوکیشن بیڈ سروسز (ایل بی ایس) حاصل کرنے کے لیے 35,000 روپے سے زائد کے کریڈٹ کی پیشکش کرتا ہے۔ اس کے علاوہ، کمپنی نے انجینروں ویب سروسز "ایکٹیویٹ پروگرام" کے لیے سائن اپ کیا (100,000 امریکی ڈالر تک کا ڈاؤن گریڈ خدمات، اسٹارٹ اپ میٹرو شپ کے ساتھ ٹیکنیکل روڈ میپ پر مفت مشاورت، اور گلوبل انویسٹمنٹ ورک تک رسائی کے لیے کریڈٹ حاصل کرنا)۔

کمپنی نے معروف اسٹیک ہولڈرز کے زیر اہتمام مختلف مقامی اور بین الاقوامی تقریبات میں بھی شرکت کی، جیسے کہ Nest IO کے زیر اہتمام Disrupt 021 کانفرنس کا انویسٹراؤنڈ ٹیبل اور NIC کراچی کے زیر اہتمام انویسٹمنٹ میٹنگ کانفرنس۔ ٹیم نے ٹی پی ایل ای وی پی کی نمائندگی این آئی سی کراچی اور یونیکورن ٹیبل کے زیر اہتمام میٹنگ مقابلوں میں بطور ماہر ججریٹنگ کی نمائندگی کی۔

سال کے دوران، ٹی پی ایل ای وی پی نے ڈیجیٹل ٹیکنالوجی، مہمان نوازی، ایڈجیکٹ، آٹوموٹو ٹریڈنگ پلیٹ فارم، ای ایچ جیکس، ای کامرس اور انٹیکٹ گائیڈوں میں مختلف اسٹارٹ اپ کے مواقعوں کا جائزہ لیا۔ آٹھ کوشاں لسٹ کیا گیا اور ابتدائی چھان بین کی گئی، جبکہ سرمایہ کاری کے دو مواقعوں پر گفت و شنید کی جارہی ہے (ایک ہیلتھ ٹیک میں اور دوسرا انٹیکٹ ویبیکل موٹری میں)۔

پورٹ فولیو کمپنیوں کی کارکردگی

ٹیوناک - ایک آل ان ون چیٹ ایپلی کیشن ہے جو B2C، C2C اور B2B مواصلات کو مربوط کرتی ہے۔ مالی سال 21 کے دوران، اس منصوبے نے ڈیجیٹل ایکٹو صارفین اور ماہانہ فعال صارفین میں نمایاں اضافہ دیکھا ہے کیونکہ اس ایپ کی خصوصی خدمات متعارف کرائی جا رہی ہیں۔ مزید برآں، ٹیوناک نے TPL گروپ انشورنس، TPL ٹریڈر، اور TPL لانف کمپنیوں کے TPL گروپ ویب اور موبائل ایپلی کیشن کے لیے ٹیوناک چیٹ SDK سلوٹنز کے انضمام کے لیے ایک سروس لیول معاہدہ کیا ہے۔ تاہم، اس منصوبے کی سب سے بڑی کامیابی ایک پری میریز کو حاصل کرنا تھا جس میں تقریباً 1.1 ملین ڈالر کامیابی سے جمع کئے گئے، جس میں ٹی پی ایل ای وی پی نے بھی 100,000 امریکی ڈالر کی سرمایہ کاری کر کے حصہ لیا۔ آج تک، کل سرمایہ کاری کی قیمت میں 2.7 گنا اضافہ ہوا ہے۔

رائڈر - ایک حتمی ڈیجیٹل لاجسٹکس سلوٹن ہے جو کاروباری اداروں کو گاؤں کو مصنوعات فراہم کرنے کی اجازت دیتا ہے۔ مالی سال 21 کے دوران، وی پی نے مگن مال، کراچی میں مائیکرو ڈسٹری بیوٹن جب آغا ز کیا، اور اس کے گودام کے ساتھ ساتھ اس کے فرنٹ آفس کو بھی وسیع کیا، جبکہ دو نئے شہروں میں اضافی 30 تریل کے مقامات کھولے ہوئے آپریشن شروع کر دیا۔ اس میں تیس نئے تاجروں نے بھی شرکت کی، جن میں پاکستان کے پانچ بڑے ای کامرس ریٹیلرز بھی شامل ہیں۔ ان پیش رفتوں نے رائڈر کو ترقی دے دی کہ وہ آج تک تریل کے حجم میں پہلی کوشش کی تریل میں کامیابی کا تناسب 87 فیصد، اور 16 فیصد مثبت شراکت داری ماہرین کے ساتھ 1.1 ملین سے زائد کی نمایاں نمو حاصل کرے۔ اس کی نمو کی صلاحیت کی روشنی میں، ٹی پی ایل ای وی پی نے 18.5 ملین روپے کی سرمایہ کاری کر کے پری سیڈ فنڈنگ راؤنڈ میں حصہ لیا۔

اسٹریٹجک فوکس اور مستقبل کا نقطہ نظر

حالیہ وقتوں میں، پاکستان پمٹی اشارت اپس نے مقامی اور بین الاقوامی سرمایہ کاروں کی دلچسپی کا اندازہ لگایا ہے جس کی وجہ سے پاکستان اشارت اپ ماحولیاتی نظام جنوبی ایشیا کے خطے میں دوسری پوزیشن پر ہے جیسا کہ اشارت اپ پلیٹفک کی طرف سے جاری کردہ "گلوبل اشارت اپ ایکسٹیم انڈیکس 2021" کی رپورٹ میں بیان کیا گیا ہے۔ ایمر جگ و پیٹر مارکیٹس رپورٹ، 2021 کے مطابق پاکستان نے 2020 کے دوران وی پی ٹیکسٹائل فنڈنگ میں 97 فیصد اضافہ بھی حاصل کیا ہے۔

102 ملین موبائل براؤزینڈ صارفین کے بڑے اسٹارٹ فون کی رسائی اور کوویڈ 19 وبائی بیماری کے بعد لاک ڈاؤن کے احتجاج نے صارفین کے رویے کو ڈیجیٹل مصنوعات کی طرف موڑ دیا ہے۔ فن ٹیک، ایڈ ٹیک، ہیلتھ ٹیک اور ای کامرس اور متعلقہ ای سیلائی چین اور ای لاجسٹکس میں اشارت اپ پاکستان میں ابھر رہے ہیں۔

ٹی پی ایل ای وی پی نے اپنے آپ کو ٹیک خلل ماحولیاتی نظام میں ایک اہم کھلاڑی بننے، سرمایہ کاری کے نئے مواقع میں حصہ لینے اور اپنی موجودہ پورٹ فولیو کمپنیوں کی مدد جاری رکھنے کے لیے کوشاں ہے۔

f- ٹی پی ایل سکیورٹی سروسز (پرائیویٹ) لمیٹڈ

COVID-19 نے پوری دنیا میں سکیورٹی کاروبار کو متاثر کیا ہے۔ سکیورٹی کارڈز کو زیادہ تر گاؤں کی جانب سے سماجی دوری کے اقدامات کے لیے احتیاطی تدابیر کے ساتھ کام کرنے کی اجازت نہیں تھی۔ اس کے نتیجے میں، سال کے دوران کمپنی کی آمدنی میں 5 فیصد کمی واقع ہوئی۔ کمپنی نے پچھلے سال ٹیکس سے پہلے منافع 19.5 ملین روپے کے برعکس 8.8 ملین روپے ٹیکس سے پہلے نقصان درج کیا۔

مستقبل کا نقطہ نظر

کمپنی کے کاروبار پر کوویڈ 19 کے اثرات کے باوجود، کمپنی نے کارپوریشن، کمرشل بینکوں اور تجارتی اور رہائشی منصوبوں کے لیے سی سی ٹی وی اور الیکٹرانک سیکورٹی سلوٹنز شروع کر کے اپنی آمدنی کا سلسلہ بڑھانے پر توجہ مرکوز کی ہے۔

4۔ اندرونی کنٹرول سسٹم

کمپنی کے پاس ایک داخلی کنٹرول سسٹم ہے، جو اس کے کام کے سائز، اسکیل اور پیچیدگی کے مطابق ہے۔ داخلی آڈٹ فنکشن کا دائرہ کار انٹرنل آڈٹ چارٹر میں بیان کیا گیا ہے۔ اپنی معروضیت کو برقرار رکھنے کے لیے، انٹرنل آڈٹ فنکشن بورڈ کی آڈٹ کمیٹی کے چیئرمین کو رپورٹ کرتا ہے۔ اندرونی آڈٹ ڈیپارٹمنٹ کمپنی میں اندرونی کنٹرول سسٹم کی کارکردگی اور مناسبت، آپریٹنگ سسٹم کی قیام، کمپنی اور اس کے ذیلی اداروں کے تمام مقامات پر اکاؤنٹنگ کے طریقہ کار اور پالیسیوں پر نظر رکھتا ہے۔ اندرونی آڈٹ فنکشن کی رپورٹ کی بنیاد پر، پروسیس مائننگ اس کے متعلقہ شعبوں میں اصلاحی کارروائی اور کنٹرول کو مضبوط کرتے ہیں۔ اہم آڈٹ مشاہدات اور اس پر اصلاحی اقدامات بورڈ کی آڈٹ کمیٹی کے سامنے پیش کیے جاتے ہیں۔

5۔ کریڈٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے ٹی پی ایل کارپوریشن لمیٹڈ کو طویل مدتی اثاثوں کی درجہ بندی "اے" (سنگل اے) اور قلیل مدتی ریٹنگ کی درجہ بندی "اے 1" (اے ون) تفویض کی ہے۔ یہ درجہ بندی مستحکم آڈٹ لک اور اعلیٰ کریڈٹ معیار کی نشاندہی کرتی ہے۔

6۔ گزشتہ چھ سالوں کے کلیدی مالیاتی اعداد و شمار

	2016	2017	2018	2019	2020	2021
	روپے '000	روپے '000	روپے '000	روپے '000	روپے '000	روپے '000
بیلنس شیٹ						
اداشدہ سرمایہ	2,172,490	2,172,490	2,372,978	2,672,978	2,672,978	2,672,978
کیپٹل ریزرو	-	-	60,856	60,856	60,856	118,156
ریونیور ریزرو	533,817	548,301	533,300	219,732	(429,238)	153,724
ایکویٹی کے دیگر اجزاء	-	228,791	216,527	566,082	327,728	204,832
بے قابو سود	2,525,421	3,978,088	4,220,516	4,618,490	4,766,384	4,471,600
شیئرز ہولڈرز کی کل ایکویٹی	5,231,727	6,927,669	7,404,176	8,138,137	7,398,707	7,621,290
پارٹنر شپ کاغذ	-	-	(214,850)	(117,589)	69,048	13,175
کل ایکویٹی	5,231,727	6,927,669	7,189,326	8,020,548	7,467,756	7,634,466
طویل مدتی اور قلیل مدتی قرضے	3,934,215	4,255,897	6,181,169	5,817,025	6,844,481	8,110,770
متعلقہ فریقین کے ذمہ واجب الادا	123,792	87,950	504,988	1,173,752	976,883	252,253
دیگر ذمہ داریاں	920,786	1,076,191	3,479,658	3,711,958	4,546,922	5,619,378
کل ذمہ داریاں	4,978,793	5,420,038	10,165,815	10,702,735	12,368,286	13,982,401
کل ایکویٹی اور ذمہ داریاں	10,210,520	12,347,707	17,355,141	18,723,283	19,836,042	21,616,866
کل اثاثے						
سرمایہ کاری	4,741,405	6,087,598	7,992,379	8,253,923	2,994,937	6,906,290
مقررہ اثاثے	1,305,465	1,799,521	2,214,072	2,760,069	1,390,116	1,512,259
دیگر غیر موجود اثاثے	1,628,358	1,879,278	2,852,374	3,050,371	3,064,685	3,339,440
تجارتی قرضے	1,086,023	1,280,587	1,374,344	1,397,980	1,164,282	1,342,966
تجارت میں اثاثہ	294,125	357,217	326,692	267,410	247,185	445,650
دیگر غیر موجود اثاثے	227,369	453,402	1,581,123	2,027,739	2,522,974	3,259,314
نقدی اور بینک بیلنس	927,774	490,104	1,014,158	965,792	1,470,768	4,801,026
فروخت کے لئے مملکتی غیر موجود اثاثے	-	-	-	-	6,981,095	-
کل اثاثے	10,210,520	12,347,707	17,355,141	18,723,283	19,836,042	21,616,866

اعادہ		اعادہ		اعادہ		
2016	2017	2018	2019	2020	2021	
روپے '000	روپے '000	روپے '000	روپے '000	روپے '000	روپے '000	
2,037,361	2,168,433	3,471,416	5,013,470	4,968,421	5,362,332	آمدنی - خالص
(929,333)	(1,168,704)	(1,960,689)	(3,092,894)	(3,601,080)	(4,270,189)	فروخت کی لاگت
1,108,028	999,729	1,510,727	1,920,576	1,367,341	1,092,143	مجموعی منافع
(222,153)	(214,247)	(282,608)	(351,365)	(384,688)	(145,422)	تقسیم کے اخراجات
(393,627)	(501,505)	(1,031,399)	(1,375,337)	(1,255,095)	(1,960,903)	انتظامی اخراجات
(69,974)	(1,360)	(97,312)	(30,823)	(74,327)	(82,831)	دیگر آپریشنل اخراجات
422,274	282,617	99,409	163,051	(346,769)	(1,097,012)	آپریٹنگ منافع
(369,731)	(334,820)	(507,568)	(741,592)	(1,262,316)	(880,133)	مالی اخراجات
235,642	348,374	1,145,124	858,003	742,327	1,813,847	دیگر آمدنی
-	-	-	(86,855)	(189,216)	55,873	PTF سے تعلق منسوب خالص خسارہ
8,732	16,962	(13,147)	(11,492)	(25,649)	(9,349)	(مرہاس)
296,917	313,134	723,818	181,115	(1,081,624)	(116,774)	شرکت داروں میں سرمایہ کاری سے
(65,288)	(44,854)	(59,570)	(98,730)	(138,636)	(76,106)	نفع / (نقصان) کا حصہ ٹیکس سے پہلے منافع
231,629	268,280	664,248	82,385	(1,220,260)	(192,880)	ٹیکس کے بعد منافع / (نقصان)
-	229,088	(12,326)	351,576	19,951	(48,543)	دیگر جامع آمدنی
231,629	497,369	651,922	433,961	(1,200,309)	(241,422)	کل جامع آمدنی
0.29	0.09	0.07	(1.20)	(4.57)	(0.50)	ای بی ایس

7۔ آڈیٹرز

موجودہ آڈیٹرز میسرز ای وائی فورڈر ہوڈس، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو گئے ہیں اور اہل ہونے کی بناء پر، انہوں نے خود کو نئے مالی سال میں دوبارہ تقرری کے لیے پیش کیا ہے۔ بورڈ آف ڈائریکٹرز نے، باہمی رضامندی کی فیس کے عوض 30 جون 2022 کو ختم ہونے والے سال کے لئے کمپنی کا آڈیٹ مقرر کرنے کی منظوری دی ہے۔

8۔ ڈائریکٹرز کی تربیت

لنڈن سٹریٹ ورکس آف کارپوریشن گورننس 2019 کے ضابطہ 19 کے تقاضے کے مطابق، بورڈ ممبران کی اکثریت نے DTP میں اپنی سرٹیفیکیشن مکمل کر لی ہے جبکہ ایک ڈائریکٹر کو SECP کی جانب سے مقررہ قابلیت اور تجربے کی بنیاد پر رعایت دی گئی۔ وہ ڈائریکٹر، جو سرٹیفیکیشن نہیں رکھتے، مندرجہ کمپنی کے ڈائریکٹر کی حیثیت سے اپنے فرائض اور ذمہ داریوں سے بخوبی واقف ہیں۔ تاہم، کمپنی باقی ڈائریکٹرز کو ان کی سرٹیفیکیشن مکمل کرنے کی حوصلہ افزائی کرتی ہے۔

کارپوریٹ اور فنانشل رپورٹنگ فریم ورک کا بیان

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

• کمپنی کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور ایکٹیوٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔

• کمپنیز ایکٹ 2017 کے تحت ضروریات کے مطابق کمپنی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔

• مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔

• مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی پیروی کی گئی ہے اور کسی انحراف کی وضاحت اور انکشاف کیا گیا ہے۔

اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔

کمپنی کے بنیادی اصول مضبوط ہیں اور کمپنی کے گونگ کنسرن ہونے کی صلاحیت پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔

فہرست قواعد و ضوابط میں تفصیلی کارپوریٹ گورننس کے بہترین عمل سے کوئی مادی انحراف نہیں کیا گیا ہے۔

گزشتہ چھ سال کا کلیدی آپریشننگ اور مالیاتی ڈیٹا سالانہ رپورٹ ہذا میں منسلک ہے۔

بورڈ اور بورڈ کی کمیٹیوں کی ترتیب

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

مرد	خواتین
7	1

بورڈ کی تشکیل حسب ذیل کے مطابق ہے:

کمٹری	نام
آزاد ڈائریکٹر	جناب ندیم ارشد الہی مسٹر مارک رو سیو
ایگزیکٹو ڈائریکٹرز	جناب محمد علی جمیل
نان ایگزیکٹو ڈائریکٹرز	جناب جمیل یوسف S.St جناب ہلال علی بھائی جناب ظفر الحسن نقوی جناب محمد شفیع
خاتون ڈائریکٹر	محترمہ مصیبت سلطان احمد (ایگزیکٹو ڈائریکٹر)

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

آؤٹ کمیٹی	جناب ندیم ارشد الہی - چیئر مین جناب ظفر الحسن نقوی - ممبر مسٹر مارک رو سیو - ممبر جناب محمد آصف - سیکرٹری
ایچ آر اینڈ ریسرچ کمیٹی	جناب ندیم ارشد الہی - چیئر مین جناب ظفر الحسن نقوی - ممبر جناب محمد علی جمیل - ممبر جناب نادر نواز - سیکرٹری

ڈائریکٹرز کا مشاہرہ

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

9۔ مومنہ حصص داری

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

فیصد شیئر ہولڈنگ	حصص کی تعداد	شریک کمپنیاں
62.41	166,830,748	شریک کمپنیاں
1.71	4,568,500	بینک/IDFI/NBFI
3.16	8,440,770	میچل فنڈز
26.76	71,536,136	عام بینک (متناسی)
2.06	5,505,806	عام بینک (غیر ملکی)
3.90	10,415,803	دیگر
100	267,297,763	کل



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

حصص یافتگان کی تعداد	حاصل حصص (سے)	حاصل حصص (تک)	حاصل حصص	شرح فیصد
285	1	100	3,809	0.0014
575	101	500	281,314	0.1052
561	501	1,000	551,685	0.2064
1,098	1,001	5,000	3,267,437	1.2224
375	5,001	10,000	3,111,793	1.1642
143	10,001	15,000	1,906,957	0.7134
108	15,001	20,000	2,043,495	0.7645
89	20,001	25,000	2,131,000	0.7972
48	25,001	30,000	1,392,500	0.521
33	30,001	35,000	1,104,220	0.4131
32	35,001	40,000	1,245,500	0.466
8	40,001	45,000	349,000	0.1306
50	45,001	50,000	2,478,500	0.9272
9	50,001	55,000	480,000	0.1796
16	55,001	60,000	949,104	0.3551
5	60,001	65,000	319,000	0.1193
2	65,001	70,000	140,000	0.0524
12	70,001	75,000	894,000	0.3345
6	75,001	80,000	471,000	0.1762
3	80,001	85,000	251,000	0.0939
2	85,001	90,000	175,000	0.0655
2	90,001	95,000	184,500	0.069
42	95,001	100,000	4,196,877	1.5701
3	100,001	105,000	306,500	0.1147
1	105,001	110,000	110,000	0.0412
4	110,001	115,000	454,000	0.1698
2	115,001	120,000	234,500	0.0877
2	120,001	125,000	250,000	0.0935
2	130,001	135,000	268,000	0.1003
2	135,001	140,000	280,000	0.1048
4	145,001	150,000	600,000	0.2245
1	150,001	155,000	151,500	0.0567
4	155,001	160,000	639,500	0.2392
1	165,001	170,000	165,500	0.0619
2	170,001	175,000	350,000	0.1309
2	180,001	185,000	361,500	0.1352
10	195,001	200,000	2,000,000	0.7482
1	200,001	205,000	203,000	0.0759
1	205,001	210,000	210,000	0.0786
1	210,001	215,000	214,500	0.0802
1	215,001	220,000	215,500	0.0806
2	220,001	225,000	448,000	0.1676
1	240,001	245,000	241,000	0.0902
2	245,001	250,000	500,000	0.1871
1	270,001	275,000	275,000	0.1029
1	285,001	290,000	290,000	0.1085
1	290,001	295,000	295,000	0.1104
2	295,001	300,000	600,000	0.2245
1	305,001	310,000	310,000	0.116
2	325,001	330,000	656,000	0.2454
1	335,001	340,000	338,000	0.1265

حصص یافتگان کی تعداد	حاصل حصص (سے)	حاصل حصص (تک)	حاصل حصص	شرح فیصد
1	345,001	350,000	350,000	0.1309
1	360,001	365,000	364,000	0.1362
2	370,001	375,000	750,000	0.2806
1	385,001	390,000	385,500	0.1442
2	395,001	400,000	800,000	0.2993
2	445,001	450,000	900,000	0.3367
8	495,001	500,000	4,000,000	1.4965
1	505,001	510,000	508,000	0.19
1	510,001	515,000	514,000	0.1923
1	555,001	560,000	557,770	0.2087
1	585,001	590,000	588,500	0.2202
2	600,001	605,000	1,203,000	0.4501
1	670,001	675,000	673,000	0.2518
2	695,001	700,000	1,400,000	0.5238
2	795,001	800,000	1,600,000	0.5986
1	945,001	950,000	946,000	0.3539
3	995,001	1,000,000	3,000,000	1.1223
1	1,000,001	1,005,000	1,003,500	0.3754
1	1,015,001	1,020,000	1,018,500	0.381
1	1,020,001	1,025,000	1,025,000	0.3835
1	1,245,001	1,250,000	1,250,000	0.4676
1	1,295,001	1,300,000	1,300,000	0.4863
2	1,495,001	1,500,000	3,000,000	1.1223
2	1,500,001	1,505,000	3,005,500	1.1244
1	1,695,001	1,700,000	1,700,000	0.636
1	1,995,001	2,000,000	2,000,000	0.7482
1	2,145,001	2,150,000	2,150,000	0.8043
1	2,150,001	2,155,000	2,151,000	0.8047
1	2,450,001	2,455,000	2,452,500	0.9175
1	2,500,001	2,505,000	2,500,500	0.9355
1	2,585,001	2,590,000	2,589,500	0.9688
1	2,770,001	2,775,000	2,771,801	1.037
1	3,120,001	3,125,000	3,125,000	1.1691
1	8,395,001	8,400,000	8,400,000	3.1426
1	9,995,001	10,000,000	10,000,000	3.7411
1	36,220,001	36,225,000	36,225,000	13.5523
1	122,195,001	122,200,000	122,195,501	45.7151
3616	Company Total	267297763	100.0000	

اضافی معلومات

شریک کمپنیاں، انڈر ٹیکنگ اور متعلقہ پارٹیاں (نام و رقمیات)	ملکیتی شیئرز کی تعداد (30 جون، 2021)
ٹی بی ایل بولڈنگز (پرائیویٹ) لمیٹڈ	166,680,401
ٹریڈی ٹی بی ایل ڈائریکٹ انشورنس لمیٹڈ - انسپلائز پراویڈنٹ فنڈ	347
میڈیئل فنڈز (نام و رقمیات)	
ای ایف جی HERMES پاکستان لمیٹڈ - ایم ایف	1,000,000
پری سکوریز لمیٹڈ - ایم ایف	7,000
بی ایم اے کھیلز بینفٹ لمیٹڈ - ایم ایف	1,500,000
سے ایس گلوبل کھیلز لمیٹڈ - ایم ایف	673,000
ٹیکسٹ کھیلز لمیٹڈ - ایم ایف	1,300,000

ملکیتی شیئرز کی تعداد (30 جون، 2021)	شریک کمپنیاں، انڈر لینگنگ اور متعلقہ پارٹیاں (نام و ارتقعات)
1,000	آدم سکیورٹیز لمیٹڈ - ایم ایف
800,000	CEDAR کیپٹل (پرائیویٹ) لمیٹڈ - ایم ایف
19,000	ABA علی حبیب سیکورٹیز (پرائیویٹ) لمیٹڈ - ایم ایف
60,000	انٹرمارکٹ سیکورٹیز لمیٹڈ - ایم ایف
28,500	ہوریزن سیکورٹیز لمیٹڈ - ایم ایف
557,770	یکیز اینڈ پارٹنرز (پرائیویٹ) لمیٹڈ - ایم ایف
101,000	ایم آر اے سیکورٹیز لمیٹڈ - ایم ایف
1,505,000	محمد منیر محمد احمد خانانی سیکورٹیز لمیٹڈ - ایم ایف
24,500	N. U. A. سیکورٹیز (پرائیویٹ) لمیٹڈ - ایم ایف
20,000	واؤڈ ایکسچینج لمیٹڈ - ایم ایف
203,000	فرینڈلی سیکورٹیز (پرائیویٹ) لمیٹڈ - ایم ایف
25,000	ٹرسٹ سیکورٹیز اینڈ بروکرج لمیٹڈ - ایم ایف
385,500	سی ڈی سی - ٹرسٹی اے کے ڈی ایچ جی فنڈ
50,000	سی ڈی سی - ٹرسٹی فرسٹ کیپٹل میوچل فنڈ
180,500	سی ڈی سی - ٹرسٹی فرسٹ حبیب اسٹاک فنڈ
ڈائریکٹرز، سی ای او اور ان کے شریک حیات اور چھوٹے بچے (نام و ارتقعات)	
مندرجہ ذیل ڈائریکٹرز نے اپیل ہولڈنگز (پرائیویٹ) لمیٹڈ کے نامزد ڈائریکٹر ہیں اور ان کے پاس 30 جون 2021 تک کمپنی کا کوئی شیئر نہیں ہے۔	
	جناب جمیل یوسف
	جناب بلال علی بھائی
مندرجہ ذیل ڈائریکٹر کمپنی کے آزاد ڈائریکٹر ہیں اور ان کے پاس 30 جون 2021 تک کمپنی کا کوئی شیئر نہیں ہے۔	
	جناب ندیم ارشد الہی
	جناب مارک روبیو
مندرجہ ذیل ڈائریکٹر کمپنی کے ایگزیکٹو ڈائریکٹر ہیں اور ان کے پاس 30 جون 2021 تک کمپنی کا کوئی شیئر نہیں ہے۔	
	جناب محمد علی جمیل
	محترمہ صبیحہ سلطان
کمپنی کے مندرجہ ذیل نان ایگزیکٹو ڈائریکٹرز کے پاس 30 جون 2021 تک کمپنی کے شیئرز حسب ذیل ہیں:	
500	جناب ظفر الحسن نقوی
1	جناب محمد شفیع
ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکرٹری، اور ان کے شریک حیات اور نابالغ بچوں کی حصص میں تجارت کی تفصیلات۔	
6,000	27 اگست 2021 کو کمپنی کے چیف فنانشل آفیسر کی طرف سے خریدے گئے شیئرز کی تعداد
مذکورہ بالا آفیسر کے علاوہ، ڈائریکٹروں میں سے کسی بھی سی ای او، کمپنی سیکرٹری، اور ان کے شریک حیات اور چھوٹے بچوں نے سال کے دوران کمپنی کے حصص میں تجارت نہیں کی ہے۔	

11۔ بورڈ کے اجلاس

بورڈ آف ڈائریکٹرز نے مالی سال کے دوران 15 اجلاس منعقد کئے۔ ڈائریکٹرز کی حاضری نیچے دی گئی ہے:

تعداد حاضری	نام ڈائریکٹر
5	جناب جمیل یوسف احمد - (S.St.)
5	جناب محمد علی جمیل (سی ای او)
5	وائس ایڈمرل (ر) محمد شفیع، ایچ آئی (M)
4	مسٹر مارک ڈین روسیو
5	محترمہ صبیحہ سلطان
4	جناب ندیم ارشد الہی
5	میجر جنرل (ر) ظفر الحسن نقوی
3	جناب بلال علی بھائی

12۔ اظہار تشکر

ہم کمپنی کے شیئرز ہولڈرز کے کمپنی پر اعتماد کا شکریہ ادا کرتے ہیں۔ ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، فیڈرل بورڈ آف ریونیو اور پاکستان اسٹاک ایکسچینج کی طرف سے فراہم کردہ قابل قدر حمایت اور رہنمائی کو بھی سراہتے ہیں۔ ہم کارپوریٹ مقاصد کے حصول میں ملازمین، اسٹریٹجک شراکت داروں، وینڈرز، سپلائرز اور صارفین کی مخلصانہ حمایت کا بھی شکریہ ادا کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز



JAMEEL YUSUF (S.ST.)
DIRECTOR



ALI JAMEEL
CHIEF EXECUTIVE OFFICER

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 2021 in accordance with the requirements of Regulation 36 of the Regulations.

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

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

The Regulations require the Company to place before the Audit Committee, and upon

recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of Audit Committee. Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2021.



Chartered Accountants

Place: Karachi

Date: October 01, 2021

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

Name of company TPL Corp Limited

Year ended: June 30, 2021

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	Ms. Sabiha Sultan Ahmed (Executive Director)

NOTE:

With regard to compliance with Regulation 6 of the CCG, it may be noted that 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.

1. The directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this Company.
2. 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.
3. 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 updation has been maintained by the Company.
4. 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.
5. 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 Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.
6. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
7. As required under Regulation 19 of the Listed Companies Code of Corporate Governance, 2019, majority of the Board members have completed their certification while one director was granted exemption by SECP based on prescribed qualification and experience. The directors, who do not hold the certification, are well conversant with their duties and responsibilities as directors of a listed company. The Company, however, aims to encourage the remaining directors, to complete their certification.
8. 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.
9. The Chief Financial Officer and Chief Execution Officer duly endorsed the financial statements before approval of the Board.
10. The Board has formed committees comprising of members given below:



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

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	Mr. Nadeem Arshad Elahi - Chairman Mr. Zafar-UI-Hassan Naqvi - Member Mr. Mark Rousseau - Member Mr. Muhammad Asif - Secretary
HR and Remuneration Committee	Mr. Nadeem Arshad Elahi - Chairman Mr. Zafar-UI-Hassan Naqvi - Member Mr. Mohammad Ali Jameel - Member Mr. Nader Nawaz - Secretary

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 Committees 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	2 meeting was held during the year. The meeting of the HR and Remuneration Committee is held on a half-yearly basis.

15. The Board has set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the 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.



Signature (s)
Jameel Yusuf S.St
Chairman

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TPL CORP LIMITED

REPORT ON THE AUDIT OF THE UNCONSOLIDATED 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 2021, 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 2021 and of the loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

Key audit matter	How the matter was addressed in our audit
(Refer notes 8 and 30.4 to the accompanying financial statements)	
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. 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.	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. We checked the market prices for quoted investment in subsidiaries to used by the management to determine the fair value of investment in quoted securities.

Key audit matter	How the matter was addressed in our audit
	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: - assessed whether, for a selection of models, the model valuation methodology is appropriate; and - 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. 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. We also assessed the adequacy of the related disclosures in the financial statements in accordance with the financial reporting standards.

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:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- 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;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- 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 01, 2021

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2021

<u>ASSETS</u>		2021	2020
	Note	Rupees	Rupees
NON-CURRENT ASSETS			
Property and equipment	6	17,524,392	1,336,377
Intangible assets	7	12,218	360,556
Long-term investments	8	10,221,111,852	4,706,994,606
Long-term deposits		14,400,000	-
		10,253,048,462	4,708,691,539
CURRENT ASSETS			
Advances	9	10,937,064	28,452,300
Trade deposits and prepayments	10	400,000	100,000
Interest accrued	11	10,753,193	6,457,582
Due from related parties	12	124,806,863	104,645,416
Taxation – net	13	8,152,479	6,731,147
Cash and bank balances	14	11,969,261	5,307,238
		167,018,860	151,693,683
TOTAL ASSETS		10,420,067,322	4,860,385,222
<u>EQUITY AND LIABILITIES</u>			
SHARE CAPITAL AND RESERVES			
Share capital			
Authorised			
330,000,000 (2020: 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		118,155,762	60,855,762
Revenue reserves		(572,057,159)	(300,342,044)
Other component of equity		4,819,466,656	397,080,356
		7,038,542,889	2,830,571,704
NON-CURRENT LIABILITIES			
Long-term financings	16	1,034,444,644	22,009,291
Government grant	17	531,171	940,087
		1,034,975,815	22,949,378
CURRENT LIABILITIES			
Trade and other payables	18	415,159,188	48,036,704
Accrued mark-up	19	148,824,562	274,075,532
Short-term financings	20	782,984,331	150,000,000
Current portion of non-current liabilities	21	55,597,312	9,981,731
Due to related parties	22	939,253,642	1,520,040,590
Unclaimed dividend		1,729,583	1,729,583
Unpaid dividend		3,000,000	3,000,000
		2,346,548,618	2,006,864,140
CONTINGENCIES AND COMMITMENTS			
	24		
TOTAL EQUITY AND LIABILITIES		10,420,067,322	4,860,385,222

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

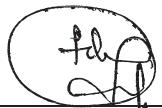
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2021

		2021	2020
	Note	Rupees	Rupees
Dividend income	24	113,961,788	-
Administrative expenses	25	(193,867,599)	(108,485,497)
Operating loss		(79,905,811)	(108,485,497)
Finance costs	26	(206,686,938)	(325,434,131)
Other income	27	31,971,901	13,627,177
Loss before taxation		(254,620,848)	(420,292,451)
Taxation	28	(17,094,268)	-
Loss for the year		(271,715,116)	(420,292,451)
Other comprehensive income			
Other comprehensive income that will not be reclassified to profit or loss in subsequent years (net of tax)			
Fair value gain / (loss) on equity instruments designated at fair value through other comprehensive income (FVOCI)	8.10	4,422,386,300	(289,425,946)
Total comprehensive income / (loss) for the year		4,150,671,184	(709,718,397)
Loss per share – basic and diluted	29	(1.02)	(1.57)

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2021

	Capital reserves		Revenue reserve	Other component of equity		
	Issued, subscribed and paid-up capital	Created under Scheme of Arrangement (note 15.2)	Other capital reserve (note 15.4)	Accumulated profit / (loss)	Fair value reserve of financial assets designated at FVOCI	Total reserves
						Total equity
	Rupees					
Balance as at July 01, 2019	2,672,977,630	60,855,762	-	7,906,620	798,550,090	867,312,472
Transfer of fair value reserve of equity instrument designated at FVTOCI	-	-	-	112,043,788	(112,043,788)	-
Loss for the year	-	-	-	(420,292,451)	-	(420,292,451)
Other comprehensive loss for the year, net of tax	-	-	-	-	(289,425,946)	(289,425,946)
Total comprehensive loss for the year	-	-	-	(420,292,451)	(289,425,946)	(709,718,397)
Balance as at June 30, 2020	2,672,977,630	60,855,762	-	(300,342,043)	397,080,356	157,594,075
Loss for the year	-	-	-	(271,715,116)	-	(271,715,116)
Other comprehensive income for the year, net of tax	-	-	-	-	4,422,386,300	4,422,386,300
Total comprehensive income / (loss) for the year	-	-	-	(271,715,116)	4,422,386,300	4,150,671,184
Share based payment reserve	-	-	57,300,000	-	-	57,300,000
Balance as at June 30, 2021	2,672,977,630	60,855,762	57,300,000	(572,057,159)	4,819,466,656	4,365,565,259

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

UNCONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2021

		2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(254,620,848)	(420,292,452)
Adjustment for non-cash charges and other items:			
Depreciation	6.1	2,912,003	542,833
Amortisation	7	348,338	366,667
Finance costs	26	206,686,938	325,434,131
Share based payment		57,300,000	-
Deferred income		(4,738,315)	(1,276,065)
		262,508,964	325,067,566
Operating profit / (loss) before working capital changes		7,888,116	(95,224,886)
(Increase) / decrease in current assets			
Advances		(8,483,944)	(20,291,541)
Trade deposits		(300,000)	-
Interest accrued		(4,295,611)	(11,743,786)
Due from related parties		(20,161,447)	384,521,698
		(33,241,002)	352,486,371
(Decrease) / increase in current liabilities			
Trade and other payables		42,122,486	25,023,730
Due to related parties		(580,786,948)	419,581,278
		(538,664,462)	444,605,008
Cash flows (used in) / generated from operations		(564,017,348)	701,866,493
Payments for:			
Finance costs		(331,937,908)	(123,969,677)
Income taxes – net	13	(18,515,600)	26,374,776
Long-term deposits		(14,400,000)	-
		(364,853,508)	(97,594,901)
Net cash flows (used in) / generated from operating activities		(928,870,856)	604,271,591
CASH FLOWS FROM INVESTING ACTIVITIES*			
Purchase of property, plant and equipment	6.1	(9,174,308)	(769,363)
Proceeds from disposal of investment in TPL Insurance Limited		-	462,580,400
Advances given for future issuance of ordinary shares			
- TPL Life Insurance Limited (TPL Life)		-	(125,000,000)
- TPL E-Ventures (Private) Limited (TPLE)		(27,000,000)	-
Proceeds from investment in Islamic commercial papers - net		-	5,903,441
Purchase of investment in:			
- TPL Properties Limited		(204,576,300)	-
- TPL Insurance Limited		(279,055,467)	-
- TPL Life Insurance Limited (TPL Life)		(230,100,000)	(200,000,000)
Net cash flows (used in) / generated from investing activities		(749,906,075)	142,714,478
CASH FLOWS FROM FINANCING ACTIVITIES*			
Long-term financings – net		1,052,454,623	(365,792,826)
Short-term financings – net		632,984,331	(383,279,917)
Net cash flows generated from / (used in) financing activities		1,685,438,954	(749,072,743)
Net increase / (decrease) in cash and cash equivalents		6,662,023	(2,086,674)
Cash and cash equivalents at the beginning of the year		5,307,238	7,393,912
Cash and cash equivalents at the end of the year	14	11,969,261	5,307,238

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

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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 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 (2020: 166,830,401) ordinary shares of the Company representing 62.41 percent (2020: 62.41 percent) shareholding as of the reporting date.

1.4 These unconsolidated 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:

		% of shareholding	
	Note	2021	2020
Subsidiaries			
TPL Insurance Limited [TPLI]	8.1	66.30	73.38
TPL Properties Limited [TPLP]	8.2	34.81	29.62
TPL Property Management (Private) Limited (sub-subsidiary) [TPL PM]		34.81*	29.62*
TPL Logistic Park (Private) Limited (sub-subsidiary) [TPL LP]		34.81*	29.62*
HKC (Private) Limited (sub-subsidiary) [HKC]		34.81*	29.62*
TPL Technology Zone Phase-1 (Private) Limited formerly known as G-18 (Private) Limited (sub-subsidiary) [TPL TZ]		34.81*	29.62*
TPL REIT Management Company Limited (sub-subsidiary) [TPL REIT]		34.81*	29.62*
TPL Life Insurance Limited [TPL Life]	8.3	93.33	83.75
TPL Trakker Limited [TPLT]	8.4	64.32	100
TPL Security Services (Private) Limited [TPLSS]	8.5	99.99	99.99
TPL E-Ventures (Private) Limited [TPLE]	8.6	100	-
Trakker Middle East LLC (sub-subsidiary) [TME]		50**	-
* Represents direct holding in TPLP as at the reporting date.			
** Represents direct holding of TPLT as at the reporting date			
Associate			
TPL Logistics (Private) Limited [TPL Logistics]	8.7	6.22*	-
Compareon Pakistan (Private) Limited		_*	-
* Associated companies by virtue of 20.76% and 37.7% holdings of TPLE, respectively			

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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 received dividend income from its investment in subsidiaries and other companies.

2. STATEMENT OF COMPLIANCE

These unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards 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 unconsolidated financial statements have been prepared under the 'historical cost' convention, unless otherwise specifically stated.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 New standards, amendments, interpretations and improvements to approved accounting standards and the framework for financial reporting that became effective during the year

The Company has adopted the following amendments to International Financial Reporting Standards (IFRSs) and the framework for financial reporting which became effective for the current year:

IFRS 3 - Business Combinations - Definition of a Business (Amendments)
IFRS 9 / IAS 39 / IFRS 7 - Interest Rate Benchmark Reform (Amendments)
IAS 1 / IAS 8 - Definition of Material (Amendments)
Conceptual Framework for Financial Reporting

The adoption of above amendments to the approved accounting standards and the framework for financial reporting did not have any material impact on the Company's unconsolidated financial statements.

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

The following amendments and improvements to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective amendment or improvements:

Amendments or Improvements		Effective date (annual periods beginning on or after)
IFRS 3	Reference to the Conceptual Framework (Amendments)	January 01, 2022
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform - Phase 2 (Amendment)	January 01, 2021
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalised
IFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendments)	April 01, 2021
IAS 1	Classification of Liabilities as Current or Non-current (Amendments)	January 01, 2023
IAS 1	Disclosure of Accounting Policies (Amendments)	January 01, 2023
IAS 8	Definition of Accounting Estimates (Amendments)	January 01, 2023
IAS 12	Deferred tax related to Assets and Liabilities arising from a single transaction (Amendments)	January 01, 2023

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

IAS 16	Property, Plant and Equipment: 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
IFRS 16	Leases: Lease incentives	January 01, 2022
IAS 41	Agriculture – Taxation in fair value measurements	January 01, 2022

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

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

Further, the following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan for the purpose of applicability in Pakistan and are not expected to have any material impact on the Company's unconsolidated financial statements in the period of initial application.

4.3 Significant accounting judgements, estimates and assumptions

The preparation of the unconsolidated 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 judgement 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, judgements and assumptions that is significant to these unconsolidated financial statements:

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 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 judgements, estimates and assumptions involved are disclosed in respective notes to these unconsolidated financial statements.

4.4 Property and equipment

4.4.1 Operating fixed assets

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land, which is stated at cost less accumulated impairment losses, 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 instalments over the lease period and charged to 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 unconsolidated 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.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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 is written down immediately to its recoverable amount if the same is greater than its estimated recoverable amount.

Maintenance and normal repairs are charged to 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 profit or loss.

4.4.2 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.

4.5 Intangible assets

Intangible assets other than goodwill, customers related intangible assets and marketing related intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Goodwill, customers related intangible assets and marketing related intangible assets are stated at cost less accumulated impairment losses, if any, as their useful life is indefinite and are tested for impairment annually. For other intangibles, amortisation is charged to the 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 to these unconsolidated financial statements. Full month's amortisation is charged in the month of addition when the asset is available for use, whereas, amortisation on disposals is charged upto the month in which the disposal takes place. The residual value, amortisation method and the useful lives of intangibles assets are reviewed at each reporting date and adjusted, if appropriate.

4.5.1 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.

4.5.2 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 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 the profit or loss.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

4.6 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 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.

4.7 Right-of-use assets and leases liabilities - Company as a lessee

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.

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.

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.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

4.8 Investments in subsidiaries and associates

4.8.1 Investments in subsidiaries

Investment in subsidiaries are stated at fair value through other comprehensive income.

4.8.2 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.

4.9 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.

4.9.1 Financial assets

4.9.1.1 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 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.

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

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

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in the 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.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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 the 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 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 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 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 profit or loss when the right of payment has been established.

4.9.1.3 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 Company's consolidated 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.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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.

4.9.1.4 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 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 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.

4.9.2 Financial liabilities

4.9.2.1 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.

4.9.2.2 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.

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.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

4.9.2.3 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.

4.9.3 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.

4.10 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 unconsolidated statement of profit or loss.

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

4.11 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.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

4.12 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 unconsolidated statement of cash flow, cash and cash equivalents comprise bank balances net of bank overdraft, if any.

4.13 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 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.

4.14 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.

4.15 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 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 the 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.

4.16 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.



UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

4.17 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.

4.18 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 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.

4.19 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.

4.20 Dividend and appropriation to reserves

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

4.21 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.

4.22 Earnings per share

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

4.23 Functional and presentation currency

Items included in these unconsolidated 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.

4.24 Employees share option plan

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

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

5. DETAILS OF RELATED PARTIES

Name of a related party	Basis of relationship	Shareholding
TPL Holdings (Private) Limited	Parent company	-
TPL Trakker Limited (TPLT)	Subsidiary	64.32%
TPL Security Services (Private) Limited	Subsidiary	99.99%
TPL Insurance Limited	Subsidiary	66.30%
TPL Life Insurance Limited	Subsidiary	93.33%
TPL E-Ventures (Pvt.) Limited (TPLE)	Subsidiary	100%
TPL Properties Limited (TPLP)	Subsidiary	34.81%
TPL Property Management (Pvt.) Limited	Sub-subsidiary of TPLP	34.81%
TPL Logistic Park (Pvt.) Limited	Sub-subsidiary of TPLP	34.81%
HKC (Private) Limited	Sub-subsidiary of TPLP	34.81%
TPL Technology Zone Phase-1 (Private) Limited	Sub-subsidiary of TPLP	34.81%
TPL REIT Management Company Limited	Sub-subsidiary of TPLP	34.81%
Trakker Middle East LLC	Sub-subsidiary of TPLT	32.16%
TPL Logistics (Private) Limited	Associated company by virtue of 20.76% of holdings of TPLE	26.98%
Compareon Pakistan (Private) Limited	Associated company by virtue of 37.7% of holdings of TPLE	37.70%
TPL Mobile (Private) Limited	Common directorship	-
TPL Tech Pakistan (Private) Limited	Common directorship	-
TPL Direct Finance (Private) Limited	Common directorship	-
Trakker Energy (Private) Limited	Common directorship	-
TRG Pakistan Limited	Common directorship	-
TRG (Private) Limited	Common directorship	-
State Bank of Pakistan	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	-
Vestruue DMCC, Dubai, UAE	Common directorship	-
Vestruue 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	-
M.M.R International FZE	Common directorship*	-
Pakistan International Bulk Terminals (Private) Limited	Common directorship*	-
Fauji Akbar Portia Terminals (Pvt.) Limited	Common directorship*	-
Princely Jets Private Limited.	Common directorship*	-
Adira Capital Holding (Private) Ltd.	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	-
Trakker (Private) Limited Staff Provident Fund	Retirement benefit fund	-

* Associated companies by virtue of common directorship in subsidiaries / associate



UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

6. PROPERTY, PLANT AND EQUIPMENT

6.1 Operating fixed assets

	COST			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2020	Additions	As at June 30, 2021	As at July 01, 2020	Charge for the year	As at June 30, 2021	As at June 30, 2021	Depreciation rate %
	(Rupees)							
<u>Owned</u>								
Laptops	1,847,900	3,145,461	4,993,361	562,043	1,221,880	1,783,923	3,209,438	33.33
Mobile phones	80,000	250,300	330,300	56,667	90,671	147,338	182,962	50
Electrical equipment	27,963	2,429,247	2,457,210	776	405,510	406,286	2,050,924	33.33
Furniture and fittings	-	2,399,500	2,399,500	-	239,950	239,950	2,159,550	20
Vehicle	-	10,875,510	10,875,510	-	953,992	953,992	9,921,518	20
2021	1,955,863	19,100,018	21,055,881	619,486	2,912,003	3,531,489	17,524,392	

	COST			ACCUMULATED DEPRECIATION			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	Depreciation rate %
	(Rupees)							
<u>Owned</u>								
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	

6.2 Depreciation charge for the year has been allocated to administrative expenses (note 25).

7. INTANGIBLE ASSETS

	COST			ACCUMULATED AMORTISATION			WRITTEN DOWN VALUE	
	As at July 01, 2020	Additions	As at June 30, 2021	As at July 01, 2020	Charge for the year	As at June 30, 2021	As at June 30, 2021	Amortisation rate %
	(Rupees)							
<u>Owned</u>								
Softwares - 2021	1,100,000	-	1,100,000	739,444	348,338	1,087,782	12,218	33

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

7.1 Amortisation charge for the year has been allocated to administrative expenses (note 25).

Notes to the Financial statements

For the year ended June 30, 2021

		2021	2020	
8.	LONG-TERM INVESTMENTS			
	Note	Rupees		
	Investment designated at FVOCI			
	Subsidiaries companies:			
	TPL Insurance Limited [TPLI]	8.1	3,041,078,584	1,515,271,120
	TPL Properties Limited [TPLP]	8.2	3,431,389,436	504,201,298
	TPL Life Insurance Limited [TPLL]	8.3	1,492,358,004	1,132,447,114
	TPL Trakker Limited [TPLT]	8.4	2,108,949,716	1,445,307,036
	TPL Security Services (Private) Limited [TPLSS]	8.5	106,191,336	106,318,961
	TPL E-Ventures (Private) Limited [TPLE]	8.6	29,583,916	-
			10,209,550,992	4,703,545,529
	Others:			
	TPL Logistics (Private) Limited - [TPL Logistics]	8.7	11,560,860	3,449,077
	TPL Tech Pakistan (Private) Limited [TPL Tech]	8.8	-	-
			11,560,860	3,449,077
		8.9	10,221,111,852	4,706,994,606

8.1 During the year, TPL Insurance Limited [TPLI] issued 23,325,000 ordinary shares by way of fresh issue other than right resulting in dilution of shareholding of the Company from 73.38 percent to 58.77 percent in TPLI. The Company further acquired 8,821,500 million ordinary shares of TPLI during the year. As of reporting date, the Company holds 77,697,460 (2020: 68,875,960) ordinary shares of Rs.10/- each, representing 66.3 percent (2020: 73.38) percent) of the share capital of TPLI as of reporting date. The market value per share of TPLI is Rs. 39.14 (2020: Rs. 22). Out of 77,697,460 (2020: 68,875,960) ordinary shares of TPLI held by the Company, 29,185,950 (2020: 52,904,007) ordinary shares are pledged with financial institutions against various financing facilities availed by group companies.

8.2 During the year, the Company further acquired 17 million ordinary shares of TPL Properties Limited [TPLP] that has resulted in shareholding increase from 29.62 percent to 34.81 percent. As of reporting date, the Company holds 113,961,788 (2020: 96,961,788) ordinary shares of Rs.10/- each, representing 34.81 percent (2020: 29.62 percent) of the share capital of TPLP as of the reporting date. The market value per share amounts to Rs. 30.11 (2020: Rs.5.20). Out of these 113,961,788 (2019: 96,961,788) ordinary shares of TPLP held by the Company, 38,299,290 (2020: 71,549,590) ordinary shares are pledged with financial institutions against various financing facilities availed by group companies.

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 along with other related parties has a defacto control over TPLP having the majority shareholding i.e. 51.07 percent (2020: 45.88 percent) and representation on the board of directors of TPLP (i.e. 04 out of 08 directors) to appoint majority of the directors on Board of TPLP. Accordingly, as of June 30, 2021, the Company continues to account for TPLP as it's subsidiary in these unconsolidated financial statements.

As disclosed in note 15.2 to these financial statements, under the Scheme of Arrangement sanctioned / approved by Honourable High Court of Sindh vide its order dated November 17, 2017, 21,104,000 ordinary shares of TPLP has been allotted to the Company. Subsequent to the year end, 25,261,488 ordinary shares (inclusive of 4,157,488 ordinary bonus shares) were transferred in the name of the Company.

8.3 In addition to advance against future issuance of shares of Rs. 325 million made in TPL Life Insurance Limited [TPLL] at year end, the Company has also acquired 20 million shares of TPLL having value of 230.1 million. In addition, 12.5 million ordinary shares were issued against advance of Rs. 125 million given in year 2020. As of reporting date, the Company holds 132,996,000 (2020: 100,495,937) ordinary shares of Rs.10/- each, representing 93.33 percent (2020: 83.75 percent) of the share capital of TPLL as of reporting date. The Company has calculated the fair value of its investment in TPL Life based on market approach.

Notes to the Financial statements

For the year ended June 30, 2021

- 8.4 On August 10, 2020 TPL Trakker Limited [TPLT] got listed on Pakistan Stock Exchange Limited by issuing 66.818 million ordinary shares to the general public resulting in dilution of Company's shareholding in TPLT from 100 percent to 64.32 percent. The Company holds 120,442,588 (2020: 120,442,253) ordinary shares of Rs.10/- each, representing 64.32 percent (2020: 100 percent) of the share capital of TPLT. The market value per share of TPLT is Rs.17.1.
- 8.5 The Company holds 2,099,900 (2020: 2,099,900) ordinary shares of Rs.10/- each, representing 99.99 percent (2020: 99.99 percent) of the share capital of TPL Security Services (Private) Limited [TPLSS] as of the reporting date. The Company has calculated the fair value of its investment based on discounted cashflow method calculations and, the discount rate applied to cash flow projections is 17.44 percent (2020: 15.7 percent) and the growth rate use to extrapolate the cash flows beyond the five-year period is 4.5 percent (2020: 4.5 percent).
- 8.6 The Company holds 2,599,918 (2020: Nil) ordinary shares of TPL E-Ventures (Private) Limited [TPLE] as of the reporting date representing 100% of the share capital of TPLE as of the reporting date. In addition, the Company has given advance of Rs. 27 million to TPLE for purchase of additional 2.7 million ordinary shares. The Company has calculated the fair value of its investment based on cost approach.
- 8.7 The Company had made investment in 0.474 million (2020: 0.474 million) ordinary shares of TPL Logistics, representing 6.2% holding (2020: 6.9 %) as of reporting date. The Company has calculated the fair value of its investment based on cost approach.
- 8.8 The Company holds 5 (2020: 5) ordinary shares of Rs.10/- each in TPL Tech. TPL Tech is yet to commenced its business operation.
- 8.9 During the year, the Company has recorded net gain of Rs. 4,422.38 million on its equity investments designated at FVOCI in other comprehensive income, which will not be reclassified to the profit or loss in subsequent years.

		2021	2020
9.	ADVANCES - unsecured, considered good		
	Note	Rupees	
	Advances against issue of shares:		
	- TPL E-Ventures (Private) Limited [TPLE]	-	25,999,180
	- TPL Logistics (Private) Limited - [TPL Logistics]	1,953,120	1,953,120
		<u>1,953,120</u>	<u>27,952,300</u>
	Other advances		
	- Rent	4,800,000	-
	- Employees	4,156,938	500,000
	- Others	27,006	-
		<u>10,937,064</u>	<u>28,452,300</u>

- 9.1 Represents expenses incurred by the Company on behalf of TPL Logistics which are adjustable by the Company as per the agreed terms.

		2021	2020
10.	TRADE DEPOSITS		
	Note	Rupees	
	Trade deposits - unsecured and considered good		
	- security deposits	400,000	100,000

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

		2021	2020
11.	INTEREST ACCRUED - unsecured, considered good		
	Note	Rupees	
	- TPL E-Ventures (Private) Limited - a related party	10,753,193	6,457,582

Notes to the Financial statements

For the year ended June 30, 2021

12.	DUE FROM RELATED PARTIES – unsecured, considered good	Note	2021	2020
			Rupees	
	Subsidiary companies			
	- TPL Properties Limited [TPLP]	12.1	-	4,531,886
	- TPL Life Insurance Limited [TPLL]	12.2	21,242,713	6,067,158
	- TPL Security Services (Private) Limited [TPLSS]	12.2	60,573,830	51,316,077
	- TPL E-Ventures (Private) Limited [TPLE]	12.1	42,495,034	-
			124,311,577	61,915,121
	Others			
	- TPL Tech Pakistan (Private) Limited [TPL Tech]	12.1	495,286	485,261
	- TPL E-Ventures (Private) Limited [TPLE]	12.1	-	42,245,034
			124,806,863	104,645,416

12.1 Represents current account balance with a related party carrying mark-up at the variable rate of 6 months KIBOR plus 3 percent (2020: 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:

13	TAXATION - net	Note	2021	2020
			Rupees	
	Subsidiary companies			
	- TPL Properties Limited		-	4,531,886
	- TPL Life Insurance Limited		59,421,783	6,067,158
	- TPL Security Services (Private) Limited		60,573,830	51,316,077
	- TPL E-Ventures (Private) Limited		42,495,034	-
	Others			
	- TPL E-Ventures (Private) Limited		-	42,245,034
	- TPL Tech Pakistan (Private) Limited		495,286	485,261
			6,731,147	33,105,923
	Opening balance		6,731,147	33,105,923
	Provision for current tax	28	(17,094,268)	-
	Tax refund received		-	(26,455,895)
	Income tax paid and deducted at source		18,515,600	81,119
	Closing balance		8,152,479	6,731,147
	CASH AND BANK BALANCES			
	At banks in:			
	- current accounts		11,959,084	5,013,158
	- saving accounts	14.1	10,177	294,080
			11,969,261	5,307,238

14.1 These carry mark-up at the rate 3 percent (2020: 3 percent) per annum.

Notes to the Financial statements

For the year ended June 30, 2021

15. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2021	2020		2021	2020
Number of shares		Note	Rupees	
		Ordinary shares of Rs.10/- each		
60,009,900	60,009,900	- issued for cash consideration	600,099,000	600,099,000
207,287,863	207,287,863	- issued for consideration 15.1 & 15.2	2,072,878,630	2,072,878,630
<u>267,297,763</u>	<u>267,297,763</u>	15.2	<u>2,672,977,630</u>	<u>2,672,977,630</u>

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 Honourable High Court of Sindh vide its order No. J.C.M. Petition No. 48 of 2016 dated November 17, 2017, in consideration for 38,329,080 and 60,177,125 ordinary shares of these entities.

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

15.4 During the year, the Company has introduced Employee Share Option Scheme (the Scheme) to employees meeting certain criteria. The exercise price of the shares is Rs. 10/- and the share options vests after a period of 2 years from the date of grant if the concerned employee remains employee on such date.

After the vesting period, the options are exercisable in whole or in equal fifty percent parts of the entitlement within 6 months (exercise period). The share options can be exercised upto 6 months after two years vesting period (in whole or 50% equal part), and therefore the contractual form of each option is two years. There are no cash settlement alternatives. The Company accounts for the Scheme as an equity-settled plan.

Expense recognized during the year related to equity settled share based payments amounts to Rs. 57.3 million (2020: Rs. Nil). During the year, the Company has granted twelve million share options at a weighted average exercise price of Rs. 10/-. Other than this, there is no movement during the year.

Weighted average remaining contractual life of options outstanding at 30 June 2021 was one year (2020: Nil).

		2021	2020
16	LONG-TERM FINANCINGS – secured	Rupees	
	Note		
Refinance scheme for payment of wages and salaries	16.1 & 16.2	78,908,298	30,561,084
Term finance	16.3	1,000,000,000	
Diminishing musharikha	16.4	8,751,904	-
		<u>1,087,660,202</u>	<u>30,561,084</u>
Less: Current portion shown under current liabilities		(53,215,558)	(8,551,793)
		<u>1,034,444,644</u>	<u>22,009,291</u>

Notes to the Financial statements

For the year ended June 30, 2021

- 16.1** The Company and its subsidiary TPL Trakker Limited [TPLT] had 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 during the year ended June 30, 2020. As of the reporting date, the Company has availed Rs 51.699 million against the facility limit of Rs. 52.614 million for its share. This facility carries mark-up at the rate of 3 percent per annum and is repayable in 8 quarterly equal instalments commencing from January 2021 discounted at effective rate of interest of 11.29 percent per annum. The differential mark-up has been recognised as government grant (see note 18) 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 and also shares of the group companies.
- 16.2** During the year, the Company has further obtained financing under Refinance Scheme for Payment of Wages & Salaries by State Bank of Pakistan from a commercial bank. As of the reporting date, the Company has availed Rs 54.198 million against the facility limit of Rs. 54.2 million. This facility carries mark-up at the rate of 3 percent per annum and is repayable in 8 quarterly equal instalments commencing from January 2021 discounted at effective rate of interest of 10.25 percent per annum. The differential mark-up has been recognised as government grant (see note 18) which will be amortised to interest income over the period of facility. The facility is secured under ranking charge on current and fixed assets of TPLT and the shares of the group companies.
- 16.3** During the year, the Company has obtained term finance facility of Rs.1,000 million from a commercial bank for a tenor of 4 years including grace period of 1 year. The facility carries mark-up at the rate of 6 month KIBOR plus 2.25 percent per annum. The facility will be redeemed in 6 stepped-up semi-annual installments. The facility is secured by way of first pari passu equitable mortgage over property owned by group company and pledge of shares of related party.
- 16.4** During the year, the Company has obtained two vehicles under diminishing financing musharaka from a financial institution for a tenor of 5 years. The facility carries mark-up at the rate of 6 month KIBOR plus 3.5 percent per annum.

		2021	2020
17	GOVERNMENT GRANT		
	Note	Rupees	
	Opening	2,370,025	-
	Recognised during the year	5,281,215	3,646,090
	Released to the profit or loss	(4,738,315)	(1,276,065)
		2,912,925	2,370,025
	Current portion	2,381,754	1,429,938
	Non-current portion shown under non-current liabilities	531,171	940,087
		2,912,925	2,370,025
18	TRADE AND OTHER PAYABLES		
	Creditors - non trade	13,824,450	15,989,496
	Salaries payable	47,556,610	19,437,880
	Accrued liabilities	19,945,020	6,404,970
	Withholding tax payable	10,640,710	6,037,784
	Sales tax payable	863,792	166,574
	Book overdraft	322,328,608	-
		415,159,190	48,036,704
19.	ACCRUED MARK-UP		
	Long-term financings	26,052,174	237,412
	Short-term financings	13,737,303	-
	Due to related parties	109,035,085	273,838,120
		148,824,562	274,075,532

Notes to the Financial statements

For the year ended June 30, 2021

		2021	2020
20. SHORT-TERM FINANCINGS	Note	Rupees	
Unsecured			
Commercial paper	20.1	432,984,331	-
Secured			
Short-term loan - I	20.2	-	150,000,000
Short-term loan - II	20.3	200,000,000	-
Short-term loan - III	20.4	150,000,000	-
		782,984,331	150,000,000

20.1 During the year, the Company has partially issued privately placed Commercial Paper (CP) of Rs. 900 million discounted at 6 months KIBOR plus 2.75 percent (10.40%) per annum. These are repayable latest by January 12, 2022.

20.2 Represents short-term loan of Rs. 150 million obtained by the Company from a commercial bank for a period of six months which carries mark-up at a rate of 1 month KIBOR plus 3 percent per annum. The principal and mark-up are repayable as a single bullet payment upon maturity. The loan was secured against joint pari passu charge on fixed assets and pledged on ordinary shares of subsidiary held by the Company. During the year, the Company has repaid the same in full and accordingly charge / pledged on assets have been released.

20.3 During the year, the Company has obtained short-term loan facility of Rs. 200 million from a commercial bank for a period of 6 months. The facility carries mark-up at the rate of 6 month KIBOR plus 1.5 percent per annum and is repayable in single bullet payment upon maturity. The loan is secured by way of pledge of shares of a related party. The loan has been settled subsequent to the year end in full.

20.4 During the year, the Company has obtained a short-term loan facility having a limit of Rs. 800 million from a commercial bank for a period of 6 months, which was fully utilised. The loan carries a mark-up at the rate of 1 month KIBOR plus 1% per annum and is secured against ranking charge over all present and future current assets of a subsidiary, TPLT. The outstanding loan amount has been settled subsequent to the year end in full.

		2021	2020
21. CURRENT PORTION OF NON-CURRENT LIABILITIES	Note	Rupees	
Long-term financings	16	53,215,558	8,551,793
Government grant	17	2,381,754	1,429,938
		55,597,312	9,981,731
22. DUE TO RELATED PARTIES - unsecured			
Holding company			
- TPL Holdings (Private) Limited		249,326,911	976,883,209
Subsidiary companies			
- TPL Trakker Limited [TPLT]		597,793,457	519,635,426
- TPL Properties [TPLP]		73,410,891	-
- TPL Insurance Limited [TPLI]		18,722,383	23,521,955
		689,926,731	543,157,381
	22.1	939,253,642	1,520,040,590

22.1 Represents current account balances with related parties carrying mark-up 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.

Notes to the Financial statements

For the year ended June 30, 2021

23. CONTINGENCIES AND COMMITMENTS

23.1 Contingencies

Note

Rupees

23.1.1 Corporate guarantees

60,000,000

60,000,000

23.1.2 During the year, Deputy Commissioner Sindh Revenue Board has issued a show cause notice ref. TPL CORP/UNIT-08/AUDIT-II/LTO/2021 dated January 26, 2021 under Section 25 of the Sindh Sales Tax Act, 1990 (the Act) for tax periods from Jan 2016 to Dec 2016 with respect to tax audit initiated against the Company whereby, sales tax of Rs. 280.309 million, default surcharge of Rs. 134.548 million and penalty of Rs. 14.016 million has been demanded on account of short declared sales and various matters for tax year 2017 vide Order-in-Original (OIO) no. 06/149/2021 dated February 22, 2021. The Company obtained stay against recovery of the same from the High Court, whereas appeal against the OIO is currently pending before Commissioner Appeals. The Company based on the view of its tax adviser is confident of the favourable outcome. In addition, Sindh Revenue Board has issued order section 3, 8, 9, 17, 23, 30, 43 and 44 of the Sindh Sales Tax Act, 2011 (the Act) to the Company for tax periods from July 2016 to June 2017 whereby, sales tax liability of Rs. 113.338 million (including penalty) has been demanded on account of short declared sales. The Company is in the process of filing of appeal against the order. Accordingly, no provision has been made in these unconsolidated financial statements.

23.1.3 Tax contingencies as disclosed in note 28.1 to these unconsolidated financial statements.

23.2 Commitments

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

24. DIVIDEND INCOME

Represents dividend income received from TPL Properties Limited (related party) during the year.

25. ADMINISTRATIVE EXPENSES

2021

2020

Rupees

Salaries and other benefits

148,428,339

50,179,546

Legal and professional

14,394,689

30,280,337

Depreciation

6.1

2,912,003

542,833

Amortisation

7.1

348,338

366,669

Travelling and conveyance

1,941,051

5,514,585

Vehicle running and maintenance

1,578,048

7,216,971

Subscription

4,747,500

35,000

Donations

25.3

5,600,000

1,400,000

Insurance

3,865,326

645,271

Training

445,759

117,940

License Fee

369,907

-

Computer expenses

209,428

-

Telephone

233,938

1,512,059

Auditors' remuneration

25.1

6,085,000

6,129,970

Entertainment

19,500

80,940

Printing and stationery

1,119,511

1,873,442

Repairs and maintenance

521,850

-

Publicity

340,051

2,454,387

Others

707,361

135,547

193,867,599

108,485,497

Notes to the Financial statements

For the year ended June 30, 2021

	2021	2020
25.1 Auditors' remuneration		
	Rupees	
Audit fee – standalone	900,000	850,000
Audit fee – consolidated	1,500,000	1,250,000
Code of corporate governance	250,000	250,000
Half yearly review fee and other assurance services	3,225,000	3,569,970
Out of pocket expenses	210,000	210,000
	6,085,000	6,129,970

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

25.3 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:

	2021	2020
	Rupees	
The Indus Hospital	3,600,000	
Aman Foundation	-	1,400,000
Lady Dufferin Hospital	2,000,000	-
	5,600,000	1,400,000

25.4 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.

	2021	2020
26. FINANCE COSTS		
	Rupees	
Mark-up on:		
- long-term financings	34,432,819	28,653,259
- short-term financings	31,861,697	86,233,680
- due to related parties	131,685,863	204,018,811
Bank and other charges	8,706,559	6,528,381
	206,686,938	325,434,131
27. OTHER INCOME		
Income from financial assets:		
- mark-up on saving account	167,989	607,327
- mark-up on islamic commercial paper	-	5,903,441
	167,989	6,510,768
Income from related parties:		
- mark-up on current account with related parties	4,295,613	5,840,344
Income from other than financial assets		
- deferred income	4,738,315	1,276,065
- Other	22,769,984	-
	27,508,299	1,276,065
	31,971,901	13,627,177

27.1 Represents rent compensation received from TPL Properties Limited (a subsidiary company).

Notes to the Financial statements

For the year ended June 30, 2021

		2021	2020
28.	TAXATION		
	Current	17,094,268	-
28.1	The returns of the total income of the Company have been filed for and upto tax year 2020 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.		
28.2	The major income of the Company falls under final tax regime, therefore, no deferred tax asset and liabilities are recorded in these unconsolidated financial statements.		
29.	LOSS PER SHARE – basic and diluted		
	Loss attributable to the ordinary shareholders	(271,715,116)	(420,292,452)
		----- Number of shares -----	
	Weighted average number of ordinary shares in issue	267,297,763	267,297,763
	Loss per share – basic	(1.02)	(1.57)

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

30. 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, 2021. 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.

30.1 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, 2021.

Notes to the Financial statements

For the year ended June 30, 2021

30.1.1 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.

30.1.2 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)
2021	+100	28,098,922
	-100	(28,098,922)
2020	+100	17,006,017
	-100	(17,006,017)

30.1.3 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 reporting date, the Company is not exposed to currency risk, since the Company do not have any assets and liabilities in foreign company.

30.1.4 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).

30.2 Credit risk

30.2.1 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. 10,394 million (2020: Rs. 4,823 million), the financial assets which are subject to credit risk amounted to Rs. 11.969 million (2020: Rs. 5.307 million). The Company's credit risk attributable to its bank balances are assessed as low.

30.2.2 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	2021	2020
		Rupees	
A-1+	JCR-VIS	-	598
A-1+	PACRA	9,148,514	3,228,540
A-1	PACRA	1,036,725	294,080
A-2	JCR-VIS	54,438	54,438
A-3	VIS	-	1,729,583
Unrated	VIS	1,729,583	-
		<u>11,969,259</u>	<u>5,307,239</u>

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

Notes to the Financial statements

For the year ended June 30, 2021

30.3 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 (excluding statutory liabilities) at June 30, 2021 and 2020 based on contractual undiscounted payment dates and present market interest rates:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	----- (Rupees) -----				
2021					
Long-term financings	-	-	53,215,558	1,034,444,644	1,087,660,202
Trade and other payables	-	403,654,688	-	-	403,654,688
Accrued mark-up	-	148,824,562	-	-	148,824,562
Short-term financings	-	-	782,984,331	-	782,984,331
Due to related parties	939,253,642	-	-	-	939,253,642
Unclaimed dividend	1,729,583	-	-	-	1,729,583
Unpaid dividend	3,000,000	-	-	-	3,000,000
	943,983,225	552,479,250	836,199,889	1,034,444,644	3,367,107,008
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	----- (Rupees) -----				
2020					
Long-term financings	-	-	8,551,793	22,009,291	30,561,084
Trade and other payables	-	41,832,346	-	-	41,832,346
Accrued mark-up	-	274,075,532	-	-	274,075,532
Short-term financings	-	-	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
	1,524,770,173	-	158,551,793	22,009,291	2,021,239,135

30.4 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, 2021

30.4.1. 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 unconsolidated 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)

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

	Total	Level 1	Level 2	Level 3
	-----Rupees-----			
Financial assets - Designated at FVOCI				
2021	10,221,111,852	8,581,417,736	1,492,358,004	147,336,112
2020	4,706,994,606	2,019,472,418	2,684,073,111	3,449,077

30.4.3. Description of significant unobservable inputs to valuation

The Significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy, as at 30 June 2021 are shown below:

	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Non-listed equity investments - security service	Discount rate	16.44% - 17.44% (16.94%)	"1% increase in the discount rate could result in decrease in fair value by Rs. 16.006 million. 1% decrease in the discount rate could result in increase in fair value by Rs. 18.823 million
	Terminal growth rate	4.50%	1% increase in the growth rate could result in increase in fair value by Rs. 13.176 million. 1% decrease in the growth rate could result in decrease in fair value by Rs. 11.278 million

30.5 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, 2021.

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, 2021 and 2020 are as follows:

Notes to the Financial statements

For the year ended June 30, 2021

	Note	2021	2020
		Rupees	
Long-term financings	16	1,087,660,202	30,561,084
Accrued mark-up	19	148,824,562	274,075,532
Short-term financings	20	782,984,331	150,000,000
Due to related parties	22	939,253,642	1,520,040,590
Total debts		2,958,722,737	1,974,677,206
Less: Cash and bank balances	14	11,969,261	5,307,238
Net debt		2,946,753,476	1,969,369,968
Share capital	15	2,672,977,630	2,672,977,630
Capital reserve		118,155,762	60,855,762
Revenue reserve		(572,057,159)	(300,342,044)
Other component of equity		4,819,466,656	397,080,356
Total equity		7,038,542,889	2,830,571,704
Total capital		9,985,296,365	4,799,941,672
Gearing ratio		30%	41%

31. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	Chief Executive		Directors		Executives	
	2021	2020	2021	2020	2021	2020
	(note 31.1)		(note 31.2)			
	Rupees -----					
Basic salary	23,227,200	15,484,800	-	-	27,083,215	14,740,368
Allowances and benefits:						
- house rent	10,452,240	6,968,160	-	-	12,187,420	6,633,156
- medical	2,320,560	1,547,040	-	-	2,705,740	1,472,652
- vehicle allowance	-	-	-	-	3,827,520	1,512,000
Staff retirement benefits	1,934,820	1,289,880	-	-	2,085,097	768,288
	<u>37,934,820</u>	<u>25,289,880</u>	<u>-</u>	<u>-</u>	<u>47,888,991</u>	<u>25,126,464</u>
Number of person(s)	1	1	-	-	30	28

31.1 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.

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

31.3 During the year, the Company has paid Rs. 1.18 million (2020: Rs. 0.40 million) to a non - executive Director on account of board meeting fees.

Notes to the Financial statements

For the year ended June 30, 2021

32. TRANSACTIONS WITH RELATED PARTIES

32.1 Related parties comprise ultimate holding company, subsidiaries, associates 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 unconsolidated financial statements are as follows:

	2021	2020
	Rupees	
TPL Holdings (Private) Limited – (Holding Company)		
Amount received by the Company from TPLH	583,000,000	483,438,567
Mark-up paid by the Company	296,488,898	-
Mark-up on current account (net) - (note 24)	57,767,672	171,305,639
Expenditure incurred by the Company on behalf of TPLH	14,985,196	250,000
Amount paid / repaid by the Company to TPLH	1,295,571,101	578,305,358
TPL Security Services (Private) Limited – (Subsidiary Company)		
Expenditure incurred by the Company on behalf of TPLSS	13,257,754	1,316,077
Amount received by the Company from TPLSS	4,000,000	
TPL Insurance Limited – (Subsidiary Company)		
Expense paid / payable on behalf of TPLI	64,509,702	10,735,237
Amount received by the Company	67,857,579	4,900,000
Amount paid / repaid by the Company to TPLI	13,200,000	
Expenses incurred on behalf of the Company	5,052,551	897,880
TPL Life Insurance Limited - (Subsidiary Company)		
Advance against issue of shares paid to TPLL (note 8.3)	425,000,000	125,000,000
Settlement of amount receivable by the Company from TPLL against:		
- amount payable by TPLL to TPLT under signed Memorandum of Arrangement	59,421,783	-
Amount paid / repaid to the Company	22,100,000	-
Expenses incurred on behalf of the Company	7,634,370	-
Expenditure incurred by the Company on behalf of TPLL	60,131,708	6,067,158
TPL Trakker Limited - (Subsidiary Company)		
Expenditure incurred by TPLT on behalf of the Company	11,915,394	70,181,582
Purchase of operating fixed assets on behalf of the Company	-	301,000
Expenditure incurred for TPLL on behalf of the Company	-	5,000,000
Expenditure incurred for TPLL on behalf of the Company	-	1,153,536
Expenditure incurred for TPLE on behalf of the Company	-	13,378,030
Expenditure incurred by the Company on behalf of TPLT	122,454,115	118,706,762
Amount received by the Company	1,373,638,535	2,098,832,782
Amount paid / repaid to the Company	1,125,520,000	1,129,000,709
Mark-up on current account - net	73,918,190	32,713,172
Settlement of amount receivable by the Company from TPLT against:		
- amount payable by TPLL to TPLT under signed Memorandum of Arrangement	59,421,786	-
TPL Properties Limited - (Subsidiary Company)		
Amount paid / payable to TPLP against services obtained by the Company	62,782,234	-
Funds received by the Company from TPLP	104,021,411	-
Expenses incurred by TPLP on behalf of the Company	2,763,527	-
Expenditure incurred by the Company on behalf of TPLP	71,302,395	4,531,886
Tenant compensation	20,322,000	

Notes to the Financial statements

For the year ended June 30, 2021

	2021	2020
	Rupees	
TPL Tech Pakistan (Private) Limited - (Common directorship)		
Expenditure incurred by the Company on behalf of TPL Tech	10,025	485,261
TPL Logistics (Private) Limited – (Common directorship)		
Amount paid to the Company	-	733,266
Expenditure incurred by TPLT for TPLL on behalf of the Company	-	1,976,897
TPL E-venture (Private) Limited – (Subsidiary Company) [2020: Associate]		
Expenditure incurred by TPLT for TPLE on behalf of the Company	-	14,581,952
Expenditure incurred by the Company on behalf of TPLE	250,000	-
Advance against issue of shares paid to TPLE	27,000,000	-
Mark-up on current account	4,295,612	5,840,345
Staff retirement benefit		
Trakker (Private) Limited Staff Provident Fund – employer contribution	3,401,223	2,096,868
Key management personnel		
Salaries and other benefits	57,339,360	48,364,464
Post employment benefits	2,498,008	1,891,365

32.2 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, 2021 and 2020 is disclosed in respective notes to these unconsolidated financial statements.

32.3 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 (inclusive of salaries and related benefits) are also allocated within the group companies on agreed basis and terms.

33. SEGMENT REPORTING

For management purposes, the activities of the Company are organised into one operating segment i.e. to make investment in group and other companies. The Company operates in the said reportable operating segment based on the nature of the products, risks and returns, organisational and management structure and internal financial reporting systems. The operating interests of the Company are confined to Pakistan. Accordingly, the information and figures reported in these financial statements are related to the Company's only reportable segment in Pakistan.

Dividend income for the year represents income from investment in a subsidiary company namely TPL Properties Limited incorporated in Pakistan.

Non-current assets of the Company are confined within Pakistan and consist of property, plant and equipment, intangibles assets, long-term investments and long-term deposits.

34. DATE OF AUTHORISATION OF ISSUE

These unconsolidated financial statements were authorised for issue on 20 September, 2021 by the Board of Directors of the Company.

Notes to the Financial statements

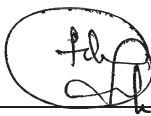
For the year ended June 30, 2021

35. GENERAL

- 35.1 Corresponding figures have been rearranged, wherever necessary, however, there are no material reclassifications to report.
- 35.2 Number of employees as at June 30, 2021 was 113 (2020: 145) and average number of employees during the year was 137 (2020: 160).
- 35.3 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

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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 2021**, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the 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.

Following are the key audit matters:

Key audit matter	How the matter was addressed in our audit
1. Impairment of goodwill and intangible assets (Refer note 8 to the accompanying consolidated financial statements) The intangible assets includes goodwill, indefinite life and under development intangible assets having carrying value of Rs. 2,927.17 million as of 30 June 2021, and tested for impairment at least on an annual basis. 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,	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. We assessed the methodologies used by the management in the impairment analysis and determination of CGUs, to which it relates. We involved our specialist to: - assessed the key assumptions and methodologies used in the impairment analysis, in particular growth rates, inflation rate and discount rate applied;

Key audit matter	How the matter was addressed in our audit
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.	- 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. We also checked the relationship between the market capitalization for relevant CGUs, using the Level 1 input of the fair value hierarchy i.e. quoted prices, and its book value, among other factors. We also assessed the adequacy of disclosures in the consolidated financial statements in accordance with the financial reporting standards.
2. Acquisition of Trakker Middle East LLC.	
Refer note 6 to the accompanying consolidated financial statements) The Group has purchased additional 21% percent shareholding in Trakker Middle East LLC. (TME) under the terms of the agreements. Resultantly, the Group shareholding in TME increased from 29 percent to 50 percent at the acquisition date i.e. 01 July 2020. The said acquisition have been accounted for as a business combination under International Financial Reporting Standard (IFRS) 3 'Business Combinations' and resultantly, the Group has recognized a bargain purchase gain of Rs. 89.49 million.	With respect to the accounting for the acquisition of the subject transaction, we have, amongst others: - analysed the transaction and the acquisition of control and discussed this with the management and those charged with governance; - reviewed relevant underlying documents, including the minutes of meetings and agreements for related terms and conditions including consideration transferred for acquired assets and liabilities assumed; and - assessed whether the accounting treatment complies with the requirements of IFRS 3 for identification, valuation and accounting of acquired assets and liabilities assumed against the consideration transferred, and the recognition of provisional goodwill at acquisition date, and identification of related intangible assets from goodwill and resultant bargain purchase gain. We also reviewed the adequacy of disclosures in the consolidated financial statements in accordance with the financial reporting standards.
3. Sale of investment property	
(Refer note 26.1 to the accompanying consolidated financial statements) The investment property comprised 'Centrepont Project' (the investment property), principally given as rented office premises to related parties and other companies and was accounted by the Group under fair value model as per the requirements of applicable financial reporting standards.	Our audit procedures amongst others includes: - checked the Board's resolution approving the sale transaction; - reviewed the sale agreement between the TPLP and the buyer to ensure that all applicable terms of the agreement relating to financial reporting are complied; and

Key audit matter	How the matter was addressed in our audit
During the year, pursuant to the approval of the Board of Directors (the Board) of TPL Properties Limited (TPLP, a subsidiary company), TPLP entered into an agreement to sell the said investment property to a buyer at an agreed price as stated in the above referred note. The above transaction was a significant event of the year and accordingly, we considered the same to be a key audit matter.	- checked the sale proceeds from the bank statements of the TPLP. We also assessed the adequacy of the related disclosures in the consolidated financial statements in accordance with the financial reporting standards.
4. Liabilities against insurance contracts	
(Refer note 36 to the accompanying consolidated financial statements) The Group operates life and general insurance businesses (here-in-after referred to as insurance business). The liabilities in respect of insurance contracts issued as of 30 June 2021 amounts to Rs. 541.05 million. 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.	Our key audit procedures included the following: - we tested controls over recording and settlement of claims both in respect of insurance businesses and performed tests of such controls to check their effectiveness in relation to our audit. - in respect of adequacy of insurance contract liabilities (including IBNR and premium deficiency reserve) which are measured on the basis of undiscounted value of expected future payments, we involved our expert to review the methodology used by the management's expert in estimating claims liabilities in accordance with the prescribed methodology. As part of our testing, we also considered the competence and objectivity of the experts used by the management for this purpose. - for 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; - we performed subsequent review to identify any significant claims reported post year end which pertains to the financial year under audit; 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 01, 2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	1,522,180,915	1,390,115,661
Intangible assets	8	3,095,595,393	2,844,723,120
Right-of-use assets	9	107,974,195	72,269,178
Investment properties	10	1,470,752,861	28,308,153
Development properties	11	1,833,175,473	1,437,387,784
Long-term investments	12	1,820,616,779	677,647,347
Long-term loans	13	24,903,459	2,547,710
Long-term deposits	14	43,381,787	36,740,882
Deferred tax asset - net	15	67,585,157	108,404,040
		9,986,166,019	6,598,143,875
CURRENT ASSETS			
Stock-in-trade	16	445,649,520	247,185,472
Trade debts	17	1,342,965,721	1,164,282,072
Loans and advances	18	264,486,659	199,026,895
Trade deposits and prepayments	19	351,209,872	276,380,312
Interest accrued	20	182,242,296	119,774,215
Other receivables	21	1,539,594,924	1,175,229,556
Short-term investments	22	1,781,744,812	851,593,543
Due from related parties	23	751,551,740	574,764,579
Deferred commission expense		155,763,662	121,156,815
Taxation – net	24	14,465,299	56,641,726
Cash and bank balances	25	4,801,025,667	1,470,767,684
		11,630,700,172	6,256,802,869
NON-CURRENT ASSET HELD FOR SALE			
	26	-	6,981,095,074
		11,630,700,172	13,237,897,943
TOTAL ASSETS		21,616,866,191	19,836,041,818

The annexed notes from 1 to 60 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, 2021

		2021	2020
	Note	Rupees	Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Authorised			
330,000,000 (2020: 330,000,000) ordinary shares of Rs.10/- each		3,300,000,000	3,300,000,000
Issued, subscribed and paid-up capital	27	2,672,977,630	2,672,977,630
Capital reserves		118,155,762	60,855,762
Revenue reserves		153,724,086	(429,237,761)
Other components of equity	28	204,832,408	327,728,085
Equity attributable to equity holders of the parent		3,149,689,886	2,632,323,716
Non-controlling interest		4,471,600,481	4,766,383,687
Total Shareholders' equity		7,621,290,367	7,398,707,403
Participants' Takaful Fund (PTF)		13,175,297	69,048,465
Total Equity		7,634,465,664	7,467,755,868
NON-CURRENT LIABILITIES			
Long-term financings	29	4,408,114,768	3,029,423,456
Lease liabilities	30	81,889,252	31,530,021
Long-term loans	31	169,165,150	269,014,488
Deferred liabilities	32	21,639,358	9,570,575
Gas Infrastructure Development Cess (GIDC) liability	32.3	19,579,594	
		4,700,388,122	3,339,538,540
CURRENT LIABILITIES			
Trade and other payables	33	2,578,037,850	1,982,561,038
Accrued mark-up	34	183,315,325	438,546,881
Short-term financings	35	1,018,938,067	1,944,169,173
Liabilities against insurance contracts	36	1,367,253,961	877,069,162
Underwriting provisions	37	1,408,969,326	1,197,304,214
Running finance under mark-up arrangements	38	1,062,507,117	1,105,194,287
Current portion of non-current liabilities	39	1,370,155,150	465,149,706
Due to related parties	40	252,252,923	976,883,204
Unclaimed dividend		1,729,583	1,729,583
Unpaid dividend		3,000,000	3,000,000
Advance monitoring fees	41	35,853,103	37,140,162
		9,282,012,405	9,028,747,410
CONTINGENCIES AND COMMITMENTS	42		
TOTAL EQUITY AND LIABILITIES		21,616,866,191	19,836,041,818

The annexed notes from 1 to 60 form an integral part of these consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
Turnover - net	43	5,362,331,992	4,968,420,905
Cost of sales and services	44	(4,270,189,082)	(3,799,931,790)
Gross profit		1,092,142,910	1,168,489,115
Distribution expenses	45	(145,421,872)	(186,659,716)
Administrative expenses	46	(1,960,902,705)	(1,254,271,443)
Operating loss		(1,014,181,667)	(272,442,044)
Other expenses	47	(82,830,758)	(74,326,889)
Finance costs	48	(880,132,987)	(1,262,316,471)
Other income	49	1,813,847,321	742,327,304
Share of loss from investment in associates - net	12	(9,349,375)	(25,649,189)
Net profit attributable to PTF		55,873,168	(189,216,313)
Loss before taxation		(116,774,298)	(1,081,623,602)
Taxation	50	(76,105,604)	(138,636,366)
Loss for the year		(192,879,902)	(1,220,259,968)
Other comprehensive income / (loss)			
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		(60,978,859)	32,248,993
Deficit on revaluation of property, plant and equipment		-	(9,538,644)
		(60,978,859)	22,710,349
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):			
Exchange differences on translation of foreign operations		12,436,352	-
Other comprehensive loss attributable to PTF		-	(2,759,130)
Other comprehensive (loss) / income for the year, net of tax		(48,542,507)	19,951,219
Total comprehensive loss for the year		(241,422,409)	(1,200,308,749)
Loss per share – basic and diluted	51	(0.50)	(4.57)
Loss for the year attributable to:			
Owners of the Holding Company		(133,746,482)	(1,223,507,612)
Non-controlling interest		(59,133,420)	3,247,644
		(192,879,902)	(1,220,259,968)

The annexed notes from 1 to 60 form an integral part of these consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2021

	Capital reserves			Revenue reserves	Other components of equity					
	Issued, subscribed and paid-up capital	Reserve created under Scheme of Arrangement	Other capital reserve (note 27.3)	Unappropriated profits	Fair value reserve of financial assets designated at FVOCI	Foreign exchange translation reserve	Surplus on revaluation of property, plant and equipment	Total reserves	Non-controlling interest	Total Equity
	Rupees									
Balance as at June 30, 2019	2,672,977,630	60,855,762	-	219,731,701	11,021,681	-	555,060,494	846,669,638	4,618,489,560	8,138,136,828
Profit / (loss) for the year	-	-	-	(1,223,507,612)	-		-	(1,223,507,612)	3,247,644	(1,220,259,968)
Other comprehensive income / (loss) for the year, net of tax	-	-	-	-	32,485,724		(9,538,644)	22,947,080	(2,995,861)	19,951,219
Total comprehensive income / (loss) for the year	-	-	-	(1,223,507,612)	32,485,724	-	(9,538,644)	(1,200,560,532)	251,783	(1,200,308,749)
Increase in shareholding in subsidiaries due to change in shareholding of non-controlling interest	-	-	-	313,236,980	-	-	-	313,236,980	147,642,344	460,879,324
Surplus on revaluation of property, plant and equipment realised on account of:										
- disposal of property, plant and equipment	-	-	-	260,150,220	-		(260,150,220)	-	-	-
- incremental depreciation charged on related assets - net of tax	-	-	-	1,150,950	-		(1,150,950)	-	-	-
	-	-		261,301,170	-	-	(261,301,170)	-	-	-
Balance as at June 30, 2020	2,672,977,630	60,855,762	-	(429,237,761)	43,507,405		284,220,680	(40,653,914)	4,766,383,687	7,398,707,403

Loss for the year	-	-	-	(133,746,482)	-	-	-	(133,746,482)	(59,133,420)	(192,879,903)
Other comprehensive (loss) / income for the year, net of tax	-	-	-	-	(130,842,071)	8,436,946	-	(122,405,125)	73,862,618	(48,542,507)
Total comprehensive income / (loss) for the year	-	-	-	(133,746,482)	(130,842,071)	8,436,946	-	(256,151,607)	14,729,198	(241,422,410)
Shareholding change in subsidiaries due to change in non-controlling interest	-	-	-	716,217,777	-	-	-	716,217,777	(285,764,436)	430,453,341
Subsidiary company: Interim dividend @ Rs. 1/- per share for the year ended June 30, 2021	-	-	-	-	-	-	-	-	(203,795,468)	(203,795,468)
Share based payment reserve	-	-	57,300,000	-	-	-	-	57,300,000	180,047,500	237,347,500
Surplus on revaluation of property, plant and equipment realised on account of:	-	-	-	490,552	-	-	(490,552)	-	-	-
- incremental depreciation charged on related assets - net of tax	-	-	-	490,552	-	-	(490,552)	-	-	-
Balance as at June 30, 2021	2,672,977,630	60,855,762	57,300,000	153,724,086	(87,334,666)	8,436,946	283,730,128	476,712,256	4,471,600,481	7,621,290,367

The annexed notes from 1 to 60 form an integral part of these consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

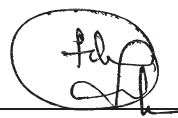
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY [CONTINUED]

FOR THE YEAR ENDED JUNE 30, 2021

	Participants' Takaful Fund		
	Ceded money	Accumulated (deficit) / surplus	Other comprehensive deficit attributable to PTF
	----- Rupees -----		
Participants' Takaful Fund:			
Balance as at July 1, 2019	2,000,000	(122,167,848)	2,579,130
Surplus for the year	-	189,216,313	-
Other comprehensive deficit, net of tax	-	-	(2,579,130)
Total comprehensive surplus / (deficit) for the year	-	189,216,313	(2,579,130)
Balance as at June 30, 2020	2,000,000	67,048,465	-
Balance as at July 1, 2020	2,000,000	67,048,465	-
Deficit for the year	-	(55,873,168)	-
Other comprehensive deficit, net of tax	-	-	-
Total comprehensive deficit for the year	-	(55,873,168)	-
Balance as at June 30, 2021	2,000,000	11,175,297	-

The annexed notes from 1 to 60 form an integral part of these consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER

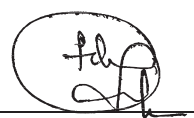

DIRECTOR

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2021

		2021	2020
		Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES	Note		
Loss before taxation		(116,774,298)	(1,081,623,602)
Adjustment for non-cash charges and other items:			
Depreciation	7.1	312,536,675	314,629,558
Depreciation on ROUA	9.1	66,938,503	79,814,409
Amortisation	8.1	76,043,704	89,799,918
Share of loss from investment in associates - net	12	9,349,375	25,649,189
Net profit attributable to PTF		(55,873,168)	189,216,313
Reversal / allowance for expected credit losses	17.4	18,863,151	(30,076,185)
Charge / reversal of provision for gratuity	32.2	2,955,806	278,860
Exchange loss – net	47	82,830,758	74,326,889
Finance costs	48	880,132,987	1,262,316,471
Gain on investment in mutual funds	49	(44,730,791)	(11,414,736)
Share based reserve		237,347,500	-
Investment property written off	10.5	33,675,653	-
Fair value gain on investment in TME	49	(33,327,406)	-
Fair value gain on investment property	49	(645,949,089)	-
Gain on bargain purchase option	49	(89,486,545)	-
Unwinding of PTF		-	(3,786,209)
Reversal of provision for GIDC	49	(29,822,466)	-
Remeasurement gain on GIDC	49	(4,675,267)	-
Gain on disposal of property, plant and equipment	49	(15,725,420)	(540,383)
Gain on investment property	49	(684,723,458)	(286,315,367)
Impairment loss on investment in associate	46	11,531,207	-
Amortisation of government grant	49	(15,210,981)	(3,692,836)
		112,680,728	1,700,205,891
Operating (loss) / profit before working capital changes		(4,093,570)	618,582,289
(Increase) / decrease in current assets			
Stock-in-trade		(214,274,896)	20,224,891
Trade debts		(178,683,649)	263,773,740
Loans and advances		(65,459,764)	186,148,166
Trade deposits and prepayments		(74,829,560)	251,775,178
Interest accrued		(62,468,081)	(93,709,582)
Other receivables		(364,365,368)	(516,159,673)
Due from related parties		(176,787,161)	(494,547,319)
Deferred commission expense		(34,606,847)	48,091,747
		(1,171,475,326)	(334,402,852)
Increase / (decrease) in current liabilities			
Trade and other payables		595,476,812	464,149,369
Liabilities against insurance contracts		490,184,799	(372,557,235)
Underwriting provisions		211,665,112	551,448,758
Due to related parties		(724,630,281)	(196,868,725)
Advance monitoring fees		(1,287,059)	(9,511,537)
		571,409,383	436,660,630
Cash flows from operations		(604,159,513)	720,840,067
Finance costs paid		(1,135,364,543)	(1,124,319,551)
Gratuity paid		(2,563,850)	-
Income taxes paid		(77,666,396)	30,894,377
		(1,215,594,789)	(1,093,425,174)
Net cash flows used in operating activities		(1,819,754,302)	(372,585,107)


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONSOLIDATED STATEMENT OF CASH FLOWS [CONTINUED]

FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
CASH FLOWS FROM INVESTING ACTIVITIES*			
Purchase of - property, plant and equipment		(257,024,699)	(58,385,225)
- capital work-in-progress		(84,066,500)	-
- intangible assets		(27,322,976)	(9,488,478)
- intangible assets under development		(12,240,333)	(78,486,014)
- investment properties		(791,396,903)	(87,836,349)
- development properties		(395,787,689)	(172,244,814)
Sale proceeds from disposal of property, plant and equipment		33,135,360	340,970,265
Sale proceeds from / (cost of investment) - net		(930,151,269)	128,100,764
Acquisition of a subsidiary, net of cash acquired		3,335,756	-
Long term investment		(1,202,566,484)	(600,000,000)
Proceeds from disposal of investment properties		7,362,500,000	-
Purchase of shares of TPL Life, TPLI and TPLP		(613,731,767)	-
Proceeds from shares issued by TPLI		466,500,000	-
Proceeds from disposal of investment in TPLI		-	462,580,400
Long-term loans - net		(99,849,338)	(3,456,615)
Long-term deposits - net		27,964,877	18,146,462
Net cash flows generated from / (used in) investing activities		3,479,298,036	(60,099,604)
CASH FLOWS FROM FINANCING ACTIVITIES*			
Dividend paid by TPLP		(203,795,468)	(1,577,890)
Proceeds from issuance of ordinary shares of TPLT		801,846,000	-
Share issuance costs of TPLT		(64,484,030)	-
Long-term financings - net		2,259,978,505	(53,264,402)
Lease liabilities - net		(70,205,689)	(73,094,737)
current portion		-	-
Long-term loans - net		(84,382,193)	(49,723,735)
Short-term financings - net		(925,231,106)	998,151,951
Net cash flows generated from financing activities		1,713,726,019	820,491,187
Net increase in cash and cash equivalents		3,373,269,753	387,806,476
Cash and cash equivalents at the beginning of the year		365,573,397	(22,233,079)
Net foreign exchange differences		(324,600)	-
Cash and cash equivalents transferred under the scheme		-	-
Cash and cash equivalents at the end of the year	55	3,738,518,550	365,573,397

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

The annexed notes from 1 to 60 form an integral part of these consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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, TPL Technology Zone Phase-1 (Pvt.) Limited (formerly known as G-18 (Pvt.) Limited), TPL REIT Management Company Limited, TPL Property Management (Private) Limited, TPL Logistics Park (Private) Limited], TPL Life Insurance Limited, TPL Trakker Limited and its subsidiary company [i.e. Trakker Middle East LLC], TPL E-Ventures (Private) Limited and TPL Security Services (Private) Limited that have been consolidated in these consolidated 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 (2020: 62.41 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 year, COVID-19 pandemic caused country wide lockdowns, closure of businesses across the country and halted the economic activity. The Group's conventional operations were not significantly affected from the effects of the pandemic, though slow down of sales and certain planned new initiatives due to COVID-19 pandemic.

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

	% of shareholding	
	2021	2020
Subsidiaries		
TPL Insurance Limited [TPLI]	66.30	73.38
TPL Properties Limited [TPLP]	34.81	29.62
TPL Property Management (Private) Limited [TPL PM]	34.81*	29.62*
TPL Logistic Park (Private) Limited [TPL LP]	34.81*	29.62*
HKC (Private) Limited [HKC]	34.81*	29.62*
TPL Technology Zone Phase-1 (Private) Limited formerly known as G-18 (Private) Limited [TPL TZ]	34.81*	29.62*
TPL REIT Management Company Limited [TPL REIT]	34.81*	29.62*
TPL Life Insurance Limited [TPL Life]	93.33	83.75
TPL Trakker Limited [TPLT]	64.32	100
Trakker Middle East LLC [TME]	64.32**	-
TPL Security Services (Private) Limited [TPLSS]	100	100
TPL E-Ventures (Private) Limited [TPLE]	100	-
Associate		
Trakker Middle East LLC [TME]	-	29
TPL Logistics (Private) Limited [TPLL]	26.98***	-
Compareon Pakistan (Private) Limited	37.7***	-

* Sub-subsidiary of TPLP as at reporting date.

** Sub-subsidiary of TPLT as at reporting date.

*** Indirect associates by virtue of TPLE



CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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. TPLI was allowed to work as Window Takaful operator on September 04, 2014 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful operations in Pakistan. In this regard, TPLI has formed a Waqf/Participant Takaful Fund (PTF), which is managed by TPLI under the waqf deed. 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 had been granted relaxation from the above requirements and had been allowed line by line consolidation of financial statements of conventional and WTO (including PTF) upto the period ending December 31, 2020. In addition, SECP in its letter number ID/MDPR/GTAR/2020/1244 dated November 30, 2020 has extended the extension upto the period ending December 31, 2021. Therefore, these consolidated financial statements of the Group includes the consolidated financial position, results of operations and cashflows of the conventional business and WTO (including PTF) for the period ended June 30, 2021.

1.4.2 TPL Properties Limited [TPLP]

TPLP was incorporated in Pakistan as a private limited company on February 14, 2007 under the repealed Companies Ordinance, 1984. In 2016, the Company had changed its status from private limited company to public company and was listed on the Pakistan Stock Exchange Limited. The principal activity of the TPLP is to invest, purchase, develop and build real estate and to sell, rent out or otherwise dispose of in any manner the real estate including commercial and residential buildings, houses, shops, plots or other premises. The 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 51.07 percent (2020: 45.88 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, 2021, the Holding Company continues to account for TPLP as it's subsidiary in these consolidated financial statements.

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 Act. The principal business of TPLPM is to carry on the business of providing all types of facilities management, maintenance and execution of contracts of all kinds and of structure including but not limited to residential, commercial, mixed use, hotel or any other real estate developments. During the year, upon execution of novation agreement dated July 01, 2020, the maintenance and other services are transferred from TPLP to TPL PM.

1.4.2.2 TPL Logistics Park (Private) Limited [TPL LP]

TPL LP was incorporated in Pakistan on December 11, 2019 as a private company, limited by shares under the Companies Act, 2017 (the Act). The principal business of TPL LP is to carry on the business of TPLP 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 business operations.

1.4.2.3 HKC Limited [HKC]

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

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

1.4.2.4 TPL Technology Zone Phase-1 (Pvt.) Limited formerly known as G-18 (Private) Limited [TPL TZ]

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

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 Act. The principal activity of the entity is to carry on all or any business permitted to be carried out by a 'REIT Management Company' including but not limited to providing 'REIT Management Services' in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. However, as of the reporting date, TPL REIT has not commenced its business 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. On 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 (TPLV) was incorporated in Pakistan on December 27, 2016 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). On November 30, 2017, the name of TPLV changed to TPL Trakker (Private) Limited and on January 17, 2018, the status was changed into a public company. Accordingly the name of TPLV was changed to TPL Trakker Limited (TPLT). 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 and other services. The financial year end of TPLT is June 30.

1.4.4.1 Trakker Middle East L.L.C. (TME) (sub-subsidiary)

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

As fully explained in note 6 to these consolidated financial statements, TPLT has further acquired 21% shareholding in TME by virtue of which the TPLT's stake in TME increased to 50%. TPLT, as of reporting date, has reassessed its defacto control over TME and based on such assessment, the management has concluded that the TPLT along with the co-beneficial owner of TME has a defacto control over TME having the majority shareholding i.e. 80 percent and majority representation on the board of directors of TME. Accordingly, the Holding Company account for TME as its subsidiary in these consolidated financial statements. TPLT holds 2,835 (2020: 1,644) ordinary shares of Rs. 10 each, representing 50 percent (2020: 29 percent) of the share capital of TME as of June 30, 2021.

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.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

1.4.6 TPL E-Ventures (Private) Limited [TPLE]

TPL E-Ventures (Private) Limited (TPLE) was incorporated in Pakistan on November 21, 2017 as a private limited company under the Companies Act, 2017. The principal activity of TPLE is to explore business and other opportunities in fintech and start-ups, facilitate start-ups in realizing business opportunities, establish and run data processing centers, computer centers, software development centers, offices and to provide consultancy and data processing software development services, both application packages and operating systems and other services, to impart training of electronic data processing, computer software and hardware to customers and others and to buy, sell, export, import and develop software, hardware, computer systems integration, network solution services and establishment of incidental infrastructural facilities, subject to permission of relevant authorities. The financial year end of TPLE is June 30

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

Location	Address
a) Holding Company	
<u>Corporate office, Karachi</u>	12th 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	19-B, Sindhi Muslim Cooperative Housing Society (S.M.C.H.S), near Roomi Masjid, Shahrah-e-Faisal, Karachi
TPL Properties Limited	Centrepoint Building, Off Shaheed-e-Millat Expressway, adjacent KPT Interchange.
TPL Property Management (Private) Limited	Centrepoint Building, Off Shaheed-e-Millat Expressway, adjacent KPT Interchange.
TPL Logistic Park (Private) Limited	Centrepoint Building, Off Shaheed-e-Millat Expressway, adjacent KPT Interchange.
HKC Limited Development property site	Centrepoint Building, Off Shaheed-e-Millat Expressway, adjacent KPT Interchange. Plot No 22/7, Street CL-9, Civil Lines Quarter, Karachi
TPL Technology Zone Phase-1 (Pvt.) Limited	Centrepoint Building, Off Shaheed-e-Millat Expressway, adjacent KPT Interchange.
TPL REIT Management Company Limited	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	Plot No. 1, Sector #24, near Shan Chowrangi, Korangi Industrial Area, Karachi.
Trakker Middle East L.L.C.	1805 Sidra Tower, Al Sofouh 1, Sheikh Zayed Road, Dubai, United Arab Emirates.
TPL Security Services (Private) Limited	Centrepoint Building, Off Shaheed-e-Millat Expressway, adjacent KPT Interchange.
TPL E-Ventures (Private) Limited	Centrepoint Building, Off Shaheed-e-Millat Expressway, adjacent KPT Interchange.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

Location	Addresses
<u>Regional offices:</u>	
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	Office No. 2, 4th floor, Mezan Executive Tower, Liaquat Road, Faisalabad.
Multan office	House No. 2, Shalimar Colony, Haider Street, Bosan Road (near Toyota Multan), Multan.
Peshawar office	C-7 & C-8 3rd Floor, Jasmine Arcade, Fakhre-e-Alam Road, Peshawar.
<u>Branch office:</u>	
Islamabad branch	19Y, 3rd floor, Business Bay Avenue, Bahria Expressway, Sector F, DHA Phase 1, Islamabad.
Lahore branch	51-M, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore.
Islamabad branch	55-B, 10th Floor (South), ISE Towers, Jinnah Avenue, Blue Area, Islamabad.
Faisalabad branch	P-6161, West Canal Road, adjacent to Toyota Faisalabad Motors & behind HBL Canal Road Br, Faisalabad.
Multan branch	Haider Street, Shalimar Colony, Northern Bypass-Boson Road, Multan.
Hyderabad branch	A-8/9, District Council Complex, Hyderabad.
Export Processing Zone branch	Plot # N-4, Sector B-III, Phase-1, Export Processing Zone. Landhi, Karachi.

DETAILS OF RELATED PARTIES

Name of a related party	Basis of relationship	Shareholding
TPL Holdings (Private) Limited	Parent company	-
TPL Trakker Limited (TPLT)	Subsidiary	64%
TPL Security Services (Private) Limited	Subsidiary	99.99%
TPL Insurance Limited	Subsidiary	66.30%
TPL Life Insurance Limited	Subsidiary	93.33%
TPL E-Ventures (Pvt.) Limited (TPLE)	Subsidiary	100.00%
TPL Properties Limited (TPLP)	Subsidiary	34.81%
TPL Property Management (Pvt.) Limited	Sub-subsidiary of TPLP	34.81%
TPL Logistic Park (Pvt.) Limited	Sub-subsidiary of TPLP	34.81%
HKC (Private) Limited	Sub-subsidiary of TPLP	34.81%
TPL Technology Zone Phase-1 (Private) Limited	Sub-subsidiary of TPLP	34.81%
TPL REIT Management Company Limited	Sub-subsidiary of TPLP	34.81%
Trakker Middle East LLC	Sub-subsidiary of TPLT	64.32%
TPL Logistics (Private) Limited	Associate by virtue of TPLE	26.98%
Compareon Pakistan (Private) Limited [CPPL]	Associate by virtue of TPLE	37.7%
TPL Mobile (Private) Limited	Common directorship	-



CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

Name of a related party	Basis of relationship	Shareholding
TPL Tech Pakistan (Private) Limited	Common directorship	-
TPL Direct Finance (Private) Limited	Common directorship	-
Trakker Energy (Private) Limited	Common directorship	-
TRG Pakistan Limited	Common directorship	-
TRG (Private) Limited	Common directorship	-
State Bank of Pakistan	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	-
Vesttrue DMCC, Dubai, UAE	Common directorship	-
Vesttrue 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	-
M.M.R International FZE.	Common directorship	-
Pakistan International Bulk Terminals (Private) Limited	Common directorship	-
Fauji Akbar Portia Terminals (Pvt.) Limited	Common directorship	-
Princely Jets Private Limited.	Common directorship	-
Adira Capital Holding (Private) Ltd.	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	-
Trakker (Private) Limited Staff Provident Fund	Retirement benefit fund	-

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, 2021, here-in-after referred to as 'the Group'.

Subsidiaries

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

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

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

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

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

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed 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. 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.



CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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.

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

New standards, amendments, interpretations and improvements to approved accounting standards and the framework for financial reporting that became effective during the year

The Group has adopted the following amendments to International Financial Reporting Standards (IFRSs) and the framework for financial reporting which became effective for the current year:

IFRS 3 - Business Combinations - Definition of a Business (Amendments)

IFRS 9 / IAS 39 / IFRS 7 - Interest Rate Benchmark Reform (Amendments)

IAS 1 / IAS 8 - Definition of Material (Amendments)

Conceptual Framework for Financial Reporting

The adoption of above amendments to the approved accounting standards and the framework for financial reporting did not have any material impact on the Group's financial statements.

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

The following amendments and improvements to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective amendment or improvements:

Amendments or Improvements		Effective date (annual periods beginning on or after)
IFRS 3 IFRS 9, IAS 39, IFRS 7, IFRS 4	Reference to the Conceptual Framework (Amendments)	January 01, 2022
and IFRS 16	Interest Rate Benchmark Reform - Phase 2 (Amendment)	January 01, 2021
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalised
IFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendments)	April 01, 2021
IAS 1	Classification of Liabilities as Current or Non-current (Amendments)	January 01, 2023
IAS 1	Disclosure of Accounting Policies (Amendments)	January 01, 2023

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

Amendments or Improvements		Effective date (annual periods beginning on or after)
IAS 8	Definition of Accounting Estimates (Amendments)	January 01, 2023
IAS 12	Deferred tax related to Assets and Liabilities arising from a single transaction (Amendments)	January 01, 2023
IAS 16	Property, Plant and Equipment: 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
IFRS 16	Leases: Lease incentives	January 01, 2022
IAS 41	Agriculture – Taxation in fair value measurements	January 01, 2022

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

Further, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan and are not expected to have any material impact on the Group’s consolidated financial statements in the period of initial application.

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

5.2 Significant accounting judgments, estimates and assumptions

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 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.



CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

b) Investment properties

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 properties

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.

f) 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 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.

g) 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.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

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(i) Mortality, Morbidity and Interest Bases adopted

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) In respect of 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 amount is held as a reserve since it represents the current value of amounts that will be payable to policyholders at the time when a maturity, death or surrender claim is filed. 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.
- f) For unit linked policies unearned premium reserves has been calculated for mortality charges only.
- g) If for any policy the reserve is negative, the negative value is excluded and the reserves for the policies is set equal to zero.

ii) Surrenders

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 surrenders.

iii) Claims provision

- a) 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.
- b) 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.

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.



CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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.

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 upto 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.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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.

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.



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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 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.

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 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 properties

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.

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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.

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

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.



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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 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)

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.

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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 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

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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.

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.

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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, for the general insurance businesses though the group, initially elected to apply temporary exemption from IFRS 9, however in previous year the Group adopted and applied IFRS 9 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 re-classified 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. 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 TIL 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 Group 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 Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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

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 Group 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.



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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 are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

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

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

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

- a) TSS operates an unfunded gratuity scheme covering all its employees completing the minimum qualifying period of 1 year of service under the scheme.
- b) TME operates an unfunded gratuity scheme covering all its employees in United Arab Emirates on the basis prescribed in the United Arab Emirates labour law, for the accumulated period of service at the date of statement of financial position.

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.

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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 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

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 / delivered. 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) Revenue for providing security services is recognised over the time, when services are rendered to the customers.

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- e) Revenue from rendering of escort rental services is recognised over the time i.e. when services are rendered to the customer.

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, non-cash consideration, and consideration payable to the customer (if any).

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. (see accounting policies of financial assets as disclosed in note 5.9.1 to consolidated 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) [see accounting policies of financial assets as disclosed in note 5.9.1 to these consolidated 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 Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e. transfers control of the related goods to the customer).

5.18.2 Income from Investment properties

a) 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 profit or loss due to its operating nature, except for contingent rental income which is recognised when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income.

Lease incentives that are paid or payable to the lessee are deducted from lease payments. Accordingly, tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Group is reasonably certain that the tenant will exercise that option.

Amounts received from tenants to terminate leases or to compensate for dilapidations are recognised in the 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).

Advance from tenants

Advance from tenants against rent is charged to profit and loss based on contractual arrangements with the tenants.

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b) 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 Group expects to be entitled in exchange of services.

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

In respect of the revenue component, these services represent a series of daily services that are individually satisfied 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].

5.18.3 Other revenues

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



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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:

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.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

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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.

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.

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.

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.

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.

Life insurance

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.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

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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 Company takes actuarial advice for the determination of IBNR claims. Provision for IBNR claims have been determined by analyzing the lag between the incurrence and reporting of motor and health business claims.

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.

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

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

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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

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 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.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

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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 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.

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 Employees share option scheme

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

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

5.21 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.

On consolidation, the assets and liabilities of foreign operations are translated into Pakistani Rupee at the rate of exchange prevailing at the reporting date and their statement of profit or loss and other comprehensive income are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income (OCI). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

5.22 Borrowing costs

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

5.23 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.

5.24 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.

5.25 Contingencies

Contingencies are disclosed when the Group has possible obligation that arises from past event and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of entity, or a present obligation that arises from past event but is not recognised because it is not probable that an outflow of recourse embodying economic benefit will be required to settle the obligation or, when amount of obligation cannot be measured with sufficient reliability. Contingencies are reviewed at each reporting date and adjusted to reflect the current estimate.

5.26 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.

5.27 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.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

5.28 Investment in associates

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value.

6. Business combination

During the year ended June 30, 2021, the Group has further acquired 21 percent shareholding in Trakker Middle East LLC (TME) under the terms of agreements to enhance its digital business. Resultantly, the shareholding of the Group increased to 50 percent at the acquisition date and TME becomes the subsidiary company. The acquisition accounting of assets acquired and liabilities assumed as required by IFRS 3 'Business Combinations' was based on provisional fair values and the same was used for computation of goodwill at the acquisition date i.e. July 01, 2020.

The Group has elected to measure non-controlling interest in TME at the proportionate share in acquiree net identifiable assets. The fair value of the identifiable assets acquired and liabilities assumed of TME as at the date of acquisition were:

	Fair value recognised on acquisition Rupees
Assets:	
Property and equipment	4,717,377
Inventories	23,321,625
Trade and other receivables	214,469,187
Cash and bank balances	3,335,756
Total assets	245,843,945
Liabilities:	
Long-term financings	59,527,000
Deferred gratuity	13,869,608
Trade and other payables	269,912,681
Due to related parties	61,551,192
Total liabilities	404,860,481
Total identifiable net assets at estimated fair value	(159,016,536)
Purchase consideration transferred Nil valued at acquisition date fair value	85,705,413
Fair value of previously held equity interest at the acquisition date	118,357,855
Fair value of non-controlling interest at the acquisition date	(79,508,268)
	124,555,000
Provisional goodwill at acquisition date	283,571,536
Identified intangible asset from provisional goodwill as of June 30, 2021	287,352,668
Bargain purchase gain - June 30, 2021	89,486,545
Net cash outflow on acquisition is as follows:	
Cash paid on acquisition	-
Cash acquired in subsidiary	3,335,756
Net cash inflow	3,335,756

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

Under International Financial Reporting Standard 3, Business Combinations (IFRS 3) adjustments to these provisional values consequent to completion of the initial accounting of the acquisition is required to be incorporated in the financial statements within a period of twelve months from the acquisition date. In this connection, the management has carried out a detailed exercise to re-assess the provisional fair values of assets acquired and liabilities assumed and completed the said exercise as of June 30, 2021. As allowed under IFRS 3, these adjustments to the provisional balances have been made and accounted for as if these adjustments had been accounted for at the date of acquisition with a corresponding adjustment to provisional goodwill. Resultantly, the Holding Company has identified customer related intangible asset of Rs. 287.353 million and bargain purchase gain of Rs. 89.486 million. Bargain purchase gain arises due to fair value of Nil consideration transferred at the acquisition date of Rs. 85.705 million to acquire additional stake in TME and net effect of fair value of identified intangible asset and provisional goodwill of Rs. 3.779 million.

7. PROPERTY, PLANT AND EQUIPMENT	Note	2021	2020
		Rupees	Rupees
Operating fixed assets	7.1	1,159,640,346	1,107,594,200
Capital work-in-progress	7.3	362,540,569	282,521,461
		1,522,180,915	1,390,115,661

7.1 Operating fixed assets

COST / REVALUED AMOUNT												ACCUMULATED DEPRECIATION				WRITTEN DOWN VALUE	
As at July 01, 2020	Acquired under business combination (note 1.6)	Addition / (disposals) / transfers / write off	Foreign currency translation reserve	As at June 30, 2021	As at July 01, 2020	Acquired under business combination (note 1.6)	Charge for the year / (On disposals) / transfers / write off	Foreign currency translation reserve	As at June 30, 2021	As at June 30, 2021	Depreciation rate						
(Rupees)												%					
Owned																	
Leasehold land	411,000,000	-	-	-	411,000,000	2,794,603	-	-	-	2,794,603	408,205,397	-					
Building on leasehold land	62,776,124	-	-	-	62,776,124	23,656,602	-	820,338	-	24,476,941	38,299,184	5					
Machinery	8,588	-	-	-	8,588	8,588	-	-	-	8,588	-	10					
Computers and accessories	302,836,848	112,203,221	115,268,120 (331,000)	(6,444,518)	522,138,804	214,667,433	112,036,133	99,908,412 (246,155)	(6,439,719)	418,532,237	103,606,567	33-33.33					
		**	(1,393,867)				**	(1,393,867)									
Generators	4,423,665	-	1,560,000	-	5,983,665	4,363,265		112,767		4,476,032	1,507,633	20					
Electrical equipment and devices	1,077,365,676	11,915,886	14,527,684 117,678,857	(902,126)	1,128,877,080	585,319,254	7,365,596	154,903,748 (22,393,789)	(571,311)	698,109,956	430,767,124	3.33-33.33					
		***	(58,807,055) (32,901,842)				***	(26,513,542)									
Furniture and fittings	207,832,753	25,247,553	15,069,421 (13,946,682)	(1,450,122)	228,668,864	168,598,317	25,247,554	21,758,523 (11,034,521)	(1,450,123)	203,083,084	25,585,780	16.67-20					
		**	(36,667)				**	(36,666)									
		****	(4,047,392)														
Vehicles	88,366,018	13,737,000	106,550,857 (7,597,783)	(1,794,133)	244,701,751	57,513,740	13,737,000	27,838,155 (5,064,450)	(872,761)	98,421,757	146,279,994	20					
		**	(41,500)				**	(41,500)									
		****	34,605,782				****	5,311,573									
		*****	10,875,510														
Construction of shed	6,048,277	-	-	-	6,048,277	6,048,277	-	-	-	6,048,277	-	20					
Mobile phones	16,999,895	-	2,359,959 (881,230)	-	15,412,976	15,156,612	-	2,362,057 (646,410)	-	13,806,611	1,606,365	33.33-50					
		**	(3,065,648)				**	(3,065,648)									
Weapons	6,316,093	-	261,250	-	6,577,343	3,731,118	-	638,139	-	4,369,257	2,208,086	10-20					
ICOM based station	25,000	-	-	-	25,000	25,000	-	-	-	25,000	-	25					
Leasehold improvements	12,393,010	-	1,427,408 (5,118,002)	-	8,702,416	6,914,938	-	4,194,537 (3,981,275)	-	7,128,200	1,574,216	10-33					
2021	2,196,391,947	163,103,660	257,024,699 (60,776,539)	(10,590,899)	2,640,920,888	1,088,797,747	158,386,283	312,536,675 (43,366,599)	(9,333,914)	1,481,280,542	1,159,640,346						
		*	117,678,857				**	(4,537,681)									
		**	(4,537,682)				***	(26,513,542)									
		***	(58,807,055)				****	5,311,573									
		****	34,605,782														
		*****	(4,047,392)														
		*****	10,875,510														

* Represents transfers from stock-in-trade and spares to owned assets

** Represents assets written off during the year

*** Represents transfer from owned assets to stock-in-trade

**** Represents assets transferred from ijarah arrangements

***** Represents assets transferred from capital work-in-progress

***** Represents assets under common ownership under diminishing musharaka arrangement



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7.1 Operating fixed assets (continued)

	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)				%
Owned								
Leasehold land	735,350,000	*** (9,538,644)	411,000,000	2,794,603	-	2,794,603	408,205,397	-
		(314,811,356)						
Building on leasehold land	463,661,435	***** (350,043,325)	62,776,124	45,938,899	***** 21,794,378	23,656,602	39,119,522	5
		(50,841,986)			(18,423,333)			
					(25,653,342)			
Machinery	8,588	-	8,588	8,588	-	8,588	-	10
Computers and accessories	324,347,002	39,910,382	302,836,848	206,634,460	69,997,600	214,667,433	88,169,415	33-33.33
		921,328			(93,055)			
	**	(160,469)		****	(57,570,556)			
	****	(57,570,556)			(4,301,016)			
		(4,610,839)						
Generators	5,516,565	**** (1,092,900)	4,423,665	5,441,065	**** 15,100	4,363,265	60,400	20
					(1,092,900)			
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	1,077,365,676	553,187,620	** 166,662,204	585,319,254	492,046,422	3.33-33.33
		(317,212,004)			(106,394,244)			
	*****	72,097,985		****	(8,766,922)			
	****	(8,766,922)		*****	(19,232,989)			
	*****	(48,135,616)			(136,416)			
		(145,749)						
IT equipment	33,050,440	** (33,050,440)	-	31,467,277	** (31,467,277)	-	-	20
Furniture and fittings	226,427,345	**** 1,427,529	207,832,753	148,423,939	**** 27,435,838	168,598,317	39,234,436	16.67-20
	**	(1,069,180)		****	(1,069,180)			
	****	(18,728,262)		**	(5,972,242)			
		(224,679)			(220,037)			
Vehicles (note 7.1.10)	89,096,641	**** 3,255,000	88,366,018	41,515,450	**** 19,983,913	57,513,740	30,852,278	20
		(3,985,623)			(3,985,623)			
Construction of shed	6,048,277	-	6,048,277	6,048,277	-	6,048,277	-	20
Mobile phones	17,136,582	**** 1,303,853	16,999,895	13,049,681	**** 3,494,719	15,156,612	1,843,283	33.33-50
		(398,540)			(345,789)			
		(1,042,000)		****	(1,042,000)			
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	2,196,391,947	1,096,179,981	314,629,557	1,088,797,747	1,107,594,200	
		(371,033,149)			(30,656,600)			
	*	921,328		**	(180,171,689)			
	**	(550,290,948)		****	(73,527,181)			
	***	(9,538,644)		*****	(19,232,989)			
	****	(73,527,181)		*****	(18,423,333)			
	*****	72,097,985						
	*****	(48,135,616)						
	*****	(350,043,325)						

Leased								
Computer and accessories	121,222,333	(121,222,333)	-	46,014,377	-	-	-	33.33
					(46,014,377)			
Vehicles	67,070,794	-	-	37,029,300	-	-	-	20
		(67,070,794)			(37,029,300)			
	188,293,127	***** (188,293,127)	-	83,043,677	***** (83,043,677)	-	-	
2020	3,655,849,399	58,385,225	2,196,391,947	1,179,223,658	314,629,557	1,088,797,747	1,107,594,200	
		(371,033,149)			(30,656,600)			
	*	921,328		**	(180,171,689)			
	**	(550,290,948)		****	(73,527,181)			
	***	(9,538,644)		*****	(19,232,989)			
	****	(73,527,181)		*****	(18,423,333)			
	*****	72,097,985		*****	(83,043,677)			
	*****	(48,135,616)						
	*****	(350,043,325)						
	*****	(188,293,127)						

* Represents transfers from capital work-in-progress to owned asset
 ** Represents transfers from owned to investment property
 *** Represents assets deficit under revaluation at the time of disposal of assets
 **** Represents assets written off during the year
 ***** Represents assets transferred from stock in trade
 **** Represents transfer from owned assets to stock-in-trade
 ***** Represents transfer from owned asset to non-current asset held for sale
 ***** Represents leased assets reclassified to right-of-use assets

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

7.1.1 Depreciation charge for the year has been allocated as follows:

		2021	2020
	Note	Rupees	
Cost of sales and services	44	214,248,523	137,805,489
Distribution expenses	45	5,687,929	43,988,685
Administrative expenses	46	92,600,223	132,835,384
		312,536,675	314,629,558

7.1.2 Computers and accessories and vehicles includes assets costing Rs. 4.443 million (2020: Rs. 4.443 million) and Rs. 1.972 million (2020: 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. 117.679 million (2020: Rs. 72.098 million) to owned assets. As of the reporting date, assets costing Rs. 951.209 million (2020: Rs. 892.337 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. 749.176 million (2020: Rs.420.579 million).

7.1.5 During the year, the Group has written off fully depreciated assets costing Rs. 4.538 million.

7.1.6 The details of immovable assets (i.e land and building) of the Group as at June 30, 2021 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 3 of fair value hierarchy (i.e. non-market observables).

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. 136.37 million and Rs. 3.81 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 29, 31 and 39 respectively to these consolidated financial statements.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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

Description	Original cost	Accumulated depreciation	Written down value (Rupees)	Sale proceeds	Gain on disposals	Mode of disposal	Particulars of buyers	Location
Aggregate amount of assets disposed off having WDV more than Rs. 5,000,000 each								
Electrical equipment and devices	32,901,842	22,393,789	10,508,053	16,539,453	6,031,400	Various	Various	Karachi
Furniture and fittings	13,946,682	11,034,521	2,912,161	7,434,061	4,521,900	Various	Various	Karachi
Vehicles	7,597,783	5,064,450	2,533,333	5,144,641	2,611,308	Various	Various	Karachi
Leasehold Improvements	5,118,002	3,981,275	1,136,727	3,242,394	2,105,667	Various	Various	Karachi
	59,564,309	42,474,034	17,090,275	32,360,550	15,270,275			
Aggregate amount of assets disposed off not having WDV more than Rs. 5,000,000 each								
Computers and accessories	331,000	246,155	84,845	415,845	331,000	Various	Various	Karachi
Mobile phones	881,230	646,410	234,820	358,965	124,145	Various	Various	Karachi
	1,212,230	892,565	319,665	774,810	455,145			
2021	60,776,539	43,366,599	17,409,940	33,135,360	15,725,420			
2020	371,033,149	30,656,600	340,376,549	340,970,265	540,383			

7.3 Capital work-in-progress

Note

Rupees

	2021	2020
Opening balance	282,521,461	283,442,769
Additions during the year	84,066,500	-
Less: Transferred to operating fixed assets	4,047,392	921,308
Closing balance	362,540,569	282,521,461

7.3.1 Represents expenditure in respect of leasehold improvements and renovation of office premises, procurement of computer equipment and software, office equipment, furnitures and fixtures.

8. INTANGIBLE ASSETS

Note

Rupees

	2021	2020
Intangible assets	2,180,736,026	1,942,104,086
Intangible assets under development	914,859,367	902,619,034
	3,095,595,393	2,844,723,120

8.1 Intangible assets

Intangible assets	COST			ACCUMULATED AMORTISATION / IMPAIRMENT			WRITTEN DOWN VALUE	Amortisation rate %
	As at July 01, 2020	Additions / (disposals)	As at June 30, 2021	As at July 01, 2020	Charge for the year / (disposals) /	As at June 30, 2021	As at June 30, 2021	
	(Rupees)							
	Owned							
Goodwill (notes 8.2 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 *	287,352,668	740,987,917	-	-	-	740,987,917	-
Marketing related intangible assets	289,021,582	-	289,021,582	-	-	-	289,021,582	-
Customer relationships	222,585,519	-	222,585,519	111,292,760	44,517,104	155,809,864	66,775,655	-
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	83,302,811	7,525,184	90,827,995	57,030,795	5
Software	390,488,966	27,322,976	417,811,942	349,194,473	24,001,416	373,195,889	44,616,053	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
2021	2,535,619,325	27,322,976	2,850,294,969	593,515,239	76,043,704	669,558,943	2,180,736,026	
	*	287,352,668						

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

* Acquired under business combination (note 6)

	COST		ACCUMULATED AMORTISATION / IMPAIRMENT			WRITTEN DOWN VALUE		Amortisation rate %
	As at July 01, 2019	Additions / (disposals)	As at June 30, 2020	As at July 01, 2019	Charge for the year / (disposals) /	As at June 30, 2020	As at June 30, 2020	
				(Rupees)				
Owned								
Goodwill (notes 8.2 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	-
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	89,799,918	593,515,239	1,942,104,086	

8.2 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, 2021.

Tracking business

Goodwill acquired through business combinations and intangibles with indefinite useful lives have been allocated and monitored at the Group level (tracking business and other digital 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, 2021. The recoverable amount of the Group is determined based on using cash flow projections from financial budgets approved by the senior management covering a five year period. The discount rate applied to cash flow projections is 16.9 percent (2020: 14.1 percent). The growth rate used to extrapolate the cash flows beyond the five-year period is 5.6 percent (2020: 5 percent). The Group has also determined the recoverable amount based on fair value less cost to sell considering the relationship between its market capitalisation, using the Level 1 input of the fair value hierarchy - quoted prices of the Group, and its book value, among other factors. 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 of Rs. 1,030,009,499/- are allocated to tracking business and other digital 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.

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 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). The recoverable amount of security services is determined based on discounted cash flow method calculations, which was higher than the carrying value. The discount rate applied to cash flow projections is 17.44 percent (2020: 15.7 percent). The growth rate use to extrapolate the cash flows beyond the five-year period is 4.5 percent (2020: 4.5 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.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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.

		2021	2020
8.3	Intangible assets under development		
	Note	Rupees	
	Opening balance	902,619,034	824,133,020
	Additions during the year	12,240,333	78,486,014
	Closing balance	914,859,367	902,619,034
	8.3.1 & 8.3.2		

8.3.1 Represents expenditure incurred for development of map database including business intelligence and applications solutions, etc. which is expected to be completed earliest by the end of the year 2021. The Group has estimated that the total cost required to complete the development of these intangible assets aggregates to Rs. 1,620 million, out of which Rs. 914.859 million has been incurred by the Group as of the reporting date.

8.3.2 The management has carried out an annual impairment assessment for intangible assets under development based on the discounted cashflow calculations. The discount rate applied to the cashflow projections is 16.9 percent (2020: 14.1 percent and the growth rate used to extrapolate the cashflows beyond the five year period is 5.6 percent (2020: 5 percent). 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

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.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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.

- 8.3.3 The Group has also determined the recoverable amount based on fair value less cost to sell considering the relationship between its market capitalisation, using the Level 1 input of the fair value hierarchy - quoted prices of the Group, and its book value, among other factors. As a result of this analysis also, the management did not identify any impairment for the cash generating unit to which intangible assets under development are allocated.

8.4 Amortisation charge for the year has been allocated as follows:

		2021	2020
	Note	Rupees	
Cost of sales and services	44	18,950,443	45,282,814
Distribution expenses	45	611,305	-
Administrative expenses	46	56,481,956	44,517,104
		<u>76,043,704</u>	<u>89,799,918</u>

	Vehicles	Computers and accessories	Regional offices	Total
9 RIGHT-OF-USE ASSETS				
9.1 Net carrying value basis - 2021				
			(Rupees)	

Opening net book value - July 01, 2020	1,590,762	42,048,972	28,629,444	72,269,178
Additions during the year	-	-	102,643,520	102,643,520
Less: Depreciation charge for the year	1,193,072	25,229,383	40,516,048	66,938,503
Closing net book value - June 30, 2021	<u>397,690</u>	<u>16,819,589</u>	<u>90,756,916</u>	<u>107,974,195</u>
Depreciation rate (%)	<u>20%</u>	<u>33.33%</u>	<u>10%</u>	

Net carrying value basis - 2020

Reclassified from operating fixed assets on initial application of IFRS 16	30,041,494	75,207,956	-	105,249,450
Right-of-use assets recognised on initial application of IFRS 16	-	-	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 - June 30, 2020	<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>33.33%</u>	<u>10%</u>	

9.2 Gross carrying value basis

	2021	2020
	Rupees	
Cost	320,651,303	157,992,079.00
Less: Accumulated depreciation	213,631,100	79,814,409.00
Less: Derecognised during the year	-	5,908,492.00
Net book value	<u>107,020,203</u>	<u>72,269,178.00</u>

- 9.3 Included herein fully depreciated electrical devices having cost of Rs. 3.571 million (2020: Rs. 3.571 million).

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

9.4 Depreciation charge for the year has been allocated as follows:

		2021	2020
	Note	Rupees	
Cost of sales and services	44	56,235,035	46,882,748
Distribution expenses	45	1,814,034	15,034,279
Administrative expenses	46	8,889,434	17,897,382
		66,938,503	79,814,409
10. INVESTMENT PROPERTIES			
Investment properties	10.1 & 10.2	1,470,752,861	-
Investment properties - under construction	10.5	-	28,308,153
		1,470,752,861	28,308,153

10.1 During the year, TPLP entered into an agreement dated November 10, 2021 with Mr. Ali Khan for the purchase of land located in an open industrial plot No. 25-B, measuring 10,002 square yards, situated at Sector 30, Korangi Industrial Area, Karachi. The amount of land was agreed at Rs. 60,000 per square yard amounting Rs. 600.120 million

		2021	2020
	Note	Rupees	
As at July 01		-	6,846,271,191
Add: Additions during the year	10.1	600,120,000	87,836,349
Add: Expenditure incurred		185,909,403	-
Transfer from operating fixed asset at WDV	10.3 & 10.4	-	370,119,259
		786,029,403	7,304,226,799
Gain from fair value adjustment	26	684,723,458	292,165,699
		1,470,752,861	7,596,392,498
Less: Non-current assets held for sale		-	(7,596,392,498)
As at June 30		1,470,752,861	-

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

10.4 Forced sale value of the investment property as at June 30, 2021 is Rs. 1,170.234 million.

10.5 The movement in investment properties under construction are as follows:

	2021	2020
	Rupees	
As at July 01	28,308,153	28,308,153
Add: Additions during the year	5,367,500	-
Less: Written off during the year	33,675,653	-
As at June 30	-	28,308,153

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

		2021	2020
11.	DEVELOPMENT PROPERTIES	Rupees	
	Note		
	Land	801,225,879	801,225,879
	Design and consultancy	269,966,585	176,769,050
	Project management and ancillary costs	330,225,183	330,225,183
	Other project costs	431,757,826	129,167,672
	11.1	1,833,175,473	1,437,387,784
11.1	Represents project under construction at Plot No 22/7, Street CL-9, Civil Lines Quarter, Karachi which includes leasehold land having area 2,539.32 square yards. Design stage of the project is complete and construction is due to commence after regulatory approval.		
12.	LONG-TERM INVESTMENTS	2021	2020
	Note	Rupees	
	Investment in associated companies – at equity method		
	Trakker Middle East LLC [TME]	-	74,198,270
	TPL Logistics (Private) Limited [TPLL]	18,050,295	-
	Compareon Pakistan (Private) Limited [CPPL]	-	-
		18,050,295	74,198,270
	Investments designated at FVOCI - Related parties		
	TPL Logistics (Private) Limited [TPLL]	-	3,449,077
	TPL Tech Pakistan (Private) Limited [TPL TECH]	-	-
	Advance against issue of shares		
	Security Packers (Private) Limited	600,000,000	600,000,000
	National Management & Consultancy Services Private Limited (NMC)	1,020,000,000	-
		1,620,000,000	600,000,000
	Held-to-maturity (see note 5.9.4)		
	Pakistan Investment Bonds (PIBs)	147,401,091	-
	Financial assets at amortised cost		
	Pakistan Investment Bonds (PIBs)	32,665,393	-
	Term deposit receipts (TDRs)	2,500,000	-
		1,820,616,779	677,647,347
12.1	Trakker Middle East LLC [TME]		
	Balance at the beginning of the year	74,198,270	99,847,459
	Share of loss for the year	-	(25,649,189)
	Derecognition of investment on becoming subsidiary	(74,198,270)	-
		-	74,198,270
12.2	TPL Logistics (Private) Limited [TPLL]		
	Balance at the beginning of the year	3,449,077	-
	Investment made of TPL Eventure and TPL Corp in TPLLL	23,950,593	3,449,077
	Share of loss for the year	(9,349,375)	-
	Balance at the end of the year	18,050,295	3,449,077
12.3	Compareon Pakistan (Private) Limited [CPPL]		
	Investment made during the year	11,531,207	-
	Provision for impairment	(11,531,207)	-
	Balance at the end of the year	-	-

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

- 12.4 The summarised financial information of TPLL (associate) based on the audited financial statements for the year ended June 30, 2021 is as follows:

	2021
	Rupees
Total assets	184,224,378
Total liabilities	125,660,687
Revenues	98,844,611
Loss after tax	97,449,802

- 12.5 Represents investment made in ordinary shares of TPL Tech having fair value of Rs. 10 each. TPL Tech is yet to commence its business operations.
- 12.6 Represents advance paid by TPLP 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.
- 12.7 During the year, TPLP entered into a share purchase agreement dated March 30, 2021, with the shareholders of NMC to purchase 475,000 ordinary shares having face value of Rs. 100 each at a price of Rs. 7,157.89 per share. As of reporting date, TPLP has paid 30% of the total consideration and the remaining 70%, i.e. Rs. 2,380 million is payable by November 30, 2021 against transfer of entire shareholdings and management of NMC.
- 12.8 These carry mark-up at the rate ranging from 4 percent to 6.75 percent per annum (2020: 12% to 12.75 percent per annum).
- 12.9 Includes 5 and 10 years PIBs having face value and market value of Rs. 35 million and Rs. 35.129 million respectively. These carry mark-up ranging from 7.75 percent to 12 percent per annum. These have been deposited by TPLI with the State Bank of Pakistan (SBP) as statutory deposit in accordance with the requirements of Section 29 of the Insurance Ordinance 2000 and circular No. 15 of 2008 dated July 7, 2008 issued by the Securities and Exchange Commission of Pakistan.
- 12.10 TPL Life has deposited 5 years and 10 years Pakistan Investment Bonds having face value of Rs. 126.80 million and Rs. 10.00 million respectively with State Bank of Pakistan under Section 29 of Insurance Ordinance, 2000. These carry coupon rate of 7.25% to 12.00% and will mature by July 19, 2022, September 19, 2022, July 12 2023, September 19, 2024 and October 15, 2025.

13. LONG-TERM LOANS – secured, considered good

	Note	2021	2020
		Rupees	
Executives	13.1 & 13.2	482,273	1,601,108
Employees	13.3	1,000,554	4,229,595
Promisory note	13.4	24,697,743	-
		26,180,570	5,830,703
Less: Current portion	18	1,277,111	3,282,993
		24,903,459	2,547,710
13.1 Reconciliation of the carrying amount of loans to executives			
Opening balance			
Disbursements		1,601,108	461,530
Less: Repayments / adjustments		-	3,400,000
Balance as on June 30		1,118,835	2,260,422
		482,273	1,601,108
13.2 The maximum aggregate amount of loans due from the executives at the end of any month during the year was Rs. 1.375 million (2020: Rs. 2.281 million).			

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

- 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 (2020: 5 percent) per annum. Further, it also includes loans provided on interest free basis of Rs. 0.680 million (2020: Rs. 0.803 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.

TPLE holds a promissory note issued by Tilism Technologies (Private) Limited, for which as per the terms TPLE has paid \$ 107,000 (equivalent to Rs. 16.949 million). It carries mark-up at the rate of 4% per annum.

		2021	2020
14. LONG-TERM DEPOSITS	Note	Rupees	
Security deposits - leased and ijarah assets		12,907,840	47,513,623
Less: Current portion	19	10,120,921	36,892,609
		2,786,919	10,621,014
Utilities		177,450	177,450
Rent deposits		18,777,756	4,302,756
Cash margin against guarantees	14.1	21,639,662	21,639,662
	14.2	43,381,787	36,740,882

- 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.

		2021	2020
15. DEFERRED TAX ASSET - NET	Note	Rupees	
Deferred tax asset on deductible temporary differences:			
- unused tax losses		32,890,540	72,871,726
- minimum tax		696,672	964,544
- surplus on revaluation of fixed assets		2,642,191	4,096,787
- lease liabilities		37,571,694	24,099,543
- trade debts		23,956,275	10,469,058
- share based payments		28,781,775	-
- liabilities against insurance contracts		-	15,265,487
- unrealised loss on available-for-sale investments		(63,862,114)	14,738,893
- gratuity		2,067,217	1,986,349
		64,744,250	144,492,387
Deferred tax liabilities on taxable temporary differences:			
accelerated tax depreciation on:			
- property, plant and equipment		41,851,892	2,278,844
- right-of-use asset		(31,312,517)	(20,958,062)
- intangible assets		(7,698,468)	(1,600,454)
- advance against rent from tenants		-	(15,808,675)
		2,840,907	(36,088,347)
		67,585,157	108,404,040
15.1 The movement in deferred tax assets is as follows:			
- transfer to unappropriated profit on disposal of property, plant and equipment	28	-	6,165,294
- on account of incremental depreciation for the year	28	200,366	305,758
- reversal to other comprehensive income		(3,118,702)	-
- charge / (reversal) (net) to profit or loss	50	43,737,219	(46,364,837)
		40,818,883	(39,893,785)

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

15.2 As of reporting date, the Group has not recognised deferred tax assets of Rs. 102.948 million (2020: Rs. 79.621 million) on losses of Rs. 274.556 million (2020: Rs. 274.556 million) and other deductible temporary difference of Rs. 80.437 million (2020: Rs. Nil) respectively in line with accounting policies of the Company as stated in note 5.14 to these financial statements.

15.3 Due to the business combination as disclosed in note 1.6 to these consolidated financial statements, the deferred tax liabilities on long-term investments of Rs. 31.76 million was derecognised from the pre-acquisition deferred tax assets.

		2021	2020
16.	STOCK-IN-TRADE		
	Note	Rupees	
	Tracking devices	396,672,880	228,296,492
	Spare parts	48,976,640	17,925,233
	Tools	-	963,747
		445,649,520	247,185,472

16.1 Includes stock of Rs. 15.737 million (2020: Rs. 15.696 million) held with third parties.

16.2 Represents bonnet locks, window motors etc. which are held for sale.

		2021	2020
17.	TRADE DEBTS - unsecured		
	Note	Rupees	
	Tracking devices	1,309,098,802	1,046,529,264
	Security services	77,192,354	52,535,201
	Rent	-	73,923,740
	Electricity, air conditioning and other services	-	23,349,089
		1,386,291,156	1,164,282,072
	Less: Allowance for expected credit losses	43,325,435	32,055,222
		1,342,965,721	1,164,282,072

17.1 Represent amount receivable from various customers on account of sale and installation of tracking devices and vehicle tracking services provided by the Group. These are unsecured, interest free and generally on 30 to 60 days terms.

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, 2021 and 2020 are as follows:

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

			Days past due		
	Total	Current	> 30 days upto 120 days	> 121 days upto 180 days	180 days and above
	----- (Rupees) -----				
2021					
Expected credit loss rate	3.13%	0.63%	0.80%	10.20%	15.02%
Estimated total gross carrying amount at default	1,386,291,156	391,727,927	723,005,933	118,584,927	152,972,369
Expected credit loss	43,325,435	2,448,943	5,805,414	12,091,278	22,979,800
	Total	Current	> 30 days upto 120 days	> 121 days upto 180 days	180 days and above
	----- (Rupees) -----				
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

		2021	2020
17.4 Allowance for expected credit losses	Note	Rupees	
Opening balance		32,055,222	62,131,407
Acquired under business combination	1.6	10,405,045	-
Add: Charge during the year	45	5,315,569	-
Less: Reversal during the year	45	(4,814,014)	(30,076,185)
Less: Write off during the year		1,000,688	-
Foreign currency translation reserve		(637,075)	-
Closing balance		43,325,435	32,055,222
18. LOANS AND ADVANCES			
Loans – secured, considered good			
Related party			
- TPL Logistics (Private) Limited [TPLL]	18.1	18,470,370	-
Others			
- current portion of long-term loans	13	1,277,111	3,282,993
- others	18.2	25,000,000	25,000,000
		26,277,111	28,282,993
		44,747,481	28,282,993

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

		2021	2020
	Note	Rupees	
Advances – unsecured, considered good			
- advances to related parties	18.3	1,953,120	27,952,300
- suppliers		210,640,570	125,397,011
- employees		6,960,783	2,290,350
- others		184,704	15,104,241
		219,739,178	170,743,902
		264,486,659	199,026,895
18.1	Represents short term loan given by TPLE to TPL Logistics to meet the capital requirements. It carries mark-up at the rate of 3 months KIBOR plus 3 percent per annum.		
18.2	Represents loan given to Pearl Securities Limited by TPLI and carries mark up at the rate of 8.85% per annum (2020: 11 percent) with maturity latest by December 31, 2021.		
		2021	2020
	Note	Rupees	
18.3 Advances to related parties			
TPL E-Ventures (Private) Limited [TPLE]		-	25,999,180
TPL Logistics (Private) Limited	18.3.1	1,953,120	1,953,120
		1,953,120	27,952,300
18.3.1	Represents expenses incurred by TPLT on behalf of TPL Logistics as per the agreed terms.		
18.4	These are non-interest bearing and generally on an average term of 1 to 6 months.		
		2021	2020
	Note	Rupees	
19. TRADE DEPOSITS AND PREPAYMENTS			
Trade deposits			
- security deposits		15,802,198	25,391,310
- suppliers and contractors		31,801,925	-
- hospital enlistment		5,290,000	5,290,000
- LC margin and cash margin against guarantee		3,772,346	377,546
- current portion of leased and ijarah deposits	14	17,720,921	44,492,609
- others		711,516	711,516
		75,098,906	76,262,981
Prepayments	19.1		
- monitoring charges		1,269,319	18,762,971
- insurance		12,756,336	4,201,479
- rent		7,246,914	42,194,431
- subscription		4,777,122	-
- maintenance		4,808,824	1,265,925
- reinsurance		236,420,530	125,084,219
- others		8,831,922	8,608,306
		276,110,967	200,117,331
		351,209,873	276,380,312
19.1	These are non-interest bearing and generally on an average term of 1 to 6 months.		

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

		2021	2020
20.	INTEREST ACCRUED - unsecured, considered good	Rupees	
	Mark-up accrued on due from related parties		
	Ultimate parent company		
	- TPL Holdings (Private) Limited	139,088,282	66,313,202
	Associates		
	- Trakker Middle East LLC	-	9,218,594
	- TPL Tech Pakistan (Private) Limited	14,802,938	6,622,491
	- Trakker Direct Finance (Private) Limited	1,186,702	1,100,644
	- TRG Pakistan Limited	7,309,315	6,447,350
	- Tilism Technologies (Private) Limited	1,520,322	-
	- TPL E-Ventures (Private) Limited	-	6,457,582
	- TPL Logistics (Private) Limited	517,401	-
		164,424,960	96,159,863
	Other than related parties		
	On investments:		
	- Pakistan Investment Bonds (PIBs)	-	4,133,185
	- term deposit receipts	-	11,900,413
	- investment income	17,817,336	7,580,754
		17,817,336	23,614,352
		182,242,296	119,774,215
21.	OTHER RECEIVABLES – unsecured, considered good		
	Earnest money	11,444,235	7,715,044
	Claims receivable from insurance companies	5,030,029	3,491,228
	Insurance / reinsurance receivables	751,703,649	789,430,383
	Reinsurance recoveries against outstanding claims	232,519,006	89,005,974
	Receivable from a broker	-	149,500,000
	Receivable from Bank Al-Habib Limited		
	against sale of Centrepont building	387,500,000	-
	Salvage recoveries accrued	120,898,435	108,669,624
	Sales tax refundable - net	4,899,003	6,773,571
	Others	28,634,450	20,798,754
		1,542,628,807	1,175,384,578
	Less: Allowance for expected credit losses	3,033,883	155,022
		1,539,594,924	1,175,229,556
21.1	These are non-interest bearing receivables which are neither past due nor impaired, and generally on an average term of 1 to 6 months.		

		2021	2020
22.	SHORT-TERM INVESTMENTS	Rupees	
	Financial assets at amortised cost		
	Pakistan Investment Bonds (PIBs)	64,918,737	96,271,046
	Term deposit receipts (TDRs)	660,455,431	510,000,000
		725,374,168	606,271,046
	Financial assets designated at FVTPL		
	Treasury bills	40,307,369	39,597,000

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

	Note	2021	2020
Rupees			
Held-to-maturity (see note 5.9.4) Pakistan Investment Bonds (PIBs)	22.4	5,499,586	115,420,000
Financial assets designated at FVOCI - listed equity	22.5	1,145,079	1,024,757
Financial assets designated at FVTPL - listed equity Ghani Global Holdings Limited		118,441,040	-
Financial assets designated at FVTPL - mutual funds	22.6	890,977,570	78,036,276
Held-for-trading (see note 5.9.4) Open ended mutual funds	22.6	-	11,244,464
		1,781,744,812	736,173,543

- 22.1 Includes 5 and 10 years PIBs having face value and market value of Rs. 65 million of Rs. 65.219 million (2020: Rs. 100 million and market value of Rs. 103.031 million) respectively. These carry mark-up ranging from 7.75 percent to 12 percent per annum (2020: 7.75 percent to 12 percent per annum). These have been deposited by TPLI with the State Bank of Pakistan (SBP) as statutory deposit in accordance with the requirements of Section 29 of the Insurance Ordinance 2000 and circular No. 15 of 2008 dated July 7, 2008 issued by the Securities and Exchange Commission of Pakistan. Subsequent to the year end, TPLI has further invested Rs. 25 million in Pakistan Investment Bond and the same have been pledged with the SBP as statutory deposit.
- 22.2 Represents term deposit receipts having face value of Rs. 660.455 million. It carries mark-up ranging from 4% to 7% percent per annum and will mature latest by December 28, 2021.
- 22.3 Represents T-Bills having face value of Rs. 41 million for the period of one year. It carries markup at the rate 7.52% percent per annum.
- 22.4 TPL Life has deposited 3 years, PIBs having face value of Rs. 5.50 million with State Bank of Pakistan under Section 29 of Insurance Ordinance, 2000. These carry coupon rate of 7.25% to 12.00% and will mature by July 12, 2021.
- 22.5 TPLI has the following investments in listed equities designated at FVOCI:

Financial assets designated at FVOCI		Financial assets designated at FVOCI	
2021	2020	2021	2020
Number of Shares		Rupees	
16,000	16,000	37,280	19,200
7,731	7,731	64,940	64,940
10,000	10,000	796,700	725,000
15,195	15,195	246,159	215,617
		1,145,079	1,024,757

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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

	Financial assets designated at FVTPL						Held for trading					
	Rupees-----						Rupees-----					
	No. of Units	Cost	2021	2020	Carrying value		No. of Units	Cost	2021	2020	Carrying value	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
ABL Stock Fund	122,140	-	1,418,309	-	1,936,883	-	-	1,687,021	-	-	-	1,393,887
NAFA Stock Fund	198,952	-	2,391,099	-	3,191,844	-	-	196,665	-	-	-	2,353,722
Atlas Stock Market Fund	3,884	-	2,045,168	-	2,672,546	-	-	1,901	-	-	-	1,901,294
AKD Islamic Income Fund	394,381	373,872	20,663,360	10,000,000	19,893,552	11,183,124	-	-	-	-	-	-
AKD Islamic Stock Fund	840,933	-	33,425,514	-	41,870,550	-	-	35,711	-	-	-	59,416
HBL Energy Fund	124,146	-	1,242,774	-	1,487,949	-	-	1,623,814	-	-	-	28,258
MCB Pakistan Stock Market Fund	18,403	-	1,424,779	-	1,907,043	-	-	1,649,258	-	-	-	2,667,553
Lakson Equity Fund	7,370	-	651,713	-	844,161	-	-	7,232	-	-	-	635,731
Meezan Islamic Fund	10,204	-	477,237	-	646,684	-	-	153,726	-	-	-	477,247
Meezan Islamic Income Fund	22,560	-	1,161,067	-	1,161,248	-	-	371,134	-	-	-	1,099,124
AKD Aggressive Income	1,069	413,914	55,090	21,357,807	54,684	21,133,886	-	-	-	-	-	-
AKD Opportunity	2,179,808	-	289,800,765	-	298,015,097	-	-	-	-	-	-	-
Askari High Yield Scheme	-	165,617	-	15,994,666	-	16,995,792	-	-	-	-	-	-
Alfalah GHP Stock Fund	7,558	-	733,170	-	854,191	-	-	6,637	-	-	-	628,232
Faysal Money Market	3,924,015	-	400,000,000	-	400,000,000	-	-	-	-	-	-	-
HBL Equity Fund	358,668	-	50,000,000	-	50,193,932	-	-	-	-	-	-	-
NAFA Money Market Fund	2,345,220	2,867,492	23,377,483	28,298,487	23,214,395	28,337,982	-	-	-	-	-	-
Pak Oman Advantage Islamic Income Fund	473,448	203	25,000,000	10,639	25,000,000	10,673	-	-	-	-	-	-
Pak Oman Investment Limited	4,631	-	256,691	-	244,440	-	-	-	-	-	-	-
AKD Securities Limited	130,112	5,578	16,390,536	300,654	17,788,370	374,818	-	-	-	-	-	-
			870,514,755	75,962,253	890,977,570	78,036,275		9,163,954				11,244,464

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

23. DUE FROM RELATED PARTIES – unsecured, considered good

		2021	2020
	Note	Rupees	
Ultimate parent company			
- TPL Holdings (Private) Limited	23.1	697,831,944	433,701,979
Others			
- Trakker Direct Finance (Private) Limited		850,070	850,070
- TPL E-Ventures (Private) Limited		-	42,334,191
- TPL Logistic (Private) Limited		-	2,096,798
- Trakker Middle East LLC.		-	46,715,880
- TPL Tech Pakistan (Private) Limited		43,489,279	41,449,429
- TRG Pakistan Limited		9,380,446	7,616,232
	23.2	53,719,796	141,062,600
	23.3	751,551,740	574,764,579

23.1 Represents current account balance carrying mark-up at the fixed rate of 18 percent and 3 months KIBOR plus 3 percent (2020: 18 percent) and is repayable on demand.

23.2 Represents current account balances carrying mark-up at the variable rate of 3 months to 6 months KIBOR plus 3 percent (2020: 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:

		2021	2020
	Note	Rupees	
- TPL Holdings (Private) Limited		697,831,944	433,701,979
- Trakker Direct Finance (Private) Limited		850,070	850,070
- TPL E-Ventures (Private) Limited		-	42,245,034
- TPL Logistic (Private) Limited		-	5,246,290
- Trakker Middle East LLC.		-	46,715,880
- TPL Tech Pakistan (Private) Limited		43,489,279	40,964,168
- TRG Pakistan Limited		9,380,446	7,616,232
24. TAXATION - NET			
Opening balance		56,641,726	179,807,632
Less: Provision for current and prior taxation	50	(119,842,823)	(92,271,529)
Add: Income tax paid and deducted at source		145,646,014	153,642,250
Less: Refund received during the year		(67,979,618)	(184,536,627)
Closing balance		14,465,299	56,641,726
25. CASH AND BANK BALANCES			
Cash in hand		1,468,686	1,464,429
At banks in local currency:			
- current accounts	25.1	3,345,039,713	410,186,294
- saving accounts	25.2 & 25.3	1,454,517,268	1,060,316,498
		4,799,556,981	1,470,502,792
Less: Allowance for expected credit loss		-	(1,199,537)
		4,801,025,667	1,470,767,684

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

- 25.1 These include Rs. 13.32 million (2020: 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 3.24 percent to 8.06 percent (2020: 5 percent to 13.5 percent) per annum.
- 25.3 Included herein Rs. 16.85 million (2020: Rs. 16.85 million) cash deposit kept in bank account under lien.

26. NON-CURRENT ASSET HELD FOR SALE

Transferred from:

- property, plant and equipment (share of owner occupied property) - at WDV
- investment properties

Note

2021

2020

Rupees

26.1

-	331,619,992
-	6,649,475,082
-	6,981,095,074

- 26.1 During the year, pursuant to the Board's resolution passed in the meeting held on August 19, 2020, TPLP entered into an agreement to sell its investment property (Centrepont Project), to a buyer at an agreed price of Rs. 7,750 million. TPLP during the financial year ended 30 June 2021, received Rs. 7,362.5 million from the buyer and subsequent to the year-end received Rs. 193.750 million. The remaining amount will be received upon vacating the remaining office space by the TPLP and its subsidiaries companies. As of the year ended 30 June 2020, such investment property was recorded under 'non-current asset held for sale' as per the requirements of applicable financial reporting standard.

27. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2021	2020		2021	2020
Number of shares		Note	Rupees	
60,009,900	60,009,900	Ordinary shares of Rs.10/- each	600,099,000	600,099,000
-	-		-	-
60,009,900	60,009,900	- issued for cash	600,099,000	600,099,000
207,287,863	207,287,863	- issued during the year		
		- issued for consideration other than cash	2,072,878,630	2,072,878,630
267,297,763	267,297,763	27.1	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 in consideration for 38,329,080 and 60,177,125 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.
- 27.3 During the year, the Group has introduced Employee Share Option Scheme (the Scheme) to employees meeting certain criteria. The exercise price of the shares is Rs. 10/- and the share options vests after a period of 2 years from the date of grant and the concerned employee remains employee on such date.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

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The options are exercisable after the vesting period in whole or in equal fifty percent parts of the entitlement within 6 months (exercise period). The share options can be exercised upto 6 months after two years vesting period (in whole or 50% equal part), and therefore the contractual form of each option is two years. There are no cash settlement alternatives. The Group accounts for the Scheme as an equity-settled plan.

The expense recognized during the year related to equity settled share based payments of the Group companies amounts to Rs. 237.347 million (2020: Rs. Nil) and the related effect of Holding Company's share based payment is taken to other capital reserve.

Weighted average remaining contractual life of options outstanding at 30 June 2021 was one year (2020: Nil).

		2021	2020
28. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	Note	Rupees	
Opening balance			
Leasehold land		274,630,291	541,225,035
Building on leasehold land		13,898,709	19,713,333
		288,529,000	560,938,368
Surplus on revaluation recognised during the year:			
Leasehold land	7.1	-	(266,594,744)
Building on leasehold land	7.1	-	(4,357,916)
		-	(270,952,660)
Transfer to unappropriated profit on account of incremental depreciation charge for the year		(690,918)	(1,456,708)
Deferred tax:			
- on account of surplus on revaluation of building on leasehold land		(3,115,683)	(4,614,078)
- impact of deferred tax on incremental depreciation charged for the year		200,366	305,758
		(2,915,317)	(4,308,320)
29. LONG-TERM FINANCING – secured		284,922,765	284,220,680
Project financing I	29.1	75,000,000	75,000,000
Project financing II	29.2	200,000,000	-
Term finance certificates I	29.3	-	2,006,134,027
Term finance certificates II	29.4	1,000,000,000	-
Term finance	29.5	-	576,270,000
Diminishing musharika I	29.6	-	132,249,222
Diminishing musharika II	29.7	43,263,634	47,450,437
Diminishing Musharika III	29.8	25,960,825	39,054,303
Diminishing Musharika IV	29.9	8,751,904	-
Diminishing Musharaka V	29.10	48,446,200	-
Sukuk financing I	29.11	350,000,000	450,000,000
Sukuk financing II	29.12	1,231,467,442	-
Demand finance I	29.13	1,000,000,000	-
Demand finance II	29.14	500,000,000	-
Term finance I	29.15	1,000,000,000	-
Loan from Director	29.16	103,246,489	-
		5,586,136,494	3,326,157,989
Less: Current portion shown under current liabilities	39	1,178,021,725	296,734,533
		4,408,114,768	3,029,423,456

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- 29.1 TPLP has availed the facility of Rs. 75 million from a commercial bank through an agreement dated December 27, 2019. The purpose of availing the facility is to finance HKC's residential/commercial building project. The amount received is repayable in 10 equal quarterly installments for a period of 2.5 years at the rate of 3 months KIBOR plus 300 basis points. The facility has been secured against the equitable mortgage charge to the extent of Rs. 100 million over fixed asset of HKC; and Corporate guarantee of TPL Properties Limited.
- 29.2 During the year, TPLP has availed the facility of Rs. 200 million from a commercial bank through an agreement dated June 30, 2021. The purpose of availing the facility is to finance HKC's residential / commercial building project. The amount received is repayable in 8 equal quarterly installments over a period of 2.5 years at the rate of 3 months KIBOR plus 300 basis points. The facility has been secured against an equitable mortgage charge to the extent of fixed asset of HKC.
- 29.3 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. These have been fully repaid during the year.
- 29.4 During the year, the Holding Company has obtained term finance facility of Rs. 1,000 million from a commercial bank for a tenor of 4 years including grace period of 1 year. The facility carries mark-up at the rate of 6 month KIBOR plus 2.25 percent per annum. The facility will be redeemed in 6 stepped-up semi-annual installments. The facility is secured by way of first pari passu equitable mortgage over property owned by group company and pledge of shares of related party.
- 29.5 During the year, TPLP has fully repaid the facility of Rs. 600 million from a commercial bank to finance equity instrument in TPL LP. The facility amount was 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 was secured against the following:
- first pari passu 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 TPLLP); and
 - lien over collection account, debt payment account and debt service reserve account.
- 29.6 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 maintenance agreements including utilities, general maintenance and IT services; and
 - corporate guarantees of TPLP upto Rs. 367 million.
- 29.7 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) (2020: 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.
- 29.8 TPLP has entered into the Musharaka facility agreement of up to Rs. 50 million with a commercial modaraba company dated October 23, 2019. The purpose of the loan is to purchase HPE Proliant DL 380 Generation 10 server and core switches, access switches and transceivers. The amount received against the facility is repayable in monthly installments for a period of 3 years at the rate of 6 months KIBOR plus 3.5% per annum. The facility has been secured against the following:
- Title of the assets in the name of modaraba company for the entire facility tenor; and
 - Post dated cheques for the entire facility tenor.

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- 29.9** During the year, the Holding Company has obtained two vehicles under diminishing financing musharaka from a financial institution for a tenor of 5 years. The facility carries mark-up at the rate of 6 month KIBOR plus 3.5 percent per annum.
- 29.10** TPLP had entered into Musharka agreement with commercial bank dated December 24, 2020 for the purpose of purchasing new imported vehicle operating lease amounting to Rs. 63.68 million. The amount received is repayable in equal quarterly installments over a period of 5 years at mark-up of 3 months KIBOR plus 1.90% per annum. The facility has been secured against the following:
- Title and ownership of DM assets under HPA/ Lien marking in favor of the bank with excise & taxation authority (motor / vehicles);
 - Minimum 10% equity contribution made by the Holding Company towards the price of DM Asset;
 - Exclusive Charge over DM vehicle in favor of ABPL to be registered with SECP; and
 - Post-dated cheques to be provided for quarterly DM installments (principal + profit) to be provided.
- 29.11** 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 (2020: 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.
- 29.12** Represents amount received by TPLT in lieu of Sukuk certificates issued of Rs. 1,250 million divided into 1,250 certificates of Rs 1 million each for a period of 5 years under an agreement dated December 22, 2020. The said certificates are redeemable in periodic installments by December 2021 and the rate for rental payment is 3 months KIBOR plus 3% per annum. These certificates are secured against first pari passu charge of Rs. 70 million on present and future moveable fixed assets of the TPLT inclusive of 25% margin, first pari passu hypothecation charge of Rs. 340 million on present and future current assets of the TPLT inclusive of 25% margin; and first pari passu charge of upto Rs.1,500 million on present and future long-term investments of the Holding Company inclusive of 25% margin margin and first charge over lien and set off against facility payment account and facility service reserve account upto the extent of Rs. 1,855,000,000.
- 29.13** During the year, the TPLP has entered into an agreement with a commercial bank dated June 24, 2021, for raising financing to the extent of Rs. 1,000 million. It is repayable on September 30, 2022, including mark-up at 1 year KIBOR per annum. The purpose of the loan is to facilitate Real Estate Development Projects. The facility has been secured against the following:
- ranking charge of Rs.1,333 million over Non-Current Assets (excluding Land & Building) of the TPLP with 25% margin duly insured in bank's favor covering all risk and registered with SECP;
 - ranking charge of Rs.1,333 million over receivables and short-term investments of the TPLP with 25% margin duly insured in bank's favor covering all risk and registered with SECP; and
 - personal guarantee of Directors.
- 29.14** During the year, TPLP has entered into a demand finance facility amounting to Rs. 500 million from a commercial bank through an agreement dated June 23, 2021. The purpose of availing the facility is to bridge the gap of funding till issuance of REIT to support different projects in pipeline. The amount received is repayable on or before December 31, 2021 / June 30, 2022 at mark-up of 3 months KIBOR + 0.250% per annum. The facility has been secured against the pari passu charge over current and non-current assets (i.e. receivables, short-term investments, long-term investments and long-term loans to subsidiaries only) of the TPLP for Rs. 666.667 million covering approved limit with 25% margin.
- 29.15** During the year, TPL TZ has entered into an agreement with a commercial bank dated June 25, 2021, for raising financing to the extent of Rs. 2.275 billion. TPL TZ has availed a portion of the facility to the extent of PKR 1 billion. The amount received is repayable in 8 semi-annual installments for a period of 7 years (inclusive of 3 years grace period) including mark-up at the rate of 6 months KIBOR plus 2.25%. The purpose of the loan is to facilitate real estate development projects. The facility has been secured against the following:

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- create a first charge by way of hypothecation over hypothecated assets in favour intercreditor agent in the sum of Rs.3,033 million;
- equitable mortgage by the way of deposit of title deeds over the mortgaged property in favour of intercredit agent in the sum of Rs.3,030 million, which mortgage shall rank with pari passu, inter se, the syndicate;
- assign the rights, benefits and receivables of the customer under the project documents in favour of intercreditor agent in the sum of Rs.3,030 billion;
- assign all the future receivables of the customer including but not limited to cashflows arising from rent/sale proceeds of offices and hotel(s) rented/sold by the customer to the allottees under the pursuant to the respective agreements, in favour of the intercredit agent in the sum of Rs.3,033 million;
- create a lien and right of set-off over the project accounts in favour of intercredit agent in the sum of Rs.3,033 million;
- procure issuance of the corporate guarantee from the guarantor in form and substance acceptable to the intercredit agent;
- execute such other documents and deeds as may reasonably be requested by the intercredit agent for the purpose of more fully perfecting the security created in terms of this clause 3; and
- provide such other security either by way of pledge, hypothecation, mortgage or otherwise as may be mutually agreed between the syndicate and the customer, either in addition to or in substitution of the securities mentioned above.

29.16 Represents loan obtained from director of TME by TME which is interest free and repayable on demand.

		2021	2020
30. LEASE LIABILITIES	Note	Rupees	
Current maturity of lease liabilities		47,668,312	55,253,012
Non-current maturity of lease liabilities		81,889,252	31,530,021
	30.1	<u>129,557,564</u>	<u>86,783,033</u>
30.1 Reconciliation of total lease liabilities:			
Opening balance		86,783,033	73,078,067
Lease liabilities due to initial application of IFRS 16		-	52,742,629
Additions for the year - net		102,643,520	-
Interest expense for the year		14,017,861	38,704,343
Payments / adjustments made during the year		(70,205,689)	(73,094,737)
Cancellation		(3,681,161)	(4,647,269)
Closing balance		<u>129,557,564</u>	<u>86,783,033</u>
30.2 The following are the amounts recognised in profit or loss in respect of leases:			
Depreciation expense of right-of-use assets	9.4	66,938,503	79,814,409
Interest expense on lease liabilities	48	14,017,861	38,704,343
Total amount recognised in profit or loss		<u>80,956,364</u>	<u>118,518,752</u>

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30.3 The maturity analysis of lease liabilities is presented in note 52.4 to these consolidated financial statements.

30.4 The Group had total cash outflows for leases of Rs. 70.206 million (2020: Rs. 73.094) as of reporting date. The Group also had non-cash additions to right-of-use assets and lease liabilities of Rs. 102.643 million (2020: Rs. 52.742 million). The Group do not have any future cashflows relating leases other than as disclosed in these consolidated financial statements.

		2021	2020
31.	LONG-TERM LOANS		
	Note	Rupees	
Term finance I	31.1	25,000,002	33,333,337
Term finance II	31.2	-	16,250,000
Term finance III	31.3	-	16,769,782
Term finance IV	31.4	-	166,666,667
Term finance V	31.5	28,777,780	37,000,000
Payroll financing I	31.6	21,888,997	19,847,680
Payroll financing II	31.7	148,324,802	88,170,304
Payroll financing III	31.8	69,663,995	-
		293,655,576	378,037,770
Less: Current portion shown under current liabilities	39	124,490,426	109,023,282
		169,165,150	269,014,488

31.1 The term finance facility of Rs. 100 million was obtained by TPLT for a period of three years from a commercial bank through an agreement dated November 27, 2017. The said loan is to be paid in equal quarterly instalments of Rs. 8.3 million each from the date of disbursement. It carries mark-up at the rate of 3 months KIBOR plus 2.1 percent per annum. The facility is secured against first pari passu charge over stocks and book debts for Rs. 144 million duly insured in bank's favour covering all risks with 25% margin and first pari passu charge over book debts and receivables with 25% margin amounting to Rs. 183 million in bank's favour.

31.2 TPLT obtained a term finance facility of Rs. 65 million was 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 the TPLT's book debts of Rs. 100 million, first parri passu hypothecation charge over current assets of the TPLT of Rs. 70 million and first parri passu hypothecation charge over the fixed assets of the TPLT of Rs. 70 million. During the year, TPLT has repaid outstanding balance of term finance facility of Rs. 16.25 million.

31.3 TPLT obtained 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 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 TPLT. During the year, TPLT has repaid outstanding balance of term finance facility of Rs. 16.77 million.

31.4 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. During the year, TPLT has repaid outstanding balance of term finance facility of Rs. 166.67 million.

31.5 During the year , TPLT obtained term finance facility of Rs. 37 million for a period of five years from a commercial bank through an agreement dated April 29, 2020. 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. 385 million over land and building of the TPLT and personal guarantees of directors / sponsors of the TPLT.

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31.6 TPLP 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 of TPLP;
- first pari pasu charge on present and future current assets OF TPLP;
- corporate guarantee of TPLT; and
- assignment of receivables from TPLIL"

31.7 During the year, TPLT and the Holding Company has obtained long-term financing from a commercial bank of Rs. 150 million under Refinance Scheme for payment of Wages & Salaries by State Bank of Pakistan. Out of total facility limit, Rs. 96.7 million was availed by the Company and Rs. 51.7 was availed by the Holding Company. It carries a flat mark-up at the rate of 3 percent per annum and is repayable in 8 quarterly installments commencing from January 2021 discounted at effective rate of interest of 9.72 to 11.31 percent per annum. The differential mark-up has been recognised as government grant (see note 32 to these consolidated financial statements) which will be amortised to interest income over the period of the facility. The facility is secured against existing charge over TPLT's current assets, fixed assets and pledge of shares of TPLI & TPLP.

31.8 During the year, TPLT has obtained long-term financing from a commercial bank of Rs. 98 million under Refinance Scheme for payment of Wages & Salaries by State Bank of Pakistan. Out of total facility limit, Rs. 97.8 million was availed by the TPLT. It carries a flat mark-up at the rate of 3 percent per annum and is repayable in 8 quarterly installments commencing from January 2021 discounted at effective rate of interest of 10.25 to 10.26 percent per annum. The differential mark-up has been recognised as government grant which will be amortised to interest income over the period of the facility. The facility is secured against ranking charge over current assets of TPLT and pledge of shares of Holding Company and TPLP of Rs. 163.333 million with 40 percent margin.

		2021	2020
32. DEFERRED LIABILITIES	Note	Rupees	
Government grant	32.1	9,660,630	6,860,074
Gratuity	32.2	20,311,083	6,849,480
		29,971,713	13,709,554
Less: Current portion shown under current liabilities	39	8,332,355	4,138,979
		21,639,358	9,570,575
32.1 The movement is as follow:			
Balance as at July 01, 2020		6,860,074	-
Recognised during the year		18,011,537	10,552,910
Released to profit or loss		(15,210,981)	(3,692,836)
Balance as at June 30, 2021		9,660,630	6,860,074
Non-current portion		8,332,355	4,138,979
Current portion shown under current liabilities		1,328,275	2,721,095
		9,660,630	6,860,074
32.2 The movement is as follows:			
Balance as at July 01, 2020		6,849,480	6,570,620
Acquired under business combination		13,869,608	-
Charge for the year		2,955,806	-
Paid during the year		(2,563,850)	-
Foreign currency translation reserve		(799,961)	278,860
Balance as at June 30, 2021		20,311,083	6,849,480

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.

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32.3 GAS INFRASTRUCTURE DEVELOPMENT CESS (GIDC) LIABILITY

	Note	2021	2020
		Rupees	
GIDC liability	32.3.1	31,221,926	-
Less: Current portion of GIDC liability	39	11,642,332	-
		19,579,594	-

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

- All industrial and commercial entities which consume gas for their business activities pass on the burden to their customers, therefore, GIDC that has become due upto July 31, 2020, and has not been recovered so far shall be recovered by the companies responsible under the Act to recover from their consumers;
- Gas companies responsible to collect GIDC under the Act should recover the unpaid GIDC (which has accrued but yet not collected) in 24 equal monthly installments starting from August 1, 2020, without the component of Late Payment Surcharge ("LPS"). The LPS shall only become payable for the delays that may occur in the payment of any of the 24 installments.

Pursuant to the Judgement, the TPLP recognised a provision amounting to Rs. 76.392 million as at June 30, 2020.

On November 2, 2020, the SCP in their judgment on the review petitions instructed the Government to recover the GIDC in 48 installments instead of 24. In pursuance of the aforementioned decision, Sui Southern Gas Company Limited has commenced invoicing of GIDC payable to the TPLP in 48 equal installments from August 2020. Accordingly, the management of the TPLP, derecognised the existing liability for GIDC and recognised new liability for GIDC resulting in gain amounting to Rs. 29.822 million. (note 49)

Considering the recent events and developments in GIDC case, the Institute of Chartered Accountants of Pakistan (ICAP) released financial reporting guidance on the "Accounting of GIDC" via Circular No. 1/2021 dated January 19, 2021 which discusses key accounting considerations for gas consumer companies. Keeping in view the financial reporting guidance of ICAP and giving due consideration to the latest available information and the expected timing of the settlement (i.e. monthly installment rather than lump sum amount), TPLP has remeasured its previously undiscounted liability at its present value and has accordingly, recognised remeasurement gain on liability for GIDC amounting to Rs. 4.675 million (note 49).

	Note	2021	2020
		Rupees	
33. TRADE AND OTHER PAYABLES			
Creditors		734,793,074	550,381,548
Accrued liabilities		468,513,997	442,447,533
Unearned equipment rentals	33.1	16,971,153	120,363,997
Retention money		609,251	5,809,251
Margin deposit from customers		3,201,780	1,942,411
Advance premium from insurers		30,097,707	28,816,564
Book overdraft		744,316,862	-
Other liabilities			
Sales commission		23,747,196	4,055,767
Contract liabilities - advance from customers		7,326,453	-
Amounts due to other insurers / reinsurers		152,683,887	349,043,589
Federal insurance fee		2,886,274	2,593,868
Sales tax		45,023,799	107,132,813
Withholding tax		213,885,024	176,517,553
Workers' Welfare Fund		2,638,267	2,638,267
Provident fund		60,527,793	81,797,246
GIDC	32.3.1	-	76,391,813
Others	33.2	70,815,333	32,628,818
		579,534,026	832,799,734
	33.3	2,578,037,850	1,982,561,038

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- 33.1 Equipment rentals transferred to revenue during the year amounts to Rs. 910.296 million (2020: Rs. 909.183 million).
- 33.2 Includes stale cheques amounting to Rs.1.647 million (2020: Rs.1.647 million).
- 33.3 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.

		2021	2020
34. ACCRUED MARK-UP	Note	Rupees	
Long-term financings	29	90,821,943	106,061,522
Long-term loans	31	14,897,660	26,845,199
Short-term financings	35	18,648,039	26,857,357
Running finance under mark-up arrangement	38	26,036,109	37,657,843
Due to related parties	40	32,911,574	241,124,960
		183,315,325	438,546,881
35. SHORT-TERM FINANCINGS			
Secured			
Payable against LC's	35.1	235,953,736	170,665,871
Musharakah	35.2	-	400,000,000
Short-term loan I	35.3	-	150,000,000
Short-term loan II	35.4	200,000,000	-
Short-term loan III	35.5	150,000,000	-
Unsecured			
Commercial Paper I	35.6	-	1,223,503,302
Commercial paper II	35.7	432,984,331	-
		1,018,938,067	1,944,169,173

- 35.1 Represents LCs facilities obtained by the TPLT from various commercial banks having an aggregate limit of Rs. 325 million (2020: Rs. 210 million). It carries mark-up ranging from 3 months KIBOR plus 2 percent to 3.5 percent and is secured against first pari passu hypothecation charge of Rs. 826 million (2020: Rs.866 million) over all present and future stocks, book debts and fixed assets excluding land and buildings of the TPLT with cash margins ranging from nil to 15 percent. As of the reporting date, Rs. 89 million (2020: Rs. 197.26 million) remains unutilized.
- 35.2 During the year TPLP has fully repaid a musharakah facility of Rs. 400 million obtained from an Islamic bank to create joint ownership in the Centrepoint Project against bank's share of 6.49%. The amount was 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 were secured against equitable interest over the Centrepoint Project.
- 35.3 Represents short-term loan of Rs. 150 million obtained by the Company from a commercial bank for a period of six months which carries mark-up at a rate of 1 month KIBOR plus 3 percent per annum. The principal and mark-up are repayable as a single bullet payment upon maturity. The loan was secured against joint pari passu charge on fixed assets and pledged on ordinary shares of subsidiary held by the Holding Company. During the year, the Holding Company has repaid the same in full and accordingly charge / pledged on assets have been released.
- 35.4 During the year, the Holding Company has obtained short-term loan facility of Rs. 200 million from a commercial bank for a tenor of 6 months. The facility carries mark-up at the rate of 6 month KIBOR plus 1.5 percent per annum, repayable in single bullet payment upon maturity. The loan is secured by way of pledge of shares of a related party. The loan has been settled subsequent to the year end.
- 35.5 During the year, the Holding Company has obtained a short-term loan facility of Rs. 800 million from a commercial bank for a period of 6 months. The loan carries a mark-up at the rate of 1 month KIBOR plus 1% per annum and is secured against ranking charge over all present and future current assets of TPLT. The loan has been settled subsequent to the year end.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

35.6 This represents subscription money received by TPLT from various investors against 1,230 units of privately placed Commercial Paper 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. During the year, TPLT has repaid the same in full.

35.7 During the year, the Holding Company has partially issued privately placed Commercial Paper (CP) of Rs. 900 million discounted at 6 months KIBOR plus 2.75 percent (10.40%) per annum. These are repayable latest by January 12, 2022.

36. LIABILITIES AGAINST INSURANCE CONTRACTS

Provisions against outstanding claims
Insurance liabilities

2021

2020

Rupees

539,623,249

423,774,342

827,630,712

453,294,820

1,367,253,961

877,069,162

37. UNDERWRITING PROVISIONS

Unearned premium reserves
Unearned reinsurance commission

1,355,521,040

1,161,297,666

53,448,286

36,006,548

1,408,969,326

1,197,304,214

38. RUNNING FINANCE UNDER MARK-UP ARRANGEMENTS

These facilities are obtained by TPLT from various commercial banks having an aggregate limit of Rs. 1,097.5 million (2020: Rs. 1,112.5 million) out of which Rs. 59.9 million (2020: Rs. 7.31 million) was un-utilised as of the reporting date. The facilities carry mark-up ranging between 1 month KIBOR plus 2 percent and 3 months KIBOR plus 1.5 percent to 3 percent (2020: 1 month KIBOR plus 2 percent to 3 percent and 3 months KIBOR plus 1.5 percent to 3 percent) per annum. These are secured by way of:

- registered hypothecation over stocks and book debts aggregating to Rs. 1,186 million (2020: Rs. 1,356 million) and pledge of the shares of TPLI, TPLP and the Holding Company having market value of Rs. 300 million
- personal guarantees of sponsors/directors of the TPLT, 100% liquid security in shape of lien over company/related company account/ lien over term deposit account on account of TPL Life, 100% cash collateral under lien in the form of term deposit receipt or depository participants account (to be marked in group companies) / minimum 60% cash in shape of lien over term deposit receipt or depository participants account (to be marked lien in group associate company i.e. TPL Life) and maximum 40% to be placed in investor portfolio securities account of TPL Life with 10% margin.
- cash collateral in the form of lien over deposits held under islamic bank of Rs. 100 million in the name of TPLI, cross corporate guarantee of TPLI and equitable first pari passu charge over property to the extent of Rs. 385 million (2020: Rs. 385 million).

39. CURRENT PORTION OF NON-CURRENT LIABILITIES

Long-term financing
Lease liabilities
Long-term loans
Deferred liabilities
GIDC liability

Note

2021

2020

Rupees

1,178,021,725

296,734,533

47,668,312

55,253,012

124,490,426

109,023,282

8,332,355

4,138,879

11,642,332

-

1,370,155,150

465,149,706

40. DUE TO RELATED PARTIES - unsecured

TPL Holdings (Private) Limited - the parent company 40.1
Virtual World (Private) Limited 40.2

249,326,911

976,883,204

2,926,012

-

252,252,923

976,883,204

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

40.1 Represents current account balances with related parties carrying markup at a variable rate of 6 months KIBOR plus 3 percent (2020: variable rate of 6 months KIBOR plus 3 percent) per annum and are repayable on demand.

40.2 Represents balance payable by TPLI against outsourcing services.

		2021	2020
	Note	Rupees	
41. ADVANCE MONITORING FEES			
Opening balance		37,140,162	46,651,699
Additions during the year		440,750,688	405,472,734
Less: Transferred to revenue during the year	43	442,037,747	414,984,271
Closing balance	41.1	35,853,103	37,140,162

41.1 Represents monitoring fee invoiced in advance, which is taken to income as per the appropriate monitoring period.

42. CONTINGENCIES AND COMMITMENTS

42.1 Contingencies

42.1.1 During the year, Deputy Commissioner Sindh Revenue Board has issued a show cause notice to the Holding Company ref. TPL CORP/UNIT-08/AUDIT-II/LTO/2021 dated January 26, 2021 under Section 25 of the Sindh Sales Tax Act, 1990 (the Act) for tax periods from Jan 2016 to Dec 2016 with respect to tax audit initiated against the Holding Company whereby, sales tax of Rs. 280.309 million, default surcharge of Rs. 134.548 million and penalty of Rs. 14.016 million has been demanded on account of short declared sales and various matters for tax year 2017 vide Order-in-Original (OIO) no. 06/149/2021 dated February 22, 2021. The Holding Company obtained stay against recovery of the same from the High Court, whereas appeal against the OIO is currently pending before Commissioner Appeals. In addition, Sindh Revenue Board has issued order section 3, 8, 9, 17, 23, 30, 43 and 44 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 liability of Rs. 113.338 million (including penalty) has been demanded on account of short declared sales. The Holding Company is in the process of filing of appeal against the order. The Holding Company based on the view of its tax adviser 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 (the 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.

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

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 Court. The Honorable High Court of Sindh 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 Sindh High Court. Certain taxpayers have again challenged the levy of Sindh sales tax on renting of immovable property on the basis that it does not involve any element of service and that the judgement of SHC is still in-tact. SHC has also granted stay to the said taxpayers. The management of TPLP is also of the view that the judgement of SHC is still intact and, therefore, currently no SST is being charged by the TPLP while invoicing rentals and no provision has been made in the consolidated financial statements in this respect.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

42.1.4 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 TPLI 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 Honourable High Court of Sindh (SHC) challenging the tax on undistributed reserves. The constitutional petition is pending in the SHC 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 consolidated financial statements.

42.1.5 TPLT is defending various suits filed against it in various courts in Pakistan for sums, aggregating to Rs. 13.279 million (2020: 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 TPLT. Accordingly, no provision has been made for any liability against these law suits in these consolidated financial statements. Details of these legal cases are given below:

Court	Description	Date of institution	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

42.1.6 In year 2019, Sindh Revenue Board (SRB) vide notification no. SRB 3-4/5/2019 dated May 08, 2019 extended the exemption on life insurance till June 30, 2019. Subsequent to it, life insurance was made taxable from July 01, 2019 at the rate of 3% and group life insurance at the rate of 13%. However, during the year 2020, SRB vide notification no. SRB 3-4/13/2020, extended the exemption on life insurance till June 30, 2020, after which sales tax will be applicable on the said businesses at the same rates as directed in the previous notification. Further, SRB extended exemption on health insurance till June 30, 2022 vide notification no. SRB-3-4/17/2021. With effect from November 01, 2018, the Punjab Revenue Authority (PRA) withdrew its exemption on life and health insurance and made the same subject to Punjab Sales Tax (PST). TPL Life collectively through the forum of Insurance Association of Pakistan ("IAP") had filed a constitutive petition in the Lahore High Court (LHC) and in the High Court of Sindh at Karachi on September 28, 2019 and November 28, 2019 against PRA and SRB respectively, the proceedings of which are still ongoing. According to the grounds of the petition the Insurance premium does not fall under the definition of service rather an insurance policy is a financial arrangement, which is in the nature of a contingent contract, and not a service upon which sales tax can be levied (and that an insurance company is not rendering a service). In view of the above the TPL Life has not started billing sales tax to its customers. The amount of sales tax involved is around Rs. 15.453 million. Based on the legal opinion obtained, the TPL Life considers that it has a reasonably strong case on the merits in the constitution petition and the writ petition filed in the High Courts. Accordingly, no provision has been made in these consolidated financial statements.

42.1.7 Corporate guarantee issued by the Holding Company

42.1.8 Guarantees issued by banks on behalf of TPLT

2021	2020
Rupees	
60,000,000	60,000,000
21,639,662	21,639,662

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

	2021	2020
Commitments		
	Rupees	
42.2.1 Letter of credits	235,953,736	170,665,871
42.2.2 Revolving letter of credits	16,854,000	16,854,000
42.2.3 Capital expenditure	-	8,380,569
42.2.4 Commitments in respect of purchase of shares	2,380,000,000	-
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. Nil (2020: Rs.2.077 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 (2020: Rs.1.77 million). Future minimal rentals payable under ijarah agreements as at reporting date are as follows:

	2021	2020
	Rupees	
Not later than one year	-	2,076,870
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:		

	2021	2020
	Rupees	
Not later than one year	-	306,559,848
Later than one year but not later than five years	-	850,066,689
	-	1,156,626,537
43. TURNOVER - net		
Equipment installation and sales	618,832,614	259,429,013
Monitoring fees	320,136,975	255,025,485
Rental income	1,212,401,293	1,255,390,280
Premium	3,069,244,562	3,008,229,189
Service income:		
- security	136,760,402	136,008,189
- navigation	190,936,999	45,586,868
- maintenance, electricity and air conditioning	50,743,215	95,539,776
- others	101,244,968	167,542,159
	479,685,585	444,676,992
	5,700,301,029	5,222,750,959
Less: Sales tax	337,969,037	254,330,054
	5,362,331,992	4,968,420,905

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

44. COST OF SALES AND SERVICES	Note	2021	2020
		Rupees	
Cost of equipment sold			
Opening stock	16	246,221,725	266,339,657
Purchases		520,867,430	157,620,662
		767,089,155	423,960,319
Less: Units transferred to operating fixed assets given under renal arrangements		(117,678,857)	(72,097,988)
Closing stock	16	(445,649,520)	(246,221,725)
		203,760,778	105,640,606
Direct expenses			
Salaries, wages and other benefits	44.1 & 44.2	831,189,087	788,527,077
Monitoring charges		12,114,799	19,810,192
Net insurance claims / deficit		1,862,075,171	1,543,276,359
Commission		446,673,588	437,660,341
Landscape and plantation		3,250,000	3,765,000
Activation and connection charges		297,016,151	187,932,165
Housekeeping and cleaning		12,610,000	14,027,532
Insurance		16,808,076	20,768,312
Repairs and maintenance		13,440,857	7,807,000
Vehicle running and maintenance		98,999,782	180,381,436
Depreciation	7.1.1 & 44.2	192,539,173	202,514,843
Depreciation on ROUA		56,235,035	68,998,856
Amortisation	8.3	18,950,443	38,042,092
Postage and courier		17,916,557	20,676,701
Printing and stationery		299,041	1,600,992
License renewal fee		18,202,804	4,686,650
Research and development expenses		77,725,874	23,028,138
Communication		5,850,435	4,658,625
Travelling and conveyance		20,718,538	46,116,524
Utilities		16,031,094	24,411,097
Rent, rates and taxes		22,772,438	34,123,317
Uniform and liveries		1,512,519	731,337
Computer expenses		23,351,695	20,739,348
Others		145,147	7,250
		4,066,428,304	3,694,291,184
		4,270,189,082	3,799,931,790

44.1 Includes Rs. 19.467 million (2020: Rs. 16.982 million) in respect of staff retirement benefits (provident fund contribution).

45 DISTRIBUTION EXPENSES	Note	2021	2020
		Rupees	
Salaries, wages and other benefits	45.1	64,893,837	56,184,098
Depreciation	7.1.1	5,687,929	6,512,362
Depreciation on ROUA	9.4	1,814,034	2,225,770
Amortisation		611,305	1,227,164
Sales promotion and publicity		15,469,113	52,955,528
Computer expenses		356,319	3,735,029
Utilities		1,354,502	1,986,445
Postage and courier		-	-
Printing and stationery		47,082	252,067
Communication		1,403,530	1,117,613
Rent, rates and taxes		2,663,426	3,575,358
Vehicle running and maintenance		1,921,094	2,321,039
Insurance		1,182,686	1,382,832
Outsourcing		46,643,995	52,655,210
Newspapers and periodicals		1,373,020	529,200
		145,421,872	186,659,716

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

45.1 Includes Rs. 5.871 million (2020: Rs. 6.832 million) in respect of staff retirement benefits (provident fund contribution).

	Note	2021	2020
		Rupees	
46. ADMINISTRATIVE EXPENSES			(Restated)
Salaries, wages and other benefits	46.1	1,112,400,447	574,601,196
Monitoring charges		-	18,911,326
Legal and professional		136,137,962	125,259,626
Depreciation	7.1.1	92,600,223	83,893,003
Depreciation ROUA	9.4	8,889,434	8,589,783
Amortisation	8.3	56,481,956	50,530,662
(Reversal) / charge of allowance for expected credit losses		18,863,151	(30,076,185)
Utilities		19,028,822	9,207,948
Rent, rates and taxes		21,685,508	34,245,185
Travelling and conveyance		27,740,241	25,678,751
Late payment surcharge		12,324,129	20,946,485
Repairs and maintenance		69,581,719	74,269,113
Tenant compensation		70,000,000	-
Vehicle running and maintenance		65,652,768	47,328,544
Computer expenses		20,430,506	17,568,927
Communication		21,084,390	30,835,660
Training		3,057,424	3,356,755
Auditors' remuneration	46.2	20,302,073	21,021,319
Insurance		8,583,577	18,067,069
Entertainment		13,717,359	27,070,150
Printing and stationery		18,854,021	21,063,053
Postage and courier		37,829,296	658,336
Donations	46.3 & 46.4	41,149,889	26,421,548
Ijarah rentals		13,157,815	8,152,647
Subscription		11,828,368	12,931,569
Fire, safety and security		2,946,695	416,450
Impairment loss on investment in CPPL	12.3	11,531,207	-
Others		25,043,725	23,322,523
		1,960,902,705	1,254,271,443

46.1 These include Rs. 12.691 million (2020: Rs. 11.583 million) in respect of staff retirement benefits (provident fund contribution).

	2021	2020
	Rupees	
46.2 Auditors' remuneration		
Audit fees (Holding company and its subsidiaries)	10,579,456	10,804,603
Half yearly review fee, CCG and other assurance services	8,983,679	9,066,666
Out of pocket expenses	739,719	1,150,050
	20,302,854	21,021,319

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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

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:

	2021	2020
	Rupees	
Patent Aid Foundation	10,000,000	10,000,000
Habib University Foundation	6,365,000	-
Shaukat Khanam Hospital	4,200,000	-
Baitul Sukoon	2,500,000	-
Sindh Insititute Of Urology And Transplantation	2,500,000	2,500,000
The Indus Hospital	3,600,000	5,000,000
The Aman Foundation	-	1,400,000
Karwan-e-Hayat, Institute of Mental Health Care	1,000,000	-
Zindagi Trust	1,000,000	-
Jafaria Disaster Cell Welfare Organization	1,000,000	-
Pakistan Agriculture Coalition	1,500,000	1,500,000
Lady Dufferin Hospital	2,000,000	1,000,000
	35,665,000	21,400,000

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.

	2021	2020
	Rupees	
47. OTHER EXPENSES		
Exchange loss – net	82,830,758	74,326,889
	82,830,758	74,326,889
48. FINANCE COSTS		
Mark-up on:		
- long-term financing	461,797,347	457,085,317
- lease liabilities	14,017,862	38,704,343
- long-term loans	42,099,560	83,607,181
- short-term financing	193,859,447	247,598,791
- running finance under mark-up arrangements	105,243,350	164,285,989
- due to related parties	46,261,940	258,394,067
Bank and other charges	16,853,481	12,640,783
	880,132,987	1,262,316,471

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

		2021	2020
		Rupees	
49.	OTHER INCOME		
	Income from financial assets:		
	Interest income on loan given to employees	13.3 89,302	198,805
	Income on term deposits receipts	22 35,748,029	74,602,076
	Income on debt securities	22 32,022,753	62,361,307
	Mark-up on saving accounts	89,440,527	66,325,836
	Mark-up on Commercial Papers	-	5,903,441
	Fair value gain on investment in TME	33,327,406	-
	Gain on bargain purchase option	6 89,486,545	-
	Dividend income	1,200,903	4,703,177
	Realized loss on investment in mutual funds	22 46,995,214	(8,899,594)
	Unrealized gain on investment in mutual funds	22 44,730,791	20,314,330
		373,041,470	225,509,378
	Income from related parties:		
	Mark-up on current account with related parties	39,843,036	170,223,225
	Total income from financial assets	412,884,506	395,732,603
	Income from assets other than financial assets:		
	Amortisation of government grant	32.1 15,210,981	3,692,836
	Gain on disposal of non-current asset held for sale	26 645,949,089	
	Gain on disposal of property, plant and equipment	15,725,420	540,383
	Unwinding of PTF	-	3,786,209
	Reversal of provision for GIDC	32.3.1 29,822,466	-
	Remeasurement gain on GIDC	32.3.1 4,675,267	-
	Fair value gain on investment property	10.2 684,723,458	286,315,367
	Others	4,856,134	52,259,906
		1,400,962,815	346,594,701
		1,813,847,321	742,327,304
50.	TAXATION		
	Current	127,274,970	110,646,096
	Prior	(7,432,147)	(18,374,567)
		119,842,823	92,271,529
	Deferred	(43,737,219)	46,364,837
		76,105,604	138,636,366

- 50.1 The returns of the total income of the Holding Company have been filed for and upto tax year 2020 which are considered as deemed assessments, except for tax years 2016 and 2017. In respect of tax year 2016, the Holding 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 Holding Company. Thereafter, the Tribunal has filed an appeal against the said order which is pending adjudication.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

	2021 Rupees	2020 Rupees
50.2 Relationship between accounting profit and tax expense		
Profit before taxation	(117,274,298)	(1,081,623,602)
Applicable tax rate	29%	29%
Tax at the above rate	-	-
Tax effect of prior year tax	(7,432,147)	(18,374,567)
Tax effect of income subject to lower tax rate	83,537,751	157,010,933
	76,105,604	138,636,366
51. EARNINGS PER SHARE – basic and diluted		
Loss attributable to the ordinary shareholders of parent (Rupees)	(133,746,482)	(1,223,507,612)
Weighted average number of ordinary shares in issue (in Numbers)	267,297,763	267,297,763
Earnings per share – basic and diluted (Rupees)	(0.50)	(4.57)

51.1 There is no dilutive effect on basis earnings per share of the Group. Share based payment has anti dilutive effects.

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 Group'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, 2021. 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 Group's risk management framework. The executive management team is responsible for developing and monitoring the Group'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 Group's activities. The Group, 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 Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

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, 2021. The policies for managing each of these risks are summarised below.

52.1 Financial assets and liabilities (excluding statutory assets and liabilities) by categories and their respective maturities are as follows:

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

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	Interest bearing			Non-Interest bearing			
	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	Total
	----- (Rupees) -----						
Financial assets							
Long term investment	-	149,901,091	149,901,091	-	-	-	149,901,091
Loans	24,697,743	-	24,697,743	205,716	1,277,111	1,482,827	26,180,570
Long-term deposits	-	-	-	-	43,381,787	43,381,787	43,381,787
Trade debts	-	-	-	1,342,965,721	-	1,342,965,721	1,342,965,721
Trade deposits	-	-	-	75,098,906	-	75,098,906	75,098,906
Interest accrued	-	-	-	182,242,296	-	182,242,296	182,242,296
Other receivables	-	-	-	1,539,594,924	-	1,539,594,924	1,539,594,924
Short-term investments	1,781,744,812	-	1,781,744,812	90,305,497	-	90,305,497	1,872,050,309
Due from related parties	751,551,740	-	751,551,740	-	-	-	751,551,740
Cash and bank balances	3,345,039,713	-	3,345,039,713	1,455,985,954	-	1,455,985,954	4,801,025,667
2021	5,903,034,007	149,901,091	6,052,935,098	4,686,399,014	44,658,898	4,731,057,913	10,783,993,011
Financial liabilities							
Long-term financings	1,178,021,725	4,408,114,768	5,586,136,494	-	-	-	5,586,136,494
Lease liabilities	47,668,312	81,889,252	129,557,564	-	-	-	129,557,564
Long-term loans	169,165,150	124,490,426	293,655,576	-	-	-	293,655,576
GIDC Liability	-	-	-	11,642,332	19,579,594	31,221,926	31,221,926
Trade and other payables	-	-	-	2,299,519,607	-	2,299,519,607	2,299,519,607
Short term financings	1,018,938,067	-	1,018,938,067	-	-	-	1,018,938,067
Accrued mark-up	-	-	-	183,315,325	-	183,315,325	183,315,325
Liabilities against insurance contracts	-	-	-	-	-	-	-
Running finance under mark-up arrangements	1,062,507,117	-	1,062,507,117	-	-	-	1,062,507,117
Due to related parties	252,252,923	-	252,252,923	-	-	-	252,252,923
Unclaimed dividend	-	-	-	1,729,583	-	1,729,583	1,729,583
Unpaid dividend	-	-	-	3,000,000	-	3,000,000	3,000,000
2021	4,470,709,761	3,346,806,484	7,817,516,245	2,311,696,762	-	2,311,696,762	12,229,088,142

	Interest bearing			Non-Interest bearing			
	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	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



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52.2 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, 2021 and 2020.

52.2.1 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) / profit before tax (Rupees)
2021	+100	(40,307,057)
	-100	40,307,057
2020	+100	(44,578,199)
	-100	44,578,199

52.2.2 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 advances, suppliers and others. The group manages its currency risk by effective fund management and timely repayment. The Group, however, has not hedged its foreign currency liabilities as the management has assessed that it will not be cost beneficial.

	2021 USD	2020 USD	2021 ----- Equivalent Rupees -----	2020 ----- Rupees -----
Assets				
Advances	-	25,898	-	4,009,936
Liabilities				
Trade creditors	(185,469)	(399,962)	(29,378,292)	(61,927,631)
	<u>(185,469)</u>	<u>(374,064)</u>	<u>(29,378,292)</u>	<u>(57,917,695)</u>

The exchange rates applied during the year and at year end were as follows:

	Average rate		Spot rate	
	2021	2020	2021	2020
	-----Rupees-----		-----Rupees-----	
US Dollar	<u>163.30</u>	<u>150.06</u>	<u>158.40</u>	<u>154.83</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 before tax for the year by Rs 1.469 million (2020: Rs 2.896 million).

52.2.3 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. 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 listed securities. Change of 10 percent in equity prices of quoted securities will result in change in price of respective equity instruments by Rs. 11.958 million (2020: Rs. 0.102 million).

52.3 Credit risk

52.3.1 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. 10,816.658 million (2020: Rs. 5,824.812 million), the financial assets which are subject to credit risk amounted to Rs. 1,101.138 million (2020: Rs. 5,823.347 million). The Group's credit risk is primarily attributable to its trade debts and bank balances. The Group 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 Group 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 17.3 to these consolidated 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.

52.3.2 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:

	Note	2021 Rupees	2020 Rupees
Long term investment	12	149,901,091	-
Loans	13	26,180,570	30,830,703
Long-term deposits	14	43,381,787	36,740,882
Trade debts	17.3	391,727,927	323,366,268
Trade deposits	19	75,098,906	76,262,981
Interest accrued	20	182,242,296	119,774,215
Other receivables	21	1,539,594,924	1,175,229,556
Short-term investments	22	1,872,050,309	851,593,543
Due from related parties	23	751,551,740	574,764,579
Cash and bank balances	25	4,801,025,667	1,470,502,792
		9,682,854,126	4,659,065,519

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

Bank Balances by short-term	Rating Agency	2021 Rupees	2020 Rupees
A-1+	PACRA / JCR-VIS	3,585,108,281	37,897,122
A-1	PACRA / JCR-VIS	67,465,026	6,009,848
A-2	PACRA / JCR-VIS	-	14,794,901
A-2	JCR-VIS	27,950,210	-
A-3	PACRA / JCR-VIS	-	201,754,688
A-3	JCR-VIS	155,112,412	1,729,583
A-4	JCR-VIS	45,975,972	-
A	PACRA	-	38,928,081
A+	PACRA / JCR-VIS	-	81,222,545
AA-	PACRA / JCR-VIS	-	21,816,499
A-	JCR-VIS	-	4,690,488
AA	PACRA / JCR-VIS	-	46,402,390
AA+	PACRA / JCR-VIS	-	286,443,880
BBB	JCR-VIS	-	25,000,000
AAA	PACRA/JCR-VIS	-	151,692,411
	Unrated	917,945,081	552,120,356
		4,799,556,981	1,470,502,792

52.4 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, 2021 and 2020 based on contractual undiscounted payment dates and present market interest rates:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	(Rupees)				
2021					
Long-term financings	103,246,489	14,885,396	1,062,339,034	4,405,665,575	5,586,136,494
Lease liabilities	-	-	47,668,312	81,889,252	129,557,564
Long-term loans	-	-	225,287,721	68,367,855	293,655,576
GIDC Liability	-	1,940,392	9,701,940	19,579,594	31,221,926
Due to related parties	252,252,923	-	-	-	252,252,923
Trade and other payables	-	2,036,837,473	262,682,140	-	2,299,519,613
Accrued markup	183,315,325	-	-	-	183,315,325
Running finance under markup arrangements	1,062,507,117	-	-	-	1,062,507,117
Short-term financings	-	298,272,196	720,665,871	-	1,018,938,067
Liabilities against insurance contracts	1,367,253,961	-	-	-	1,367,253,961
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	12,229,088,149

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	On demand	Less than 3 months	3 to 12 months (Rupees)	1 to 5 years	Total
2020					
Long-term financings	-	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 financings	-	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

52.5 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 Group.

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 Group 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 these consolidated 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)

The Group held the following financial instruments measured at fair value other than those disclosed in notes 7.1.1 and 9 to these consolidated financial statements are as follows:

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	Total	Level 1	Level 2	Level 3
	Rupees '000			
Financial assets				
2021				
Government securities	40,307,369	-	40,307,369	-
Listed securities	119,586,119	119,586,119	-	-
Mutual funds	890,977,570	467,763,175	423,214,395	-
	1,050,871,057	587,349,294	463,521,764	-
2020				
Government securities	155,017,000	-	155,017,000	-
Term deposit receipts (TDRs)	85,000,000	-	85,000,000	-
Listed securities	-	-	-	-
Mutual funds	11,244,464	11,244,464	-	-
	251,261,464	11,244,464	240,017,000	-

52.6 Risk related to general 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 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.

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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 loss before tax and shareholder's equity is as follows:

	Loss before tax		Shareholder's equity	
	2021	2020	2021	2020
	------(Rupees)-----		------(Rupees)-----	
Average claim cost				
Fire and property damage	-	1,539,552	-	1,093,082
Marine, aviation & transport	1,188,619	1,905,687	843,919	1,353,038
Motor business	84,858,984	77,178,459	60,249,878	54,796,706
Health	17,001,770	8,823,845	12,071,256	6,264,930
Miscellaneous	1,253,941	580,777	890,298	412,352
	104,303,313	90,028,320	74,055,352	63,920,108

52.5.6 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.

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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	
	2021	2020	2021	2020	2021	2020
	(Rupees)		(Rupees)		(Rupees)	
Fire & property damage	16,745,326,143	5,779,386,634	16,645,326,143	5,754,386,634	100,000,000	25,000,000
Marine, aviation & transport	532,458,300	518,125,000	512,458,300	-	20,000,000	518,125,000
Motor business	52,000,000	25,000,000	32,890,000	20,000,000	19,110,000	5,000,000
Health	1,800,000	-	-	-	1,800,000	-
Miscellaneous	970,000,000	262,000,000	950,600,000	183,400,000	19,400,000	78,600,000
	18,301,584,443	6,584,511,634	18,141,274,443	5,957,786,634	160,310,000	626,725,000

52.7 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.

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 under-pricing 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 under-pricing.

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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, 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.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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 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:

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

	Change in claims assumption	Impact on loss before taxation Rupees
2021		
Provision for current claims	+10%	16,031,000
	-10%	(16,031,000)
2020		
Provision for current claims	+10%	12,951,000
	-10%	(12,951,000)

52.8 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, 2021. The parent Group is committed to provide full support to the Group, as and when required. 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, 2021 and 2020 are as follows:

		2021	2020
	Note	Rupees	
Long-term financings	29	5,586,136,494	3,326,157,989
Lease liabilities	30	129,557,564	86,783,033
Long-term loans	31	293,655,576	378,037,770
Accrued mark-up	34	183,315,325	438,546,881
Short-term financings	35	1,018,938,067	1,944,169,173
Running finance under mark-up arrangements	38	1,062,507,117	1,105,194,287
Due to related parties	40	252,252,923	976,883,204
Total debts		8,526,363,066	8,255,772,337
Less: Cash and bank balances	25	4,801,025,667	1,470,767,684
Net debt		3,725,337,399	6,785,004,653
Share capital	27	2,672,977,630	2,672,977,630
Reserves - total		476,712,256	(40,653,914)
Participants' Takaful Fund (PTF)		13,175,297	69,048,465
Total equity		3,162,865,183	2,701,372,181
Total capital		6,888,202,582	9,486,376,834
Gearing ratio		54.08%	71.52%

53. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

	Chief Executive		Directors		Executives	
	2021	2020	2021	2020	2021	2020
	Rupees					
Basic salary	23,227,200	15,484,800	-	-	428,512,656	338,443,440
Bonus	-	-	-	-	178,329,000	-
House rent allowance	10,452,240	6,968,160	-	-	192,830,160	152,299,176
Medical	2,320,560	1,547,040	-	-	42,810,024	33,811,788
Vehicle allowances	-	-	-	-	61,062,000	55,008,000
Retirement benefits	1,934,820	1,289,880	-	-	34,083,180	26,624,403
	37,934,820	25,289,880	-	-	937,627,020	606,186,807
Number of person(s)	1	1	-	-	111	97

53.1 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.

53.2 During the year, the Group has paid Rs. 5.3 million (2020: Rs. 3.9 million) to the non-executive directors on account of board meeting fees.

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:

	2021	2020
	Rupees	
TPL Holdings (Private) Limited (Ultimate Parent Company)		
Amount received by the Holding Company and TPLT	583,000,000	571,531,663
Expenses incurred / paid by TPLT on behalf of TPLH	24,965,151	3,016,100
Mark-up on current account	130,542,751	239,576,883
Amount paid / repaid by the Holding Company and TPLT	1,549,721,111	1,204,684,262
Mark-up paid by TPLC to TPLH on account of accrued mark-up	296,488,898	-
Trakker Middle East LLC. (2020: Associate)		
Expenses incurred / paid on behalf of the Holding Company	-	24,876,874
Mark-up on current account	-	5,478,865
TPL Logistics (Private) Limited (2020: Associate)		
Amount paid by the Holding Company to TPL Logistics	-	733,266
Expenditure incurred by TPLS for TPL Logistics	2,506,427	-
Expenditure incurred by TPLT for TPL Logistics on behalf of the Holding Company	-	1,976,897
TPL Tech Pakistan (Private) Limited (Common directorship)		
Expenses incurred / paid on behalf of the Holding Company	2,039,850	19,668,539
Mark-up on current account	4,239,028	5,397,198
Trakker Direct Finance Private) Limited (Common directorship)		
Expenses incurred / paid by TPLT	-	47,970
Mark-up on current account	86,060	132,760
TRG Pakistan Limited (Common directorship)		
Expenses incurred / paid by the Holding Company	-	-
Services rendered by TSS	1,075,932	1,011,560
Adjustment on account of amount receivable on behalf of the TPLT for services rendered	780,740	1,245,536

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

	2021	2020
	Rupees	
Virtual World (Private) Limited (Common directorship)		
Services received during the year from TIL	28,731,414	13,395,538
Outsourcing expense paid during the year to TIL	35,664,898	13,734,219
TPL E-venture (Private) Limited (2020: Common directorship)		
Expenditure incurred by TPLT for TPLE on behalf of the Holding Company	-	16,291,069
Markup on current account	-	5,840,345
Staff retirement benefits		
Employer contribution	38,029,561	39,279,731
Key management personnel		
Salaries and other benefits	184,878,247	88,258,464
Post employment benefits	7,236,834	3,854,889
Loan received by TME from a Director	48,574,706	-

54.1 All transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Holding Group. The related parties' status of outstanding receivables and payables as at June 30, 2021 and 2020 are disclosed in respective notes to these consolidated financial statements.

54.2 Certain employees of the group companies provides services to the Holding Company, subsidiaries and associates and accordingly, their cost are proportionately charged 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.

		2021	2020
		Rupees	
55. CASH AND CASH EQUIVALENTS	Note		
Cash and bank balances	25	4,801,025,667	1,470,767,684
		(1,062,507,117)	(1,105,194,287)
Running finance under mark-up arrangements	38	3,738,518,550	365,573,397

56. INFORMATION ABOUT OPERATING SEGMENTS

56.1 For management purposes, the activities of the Group are organised into business units based on their services, nature of the products, risks and returns, services, organisational and management structure and internal financial reporting systems. The operating interests of the Group are confined to Pakistan and UAE in terms of its business operations. Accordingly, the information and figures reported in these consolidated financial statements are related to the Group's reportable segment in Pakistan and UAE. 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.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

56.2 Geographical information

	2021	2020
Revenues	Rupees	
Pakistan	5,475,285,682	5,222,750,959
United Arab Emirates	225,015,347	-
	5,700,301,029	5,222,750,959
56.2.1 The revenue information is based on the location of customers.		
56.2.2 Non-current assets		
Pakistan	9,949,356,538	6,598,143,875
United Arab Emirates	36,809,481	-
	9,986,166,019	6,598,143,875

56.2.3 Non-current assets of the Group are confined within Pakistan and UAE, and consist of property, plant and equipment, intangibles assets, right-of-use assets, long-term loans and deposits.

56.3 No customer of the Group constitutes more than 10% of the Group's total revenue relating to aforesaid segments.

56.4 The segment wise break-up are as follows:

	Tracking and other digital services	Insurance	Real estate and related services	Others	Total
2021	(Rupees)				
TURNOVER - NET	1,903,159,022	3,069,244,562	265,911,806	124,016,602	5,362,331,992
RESULT - (segment results)	(195,195,061)	(106,195,052)	(2,914,601)	187,530,416	(116,774,298)
Taxation					(76,105,604)
Loss for the year					(192,879,902)
OTHER INFORMATION					
Total capital expenditure	151,089,787	46,362,056	66,310,729	12,987,319	284,347,674
Total depreciation and amortisation	278,702,734	52,124,290	7,917,460	49,835,895	388,580,379
ASSETS AND LIABILITIES					
Total segment assets	6,877,423,653	4,764,702,692	9,545,515,744	429,224,103	21,616,866,192
Total segment liabilities	4,883,253,473	3,376,560,529	3,138,642,810	2,583,943,722	13,982,400,534
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

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2021

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. GENERAL

57.1 Corresponding figures have been rearranged for better presentation, details are as follows:

	Reclassified from	Reclassified to	Note	Rupees
Consolidated Statement of financial position	Short-term investments	Long-term investments	12	600,000,000
Consolidated Statement of profit or loss and other comprehensive income	Salaries, wages and other benefits			
	Cost of sales and serv.	Administrative expenses	46	27,997,285
	Distribution expense:	Administrative expenses	46	42,326,877
	Reclassified from	Reclassified to	Note	Rupees
Consolidated Statement of profit or loss and other comprehensive income	Insurance			
	Depreciation			
	Distribution expenses	Cost of sales and services	44	37,476,323
	Administrative expenses	Cost of sales and services	44	27,233,031
	Administrative expenses	Cost of sales and services	44	21,709,350
	Travelling and conveyance			
	Distribution expenses	Cost of sales and services	44	6,599,091
	Administrative expenses	Cost of sales and services	44	17,426,185
	Commission			
	Distribution expenses	Cost of sales and services	44	63,579,649

58. SUBSEQUENT EVENTS

The Board of Directors of the Holding Company in their meeting held on September 20, 2021 have recommended cash dividend @ Nil percent amounting to Rs. Nil 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 October 22, 2021.

59. GENERAL

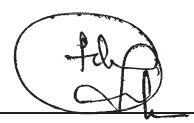
59.1 Number of employees as at June 30, 2021 was 2,039 (2020: 2,000) and average number of employees during the year was 1,967 (2020: 1,931).

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

60. DATE OF AUTHORISATION OF ISSUE

These consolidated financial statements were authorised for issue on 20 September, 2021 by the Board of Directors of the Holding Company.


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 Friday, 22 October, 2021 at 12:00 p.m. through electronic mode, to transact the following business:

ORDINARY BUSINESS:

1. To approve the minutes of the Extraordinary General Meeting held on June 10, 2021.

"RESOLVED THAT the minutes of Extraordinary General Meeting of TPL Corp Limited held on June 10, 2021 at 11:30 am be and are hereby approved.

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

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

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

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

4. To elect directors of the Company for a three-year term. The Board of the directors in its meeting held on September 20, 2021, fixed the number of directors at Eight (8). The term of the following Eight (8) directors, in pursuance to the Section 158 of the Companies Act, 2017, will expire on October 17, 2021:

1. Mr. Jameel Yusuf S.St
2. Mr. Muhammad Ali Jameel
3. Ms. Sabiha Sultan
4. Mr. Mark Rousseau
5. Mr. Bilal Alibhai
6. Mr. Nadeem Arshad Elahi
7. Vice Admiral (R) Mohammad Shafi
8. Maj Gen (R) Zafar-ul-Hassan Naqvi

SPECIAL BUSINESS:

5. 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. 350 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. 350 million in the subsidiary company i.e TPL Life Insurance 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 advance of enhanced amount up to Rs. 200 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 of enhanced up to Rs.200 million to the holding company i.e. TPL Holdings (Private) Limited."

NOTICE OF ANNUAL GENERAL MEETING

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 to make further equity investment of Rs 2,000 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 make further equity investment of Rs.2,000 Million in TPL Properties Limited."

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 to make investment of Rs 125 million in the associated company, TPL E-Venture (Private) Limited.

"RESOLVED THAT pursuant to Section 199 of the Companies Act 2017, the Company be and is hereby authorized to make investment of Rs. 125 Million in TPL E-Venture (Private) Limited."

9. 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 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 renew invest Rs.100 Million in TPL Logistics (Private) Limited."



Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business:

Equity investment of PKR 350 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. 350 Million has been approved/recommended by the Board of Directors of the Company in its meeting held on September 20, 2021.

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 2019, 2020 and 2021 are Rs. (2.73), Rs. (2.91) and Rs. (2.94) respectively.																																
iv.	Break-up value per share, based on latest audited financial statements	Rs. 0.46 per share																																
v.	Financial position of the associated company	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, 2021 is as follows: <table><tr><th>Balance Sheet</th><th>Rupees</th></tr><tr><td>Non-current assets</td><td>16,238,314</td></tr><tr><td>Other assets</td><td>1,200,706,901</td></tr><tr><td>Total Assets</td><td>1,216,945,215</td></tr><tr><td></td><td></td></tr><tr><td>Total Liabilities</td><td>827,013,661</td></tr><tr><td></td><td></td></tr><tr><td>Represented by:</td><td></td></tr><tr><td>Paid up capital</td><td>1,425,000,000</td></tr><tr><td>Advance against right shares</td><td>325,000,000</td></tr><tr><td>Capital Reserve</td><td>-</td></tr><tr><td>Accumulated (loss)</td><td>(1,360,068,446)</td></tr><tr><td>Surplus on Revaluation of Fixed Assets</td><td>-</td></tr><tr><td>Equity</td><td>389,931,554</td></tr><tr><td></td><td></td></tr><tr><td>Profit and Loss</td><td></td></tr></table>	Balance Sheet	Rupees	Non-current assets	16,238,314	Other assets	1,200,706,901	Total Assets	1,216,945,215			Total Liabilities	827,013,661			Represented by:		Paid up capital	1,425,000,000	Advance against right shares	325,000,000	Capital Reserve	-	Accumulated (loss)	(1,360,068,446)	Surplus on Revaluation of Fixed Assets	-	Equity	389,931,554			Profit and Loss	
Balance Sheet	Rupees																																	
Non-current assets	16,238,314																																	
Other assets	1,200,706,901																																	
Total Assets	1,216,945,215																																	
Total Liabilities	827,013,661																																	
Represented by:																																		
Paid up capital	1,425,000,000																																	
Advance against right shares	325,000,000																																	
Capital Reserve	-																																	
Accumulated (loss)	(1,360,068,446)																																	
Surplus on Revaluation of Fixed Assets	-																																	
Equity	389,931,554																																	
Profit and Loss																																		

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business:

		Loss before interest and taxation	(96,091,325)
		Financial charges	(297,502)
		(Loss) before taxation	(96,388,827)
		Taxation	(235,736)
		(Loss) after taxation	(96,624,563)
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 350,000,000	
viii.	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	To meet the equity requirement of the subsidiary and to comply 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;	Partially owned and partially borrowed. 1. TPL Corp Limited, being the holding company, has to inject equity in the subsidiary in the initial year of operation. 2. Shares of the group companies. 3. Estimated 3 month KIBOR + 2.50 % Projected returns in shape of dividend is expected to be much higher.	
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	None	

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business:

	has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	
xiii.	Any other important details necessary for the members to understand the transaction;	None
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	35 million shares
xvii.	number of securities and percentage thereof held before and after the proposed investment	Before the proposed investment No. of shares: 132,996,000 i.e. 93.33% (based on June FS) After the proposed investment No. of shares: 200,496,000 Percentage i.e. 95.47% (considering the right issue of 32.5 million shares as well)
xviii.	Current and preceding twelve weeks' 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 enhanced amount up to Rs. 200 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 on 10th October 2017, 17th October, 2018, 25 October, 2019 and October 26, 2020. The renewal of advance of enhanced amount up to PKR 200 Million has been approved/recommended by the Board of Directors of the Company in its meeting held on September 20, 2021.

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

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business:

ii.	Basis of relationship	Holding																																						
iii.	Earnings per share for the last three years of the Associated Company	Loss per Share: 2021: (Rs. 29.27) 2020: (41.45) 2019: (25.55)																																						
iv.	Break-up value per share, based on latest audited financial statements	PKR 243.86 per share																																						
v.	Financial position of the associated company	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, 2021 is as follows: <table><tr><th>Balance Sheet</th><th>Rupees</th></tr><tr><td>Non-current assets</td><td>1,802,475,590</td></tr><tr><td>Other assets</td><td>1,290,810,109</td></tr><tr><td>Total Assets</td><td>3,093,285,699</td></tr><tr><td></td><td></td></tr><tr><td>Total Liabilities</td><td>2,172,852,406</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>Capital Reserve</td><td>15,733,263</td></tr><tr><td>Accumulated (loss)</td><td>866,956,030</td></tr><tr><td>Equity</td><td>920,433,293</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>115,386,039</td></tr><tr><td>Financial charges</td><td>(225,782,921)</td></tr><tr><td>(Loss) before taxation</td><td>(110,396,881)</td></tr><tr><td>Taxation</td><td>(62,863)</td></tr><tr><td>Profit/(Loss) after taxation</td><td>(110,459,745)</td></tr></table>	Balance Sheet	Rupees	Non-current assets	1,802,475,590	Other assets	1,290,810,109	Total Assets	3,093,285,699			Total Liabilities	2,172,852,406			Represented by:		Paid up capital	37,744,000	Capital Reserve	15,733,263	Accumulated (loss)	866,956,030	Equity	920,433,293			Profit and Loss		(Loss) before interest and taxation	115,386,039	Financial charges	(225,782,921)	(Loss) before taxation	(110,396,881)	Taxation	(62,863)	Profit/(Loss) after taxation	(110,459,745)
Balance Sheet	Rupees																																							
Non-current assets	1,802,475,590																																							
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Taxation	(62,863)																																							
Profit/(Loss) after taxation	(110,459,745)																																							
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	Not applicable																																						

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business:

	e) funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts;	
vii.	Maximum amount of investment to be made	PKR 200,000,000
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,- (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;	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 6 months 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	None

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business:

	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	
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
	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
xxi.	Particulars of collateral or security to be obtained in relation to the proposed investment;	The loan is unsecured.
xxii.	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.
xxiii.	Repayment schedule and terms of loans or advances to be given to the investee company	Repayable on demand.

Equity investment of PKR 2,000 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 PKR. 2,000 Million has been approved/recommended by the Board of Directors of the Company in its meeting held on September 20, 2021 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	2021: (1.72); 2020: 0.85; 2019: 2.23
iv.	Break-up value per share, based on latest audited financial statements	PKR 14.07 per share
v.	Financial position of the associated company	The extracts of the audited/reviewed balance sheet and profit and loss account of the

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business:

		associated company as at and for the period ended June 30, 2021 is as follows: <table><tr><th>Balance Sheet</th><th>Rupees</th></tr><tr><td>Non-current assets</td><td>3,222,157,785</td></tr><tr><td>Other assets</td><td>4,278,983,422</td></tr><tr><td>Total Assets</td><td>7,501,141,207</td></tr><tr><td></td><td></td></tr><tr><td>Total Liabilities</td><td>1,874,222,831</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><tr><td>Capital Reserve</td><td>(324,405,756)</td></tr><tr><td>Accumulated (loss)</td><td>2,677,393,069</td></tr><tr><td>Surplus on Revaluation of Fixed Assets</td><td>-</td></tr><tr><td>Equity</td><td>5,626,918,376</td></tr><tr><td></td><td></td></tr><tr><td>Profit and Loss</td><td></td></tr><tr><td>Profit/(Loss) before interest and taxation</td><td>(156,380,583)</td></tr><tr><td>Financial charges</td><td>(424,646,747)</td></tr><tr><td>Profit/(Loss) before taxation</td><td>(581,027,330)</td></tr><tr><td>Taxation</td><td>16,630,440</td></tr><tr><td>Profit/(Loss) after taxation</td><td>(564,396,890)</td></tr></table>	Balance Sheet	Rupees	Non-current assets	3,222,157,785	Other assets	4,278,983,422	Total Assets	7,501,141,207			Total Liabilities	1,874,222,831			Represented by:		Paid up capital	3,273,931,063	Advance against right shares		Capital Reserve	(324,405,756)	Accumulated (loss)	2,677,393,069	Surplus on Revaluation of Fixed Assets	-	Equity	5,626,918,376			Profit and Loss		Profit/(Loss) before interest and taxation	(156,380,583)	Financial charges	(424,646,747)	Profit/(Loss) before taxation	(581,027,330)	Taxation	16,630,440	Profit/(Loss) after taxation	(564,396,890)
Balance Sheet	Rupees																																											
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Profit/(Loss) after taxation	(564,396,890)																																											
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 2,000 Million																																										
viii.		To make investment in associated company																																										

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business:

	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	
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;	Partially owned and partially borrowed. To consolidate shareholding to 51%. 1. TPL Corp Limited, being the holding company, has to inject equity in the associated Company in the initial year of operation. 2. Shares of the group companies. 3. Estimated 3 month KIBOR + 2.50 % Projected returns in shape of dividend is expected to be much higher.
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;	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	200 million shares
xvii.	Number of securities and percentage thereof held before and after the proposed investment	Before the proposed investment No. of shares: 113,961,788 Percentage: 34.81% After the proposed investment Proportionate to the right issue.
xviii.	Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities;	Current: PKR 63.92/ share as of September 23, 2021 Preceding 12 weeks': PKR 43.35/ share
xix.	Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	Not applicable

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business:

Equity investment of PKR 125 Million in TPL E-Ventures (Private) Limited:

The Company is desirous of making equity investment in TPL E- Ventures (Private) Limited. The equity investment to a maximum amount of PKR. 125 Million has been approved/recommended by the Board of Directors of the Company in its meeting held on September 20, 2021.

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																																												
iii.	Earnings per share for the last three years of the Associated Company	FY-2019 (Rs. 45,501.56)	FY-2020 (Rs. 104,472.71)	FY-2021 Rs. (1.74)																																										
iv.	Break-up value per share, based on latest audited financial statements	Rs. 7.05																																												
v.	Financial position of the associated company	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, 2021 is as follows:																																												
		<table><tr><th>Balance Sheet</th><th>Rupees</th></tr><tr><td>Non-current assets</td><td>52,121,538</td></tr><tr><td>Other assets</td><td>21,269,097</td></tr><tr><td>Total Assets</td><td>73,390,635</td></tr><tr><td></td><td></td></tr><tr><td>Total Liabilities</td><td>55,071,503</td></tr><tr><td></td><td></td></tr><tr><td>Represented by:</td><td></td></tr><tr><td>Paid up capital</td><td>52,999,380</td></tr><tr><td>Advance against right shares</td><td></td></tr><tr><td>Capital Reserve</td><td>-</td></tr><tr><td>Accumulated (loss)</td><td>(34,680,248)</td></tr><tr><td>Surplus on Revaluation of Fixed Assets</td><td>-</td></tr><tr><td>Equity</td><td>18,319,132</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>(237,943)</td></tr><tr><td>Financial charges</td><td>(4,295,612)</td></tr><tr><td>(Loss) before taxation</td><td>(4,533,555)</td></tr><tr><td>Taxation</td><td>-</td></tr><tr><td>(Loss) after taxation</td><td>(4,533,555)</td></tr></table>			Balance Sheet	Rupees	Non-current assets	52,121,538	Other assets	21,269,097	Total Assets	73,390,635			Total Liabilities	55,071,503			Represented by:		Paid up capital	52,999,380	Advance against right shares		Capital Reserve	-	Accumulated (loss)	(34,680,248)	Surplus on Revaluation of Fixed Assets	-	Equity	18,319,132			Profit and Loss		(Loss) before interest and taxation	(237,943)	Financial charges	(4,295,612)	(Loss) before taxation	(4,533,555)	Taxation	-	(Loss) after taxation	(4,533,555)
		Balance Sheet	Rupees																																											
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Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business:

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 applicables
vii.	Maximum amount of investment to be made	PKR 125,000,000
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,- (III) justification for investment through borrowings; (IV) 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	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	Not applicable
xiii.	Any other important details necessary for the members to understand the transaction;	None

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business:

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	12,500,000 Shares
xvii.	number of securities and percentage thereof held before and after the proposed investment	Before the proposed investment No. of shares: 2,599,918 Percentage: 100% After the proposed investment Proportionate to the right issue.
xviii.	Current and preceding twelve weeks' 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 Equity investment of PKR 100 Million in TPL Logistics (Pvt.) Limited:

The Company is desirous to renew equity investment in TPL Logistics (Pvt.) Limited. The equity investment was initially approved by members of the Company, upon recommendation of Board of Directors on October 28, 2020. The renewal of the investment amount of PKR. 100 Million, has been approved by the Board of Directors of the Company in its meeting held on September 20, 2021.

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	2021: (12.77) 2020: (9.67) 2019: (436.27)						
iv.	Break-up value per share, based on latest audited financial statements	-						
v.	Financial position of the associated company	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, 2021 is as follows: <table><tr><th>Balance Sheet</th><th>Rupees</th></tr><tr><td>Non-current assets</td><td>99,779,585</td></tr><tr><td>Other assets</td><td>84,444,793</td></tr></table>	Balance Sheet	Rupees	Non-current assets	99,779,585	Other assets	84,444,793
Balance Sheet	Rupees							
Non-current assets	99,779,585							
Other assets	84,444,793							

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business:

		<table><tr><td>Total Assets</td><td>184,224,378</td></tr><tr><td></td><td></td></tr><tr><td>Total Liabilities</td><td>125,660,687</td></tr><tr><td></td><td></td></tr><tr><td>Represented by:</td><td></td></tr><tr><td>Paid up capital</td><td>174,704,160</td></tr><tr><td>Advance against right shares</td><td></td></tr><tr><td>Capital Reserve</td><td>12,367,468</td></tr><tr><td>Accumulated (loss)</td><td>(128,507,937)</td></tr><tr><td>Surplus on Revaluation of Fixed Assets</td><td>-</td></tr><tr><td>Equity</td><td>58,563,691</td></tr><tr><td></td><td>-</td></tr><tr><td>Profit and Loss</td><td></td></tr><tr><td>Profit/(Loss) before interest and taxation</td><td>(90,600,741)</td></tr><tr><td>Financial charges</td><td>(4,431,075)</td></tr><tr><td>Profit/(Loss) before taxation</td><td>(95,031,816)</td></tr><tr><td>Taxation</td><td>(2,417,986)</td></tr><tr><td>Profit/ (Loss) after taxation</td><td>(97,449,802)</td></tr></table>	Total Assets	184,224,378			Total Liabilities	125,660,687			Represented by:		Paid up capital	174,704,160	Advance against right shares		Capital Reserve	12,367,468	Accumulated (loss)	(128,507,937)	Surplus on Revaluation of Fixed Assets	-	Equity	58,563,691		-	Profit and Loss		Profit/(Loss) before interest and taxation	(90,600,741)	Financial charges	(4,431,075)	Profit/(Loss) before taxation	(95,031,816)	Taxation	(2,417,986)	Profit/ (Loss) after taxation	(97,449,802)
Total Assets	184,224,378																																					
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Profit/ (Loss) after taxation	(97,449,802)																																					
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: 6.22%
xviii.	Current and preceding twelve weeks' 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

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business:

ANY OTHER BUSINESS

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

By Order of the Board

Danish Qazi
Company Secretary

Karachi October 01, 2021

Notes

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

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

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

2. **Closure of Share Transfer Books:**

The Share Transfer Book of the Company will remain closed from October 15, 2021 to October 22, 2021 (both days inclusive). Share Transfers received at M/s THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi-75500. Pakistan by the close of business hours (5:00 PM) on October 14, 2021, will be treated as being in time for the purpose of above entitlement to the transferees.

3. **Participation in the Meeting:**

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

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

4. **For Attending the Meeting:**

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



Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business:

- 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. For Election of Directors:

In accordance with Section 159(1) of the Companies Act, 2017, the number of directors to be elected has been fixed at Eight (8) by the Board of Directors of the Company. In terms of section 159 (3) of the Companies Act, 2017, any person who seeks to contest election to the office of a director, whether he is a retiring director or otherwise, shall file with the Company at its Registered Office, not later than fourteen (14) days before the date of this meeting, the following documents:

 - a. Notice of his/her intention to offer himself/ herself for election as a Director. Provided that any such person may, at any time before the holding of election, withdraw such notice.
 - b. Consent to act as a Director u/s 167 of the Companies Act, 2017.
 - c. A detailed profile along with office address.
 - d. A Declaration confirming that:
 - i. He/ she is aware of the duties of directors under the Companies Act, 2017, the Memorandum and Article of Association of the Company and all applicable laws and regulations.
 - ii. He/ she does not violate any of the provisions or conditions prescribed by SECP for holding such office and further that such person shall fully comply with all the SECP directives issued or to be issued by the SECP in the form of circulars, notifications, directions, letters, instructions, and other orders.
 - iii. He/ she is not ineligible to become a director of the Company under any applicable laws and regulations.
 - iv. He/ she is not serving as a director of more than seven listed companies including this Company and excluding directorships in listed subsidiaries of listed holding companies.
- 6. Change of Address:

Members are requested to immediately notify the change, if any, in their registered address to the Share Registrar M/s. THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi-75500. Pakistan.
- 7. Accounts of the Company for the year ended June 30, 2021 have been placed on the website of the Company, <http://tplcorp.com/>.

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Form of Proxy

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 Friday, 22 October, 2021 and/or adjournment
thereof.

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

Signed by the said:

Folio No. / CDC Account No.

In presence of:

1. Signature: _____
 Name: _____
 Address: _____
 CNIC or Passport No: _____
2. Signature: _____
 Name: _____
 Address: _____
 CNIC or Passport No: _____

Signature on
Revenue Stamp of
Appropriate Value.

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

Important Instructions:

1. The Proxy form, duly completed and signed, must be received at the Registrar's Office of the Company not less than forty eight (48) hours before the time of holding the meeting.
2. If a member appoints more than one proxy and more than one instrument of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
3. In case of a proxy for an individual CDC shareholder, attested copies of CNIC or the passport, account and participant's ID number of the beneficial owner and along with the proxy is required to be furnished with the proxy form.
4. In case of a corporate entity, the Board of Directors' resolution / power of attorney with the specimen signature shall be submitted (unless it has been provided earlier) along with the proxy form of the Company.



(نیابت) پراکسی فارم

میں/ہم _____ جس کا/جن کا/مکمل پتہ _____

_____ ہے، ٹی پی ایل کارپ لمیٹڈ کا ممبر ہوں/ہیں۔

اور میرے/ہمارے پاس _____ نمبر کے آرڈنری شیئرز ہیں

_____ بذریعہ تقرر

_____ جس کا مکمل پتہ _____

_____ یا اسکی عدم موجودگی میں _____ مکمل پتہ _____

میری/ہماری جانب سے کمپنی کی سالانہ جنرل میٹنگ میں، جو کہ جمعہ ۲۲ اکتوبر ۲۰۲۱ کی میٹنگ، یا اس کے التواء کی صورت میں اس کے بعد جب بھی میٹنگ ہو، میری/ہماری نیابت (پراکسی) میں میری/ہماری طرف سے ووٹ دینے کا حق رکھتا/رکھتی ہے۔

زیر دستخطی _____ دن _____ ۲۰۲۱

دستخط کنندہ

فولیو نمبر/سی ڈی سی آ کاؤنٹ نمبر

برائے مہربانی یہاں ریونیو سٹمپ
چسپاں کریں

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

1- دستخط: _____

نام: _____

پتہ: _____

شناختی کارڈ یا پاسپورٹ نمبر _____

2- دستخط: _____

نام: _____

پتہ: _____

شناختی کارڈ یا پاسپورٹ نمبر _____

ہدایات:

- I- نیابت (پراکسی) صرف اسی صورت میں موثر سمجھی جائے گی جب یہ کمپنی کو مینٹنگ سے کم از کم 48 گھنٹے پہلے موصول ہو۔
- II- سی ڈی سی شیئر ہولڈرز اور ان کے نیابت کاروں کے لئے لازم ہے کہ وہ اس نیابت (پراکسی) کو کمپنی میں جمع کروانے سے پہلے اپنے کمپیوٹر انز شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ فوٹو کاپی کا اس کے ساتھ منسلک کر دیں۔
- III- نیابت کار کو مینٹنگ کے وقت اپنا اصل شناختی کارڈ یا اصل پاسپورٹ دکھانا ہوگا۔
- IV- کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ دستخطوں کے نمونے کے ساتھ نیابت (پراکسی) فارم کے ساتھ کمپنی میں جمع کروانے ہونگے (سوائے اس کے کہ وہ پہلے ہی فراہم کئے جا چکے ہوں)
- V- ان شرائط 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*

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

☎ +92-21-34390300 ✉ info@tplcorp.com 🌐 www.tplcorp.com

📘 tplcorp 🌐 tpl-corp-ltd

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