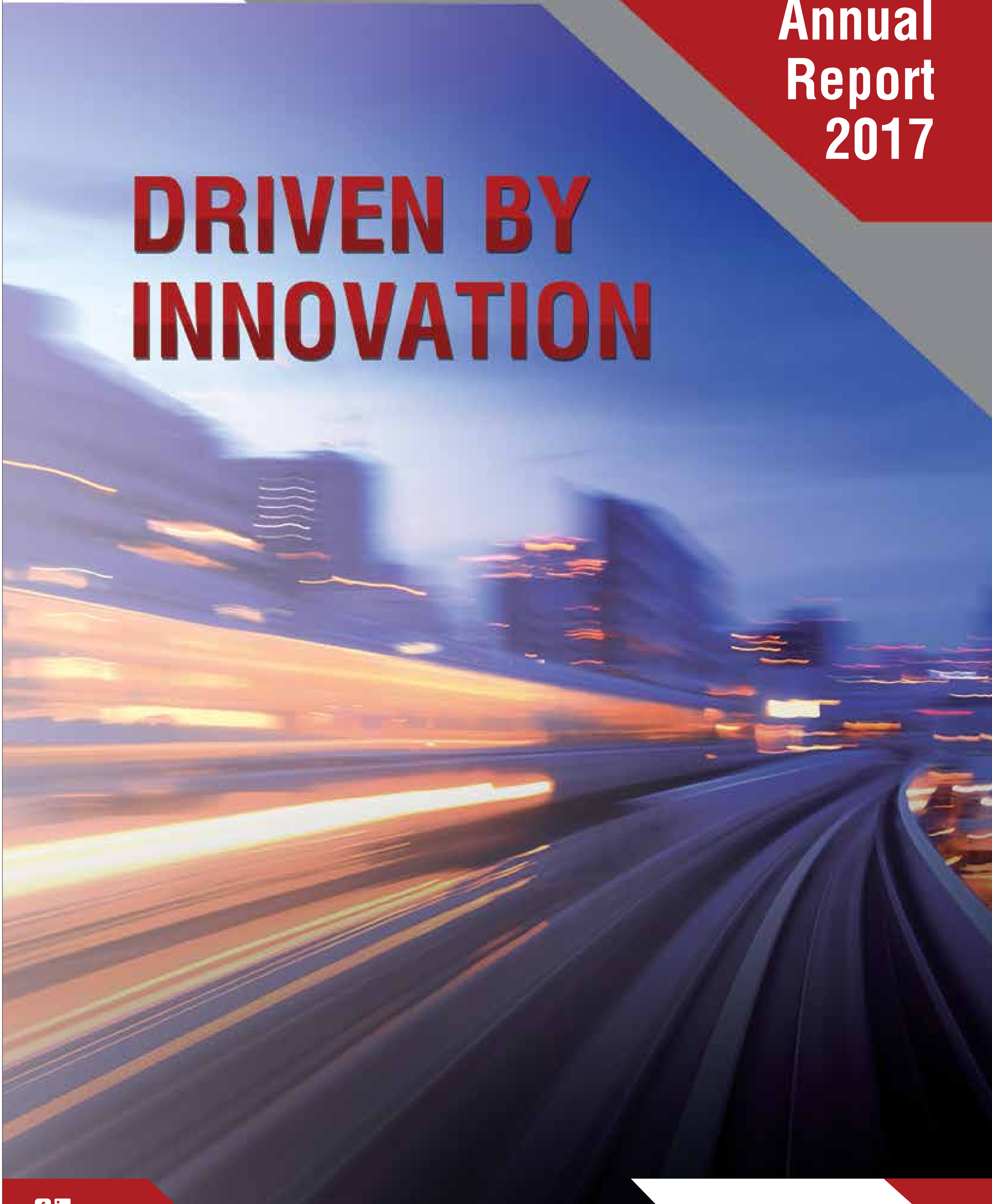
Annual Report 2017

DRIVEN BY INNOVATION



TPLTrakker.com
UAN:111-000-300

TPLTrakker

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Laid the Foundation of TPL Trakker (1999)

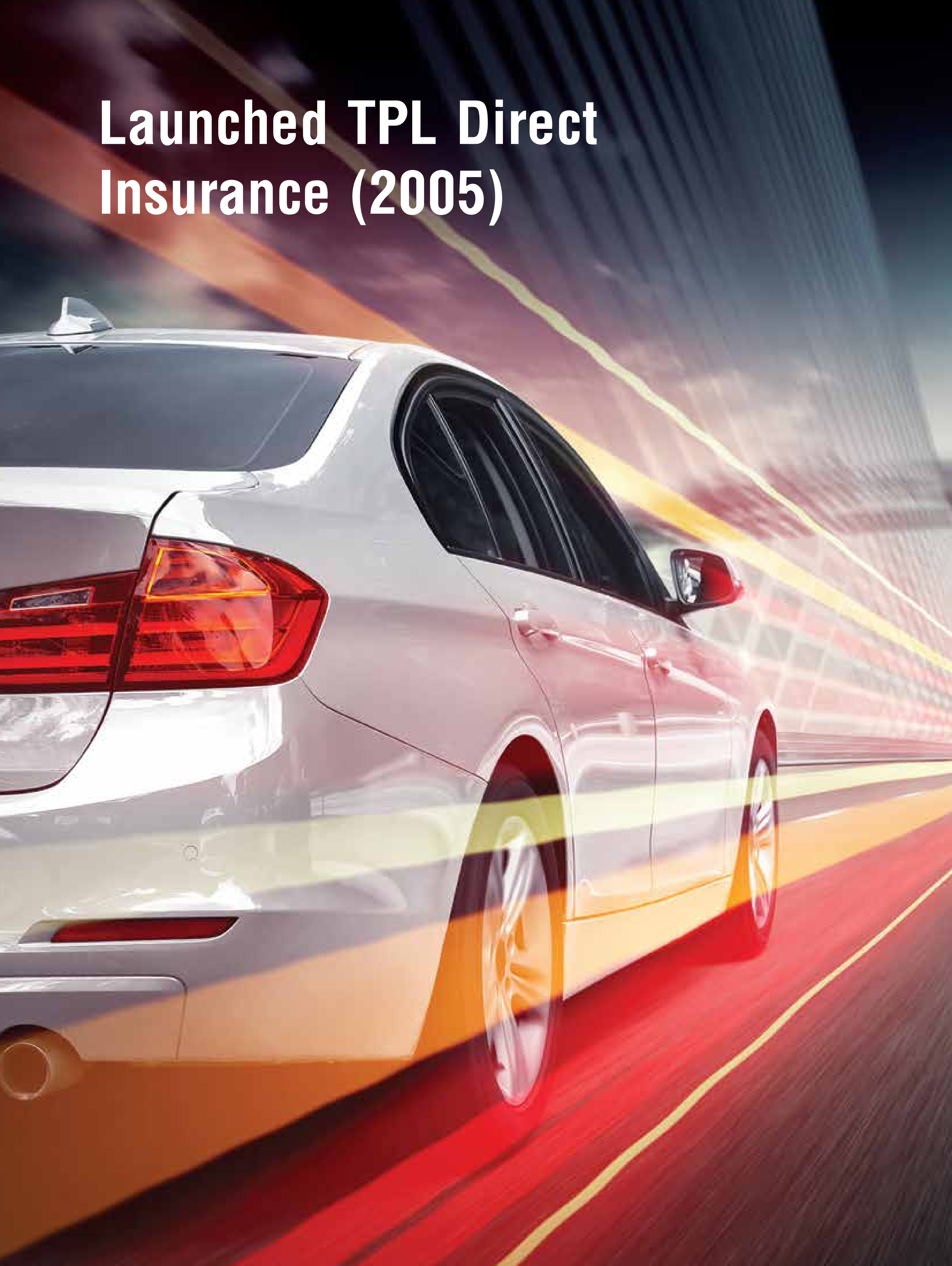
Vision

To be the market leader for bringing innovative solutions and products to Pakistan and beyond.

Mission

In continuation of the vision to be the best of the best in everything and anything we do and setting benchmarks for outside.

Launched TPL Direct Insurance (2005)



Core Values

INTEGRITY:

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

EXCELLENCE:

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

MAXIMUM STAKEHOLDER RETURN:

We are focused on creating sustainable value for all stakeholders.

RESPECT:

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

CORPORATE SOCIAL RESPONSIBILITY:

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

INNOVATION:

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

EQUAL OPPORTUNITY EMPLOYER:

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

Group Profile

TPL Trakker

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

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

TPL Life

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

TPL Direct Insurance

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

TPL Properties

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

TPL روپیہ

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

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

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

TPL Security Services

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

Trakker Energy (Pvt.) Ltd.

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

Company Information

BOARD OF DIRECTORS

Jameel Yusuf (S.St.)	Director / Chairman
Ali Jameel	Director
Maj Gen (R) Zafar-ul-Hasan Naqvi	Director
Mark Rousseau	Director
Nadeem Arshad Elahi	Director
Saad Nissar	Director
Vice Admiral (R) Muhammad Shafi HI (M)	Director
Bilal Alibhai	Director

CHIEF EXECUTIVE OFFICER
Ali Jameel

CHIEF FINANCIAL OFFICER
Yousuf Zohaib Ali

AUDIT COMMITTEE

Nadeem Arshad Elahi	Chairman
Maj Gen (R) Zafar-ul-Hasan Naqvi	Member
Saad Nissar	Member
Naseer Ali Khan	Secretary

HUMAN RESOURCE & REMUNERATION COMMITTEE

Maj Gen (R) Zafar-ul-Hasan Naqvi	Chairman
Ali Jameel	Member
Nadeem Arshad Elahi	Member
Nader Nawaz	Secretary

AUDITORS
EY Ford Rhodes
Chartered Accountants

LEGAL ADVISOR
Mohsin Tayebaly & Co.

BANKERS
Habib Metropolitan Bank Limited
Standard Chartered Bank Limited
National Bank of Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Habib Bank Limited
JS Bank Limited
Bank Al Habib Limited
Bank Islami
United Bank Limited
Al Baraka Bank (Pakistan) Limited
Bank of Punjab
Summit Bank
Faysal Bank Limited
Silkbank Limited

SHARE REGISTRAR
THK Associates
1st Floor, 40-C, Block-6, PECHS,
Karachi-75530, Pakistan.
Tel: (021) 34168270
UAN: 111-000-322
Fax: (021) 34168271

REGISTERED OFFICE
12th Floor, Centrepoint, Off
Shaheed-e-Millat Expressway,
Adjacent KPT Interchange, Karachi,
Postal Code: 74900

WEB PRESENCE
www.tpltrakker.com

Geographical Presence

KARACHI
CORPORATE OFFICE
12th &13th Floor, Centrepoint, Off Shaheed-e-Millat Expressway, Adjacent KPT Interchange,
Karachi, Postal code-74900

LAHORE OFFICE
51-M, Denim Road, Quaid-e-Azam Industrial Estate (Kot Lakhpat), Lahore
UAN: +92-42-111-000-300
FAX: +92-42-35157233

TPL TRAKKER INSTALLATION CENTER
20-B, Block 6, P.E.C.H.S., Karachi (Behind Bank Al Habib Islamic Banking Branch on Main Shahrah-e-Faisal)
Phone: +92-21-34324011-13
UAN: +92-21-111-000-300
FAX: +92-21-34324014

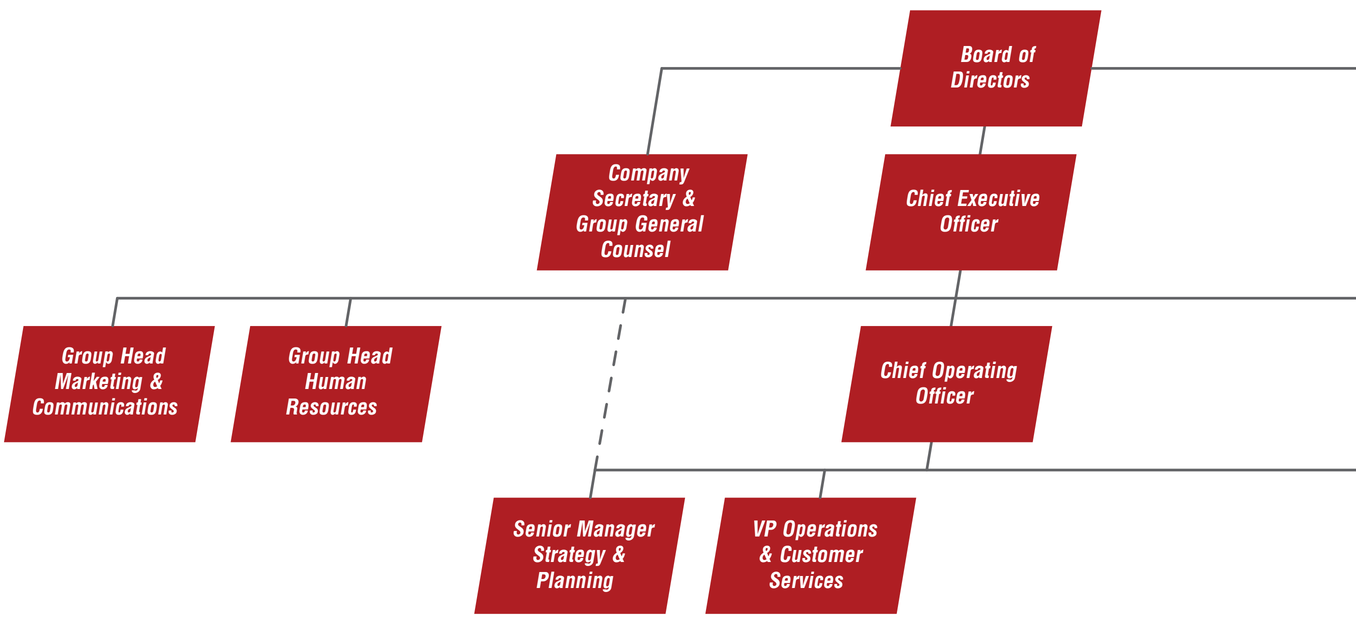
ISLAMABAD OFFICE
10th Floor (South) ISE Towers, 55-B Jinnah Avenue, Blue Area, Islamabad.
UAN: +92-51-111-000-300 FAX: +92-51-2895073

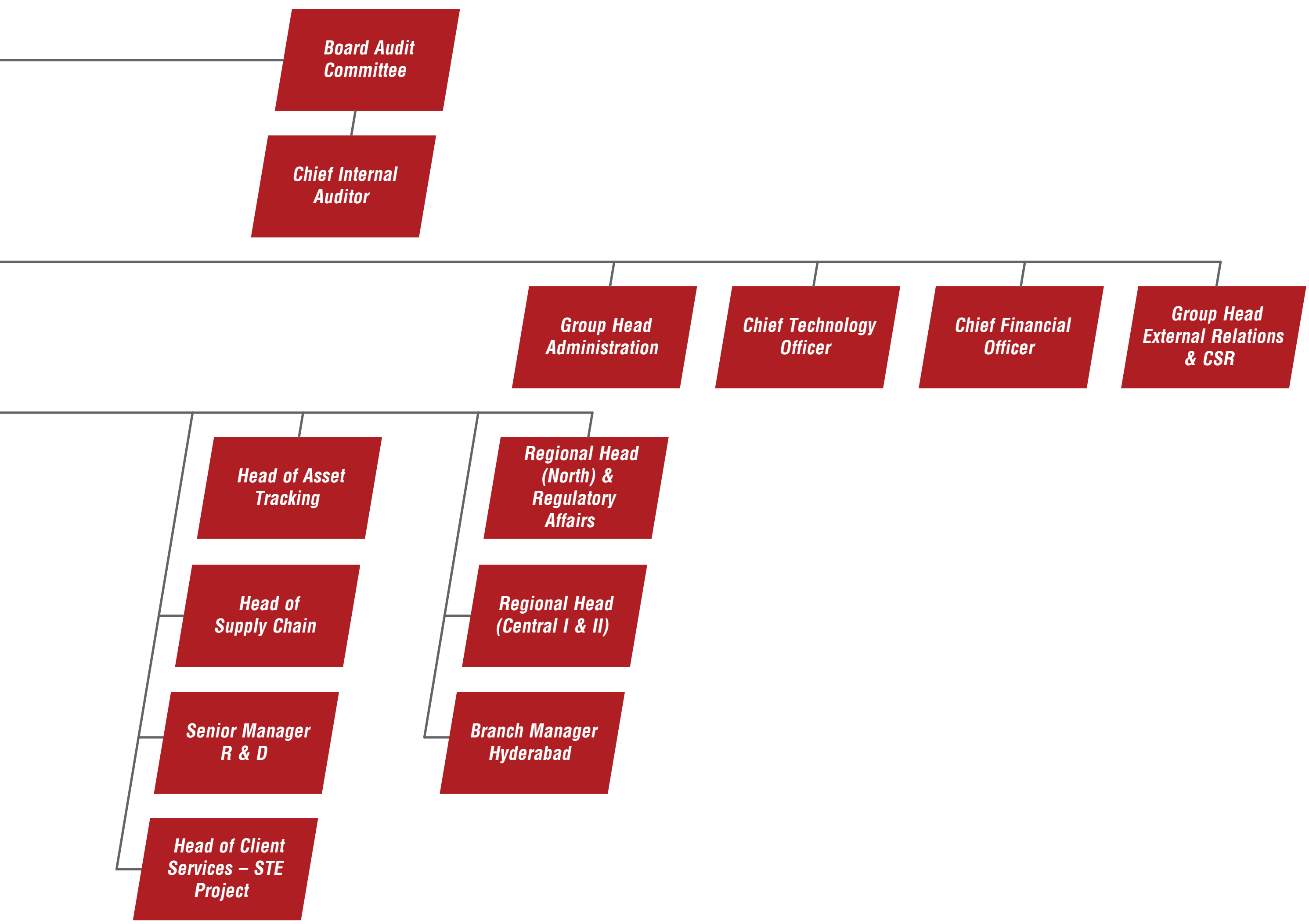
MULTAN OFFICE
House No. 5, Suraj Miani Road, Opp. Ashraf Cardiac Clinic, Chungi No. 1, Multan
UAN: +92-61-111-000-300
FAX: +92-61-4519391

FAISALABAD OFFICE
P-6161, West Canal Road, Faisalabad
UAN: 041-111-000-300,
Phone: +92-41-8501471-3
Fax: +92-41-8501470

HYDERABAD OFFICE
A-8 District Council Complex, Hyderabad.
Phone: +92-22-2728676
FAX: +92-22-2783154

Organogram


Board of Directors
Company Secretary & Group General Counsel
Chief Executive Officer
Group Head Marketing & Communications
Group Head Human Resources
Chief Operating Officer
Senior Manager Strategy & Planning
VP Operations & Customer Services


Board Audit Committee
Chief Internal Auditor
Group Head Administration
Chief Technology Officer
Chief Financial Officer
Group Head External Relations & CSR
Head of Asset Tracking
Head of Supply Chain
Senior Manager R & D
Head of Client Services – STE Project
Regional Head (North) & Regulatory Affairs
Regional Head (Central I & II)
Branch Manager Hyderabad

CEO's Message

The previous year was full of countless possibilities. As a nation, we experienced historic shifts in the economy, advancements in technology, politics, demographics and consumer behavior to mention a few. As the world continues to digitize, people are taking advantage of the exciting and empowering possibilities new technologies have to offer. TPL Trakker Ltd has always been at the forefront of innovation; and for the last 17 years, we have pioneered the introduction of new technologies in order to harness its potential to benefit our valued stakeholders.

Moving forward, we are excited about TPL entering a new era as we will come together to form the conglomerate known as TPL Corp. The Group will consist of investments across the insurance, real estate, transport, securities, technology and financial services sectors. To this end, The China Pakistan Economic Corridor (CPEC) will create tremendous value for TPL Trakker by providing the opportunity to tap into the growth of the local transport sector. TPL Maps will continue to position itself as the premier location-based services company in Pakistan. It is geared to bring about a digital change engine across multiple industries, supporting efficiencies in logistics, data-driven info-metrics and supporting start-ups using Location based services in the country. We believe TPL Maps has the potential to drive digital change in Pakistan and are confident that as a solution it can be beneficial to industries across the board.

This year the company will focus towards strengthening its current position as the pre-eminent Tracking and Fleet Management provider in the Country. To that end, the Company will work towards launching a nationwide Franchise network of partners and re-structure the current sales functions nationally to increase penetration from retail and corporate channels. Furthermore at the tracking front, we will continue our commitment to innovation by introducing more advance devices as part of its product offering with a focus on launching platforms that provide in-depth visibility and data services/solutions to assist clients in making real-time decision making for improved operation and cost efficiencies. There are tremendous opportunities for growth on the horizon in all our business verticals and we are looking forward to capitalizing on all of them.

We continue to build our teams and look forward to working together under the new structure. Our people are the key to our success and it is because of their dedication and effort that we have shown positive growth throughout these years. We will continue to invest in our human resource as we believe they are our most valuable assets.

I would also like to take this opportunity to extend my sincere appreciation to all my team members and stakeholders for their hard work and dedication in achieving the goals of the Company. Let's work together to reach even greater heights.

Best,
Ali Jameel

Introduced the First Digital Mapping Solution in Pakistan (2016)

Board of Directors

Board of Directors

JAMEEL YUSUF (S.ST.)

Chairman

Mr. Jameel Yusuf Ahmed is a businessman by profession and is the Chairman of TPL Holdings (Pvt.) Ltd. He was the founder Chairman of Citizen-Police Liaison Committee (CPLC), and remained its Chairman from September 1989 to March 2003. He is also the Director of Asia Crime Prevention Foundation (ACPF) and is the founding trustee of "PANAH", a shelter home established for women in distress. Mr. Yusuf is also a member of Advisory Council Fellowship (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.

ALI JAMEEL

CEO

Mr. Ali Jameel is the CEO of TPL Trakker Ltd., Pakistan's first vehicle tracking company. He is also the director of TRG Pakistan Ltd. Formerly Mr. Jameel was the Chief Executive of Jahangir Siddiqui Investment Bank. He has also held several advisory posts in Board of Investment, Economic Advisory Council, the 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.

Mr. Zafar Naqvi is a Management professional with vast experience of management both in the local and multinational environment. He joined the Corporate Sector in 1996 as a Director in AGP (Pvt) Ltd., a leading Pharmaceutical Company and in 3 years time he became the Chief Operating Officer of the Company and held this position till his retirement in 2007. Thereafter, he served as Director and Advisor, in Merck (Pvt.) Ltd., a German Pharmaceutical Company for 5 years, till 2012. Currently he is Director and Advisor in a Pharmaceutical Company of OBS Group. Prior to joining corporate sector, Mr. Zafar Naqvi has served in Pakistan Army for over 30 years. Mr. Zafar Naqvi has also been conferred upon Presidential Award, Sitara-e-Imtiaz (Military). Mr. Zafar holds an M.B.A and M.Sc. degree in Strategic Management from Quaid-e-Azam University, Islamabad.

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

Board of Directors

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 at its head offices in Washington DC, USA where he served as TRG's head of North American Operations. Prior to TRG, he was an Associate in the Global Business Development Group at Terra Lycos Inc. in Waltham, Massachusetts, 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, supply- chain solutions for the global textiles industry, based in New York. Prior to FTA Direct, he served as Director of Manufacturing for over six years at Tanveer Textiles, a family business involved in the production of finished, textile fabrics in Pakistan. Mr. Elahi was amongst the founding members of OPEN (Organization of Pakistani Entrepreneurs of North America), Washington, DC Chapter. Mr. Elahi has an MBA from Harvard Business School and a BA in Mathematics and Economics from Brown University, USA.

Mr. Saad Nissar is an experienced marketing professional. He joined TPL Trakker Limited in the year 2000 at its inception as National Sales Manager. Mr. Nissar has been instrumental in the setting up and executing retail network nationwide, successful packaging and promoting of fleet management and portfolio management services in the corporate sector and Financial Institution Group (FIG) of Pakistan respectively. Mr. Nissar was appointed as Director of TPL Direct Insurance (TDI) effective July 2005 and consequently he assumed the role of Chief Executive Officer. TDI has won "Brand of the Year Award" for six consecutive years under his leadership. Mr. Nissar holds an MBA degree from the Institute Of Business Administration.

Mr. Mark Rousseau was 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.

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

Listed in KSE & Became a Public Limited Company (2012)

Sustainability

Sustainability Report

IMPACT PORTFOLIO AT A GLANCE

Environment
Around 1 km radius public area surrounding our corporate head office transformed into green spaces, emphasizing on vegetation.

Around 65% energy conserved by using efficient technologies

Health
931 beneficiaries were provided with healthcare facilities

Employee Training
481 employees trained in various technical and soft skills

Education
57 beneficiaries were provided with educational opportunities

Vehicle Recovery
72.24% vehicles recovered after theft and snatching

INTRODUCTION

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

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

SUSTAINABILITY GOALS

Inspired by the Sustainable Development Goals 2030 by United Nations, TPL Trakker Limited and its group companies have invested above Rs. 30 million in the areas of education, health, and environment just during the last financial year.

REPORTING PERIOD

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

MEMBERSHIP OF INDUSTRY BODIES

TPL Trakker Limited is a member of:

1. Overseas Investors Chamber of Commerce and Industry (OICCI)
2. Karachi Chamber of Commerce and Industry (KCCI)
3. Pakistan Software Houses Association (P@SHA)
4. Pakistan Software Export Board (PSEB)
5. Pakistan Business Council (PBC)

ECONOMIC PERFORMANCE

a) Economic Value Generation

We are clear that we can become a partner of choice for our customers/suppliers and create long-term business value through a strict focus on ethics and responsibility.

b) Direct and Indirect Taxes

During the last financial year, the impact of income tax and sales tax was Rs. 294 million.

c) Development and impact of infrastructure investments

The company believes that investment in IT infrastructure and the creation of knowledge and expertise adds value to society.

d) Investment and Procurement practices

The company adheres to international best practices in investment and procurement. We prefer business partners that are internationally affiliated, and are in compliance with economic and environmental best practices.

ENVIRONMENTAL PERFORMANCE

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

a) Eco-friendly environment around TPL

TPL Trakker has taken the responsibility of transforming around 1 KM radius public area surrounding our corporate head office into green spaces emphasizing on vegetation. It reinstates the commitment to create a more eco-friendly environment without making sweeping changes that require considerable effort.

b) Conservation of Energy

Smart-lighting Solutions: The Company has taken measures to conserve energy at its premises by installing smart lighting solutions that minimizes energy usage.

Double-glazed Glass Façade: High-quality energy efficient glass facade has been installed to save energy used for lighting and air conditioning. Research has shown that usage of double-glazed glass façade reduces the energy consumption up to 65% (United Kingdom Department of Environment).

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

c) New Suppliers Screening

The Company ensures through and extensive screening of new suppliers and performs a comprehensive KYC of all its vendors.

d) Ozone Depleting Substances

We make carbon footprint reduction and energy saving in the products we installed at priority and meet environmental standards to save customers money.

e) Environmental Impacts in the Supply Chain

The Company ensures good environmental practices throughout its extended supply chain process. As a conscious effort, the organization exclusively does business with partners who endorse its ethical values, along with its highly progressive social and environmental standards.

SOCIAL PERFORMANCE

HUMAN RESOURCE

a) Local Hiring and Code of Conduct

As a responsible company, we seek to empower our employees and people from the communities where we operate. We also believe in disseminating these values and the ethics for strict adherence to our way of conducting business.

Impact Numbers

New recruitments during the year	Number	250
Code of conduct trained	Percentage	100%

b) Workforce Diversity

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

Female Employees	53 employees (5.9% of workforce)
Male Employees	844 employees (94.1% of workforce)
Average age of employees	31 years
Female HODs	1

c) Health & Safety

The health and safety of its employees is of utmost concern to the company. The company has declared all office-working areas as smoke-free; separate areas have been designated for smoking. In addition regular and comprehensive safety and fire drills are conducted to make sure that the staff is completely equipped in case of any unfortunate situation.

Fatalities	1
Total illness absence rate	16.2%
Safety Drills Conducted	3
Fire Drills Conducted	2

d) Employee Training and Development

The company believes in continuous intellectual and technical development of its human resource and extensively invests in strategically designed training and development programs. An amount of Rs. 13.6 million has been allocated in the yearly budget for employee training and development in various technical and soft skills.

Impact Numbers

481 employees were trained

HEALTH

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

Impact Numbers

931 patients were provided healthcare facilities during the last financial year

a) Indus Hospital

Indus hospital focuses on providing free of charge healthcare facilities accessible to everyone.

Our Contribution

To support Indus hospital in its efforts of providing high quality health care service to the poor, TPL Trakker and one of its group companies provided Rs. 5 million financial assistance for the treatment of 22 individuals. The patients were predominantly from the rural and underdeveloped urban strata with virtually no access to medical facilities.

b) Child Life Foundation

Child Life Foundation aims to tackle the health-related challenges that are prevalent in the slum neighborhoods of Karachi through a comprehensive healthcare system that includes emergency care, primary care, and preventive care.

Our Contribution

The company donated Rs. 400,000 for the primary healthcare of 571 patients.

c) Sindh Institute of Urology and Transplantation (SIUT)

SIUT provides free medical treatment for kidney, liver, and cancers. It is also a renowned center in Pakistan for ethical kidney transplantation.

Our Contribution

TPL Trakker and one of its group companies donated Rs. 5 million for the procurement of two dialysis machines and the treatment of 20 patients.

d) Patients' Aid Foundation

Patients' Aid Foundation (PAF) is a charity-based organization committed to provide free quality healthcare through the collaboration of Jinnah Postgraduate Medical Centre (JPMC).

Our Contribution

One of our group companies donated Rs. 2.5 million for the treatment of 25 patients.

e) Aga Khan Hospital and Medical College Foundation

Aga Khan Hospital and Medical College Foundation was established for setting up, maintaining, administering and running teaching hospitals as well as other health care facilities, medical colleges and other institutions of learning and research as specifically contained in its Memorandum of Association.

Our Contribution
One of our group companies donated Rs. 1 Million for the treatment of 20 patients.

f) Al-Umeed Rehabilitation Association
Al Umeed Rehabilitation Association is a non-for-profit organization catering to the rehabilitation needs of children with mental disabilities and adults with cerebral palsy.

Our Contribution
One of our group companies donated Rs. 500,000 for the monthly rehabilitation of 33 individuals with cerebral palsy.

g) Bait-ul-Sukoon
Bait-ul-Sukoon is the only free cancer hospital with a hospice in Pakistan. One of our group companies donated Rs. 200,000 to the hospital.

h) Blood Donation by TPL Trakker Employees
TPL Trakker conducted blood donation drives in-house for various institutions, where 80 employees donated their blood. According to WHO, each unit of blood donation can save up to three lives; therefore, the donation drive at TPL impacted around 240 lives.

Success Story

Tahira
Tahira had a comfortable life in her hometown Sujawal until one day her niece had a major breathing problem and stopped taking feed. With limited health facilities in Sujawal, her sister lost all the hopes of having her back. The resilient Tahira travelled all the way to Karachi and rushed to NICH Emergency Room, which is an initiative of Child life Foundation. Within two days, Tahira got her niece recovered. With the funding of TPL Trakker, 571 patients like Tahira's niece were able to get free treatment.

EDUCATION
As many as 44% children in Pakistan between the ages of five and 16 are still out of school (Ministry of Federal Education & Professional Training – Government of Pakistan, 2017). Education is vital to transform the life of a child but for many this is a distant dream. With a focus in the field of education, TPL Trakker has generously supported and promoted various educational organizations.

Impact Numbers
57 students were impacted in the field education

a) Institute of Business Administration (IBA)
IBA is an autonomous degree awarding institute based in Karachi. It has established itself as a premier business school in Pakistan with a strong track record of over fifty years of producing quality undergraduates and post-graduates in Business and Computer Sciences.

What we did?
TPL has a long-term commitment for the development of Institute of Business Administration (IBA), Karachi. Till date, TPL has donated Rs. 13.5 million for the infrastructural development of the institute.

b) Habib University
Habib University is the first dedicated Liberal Arts & Sciences University that offers interdisciplinary education with its unique liberal core.

What we did?
One of our group companies contributed Rs. 2 million to sponsor the studies of two students studying in the undergraduate program.

c) Fazilia Trust
Fazilia Trust Pakistan is a multi-sectorial non-profit organization that works for the betterment of underdeveloped and marginalized communities within the country.

What we did?
TPL Trakker contributed Rs. 240,000 as financial assistance to eight underprivileged students studying in a school run by Fazilia Trust.

d) Hunar Foundation
Hunar Foundation's key objective is to provide school graduates and other young adults with international standard vocational training that meets the expectations of the market, leading to employment or small business creation.

What we did?
TPL Trakker donated Rs. 250,000 as financial assistance to three underprivileged students to get training in the areas of Electrical & Electronics Technology and Mechanical Manufacturing.

e) TPL's Children Education Policy
According to the comprehensive and inclusive Staff Children Education Policy of TPL, two children of the junior cadre employees are eligible for free education till matriculation.

What we did?
44 children benefited from the Children Education Policy. As there is no restriction on the kind of schools, numerous children of our employees are studying in some of the most renowned schools of the country.

Success Story

Noman Saleem
When Noman was asked, what he aims to be in future – without a second thought, he uttered, "a man who helps orphans get education". Nine years old young, Noman, was abandoned by his father, who is a drug addict. With the funds from TPL Trakker to Fazilia Trust, he is not only getting formal education but also a shelter to live a decent life. He attained 75% in last semester and aims to be the first in his class in final semester.

VEHICLE RECOVERY

The core business operations of TPL Trakker fall under the paradigm of a social development entity that complements the initiatives taken by the government to minimize crime rate and major financial loss to the public. With the efforts of its expert security team, TPL has managed to make 72.24% vehicle recoveries and practically eradicated Afghan-transit related smuggling.

Impact Numbers

Total Incidences (Theft & Snatching)	263
Recovered	190
Unrecovered	73
Recovery Rate	**72.24%**

Launched TPL Life Insurance (2017)

Stakeholder's Information

Horizontal Analysis Balance Sheet

	2017		2016		2015		2014		2013		2012	
	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %
Fixed Assets	2,671,840,457	35	1,977,766,267	4	1,898,447,308	2	1,861,798,904	7	1,740,325,959	3	1,695,005,517	(1)
Long-term investments	828,492,161	86	446,565,530	(2)	457,437,637	(41)	769,362,990	-	769,362,990	-	769,362,990	1
Long term loans	826,538	92	430,466	(25)	573,844	116	265,699	(79)	1,238,244	(15)	1,450,585	(2)
Long term deposits	45,331,228	49	30,480,042	21	25,086,521	(2)	25,585,297	46	17,541,876	13	15,558,430	53
Deferred tax	-	(100)	4,585,096	(61)	11,851,986	4,838	240,034	100	-	-	-	(100)
Stock-in-trade	356,122,525	21	293,838,894	16	253,138,304	15	220,129,876	62	135,846,316	105	66,257,079	106
Trade debts	1,207,344,403	16	1,037,594,835	21	856,010,250	27	672,942,655	32	508,641,088	16	437,596,330	26
Short-term investments	758,780,449	(2)	772,530,449	14	677,930,449	54	439,000,000	-	439,000,000	-	439,000,000	(2)
Loan and advances	9,768,879	5	9,295,832	(78)	42,176,662	109	20,196,108	176	7,320,012	(60)	18,389,856	5
Trade deposits and prepayments	36,582,040	(1)	36,843,396	(41)	62,915,122	75	36,029,133	15	31,304,048	235	9,338,723	(23)
Accrued mark-up	12,002,478	(53)	25,631,555	(66)	75,585,621	22	61,724,218	6	58,441,218	20	48,581,110	72
Other receivables	19,448,696	138	8,183,397	56	5,251,582	36	3,852,485	(18)	4,700,657	11	4,234,890	(9)
Due from related parties	106,012,827	(68)	328,337,808	33	246,161,190	267	67,066,023	8	61,861,117	(55)	136,402,468	(34)
Taxation- net	46,721,208	100	-	(100)	4,725,492	100	-	(100)	4,027,914	100	-	-
Cash and bank balances	40,354,665	(46)	74,082,114	15	64,146,224	14	56,470,863	2,605	2,087,853	(33)	3,105,357	80
TOTAL ASSETS	**6,139,628,554**		**5,046,165,681**		**4,681,438,192**		**4,234,664,285**		**3,781,699,292**		**3,644,283,335**	
Issued, subscribed and paid-up capital	2,172,489,630	-	2,172,489,630	-	2,172,489,630	-	2,172,489,630	-	2,172,489,630	16	1,872,489,630	-
Revenue Reserve - unappropriated profit	789,218,929	2	771,646,701	23	625,309,601	69	370,764,764	31	282,353,186	17	240,349,839	35
Advance against sale of shares	-	-	-	-	-	-	-	-	-	(100)	300,000,000	100
Surplus on revaluation of Fixed Assets	228,790,596	100	-	-	-	-	-	-	-	-	-	-
Long term loan	290,277,330	473	50,653,413	(58)	121,666,672	-	-	(100)	16,666,668	(67)	50,000,000	100
Long term financing	622,968,751	(14)	724,255,448	247	208,824,831	(25)	279,829,529	100	-	-	-	-
Deferred liabilities	3,606,177	(33)	5,377,780	(46)	10,014,427	156	3,913,694	(71)	13,300,486	(50)	26,645,672	36
Liabilities against assets subject to finance lease	10,975,935	(47)	20,717,461	(35)	31,804,242	80	17,652,009	318	4,223,100	(27)	5,798,479	(76)
Trade and other payables	517,911,684	43	360,982,256	(35)	551,933,389	38	399,799,254	29	310,450,741	23	252,536,512	(35)
Accrued mark-up	49,228,099	(52)	103,519,045	48	70,052,510	183	24,738,934	(78)	110,189,226	50	73,637,615	95
Running finance under mark-up arrangements	876,719,637	108	420,965,430	52	276,890,459	(33)	412,519,367	(13)	471,537,574	31	358,830,662	(5)
Short-term financing	62,238,722	82	34,199,476	(55)	75,920,456	100	-	(100)	35,000,000	(19)	43,000,000	(69)
Due to related parties	87,748,925	29	68,159,261	(68)	212,771,784	(38)	342,518,425	59	215,900,016	28	168,869,202	(12)
Taxation - net	-	-	866,482	-	-	(100)	3,812,177	100	-	(100)	14,140,909	(51)
Current portion of non-current liabilities	259,892,691	26	207,051,627	(18)	252,687,942	93	131,157,303	112	61,778,654	12	55,136,410	(24)
Advance monitoring fees	167,561,448	59	105,281,671	48	71,072,249	(6)	75,469,199	(14)	87,810,011	(52)	182,848,405	(31)
TOTAL EQUITY AND LIABILITIES	**6,139,628,554**		**5,046,165,681**		**4,681,438,192**		**4,234,664,285**		**3,781,699,292**		**3,644,283,335**	

Horizontal Analysis Profit And Loss Account

	2017		2016		2015		2014		2013		2012	
	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %
Turnover - net	1,506,281,654	(2)	1,537,180,808	5	1,457,620,441	4	1,404,758,554	36	1,035,378,633	7	965,636,316	14
Cost of sales	(716,495,191)	(6)	(761,838,325)	6	(716,975,746)	7	(671,633,077)	38	(487,816,706)	7	(455,685,676)	23
Gross profit	**789,786,463**	**2**	**775,342,483**	**5**	**740,644,695**	**1**	**733,125,477**	**34**	**547,561,927**	**7**	**509,950,640**	**7**
Distribution expenses	(239,918,365)	4	(231,753,991)	1	(229,918,551)	(4)	(240,048,857)	41	(170,712,752)	65	(103,544,133)	18
Administrative expenses	(368,525,475)	13	(326,818,274)	6	(309,142,340)	12	(276,800,294)	13	(245,394,969)	19	(205,560,324)	7
Other operating expenses	-	-	-	-	-	-	-	-	-	(100)	(3,981,380)	139
Operating profit	**181,342,623**	**(16)**	**216,770,218**	**8**	**201,583,804**	**(7)**	**216,276,326**	**65**	**131,454,206**	**(33)**	**196,864,803**	**1**
Finance costs	(149,727,603)	21	(123,634,898)	(14)	(143,619,659)	10	(130,389,687)	16	(111,986,659)	(12)	(127,672,332)	18
Other Income	49,093,642	9	44,895,502	(75)	176,315,966	261	48,855,642	9	44,750,896	(21)	56,512,919	36
Worker's welfare fund	(771,221)	(77)	(3,394,798)	(24)	(4,490,657)	52	(2,952,305)	136	(1,248,369)	(50)	(2,514,108)	(7)
Exchange loss	(588,438)	(94)	(9,179,285)	(18)	(11,253,660)	100	-	-	-	-	-	-
Profit before taxation	**79,349,003**	**(37)**	**125,456,739**	**(43)**	**218,535,794**	**66**	**131,789,976**	**109**	**62,970,074**	**(49)**	**123,191,282**	**(2)**
Taxation	(22,445,698)	(64)	(62,847,532)	285	(16,311,997)	(62)	(43,378,398)	222	(13,484,569)	(67)	(40,693,539)	23
Profit / (Loss) after taxation	**56,903,305**	**(9)**	**62,609,207**	**(69)**	**202,223,797**	**129**	**88,411,578**	**79**	**49,485,505**	**(40)**	**82,497,743**	**(11)**
Other comprehensive income	**(14,054,297)**	**(117)**	**83,727,893**	**63**	**51,212,890**	**100**	**-**	**-**	**-**	**-**	**-**	**-**
Total comprehensive income	**42,849,008**	**(71)**	**146,337,100**	**(42)**	**253,436,687**	**187**	**88,411,578**	**79**	**49,485,505**	**(40)**	**82,497,743**	**(11)**

Vertical Analysis of Balance Sheet

	2017	2016	2015	2014	2013	2012
Fixed Assets	**43.52%**	**39.19%**	**40.55%**	43.97%	46.02%	46.51%
Long-term investments	**13.49%**	**8.85%**	**9.77%**	18.17%	20.34%	21.11%
Long term loans	**0.01%**	**0.01%**	**0.01%**	0.01%	0.03%	0.04%
Long term deposits	**0.74%**	**0.60%**	**0.54%**	0.60%	0.46%	0.43%
Deferred tax	**0.00%**	**0.09%**	**0.25%**	0.01%	0.00%	0.00%
Stock-in-trade	**5.80%**	**5.82%**	**5.41%**	5.20%	3.59%	1.82%
Trade debts	**19.66%**	**20.56%**	**18.29%**	15.89%	13.45%	12.01%
Short-term investments	**12.36%**	**15.31%**	**14.48%**	10.37%	11.61%	12.05%
Advance against property	**0.00%**	**0.00%**	**0.00%**	0.00%	0.00%	0.00%
Loan and advances	**0.16%**	**0.18%**	**0.90%**	0.48%	0.19%	0.50%
Trade deposits and prepayments	**0.6%**	**0.73%**	**1.34%**	0.85%	0.83%	0.26%
Accrued mark-up	**0.2%**	**0.51%**	**1.61%**	1.46%	1.55%	1.33%
Other receivables	**0.32%**	**0.16%**	**0.11%**	0.09%	0.12%	0.12%
Due from related parties	**1.73%**	**6.51%**	**5.26%**	1.58%	1.64%	3.74%
Taxation- net	**0.76%**	**0.00%**	**0.10%**	0.00%	0.11%	0.00%
Cash and bank balances	**0.66%**	**1.47%**	**1.37%**	1.33%	0.06%	0.09%
Total Assets	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Issued, subscribed and paid-up capital	**35.4%**	**43.1%**	**46.4%**	51.3%	57.4%	51.4%
Revenue Reserve - unappropriated profit	**12.9%**	**15.3%**	**13.4%**	8.8%	7.5%	6.6%
Surplus on revaluation of Property and equipment	**0.0%**	**0.0%**	**0.0%**	0.0%	0.0%	0.0%
Long term loan	**3.7%**	**0.0%**	**0.0%**	0.0%	0.4%	1.4%
Long term liabilities	**4.7%**	**1.0%**	**2.6%**	6.6%	0.0%	0.0%
Deferred liabilities	**10.1%**	**14.4%**	**4.5%**	0.1%	0.4%	0.7%
Liabilities against assets subject to finance lease	**0.1%**	**0.1%**	**0.2%**	0.4%	0.1%	0.2%
Trade and other payables	**0.2%**	**0.4%**	**0.7%**	9.4%	8.2%	6.9%
Accrued mark-up	**8.4%**	**7.2%**	**11.8%**	0.6%	2.9%	2.0%
Running finance under mark-up arrangements	**0.8%**	**2.1%**	**1.5%**	9.7%	12.5%	9.8%
Short-term financing	**14.3%**	**8.3%**	**5.9%**	0.0%	0.9%	1.2%
Due to related parties	**1.0%**	**0.7%**	**1.6%**	8.1%	5.7%	4.6%
Taxation - net	**1.4%**	**1.4%**	**4.5%**	0.1%	0.0%	0.4%
Current portion of non-current liabilities	**0.0%**	**0.0%**	**0.0%**	3.1%	1.6%	1.5%
Advance monitoring fees	**4.2%**	**4.1%**	**5.4%**	1.8%	2.3%	5.0%
Advance against sale of shares	**2.7%**	**2.1%**	**1.5%**	0.0%	0.0%	8.2%
TOTAL EQUITY AND LIABILITIES	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Vertical Analysis of Profit And Loss Account

	2017	2016	2015	2014	2013	2012
Turnover - net	**100%**	100%	100%	100%	100%	100%
Cost of sales	**-48%**	-50%	-49%	-48%	-47%	-47%
Gross profit	**52%**	50%	51%	52%	53%	53%
Distribution expenses	**-16%**	-15%	-16%	-17%	-16%	-11%
Administrative expenses	**-24%**	-21%	-21%	-20%	-24%	-21%
Other operating expenses	**0%**	0%	0%	0%	0%	0%
Operating profit	**12%**	14%	14%	15%	13%	20%
Finance costs	**-10%**	-8%	-10%	-9%	-11%	-13%
Other Income	**3%**	3%	12%	3%	4%	6%
Worker's welfare fund	**0%**	0%	0%	0%	0%	0%
Exchange loss - net	**0%**	-1%	-1%	0%	0%	0%
Profit before taxation	**5%**	8%	15%	9%	6%	13%
Taxation	**-1%**	-4%	-1%	-3%	-1%	-4%
Profit after taxation	**4%**	4%	14%	6%	5%	9%

Cash Flow Analysis

	2017	2016	2015	2014	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES						
Net profit before taxation	79,349,003	125,456,739	218,535,794	131,789,976	62,970,074	123,191,282
Adjustment for non cash charges and other items:						
Depreciation	136,247,540	119,843,256	109,993,202	78,895,775	71,374,160	64,034,609
Amortisation of intangible assets	50,103,602	57,536,170	43,829,792	43,095,877	34,037,853	18,758,989
Finance cost	149,727,603	123,634,898	143,619,659	130,389,687	111,986,659	127,672,332
Gain on sale of property and equipment	(3,691,013)	(2,055,305)	(6,458,137)	(2,519,467)	(5,621,713)	(1,466,301)
Rental income	-	(2,230,140)	(6,848,042)	(2,796,826)	(2,701,430)	
Exchange loss / (gain) - net	588,438	9,179,285	11,253,660	(22,909,091)	(2,312,316)	3,981,380
Bad debts written off	-	15,643,056	5,258,984	-	-	
Provision for bad debts	17,452,497	22,241,419	26,009,833	26,165,256	22,125,230	20,918,373
Assets write off	-	-	-	8,667,569	-	
Gain on disposal of investment in TDIL	(18,500,707)	-	(144,159,052)	-	-	-
Deferred income	(2,933,336)	(4,636,647)	(2,699,267)	(7,632,110)	(14,326,682)	(8,156,412)
	328,994,624	325,743,076	194,802,606	243,896,869	223,133,934	223,041,540
Operating profit before working capital changes	408,343,627	451,199,815	413,338,400	375,686,845	286,104,008	346,232,822
(Increase) / decrease in current assets						
Stock-in-trade	(118,824,188)	(40,700,590)	(25,428,185)	(84,283,560)	(69,589,237)	(34,117,855)
Trade debts – unsecured	(187,202,066)	(203,826,004)	(224,720,484)	(168,341,592)	(71,044,758)	(110,447,815)
Loans and advances	(473,047)	32,880,830	(21,980,554)	(12,876,096)	11,069,844	(893,236)
Trade deposits and prepayments	261,356	26,071,726	(26,885,989)	(4,725,085)	(21,965,325)	2,734,157
Other receivables	(11,265,299)	(2,931,817)	(1,399,097)	848,172	(465,766)	433,965
Accrued markup	13,629,077	49,954,066	(13,861,403)	(3,283,001)	(9,860,107)	(20,339,900)
Due from related parties	222,324,881	(82,176,618)	(179,095,167)	(5,204,856)	74,541,351	69,622,046
	(81,549,286)	(220,728,407)	(493,370,879)	(277,866,018)	(87,313,998)	(93,008,638)
Increase / (decrease) in current liabilities						
Trade and other payables	155,262,189	-190,951,134	176,311,307	87,986,645	59,575,248	(137,489,320)
Due to a related party – unsecured	19,589,664	(144,612,523)	(79,746,641)	126,618,409	47,030,814	(22,943,455)
Advance monitoring fees	62,279,778	34,209,422	(4,396,950)	(12,340,811)	(95,038,394)	(80,915,311)
Cash generated from operations	563,925,972	(70,882,827)	12,135,237	300,085,070	210,357,678	11,876,098
Receipts / (payments) for :						
Finance cost	(204,018,549)	(90,168,363)	(98,306,084)	(215,839,979)	(75,435,048)	(91,849,957)
Income taxes	(68,663,762)	(49,988,669)	(36,461,617)	(42,937,192)	(39,648,560)	(37,904,666)
	(272,682,311)	(140,157,032)	(134,767,701)	(258,777,171)	(115,083,608)	(129,754,623)
Net cash generated from operating activities	291,243,661	(211,039,859)	(122,632,464)	41,307,899	95,274,070	(117,878,525)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of - property and equipment	(299,866,037)	(73,588,880)	(84,018,492)	(68,744,306)	(97,436,235)	(47,204,060)
- capital work-in-progress	(23,271,293)	(66,921,983)	(72,914,888)	(148,892,521)	(17,589,541)	(6,350,000)
- intangible	(13,727,283)	(65,886,889)	(90,963,729)	(27,644,805)	(32,565,835)	(6,092,720)
- intangible assets under development	(253,695,713)	(60,831,039)	-			
Sale proceed from fixed assets	3,832,248	12,585,711	22,346,623	49,118,614	10,138,343	2,202,800
Long-term deposits	(14,851,186)	(5,393,521)	498,776	(8,043,421)	(1,983,446)	(5,359,440)
Long-term loans	-396,072	143,378	(308,145)	972,545	212,341	25,147
Investments	(440,280,021)	-	(185,925,004)	-	-	-
Proceed from disposal of investment in TDIL	76,550,000	-	455,400,000	-	-	-
Rental income	-	-	2,230,140	6,848,042	2,796,826	2,701,430
Net cash (used in) / generated from investing activities	(965,705,357)	(259,893,223)	46,345,281	(196,385,852)	(136,427,547)	(60,076,843)
CASH FLOWS FROM FINANCING ACTIVITIES						
Obligation under finance lease repaid	(9,877,116)	(28,222,317)	(18,528,686)	(30,620,580)	(23,755,448)	(44,581,990)
Dividend paid	(24,495,872)					
Receipt of long term loan	-	-	-	-	-	100,000,000
Long-term loans – net	303,735,035	(81,013,259)	188,000,000	(33,333,334)	(33,333,333)	(20,833,333)
Payment of long term financing	-	-	-	-	(20,833,341)	
Advance against sale of shares	-	-	-	-	300,000,000	
Share Issue cost paid	-	-	-	(7,482,158)	(20,702,873)	
Long term Financing - net	(112,421,253)	487,750,558	(25,800,318)	367,433,085	-	-
Short-term financing	28,039,246	(41,720,980)	75,920,456	(35,000,000)	(8,000,000)	(94,998,000)
Net cash generated (used in) / from financing activities	184,980,040	336,794,000	219,591,452	268,479,171	(72,570,939)	198,050,463
Net (decrease) / increase in cash and cash equivalents	(489,481,656)	(134,139,081)	143,304,268	113,401,218	(113,724,416)	20,095,095
Cash and cash equivalents at the beginning of the year	(346,883,316)	(212,744,235)	(356,048,503)	(469,449,721)	(355,725,305)	(370,274,278)
Cash and cash equivalents at the end of the year	(836,364,972)	(346,883,316)	(212,744,235)	(356,048,503)	(469,449,721)	(350,179,183)

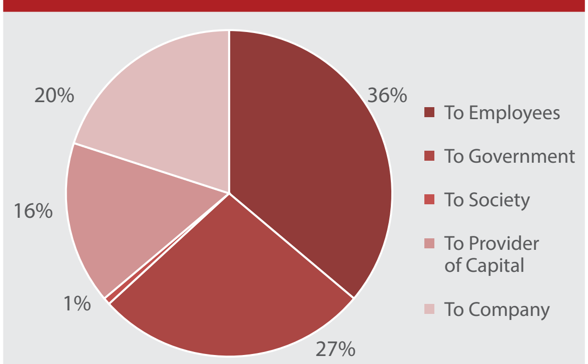
Ratio Analysis

		2017	2016	2015	2014	2013	2012
Profitability Ratios							
Gross Profit to Sales	percent	**52%**	50%	51%	52%	53%	53%
Net Profit to Sales	percent	**4%**	4%	14%	6%	5%	9%
EBITDA Margin to sales	percent	**28%**	28%	35%	27%	27%	35%
Return on Equity	percent	**2%**	2%	7%	3%	2%	4%
Return on Capital Employed	percent	**1%**	2%	6%	3%	2%	3%
Liquidity Ratios							
Current Ratio	Ratio	**1.28**	1.99	1.51	1.13	0.97	1.01
Quick / Acid test ratio	Ratio	**1.11**	1.76	1.35	0.98	0.86	0.95
Cash to Current Liabilities	Ratio	**0.02**	0.06	0.04	0.04	0.00	0.00
Cashflow from Operations to sales	Ratio	**0.19**	-0.14	-0.08	0.03	0.09	-0.12
Activity/ Turnover Ratios							
Inventory turnover	Number of times	**2**	3	3	4	5	9
No of days in inventory (Days)	Number of days	**166**	131	120	97	76	39
Debtor turnover	Number of times	**1**	2	2	2	2	2
No of days in Receivables (Days)	Number of days	**272**	225	191	154	167	148
Credit turnover	Number of times	**2**	2	2	2	2	1
No of days in Payables	Number of days	**224**	219	242	193	211	256
Operating cycle	Number of days	**214**	137	70	57	32	-68
Total asset turnover	percent	**25%**	30%	31%	33%	27%	26%
Fixed assets turnover	percent	**56%**	78%	77%	75%	59%	57%
Investment Valuation Ratios							
Earning per Share	Ratio	**0.26**	0.29	0.93	0.41	0.23	0.44
Capital structure Ratios							
Financial leverage Ratio	Ratio	**0.71**	0.55	0.45	0.48	0.37	0.36
Debt Equity Ratio	Ratio	**0.29**	0.27	0.13	0.12	0.01	0.03
Interest cover Ratio	Ratio	**1.53**	2.01	2.52	2.01	1.56	1.96

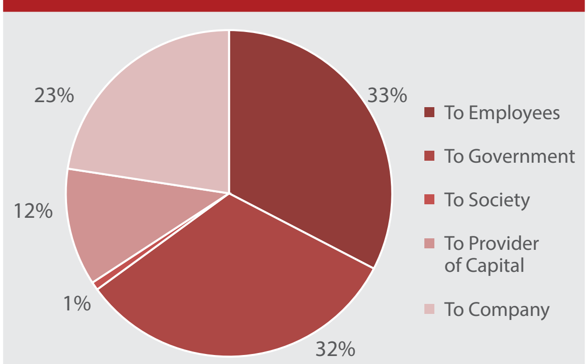
Statement of Value Addition And Its Distribution

	2017 Amount in Rs.	%	2016 Amount in Rs.	%
WEALTH GENERATED				
Total revenue inclusive of sales tax other income	**1,825,614,791**		1,850,663,936	
Cost of Sales and services	**(738,085,156)**		(787,610,296)	
	1,087,529,635	100%	1,063,053,640	100%
WEALTH DISTRIBUTION				
To Employees				
Salaries, benefits and other costs	**392,946,731**	36%	346,739,388	33%
To Government				
Income tax, sales tax, excise duty and others	**294,044,852**	27%	344,009,241	32%
To Society				
Donation towards education, health and environment	**7,556,000**	1%	8,681,480	1%
To Provider of Capital				
Dividend to shareholders	**25,574,673**	2%	-	0%
Markup / Interest expenses on borrowed funds	**149,727,603**	14%	123,634,898	12%
To Company				
Depreciation, amortization & retained profit	**217,679,776**	20%	239,988,633	23%
	1,087,529,635	100%	1,063,053,640	100%

Wealth Distribution 2017



Wealth Distribution 2016



DIRECTORS' REPORT

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

1. Economic Outlook

According to the Economic Survey of Pakistan, the country has achieved 5.28% GDP growth during FY 2016-17 recorded highest in ten years, while last year it was 4.71%. The country's GDP has crossed the $300 billion mark. The inflation rate in FY 2016-17 clocked around 4.1% and interest rate was being maintained at 5.75%.

Pakistan Stock Exchange has been ranked the fifth best performing stock market in the world in 2016. The capital market reaching historically high levels (the stock market index rose above the 52,000 mark in April 2017) was another sign of investor's interest in Pakistan's economy. Revival of investor's confidence and the inclusion in the Emerging Markets Index by Morgan Stanley Capital International (MSCI) has empowered the Pakistan Stock Exchange to outperform its regional peers over the last four years.

During FY 2016-17, sales of buses increased by an impressive 31% and light commercial vehicle's sales decreased by 25%. On the other hand, sale of other passenger vehicles showed a growth of 3%.

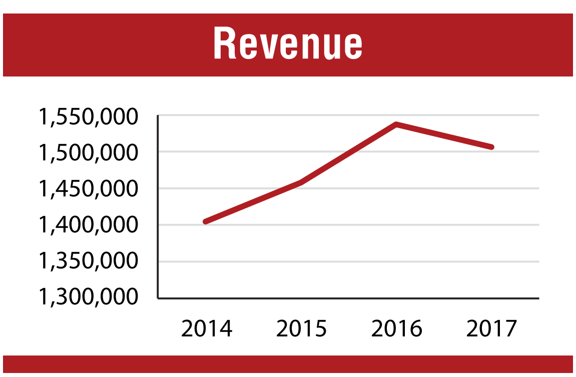
During the year, total production and sales of new cars were reported at 186,936 and 185,781 respectively with a growth of 4% and 3% as against 179,944 and 181,145 last year. This, combined with brighter prospects of CPEC, leads to an encouraging economic outlook for Pakistan.

2. Financial Highlights

Profitability and Growth – Standalone

Sales revenue for FY 2016-17 was Rs. 1,506 million compared to Rs. 1,537 million last year. The decrease in revenue is mainly attributable to the Pak Afghan border closures for 32 days, the longest period in recent history. On the other hand, Company has improved its GP Margin to 52% as compared to 50% last year.

The post-tax basic earnings per share are Rs. 0.26. The dividend is proposed @2.5% i.e. Rs. 0.25 per share and recommended for shareholders' approval.



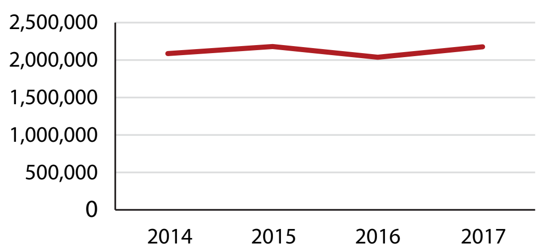
Year	Revenue	Growth
2014	1,404,759	36%
2015	1,457,620	4%
2016	1,537,181	5%
2017	**1,506,282**	**-2%**
Rupees in '000'		

Profitability and Growth – Consolidated

The Group posted an increase in consolidated revenues of 6% by Rs. 131 million. On the other hand the Group's cost of sales increased by 26% amounting to Rs. 239 million, mainly due to consolidation of our new subsidiary TPL Life Insurance Limited in the current year. Gross profit decreased from Rs. 1,108 million to Rs. 1,000 million showing a decline of 10%.

Profit before tax increased from Rs. 297 million to Rs. 313 million mainly because of gain on revaluation of property and gain on acquisition of TPL Life Insurance Limited. The revaluation gain booked by TPL Properties is Rs. 289 million and gain on acquisition was Rs. 86 million. The consolidated earnings per share were Rs 0.09 as compared to Rs. 0.29 in the corresponding year; reason for decline was mainly due to increase in Non-Controlling interest (NCI) as compared to last year.

Revenue



Year	Revenue	Growth
2014	2,084,621	28%
2015	2,178,542	5%
2016	2,037,361	-6%
2017	**2,168,433**	**6%**
Rupees in '000'		

3. Strategic Business Review

The Company demonstrated a minor decline in revenues during financial year 2016-17. The Company's major business segments consist of the following:

Segments	Standalone Revenue		
	2017	**2016**	**Growth (%)**
Asset Tracking	980,632	1,009,674	-3%
Container Tracking	407,862	455,713	-11%
TPL Maps	99,328	52,967	88%
E-Ticketing	18,460	18,826	-2%
Total	**1,506,282**	**1,537,180**	**-2%**
Rupees in '000'			

Asset Tracking

Asset Tracking consists of the Company's flagship product, Vehicle Tracking, as well as the newly introduced Bike Tracking solution. The Asset Tracking business saw a decrease of 3% compared to last fiscal year due to a number of reasons:

- Late Delivery of Vehicles – During the year, the actual delivery time has increased up to 6 months as against expected delivery time of 2 months.

- Shift Towards Operating Lease Rentals – We saw a shift in preference of corporate customers towards our rental products as compared on equipment sales. Rentals grew by 72% to Rs. 127 million from Rs. 74 million. Whereas, equipment sales fell by 40% to Rs. 222 million from Rs. 370 million.

Container Tracking

Container tracking consists of two product areas: Safe Transport Environment (STE) and Container Tracking business.

Safe Transportation Environment (STE)

Safe Transportation Environment (STE) Project was initiated by the FBR in 2010 to manage risk of cargo pilferage in Customs transit and transshipment movements and to meet the requirements of bilateral Afghan Transit Trade Agreement. TPL Trakker is the only licensee of FBR under Tracking and Monitoring Cargo Rules 2012.

During the year, approximately 730 Prime Mover Device (PMD) have been installed and approximately 55,200 trips have been monitored by installing CSD (Container Security Device).

Closure of Pak-Afghan border for 32 days, which is the longest in recent history, had a negative impact on our STE business performance which is the primary reason for decrease in growth this fiscal year. Business took at least 2 months to revert back to normal after the border re-opened due to ongoing issues between bonded carriers and customs officials related to heavy demurrages applied on containers at port during the border closure period.

Container Tracking

Container tracking has been an important product for the Company. As part of this service, we provide a range of monitoring services such as intrusion monitoring and route deviation, which protect shipments against intrusion or pilferage. Our infrastructure stretches across major urban centers of Pakistan, and we provide security services for routes through TPL Security.

During the year our business grew to 16,800+ trips compared to 14,600+ trips in the corresponding period.

Category	Number of Trips		
	2017	**2016**	**Growth (%)**
Container Tracking – Commercial	16,851	14,626	15%
Safe Transportation Environment (STE)	55,215	64,919	-14%
Total	**72,066**	**79,545**	**-9%**
Rupees in '000'			

TPL Maps

TPL Maps project was initiated in 2015 as a strategic business unit of TPL Trakker and in the last two years we have invested huge amounts of resources and time in building Pakistan's finest and most comprehensive digital maps and location based services platform.

During last year the Maps business attracted interest from consumer as well as corporate sector across Pakistan. Currently with 500,000+ downloads TPL Maps is fast becoming the Maps of choice for Pakistani consumers due to its accurate and large geocode database. Our teams are geared up to meet the market demand for location based services and solution. In the navigation space we have expanded our services via signing up OEM business for Suzuki apart from our flagship customer Indus Motor Company. Navigation footprint also grew with online and open market sales channel development. With the high rate of growth in mobile internet users and new vehicle manufacturers entering the market, TPL Maps is in the ideal position to further strengthen its market position and growth.

TPL Rupiya

TPL continues its commitment to innovation by launching the first ever e-Ticketing solution for transportation in Pakistan for the Lahore Transport Company (LTC) via its mobile payments venture, TPL Rupiya.

LTC currently sees 70,000+ transactions daily on its bus routes consisting of four operators (AlBayrak, Pakoz, OS Travels & First Bus). In the near future, LTC aims to expand its bus operations to increase the number of buses and thus passengers that commute daily.

4. Strategic Investment

During the year, the Company has acquired a wholly owned subsidiary namely TPL Life Insurance Limited [TPLL] (formerly Asia Care Health and Life Insurance Company Limited). As of June 30, 2017; the Company holds 58.5 million ordinary shares representing 86.02% of share capital of TPLL.

	June'17	June'16	Growth
Net Premium	121,034	224,557	-46%
Net Claims	41,745	332,500	-87%
Profit before tax in Shareholders' Fund	6,481	(4,093)	
Rupees in '000'			

TPLL has complied with the minimum paid-up capital requirement of the Securities and Exchange Commission of Pakistan (SECP). TPLL has also applied for listing with Pakistan Stock Exchange. The PSX has approved the Prospectus and approval from SECP is in progress. TPLL has maintained Insurer Financial Strength (IFS) rating of Company A- (Single A minus) by PACRA.

5. Investment in Group Companies

The Company has an investment portfolio of Rs. 1,587 million which constitutes investments in Group companies; TPL Properties Limited, TPL Security Services (Private) Limited, TPL Direct Insurance Limited, TPL Life Insurance Limited and Trakker Middle East LLC, TPL Vehicle Tracking (Private) Limited and TPL Maps (Private) Limited.

TPL Properties Limited (TPLP)

TPLP is capitalizing on the 100% occupancy of its flagship project Centrepoint and is now developing a new residential project. The development has been structured in a way so that TPLP has taken a 90% share in a company, namely, HKC Limited. TPLP issued 65.511 million ordinary shares at a premium of Rs. 6.75 per share against cash and other than cash consideration out of which 47.6 million shares were issued against acquisition of 90% ownership in HKC Limited. This venture has benefited TPLP in many ways including saving of time, transfer costs, availability of cash and future return in the form of cash dividend from project upon completion.

During the year TPLP earned profit after tax of Rs. 351.9 million as compared to Rs. 290.6 million in the corresponding year. Main reason for the increase in profit is reduction in financial charges. The gain on revaluation of property included herein is Rs. 288.7 million.

TPL Direct Insurance Limited (TDIL)

TPL Direct Insurance Limited closed on a positive note for the financial year ended June 30, 2017.

	June'17	June'16	Growth
Net Premium with Takaful Operations	1,947,005	1,584,834	23%
Rupees in '000'			

TDIL Initiated business in 2005 with the acquisition of a traditional P&C insurer in Pakistan. It is the first company to introduce Risk Profiling, Call Centre and Policy Digitalization. TDIL Rebuilt its operations to function as a direct insurance provider, selling auto insurance directly to consumers and bypassing traditional broker network. TDIL has increased premium income from PKR 107 million in 2006 to PKR 2,000 million in 2016 with a CAGR of 35%. It has improved claims ratio in motor business from industry average of 50% to TDIL's 44% - lowest in motor insurance industry. TDIL business went from 34th position in Pakistan motor insurance market to 3rd position.

Investments currently stand over Rs.1b. It has recently launched the core Property and Marine Insurance business class with robust agency platform. It has treaty arrangements in place with leading reinsurers viz. Swiss Re and Hannover Re. TDIL is conferred with Brands of the Year Award since 2007 as Best Auto Insurer of Pakistan. Its PACRA rating has been upgraded to A+.

TPLT currently holds 24.4% shares in TDIL. TPLT is in process of acquiring 69.1% more shares in TDIL which would make its shareholding to 93.5% post acquisition. The acquisition of shares is expected to be completed by end of September 2017.

TPL Security Services (Private) Limited (TPLSS)

TPL Security Services (Private) Limited was formed in the year 2000. The company performs all snatched / stolen vehicle recovery tasks with over 300 staff deployed at Karachi, Lahore, Islamabad, Faisalabad, Gujranwala, Multan, Hyderabad, Sukkur, Peshawar and Quetta. TPL Security Services also maintains liaison with Law Enforcement Agencies to perform recovery activities across the country. Since 2000, TPL Security Services have not only successfully recovered over 9,750 snatched / stolen vehicles installed with Trakker but has also helped in apprehension of a large number of vehicle snatching gangs and spontaneous recovery of stolen goods and material worth millions of rupees. Many kidnapping for ransom attempts have also been foiled by the company.

TPL Security Services (Private) Limited performed well as compared to last year with a revenue growth of 25 percent this year. The increase in revenue is due to expansion of customer base and the Company's constant efforts to explore new business opportunities.

6. Future Outlook

Strategy and Focus Areas

Customer and market expansion

Digital Transformation

Digital Transformation is one of our core objectives for the coming year. Our marketing approach will target Web & Mobile App optimization, Online Lead Generation, Online Advertising & cross selling opportunities through diverse digital platforms.

In the first phase, the website will be re-structured with dynamic web architecture and integration of an "Online Shop". The web structure will be robust to handle customer queries and quote requests through Live Chat & Forms. The Trakker Mobile App will also be updated with a completely new UI/UX, and improved functionality along with implementation of a sophisticated driver behavior algorithm. The Mobile App will be available to all potential customers with a brand new 'Social Login' and new features to address the growing needs of our current & future customers.

E-commerce Channel will initially be based on Cash-On-Delivery (COD) model, and moving forward will integrate online payment methods including Credit / Debit Cards & other online payment services.

TPL Trakker Franchise Network

TPL Trakker Franchises will be launched this coming fiscal year with an aim to expand our market presence from not only sales, but also a service perspective. The launch will be a split into two phases, pilot phase and public launch.

In the pilot phase we will be looking for 4-5 automobile dealerships (branded or unbranded) or regional tracking companies as potential franchises.

Upon successful completion of the pilot phase, we will be going to launch franchise model on mass scale and will be expecting at least 40 franchises on our panel.

Big Data & IoT

The first year of TPL Trakker's data initiative bore witness to a comprehensive data audit exercise in order to understand the quality, process and location of information flow at the Company. This exercise went on to set the tone in regards to defining a group-wide data strategy and identification of unstructured as well as structured data that can be used for product experimentation. As such, the Company is currently working towards testing a vehicle scoring algorithm for the benefit of our fleet management as well as insurance customers. Furthermore, internal teams are engaged in working with potential infrastructure and software providers to identify the right solution for seamless integration and storage of the companies' data assets.

Moving forward, the Company aims to initiate the data aggregation exercise and infrastructure deployment which will allow for pilot testing with potential customers in regards to various algorithm based APIs. As such, the R&D teams at TPL Trakker are exploring potential IoT devices for testing in order to capture better and more accurate metrics in regards to vehicle tracking, supply-chain visibility, security and more. In the future, the Company aims to provide data as a service for visibility and decision making tools that our clients can improve targeted advertising, provide efficiencies in fleet management, better insurance pricing, risk assessment, customer profiling and more.

Safe Transport Environment Project – Additional volumes in Export Processing Zones

With new regulations mandating tracking of "any cargo entered for transit across the territory of Pakistan" and cargo "imported into or exported from Export Processing Zones" as part of the FBR backed "Safe Transport Environment" project, we expect additional monthly volume of 4000-5000 trips which has started in the month of August 2017.

New Products and Services

Asset Tracking

In the efforts to increase our product offering and to better serve our customers, a number of new products/features are planned to be introduced in the coming year. There are as follows:

- Rearview Mirror mDVR – Targeted at car rental companies, ride hailing companies (e.g. Careem, Uber) and for dispatch based solutions
- Hybrid Tracking Devices – Targeted at customers with operations in remote areas with little or no GSM coverage
- Enhances Vehicle Tracking Monitoring services such as Seat Occupancy Sensor, Ultrasonic Fuel Sensor, Pressure Sensor, RPM Monitoring and Private Working Hours

Home Security Solution

Online or server based security monitoring solutions are not widely available (only SMS or Mobile based standalone solutions are available) in the market currently. We are developing an online based monitoring system with multiple alarms which can be enhanced with video recording. There is a large potential for homes, offices & warehouses as theft is an ongoing problem in the country.

TPL Maps

As per the group's overall IoT strategy, our vision for Maps business is to focus on three key areas for data:
- Geocoded Database – to have the largest and most accurate , updated and dynamic database
- Location based solutions and services – Provide masterclass solutions to various business verticals for business efficiency
- Connected Vehicles and data gathering – to define the future of connected vehicles in Pakistan

Being the only maps company licensed by the Survey of Pakistan we have the advantage to be the choice of any company operating in the retail, distribution, logistics, cab hailing, transportation and fleet management, location based services and e-commerce.

TPL Maps Car Navigation Software

The navigation software has been our flagship offering for the automobile industry and we have two out of three large automobile manufacturers in Pakistan as our customer. We have penetrated into the open market as well as online market to be able to serve our consumers better and reduce the threat of illegal and pirated software in the market.

Moving forward we will not only strengthen our navigation and localize it via our in house solution, but will also venture into other software and hardware services for the industry. We are working closely with automobile manufacturers to work towards connected vehicles and data driven solutions. Globally the connected cars industry is expected to be worth US$57 billion by 2021.

The navigation software offers a wide variety of features such as:
- User friendly interface
- HD graphic
- 2D & 3D Landmark
- Over 1 million point of interest (POI's)
- Coverage 500+ cities
- Comprehensive housing address search in all major cities
- Alternative Routes & Multiple waypoints on route
- Safety warnings about sharp turns and railway crossing
- Offline navigation without internet connection
- Voice guided navigation with spoken street names (TTS)

Location Based Services (LBS)

TPL Maps also provides customized Location Based Solutions for SMEs, MNCs and Large Public Sector Organizations to bring efficiencies to their business processes. This varies from Fleet Management and Dispatch Solutions, Route planning, traffic trends, field force management, vehicle tracking and offline navigation. We are also working very aggressively to create community management tools; Agri based solutions and media solution using our Maps technology and database.

In addition to this we also offer Location Based Advertising, Customized Branding, Street Vision and 360 degree Virtual Tours for various retail and corporate businesses.

TPL Rupiya

TPL Rupiya (TPLR) is an e-payments company, offerings solutions that are facilitating payments via bank, government and mobile account transactions.

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

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

With an increasing middle class and a large grey economy, the time for mobile payments in Pakistan is now. As such, moving forward TPL Rupiya is working to integrate with leading banks and Telecommunication companies in order to implement Pakistan's first true interoperable solution for masses.

TPL Rupiya's mission is to build a payment ecosystem that will help to reduce the individual's reliance on cash to acquire day-to-day services. It will re-engage the underbanked, unhappily banked and underserved market with an intuitive mechanism that will bring the bank to clients' phones while protecting their identities and ensuring secure transactions.

TPL Rupiya's KashApp offer an aggregated account wallet service that truly convert your physical wallet to a more sophisticated digital counterpart with an extensive set of conventional and growing payment services. Using KashApp customers can link their existing bank (KashApp network bank) account(s) and can make transactions with the app without any need to load funds to KashApp wallet.

Scheme of Arrangement

During the year, the board of directors of the Company has proposed a scheme of arrangement to split its businesses (i.e. Maps and Vehicle Tracking) into two separate entities i.e. TPL Maps (Private) Limited and TPL Vehicle Tracking (Private) Limited respectively. The arrangement is yet to be approved by the Court, however, these companies have been legally formed on December 27, 2016, without the transfer of net assets, but are disclosed as subsidiaries in note 7 to the financial statements as the Company holds 100 percent shareholding.

7. Credit Rating

The Pakistan Credit Rating Agency Limited (PACRA) has maintained the long-term and short-term entity ratings of TPL Trakker Limited (TPL) at "A-" (Single A minus) and "A2" (A two) respectively with a stable outlook. These ratings denote a low expectation of credit risk with strong capacity for timely payment of financial commitments.

8. Key Financial Data for the Last Six Years

(Rupees in '000')

	2017	2016	2015	2014	2013	2012
Paid up share capital	2,172,490	2,172,490	2,172,490	2,172,490	2,172,490	1,872,490
Revenue reserve	789,219	771,647	625,310	370,765	282,353	240,350
Total Equity	**2,961,709**	**2,944,137**	**2,797,800**	**2,543,254**	**2,454,843**	**2,112,839**
Surplus on Revaluation of Fixed Assets	**228,791**	-	-	-	-	-
Investments	1,587,272	1,219,096	1,135,368	1,208,363	1,208,363	1,208,363
Fixed assets	2,671,840	1,977,766	1,898,447	1,861,799	1,740,326	1,695,006
Other non current assets	57,887	292,286	236,733	47,501	34,340	29,660
Trade debts	1,207,344	1,037,595	856,010	672,943	508,641	437,596
Stock in trade	356,123	293,839	253,138	220,130	135,846	66,257
Other current assets	218,808	151,501	237,595	167,458	152,095	204,296
Cash and bank deposits	40,355	74,082	64,146	56,471	2,088 3,105	
Total Assets	**6,139,629**	**5,046,165**	**4,681,437**	**4,234,664**	**3,781,699**	**3,644,283**
Long term and short term finance	2,123,073	1,179,420	561,636	841,158	564,871	493,497
Due to related parties	87,749	68,159	212,772	342,518	215,900	168,869
Other liabilities	738,307	854,450	1,109,231	507,733	546,086	869,077
Total Liabilities	**2,949,129**	**2,102,029**	**1,883,639**	**1,691,409**	**1,326,856**	**1,531,444**

Profit and Loss	2017	2016	2015	2014	2013	2012
Revenue	1,506,282	1,537,181	1,457,620	1,404,759	1,035,379	965,636
Cost of Sales	(716,495)	(761,838)	(716,976)	(671,633)	(487,817)	(455,686)
Gross Profit	789,787	775,342	740,645	733,125	547,562	509,951
Administrative and other expenses	(609,804)	(571,146)	(554,805)	(519,801)	(417,356)	(315,600)
Financial Charges	(149,728)	(123,635)	(143,620)	(130,390)	(111,987)	(127,672)
Other income	49,094	44,896	176,316	48,856	44,751	56,513
Profit / (Loss) before tax	79,349	125,457	218,536	131,790	62,970	123,191
Profit / (Loss) after tax	**56,903**	**62,609**	**202,224**	**88,412**	**49,486**	**82,498**
Total Comprehensive Income	**(14,054)**	**83,728**	**51,213**	-	-	-
EPS	**0.26**	**0.29**	**0.93**	**0.41**	**0.23**	**0.44**

9. Auditors

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

10. Director's Training

As required under 5.19.7 of the Pakistan Stock Exchange Listing Regulations, the Company has duly complied with the requirement of the Directors Training Program.

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK

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

- The financial statements prepared by the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- The Company has maintained proper books of accounts as required under the repealed Companies Ordinance, 1984.
- The Company has followed consistently appropriate accounting policies in the preparation of Financial Statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standard as applicable in Pakistan has been followed in the preparation of the financial statements and any departure from there have 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 in the Listing Regulations of the stock exchanges 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.
- The value of investments out of provident fund on the basis of unaudited accounts as on June 30, 2017 is Rs. 90.8 million.

11. Pattern of Shareholding

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

Shareholder's Category	Number of shares	tage of Shareholding
Associated Companies	114,950,274	52.9%
Banks, DFI, NBFI	9,862,000	4.5%
Insurance Companies	1,379,500	0.6%
Mutual Funds	9,252,346	4.3%
General Public (Local)	57,059,605	26.3%
General Public (Foreign)	4,382,131	2.0%
Modarabas	148,000	0.1%
Foreign Companies	5,589,500	2.6%
Others	14,625,607	6.7%
Total	**217,248,963**	**100**

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

No. of shareholders	From	To	Shares heldholding
298	1	100	3,966
618	101	500	305,569
740	501	1,000	735,960
1,543	1,001	5,000	4,762,199
630	5,001	10,000	5,250,924
221	10,001	15,000	2,924,829
176	15,001	20,000	3,292,600
125	20,001	25,000	3,004,000
67	25,001	30,000	1,934,000
42	30,001	35,000	1,406,500
38	35,001	40,000	1,463,000
27	40,001	45,000	1,164,538
65	45,001	50,000	3,227,000
17	50,001	55,000	904,500
12	55,001	60,000	703,500
10	60,001	65,000	639,168
5	65,001	70,000	347,500
10	70,001	75,000	738,000
10	75,001	80,000	784,000
5	80,001	85,000	416,000
6	85,001	90,000	534,500
8	90,001	95,000	751,000
37	95,001	100,000	3,688,377
6	100,001	105,000	618,000
5	105,001	110,000	543,400
2	110,001	115,000	228,000
1	115,001	120,000	117,000
6	120,001	125,000	750,000
3	125,001	130,000	380,500
1	130,001	135,000	135,000
4	135,001	140,000	557,001
1	140,001	145,000	142,000
7	145,001	150,000	1,050,000

No. of shareholders	From	To	Shares heldholding
3	150,001	155,000	465,000
1	155,001	160,000	157,500
1	160,001	165,000	165,000
2	165,001	170,000	338,500
1	170,001	175,000	175,000
2	175,001	180,000	360,000
2	180,001	185,000	369,000
2	185,001	190,000	378,000
6	195,001	200,000	1,198,000
2	200,001	205,000	409,500
1	210,001	215,000	214,500
1	215,001	220,000	215,958
2	220,001	225,000	444,700
1	230,001	235,000	232,000
4	245,001	250,000	996,500
1	255,001	260,000	257,000
1	260,001	265,000	261,000
1	290,001	295,000	292,500
2	295,001	300,000	600,000
1	320,001	325,000	325,000
1	325,001	330,000	326,500
1	330,001	335,000	332,000
1	345,001	350,000	350,000
1	380,001	385,000	385,000
2	385,001	390,000	773,000
1	390,001	395,000	392,000
2	395,001	400,000	800,000
1	405,001	410,000	410,000
1	420,001	425,000	424,500
2	425,001	430,000	854,500
1	435,001	440,000	439,500
1	455,001	460,000	459,000
1	460,001	465,000	464,000
1	475,001	480,000	478,000
1	520,001	525,000	525,000
1	605,001	610,000	607,500
1	640,001	645,000	643,000
1	830,001	835,000	832,500
1	895,001	900,000	900,000
1	915,001	920,000	920,000
1	985,001	990,000	990,000
1	1,020,001	1,025,000	1,025,000
1	1,210,001	1,215,000	1,211,500
1	1,295,001	1,300,000	1,300,000
1	1,315,001	1,320,000	1,319,500
1	1,395,001	1,400,000	1,400,000
1	1,415,001	1,420,000	1,417,500
1	1,495,001	1,500,000	1,500,000
1	1,540,001	1,545,000	1,545,000
1	1,600,001	1,605,000	1,604,500
1	1,615,001	1,620,000	1,616,600
1	1,895,001	1,900,000	1,900,000
2	2,310,001	2,315,000	4,624,000
1	2,425,001	2,430,000	2,428,846
1	3,225,001	3,230,000	3,225,500
1	3,410,001	3,415,000	3,412,000
1	3,960,001	3,965,000	3,960,554
1	5,145,001	5,150,000	5,150,000
1	35,005,001	35,010,000	35,009,900
1	79,935,001	79,940,000	79,935,374
4,827		**Company Total**	**217,248,963**

12. Additional Information

Associated Companies, undertakings and related parties (name wise details)	No of shares held
TPL Holdings (Pvt) Limited	114,950,274
TPL Direct Insurance Limited – Employees' Provident Fund	347
Mutual Funds (name wise details)	
AFC Umbrella Fund	1,900,000
Tundra Pakistan Fund	3,225,500
Trustees of First UDL Modaraba Staff Provident Fund	5,000
CDC - Trustee MCB Pakistan Stock Market Fund	459,000
CDC - Trustee PICIC Investment Fund	1,211,500
CDC - Trustee PICIC Growth Fund	2,311,000
CDC - Trustee AKD Opportunity Fund	385,500
Trustee - First Dawood Investment Bank Limited & other Employee's Provident Fund	86,500
CDC - Trustee First Habib Income Fund	35,500
Trustee TPL Direct Insurance Limited - Employees Provident Fund	347
CDC - Trustee Pakistan Income Enhancement Fund – MT	221,700
CDC - Trustee MCB Dynamic Cash Fund – MT	155,000
CDC - Trustee First Capital Mutual Fund	150,000
CDC - Trustee Faysal Savings Growth Fund – MT	1,616,600
Wateen Telecom Limited Staff Gratuity Fund	100,000
CDC - Trustee First Habib Income Fund – MT	43,800
CDC - Trustee Faysal MTS Fund – MT	106,900
CDC - Trustee Pakistan Income Fund – MT	76,000
MCBFSL Trustee MCB Pakistan Frequent Payout Fund – MT	51,000
Directors, CEO and their spouse and minor children (name wise details) Following directors are nominee directors of TPL Holdings (Private) Limited and do not hold any shares of the Company. Mr. Jameel Yusuf (S.St) Mr. Ali Jameel Mr. Saad Nissar Mr. Bilal Alibhai Following director is the independent director of the company and do not hold any shares of the Company at June 30, 2017 Mr. Nadeem Arshad Elahi	
Executive	None
Following directors hold shares of the Company at June 30, 2017	
Mr. Zafar-ul-Hassan Naqvi	500
Mr. Muhammad Shafi	1
Shareholders holding five percent or more voting interest (name wise details)	
TPL Holdings (Private) Limited	114,950,274
Details of trading in the shares by the Directors, CEO, CFO, Company Secretary and their spouses and minor children None of the Directors, CEO, CFO, Company Secretary and their spouses and minor Children has traded in the shares of the Company during the year.	

13. BOARD MEETINGS

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

Name of Director	Meetings Attended
Mr. Jameel Yusuf (S.St.)	7
Mr. Ali Jameel (CEO)	7
Vice Admiral (R) Muhammad Shafi HI(M)	6
Mr. Mark Dean Rousseau	6
Mr. Saad Nissar	7
Mr. Nadeem Arshad Elahi	3
Major General (R) Zafar-ul-Hasan Naqvi	5
Mr. Bilal Alibhai	5

Acknowledgement

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

Jameel Yusuf (S.St.)
Chairman

ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز کی جانب سے، میں سال مختتمہ 30 جون، 2017 کے حوالے سے کمپنی کی سالانہ رپورٹ فخریہ طور پر آپ کے گوش گزار کرتا ہوں۔

1۔ اقتصادی جائزہ

پاکستان کے اقتصادی سروے کے مطابق، ملک میں مالی سال 2016-17 کے دوران GDP کی شرح نمو 5.28% پر پہنچ گئی ہے جو کہ گزشتہ نو سالوں کے دوران بلند ترین سطح ریکارڈ کی گئی ہے۔ جبکہ پچھلے سال یہ سطح 4.51% تھی۔ GDP کا کل حجم 300 بلین امریکی ڈالر سے تجاوز کر چکا ہے۔ مالی سال 2016-17 کے دوران افراطِ زر میں کمی کی شرح 4.1% کے اطراف رہی جبکہ شرح سود 5.75% کی سطح پر برقرار رہی۔

سال 2016 میں پاکستان اسٹاک ایکسچینج کو بہترین کارکردگی کے حوالے سے دنیا بھر کی اسٹاک مارکیٹ میں پانچویں نمبر پر آنے کا اعزاز حاصل ہے۔ کیپیٹل مارکیٹ کا تاریخی بلند سطح (اپریل 2017 میں اسٹاک مارکیٹ انڈیکس 52000 کی حد عبور کر گیا) پر پہنچنا، پاکستان کی معیشت میں سرمایہ کاروں کی بڑھتی ہوئی دلچسپی کی ایک علامت ہے۔ سرمایہ کاروں کے اعتماد کی بحالی اور مارگن اسٹینلے کیپیٹل انٹرنیشنل (MSCI) کی مارکیٹس کے انڈیکس میں شمولیت نے گزشتہ چار سالوں کے دوران پاکستان اسٹاک ایکسچینج کو خطے کے دیگر اداروں کے مقابلے میں مستحکم بنا دیا ہے۔

مالی سال 2016-17 کے دوران بسوں کی فروخت کی شرح میں 31% کا مؤثر اضافہ جبکہ لائٹ کمرشل وہیکلز کی فروخت میں 25% کمی مشاہدے میں آئی ہے۔ دوسری جانب مسافروں کی گاڑیوں کی فروخت میں 3% بڑھوتری ظاہر ہوئی ہے۔

دورانِ سال نئی گاڑیوں (کار) کی کل پیداوار اور فروخت 4% اور 3% کے اضافے کے ساتھ بالترتیب 186,936 اور 185,781 رہی، جو کہ گزشتہ سال بالترتیب 179,944 اور 181,145 تھی۔ یہ بڑھوتری CPEC سے وابستہ توقعات کی مرہون منت ہے، جو پاکستان کی معیشت کو بہتری کی جانب لے جا رہا ہے۔

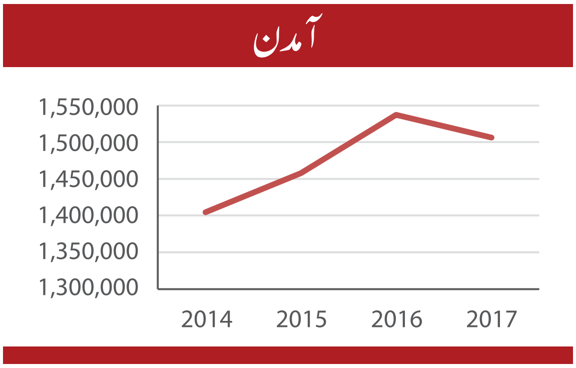
2۔ اہم مالیاتی نکات

کاروبار کی کارکردگی۔انفرادی طور پر

گزشتہ سال کے 1,537 ملین روپے کے مقابلے میں سال 2016-17 کے حوالے سے کمپنی کی آمدن 1,506 ملین روپے تھی۔ آمدن میں ہونے والی یہ کمی حالیہ دنوں میں 32 ایام کے لئے پاک افغان بارڈر کی بندش کے باعث ہوئی، جو کہ تاریخ کی طویل ترین مدت ہے۔ دوسری جانب کمپنی کا GP مارجن گزشتہ سال کے 50% کے مقابلے میں بڑھ کر 52% ہو گیا ہے۔

بعداز محصول ابتدائی آمدن فی حصص 0.26 روپے ہے۔ مجوزہ منافع منقسمہ بحساب 2.5% یعنی 0.25 فی حصص ہے اور حصص یافتگان سے منظوری کے لیے سفارش شدہ ہے۔

سال	آمدن	بڑھوتری / نمو
2014	1,404,759	36%
2015	1,457,620	4%
2016	1,537,181	5%
2017	**1,506,282**	**-2%**
Rupees in '000'		

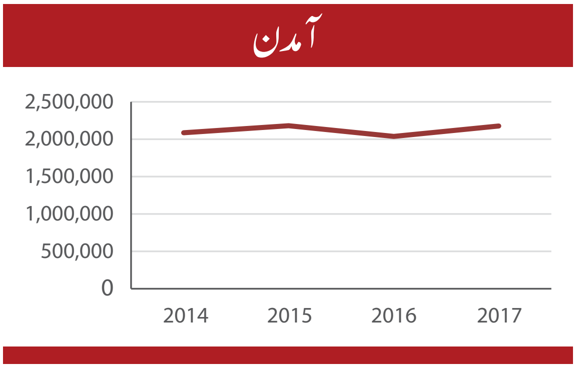


کاروبار کی کارکردگی۔مجموعی

گروپ نے زیرنظر مدت کے دوران بہترین کارکردگی کا مظاہرہ کیا اور آمدن میں131 ملین روپے کا اضافہ ہوا(جو کہ %6 ہے)۔دوسری جانب گروپ کی فروختگی کی لاگت %26 کے اضافے کے ساتھ239 ملین روپے تک بڑھ گئی، جس کی بنیادی وجہ رواں سال میں نئے ذیلی ادارے،TPL لائف انشورنس لمیٹڈ کی شمولیت تھی۔مجموعی نفع %10 کمی کے ساتھ1,108 ملین روپے سے کم ہوکر1,000 ملین روپے ہوگیا۔

قبل ازمحصول منافع297 ملین روپے سے بڑھ کرھ 313 ملین روپے ہوگیا،جس کی بنیادی وجہ جائیداد کی ازسرنوتخمینت اور TPL لائف انشورنس لمیٹڈ کے حصول پر ہونے والا نفع تھا۔TPL پراپرٹیز کی جانب سے ازسرنوتخمینیت پر نفع289 ملین روپےاورحصول پر ہونے والا نفع86 ملین روپے ہے۔

مجموعی آمدنی گزشتہ سال کے 0.29 روپے کے مقابلے میں 0.09 روپے فی حصص تھی،جس کی تنزلی کی بنیادی وجہ گزشتہ سال کے مقابلے میں نان کنٹرولنگ انٹریسٹ (NCI) میں اضافہ تھا۔



سال	آمدن	بڑھوتری ر نمو
2014	2,084,621	28%
2015	2,178,542	5%
2016	2,037,361	-6%
2017	**2,168,433**	**6%**
"000"روپے		

3۔ منصوبہ شدہ کاروباری جائزہ

مالی سال 17-2016 کے دوران کمپنی میں تھوڑی سی کمی مشاہدے میں آئی۔کمپنی کے اہم کاروباری حصے مندرجہ ذیل پر مشتمل ہیں:

کاروبار کے حصے	انفرادی آمدن		
	2016	**2017**	شرح نمو
اثاثہ جات کی کھوج (ٹریکنگ)	1,009,674	980,632	-3%
کنٹینرز کی کھوج (ٹریکنگ)	455,713	407,862	-11%
TPL نقشے(Maps)	52,967	99,328	88%
ای ٹریکنگ	18,826	18,460	-2%
کل	1,537,180	1,506,282	-2%
"000"روپے			

اثاثہ جات کی کھوج (ٹریکنگ)

اثاثہ جات کی کھوج (ٹریکنگ) کمپنی کی اہم ترین پراڈکٹ وہیکل ٹریکنگ اور ساتھ ہی نئی متعارف کرائی جانے والی بائک ٹریکنگ سلوشن پر مشتمل ہے۔اثاثہ جات کی کھوج (ٹریکنگ) کے کاروبار میں گزشتہ مالی سال کے مقابلے میں %3 کمی دیکھنے میں آئی۔جس کی کئی وجوہات ہیں:

- گاڑیوں کی تاخیر سے ڈیلیوری: رواں سال کے دوران ڈیلیوری کی مدت متوقع 2 ماہ سے بڑھا کر 6 مہینوں تک کردی گئی۔

- لیز رینٹل کی جانب منتقلی: ہم نے اپنے کارپوریٹ کسٹمرز کا رجحان گاڑیوں کے فروخت کی بجائے رینٹل پراڈکٹس کی جانب منتقل ہوتے دیکھا۔ رینٹل کا کام 72% اضافے کے ساتھ 74 ملین روپے سے بڑھ کر 127 ملین روپے ہوگیا۔ جبکہ ایکوپمنٹ کی فروخت 40% کمی کے ساتھ 370 ملین روپے سے کم ہوکر 222 ملین روپے ہوگئی۔

کنٹرینرز کی کھوج (ٹریکنگ)

کنٹرینرز ٹریکنگ دو پراڈکٹس پر مشتمل ہے: سیف ٹرانسپورٹ انوائرمنٹ (STE) اور کنٹینرز ٹریکنگ بزنس

سیف ٹرانسپورٹیشن انوائرنمنٹ (STE)

سیف ٹرانسپورٹیشن انوائرنمنٹ (STE) پراجیکٹ کی شروعات FBR کی جانب سے سال 2010 میں کی گئی تھی، تاکہ کسٹمز کی ٹرانزٹ اور ٹرانس شپمنٹ مومنٹس میں کارگو کی چوری کے خطرات کا بندوبست اور دوطرفہ افغان ٹرانزٹ ٹریڈ معاہدے کی ضرورت کو پورا کیا جائے۔ TPL ٹریکر، ٹریکنگ اینڈ مانیٹرنگ کارگو رولز۔ 2012 کے تحت FBR کا واحد لائسنس یافتہ ہے۔

31 مارچ، 2017 کو ختم ہونے والی مدت کے دوران تقریباً 730 پرائم موور ڈیوائس (PMD) لگائی گئی ہیں اور کنٹرینرز سیکیورٹی ڈیوائس (CSD) کی تنصیب کے ذریعے تقریباً 55,200 ٹرپس کو مانیٹر کیا گیا ہے۔

32 دنوں کے لیے پاک افغان بارڈر کی بندش، جوکہ تاریخ میں سب سے طویل ترین ہے، نے ہمارے STE کے کام کی کارکردگی پر منفی اثرات مرتب کئے ہیں، جوکہ رواں مالی سال شرح نمو میں کمی کی بنیادی وجہ ہے۔ بارڈر کی بندش کی مدت کے دوران کنٹینرز پر لاگو بھاری جرمانوں/خساروں کے حوالے سے محدود کئے گئے کیریئرز اور کسٹم افسران کے درمیان جاری معاملات کی وجہ سے بارڈر کے کھلنے کے بعد کاروبار کو عمومی سطح پر واپس آنے میں کم از کم 2 مہینے کی مدت لگے گی۔

کنٹینرز ٹریکنگ

کنٹینرز ٹریکنگ، کمپنی کے لیے ایک اہم پراڈکٹ رہی ہے۔ اس سروس میں ہم اینڈ ٹو اینڈ مانیٹرنگ اور روٹ کی تبدیلی خدمات فراہم کرتے ہیں، جس سے شپمنٹ چوری ہونے سے محفوظ رہتی ہے۔ ہمارا انفرااسٹرکچر پاکستان کے اہم شہری مراکز پر پھیلا ہوا ہے اور ہم TPL سیکیورٹی سروسز کے ذریعے روٹس کے لیے سیکیورٹی سروسز فراہم کرتے ہیں۔

رواں سال کے دوران ہمارے کاروبار میں 16,800 سے زائد ٹرپس کو مانیٹر کیا گیا، جس کی گزشتہ سال اسی مدت میں تعداد +14,600 ٹرپس تھی۔

قسم (کیٹیگری)	ٹرپس کی تعداد		
	2016	**2017**	
کنٹینرز ٹریکنگ - کمرشل	14,626	16,851	15%
سیف ٹرانسپورٹیشن انوائرمنٹ (STE)	64,919	55,215	-14%
کل	**79,545**	**72,066**	**-9%**
"000" روپے			

TPL نقشے (MAPS)

TPL Maps پراجیکٹ کا آغاز، TPL ٹریکر پراجیکٹ کے منصوبہ شدہ کاروباری اکائی کے طور پر سال 2015 میں ہوا اور گزشتہ دو سالوں میں ہم نے نہ صرف اس اپنے وسائل کی خطیر رقم اور وقت کو صرف کیا بلکہ اسے پاکستان کا سب سے عمدہ اور جامع ڈیجیٹل میپس اور لوکیشن سروسز کا پلیٹ فارم بنا رہے ہیں۔

گزشتہ ایک سال میں پاکستان بھر میں میپس کے کاروبار میں صارفین اور کارپوریٹ سیکٹر کی دلچسپی میں بڑھی ہے۔ اس وقت 500,000 سے زائد ڈاؤن لوڈز کے ساتھ TPL Maps، اپنے درست اور بڑے جیوکوڈ ڈیٹا بیس کی وجہ سے پاکستانی صارفین کے میپس کے انتخاب کے حوالے سے ترجیح بن گیا ہے۔ ہماری ٹیمیں لوکیشن کی بنیاد پر سروسز اور سلوشن کی فراہمی کے لیے ہمہ وقت تیار ہیں۔ اپنے اہم ترین صارف انڈس موٹر کمپنی کے علاوہ ہم نے سوزوکی کے لیے بھی ایک OEM بزنس کا معاہدہ کرتے ہوئے نیویگیشن کے کاروباری خلاء میں اپنی خدمات کو وسعت دی ہے۔ نیویگیشن کے ساتھ ساتھ ہم نے اوپن مارکیٹ سیلز چینل ڈیولپمنٹ کو بھی ترقی ملی ہے۔ موبائل انٹرنیٹ استعمال کرنے والوں کی بڑھتی ہوئی تعداد اور مارکیٹ میں نئے تیارکنندگان کی شمولیت کے ساتھ، TPL Maps اپنی مارکیٹ پوزیشن اور گروتھ کو مزید مستحکم کرنے کے بہترین عمل سے گزر رہا ہے۔

TPL روپیہ

TPL، پاکستان میں ٹرانسپورٹیشن کے حوالے سے لاہور ٹرانسپورٹ کمپنی (LTC) کے لیے اپنے موبائل وینچر TPL روپیہ کے ذریعے پہلی بار ای ٹکٹنگ کی سہولت متعارف کراتے ہوئے جدت کے فروغ کے اپنے عزم کو جاری رکھے ہوئے ہے۔ اس وقت LTC چار آپریٹرز (البرکہ، پاکوز، اوالیس ٹریولز اور فرسٹ بس) پر مشتمل اپنے بس روٹس پر روزانہ 70,000 سے زائد ٹرانزیکشنز کرتا ہے۔ آنے والے وقت میں LTC بسوں کی تعداد کو بڑھانے کا ارادہ رکھتا ہے، جس سے روزانہ سفر کرنے والے مسافروں کی تعداد میں بھی اضافہ ہوگا۔

4۔ منصوبہ شدہ سرمایہ کاری

دوران سال کمپنی نے ذیلی ادارے TPL لائف انشورنس لمیٹڈ (سابقہ ایشیا کیئر ہیلتھ اینڈ لائف انشورنس کمپنی) کے ذریعے ادارے کو خرید لیا۔ 30 جون، 2017 تک، کمپنی 58.5 ملین عمومی حصص کی حامل ہے جو TPL کے 86.02% شیئر کیپیٹل کو ظاہر کرتا ہے۔

	جون۔2017	جون۔2016	شرح نمو
مجموعی پریمیئم	121,034	224,557	-46%
مجموعی دعوے (کلیمز)	41,745	332,500	-87%
حصص یافتگان کے فنڈ میں قبل از محصول منافع	6,481	(4,093)	
"000" روپے			

TPLL نے کم از کم اداشدہ سرمایہ کی ضرورت کو پورا کرلیا ہے۔ TPLL نے IPO کے طریقہ کار کے آغاز کے لیے پاکستان اسٹاک ایکسچینج میں اندراج کے لیے درخواست بھی دی ہے۔ PSX نے پراسپیکٹس کی منظوری دے دی ہے اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان سے منظوری تکمیل کے مراحل میں ہے۔ TPLL نے PACRA کی جانب سے کمپنی کی IFS (انشورنس فنانشل اسٹرینتھ) ریٹنگ -A (سنگل اے مائنس) کو برقرار رکھا ہے۔

5۔ گروپ کمپنیز میں سرمایہ کاری

کمپنی کا انویسٹمنٹ پورٹ فولیو 1,587 ملین روپے ہے،، جو گروپ کمپنیز؛ TPL پراپرٹیز لمیٹڈ، TPL سیکیورٹیز سروسز (پرائیویٹ) لمیٹڈ، TPL ڈائریکٹ انشورنس لمیٹڈ، TPL لائف انشورنس لمیٹڈ اور ٹریکر مڈل ایسٹ LLC، TPL وہیکل ٹریکنگ (پرائیویٹ) لمیٹڈ اور TPL میپس (پرائیویٹ) لمیٹڈ میں سرمایہ کاری کا تعین کرتا ہے۔

TPL پراپرٹیز لمیٹڈ (TPLP)

TPLP اپنے سب سے اہم پراجیکٹ سینٹر پوائنٹ میں سرمایہ کاری اور اب رہائشی پراجیکٹ کی تعمیر پر پر 100% توجہ مرکوز کئے ہوئے ہے۔ ڈیولپمنٹ کا یہ عمل اس طرح ترتیب دیا گیا ہے کہ کمپنی نے HKC لمیٹڈ نام کی کمپنی کے 90% حصص خرید لیے ہیں۔ TPLP نے بعوض زرنقد اور علاوہ نقد 6.75 روپے فی حصص کے پریمیم پر 65.511 ملین کے عمومی حصص جاری کئے، جس میں سے 47.6 ملین حصص کا اجراء HKC لمیٹڈ میں 90% مالکانہ حقوق کے حصول پر کیا گیا۔ اس عمل سے TPLP کو کئی لحاظ سے فائدہ ہوا ہے جس میں وقت اور منتقلی کی لاگت کی بچت، زرنقد کی دستیابی اور مستقبل میں پراجیکٹ کی تکمیل پر نقد منافع منقسمہ کی شکل میں نفع شامل ہیں۔

سال کے دوران TPLP نے 351.9 ملین روپے کا نفع حاصل کیا، جو کہ گزشتہ سال کی اسی مدت میں 290.6 ملین روپے تھا۔ گزشتہ سال کے مقابلے میں اس بہتر کارکردگی کی اصل وجہ فنانشل چارجز میں کمی ہے۔ جائیداد کی ازسرنو تخمینیت پر ہونے والا 288.7 ملین روپے کا نفع بذریعہ ہٰذا شامل کر دیا گیا ہے۔

TPLڈائریکٹ انشورنس لمیٹڈ (TDIL)

30جون 2017 کوختم ہونے والی چھ ماہ کی مدت پر TPLڈائریکٹ انشورنس مثبت نوٹ کے ساتھ اختتام پذیر ہوئی۔

	جون۔2017	جون۔2016	شرح نمو
خالص پریمیئم	1,947,005	1,584,834	23%
روپے "000"			

TDIL نے پاکستان میں روایتی پی اینڈ سی انشورر کے حصول کے ساتھ سال 2005 میں اپنے کاروبار کا آغاز کیا۔ یہ وہ پہلا ادارہ ہے کہ جس نے رسک پروفائلنگ، کال سینٹر اور پالیسی ڈیجیٹلائزیشن کو متعارف کرایا۔ TDIL نے صارفین کو براہ راست آٹو انشورنس کی فروخت اور روایتی بروکرز کے نیٹ ورک کو نظرانداز کرتے ہوئے اپنے کام کو ایک براہ راست انشورنس فراہم کنندہ کے طور دوبارہ سے شروع کیا۔ TDIL نے سال 2006 میں 107 ملین روپے کی ہونے والی پریمیم آمدنی کو 35% اضافے کے ساتھ بڑھا کر سال 2016 میں اسے 2000 ملین روپے کردیا۔ اس نے موٹر بزنس کے کلیمز کے تناسب کو اس صنعت کے 50% کے اوسط سے بہتر کرکے TDIL کے 44% کردیا، جو کہ موٹر انڈسٹری میں سے کم ترین سطح ہے۔ TDIL کا کاروبار، پاکستان کی موٹر انشورنس کی مارکیٹ میں 34ویں نمبر سے تیسرے نمبر پر آ گیا۔

اس وقت سرمایہ کاری کی مالیت 1 بلین روپے پر ہے۔ اس نے حال ہی میں ایک مستحکم ایجنسی پلیٹ فارم کے ساتھ اہم پراپرٹی اور میرین انشورنس کے کاروبار کا آغاز کیا ہے۔ جس کے لیے ادارے نے ایک اہم ری انشورر یعنی Swiss Re and Hannover Re کے ساتھ معاہدہ کیا ہے۔ TDIL کو سال 2007 سے پاکستان کے بہترین آٹو انشورر ہونے کی حیثیت سے برانڈز آف دی ایئرز کے اعزاز سے نوازا گیا ہے۔ ادارے کی PACRA ریٹنگ بڑھ کر A+ ہوگئی ہے۔

اس وقت TPLT کے پاس TDIL کے 24.4 فیصد حصص موجود ہیں۔ TPLT، TDIL میں مزید 69.1% حصص کے حصول کے عمل سے گزر رہا ہے، جس سے ادارے (TDIL) میں اس کی شیئر ہولڈنگ کا تناسب 93.5% ہوجائے گا۔ حصص کے حصول کے اس عمل کی تکمیل ستمبر 2017 کے اختتام تک متوقع ہے۔

TPL سیکیورٹی سروسز (پرائیویٹ) لمیٹڈ (TPLSS)

TPL سیکیورٹیز سروسز (پرائیویٹ) لمیٹڈ کا قیام سال 2000 میں عمل میں آیا۔ کمپنی کراچی، لاہور، اسلام آباد، فیصل آباد، گوجرانوالہ، ملتان، حیدرآباد، سکھر، پشاور اور کوئٹہ میں تعینات 300 افراد پر مشتمل اپنے عملے کے ساتھ تمام چھینی گئی / چوری شدہ گاڑیوں کی بازیابی کا کام کرتی ہے۔ TPL سیکیورٹیز گاڑیوں کی بازیابی کے لیے ملک بھر میں قانون نافذ کرنے والے اداروں کے ساتھ بھی رابطے میں رہتی ہے۔ سال 2000 سے TPL سیکیورٹیز کو 9,750 چوری شدہ / چھینی گئی گاڑیوں جن میں ٹریکر بھی نصب تھا، میں کامیابی نہیں ملی تاہم اس نے گاڑیاں چوری کرنے والے گروہوں کی بیخ کنی اور گرفتاری نیز لاکھوں روپے مالیت کی چوری شدہ اشیاء اور میٹریل کی اچانک بازیابی میں مدد فراہم کرنے کے ساتھ ساتھ اغواء برائے تاوان کے معاملات میں بھی معاونت کی ہے۔

TPL سیکیورٹی سروسز (پرائیویٹ) لمیٹڈ نے گزشتہ سال کی نسبت اس سال 25 فیصد زیادہ منافع حاصل کیا۔ منافع میں اضافے کی وجہ کسٹمر کی تعداد میں اضافہ اور کمپنی کی جانب سے نئے کاروباری مواقع کی مسلسل کوششیں ہیں۔

6۔ مستقبل کی پیش بینی

حکمت عملی اور توجہ مرکوز کرنے کے شعبہ جات

کسٹمر اور مارکیٹ میں وسعت

ڈیجیٹل کی جانب تبدیلی

آنے والے سالوں میں ڈیجیٹل کی جانب تبدیلی ہمارے اہم مقاصد میں سے ایک ہے۔ مختلف ڈیجیٹل پلیٹ فارمز کے ذریعے ہمارے مارکیٹ کے اہداف میں ویب اور موبائل ایپ آپٹیمائزیشن، آن لائن لیڈ جنریشن، آن لائن ایڈورٹائزنگ اور کراس سیلنگ کے مواقع شامل ہوں گے۔

پہلے مرحلے میں ویب سائٹ کوڈائنامک ویب اسٹرکچراورایک مربوط آن لائن شاپ کے ذریعے دوبارہ بنایا جائے گا۔ویب سائٹ کسٹمرز کے مسائل اوران کی درخواستوں کولائف چیٹ اور فارمز کے ذریعے مستحکم طریقے سے حل کرے گا۔ٹریکر موبائل ایپ کومکمل طور پرنئے UI/UX کے ساتھ نہ صرف اپ ڈیٹ کیا جائے گا بلکہ اس کی کارکردگی کو بڑھاتے ہوئے موزوں ڈرائیورایلگورتھم کا اطلاق بھی عمل میں لایا جائے گا۔موبائل ایپ تمام متوقع کسٹمرز کے لیےایک نئے سوشل لاگن اورنئی خصوصیات کے ساتھ دستیاب ہوگی،تاکہ موجودہ اورآئندہ آنے والے صارفین کی بڑھتی ہوئی ضرورت کو پورا کیا جائے۔

ابتدائی طور پرای۔کامرس چینل کیش آن ڈیلیوری(COD) ماڈل کی بنیاد پر ہوگا اورآگے بڑھنے کے ساتھ ساتھ اسے آن لائن ادائیگی کے طریقوں بشمول کریڈٹ/ڈیبٹ کارڈز اوردیگر آن لائن پیمنٹ سروسز کے ساتھ منسلک کردیا جائے گا۔

TPL ٹریکر فرنچائز نیٹ ورک

TPL ٹریکر فرنچائزز کا آغاز آنے والے مالی سال میں کیا جائے گا،جس کا مقصد نہ صرف سیلز کے لحاظ سے مارکیٹ میں اپنی موجودگی کووسعت دینا ہوگا بلکہ خدمات کا بہتر معیار بھی فراہم کیا جائے گا۔اس کا افتتاح دومرحلوں میں کیا جائے گا؛
پائلیٹ فیزاور پبلک لاوٗنچ

ابتدائی پائلٹ فیز میں ہمیں 5-4 آٹوموبائل ڈیلرشپس (برانڈڈ اوران برانڈڈ) یا علاقائی ٹریکنگ کمپنیز کی بطور فرنچائیز ضرورت ہوگی۔

پائلٹ فیز کی کامیاب تکمیل پر،ہم عوامی سطح پر فرنچائز ماڈل کا آغاز کریں گے اورہم اپنے پینل پر 40 فرنچائزز کوشامل کرنے کی توقع کرتے ہیں۔

وسیع ڈیٹا اور IoT (BIG DATA & IoT)

کمپنی میں معیار،طریقہ کاراورلوکیشن کی معلومات کی روانی کوسمجھنے کے لیے TPL ٹریکر کے ڈیٹا کے پہلے سال نے ایک جامع ڈیٹا آڈٹ ہونے کے ثبوت پر مہر ثبت کی۔اس عمل سے گروپ کی سطح پر پھیلے ہوئے ڈیٹا کے لیے حکمت عملی کی توضیح نیز ان اسٹرکچرڈ اوراسٹرکچرڈ ڈیٹا کی شناخت کے حوالے سے لائحہ عمل طے کیا گیا،جسے پراڈکٹ کے تجربے کے لیے استعمال کیا جاسکتا ہے۔کمپنی اس وقت اپنی فلیٹ مینجمنٹ اورانشورنس کسٹمرز کوفائدہ پہنچانے کے لیے ایک وہیکل اسکورنگ ایگارتھم پر تحقیق کررہی ہے۔مزید یہ کہ اندرکام کرنے والی ٹیمیں انفرااسٹرکچر کی بہتری اورسافٹ ویئر فراہم کنندگان ہموار ربط اورکمپنیز کے ڈیٹا ایسٹس کی اسٹوریج کے درست حل کی نشاندہی کرنے پر معمور ہیں۔

آگے کی جانب قدم بڑھاتے ہوئے کمپنی کا مقصد ڈیٹا جمع کرنے کے عمل کا آغاز اورانفرااسٹرکچر کا تعین ہے،جس کی اہم کسٹمر کومختلف ایلگارتھم بیسڈ APIs کے حوالے سے ابتدائی جانچ کی اجازت دی جائے گی۔TPL ٹریکر میں کام کرنے والی آر اینڈ ڈی ٹیمز جانچ کے لیے IoT ڈیوائسز دریافت کررہی ہیں،تاکہ گاڑیوں کی ٹریکنگ کومزید بہتر انداز میں معلوم کرنے اوردرست اعداد وشمار فراہم کرنے،سپلائی چین پرنظر رکھنے اورسیکیورٹی کومزید بہتر کرنے کو یقینی بنایا جائے۔مستقبل میں کمپنی ڈیٹا کواشتہاری اورفیصلہ سازی کے مقاصد کے طور پر فراہم کرنے کا ارادہ رکھتی ہے تاکہ ہمارے صارفین ٹارگٹ ایڈورٹائزنگ کوبہتر،فلیٹ مینجمنٹ کی کارکردگی میں بہتر،انشورنس کے بہتر نرخ،رسک مینجمنٹ،کسٹمر پروفائلنگ اوردیگر مزید چیزوں کومؤثر انداز میں حاصل کریں۔

محفوظ ٹرانسپورٹ انوائرمنٹ پراجیکٹ

پاکستان بھر کی حدود میں ٹرانزٹ میں داخل ہونے والے اورکارگو" درآمد کئے جانے والے یا ایکسپورٹ پراسسنگ زونز" سے برآمد کئے جانے والے" کسی بھی کارگو کی لازمی ٹریکنگ، جوکہ FBR کے "سیف ٹرانسپورٹ انوائرمنٹ" پراجیکٹ کا حصہ ہے کے قواعد کے ذریعے،ہمیں 4000 سے 5000 ماہانہ اضافی ٹرپس کی توقع ہے،جوماہ اگست، 2017 سے شروع ہوچکے ہیں۔

نئی پراڈکٹس اورسروسز

ایسٹ ٹریکنگ (Asset Tracking):

اپنی پیش کردہ پراڈکٹس کو بڑھانے اوراپنے کسٹمرز کی مزید بہتر انداز میں خدمت کرنے کی کوششوں کے ساتھ،آنے والے سال میں نئی پراڈکٹس/خصوصیات کی ایک بڑی تعداد متعارف کرانے کی منصوبہ بندی کی گئی ہے،جوکہ درج ذیل ہیں:

- عقبی آئینہ (ریئر ویو مرر) mDVR۔اس کا ہدف کاررینٹل کمپنیز،رائیڈ ہیلنگ کمپنیز (مثلاً کریم،اوبر) اورڈسپیچ بیسڈ سلوشنز ہیں۔
- ہائبرڈ ٹریکنگ ڈیوائسز: اس کا ہدف دیہی علاقوں میں کام کرنے والے کسٹمرز ہیں،جہاں پر GSM کی کوریج بہت کم یا نہ ہونے کے برابر ہوتی ہے۔
- وہیکل ٹریکنگ مانٹرنگ سروسز میں اضافہ،جیسے نشست کی کرایہ داری یا بکنگ کا سینسر،الٹراسونک فیول سینسر،پریشر سینسر، RPM مانٹرنگ اور پرائیویٹ ورکنگ آورز

ہوم سیکیورٹی سلوشن:

اس وقت مارکیٹ میں آن لائن یا سروس بیسڈ سیکیورٹی مانٹرنگ سلوشنز زیادہ وسیع انداز میں دستیاب (صرف ایس ایم ایس یا موبائل بیسڈ انفرادی سلوشنز دستیاب ہیں) نہیں ہیں۔ ہم مختلف الارمز کے ساتھ ایک آن لائن بیسڈ مانٹرنگ سسٹم تیار کر رہے ہیں۔ جس میں ویڈیو ریکارڈنگ کے ذریعے وسعت دی جاسکتی ہے۔ ملک میں جاری چوری کے مسائل کے باعث گھروں، دفاتر اور ویئر ہاؤسز کی ایک بڑی تعداد اس کی متقاضی ہے۔

TPL MAPS

گروپ کی مجموعی IoT حکمت عملی کے مطابق Map بزنس کے حوالے سے ہمارا نظریہ ڈیٹا کے لیے تین اہم حصوں پر توجہ مرکوز کرنا ہے:

- جیوکوڈڈ ڈیٹابیس: اس کا مقصد سب سے بڑے اور درست، اپ ڈیٹڈ اور ڈائنا مک ڈیٹا بیس کا حصول ہے
- لوکیشن بیسڈ سلوشنز اینڈ سروسز: کاروبار کی کارکردگی کو بڑھانے کے لیے مختلف کاروباری حلقوں کو ماسٹر کلاس سلوشنز کی فراہمی
- منسلک شدہ گاڑیاں اور ڈیٹا جمع کرنا: پاکستان میں منسلک وہیکلز کے مستقبل کو طے کرنا

سروے آف پاکستان کی جانب سے پاکستان کی واحد لائیسنس یافتہ میپ کمپنی ہونے کے ناطے، ہمیں ریٹیل، ڈسٹری بیوشن، لاجسٹکس، کیب ہیلنگ، ٹرانسپورٹیشن اور فلیٹ مینجمنٹ، لوکیشن بیسڈ سروسز اور ای کامرس میں کام کرنے والی کسی بھی کمپنی کے انتخاب کا اختیار حاصل ہے۔

TPL Maps کا رنیویگیشن سافٹ ویئر

آٹوموبائل انڈسٹری کے لیے نیویگیشن سافٹ ویئر ہماری سب سے اہم پیشکش ہے اور پاکستان میں آٹوموبائلز تیار کرنے والے تین میں سے دو بڑے ادارے، ہمارے صارفین کی فہرست میں شامل ہیں۔ ہم اوپن مارکیٹ اور ساتھ ہی آن لائن مارکیٹ میں بھی داخل ہو چکے ہیں، تاکہ اپنے صارفین کو بہتر خدمات کی فراہمی کے قابل ہو جائیں اور مارکیٹ میں غیر قانونی اور غیر مجوزہ سافٹ ویئرز کے استعمال کو کم کرنے کے قابل ہو جائیں۔

آگے کی جانب بڑھتے ہوئے ہم نہ صرف اپنی نیویگیشن کو مضبوط بنائیں گے اور اپنے ادارے سے فراہم کردہ حل کے ذریعے اسے مقامی بنائیں گے بلکہ ہم انڈسٹری کے حوالے سے دیگر سافٹ ویئرز اور ہارڈ ویئر سروسز میں بھی داخل ہوں گے۔ ہم مربوط اور منسلک گاڑیوں اور ڈیٹا کے ذریعے فراہم کئے جانے والے حل کی جانب کام کرنے لیے گاڑیاں تیار کرنے والے اداروں کے ساتھ مل کر کام کر رہے ہیں۔ عالمی سطح پر منسلک شدہ کارز انڈسٹری سال 2021 تک 57 بلین امریکی ڈالر تک جانے کی توقع کی جاتی ہے۔

نیویگیشن سافٹ ویئر درج ذیل خصوصیات جیسی وسیع سہولیات کی پیشکش کرتا ہے:

- آسان انٹرفیس
- ایچ ڈی گرافک
- 2D اور 3D لینڈ مارک
- ایک ملین سے زائد پوائنٹ آف انٹرسٹ (POIs)
- 500 سے زائد شہروں میں کوریج
- تمام بڑے شہروں میں گھروں کی تلاش کا مربوط نظام
- متبادل راستے اور راستوں پر مختلف وے پوائنٹس
- اچانک موڑ اور ریلوے کراسنگ کے حوالے سے احتیاطی ہدایات
- انٹرنیٹ کنیکشن کے بغیر آف لائن نیویگیشن
- سڑکوں کے نام کو با آواز بتانے (TS) کے ساتھ وائس گائیڈڈ نیویگیشن

لوکیشن بیسڈ سلوشنز

TPL Maps، کاروباری عمل کی کارکردگی کو بہتر بنانے کے لیے ایس ایم ایز، MNCs اور بڑے پبلک سیکٹر اداروں کے لیے ان کی ضرورت کے مطابق لوکیشن بیسڈ سلوشنز بھی فراہم کرتا ہے۔ یہ فلیٹ مینجمنٹ اینڈ ڈسپیچ سلوشنز، روٹ پلاننگ، ٹریفک ٹرینڈز، فیلڈ فورس مینجمنٹ، وہیکل ٹریکنگ اور آف لائن نیویگیشن سے مختلف ہے۔ ہم اپنی Maps ٹیکنالوجی اور ڈیٹا بیس کو استعمال کرتے ہوئے کمیونٹی مینجمنٹ ٹولز، ایگری بیسڈ سلوشنز اور میڈیا سلوشن کی تخلیق کے لیے جارحانہ انداز میں کام کر رہے ہیں۔

اس کے ساتھ ساتھ ہم لوکیشن بیسڈ ایڈورٹائزنگ، ضرورت کے مطابق برانڈنگ، اسٹریٹ ویژن اور مختلف ریٹیل اور کارپوریٹ بزنس کے لیے 360 ڈگری ورچوئل ٹورز کی بھی پیشکش کرتے ہیں۔

TPL روپیہ

TPL روپیہ (TPLR) ایک ای پیمنٹ کمپنی ہے، جو بینک، حکومت اور موبائل اکاؤنٹ ٹرانزیکشنز کے ذریعے ادائیگی کی سہولیات کی پیشکش کرتی ہے۔ اسٹیٹ بینک آف پاکستان نے TPLR کی اصولی منظوری کا اجراء کر دیا ہے۔

TPL روپیہ کی اہم پراڈکٹ "کیش ایپ" کے ذریعے موبائل فونز استعمال کرنے والوں کو اپنے بینک اکاؤنٹ، موبائل والٹ یا موبائل فون اکاؤنٹ استعمال کرتے ہوئے گڈز اینڈ سروسز کے حوالے سے ادائیگی کی سہولت فراہم کی جاتی ہے۔ اس ٹیکنالوجی کے ذریعے روزانہ کی بنیاد پر صارف کو ٹرانزیکشن جیسے ریٹیل پیمنٹس، یوٹیلیٹی بل پیمنٹس، گراسری شاپنگ، اسکول فیس، ای کامرس، بس فیئر، ریلوے فیئر، ٹیکسی فیئر، منی ٹرانسفر اور دیگر کئی سہولیات فراہم کی جا سکتی ہیں۔

Tap n Pay کے تحت دی جانے والی سہولت کے ذریعے نہ صرف فوری ادائیگی کی جا سکتی ہے بلکہ اس سے لمبی لمبی قطاروں کو بھی کم کرنے میں مدد ملتی ہے۔ یہ سلوشن اس وقت لاہور میں LTC بسوں پر فراہم کر دیا گیا ہے اور وہاں جاری ہے۔ اس میں ایک NFC (نیئر فیلڈ کمیونیکیشن) ڈیوائس / اسٹیکر POS ٹرمینل پر نصب ہوتا ہے تاکہ صارف کو بہتر اور شفاف ٹرانزیکشن کی سہولت فراہم کی جا سکے۔

متوسط طبقے کی بڑھتی ہوئی تعداد اور گرے اکنامی کے ساتھ پاکستان میں موبائل کے ذریعے ادائیگی کا اب وقت آ گیا ہے۔ TPL عوام کے لیے پاکستان کے پہلے حقیقی تبادلے کے سلوشن کے اطلاق کے لیے اہم بینکوں اور ٹیلی کمیونیکیشن اداروں کے ساتھ مل کر کام کر رہا ہے۔

TPL روپیہ کا مقصد ادائیگی کے لیے ایک ایکو سسٹم کی تخلیق ہے، جس سے لوگوں کو اپنے روزمرہ کی خدمات کے حصول کے لیے نقد رقم پر انحصار کرنے کے عمل کو کم کرنے میں مدد ملے گی۔ اس کے ذریعے انڈر بینکڈ، ناخوش بینک اور انڈر سروڈ مارکیٹ ایک اداراتی میکانیت کے ذریعے دوبارہ منسلک ہوگی، جس کے ذریعے بینک کلائنٹ کے فون پر آ جائیں گے اور ساتھ ہی ان کی شناخت کو محفوظ رکھتے ہوئے ان کی ٹرانزیکشنز کے تحفظ کو بھی یقینی بنایا جائے گا۔

TPL روپیہ کا "کیش ایپ" ایک جامع اکاؤنٹ والٹ سروس کی پیشکش کرتا ہے، جو آپ کے فزیکل والٹ کو روایتی اور ادائیگی کے حوالے سے اضافی سروسز کے وسیع سیٹ کے ساتھ موزوں اور مناسب ڈیجیٹل کاؤنٹر پارٹ میں تبدیل کر دیتا ہے۔ کیش ایپ کو استعمال کرتے ہوئے، صارفین اپنے موجودہ بینک (کیش ایپ نیٹ ورک بینک) اکاؤنٹس کے ساتھ منسلک ہو سکتے ہیں اور کیش ایپ والٹ میں فنڈز جمع کرائے بغیر ایپ کے ذریعے ٹرانزیکشنز کر سکتے ہیں۔

انتظام و انصرام کی اسکیم

سال کے دوران کمپنی کے بورڈ آف ڈائریکٹرز نے اپنے کاروبار (Maps اور وہیکل ٹریکنگ) کو دو علیحدہ اداروں بالترتیب؛ TPL Maps پرائیویٹ لمیٹڈ اور TPL ٹریکنگ پرائیویٹ لمیٹڈ میں تقسیم کرنے کی تجویز دی ہے۔ اس کا انتظام و انصرام اب تک عدالت سے منظور ہونا ہے تاہم یہ ادارے صافی اثاثہ جات کی منتقلی کے بغیر قانونی طور پر 27 دسمبر 2016 کو قائم کر دیئے گئے ہیں تاہم انہیں مالی گوشواروں میں نوٹ 7 پر بطور ذیلی ادارے ظاہر کیا گیا ہے کیوں کہ کمپنی اس کی 100 شیئر ہولڈنگ کی حامل ہے۔

7۔ کریڈٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے TPL ٹریکر لمیٹڈ (TPL) کی طویل المدت اور قلیل المدت اداراتی ریٹنگز کو مستحکم ظاہر کرتے اور برقرار رکھتے ہوئے بالترتیب -A (سنگل اے مائینس) اور A2 (اے ٹو) قرار دیا ہے۔ مذکورہ ریٹنگز، مالیاتی ذمہ داریوں کی بروقت ادائیگی کے حوالے سے اعلیٰ صلاحیت کے ساتھ کم ترین کریڈٹ رسک کو ظاہر کرتی ہیں۔

8۔ گزشتہ چھ سالوں کے اہم مالی کوائف

2012	2013	2014	2015	2016	2017	بیلنس شیٹ
1,872,490	2,172,490	2,172,490	2,172,490	2,172,490	2,172,490	اداشدہ سرمایہ حصص
240,350	282,353	370,765	625,310	771,647	789,219	مختص شدہ آمدن
2,112,839	2,454,843	2,543,254	2,797,800	2,944,137	2,961,709	کل ایکویٹی
-	-	-	-	-	228,791	غیر منقولہ جائیداد کی دوبارہ تخمینت پر اضافی فائدہ
1,208,363	1,208,363	1,208,363	1,135,368	1,219,096	1,587,272	سرمایہ کاری
1,695,006	1,740,326	1,861,799	1,898,447	1,977,766	2,671,840	غیر منقولہ جائیداد
29,660	34,340	47,501	236,733	292,286	57,887	دیگر غیر موجودہ اثاثہ جات
437,596	508,641	672,943	856,010	1,037,595	1,207,344	تجارتی قرضہ
66,257	135,846	220,130	253,138	293,839	356,123	اسٹاک ان ٹریڈ
204,296	152,095	167,458	237,595	151,501	218,808	دیگر موجود اثاثہ جات
	2,088 3,105	56,471	64,146	74,082	40,355	زر نقد اور بینک ڈپازٹس
3,644,283	3,781,699	4,234,664	4,681,437	5,046,165	6,139,629	کل اثاثہ جات
493,497	564,871	841,158	561,636	1,179,420	2,123,073	طویل المدت اور قلیل المدت فنانس
168,869	215,900	342,518	212,772	68,159	87,749	متعلقہ پارٹیوں پر واجب الادا
869,077	546,086	507,733	1,109,231	854,450	738,307	دیگر واجبات
1,531,444	1,326,856	1,691,409	1,883,639	2,102,029	2,949,129	کل واجبات

2012	2013	2014	2015	2016	2017	نفع اور نقصان
965,636	1,035,379	1,404,759	1,457,620	1,537,181	1,506,282	آمدنی
-455,686	-487,817	-671,633	-716,976	-761,838	-716,495	فروختگی کی لاگت
509,951	547,562	733,125	740,645	775,342	789,787	مجموعی نفع
-315,600	-417,356	-519,801	-554,805	-571,146	-609,804	انتظامی اور دیگر اخراجات
-127,672	-111,987	-130,390	-143,620	-123,635	-149,728	مالیاتی چارجز
56,513	44,751	48,856	176,316	44,896	49,094	دیگر آمدن
123,191	62,970	131,790	218,536	125,457	79,349	قبل از محصول نفع/نقصان
82,498	49,486	88,412	202,224	62,609	56,903	بعد از محصول نفع/نقصان
-	-	-	51,213	83,728	-14,054	کل مجموعی آمدن
0.44	0.23	0.41	0.93	0.29	0.26	ای پی ایس (EPS)

9۔ آڈیٹرز

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

10۔ ڈائیریکٹرز کی تربیت

پاکستان اسٹاک ایکسچینج میں درج قواعد کی شق 5.19.7 کے تحت، کمپنی نے ڈائیریکٹرز ٹریننگ پروگرام کو باضابطہ طور پر مکمل کیا ہے۔

کارپوریٹ اور فنانشل رپورٹنگ فریم ورک پر وضاحت

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

- کمپنی کی جانب سے تیار شدہ مالی گوشوارے اسکے معاملات، اس کے آپریشن کے نتائج، زرِ نقد کی ترسیل اور ایکویٹی میں تبدیلی کی درست ترجمانی کرتے ہیں۔
- کمپنی نے کمپنیز آرڈیننس 1984 کے تحت کھاتوں (اکاؤنٹس) کی مخصوص بکس ترتیب دی ہوئی ہیں۔
- کمپنی کی جانب سے مالی گوشواروں کی تیاری میں مسلسل مخصوص اکاؤنٹنگ پالیسز کا اطلاق کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات موزوں اور محتاط فیصلے کی بنیاد پر کئے گئے ہیں۔
- مالی گوشواروں کی تیاری میں پاکستان میں قابلِ اطلاق بین الاقوامی مالیاتی رپورٹنگ کے معیار اور قواعد کی پیروی کی گئی ہے اور کسی بھی کسی ڈپارچر کو موزوں طور پر ظاہر اور واضح کیا گیا ہے۔
- اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اس کا مئوثر طریقے سے اطلاق اور جانچ کی جاتی ہے۔
- کمپنی کے بنیادی قواعد مستحکم ہیں اور کمپنی کے اسی طرح جاری رہنے میں کوئی شکوک و شبہات نہیں ہیں۔
- کمپنی نے اسٹاک ایکسچینج میں درج شدہ قواعد کے مطابق کارپوریٹ گورننس کا بہترین انداز میں اطلاق کیا اور اس پر عمل کیا ہے اور اس میں سے کسی قسم کے مواد کو خارج نہیں کیا گیا۔
- اس سالانہ رپورٹ میں خلاصہ شدہ فارم کی صورت میں گزشتہ چھ سالوں کے اہم نکات اور مالی کوائف شامل ہیں۔
- 30 جون، 2017 کو غیر آڈٹ شدہ اکاؤنٹس کی بنیاد پر پراویڈنٹ فنڈ کی سرمایہ کاری کی مالیت 90.8 ملین روپے ہے۔

11۔ شیئر ہولڈنگ کا طریقہ

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

حصص یافتگان کی کیٹیگری	رکھے جانے والے حصص کی تعداد	شیئر ہولڈنگ کی شرح فیصد
منسلک کمپنیز	114,950,274	52.90%
بینکس، ڈی ایف آئیز اور این بی ایف آئیز	9,862,000	4.50%
انشورنس کمپنیز	1,379,500	0.60%
میوچل فنڈز	9,252,346	4.30%
عام عوام (مقامی)	57,059,605	26.30%
عام عوام (غیر ملکی)	4,382,131	2.00%
مضاربہ	148,000	0.10%
غیر ملکی کمپنیز	5,589,500	2.60%
دیگر	14,625,607	6.70%
کل	217,248,963	100

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

حامل حصص	حامل حصص (تک)	حامل حصص (سے)	حصص یافتگان کی تعداد
3,966	100	1	298
305,569	500	101	618
735,960	1,000	501	740
4,762,199	5,000	1,001	1,543
5,250,924	10,000	5,001	630
2,924,829	15,000	10,001	221
3,292,600	20,000	15,001	176
3,004,000	25,000	20,001	125
1,934,000	30,000	25,001	67
1,406,500	35,000	30,001	42
1,463,000	40,000	35,001	38
1,164,538	45,000	40,001	27
3,227,000	50,000	45,001	65
904,500	55,000	50,001	17
703,500	60,000	55,001	12
639,168	65,000	60,001	10
347,500	70,000	65,001	5
738,000	75,000	70,001	10
784,000	80,000	75,001	10
416,000	85,000	80,001	5
534,500	90,000	85,001	6
751,000	95,000	90,001	8
3,688,377	100,000	95,001	37
618,000	105,000	100,001	6
543,400	110,000	105,001	5
228,000	115,000	110,001	2
117,000	120,000	115,001	1
750,000	125,000	120,001	6
380,500	130,000	125,001	3
135,000	135,000	130,001	1
557,001	140,000	135,001	4
142,000	145,000	140,001	1
1,050,000	150,000	145,001	7
465,000	155,000	150,001	3
157,500	160,000	155,001	1
165,000	165,000	160,001	1
338,500	170,000	165,001	2
175,000	175,000	170,001	1
360,000	180,000	175,001	2
369,000	185,000	180,001	2
378,000	190,000	185,001	2
1,198,000	200,000	195,001	6
409,500	205,000	200,001	2
214,500	215,000	210,001	1
215,958	220,000	215,001	1
444,700	225,000	220,001	2
232,000	235,000	230,001	1
996,500	250,000	245,001	4
257,000	260,000	255,001	1
261,000	265,000	260,001	1
292,500	295,000	290,001	1
600,000	300,000	295,001	2
325,000	325,000	320,001	1
326,500	330,000	325,001	1
332,000	335,000	330,001	1
350,000	350,000	345,001	1

حامل حصص	حامل حصص (تک)	حامل حصص (سے)	حصص یافتگان کی تعداد
385,000	385,000	380,001	1
773,000	390,000	385,001	2
392,000	395,000	390,001	1
800,000	400,000	395,001	2
410,000	410,000	405,001	1
424,500	425,000	420,001	1
854,500	430,000	425,001	2
439,500	440,000	435,001	1
459,000	460,000	455,001	1
464,000	465,000	460,001	1
478,000	480,000	475,001	1
525,000	525,000	520,001	1
607,500	610,000	605,001	1
643,000	645,000	640,001	1
832,500	835,000	830,001	1
900,000	900,000	895,001	1
920,000	920,000	915,001	1
990,000	990,000	985,001	1
1,025,000	1,025,000	1,020,001	1
1,211,500	1,215,000	1,210,001	1
1,300,000	1,300,000	1,295,001	1
1,319,500	1,320,000	1,315,001	1
1,400,000	1,400,000	1,395,001	1
1,417,500	1,420,000	1,415,001	1
1,500,000	1,500,000	1,495,001	1
1,545,000	1,545,000	1,540,001	1
1,604,500	1,605,000	1,600,001	1
1,616,600	1,620,000	1,615,001	1
1,900,000	1,900,000	1,895,001	1
4,624,000	2,315,000	2,310,001	2
2,428,846	2,430,000	2,425,001	1
3,225,500	3,230,000	3,225,001	1
3,412,000	3,415,000	3,410,001	1
3,960,554	3,965,000	3,960,001	1
5,150,000	5,150,000	5,145,001	1
35,009,900	35,010,000	35,005,001	1
79,935,374	79,940,000	79,935,001	1
217,248,963	Company Total		4,827

12۔ اضافی معلومات

حامل حصص کی تعداد	مسلک کمپنیز، حلف نامے اور متعلقہ پارٹیز (ناموں کے ساتھ تفصیلات)
114,950,274	TPL ہولڈنگز (پرائیویٹ) لمیٹڈ
347	TPL ڈائریکٹ انشورنس لمیٹڈ۔ ایمپلائیز پراویڈنٹ فنڈ
	میوچل فنڈز (ناموں کے ساتھ تفصیلات)
1,900,000	AFC Umbrella Fund
3,225,500	Tundra Pakistan Fund
5,000	Trustees of First UDL Modaraba Staff Provident Fund
459,000	CDC - Trustee MCB Pakistan Stock Market Fund

منسلک کمپنیز، حلف نامے اور متعلقہ پارٹیز (ناموں کے ساتھ تفصیلات)	حامل حصص کی تعداد
CDC - Trustee PICIC Investment Fund	1,211,500
CDC - Trustee PICIC Growth Fund	2,311,000
CDC - Trustee AKD Opportunity Fund	385,500
Trustee - First Dawood Investment Bank Limited & other Employee's Provident Fund	86,500
CDC - Trustee First Habib Income Fund	35,500
Trustee TPL Direct Insurance Limited - Employees Provident Fund	347
CDC - Trustee Pakistan Income Enhancement Fund - MT	221,700
CDC - Trustee MCB Dynamic Cash Fund - MT	155,000
CDC - Trustee First Capital Mutual Fund	150,000
CDC - Trustee Faysal Savings Growth Fund - MT	1,616,600
Wateen Telecom Limited Staff Gratuity Fund	100,000
CDC - Trustee First Habib Income Fund - MT	43,800
CDC - Trustee Faysal MTS Fund - MT	106,900
CDC - Trustee Pakistan Income Fund - MT	76,000
MCBFSL Trustee MCB Pakistan Frequent Payout Fund - MT	51,000
ڈائیریکٹرز، سی ای اوران کے لواحقین اور چھوٹے بچے (ناموں کے ساتھ تفصیلات) مندرجہ ذیل ڈائیریکٹر TPL ہولڈنگز (پرائیوٹ) لمیٹڈ کے نامزد ڈائیریکٹرز ہیں اور کمپنی کے کسی بھی حصص کے حامل نہیں ہیں۔ جناب جمیل یوسف (S.St.) جناب علی جمیل جناب سعد ناصر جناب بلال علی بھائی مندرجہ ذیل ڈائیریکٹر حضرات کمپنی کے آزاد ڈائیریکٹرز ہیں اور 30 جون، 2017 تک کسی حصص کے حامل نہیں ہیں۔ جناب ندیم ارشد الٰہی	
ایگزیکٹیو 30 جون، 2017 کو مندرجہ ذیل ڈائیریکٹرز کمپنی کے حصص کے حامل ہیں جناب ظفر الحسن نقوی جناب محمد شفیع	کوئی نہیں 500 1
پانچ فیصد یا زائد ووٹنگ کی دلچسپی کے حامل حصص یافتگان (ناموں کے ساتھ تفصیلات) TPL ہولڈنگز پرائیوٹ لمیٹڈ	114,950,274
ڈائیریکٹرز، سی ای او، سی ایف او، کمپنی سیکریٹری اوران کے لواحقین اور چھوٹے بچوں کی جانب سے حصص میں کی گئی ٹریڈنگ کی تفصیلات دوران سال کسی بھی ڈائیریکٹرز، سی ای او، سی ایف او، کمپنی سیکریٹری اوران کے لواحقین اور چھوٹے بچوں کی جانب کمپنی کے حصص کی خرید وفروخت عمل میں نہیں آئی۔	

13۔ بورڈ کے اجلاس

بورڈ آف ڈائیریکٹرز نے مالی سال کے دوران سات اجلاس منعقد کئے۔ڈائیریکٹرز کی حاضری ذیل میں درج ہے:

ڈائیریکٹر کا نام	اجلاس میں شرکت کی تعداد
جناب جمیل یوسف (S.St.)	7
جناب علی جمیل (سی ای او)	7
جناب محمد شفیع	6
Mr. Mark Dean Rousseau	6
جناب سعد نثار	7
جناب ندیم ارشد الٰہی	3
جناب سید ظفر الحسن نقوی	5
جناب بلال علی بھائی	5

اظہارِ تشکر

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

جمیل یوسف (ایس ایس ٹی)
چیئرمین

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

Review report to the members on statement of compliance with the code of corporate governance

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of **TPL Trakker Limited** (the Company) for the year ended **30 June 2017** to comply with the requirements of Chapter 5, Clause 5.19 of the Code of Corporate Governance of Rule Book of Pakistan Stock Exchange Limited, where the Company is listed.

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

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

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended 30 June 2017.

EY Ford Rhodes

Chartered Accountants
Audit Engagement Partner: Shariq Ali Zaidi
Place: Karachi
Date: 24 August 2017

Statement of Compliance with the Code of Corporate Governance

Name of Company: **TPL Trakker Limited**
Year ended: **30 June 2017**

This statement is being presented to comply with the Code of Corporate Governance (Code) contained in Regulation No. 5.19 of chapter 5 of the Rule Book of Pakistan Stock Exchange Limited for the purpose of establishing a framework of good governance, whereby a listed Company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the Code in the following manner:

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

Category	Names
Independent director	Nadeem Arshad Elahi
Executive director	Ali Jameel
Non-executive directors	1. Jameel Yusuf (S.St.) 2. Syed Zafar ul Hasan Naqvi 3. Mark Dean Rousseau 4. Saad Nissar 5. Vice Admiral (R) Muhammad Shafi 6. Hussein Ali Bhai 7. Bilal Ali Bhai

The independent director meets the criteria of independence under Clause 5.19.1 (b) of the Code.

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

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

4. No casual vacancy occurred on the Board during the year.

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

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

7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer (CEO), other executive and non-executive directors, have been taken by the Board. No new appointment of CEO has been made during the year.

8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated except in one case where the delay was of three days only owing to Eid Holidays.

9. Six out of eight directors of the Company have completed the Directors training program.

10. The Board has approved the appointment of Chief Financial Officer (CFO), Company Secretary and Head of Internal Audit including his remuneration and terms and conditions of employment. However, no new appointment of CFO has been made during the year.

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

12. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.

13. The directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.

14. The Company has complied with all the corporate and financial reporting requirements of the Code.

15. The Board has formed an Audit Committee. It comprises of three members, of whom all are non-executive directors and the Chairman of the Committee is an independent director.

16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the Code. The terms of reference of the committee have been formed and advised to committee for compliance.

17. The Board has formed an Human Resource and Remuneration Committee. It comprises three members, of whom two are non-executive. The Chairman of the Committee is an independent director and CEO is also the member of the Committee.

18. The Board has set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan (ICAP), that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by the ICAP.

20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.

21. The "closed period" prior to the announcement of interim/ final results, and business decisions, which may materially affect the market price of Company's securities, was determined and intimated to directors, employees and stock exchange (s).

22. Material/ price sensitive information has been disseminated among all market participants at once through stock exchange.

23. The Company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.

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

Jameel Yusuf (S.St.)
Chairman

Ali Jameel
Chief Executive

24 August 2017

Auditor's Report to the Members

We have audited the annexed balance sheet of **TPL Trakker Limited** (the Company) as at **30 June 2017** and the related profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conduct our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;

b) in our opinion:

   i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the repealed Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied, except for the changes as stated in notes 4.1 to the accompanying financial statements with which we concur;

   ii) the expenditure incurred during the year was for the purpose of the Company's business; and

   iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at **30 June 2017** and of the profit, its cash flows and changes in equity for the year then ended; and

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

EY Ford Rhodes

Chartered Accountants
Audit Engagement Partner: Shariq Ali Zaidi
Date: 24 August 2017
Karachi

Balance Sheet

AS AT JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property and equipment	5	1,024,184,785	547,429,989
Intangible assets	6	1,647,655,672	1,430,336,278
		2,671,840,457	1,977,766,267
Long-term investments	7	828,492,161	446,565,530
Long-term loans	8	826,538	430,466
Long-term deposits	9	45,331,228	30,480,042
Interest accrued	10	17,363	13,482,945
Due from related parties	11	11,711,707	243,307,802
Deferred tax assets - net	12	-	4,585,096
		3,558,219,454	2,716,618,148
CURRENT ASSETS			
Stock-in-trade	13	356,122,525	293,838,894
Trade debts	14	1,207,344,403	1,037,594,834
Loans and advances	15	9,768,879	9,295,832
Trade deposits and prepayments	16	36,582,040	36,843,396
Interest accrued	10	11,985,115	12,148,610
Other receivables	17	19,448,696	8,183,397
Short-term investments	18	758,780,449	772,530,449
Due from related parties	11	94,301,120	85,030,006
Taxation – net	32	46,721,208	-
Cash and bank balances	19	40,354,665	74,082,114
		2,581,409,100	2,329,547,532
TOTAL ASSETS		6,139,628,554	5,046,165,680

Balance Sheet

AS AT JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Authorised			
230,000,000 (2016: 230,000,000) ordinary shares of Rs.10/- each		**2,300,000,000**	2,300,000,000
Issued, subscribed and paid-up capital	20	**2,172,489,630**	2,172,489,630
Revenue reserve – unappropriated profit		**789,218,929**	771,646,701
		2,961,708,559	2,944,136,331
SURPLUS ON REVALUTION OF FIXED ASSETS	21	**228,790,596**	-
NON-CURRENT LIABILITIES			
Long-term financing	22	**622,968,751**	724,255,448
Liabilities against assets subject to finance lease	23	**10,975,935**	20,717,461
Deferred income	24	**2,444,444**	5,377,780
Deferred tax liabilities - net	12	**1,161,733**	-
Long-term loans	25	**290,277,330**	50,653,413
		927,828,193	801,004,102
CURRENT LIABILITIES			
Trade and other payables	26	**517,911,684**	360,982,256
Accrued mark-up	27	**49,228,099**	103,519,045
Short-term financing	28	**62,238,722**	34,199,476
Running finance under mark-up arrangements	29	**876,719,637**	420,965,430
Current portion of non-current liabilities	30	**259,892,691**	207,051,627
Due to related parties	31	**87,748,925**	68,159,261
Taxation-net	32	**-**	866,482
Advance monitoring fees	33	**167,561,448**	105,281,670
		2,021,301,206	1,301,025,247
CONTINGENCIES AND COMMITMENTS	34		
TOTAL EQUITY AND LIABILITIES		**6,139,628,554**	5,046,165,680

The annexed notes from 1 to 52 form an integral part of these financial statements.

Chief Executive	Chief Financial Officer	Director

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
Turnover – net	35	**1,506,281,654**	1,537,180,808
Cost of sales	36	**(716,495,191)**	(761,838,325)
Gross profit		**789,786,463**	775,342,483
Distribution expenses	37	**(239,918,365)**	(231,753,991)
Administrative expenses	38	**(368,525,475)**	(326,818,274)
Operating profit		**181,342,623**	216,770,218
Other expenses	39	**(1,359,659)**	(12,574,083)
Finance costs	40	**(149,727,603)**	(123,634,898)
Other income	41	**49,093,642**	44,895,502
Profit before taxation		**79,349,003**	125,456,739
Taxation	42	**(22,445,698)**	(62,847,532)
Profit for the year		**56,903,305**	62,609,207
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)			
Unrealised (loss) / gain on available-for-sale investments at fair value		**(14,054,297)**	83,727,893
Total comprehensive income for the year		**42,849,008**	146,337,100
Earnings per share – basic and diluted	43	**0.26**	0.29

The annexed notes from 1 to 52 form an integral part of these financial statements.

Chief Executive	Chief Financial Officer	Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		79,349,003	125,456,739
Adjustment for non-cash charges and other items:			
Depreciation	5.1.1	136,247,540	119,843,256
Amortisation	6.1	50,103,602	57,536,170
Provision for doubtful debts	38	17,452,497	22,241,419
Finance costs	40	149,727,603	123,634,898
Gain on disposal of investment in TPL Life Insurance Limited	41	(18,500,707)	-
Gain on disposal of property and equipment	41	(3,691,013)	(2,055,305)
Exchange loss – net	39	588,438	9,179,285
Deferred income	41	(2,933,336)	(4,636,647)
		328,994,624	325,743,076
Operating profit before working capital changes		408,343,627	451,199,815
(Increase) / decrease in current assets			
Stock-in-trade		(118,824,188)	(40,700,590)
Trade debts		(187,202,066)	(203,826,004)
Loans and advances		(473,047)	32,880,830
Trade deposits and prepayments		261,356	26,071,726
Other receivables		(11,265,299)	(2,931,817)
Interest accrued		13,629,077	49,954,066
Due from related parties		222,324,881	(82,176,618)
		(81,549,286)	(220,728,407)
Increase / (decrease) in current liabilities			
Trade and other payables		155,262,189	(190,951,134)
Due to related parties		19,589,664	(144,612,523)
Advance monitoring fees		62,279,778	34,209,422
Cash flows generated from / (used in) operations		563,925,972	(70,882,827)
Payments for:			
Finance costs		(204,018,549)	(90,168,363)
Income taxes – net	32	(68,663,762)	(49,988,668)
		(272,682,311)	(140,157,031)
Net cash flows generated from / (used in) operating activities		291,243,661	(211,039,858)

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of - property and equipment	5.1	(299,866,037)	(73,588,880)
- capital work-in-progress	5.3	(23,271,293)	(66,921,983)
- intangible assets	6.1	(13,727,283)	(65,886,889)
- intangible assets under development	6.2	(253,695,713)	(60,831,039)
Sale proceeds from disposal of property and equipment and intangible assets	5.2	3,832,248	12,585,711
Proceeds from disposal of investment in TPL Life Insurance Limited		76,550,000	-
Purchase of investments - TPL Life Insurance Limited		(440,280,021)	-
Long-term loans		(396,072)	143,378
Long-term deposits		(14,851,186)	(5,393,521)
Net cash flows used in investing activities		(965,705,357)	(259,893,223)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(24,495,872)	-
Long-term financing – net		(112,421,253)	487,750,558
Obligations under finance leases repaid		(9,877,116)	(28,222,319)
Long-term loans – net		303,735,035	(81,013,259)
Short-term financing – net		28,039,246	(41,720,980)
Net cash flows from financing activities		184,980,040	336,794,000
Net decrease in cash and cash equivalents		(489,481,656)	(134,139,081)
Cash and cash equivalents at the beginning of the year		(346,883,316)	(212,744,235)
Cash and cash equivalents at the end of the year	48	(836,364,972)	(346,883,316)

The annexed notes from 1 to 52 form an integral part of these financial statements.

Chief Executive

Chief Financial Officer

Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2017

	Issued, subscribed and paid-up capital	Revenue reserve – unappropriated profit	Total Equity
	------------------------	Rupees	------------------------
Balance as at June 30, 2015 - restated	2,172,489,630	625,309,601	2,797,799,231
Profit for the year	-	62,609,207	62,609,207
Other comprehensive income for the year, net of tax	-	83,727,893	83,727,893
Total comprehensive income for the year	-	146,337,100	146,337,100
Balance as at June 30, 2016	**2,172,489,630**	**771,646,701**	**2,944,136,331**
Profit for the year	**-**	**56,903,305**	**56,903,305**
Other comprehensive loss for the year, net of tax	**-**	**(14,054,297)**	**(14,054,297)**
Total comprehensive income for the year	**-**	**42,849,008**	**42,849,008**
Final dividend for the year ended June 30, 2016 @ Re.0.25 per share	**-**	**(25,574,673)**	**(25,574,673)**
Surplus on revaluation of operating fixed assets realised:			
- on account of incremental depreciation charged on related assets for the year	**-**	**425,561**	**425,561**
- deferred tax thereon	**-**	**(127,668)**	**(127,668)**
	-	**297,893**	**297,893**
Balance as at June 30, 2017	**2,172,489,630**	**789,218,929**	**2,961,708,559**

The annexed notes from 1 to 52 form an integral part of these financial statements.

Chief Executive	Chief Financial Officer	Director

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

1. LEGAL STATUS AND OPERATIONS

1.1. TPL 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). Subsequently in 2009, the Company was converted into a public company. The Company got listed on the Pakistan Stock Exchange Limited on July 16, 2012. 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 installation and sale of tracking devices, vehicle tracking and fleet management.

1.2. TPL Holdings (Private) Limited is the Parent Company, which holds 114,950,274 (2016: 114,950,274) ordinary shares of the Company representing 52.91 percent (2016: 52.91 percent) shareholding as of the balance sheet date.

1.3. During the year, the board of directors of the Company has proposed a scheme of arrangement to split its businesses (i.e. Maps and Vehicle Tracking) into two separate entities i.e. TPL Maps (Private) Limited and TPL Vehicle Tracking (Private) Limited respectively. The arrangement is yet to be approved by the Court, however, these companies have been legally formed on December 27, 2016, without the transfer of net assets, but are disclosed as subsidiaries in note 7 to the financial statements as the Company holds 100 percent shareholding.

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

	% of shareholding	
	2017	**2016**
Subsidiaries		
TPL Security Services (Private) Limited [TPLS] - (note 7.1)	**99.90**	99.90
TPL Properties Limited [TPLP] - (note 18.1)	**20.11**	26.44
Centrepoint Management Services (Private) Limited (sub-subsidiary)	***20.11**	26.44
HKC Limited (sub-subsidiary)	***20.11**	-
TPL Life Insurance Limited [TPLL] (note 7.4)	**86.02**	-
TPL Vehicle Tracking (Private) Limited (note 7.5)	**100.00**	-
TPL Maps (Private) Limited (note 7.6)	**100.00**	-
Associates		
TPL Direct Insurance Limited [TDIL] - (note 7.2)	**24.39**	24.39
Trakker Middle East LLC [TME] – (note 18.2)	**29.00**	29.00

* Represents direct holding of TPLP as at the balance sheet date

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

2. STATEMENT OF COMPLIANCE

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

3. BASIS OF PREPARATION

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1. Standards, amendments and interpretations adopted during the year

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

New and Revised Standards

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

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

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

Annual Improvements

IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations - Changes in methods of disposal
IFRS 7 – Financial Instruments: Disclosures - Servicing contracts

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

IFRS 7 – Financial Instruments: Disclosures - Applicability of the offsetting disclosures to condensed interim financial statements
IAS 19 – Employee Benefits - Discount rate: regional market issue
IAS 34 – Interim Financial Reporting - Disclosure of information elsewhere in the interim financial report

The adoption of the above amendments, improvements to accounting standards and interpretations does not have any material effect on these financial statements.

4.2. Significant accounting judgments, estimates and assumptions

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

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

a) Operating fixed assets

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

b) Recognition of tax and deferred tax

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

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

4.3. Property and equipment

4.3.1 Owned

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is charged to profit and loss account 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

Rates of depreciation which are disclosed in note 5.1 to these financial statements are designed to write-off the cost over the estimated useful lives of the assets.

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

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

An item of property 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 and loss account.

During the current year, the Company changed its accounting policy in respect of valuation of leasehold land and building on leasehold land, whereby, with effect from the current year, these are carried at the revalued amounts, being the fair value at the date of revaluation less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any, instead of past policy of carrying the same at their cost less accumulated depreciation and accumulated impairment losses, if any.

The above change, made to provide a more accurate reflection of the carrying value of the assets of the Company, and has been accounted for in accordance with the IAS – 16 "Property, Plant and Equipment", as required under IAS – 8 "Accounting Policies, Changes in Accounting Estimate and Errors'" requiring such a change to be applied prospectively, instead of applying the same retrospectively.

4.3.2 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.

4.3.3 Leased

Finance leases, which transfer to the Company, all the risks and benefits incidental to ownership of leased items are capitalised at the inception of lease. Assets subject to finance lease are initially recorded at the lower of the present value of minimum lease payments under the lease agreements and the fair value of the leased assets. The related obligation under the lease less financial charges allocated to future period are shown as a liability. Income arising from sale and leaseback transactions, if any, is deferred and is amortised equally over the lease period.

Financial charges are calculated at the interest rate implicit in the lease and are charged to profit and loss account. Leased assets are depreciated on a straight line basis at the same rate as Company's owned assets as disclosed in note 5.1 to these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

4.4. Intangible assets

Intangible assets other than goodwill, customers related intangible assets and marketing related intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Goodwill, Customers related intangible assets and marketing related intangible assets are stated at cost less accumulated impairment losses, if any, as their useful life is indefinite and are tested for impairment annually. For other intangibles amortisation is charged to the profit and loss account applying the straight line method, whereby, the cost of intangible asset is written off over its useful economic life. The amortization rate of the intangible assets are stated in note 6.1 to these financial statements. Full month's amortisation is charged in the month of addition when the asset is available for use, whereas, amortisation on disposals is charged upto the month in which the disposal takes place.

4.4.1 Intangible assets under development

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

4.4.2 Business combinations and Goodwill

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

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

a) the aggregate of consideration transferred, the amount of any non-controlling interest in the acquiree and in a business combination achieved in stages, the acquisition date fair value of the previously held equity interest in the acquiree; and

b) the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

In case the fair value attributable to the Company's interest in the identifiable net assets exceeds the fair value of consideration, the Company recognises the resulting gain in the profit and loss account 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 as referred in note 4.7.2 to these financial statements. Impairment loss in respect of goodwill is recognised in profit and loss account.

4.5. Surplus on revaluation of fixed assets

The surplus arising on revaluation of fixed assets is credited to the "Surplus on Revaluation of Fixed Assets Account" shown below equity in the balance sheet in accordance with the requirements of Section 235 of the repealed Companies Ordinance, 1984. The said section was amended through the Companies (Amendment) Ordinance, 2002 and accordingly, the Company has adopted the following accounting treatment of depreciation on revalued assets, keeping in view the Securities and Exchange Commission of Pakistan's (SECP) SRO 45(1)/2003 dated January 13, 2003:

- depreciation on assets which are revalued is determined with reference to the value assigned to such assets on revaluation and depreciation charge for the year is taken to the profit and loss account; and

- an amount equal to incremental depreciation for the year net of deferred taxation is transferred from "Surplus on Revaluation of Fixed Assets Account" to accumulated profit through Statement of Changes in Equity to record realization of surplus to the extent of the incremental depreciation charge for the year.

4.6. Investments

The management of the Company determines the appropriate classification of its investments at the time of purchase.

4.6.1 Investments in subsidiaries

Investment in subsidiaries are stated at fair value. (note 4.6.4)

4.6.2 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.

4.6.3 At fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held-for-trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial instruments are classified as held-for-trading if they are acquired for the purpose of selling and repurchasing in near term. Held-for-trading assets are acquired principally for the purpose of generating profit from short-term fluctuations in price. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes sales and purchase decision based on their fair value in accordance with the Company's investment strategy.

All investments classified as investments at fair value through profit or loss are initially measured at cost being fair value of consideration given. All transaction costs are recognised directly in profit and loss account. At subsequent dates these investments are measured at fair value, determined on the basis of prevailing market prices, with any resulting gain or loss recognised directly in the profit and loss account.

4.6.4 Available-for-sale

Investments intended to be held for an indefinite period of time which may be sold in response to need for liquidity or changes in market conditions are classified as available-for-sale. At initial recognition, available-for-sale investments are measured at fair value plus directly attributable transaction costs.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

After initial recognition, investments which are classified as available-for-sale are measured at fair value with unrealised gains or losses recognised in other comprehensive income in the available-for-sale reserve until, the investment is sold, derecognised or is determined to be impaired, at which time the cumulative gain or loss is reclassified to the profit and loss account and removed from the available-for-sale reserve.

The fair value of those investments representing listed equity and other securities i.e. debt instruments are determined on the basis of year-end bid prices obtained from stock exchange quotations and quotes from brokers.

4.7. Impairment

4.7.1 Financial assets

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

4.7.2 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

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 profit and loss account.

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

4.8. 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.

4.9. Trade debts and other receivables

Trade debts originated by the Company are recognised and carried at original invoice amount less provision for doubtful debts, if any. An estimated provision for doubtful debt is made when collection of the full amount is no longer probable. No provision is made in respect of the active customers which are considered good. Bad debts are written-off, as and when identified.

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

4.10. Cash and cash equivalents

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

4.11. 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

NOTES TO THE FINANCIAL STATEMENTS

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made, both by the Company and the employees at the rate of 8.33 percent of the basic salary. The contribution from the Company are charged to the profit and loss account for the year.

4.12. 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 balance sheet 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 balance sheet 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 balance sheet 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 balance sheet date. Deferred tax is charged or credited to the profit and loss account.

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

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

4.13. Trade and other payables

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 Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

4.14. 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 balance sheet date and accordingly adjusted to reflect current best estimates.

4.15. 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 and loss account on a straight line basis over the lease / ijarah term.

4.16. Revenue recognition

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

- Revenue from sales is recognised when goods are installed.
- Monitoring fees, rental income and other service charges are recorded on accrual basis.
- Income on bank accounts is recorded using effective interest rate.
- Dividend income is recognised when the right to receive the dividend is established.
- Other income, if any, is recognized on accrual basis.

4.17. Foreign currency translation

Transactions in foreign currencies are translated into Pakistani Rupee at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling at the balance sheet date. Exchange gains and losses are recognised in profit and loss account. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

4.18. Financial instruments

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

4.19. Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet, if the Company 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.

4.20. 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.

4.21. Dividend and appropriation to reserves

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

4.22. 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.

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

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

Standards		Effective date (annual periods beginning on or after)
IFRS 2	Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)	January 01, 2018
IFRS 10	Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalised
IAS 7	Financial Instruments: Disclosures - Disclosure Initiative - (Amendment)	January 01, 2017

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

IAS 12	Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)	January 01, 2017
IFRS 4	Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments)	January 01, 2018
IAS 40	Investment Property: Transfers of Investment Property (Amendments)	January 01, 2018
IFRIC 22	Foreign Currency Transactions and Advance Consideration	January 01, 2018
IFRIC 23	Uncertainty over Income Tax Treatments	January 01, 2017

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

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2016. Such improvements are generally effective for accounting periods beginning on or after 01 January 2018. The Company expects that such improvements to the standards will not have any impact on the Company's financial statements in the period of initial application.

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

Standards

IFRS 9	Financial Instruments: Classification and Measurement
IFRS 14	Regulatory Deferral Accounts
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases
IFRS 17	Insurance Contracts

	Note	2017 Rupees	2016 Rupees
5. PROPERTY AND EQUIPMENT			
Operating fixed assets	5.1	**999,237,294**	528,924,376
Capital work-in-progress	5.3	**24,947,491**	18,505,613
		1,024,184,785	547,429,989

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

5.1. Operating fixed assets

	COST / REVALUED AMOUNT			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2016	Additions / (disposals) / transfers	As at June 30, 2017	As at July 01, 2016	Charge for the year / (disposals) / transfers (note 5.1.1)	As at June 30, 2017	As at June 30, 2017	Deprec-iation Rate
	---------- (Rupees) ----------							%
Owned								
Leasehold land (note 5.1.5)	194,124,965	218,875,035	413,000,000	-	-	-	413,000,000	-
Building on leasehold land (note 5.1.5)	45,465,312	14,590,648	60,055,960	18,031,203	2,722,286	20,753,489	39,302,471	5
Computers and accessories	206,403,199	5,186,157 - * 2,849,531	214,438,887	186,804,221	14,732,789	201,537,010	12,901,877	33.33
Generators	6,502,202	-	6,502,202	6,480,372	21,830	6,502,202	-	20
Electrical equipments (notes 5.1.2)	301,868,796	278,394,969 (1,014,810) *3,564,900 **60,002,966	642,816,821	184,529,066	63,217,425 (1,014,810)	246,731,681	396,085,140	20-25
Furniture and fittings	140,502,987	11,964,309 (311,801) *4,003,225	156,158,720	56,981,005	25,489,116 (311,801)	82,158,320	74,000,400	20
Vehicles	107,863,229	- (5,890,984)	101,972,245	56,904,570	14,314,288 (5,890,984)	65,327,874	36,644,371	20
Construction of shed	6,048,277	-	6,048,277	6,048,277	-	6,048,277	-	20
Mobile phones	19,526,409	4,320,602 (251,450) * 455,600	24,051,161	13,399,188	4,202,776 (110,215)	17,491,749	6,559,412	33.33
	1,028,305,376	**533,331,720 (7,469,045) *10,873,256 ** 60,002,966**	**1,625,044,273**	**529,177,902**	**124,700,510 (7,327,810)**	**646,550,602**	**978,493,671**	
Leased								
Computers and accessories	46,000,408	-	46,000,408	40,347,050	3,601,385	43,948,435	2,051,973	33.33
Electrical equipments	3,570,700	-	3,570,700	2,440,333	688,473	3,128,806	441,894	20
Vehicles	38,300,180	- - *2,493,750	40,793,930	28,087,326	4,057,096 -	32,144,422	8,649,508	20
Generators	16,000,400	-	16,000,400	3,200,076	3,200,076	6,400,152	9,600,248	20
Mobile phones	279,800	-	279,800	279,800	-	279,800	-	20
	104,151,488	**- - *2,493,750**	**106,645,238**	**74,354,585**	**11,547,030 -**	**85,901,615**	**20,743,623**	
2017	**1,132,456,864**	**533,331,720 (7,469,045) *13,367,006 **60,002,966**	**1,731,689,511**	**603,532,488**	**136,247,540 (7,327,810)**	**732,452,217**	**999,237,294**	

* Represents transfers from capital work-in-progress to owned and leased assets (note 5.3)
** Represents transfers from stock-in-trade to owned assets

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	COST			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2015	Additions / (disposals) / transfers	As at June 30, 2016	As at July 01, 2015	Charge for the year / (disposals) / transfers (note 5.1.1)	As at June 30, 2016	As at June 30, 2016	Deprec-iation Rate
	----------------	----------------	----------------	(Rupees)	----------------	----------------	----------------	%
Owned								
Leasehold land	194,124,965	-	194,124,965	-	-	-	194,124,965	-
Building on leasehold land	45,465,312	-	45,465,312	15,757,935	2,273,268	18,031,203	27,434,109	5
Computers and accessories	190,539,675	5,282,477 *10,791,047 (210,000)	206,403,199	170,051,233	16,962,988 - (210,000)	186,804,221	19,598,978	33.33
Generators	8,402,202	(1,900,000)	6,502,202	8,275,372	105,000 (1,900,000)	6,480,372	21,830	20
Electrical equipments (notes 5.1.2)	241,957,968	38,606,618 *21,304,210	301,868,796	131,509,993	53,019,073	184,529,066	117,339,730	20-25
Furniture and fittings	96,122,260	22,733,917 *21,646,810	140,502,987	35,714,080	21,266,925	56,981,005	83,521,982	20
Vehicles	103,741,897	435,813 (13,787,138) *17,472,657	107,863,229	48,781,744	11,411,795 (3,288,969)	56,904,570	50,958,659	20
Construction of shed	6,048,277	-	6,048,277	6,048,277	-	6,048,277	-	20
Mobile phones	13,130,285	4,930,015 (262,011) *1,728,120	19,526,409	10,489,572	3,139,391 (229,774)	13,399,189	6,127,220	33.33
	899,532,841	**71,988,840 (16,159,149) *72,942,844**	**1,028,305,376**	**426,628,206**	**108,178,440 (5,628,743)**	**529,177,903**	**499,127,473**	
Leased								
Computers and accessories	46,000,408	-	46,000,408	35,636,153	4,710,897	40,347,050	5,653,358	33.33
Electrical equipments	3,570,700	-	3,570,700	2,021,025	419,308	2,440,333	1,130,367	20
Vehicles	30,750,330	*7,549,850	38,300,180	24,752,791	3,334,535	28,087,326	10,212,854	20
Generators	-	1,600,040 *14,400,360	16,000,400	-	3,200,076	3,200,076	12,800,324	20
Mobile phones	279,800	-	279,800	279,800	-	279,800	-	20
	80,601,238	**1,600,040 *21,950,210**	**104,151,488**	**62,689,769**	**11,664,816**	**74,354,585**	**29,796,903**	
2016	**980,134,079**	**73,588,880 (16,159,149) *94,893,054**	**1,132,456,864**	**489,317,975**	**119,843,256 (5,628,743)**	**603,532,488**	**528,924,376**	

* Represents transfers from capital work-in-progress to owned and leased assets (note 5.3)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees

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

	Note	2017 Rupees	2016 Rupees
Cost of sales	36	77,736,399	68,409,393
Distribution expenses	37	24,928,375	21,937,407
Administrative expenses	38	33,582,766	29,496,456
		136,247,540	119,843,256

5.1.2 As at the balance sheet date, assets costing Rs. 379.986 million (2016: Rs. 35.652 million) are in possession of third parties, on rental basis.

5.1.3 Included in operating fixed assets are fully depreciated assets having cost of Rs. 487.537 million (2016: Rs. 377.368 million).

5.1.4 The immoveable assets of the Company are placed as security against term finance facility and running finance under mark-up arrangement facility obtained from commercial banks as stated in notes 22, 25, 28 and 29 respectively to these financial statements.

5.1.5 During the year, the Company has carried out the revaluation exercise by an independent valuers, which has resulted in surplus on leasehold land and building on leasehold land of Rs.218.875 million and Rs.14.591 million over their existing cost of Rs.194.125 million and Rs.45.465 million and written down value of Rs.194.125 million and Rs.26.298 million, respectively.

Had there been no revaluation, the aggregated cost and written down value of revalued leasehold land and building on leasehold land would have been lower by Rs.233.466 million and Rs.233.040 million and surplus on revaluation of fixed assets would have been lower by Rs.228.790 million.

The fair values were determined with reference to market based evidence, based on active market prices and relevant enquiries and information as considered necessary, and adjusted for any difference in nature, location or condition of the specific properties. The fair value of leasehold land and building on leasehold land falls under level 2 of fair value hierarchy (i.e. significant observable inputs) as disclosed in note 44.4.1.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

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

	Original cost	Accumulated depreciation	Written down value	Sale proceeds	Gain on disposals	Mode of disposal	Particulars of buyers	Location
	----------	----------	(Rupees)	----------	----------			
Owned								
Mobile phones	251,450	110,215	141,235	156,398	15,163	Negotiation	Various	Karachi
Aggregate amount of assets disposed off having written down value less than Rs.50,000 each	7,217,595	7,217,595	-	3,675,850	3,675,850			
2017	7,469,045	7,327,810	141,235	3,832,248	3,691,013			
2016	16,159,149	5,628,743	10,530,406	12,585,711	2,055,305			

	Note	2017 Rupees	2016 Rupees
5.3. Capital work-in-progress			
Opening balance		**18,505,613**	46,476,684
Additions during the year		**23,271,293**	66,921,983
Transfers during the year:			
- operating fixed assets	5.1	**(13,367,006)**	(94,893,054)
- TPL Direct Insurance Limited (an associated company)		**(3,462,409)**	-
Closing balance	5.3.1	**24,947,491**	18,505,613

5.3.1 Represents expenses incurred and advances made by the Company in respect of procurement of computer equipments and softwares, office equipments, furniture and fittings.

	Note	2017 Rupees	2016 Rupees
6. INTANGIBLE ASSETS			
Intangible assets	6.1	**1,333,128,920**	1,369,505,239
Intangible assets under development	6.2	**314,526,752**	60,831,039
		1,647,655,672	1,430,336,278

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

6.1. Intangible assets

	COST			ACCUMULATED DEPRECIATION IMPAIRMENT			WRITTEN DOWN VALUE	
	As at July 01, 2016	Additions	As at June 30, 2017	As at July 01, 2016	Charge for the year (note 6.1)	As at June 30, 2017	As at June 30, 2017	Amortis-ation Rate
	------	------	------	(Rupees)	------	------	------	%
Owned								
Goodwill (6.4)	403,380,571	-	403,380,571	-	-	-	403,380,571	-
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	-
Internally generated computer softwares	25,840,000	-	25,840,000	24,973,491	866,509	25,840,000	-	13.33
Maps database	147,858,790	-	147,858,790	53,598,805	7,392,940	60,991,745	86,867,045	5
Softwares	274,562,536	13,727,283	288,289,819	146,221,193	41,8			
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
2017	**1,618,183,923**	**13,727,283**	**1,631,911,206**	**248,678,684**	**50,103,602**	**298,782,286**	**1,333,128,920**	

	COST			ACCUMULATED DEPRECIATION IMPAIRMENT			WRITTEN DOWN VALUE	
	As at July 01, 2015	Additions	As at June 30, 2016	As at July 01, 2015	Charge for the year (note 6.1)	As at June 30, 2016	As at June 30, 2016	Amortis-ation Rate
	------	------	------	(Rupees)	------	------	------	%
Owned								
Goodwill (6.4)	403,380,571	-	403,380,571	-	-	-	403,380,571	-
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	-
Internally generated computer softwares	25,840,000	-	25,840,000	21,529,019	3,444,472	24,973,491	866,509	13.33
Maps database	147,858,790	-	147,858,790	46,205,866	7,392,939	53,598,805	94,259,985	5
Softwares	183,325,929	65,886,889 *25,349,718	274,562,536 23,939,846	84,032,494	38,248,853	146,221,193	128,341,343	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
	1,526,947,316	**65,886,889 *25,349,718**	**1,618,183,923**	**175,652,574**	**49,086,264 *23,939,846**	**248,678,684**	**1,369,505,239**	
Leased								
Softwares	25,349,718	*(25,349,718)	-	15,489,940	8,449,906 *(23,939,846)	-	-	33.33
	25,349,718	***(25,349,718)**	-	**15,489,940**	**8,449,906 *(23,939,846)**	-	-	
2016	**1,552,297,034**	**65,886,889**	**1,618,183,923**	**191,142,514**	**57,536,170**	**248,678,684**	**1,369,505,239**	

* Represents transfer from leased to owned intangibles.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
6.2. Intangible assets under development			
Opening balance		**60,831,039**	-
Additions during the year		**253,695,713**	60,831,039
Closing balance	6.2.1	**314,526,752**	60,831,039

6.2.1 Represents expenditure incurred for development of map database.

6.3. Amortisation expense for the year is charged to cost of sales (note 36).

6.4. Impairment testing of goodwill and intangibles with indefinite lives

Goodwill acquired through business combinations and intangibles with indefinite useful lives have been allocated and monitored at the Company level (tracking business - excluding non-operating assets). Intangible assets with indefinite useful lives include customer and marketing related intangibles assets. The Company has performed its annual impairment test as at June 30, 2017. The recoverable amount of the Company is determined based on a value-in-use calculation using cash flow projections from financial budgets approved by the senior management covering a five year period and applying the expected value approach. The discount rate applied to cash flow projections is 16.1 percent (2016: 17.1 percent). The growth rate used to extrapolate the cash flows beyond the five-year period is 4.1 percent (2016: 4.1 percent). As a result of this analysis, the management did not identify any impairment for the cash generating unit.

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 Weighted Average Cost of Capital of the Company.

Key business assumptions

These assumptions are based on industry data for growth rates and 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 and greater focus on container tracking and navigation businesses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

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.

	Note	2017 Rupees	2016 Rupees
7. LONG-TERM INVESTMENTS			
Investment in subsidiary companies – available-for-sale at fair value			
TPL Life Insurance Limited	7.1	**364,893,455**	-
TPL Security Services (Private) Limited	7.2	**61,098,613**	44,065,637
TPL Maps (Private) Limited	7.3	**100**	-
TPL Vehicle Tracking (Private) Limited	7.4	**100**	-
		425,992,268	44,065,637
Investment in associated company – at cost			
TPL Direct Insurance Limited (TDIL)	7.5 & 7.6	**402,499,893**	402,499,893
		828,492,161	446,565,530

7.1. In July 2016, the Company had acquired TPL Life Insurance Limited (formerly Asia Care Health and Life Insurance Company Limited) [TPLL], at a total net consideration of Rs.260.280 million (for 50 million ordinary shares). Further, during the year, the Company invested for 18 million ordinary shares of Rs. 10 each offered by way of two seperate right issues and disposed off 9.5 million shares against proceeds of Rs. 76.550 million. As of June 30, 2017, the Company holds 58.500 million ordinary shares of TPLL representing 86.02 percent of share capital of TPLL. The management considers the said investment as a strategic investment and therefore, it has been classified as long-term investment as of balance sheet date under non-current assets. Accordingly, as of 30 June 2017, the management do not expect any changes in the fair value of the subsidiary from its cost of investment and the same has been considered as its fair value in these financial statements with no corresponding impact in other comprehensive income.

7.2. The Company holds 2,099,900 (2016: 2,099,900) ordinary shares of Rs.10/- each, representing 99.99 percent (2016: 99.99 percent) of the share capital of TPL Security Services (Private) Limited as of the balance sheet date. The book value per share amounts to Rs. Nil (2016: Rs. Nil) based on the latest available unaudited financial statements for the year ended June 30, 2017.

The Company has calculated the recoverable amount of its investment based on value in use calculations as prescribed under IAS-36 "Impairment of Assets" and the same has been considered and accounted for at value in use being its fair value as of balance sheet date. The discount rate applied to cash flow projections is 14.2 percent (2016: 13.6 percent). The growth rate use to extrapolate the cash flows beyond the five-year period is 4.1 percent (2016: 4.1 percent).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

7.3. On December 27, 2016, the Company has subscribed for 10 ordinary shares of Rs.10/- each representing 100 percent of the share capital of TPL Maps (Private) Limited as of the balance sheet date. (note 1.3)

7.4. On December 27, 2016, the Company has subscribed for 10 ordinary shares of Rs.10/- each representing 100 percent of the share capital of TPL Vehicle Tracking (Private) Limited as of the balance sheet date. (note 1.3)

7.5. The Company holds 18,419,000 (2016: 18,419,000) ordinary shares of Rs.10/- each, representing 24.39 percent (2016: 24.39 percent) of the share capital of TPL Direct Insurance Limited as of the balance sheet date. The market value per share amounts to Rs.24.60 (2016: Rs.17.85). The Company has calculated the recoverable amount of its investment based on fair value, i.e. market value of Rs. 24.60 as of balance sheet date. The carrying value per share, measured at cost less accumulated impairment losses, is Rs. 21.85. Accordingly, the management considers that no provision for any impairment is required at this stage.

7.6. Out of 18.419 million ordinary shares of TDIL held by the Company, 18.402 million ordinary shares are pledged with financial institutions against various financing facilities.

	Note	2017 Rupees	2016 Rupees
8. LONG-TERM LOANS – secured, considered good			
Executives	8.1 & 8.2	**1,067,737**	915,018
Employees		**1,271,861**	1,924,583
	8.3	**2,339,598**	2,839,601
Less: Current portion	15	**(1,513,060)**	(2,409,135)
		826,538	430,466

8.1. Reconciliation of the carrying amount of loans to executives

	2017 Rupees	2016 Rupees
Balance as on July 01	**915,018**	1,530,385
Disbursements	**1,118,694**	960,454
Less: Repayments / adjustments	**(965,975)**	(1,575,821)
Balance as on June 30	**1,067,737**	915,018

8.2. The maximum aggregate amount of loans due from the executives at the end of any month during the year was Rs. 3.380 million (2016: Rs. 3.125 million).

8.3. The loans are provided to employees of the Company 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 (2016: 5 percent) per annum. Further, it also includes loans provided on interest free basis amounting to Rs. 0.612 million (2016: Rs. 0.686 million). All loans are repayable over a period of two years in equal monthly installments and are secured against salaries and provident fund balances of the employees.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

		Note	2017 Rupees	2016 Rupees
9.	**LONG-TERM DEPOSITS**			
	Security deposits - leased and ijarah assets		**33,010,985**	17,226,885
	Less: Current portion	16	**(12,643,282)**	(6,880,834)
			20,367,703	10,346,051
	Utilities		**177,450**	177,450
	Rent deposits		**2,998,921**	2,652,921
	Cash margin against guarantees	9.1	**21,787,154**	17,303,620
		9.2	**45,331,228**	30,480,042

9.1. Represents cash margin on guarantee issued by a conventional commercial bank on behalf of the Company.

9.2. These are non-interest bearing and generally on a term of more than a year.

		Note	2017 Rupees	2016 Rupees
10.	**INTEREST ACCRUED - unsecured, considered good**			
	Accrued mark-up on current account with:			
	Holding company			
	- TPL Holdings (Private) Limited	11.1	**-**	981,547
	Subsidiary companies			
	- TPL Security Services (Private) Limited	11.2	**4,326,421**	4,326,421
	- TPL Properties Limited	11.3	**17,363**	13,482,945
			4,343,784	17,809,366
	Associated companies			
	- Trakker Middle East LLC.		**2,653,161**	2,653,161
	Others			
	- Trakker Direct Finance (Private) Limited		**791,624**	722,005
	- TPL Logistics (Private) Limited		**323,475**	251,578
	- The Resource Group Pakistan Limited		**3,666,381**	3,130,612
	- TPL Rupiya (Private) Limited		**224,053**	83,286
		11.1	**5,005,533**	4,187,481
			12,002,478	25,631,555
	Less: Current portion		**11,985,115**	12,148,610
			17,363	13,482,945

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
11. DUE FROM RELATED PARTIES – unsecured, considered good			
Holding company			
- TPL Holdings (Private) Limited	31.3	-	18,789,612
Subsidiary companies			
- TPL Security Services (Private) Limited	11.2	66,165,870	57,334,544
- TPL Properties Limited	11.3	11,711,707	243,307,802
- TPL Life Insurance Limited	11.2	16,960,976	-
- TPL Vehicle Tracking (Private) Limited	11.2	1,621,135	-
- TPL Maps (Private) Limited	11.2	421,135	-
		96,880,823	300,642,346
Others			
- Trakker Direct Finance (Private) Limited		771,300	757,425
- TPL Logistic (Private) Limited		778,522	734,805
- TPL Rupiya (Private) Limited		1,697,610	1,529,048
- The Resource Group Pakistan Limited		5,884,572	5,884,572
	11.1	9,132,004	8,905,850
		106,012,827	328,337,808
Less: Current portion		94,301,120	85,030,006
		11,711,707	243,307,802

11.1. Represents current account balances with related parties carrying markup at the variable rate of 6 months KIBOR plus 3 percent i.e 9.15 percent and fixed rate of 18 percent (2016: variable rate of 6 months KIBOR plus 3 percent i.e. 9.06 percent and fixed rate of 18 percent) per annum and are repayable on demand.

11.2. Represents interest free current account balance with related party and is repayable on demand.

11.3. Represents loan financing facility having limit of Rs. 200 million carrying mark-up rate of 10.35 percent (2016: 10.35 percent) per annum and repayable on or before August 31, 2121. The rate of mark-up is fixed rate from 14 percent to variable rate of 6 month KIBOR plus 4 percent, which was effective from May 01, 2016.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
12. DEFERRED TAX LIABILITIES / (ASSETS)			
Deferred tax liabilities on taxable temporary differences:			
- accelerated tax depreciation on owned and leased assets		**16,002,704**	(15,985,717)
- intangible assets		**5,642,765**	736,224
		21,645,469	(15,249,493)
Deferred tax assets on deductible temporary differences:			
- liabilities against assets subject to finance lease		**(6,675,473)**	9,959,866
- surplus on revaluation of fixed assets		**(4,249,526)**	-
- trade debts		**(8,825,403)**	8,207,611
- deferred income		**(733,334)**	1,667,112
		(20,483,736)	19,834,589
		1,161,733	(4,585,096)

	Note	2017 Rupees	2016 Rupees
13. STOCK-IN-TRADE			
Tracking devices	13.1 & 13.2	**347,658,183**	282,410,259
Spare parts	13.3	**8,464,342**	11,428,635
		356,122,525	293,838,894

13.1. Includes stock of Rs. 7.913 million (2016: Rs. 13.422 million) held with third parties on account of stock given for demo purposes.

13.2. Includes stock of Rs. 95.646 million (2016: Rs. 77.901 million) held with third parties on account of on-site container tracking installations.

13.3. Represents Bonnet Locks, Window Motors etc. which are held for sale.

	Note	2017 Rupees	2016 Rupees
14. TRADE DEBTS - unsecured			
Considered good	14.1 & 14.2	**1,207,344,403**	1,037,594,834
Considered doubtful		**29,418,010**	26,476,168
Less: Provision for doubtful debts	14.4	**(29,418,010)**	(26,476,168)
		-	-
		1,207,344,403	1,037,594,834

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

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

14.2. Included herein amount due from TPL Direct Insurance Limited and The Resource Group Pakistan Limited (associated companies) of Rs.10.061 million and Rs.0.033 million (2016: Rs.6.022 million and Rs.0.032 million) respectively.

14.3. As at June 30, 2017 and 2016, the ageing analysis of unimpaired trade debts are as follows:

	Total	Neither past due nor impaired	Past due but not impaired > 30 days upto 120 days	> 121 days upto 180 days	180 days and above
	(Rupees)				
Related parties	**10,094,101**	**5,013,807**	**1,137,301**	**524**	**3,942,469**
Other than related parties	**1,197,250,302**	**501,957,748**	**494,563,322**	**75,602,993**	**125,126,238**
2017	**1,207,344,403**	**506,971,555**	**495,700,623**	**75,603,517**	**129,068,707**
Related parties	6,054,473	1,571,007	2,068,776	375,397	2,039,293
Other than related parties	1,031,540,361	489,863,112	396,732,085	41,057,621	103,887,543
2016	1,037,594,834	491,434,119	398,800,861	41,433,018	105,926,836

	Note	2017 Rupees	2016 Rupees
14.4. Provision for doubtful debts			
Opening balance		**26,476,168**	26,009,833
Provision for the year	38	**17,452,497**	22,241,419
Written off during the year		**(14,510,655)**	(21,775,084)
Closing balance		**29,418,010**	26,476,168

15. LOANS AND ADVANCES

	Note	2017 Rupees	2016 Rupees
Loans – secured, considered good			
Current portion of long-term loans	8	**1,513,060**	2,409,135
Advances – unsecured, considered good			
- suppliers		**8,175,333**	6,487,290
- executives		**-**	318,007
- others		**80,486**	81,400
	15.1	**8,255,819**	6,886,697
		9,768,879	9,295,832

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
16. TRADE DEPOSITS AND PREPAYMENTS			
Trade deposits			
- security deposits		**1,221,220**	1,143,720
- LC margins		**2,599,531**	4,996,737
- current portion of leased and ijarah deposits	9	**12,643,282**	6,880,834
- others		**711,516**	711,516
	16.1	**17,175,549**	13,732,807
Prepayments			
- insurance		**4,244,198**	5,351,501
- rent		**6,938,358**	13,005,455
- maintenance	16.2	**8,223,935**	4,753,633
		19,406,491	23,110,589
		36,582,040	36,843,396

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

16.2. Included herein maintenance of Rs. Nil (2016: Rs. 3.140 million) paid to Centrepoint Management Services (Private) Limited, a sub-subsidiary company (a related party).

	Note	2017 Rupees	2016 Rupees
17. OTHER RECEIVABLES – unsecured, considered good			
Earnest money		**15,326,939**	3,509,174
Insurance claims		**2,988,489**	3,540,957
Others		**1,133,268**	1,133,266
	17.1	**19,448,696**	8,183,397

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

	Note	2017 Rupees	2016 Rupees
18. SHORT-TERM INVESTMENTS			
Investment in a subsidiary company – available-for-sale at fair value			
TPL Properties Limited (TPLP)	18.1	**673,750,000**	687,500,000
Investment in an associated companies – at cost			
Trakker Middle East LLC (TME)	18.2	**85,030,449**	85,030,449
		758,780,449	772,530,449

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

18.1. The Company holds 55 million (2016: 55 million) ordinary shares of Rs.10/- each, representing 20.1 percent (2016: 26.44 percent) of the share capital of TPLP as of the balance sheet date. The book value per share amounts to Rs.16.93 (2016: Rs. 15.37) based on the latest available unaudited financial statements for the year ended June 30, 2017. The market value per share amounts to Rs. 12.25 (2016: Rs.12.50). As of balance sheet date, the management of the Company intends to dispose off the said investment shortly.

During the year ended 2016, TPLP got listed on Pakistan Stock Exchange Limited that had resulted in the dilution of shareholding of the Company in TPLP from 50.08 percent to 26.44 percent and further during the year TPLP shares were issued against swap arrangement for the acquisition of HKC Limited by TPLP resulting in the further dilution of shareholding of the Company from 26.44 percent to 20.11 percent as of the balance sheet date. In this regard, the Company has reassessed as to whether or not the Company alongwith the ultimate parent company and other related parties have a defacto control over TPLP as required under International Financial Reporting Standards 10 "Consolidated Financial Statements" (IFRS 10). Based on such assessment, the management has concluded that the Company alongwith other related parties has a defacto control over TPLP having the majority shareholding i.e. 40.26 percent (2016: 52.94 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, 2017, the Company continues to account for TPLP as it's subsidiary in these financial statements.

18.2. The Company holds 1,644 (2016: 1,644) ordinary shares of AED 1,000 each, representing 29 percent (2016: 29 percent) of the share capital as of the balance sheet date. The book value per share amounts to AED 1,441 (2016: AED 1,715) equivalent to Rs. 41,099 (2016: Rs. 48,797) based on the latest available un-audited financial statements for the period ended June 30, 2017.

Based on the approval of Board of Directors in their meeting held on April 23, 2015 to consider and negotiate an offer to disinvest entire shareholding in TME, the Company has conditionally accepted an offer for disposal of its entire shareholding in TME, subject to obtaining the necessary approvals, compliance of legal formalities and signing of a binding sale agreement to execute the transaction. The management expects that this offer will be materialized and the said investment in TME will be disposed off within twelve months from the balance sheet date. Accordingly, it has been classified as short-term investments under current assets.

19. CASH AND BANK BALANCES	Note	2017 Rupees	2016 Rupees
Cash in hand		**646,139**	594,853
At banks in:			
current accounts - local currency			
- conventional banking		**26,736,023**	10,599,955
- islamic banking		**12,836,689**	10,338,250
		39,572,712	20,938,205
current accounts - foreign currency			
- conventional banking		**-**	133,314
saving accounts - local currency			
- conventional banking	19.1 & 19.2	**135,814**	52,415,742
		40,354,665	74,082,114

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

19.1. Included herein debt service reserve account maintained with United Bank Limited for any date of US dollar Nil (2016: US Dollars 0.493) equal to the aggregate amount of principal, interest payments and fees of Rs. Nil (2016: Rs. 52.415) million for immediately succeeding six month period with respect to the financing facility as disclosed in the notes 22.1 and 22.2 to these financial statements. This account shall be quarterly adjusted to account for exchange rate fluctuations in accordance with the requirement of Security and Deposit Account Control Agreement among the Company, Overseas Private Investment Corporation (OPIC) and United Bank Limited dated December 09, 2013.

19.2. It carries mark-up at the rate of 4 percent (2016: 4 percent) per annum.

20. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2017	2016		Note	2017	2016
Number of shares				Rupees	Rupees
		Ordinary shares of Rs.10/- each			
30,009,900	30,009,900	- issued for cash		**300,099,000**	300,099,000
187,239,063	187,239,063	- issued for consideration other than cash	20.1	**1,872,390,630**	1,872,390,630
217,248,963	217,248,963			**2,172,489,630**	2,172,489,630

20.1. 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 ordinary shares of the Company.

21. SURPLUS ON REVALUATION OF FIXED ASSETS

	Note	2017 Rupees	2016 Rupees
Surplus on revaluation of operating fixed assets recognized during the period / year:			
- Leasehold land	5.1	**218,875,035**	-
- Building on leasehold land	5.1	**14,590,648**	-
		233,465,683	-
Transfer to unappropriated profit on account of incremental depreciation charged for the year		**425,561**	-
		233,040,122	-
Deferred tax:			
- On account of surplus of revaluation of building on leasehold land		**4,377,194**	-
- Impact of deferred tax on incremental depreciation charged for the period / year		**(127,668)**	-
		4,249,526	-
	5.1.5	**228,790,596**	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
22. LONG-TERM FINANCING – secured			
Conventional financing			
Project finance	22.1 & 22.2	**114,843,751**	206,128,126
Islamic financing			
Diminishing musharika I	22.3	**-**	393,352
Diminishing musharika II	22.4	**11,297,605**	32,041,131
Sukuk financing	22.5	**600,000,000**	600,000,000
		611,297,605	632,434,483
		726,141,356	838,562,609
Less: Current portion shown under current liabilities	30	**103,172,605**	114,307,161
		622,968,751	724,255,448

22.1. The Company had obtained a project financing facility of US Dollars 3.5 million (equivalent to Rs. 367.663 million) for a period of five years from OPIC (a foreign financial institution) through an agreement dated November 27, 2013 to be read with amendment dated March 31, 2014 to the original loan agreement.

22.2. As of the balance sheet date, the Company has utilised the aforementioned financing facility. The said facility amount is repayable in US Dollars in sixteen equal quarterly installments commencing from September 15, 2014 and ending no later than June 15, 2018 i.e. maturity date. It carries mark up at the rate of 5 year United States Treasury Rate plus 3.75 percent (i.e. 5.12 percent) per annum payable quarterly on 15th of each March, June, September and December after the receipt of first disbursement date i.e. December 24, 2013. The facility is secured against pledge of 35 million ordinary shares owned by TPL Holdings (Private) Limited (Parent Company) in the Company, guarantees of the Parent Company of US Dollars 2.70 million and charge on saving account (note 19.1).The Company shall be liable to pay maintenance fee of US Dollars 7,500 per annum in arrears. Under the aforesaid agreement there are certain restrictive payments covenants.

22.3. The Company had obtained diminishing musharaka financing facilities for vehicles aggregating to Rs. 3.986 million from First Habib Modaraba for a period of 3 years, carrying mark-up at the rate of 6 months KIBOR plus 3 percent per annum with a floor of 11 percent and ceiling of 21 percent subject to quarterly revision. The musharaka units are to be purchased during the period of 3 years in 36 monthly installments latest by August 10, 2016 and October 10, 2016 respectively and are secured against first charge of Rs. 4.428 million on vehicles.

22.4. The Company had obtained diminishing musharaka financing facilities for electrical equipment, IT equipment and vehicles aggregating to Rs. 59.745 million from Burj Bank Limited for a period of 3 years, carrying mark-up at the rate of 6 months KIBOR plus 2 percent per annum subject to half-yearly revision. The musharaka units are to be purchased during the period of 3 years in 36 monthly installments on various dates latest by November 2017 and are secured against first charge of Rs. 66.866 million on electrical equipment, IT equipment and vehicles, ranking hypothecation charge over fixed assets of the Company and personal guarantees of sponsoring directors.

22.5. During the year, the Company has issued Sukuk certificates of 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 amended agreement for Green Shoe Option dated May, 08 2016.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

The said certificates are redeemable in 4 equal quarterly installments starting from 14th quarter (i.e. October 2019) and ending no later than April 2021 i.e. redemption date. The rate for rental payment is 1 year KIBOR plus 3 percent per annum payable at the end of each April, July, October and January, after the date of agreement. These certificates are secured against pledge of 55 million ordinary shares of TPL Properties Limited owned by the Company (note 18.1), 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.

23. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

		2017		2016	
	Note	Minimum Lease Payments (MLP)	Present Value of MLP	Minimum Lease Payments (MLP)	Present Value of MLP
		(Rupees)			
Within one year		**14,477,453**	**13,209,257**	13,965,107	11,411,138
After one year but not more than five years		**9,660,005**	**9,042,318**	22,136,988	20,717,461
Total minimum lease payments		**24,137,458**	**22,251,575**	36,102,095	32,128,599
Less: Finance charges		**1,885,883**	**-**	3,973,496	-
Present value of minimum lease payments	23.1	**22,251,575**	**22,251,575**	32,128,599	32,128,599
Less: Current portion shown under current liabilities	30	**11,275,640**	**11,275,640**	11,411,138	11,411,138
		10,975,935	**10,975,935**	20,717,461	20,717,461

23.1. Represents conventional obligation in respect of assets acquired under finance lease arrangements from various conventional financial institutions (note 5.1). Rentals are payable in equal monthly installments. Repairs and insurance costs are to be borne by lessee. Financing rate ranging from 8.28 percent to 12.07 percent (2016: 9.97 percent to 12.99 percent) per annum has been used as discounting factor. Overdue rental payments are subject to additional charge upto 0.1 percent (2016: 0.1 percent) per day. Purchase option can be exercised by the lessee by adjusting security deposit against residual value at the expiry of the lease period.

24. DEFERRED INCOME

	Note	2017 Rupees	2016 Rupees
Opening balance		**5,377,780**	10,014,427
Less: Amortisation for the year	41 & 24.1	**2,933,336**	4,636,647
		2,444,444	5,377,780

24.1. Represents sale and leaseback transactions with conventional financial institutions as per the requirements of IAS – 17 "Leases" and shall be recognised over the lease term of the leased assets.

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FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
25. LONG-TERM LOANS			
Term finance I	25.1 & 25.2	**79,166,668**	75,000,000
Term finance II	25.3, 25.4 & 25.5	**56,555,108**	20,000,000
Term finance III	25.6	**200,000,000**	36,986,741
Term finance IV	25.7	**100,000,000**	-
		435,721,776	131,986,741
Less: Current portion shown under current liabilities	30	**145,444,446**	81,333,328
		290,277,330	50,653,413

25.1. The Company had obtained a term finance of Rs.75 million from a conventional commercial bank. The loan is repayable within a period of 3 years from the date of first disbursement i.e. June 30, 2016, in equal quarterly installments of Rs. 8.333 million. It carries mark-up at the rate of 3 months KIBOR plus 2.10 percent per annum and is secured against legal mortgage and first pari passu charge over Company's book debts, receivables, stocks, fixed assets (i.e. tracking devices) and immovable property to the extent of Rs. 144 million, first pari passu charge over book debts and receivables of Rs. 63 million (2016: Rs. 63 million) and pledge of 5 million ordinary shares of TPL Direct Insurance Limited, an associated company, held by the Company.

25.2. The Company has obtained a term finance of Rs. 37.5 million from a conventional commercial bank for a period of three years through an agreement dated January 26, 2017. The said loan is to be paid in 12 equal quarterly installments of Rs. 3.125 million. It carries mark-up at the rate of 3 month KIBOR plus 2.10 percent per annum and is secured against first pari passu charge over current assets to the tune of Rs. 120 million, first charge of an existing property collateral to the tune of Rs. 216 million and personal gurantees of directors of the Company.

25.3. The Company had obtained a term finance of Rs. 60 million from a conventional commercial bank. The loan was repayable within a period of 2 years in equal quarterly installments of Rs. 2.50 million latest by January 31, 2017. It carried mark-up at the rate of 3 months KIBOR plus 4.0 percent per annum and was secured against first pari passu charge and ranking charge over Company's stocks and book debts to the extent of Rs. 80 million and personal guarantees of directors. Accordingly, the loan was fully repaid as per the terms of the agreement.

25.4. The Company had obtained a term finance of Rs. 70 million from a conventional commercial bank. The loan is repayable within a period of 2.5 years in equal quarterly installments of Rs. 2.333 million latest by September 13, 2017. It carries mark-up at the rate of 1 month KIBOR plus 3.0 percent per annum and is secured ranking charge by way of hypothecation over Company's all present and future books debts and receivables to the extent of Rs. 100 million and pledge of Rs. 13.4 million shares of TPL Direct Insurance Limited, an associated company.

25.5. The Company has obtained a term finance of Rs. 50 million for a period of 3 years from a conventional commercial bank through an agreement dated March 13, 2017. It carries mark-up at the rate of 1 month KIBOR + 3 percent per annum and is secured ranking charge by way of hypothecation over Company's all present and future books debts and receivables to the extent of Rs.70 million.

25.6. The Company has obtained a term finance of Rs. 200 million for a period of 3 years from a conventional commercial through an agreement dated May 9, 2017. It carries mark-up at the rate of 1 month KIBOR plus 2.5 percent per annum. The loan is repayable in 36 equal monthly installments of Rs. 5.556 million.The facility is secured against specific charge of Rs. 300 million over tracking devices owned by the Company and assignment of receivables from cutomers and personal guarntee of all the directors of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

The facility is secured against Specific charge of PKR 300 Million over tracking devices owned by the company; QA/50 and Assignment of receiveables from Adamjee Insurance Ltd, Bank Islami and TPL Direct Insurance; QA/50 and personal guarantee of all directors of the company.

25.7. The Company has obtained a term finance having a limit of Rs. 200 million for a period of two years from a conventional commercial bank through an agreement dated June 29, 2017. It carries mark-up at the rate of 3 months KIBOR plus 4 percent per annum. The loan is repayable in 4 equal installments of Rs. 50 million starting from July 1, 2018. The facility is secured against first pari passu charge over Company's property and personal guarantees of 267 million from chief executive of the Company and cross corporate guarantee of 267 million from TPL Properties Limited.

	Note	2017 Rupees	2016 Rupees
26. TRADE AND OTHER PAYABLES			
Creditors	26.1	**220,713,071**	172,896,619
Provisions		**56,380,161**	50,589,783
Accrued liabilities		**59,810,367**	17,531,710
Unearned equipment rentals		**112,878,453**	46,256,239
Other liabilities			
Sales commission payable		**2,606,657**	8,530,078
Sales tax payable		**10,798,360**	15,170,776
Withholding tax payable		**30,927,909**	30,367,339
Workers' Welfare Fund		**13,615,286**	12,844,067
Dividend payable		**4,078,801**	3,000,000
Provident fund		**4,440,821**	2,133,847
Others	26.2	**1,661,798**	1,661,798
		68,129,632	73,707,905
		517,911,684	360,982,256

26.1. Includes an amount of Rs. 24.040 million and Rs. 6.104 million (2016: Rs. Nil and Rs. 15.730 million) payable to Centrepoint Management Services (Private) Limited (sub-subsidiary Company) and TPL Properties Limited (a subsidiary Company).

26.2. Includes stale cheques amounting to Rs.1.647 million (2016: Rs.1.647 million).

26.3. 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
27. ACCRUED MARK-UP			
Long-term financing	22	19,646,099	20,239,345
Liabilities against assets subject to finance leases	23	-	89,458
Long-term loans	25	5,089,202	6,330,054
Short-term financing	28	8,591,626	8,591,626
Running finance under mark-up arrangement	29	15,901,172	8,579,285
Due to related parties	31	-	59,689,277
		49,228,099	103,519,045

28. SHORT-TERM FINANCING

	Note	2017 Rupees	2016 Rupees
Trust receipts (FATR)	28.1	62,238,722	34,199,476

28.1. Represents FATR and Sight LCs facility obtained by the Company having a limit of Rs. 310 million (2016: Rs. 135 million) from commercial banks. The FATR carries mark-up ranging from 3 months KIBOR plus 3.5 percent to 2.5 percent per annum and is secured against first pari passu hypothecation charge of Rs. 403 million (2016: Rs. 366 million) over all present and future stocks, book debts and fixed assets excluding land and buildings of the Company with cash margin ranging from 5 to 15 percent (2016: 15 percent). As of balance sheet date, Rs. 227 million (2016: Rs. 63.23) remained unutilized.

29. RUNNING FINANCE UNDER MARK-UP ARRANGEMENTS

The facilities for short-term running finance are obtained from various commercial banks aggregating to Rs. 812.5 million (2016: Rs. 385 million), out of which Rs. 60.23 million (2016: 1.6 million) was unutilized as of the balance sheet date. These carry markup ranging between 3 months KIBOR plus 1 percent to 2.5 percent (2016: 3 months KIBOR plus 2.1 percent to 3.5 percent) per annum. These are secured by way of registered hypothecation over stocks and book debts aggregating to Rs. 1,042 million (2016: Rs. 387 million) and equitable first pari passu charge over properties to the extent of Rs. 625 million (2016: Rs. 268 million).

	Note	2017 Rupees	2016 Rupees
30. CURRENT PORTION OF NON-CURRENT LIABILITIES			
Long-term financing	22	103,172,605	114,307,161
Liabilities against assets subject to finance lease	23	11,275,640	11,411,138
Long-term loans	25	145,444,446	81,333,328
		259,892,691	207,051,627

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
31. DUE TO RELATED PARTIES - unsecured			
Holding company			
- TPL Holdings (Private) Limited	31.3	69,143,564	-
Associated companies			
- TPL Direct Insurance Limited (TDIL)	31.1	18,275,776	67,857,685
- Trakker Middle East LLC. (TME)	31.2	329,585	301,576
		18,605,361	68,159,261
		87,748,925	68,159,261

31.1. Represents current account balance with a related party and carries mark-up at the variable rate of 9.11 percent (2016: variable rate of 9.06 percent) per annum and is repayable on demand.

31.2. Represents interest free current account balance with related party and is repayable on demand.

31.3. Represents current account balances with related party carrying markup at the variable rate of 6 months KIBOR plus 3 percent i.e 9.15 percent and fixed rate of 18 percent (2016: variable rate of 6 months KIBOR plus 3 percent i.e. 9.06 percent and fixed rate of 18 percent) per annum and are repayable on demand.

	Note	2017 Rupees	2016 Rupees
32. TAXATION - net			
Opening balance – payable / (refundable)		866,482	(4,725,492)
Provision for current and prior taxation	42	21,076,072	55,580,642
Income tax paid and deducted at source		(68,663,762)	(49,988,668)
Closing balance – payable / (refundable)		(46,721,208)	866,482
33. ADVANCE MONITORING FEES			
Opening balance		105,281,670	71,072,249
Additions during the year		650,639,953	563,732,789
Less: Transferred to income during the year	35	(588,360,175)	529,523,368
Closing balance	33.1	167,561,448	105,281,670

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
34. CONTINGENCIES AND COMMITMENTS			
34.1. Contingencies			
34.1.1 Guarantees issued by banks on behalf of the Company	9	**21,787,869**	17,303,620

34.1.2 The Company has issued guaranteed to TPL Security Services (Private) Limited (Subsidiary company) for all financial needs of the subsidiary company up to Rs. 100 million (2016: Rs. 100 million).

34.1.3 The Company is defending various suits filed against it in various courts in Pakistan for sums, aggregating to Rs. 22.890 million (2016: Rs. 22.890 million), related to its business operations. The legal counsel is confident that these suits are expected to be decided in the favor of the Company and, accordingly, no provision has been made for any liability against these law suits in these financial statements.

	2017 Rupees	2016 Rupees
34.2. Commitments		
34.2.1 Letter of credit	**20,751,715**	37,566,990

34.2.2 Ijarah agreements

The Company has entered into various Ijarah agreements with Standard Chartered Modarba in respect of purchase of vehicles for a period of three years. Ijarah payments due under these agreements are Rs. 54.859 million (2016: Rs. 29.613 million) payable in monthly installments latest by April 2020. Taxes and repairs are to be borne by the Company (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. 29.123 million (2016: Rs. 13.340 million). Security deposits includes Rs. Nil (2016: Rs. 0.463 million) being the amount of deposit on leases matured during the year but the title to underlying assets is transferred to the Company during the year. Future minimal rentals payable under Ijarah agreements as at year end are as follows:

	2017 Rupees	2016 Rupees
Not later than one year	**37,785,926**	24,203,471
Later than one year but not later than five years	**17,072,096**	5,410,356
	54,858,022	29,613,827

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

35. TURNOVER - net

	Note	2017 Rupees	2016 Rupees
Equipment installation and sales		**256,615,764**	384,924,475
Monitoring fees	33	**588,360,175**	529,523,368
Equipment rentals	5.1.2	**494,863,719**	488,842,323
Navigation services		**99,328,073**	52,967,236
Other services		**67,113,923**	80,923,406
	35.1	**1,506,281,654**	1,537,180,808

35.1. These are net of sales tax for the year amounting to Rs. 270.240 million (2016: Rs. 268.59 million).

36. COST OF SALES

	Note	2017 Rupees	2016 Rupees
Cost of equipment sold			
Opening stock	13	**293,838,894**	253,138,304
Purchases		**144,339,220**	215,517,704
		438,178,114	468,656,008
Closing stock	13	**(356,122,525)**	(293,838,894)
		82,055,589	174,817,114
Direct expenses			
Salaries, wages and benefits	36.1	**224,303,390**	197,927,134
Activation and connection charges		**179,728,918**	135,216,657
Insurance		**9,497,199**	9,126,546
Vehicle running and maintenance		**15,706,499**	16,208,788
Depreciation	5.1.1	**77,736,399**	68,409,393
Amortisation	6.1	**50,103,602**	57,536,170
License renewal royalty		**2,674,312**	1,834,346
Telephone		**7,145,689**	7,669,048
Travelling and conveyance		**12,888,046**	24,813,518
Electricity, gas and water		**15,482,159**	19,836,333
Rent, rates and taxes		**33,176,476**	36,492,354
Computer expenses		**5,996,913**	11,950,924
		634,439,602	587,021,211
		716,495,191	761,838,325

36.1. These include Rs. 8.566 million (2016: Rs. 5.932 million) in respect of staff retirement benefits (provident fund contribution).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
37. DISTRIBUTION EXPENSES			
Salaries, wages and benefits	37.1	**71,929,226**	63,470,933
Commission expense		**53,235,922**	64,685,950
Outsourcing expense		**13,224,384**	13,086,000
Depreciation	5.1.1	**24,928,375**	21,937,407
Sales promotion and publicity expenses		**35,442,875**	18,853,103
Computer expenses		**1,923,089**	3,832,402
Electricity, gas and water		**4,964,792**	6,361,082
Postage and courier		**6,750,869**	7,924,894
Printing and stationery		**2,257,612**	1,272,475
Telephone		**2,291,467**	2,459,297
Rent, rates and taxes		**10,638,975**	11,702,305
Vehicle running and maintenance		**5,036,733**	5,197,806
Insurance		**3,045,545**	2,926,685
Travelling and conveyance		**4,132,917**	7,957,156
Newspapers and periodicals		**115,584**	86,496
		239,918,365	231,753,991

37.1. These include Rs. 2.746 million (2016: Rs. 1.902 million) in respect of staff retirement benefits (provident fund contribution).

	Note	2017 Rupees	2016 Rupees
38. ADMINISTRATIVE EXPENSES			
Salaries, wages and benefits	38.1	**96,714,115**	85,341,321
Legal and professional		**36,514,374**	33,554,992
Depreciation	5.1.1	**33,582,766**	29,496,456
Provision for doubtful debts	14.4	**17,452,497**	22,241,419
Electricity, gas and water		**6,675,526**	8,552,942
Rent, rates and taxes		**14,304,882**	16,343,780
Travelling and conveyance		**5,581,749**	10,698,980
Repairs and maintenance		**16,427,931**	19,502,190
Security service charges		**12,726,440**	11,795,368
Vehicle running and maintenance		**6,772,257**	6,988,831
Computer expenses		**2,771,026**	5,152,945
Telephone		**3,081,046**	3,306,705
Training		**3,419,281**	3,286,224
Auditors' remuneration	38.2	**7,823,275**	7,263,250
Insurance		**4,094,959**	3,935,142
Entertainment		**24,657,410**	21,580,210
Printing and stationery		**3,116,807**	1,710,936
Postage and courier		**9,077,038**	10,655,600
Donations	38.3	**7,556,000**	8,681,480
Ijarah rentals		**45,485,200**	14,711,151
Subscription		**3,383,740**	811,000
Others		**7,307,156**	1,207,352
		368,525,475	326,818,274

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

38.1. These include Rs. 3.693 million (2016: Rs. 2.557 million) in respect of staff retirement benefits (provident fund contribution).

38.2. Auditors' remuneration

	2017 Rupees	2016 Rupees
Audit fee – standalone	**2,750,000**	2,500,000
Audit fee – consolidated	**275,000**	250,000
Code of corporate governance	**175,000**	150,000
Half yearly review fee	**800,000**	735,000
Other services	**3,523,800**	3,356,000
Out of pocket expenses	**299,475**	272,250
	7,823,275	7,263,250

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

38.4. Provident fund

	2017 Rupees	2016 Rupees
	------ (Un-audited) ------	
Size of the fund (Rupees)	**95,287,387**	85,109,207
Cost of investments made (Rupees)	**90,846,566**	42,200,000
Percentage of investments made	**95%**	50%
Fair value of investments (Rupees)	**90,846,566**	82,975,360

38.4.1 Break-up of investments of provident fund

The break-up of investments in terms of amount and percentage of the size of the provident fund are as follows:

	2017		2016	
	Investments Rupees	% of investment as size of the fund	Investments Rupees	% of investment as size of the fund
Short-term deposit	**90,846,566**	**95%**	52,975,360	62%
Ordinary shares	-	-	30,000,000	35%
	90,846,566		**82,975,360**	

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

		Note	2017 Rupees	2016 Rupees
39.	**OTHER EXPENSES**			
	Workers' Welfare Fund		771,221	3,394,798
	Exchange loss – net		588,438	9,179,285
			1,359,659	12,574,083
40.	**FINANCE COSTS**			
	Mark-up on:			
	- long-term financing		67,985,122	30,486,545
	- liabilities against assets subject to finance lease		2,855,909	3,768,938
	- long-term loans		12,540,355	20,293,511
	- short-term financing		4,534,834	6,020,124
	- running finance under mark-up arrangements		49,235,863	35,622,195
	- due to related parties		8,895,446	21,726,951
	Bank and other charges		3,680,074	5,716,634
			149,727,603	123,634,898
41.	**OTHER INCOME**			
	Income from financial assets:			
	Interest income on loan given to employees	8.3	83,555	128,120
	Income on term deposits		1,140,111	815,126
	Mark-up on saving account		1,457,655	2,355,156
	Gain on disposal of investment in TPL Life Insurance Limited		18,500,707	-
			21,182,028	3,298,402
	Income from related parties:			
	Mark-up on current account with related parties		18,293,643	28,720,902
	Income from assets other than financial assets:			
	Deferred income	24	2,933,336	4,636,647
	Gain on disposal of property and equipment	5.2	3,691,013	2,055,305
	Others		2,993,622	6,184,246
			9,617,971	12,876,198
			49,093,642	44,895,502
42.	**TAXATION**			
	Current		30,125,633	52,232,447
	Prior		(9,049,561)	3,348,195
		32	21,076,072	55,580,642
	Deferred		1,369,626	7,266,890
			22,445,698	62,847,532

42.1. The income tax assessment of the Company has been finalised upto tax year 2016.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

42.2. Relationship between accounting profit and tax expense

	Note	2017 Rupees	2016 Rupees
Profit before taxation		79,349,003	125,456,739
Applicable tax rate		31%	32%
Tax at the above rate		24,598,191	40,146,157
Tax effect of income / expenses that are not allowable for tax purposes		(23,376,471)	18,930,006
Current tax		30,125,633	-
Tax effect of income subject to lower tax rate		-	52,800
Tax effect of prior year tax		(9,049,561)	3,348,194
Tax effect of change in tax rate		147,906	370,375
Tax expense for the year		22,445,698	62,847,532
Effective tax rate		28.29%	50.09%

42.3. Under section 5A of the Income Tax Ordinance, 2001 (the Ordinance), the Company is obligated to pay tax at the rate of 7.5 percent on its accounting profit before tax if it derives profit for a tax year but does not distribute at least 40 percent of its after tax profits within six months of the end of the tax year, through cash or bonus shares. The Company is confident that it will be able to distribute atleast 40 percent of its after tax profits of current year, in line with requirements of section 5A of the Ordinance, and accordingly, no further tax provision has been recorded under section 5A of the Ordinance.

43. EARNINGS PER SHARE – basic and diluted

	2017 Rupees	2016 Rupees
Profit attributable to the ordinary shareholders	56,903,305	62,609,207
	------- Number of shares -------	
Weighted average number of ordinary shares in issue	217,248,963	217,248,963
Earnings per share – basic and diluted	0.26	0.29

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

NOTES TO THE FINANCIAL STATEMENTS

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44. 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, credit risk, and liquidity risk. No changes were made in the objectives, policies or processes and assumptions during the year ended June 30, 2017. The policies for managing each of these risks are summarised below:

44.1. 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, 2017.

44.1.1 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.

44.1.2 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 profit 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. Further, interest rate sensitivity does not have an asymmetric impact on the Company's result.

	(Increase) / decrease in basis points	Effect on profit before tax (Rupees)
2017	**+100**	**(20,748,049)**
	-100	**20,748,049**
2016	+100	(10,673,588)
	-100	10,673,588

44.1.3 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. The Company's exposure to the risk of changes in foreign currency exchange rates primarily relates to the Company's long-term financing arrangements and operating activities. The Company manages its currency risk by effective fund management and timely repayment of its current liabilities. The Company, however, has not hedged its foreign currency liabilities as the management has assessed that it will not be cost beneficial.

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The following table demonstrates the sensitivity to a reasonably possible change in the US Dollar exchange rate. As at June 30, 2017, if Pakistani Rupee (Pak Rupee) had weakened / strengthen by 5 percent against the US Dollar, with all other variables held constant, on the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities) is as follows:

	(Increase) / decrease in US Dollar to Pak Rupee	Effect on profit before tax (Rupees)
2017	**5%**	**(6,703,892)**
	-5%	**6,703,892**
2016	5%	(11,714,642)
	-5%	11,714,642

44.1.4 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 balance sheet date, the Company is exposed to equity price risk to the extent of its investment in its listed subsidiaries and associated companies (notes 7 and 18.1).

44.2. Credit risk

44.2.1 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. Out of the total financial assets of Rs. 3,036 million (2016: Rs. 2,740 million), the financial assets which are subject to credit risk amounted to Rs. 1,447 million (2016: Rs. 1,520 million). The Company's credit risk is primarily attributable to its trade debtors and bank balances. The Company has large number of customers, including corporate and individuals, due to large number and diversity of its customer base, concentration of credit risk with respect to trade debtors is limited. Further, the Company manages its credit risk by obtaining advance monitoring fee for device and service charges and effective implementation of credit policy for its customers.

The credit quality of financial assets that are past due but not impaired is disclosed in note 14.3 to these financial statements. As at balance sheet date, there are no financial assets that would otherwise be past due or impaired whose terms have been renegotiated.

44.2.2 The Company 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:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
Long-term loans	8	2,339,598	2,839,601
Long-term deposits	9	45,331,228	30,480,042
Interest accrued	10	12,002,478	25,631,555
Due from related parties	11	106,012,827	328,337,808
Trade debts	14	506,971,555	491,434,119
Trade deposits	16	17,175,549	13,732,807
Other receivables	17	19,448,696	8,183,397
Bank balances	19	39,708,526	73,487,261
		748,990,457	974,126,590

44.2.3 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	2017 Rupees	2016 Rupees
A-1+	JCR-VIS	4,337,307	57,285,377
A-1+	PACRA	-	5,681,267
A-1	PACRA	13,733,118	182,367
A1	JCR-VIS	-	10,275,850
A2	JCR-VIS	200,500	62,400
A1+	PACRA	21,255,234	-
A1	PACRA	182,367	-
		39,708,526	73,487,261

44.3. 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 use of bank overdrafts, bank loans and finance lease.

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

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	(Rupees)				
June 30, 2017					
Long-term financing	1,622,794	29,842,599	71,707,213	622,968,750	726,141,356
Liabilities against assets subject to finance lease	-	2,655,772	10,553,485	9,042,318	22,251,575
Long-term loans	16,911,220	34,476,833	103,430,947	280,902,776	435,721,776
Trade and other payables	112,878,453	341,172,054	-	-	454,050,507
Accrued markup	49,228,099	-	-	-	49,228,099
Short-term financing	62,238,722	-	-	-	62,238,722
Running finance under markup arrangements	876,719,637	-	-	-	876,719,637
Due to related parties	87,748,925	-	-	-	87,748,925
	1,207,347,850	408,147,258	185,691,645	912,913,844	2,714,100,597

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	(Rupees)				
June 30, 2016					
Long-term financing	1,595,325	29,482,430	83,229,406	724,255,448	838,562,609
Liabilities against assets subject to finance lease	-	2,852,785	8,558,353	20,717,461	32,128,599
Long-term loans	-	22,833,332	58,499,996	50,653,413	131,986,741
Trade and other payables	46,256,239	251,209,988	-	-	297,466,227
Accrued markup	103,519,045	-	-	-	103,519,045
Short-term financing	34,199,476	-	-	-	34,199,476
Running finance under markup arrangements	420,965,430	-	-	-	420,965,430
Due to related parties	68,159,261	-	-	-	68,159,261
	674,694,776	306,378,535	150,287,755	795,626,322	1,926,987,388

44.4. Fair value of financial instruments

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

44.4.1. Fair value hierarchy

Financial Instruments carried at fair value are categorized as follows:

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

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

Financial assets	Total	Level 1	Level 2	Level 3
	(Rupees)			
June 30, 2017				
Available-for-sale investments	**1,099,742,268**	**673,750,000**	**425,992,268**	-
June 30, 2016				
Available-for-sale investments	731,565,637	687,500,000	44,065,637	-

44.5. 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 maximize shareholders value. No changes were made in the objectives, policies or processes during the year ended June 30, 2017.

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, 2017 and 2016 are as follows:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
Long-term financing	22	622,968,751	724,255,448
Liabilities against assets subject to finance lease	23	10,975,935	20,717,461
Long-term loans	25	290,277,330	50,653,413
Accrued mark-up	27	49,228,099	103,519,045
Short-term financing	28	62,238,722	34,199,476
Running finance under mark-up arrangements	29	876,719,637	420,965,430
Current portion of non-current liabilities	30	259,892,691	207,051,627
Total debts		2,172,301,165	1,561,361,900
Less: Cash and bank balances	19	40,354,665	74,082,114
Net debt		2,131,946,500	1,487,279,786
Share capital	20	2,172,489,630	2,172,489,630
Reserves		789,218,929	771,646,701
Total equity		2,961,708,559	2,944,136,331
Total capital		5,093,655,059	4,431,416,117
Gearing ratio		41.85%	33.56%

45. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	Chief Executive		Director		Executives	
	2017	2016	2017	2016	2017	2016
Basic salary	7,741,920	7,741,920	-	-	73,373,889	64,040,110
Allowances and benefits:	-	-				
- House rent	3,483,840	3,483,840	-	-	33,018,272	28,818,069
- Utilities	774,240	774,240	-	-	7,337,786	6,404,357
Staff retirement benefits	644,902	644,902	-	-	6,112,045	5,334,541
	12,644,902	12,644,902	-	-	119,841,992	104,597,077
Number of person(s)	1	1	-	-	101	101

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

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

45.2. 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.

45.3. During the year, the Company has paid Rs. 240,000 (2016: Rs. 80,000) to a non - executive Director on account of board meeting fees.

46. TRANSACTIONS WITH RELATED PARTIES

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

	2017 Rupees	2016 Rupees
TPL Holdings (Private) Limited – (Holding Company)		
Amount received by the Company	284,698,834	261,823,601
Expenses incurred / paid by the Company	371,244	2,395,622
Mark-up on current account (net)	4,801,527	5,293,594
Mark-up amount received by the Company (net)	6,014,470	34,162,530
Amount paid / repaid by the Company	190,379,944	255,818,921
TPL Security Services (Private) Limited – (Subsidiary Company – note 1.4)		
Expenses incurred / paid by the Company	114,461,079	82,366,203
Services acquired by the Company	12,296,044	12,421,180
Amount received by the Company	85,971,096	42,442,400
Adjustment on account of amount payable on behalf of the Company for services received	7,362,613	11,845,118
TPL Properties Limited – (Subsidiary Company – note 1.4)		
Expenses incurred / paid by the Company	35,126,409	21,818,812
Amount paid by the Company	119,245,996	52,900,000
Amount received by the Company	385,968,500	-
Adjustment of rent payable against outstanding balance	-	7,147,504
Mark-up amount received by the Company	24,524,090	36,920,509
Mark-up on current account	11,058,507	26,919,574

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
Centrepoint Management Services (Private) Limited – (Sub-subsidiary – note 1.4)			
Advance paid against maintenance and other services	15	-	3,140,412
Payment received by the Company		33,415,422	35,353,183
Services rendered to the Company		51,465,545	50,015,995
TPL Direct Insurance Limited – (Associated Company – note 1.4) (TDIL)			
Sales made to TDIL		508,076,841	276,785,356
Amount refunded by the the Company		66,871,092	-
Expenses incurred / paid by the Company on behalf of TDIL		74,338,590	54,880,750
Amount received from TDIL		142,354,835	198,147,767
Mark-up on current account		7,284,585	14,043,581
Payment made by the Company		68,944,229	3,601,548
Assets sold by the Company		-	10,405,776
Assets purchased by the Company		319,986,104	-
Expenditure incurred / paid by TDIL on behalf of the Company		5,591,857	2,869,756
Trakker Middle East LLC. - (Associated Company – note 1.4)			
Expenses incurred / paid on behalf of the Company		28,009	43,385
Trakker Direct Finance (Private) Limited (Common directorship)			
Expenses incurred / paid by the Company		13,875	34,545
Mark-up on current account		69,619	67,558
The Resource Group Pakistan Limited - (Common directorship)			
Expenses incurred / paid by the Company		-	1,000,000
Mark-up on current account		535,769	533,114
TPL Logistics (Private) Limited – (Common directorship)			
Expenses incurred / paid by the Company		43,717	82,420
Markup on current account		71,896	63,996
TPL Rupiya (Private) Limited - (Common directorship)			
Expenses incurred by the Company.		168,562	1,529,048
Markup on current account		140,768	83,286

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
TPL Life Insurance Limited - (Subsidiary Company – note 1.4)			
Expenses incurred by the Company		28,616,942	-
Expenses paid on behalf of the Company		4,800,190	-
Advance paid against expenses		18,000,000	-
Amount received by the Company		4,697,776	-
Assets purchased by the Company		158,000	-
Payments made by the Company		16,000,000	-
TPL Vehicle Tracking (Private) Limited - (Subsidiary Company – note 1.4)			
Expenses incurred by the Company		1,621,235	-
Shares purchased by the Company		100	-
TPL Maps (Private) Limited (Subsidiary Company – note 1.4)			
Expenses incurred by the Company		421,235	-
Shares purchased by the Company		100	-
Staff retirement benefit			
TPL Trakker Limited – Provident fund Employer contribution		15,006,666	11,459,237

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

Transactions with related parties carried out on commercial terms, as approved by the Board of Directors.

Certain employees of the Company provide services free of cost to the following related parties:
- TPL Holdings (Private) Limited
- TPL Vehicle Tracking (Private) Limited
- TPL Maps (Private) Limited
- TPL Rupiya (Private) Limited

47. INFORMATION ABOUT OPERATING SEGMENTS

For management purposes, the activities of the Company are organised into one operating segment i.e. tracking equipment installation, sales and monitoring fees. The Company operates in the said reportable operating segment based on the nature of products, risks and returns, organisational and management structure and internal financial reporting systems. Accordingly, the figures reported in these financial statements are related to the Company's only reportable segment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

Following is the geographical breakup of Company's gross turnover:

	2017 Rupees	2016 Rupees
Pakistan	1,506,281,654	1,536,626,875
United States of America	-	553,933
	1,506,281,654	1,537,180,808

The revenue information is based on the location of the customer.

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

Revenue from TPL Direct Insurance Limited (a customer and subsidiary company) aggregating to Rs. 221.317 million (2016: Rs. 276.79 million) comprises more than 10 percent of the Company's overall revenue related to tracking equipment installation, sales and monitoring fees.

48. CASH AND CASH EQUIVALENTS

	Note	2017 Rupees	2016 Rupees
Cash and bank balances	19	40,354,665	74,082,114
Running finance under mark-up arrangements	29	(876,719,637)	(420,965,430)
		(836,364,972)	(346,883,316)

49. SUBSEQUENT EVENTS

The Board of Directors of the Company in their meeting held on August 24, 2017 have recommended cash dividend @ 2.5 percent amounting to Rs. 54.31 million (2016: Rs. 25.57 million) on the existing paid-up value of the ordinary share capital for approval of the shareholders in the annual general meeting to be held on October 10, 2017.

50. DATE OF AUTHORISATION OF ISSUE

These financial statements were authorised for issue on August 24, 2017 by the Board of Directors of the Company.

51. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and to reflect the substance of the transactions. Following major reclassification has been made during the year:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

Description	Reclassified		Amount in Rupees
	From	To	
Trade and other payables (note 26)	Creditors	Provision	50,589,783

52. GENERAL

Number of employees as at June 30, 2017 was 897 (2016: 885) and average number of employees during the year was 871 (2016: 885).

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

Chief Executive	Chief Financial Officer	Director

Auditors' report on consolidated financial statements to the members

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

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

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

EY Ford Rhodes

Chartered Accountants
Audit Engagement Partner: Shariq Ali Zaidi
Karachi
Date: 24 August 2017

CONSOLIDATED BALANCE SHEET

AS AT JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property and equipment	5	**1,799,520,629**	1,305,464,831
Intangible assets	6	**1,749,481,140**	1,520,261,040
		3,549,001,769	2,825,725,871
Investment property	7	**4,348,453,273**	4,090,415,737
Long-term investments	8	**536,285,330**	506,417,217
Long-term loans	9	**826,538**	430,466
Long-term deposits	10	**45,518,147**	36,207,905
Deferred tax assets – net	13	**83,451,967**	71,458,824
		8,563,537,024	7,530,656,020
CURRENT ASSETS			
Stock-in-trade	14	**357,216,927**	294,125,367
Inventory property	14.4	**888,738,740**	-
Trade debts	15	**1,254,031,184**	1,086,022,757
Loans and advances	16	**28,989,687**	33,126,089
Trade deposits and prepayments	17	**145,391,626**	40,430,992
Interest accrued	11	**7,658,694**	7,822,178
Other receivables	18	**46,004,489**	8,183,393
Short-term investments	19	**314,120,415**	144,572,243
Due from related parties	12	**9,132,004**	27,695,462
Premiums due but unpaid – unsecured		**61,284,561**	-
Taxation – net	20	**181,497,171**	110,111,218
Cash and bank balances	21	**490,104,431**	927,774,474
		3,784,169,929	2,679,864,173
TOTAL ASSETS		**12,347,706,953**	10,210,520,193

CONSOLIDATED BALANCE SHEET

AS AT JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Authorised			
230,000,000 (2016: 230,000,000) ordinary shares of Rs.10/- each		**2,300,000,000**	2,300,000,000
Issued, subscribed and paid-up capital	22	**2,172,489,630**	2,172,489,630
Revenue reserves – unappropriated profit		**548,003,156**	533,816,997
		2,720,492,786	2,706,306,627
Non-controlling interest		**3,978,088,025**	2,525,420,572
		6,698,580,811	5,231,727,199
SURPLUS ON REVALUATION OF FIXED ASSETS	22.2	**228,790,596**	-
NON-CURRENT LIABILITIES			
Long-term financing	23	**2,523,542,514**	2,746,866,809
Liabilities against assets subject to finance lease	24	**10,975,935**	30,217,506
Long-term loans	25	**290,277,330**	50,653,413
Deferred liabilities	26	**11,729,338**	10,738,080
Due to related parties	27	**-**	32,338,178
Accrued mark-up	28	**4,326,432**	5,612,555
		2,840,851,549	2,876,426,541
CURRENT LIABILITIES			
Trade and other payables	29	**787,244,364**	620,806,027
Accrued mark-up	28	**105,627,379**	178,348,148
Short-term financing	30	**62,238,722**	234,199,476
Running finance under mark-up arrangements	31	**876,719,637**	420,965,430
Current portion of non-current liabilities	32	**492,142,691**	451,312,032
Due to related parties	27	**87,949,756**	91,453,670
Advance monitoring fees	33	**167,561,448**	105,281,670
		2,579,483,997	2,102,366,453
CONTINGENCIES AND COMMITMENTS	34		
TOTAL EQUITY AND LIABILITIES		**12,347,706,953**	10,210,520,193

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

Chief Executive	Chief Financial Officer	Director

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
Revenue – net	35	**2,168,433,363**	2,037,361,029
Cost of sales and services	36	**(1,168,704,303)**	(929,332,914)
Gross profit		**999,729,060**	1,108,028,115
Distribution expenses	37	**(214,246,828)**	(222,153,244)
Administrative expenses	38	**(501,505,198)**	(393,626,600)
Operating profit		**283,977,034**	492,248,271
Other expenses	39	**(1,359,659)**	(69,974,083)
Finance costs	40	**(334,819,965)**	(369,731,356)
Other income	41	**348,374,235**	235,642,452
Share of profit from investment in associates - net	8.2.1 & 19.2	**16,962,359**	8,732,144
Profit before taxation		**313,134,004**	296,917,428
Taxation	42	**(44,853,506)**	(65,288,456)
Profit for the year		**268,280,498**	231,628,972
Other comprehensive income for the year, net of tax		**-**	-
Total comprehensive income for the year		**268,280,498**	231,628,972
Earnings per share - basic and diluted	43	**0.09**	0.29
Total comprehensive income attributable to:			
Owners of the Holding Company		**19,746,261**	62,039,189
Non-controlling interest		**248,534,237**	169,589,783
		268,280,498	231,628,972

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

Chief Executive	Chief Financial Officer	Director

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		313,134,004	296,917,428
Adjustment for non-cash charges and other items:			
Depreciation		173,540,920	159,005,045
Amortisation		54,076,217	57,667,501
Provision for doubtful debts		19,252,497	22,241,419
Finance costs		334,819,965	369,731,356
Gain on disposal of property and equipment		(3,691,013)	(2,055,305)
Gain on bargain purchase		(86,282,392)	-
Valuation gain on investment property		(202,928,224)	(209,459,641)
Share of profit from investment in associates - net		(29,868,123)	(8,732,144)
Exchange loss – net		588,438	-
Deferred income		4,378,914	(5,399,521)
		263,887,199	382,998,710
Operating profit before working capital changes		577,021,203	679,916,138
(Increase) / decrease in current assets			
Stock-in-trade		(63,091,560)	(40,711,590)
Trade debts		(187,260,924)	(235,104,473)
Loans and advances		4,136,302	37,295,500
Trade deposits and prepayments		(104,960,634)	31,652,596
Interest accrued		163,484	39,953,131
Other receivables		(37,820,996)	(2,728,267)
Short-term investments		12,905,770	-
Due from related parties		18,563,457	1,052,195
Premiums due but unpaid		(61,284,560)	-
		(418,649,661)	(168,590,908)
Increase / (decrease) in current liabilities			
Trade and other payables		166,438,338	(238,208,182)
Advance monitoring fees		62,279,778	34,209,421
Due to related parties		(35,842,092)	(504,855,749)
		192,876,024	(708,854,510)
Cash flows from operations		351,247,566	(197,529,280)
Finance costs paid		(408,826,857)	(471,478,881)
Income taxes paid		(141,410,609)	(109,246,890)
		(550,237,466)	(580,725,771)
Net cash flows used in operating activities		(198,989,900)	(778,255,051)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of - property and equipment		(409,261,102)	(87,211,500)
- capital work-in-progress – (net)		(23,271,292)	(66,921,983)
- investment property		-	(34,858,412)
- intangible assets		(29,027,283)	(65,886,889)
- intangible assets under development		(253,695,713)	(60,831,039)
Sale proceeds from disposal of property and equipment and intangible assets		-	12,585,711
Long-term investments		29,868,113	-
Investment - mutual funds and listed equities		(182,453,942)	-
Long-term loans		(396,072)	143,378
Long-term deposits		(9,310,242)	11,360,479
Net cash flows used in investing activities		(877,547,533)	(291,620,255)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term financing – net		(220,083,852)	470,291,205
Obligation under finance lease repaid – net		(45,762,473)	(58,706,448)
Proceeds from share issue by TPL Properties Limited – net		300,000,004	1,119,872,151
Long-term loans – net		320,920,256	(81,013,260)
Short-term financing – net		(171,960,752)	158,279,020
Net cash flows from financing activities		183,113,183	1,608,722,668
Net (decrease) / increase in cash and cash equivalents		(893,424,250)	538,847,362
Cash and cash equivalents at the beginning of the year		506,809,044	(32,038,318)
Cash and cash equivalents at the end of the year	47	(386,615,206)	506,809,044

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

Chief Executive | Chief Financial Officer | Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2017

	Attributable to the equity holders of parent				
	Issued, subscribed and paid-up capital	Revenue reserve – unappropriated profit	Total reserves	Non-controlling interest (NCI)	Total Equity
	Rupees				
Balance as at June 30, 2015	2,172,489,630	901,176,240	901,176,240	806,560,205	3,880,226,075
Profit for the year	-	62,039,189	62,039,189	169,589,783	231,628,972
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	62,039,189	62,039,189	169,589,783	231,628,972
NCI on share issue by subsidiary	-	(429,398,432)	(429,398,432)	1,549,270,584	1,119,872,152
Balance as at June 30, 2016	**2,172,489,630**	**533,816,997**	**533,816,997**	**2,525,420,572**	**5,231,727,199**
Profit for the year	**-**	**19,746,261**	**19,746,261**	**248,534,237**	**268,280,498**
Other comprehensive income for the year, net of tax	**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the year	**-**	**19,746,261**	**19,746,261**	**248,534,237**	**268,280,498**
Disposal of shares of subsidiary	**-**	**20,014,571**	**20,014,571**	**-**	**20,014,571**
Dividend paid	**-**	**(25,574,673)**	**(25,574,673)**	**-**	**(25,574,673)**
Acquisition of subsidiaries resulting in Increase in NCI	**-**	**-**	**-**	**1,204,133,216**	**1,204,133,216**
Balance as at June 30, 2017	**2,172,489,630**	**548,003,156**	**548,003,156**	**3,978,088,025**	**6,698,580,811**

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

Chief Executive

Chief Financial Officer

Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

1. LEGAL STATUS AND OPERATIONS OF THE GROUP

The Group consists of TPL Trakker Limited (the Holding Company) and its subsidiary companies i.e. TPL Securities Services (Private) Limited, TPL Life Insurance Limited, TPL Vehicle Tracking (Private) Limited, TPL Maps (Private) Limited, TPL Properties Limited and its indirect subsidiaries i.e. Centrepoint Management Services (Private) Limited and HKC Limited that have been consolidated in these financial statements:

1.1. Holding Company

TPL Trakker Limited

TPL Trakker Limited [the Holding Company] is a subsidiary of TPL Holdings (Private) Limited [TPL, the ultimate parent company], which holds 52.91 percent (2016: 52.91 percent) ordinary shares of the Holding Company. The Holding Company was incorporated in Pakistan on December 04, 2008 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Holding Company is listed on Pakistan Stock Exchange Limited with effect from July 16, 2012. The principal activity of the Holding Company is installation and sale of tracking devices, vehicle tracking and fleet management. The registered office of the Holding Company is situated at Centrepoint Building, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi.

1.2. As of the balance sheet date, the Holding Company has the following subsidiaries and associates:

	% of shareholding	
	2017	**2016**
Subsidiaries		
TPL Security Services (Private) Limited (TPLS) (note 1.2.1)	**99.90**	99.90
TPL Life Insurance Limited (TPLL) (note 1.2.5)	**86.02**	-
TPL Vehicle Tracking (Private) Limited - note 1.2.6	**100.00**	-
TPL Maps (Private) Limited - note 1.2.7	**100.00**	-
TPL Properties Limited (TPLP) – (note 1.2.2)	**20.11**	26.44
Centrepoint Management Services (Private) Limited (Sub-subsidiary) – note 1.2.3	**20.11**	26.44
HKC Limited (Sub-subsidiary) (note 1.2.4)	**20.11**	-
Associates		
TPL Direct Insurance Limited [TDIL] - (note 1.2.8)	**24.39**	24.39
Trakker Middle East LLC [TME] – (note 1.2.8)	**29.00**	29.00

1.2.1. TPL Security Services (Private) Limited

TPL Security Services (Private) Limited (TPLS) is a private limited company incorporated on May 01, 2000 in Pakistan under the repealed Companies Ordinance, 1984. The principal activity of TPLS is to provide security services. The registered office of the TPLS is situated at 39-K, Block-6, P.E.C.H. Society, Karachi. The financial year end of TPLS is June 30. TPLS is fully supported by the financial assistance of the Holding Company for smooth running of business operations. The Company holds 2,497,500 shares representing of 99.9% shares capital of TPLS as of balance sheet date. The book value per share amounts to Rs. Nil (2016: Rs. Nil) based on the latest available audited financial statements for the year ended June 30, 2017.

1.2.2. TPL Properties Limited

TPL Properties Limited [TPLP] was a private limited company incorporated on February 14, 2007 in Pakistan under the repealed Companies Ordinance, 1984. Subsequently in 2016, TPLP has changed its status from private limited company to public company. Accordingly, the name is changed to TPL Properties Limited. The principal activity of TPLP is to invest, purchase, develop and build real estate and to sell, rent out or otherwise dispose off in any manner the real estate including commercial and residential buildings, houses, shops, plots or other premises. The registered office of the TPLP is situated at Centrepoint Building, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi. The financial year end of TPLP is June 30.

The Holding Company holds 55 million (2016: 55 million) ordinary shares of Rs.10/- each, representing 20.1 percent (2016: 26.44 percent) of the share capital of TPLP as of the balance sheet date. The book value per share amounts to Rs.16.93 (2016: Rs.15.37) based on the latest available audited financial statements for the year ended June 30, 2017. The market value per share amounts to Rs.12.25 (2016: Rs.12.50). As of balance sheet date, the management of the Holding Company intends to dispose off the said investment shortly.

During the year ended 2016, TPLP got listed on Pakistan Stock Exchange Limited that had resulted in the dilution of shareholding of the Holding Company in TPLP from 50.08 percent to 26.44 percent and further during the year TPLP shares were issued against swap arrangement for the acquisition of HKC Limited by TPLP resulting in the further dilution of shareholding of the Holding Company from 26.44 percent to 20.11 percent as of the balance sheet date. In this regard, the Holding Company has reassessed as to whether or not the Holding Company along with the ultimate parent company and other related parties have a defacto control over TPLP as required under International Financial Reporting Standard 10 "Consolidated Financial Statements" (IFRS 10). Based on such assessment, the management has concluded that the Holding Company along with other related parties has a defacto control over TPLP having the majority shareholding i.e. 40.26 percent (2016: 52.94 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, 2017, the Holding Company continues to account for TPLP as its subsidiary in these consolidated financial statements.

1.2.3. Centrepoint Management Services (Private) Limited

Centrepoint Management Services (Private) Limited (CMS) was incorporated in Pakistan as a private limited company on August 10, 2011 under repealed Companies Ordinance, 1984. The principal activity of CMS is to provide building maintenance services to all kinds and description of residential and commercial buildings. The registered office of the CMS is situated at Centrepoint Building, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi. The financial year end of CMS is June 30.

TPLP is the parent Company which holds 40 million shares representing 100 percent share capital of CMS as of balance sheet date. TPL Trakker Limited is the ultimate parent not by virtue of shares as it holds 20.11 percent of share capital but by virtue of power to control. CMS had started its business activities and operations in year 2014 by providing maintenance and other services under terms of an agreement to the Centrepoint Project of TPLP. Currently, CMS is in start-up phase and fully supported by the financial support of TPLP to achieve its full potential in order to make adequate profits and generate positive cash flows. The Company holds 2,497,500 shares representing of 99.9% shares capital of TSS as of balance sheet date. The book value per share amounts to Rs. 2.70 (2016: Rs. 3.00) based on the latest available audited financial statements for the year ended June 30, 2017.

1.2.4. HKC Limited

HKC Limited (HKC) was incorporated in Pakistan on September 13, 2005 as a public limited company under the repealed Companies Ordinance, 1984. HKC is principally engaged in the acquisition and development of real states and renovation of buildings and letting out. The registered office of HKC is situated at 46-C, Block 6, P.E.C.H.S, Karachi. The financial year end of HKC is June 30.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

During the year, TPLP acquired 8,532,000 ordinary shares of HKC, constituting 90 percent of the issued, subscribed and paid-up share capital of HKC against a gross consideration of Rs. 797,315,390. Accordingly, TPLP is the parent company and TPL Trakker Limited is the ultimate parent by virtue of power to control.

The book value per share amounts to Rs. 20.63 (2016: Rs. 21.65) based on the latest available audited financial statements for the year ended June 30, 2017. As of balance sheet date, HKC is not generating revenue as it is in the process of initiation of developing the property therefore it is fully supported by the financial support of the TPLP to activate its full potential in order to make adequate profits and generate positive cashflows.

1.2.5. TPL Life Insurance Limited (TPLL)

TPL Life Insurance Limited was incorporated on March,19 2008 under the repealed Companies Ordinance, 1984 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. The registered office of TPLL is situated at Centrepoint Building, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi. The financial year end of TPLL is December 31, however, the condensed interim financial statements for the period ended June 30, 2017 reviewed by auditors have been used for consolidation purposes.

TPLL is engaged in life insurance business including ordinary life business, accidental and health business.

In accordance with the requirement of Insurance Ordinance, 2000, the Company has established a Shareholder Fund and separate Statutory Funds. The Statutory Funds established by the Company, in accordance with the advice of Appointed Actuary are as follow:

- Conventional Business
- Individual Life Unit Linked
- Accidental and Health Business

In July 2016, the Holding Company had acquired 50 million ordinary shares of TPLL, at a total net consideration of Rs.260.280 million. Further, during the year, the Holding Company acquired 18 million ordinary shares of Rs.10 each offered by way of right issues and disposed off 9.5 million shares against proceeds of Rs.76.550 million. As of June 30, 2017, the Holding Company holds 58.500 million ordinary shares of TPLL representing 86.02 percent of share capital of TPLL.

1.2.6. TPL Vehicle Tracking (Private) Limited

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. The registered office of the TPLV is situated at 12th Floor, Centrepoint Building, off Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi. The financial year end of TPLV is June 30.

TPLV has been formed in relation to a demerger scheme (the Scheme) devised by the Holding Company for transferring of its tracking business to TPLV, the Scheme is pending for approval in Sindh High Court as at the balance sheet date. The commercial operations of TPLV will commence on the transferring of tracking business from the Holding Company once the scheme is approved.

1.2.7. TPL Maps (Private) Limited

TPL Maps (Private) Limited (TPLM) was incorporated in Pakistan on December 27, 2016 as a private limited company under the repealed Companies Ordinance, 1984. The registered office of TPLM is situated at 12th Floor, Centrepoint Building, off Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi. The financial year end of TPLM is June 30.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

TPLM has been formed as a result of a demerger scheme (the Scheme) devised by the Holding Company for transferring of its navigation business to TPLM, the Scheme is pending for approval in Sindh High Court as at the balance sheet date. The commercial operations of TPLM will commence on the transferring of navigation business from the Holding Company once the scheme is approved.

1.2.8. Associates

1.2.8.1. Trakker Direct Insurance Limited

TPL Direct Insurance Limited (TDI) was incorporated in Pakistan in 1992 as a public limited company under the repealed Companies Ordinance, 1984 to carry on general insurance business. The principal office of TDI is located at Centrepoint Building, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi. TDI is listed on Pakistan Stock Exchange Limited with effect from September 22, 2011. The financial year end of TDI is December 31, however, the condensed interim financial statements for the period ended June 30, 2017 reviewed by auditors have been used for consolidation purposes.

The Holding Company holds 18,419,000 (2016: 18,419,000) ordinary shares of Rs.10/- each, representing 24.39 percent (2016: 24.39 percent) of the share capital of TDI as of the balance sheet date. The market value per share amounts to Rs.24.60 (2016: Rs.17.85). The Company has calculated the recoverable amount of its investment based on fair value, i.e. market value of Rs. 24.60 as of balance sheet date.

Out of 18.419 million ordinary shares of TDI held by the Holding Company, 18.402 million ordinary shares are pledged with financial institutions against various financing facilities.

1.2.8.2. Trakker Middle East L.L.C.

Trakker Middle East L.L.C. (TME) is a limited liability company registered in Abu Dhabi, United Arab Emirates. The principal activities of the TME are the selling, marketing and distribution of products and services in the field of wireless, fleet management, tracking and telemetry services. The registered office of TME is at P.O. Box 52331, Abu Dhabi, United Arab Emirates. The financial statements of the TME, an associate are prepared as at December 31, each year, therefore the management of the Group has used the six months management accounts for preparation of these consolidated financial statements.

The Company holds 1,644 (2016:1,644) ordinary shares of AED 1,000 each, representing 29 percent (2016: 29 percent) of the share capital as of the balance sheet date. The book value per share amounts to AED 1,441 (2016: AED 1,715) equivalent to Rs. 41,167 (2016: Rs. 48,797) based on the latest available un-audited financial statements for the period ended June 30, 2017.

2. BASIS OF PREPARATION

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

2.2. Statement of Compliance

During the year, the Companies Act, 2017 (the Act) has been promulgated, however, Securities and Exchange Commission of Pakistan (SECP) vide its circular No. 17 of 2017 dated July 20, 2017 communicated its decision that the companies whose financial year closes on or before June 30, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Accordingly, these consolidated financial statements for the year ended June 30, 2017 have been prepared considering the requirements of the repealed Companies Ordinance, 1984 and approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFASs) issued by Institute of Chartered Accountants of Pakistan (ICAP), as are notified under the repealed Companies Ordinance, 1984, provisions of and directives issued under the repealed Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the repealed Companies Ordinance, 1984, shall prevail.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Basis of consolidation

These consolidated financial statements comprises the financial statements of the Holding Company and its subsidiaries as at June 30, 2017, here-in-after referred to as 'the Group'.

3.1.1. Subsidiaries

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

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

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

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

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

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

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

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

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

A change in the ownership interest of subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group losses 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 and loss, and reclassifies the Holding company share of component previously recognised in other comprehensive income to profit and loss or retained earnings, as appropriate.

3.1.2. Associates

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

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

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

3.2. Standards, amendments and interpretations adopted during the year

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

The Holding Company has adopted the following revised standards, amendments and interpretation of IFRS, which became effective for the current year:

New and Revised Standards

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

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

3.3. Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its 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, the 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 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 balance sheet 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 and loss account, unless the asset is carried at revalued amount. Any impairment loss of revalued assets is treated as revaluation decrease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

b) Fair value of investment property

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

c) Recognition of tax and deferred tax

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

d) Classification of property

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

e) 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.

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

3.4. Property and equipment

3.4.1. Owned

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

Rates of depreciation which are disclosed in note 5.1 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 and loss account, as and when incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

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

An item of property 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 and loss account.

During the current year, the Holding Company changed its accounting policy in respect of valuation of leasehold land and building on leasehold land, whereby, with effect from the current year, these are carried at the revalued amounts, being the fair value at the date of revaluation less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any, instead of past policy of carrying the same at their cost less accumulated depreciation and accumulated impairment losses, if any.

The above change, made to provide a more accurate reflection of the carrying value of the assets of the Group, and has been accounted for in accordance with the IAS – 16 "Property, Plant and Equipment", as required under IAS – 8 "Accounting Policies, Changes in Accounting Estimate and Errors"' requiring such a change to be applied prospectively, instead of applying the same retrospectively.

3.4.2. Capital work-in-progress

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 and intangible assets in the course of their acquisition, erection, construction and installation. The assets are transferred to relevant category of operating fixed assets or intangible assets when they are available for use.

3.4.3. Leased

Finance leases, which transfer to the Group all the risks and benefits incidental to ownership of leased items are capitalised at the inception of lease. Assets subject to finance lease are initially recorded at the lower of the present value of minimum lease payments under the lease agreements and the fair value of the leased assets. The related obligation under the lease less financial charges allocated to future period are shown as a liability. Income arising from sale and leaseback transactions, if any, is deferred and is amortised equally over the lease period, whereas, loss is immediately recognised in profit or loss.

Financial charges are calculated at the interest rate implicit in the lease and are charged to profit and loss account. Leased assets are depreciated on a straight line basis at the same rate as Group's owned assets disclosed in note 5.1 to these consolidated financial statements.

3.5. Intangible assets

`Intangible assets other than goodwill, customers related intangible assets and marketing related intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. 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. However, these assets are tested for impairment annually. Amortisation is charged to the profit and loss account applying the straight line method, whereby, the cost of intangible asset is written off over its useful economic life. The amortization rate the intangible assets are stated in note 6.1 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

3.5.1. Intangible assets under development

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

3.5.2. 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 consolidated profit and loss account 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 as referred in note 6.4 to these financial statements. Impairment loss in respect of goodwill is recognised in profit and loss account.

3.6. Surplus on revaluation of fixed assets

The surplus arising on revaluation of fixed assets is credited to the "Surplus on Revaluation of Fixed Assets Account" shown below equity in the balance sheet in accordance with the requirements of Section 235 of the repealed Companies Ordinance 1984. The said section was amended through the Companies (Amendment) Ordinance, 2002 and accordingly, the Group has adopted the following accounting treatment of depreciation on revalued assets, keeping in view the Securities and Exchange Commission of Pakistan's (SECP) SRO 45(1)/2003 dated January 13, 2003:

- depreciation on assets which are revalued is determined with reference to the value assigned to such assets on revaluation and depreciation charge for the year is taken to the profit and loss account; and

- an amount equal to incremental depreciation for the year net of deferred taxation is transferred from "Surplus on Revaluation of Fixed Assets Account" to accumulated profit through consolidated statement of changes in Equity to record realization of surplus to the extent of the incremental depreciation charge for the year

3.7. Investment property

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

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

Subsequent to initial recognition, investment property is stated at fair value which reflects market condition at reporting date. Gains or losses arising from changes in the fair values are included in the consolidated profit and loss account in the year in which they arise, including the corresponding tax effect, if any.

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

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

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

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

3.8. Investments

The management of the Group determines the appropriate classification of its investments at the time of purchase. Significant policies relating to investments are disclosed in note 3.1.2 to these consolidated financial statements.

3.8.1. Held-to-maturity

Investments with fixed maturity, where management has both the intent and the ability to hold to maturity, are classified as held-to-maturity. These are initially measured at fair value plus transaction costs and are subsequently stated at amortised cost less provision for impairment, if any. Any premium paid or discount availed on acquisition of held-to-maturity investment is deferred and amortised over the term of investment, using the effective interest rate method. These are reviewed for impairment at year end and any losses arising from impairment in values are charged to the consolidated profit and loss account.

3.8.2. At fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held-for-trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial instruments are classified as held-for-trading if they are acquired for the purpose of selling and repurchasing in near term. Held-for-trading assets are acquired principally for the purpose of generating profit from short-term fluctuations in price. Financial instruments are designated at fair value through profit or loss if the Group manages such investments and makes sales and purchase decision based on their fair value in accordance with the group Group's investment strategy.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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All investments classified as investments at fair value through profit or loss are initially measured at cost being fair value of consideration given. All transaction costs are recognised directly in consolidated profit and loss account. At subsequent dates these investments are measured at fair value, determined on the basis of prevailing market prices, with any resulting gain or loss recognised directly in the consolidated profit and loss account. These are classified as current and non-current assets in accordance with criteria set out by IFRSs.

3.8.3. Available-for-sale

Investments intended to be held for an indefinite period of time which may be sold in response to need for liquidity or changes in interest rates or equity prices are classified as available-for-sale. At initial recognition, available-for-sale investments are measured at fair value plus directly attributable transaction costs.

After initial recognition, investments which are classified as available-for-sale are measured at fair value with unrealised gains or losses recognised as other comprehensive income in the available-for-sale reserve, until the investment is sold, derecognised or is determined to be impaired, at which time the cumulative gain or loss is reclassified to the consolidated profit and loss and removed from the available-for-sale reserve.

The fair value of these investments representing listed equity and other securities i.e. debt instruments are determined on the basis of year-end quoted market prices / bid prices obtained from stock exchange quotations and quotes from brokers.

3.9. Impairment

3.9.1. Financial assets

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

3.9.2. Non-financial assets, goodwill and investments in subsidiaries and 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 and loss account. Losses relating to goodwill are not reversed in future periods.

3.10. Stock-in-trade

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

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

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

3.11. Inventory property

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

3.12. Trade debts and other receivables

Trade debts originated by the Group are recognised and carried at original invoice amount less provision for doubtful debts, if any. An estimated provision for doubtful debt is made when collection of the full amount is no longer probable. No provision is made in respect of the active customers which are considered good. Bad debts are written-off, as and when identified.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

3.13. Cash and cash equivalents

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

3.14. Staff retirement benefits

Defined contribution plan

The Group operates a recognised provident fund (defined contribution plan) 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.

Defined benefit plan

TPLS and TPLL operates an unfunded gratuity scheme covering all its employees completing the minimum qualifying period of under the scheme.

3.15. 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 provided in full using the liability method, on all temporary differences arising at the balance sheet 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 balance sheet 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 balance sheet date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be .

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 balance sheet date. Deferred tax is charged or credited to the profit and loss account.

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

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

Tax benefits acquired as a part of business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently, if new information about facts and circumstances change. The adjustment is either treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit and loss account.

3.16. Trade and other payables

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.

3.17. 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 balance sheet date and accordingly adjusted to reflect current best estimates.

3.18. 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 consolidated profit and loss account on a straight line basis over the lease / ijarah term.

3.19. Revenue recognition

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

- Revenue from sales is recognised when risks and rewards are transferred, i.e., when tracking devices / goods are installed.

- Monitoring fees, rental income, service income from rendering of maintenance services and other services are recorded on an accrual basis.

- Service income from rendering of security services are recorded, when they are rendered to the customer.

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

- Income on bank accounts is recorded using effective interest rate.
- Income from held to maturity investments is recognised on a time proportionate basis taking account the effective yield on the investments.
- Dividend income is recognised when the right to receive the dividend is established.
- Gain / loss on sale / redemption of investments is taken to consolidated profit and loss account in the year of sale / redemption.

3.20. Insurance related policies

3.20.1. Insurance contracts

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.

Reinsurance contracts

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

Reinsurance liabilities represent balances due to reinsurance companies. Reinsurance liabilities are estimated in a manner consistent with the related reinsurance contract. Reinsurance assets represent balances due from reinsurance companies which are stated on the basis of amounts 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.

3.20.2. Receivables and payables related to insurance contract

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

3.20.3. Premiums

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.

3.20.4. Claims

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 balance sheet date, 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.

3.20.5. Claim recoveries

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.

3.20.6. 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 balance sheet 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

3.20.7. Acquisition cost

These comprise 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.

3.20.8. Premium deficiency reserve

The Group is required as per 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 balance sheet date in respect of policies in that class of business at the balance sheet date. The movement in the premium deficiency reserve is recorded as an expense and the same shall be recognized as a liability.

3.20.9. Liability adequacy test

At each balance sheet date, liability adequacy tests are performed to ensure the adequacy of the insurance 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.

3.20.10. Statutory funds

The Group maintains statutory funds for Accident and Health business, 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 balance sheet 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.

3.21. 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 balance sheet date. Exchange gains and losses are recognised in profit and loss account. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. 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.

3.22. Financial instruments

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

3.23. Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet, 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.

3.24. 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.

3.25. Dividend and appropriation to reserves

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

3.26. 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 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.

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

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

Standards	Effective date (annual periods beginning on or after)
IFRS 2 Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)	January 01, 2018
IFRS 10 Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalized
IAS 7 Statement of Cash Flows: Disclosure Initiative - (Amendment)	January 01, 2017

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Standards	Effective date (annual periods beginning on or after)
IAS 12 Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)	January 01, 2017
IFRS 4 Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments)	January 01, 2018
IAS 40 Investment Property: Transfers of Investment Property (Amendments)	January 01, 2018
IFRIC 22 Foreign Currency Transactions and Advance Consideration	January 01, 2018
IFRIC 23 Uncertainty over Income Tax Treatments	January 01, 2019

The Group expects that the adoption of the above revisions, amendments and interpretations of the standards will not have any material impact on the consolidated financial statements in the period of initial application.

In addition to the above amendments, improvements to various accounting standards have also been issued by the IASB in December 2016. Such improvements are generally effective for accounting periods beginning on or after January 01, 2018. The Group expects that the adoption of the above revisions, amendments, interpretations and improvements of the standards will not 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.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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4. BUSINESS COMBINATION

4.1. HKC Limited

During the year, TPLP acquired 8,532,000 ordinary shares of HKC, constituting 90 percent of the issued, subscribed and paid-up share capital against a gross consideration of Rs. 797,315,390. Accordingly, TPLP is the Parent Company and TPL Trakker Limited is the ultimate Parent by virtue of power to control. At the acquisition date, the identifiable assets acquired and liabilities assumed are recognized at their carrying value which are approximately equal to fair value, except revaluation of land which was carried out as at 30th March 2017 by independent valuer on the basis of present market value.

The following summarizes the estimated fair values of consideration paid, non-controlling interests as well as the assets acquired and liabilities assumed at the date of acquistion:

	Fair value recognized on acquisition	Carrying value as at 19th June 2017
Fair value of Inventory property	**888,738,989**	207,950,750
Net Current Assets:		
Short-term prepayments	**12,000**	12,000
Bank balances	**1,011,000**	1,011,000
Total net current assets	**1,023,000**	1,023,000
Share application money	**899,000**	899,000
Long term deposits	**450,000**	450,000
Trade and other payables	**2,467,000**	2,467,000
Tax	**40,000**	40,000
	3,856,000	3,856,000
Total indicated value of net assets	**885,905,989**	205,117,750
Non-controlling interest	**(88,590,599)**	-
Total gross consideration	**797,315,390**	-

The management has decided to finalize the determination of valuation of assets acquired within one year from the acquisition date, which is allowed under IFRS 3 "Business Combinations" as measurement period, therefore provisional figures based on latest available information have been considered for the acquisition accounting.

4.2. TPL Life Insurance Limited (TPLL)

In July 2016, the Holding Company had acquired 50 million ordinary shares of TPLL at Rs. 260.280 million. The Holding Company acquired TPLL to support its Tracking business with the insurance facilities for its customers and accordingly the Directors consider this transaction as acquisition of a business, rather than an usual asset acquisition. Assets acquired and liabilities assumed.

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FOR THE YEAR ENDED JUNE 30, 2017

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

	Fair value recognised on acquisition	Carrying value as at date of acquisition
Assets:		
Cash and bank deposits	**187,342,907**	187,342,907
Investments	**178,074,432**	178,074,432
Other assets	**74,189,211**	74,189,211
Tangible assets	**2,682,945**	2,682,945
Intangible assets	**573,322**	573,322
	442,862,817	442,862,817
Liabilities:		
Balance of statutory fund (including policyholders' liabilities Rs.73.636 million)	**(171,138,113)**	(171,138,113)
Deferred liabilities - staff retirement benefits	**(17,208,256)**	(17,208,256)
Creditors and accruals	**(74,671,267)**	(74,671,267)
Other liabilities	**(4,552,714)**	(4,552,714)
	(267,570,350)	(267,570,350)
Total identifiable net assets at fair value	**175,292,467**	175,292,467
Purchase consideration transferred (4.2.2)	**260,280,021**	260,280,021

For determining the fair value of assets and liabilities at the time of acquisition as required by IFRS 3 'Business Combination', management assessed that the fair value of the assets and liabilities acquired approximates to its carrying amount on date of acquisition.

Represents total net consideration of Rs.260.280 million paid in cash for 100 percent shareholding of TPLL at the time of acquisition, accordingly there was no NCI initially.

During the year, the Holding Company further acquired 18 million ordinary shares of Rs.10 each offered by way of right issues and disposed off 9.5 million shares against proceeds of Rs.76.550 million resulting in increase in NCI. The Group has elected to measure non-controlling interest in TPLL at the proportionate share in the recognised amount in the acquiree's net identifiable assets. As of June 30, 2017, the Holding Company holds 58.500 million ordinary shares of TPLL representing 86.02 percent of share capital of TPLL.

4.3. TPL Vehicle Tracking (Private) Limited and TPL Maps (Private) Limited

During the year, the board of directors of the Holding Company has proposed a scheme of arrangement to split its businesses (i.e. Maps and Vehicle Tracking) into two separate entities i.e. TPL Maps (Private) Limited and TPL Vehicle Tracking (Private) Limited respectively. The arrangement is yet to be approved by the Court, however, these companies have been legally formed on December 27,2016, without the transfer of net assets, but are consolidated as subsidiaries in these financial statements as the Company holds 100 percent shareholding.

	Note	2017 Rupees	2016 Rupees
5. PROPERTY AND EQUIPMENT			
Operating fixed assets	5.1	**1,774,573,133**	1,286,959,218
Capital work-in-progress	5.3	**24,947,496**	18,505,613
		1,799,520,629	1,305,464,831

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

5.1. Operating fixed assets

	COST / REVALUED AMOUNT			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2016	Additions / (disposals) / transfers	As at June 30, 2017	As at July 01, 2016	Charge for the year / (disposals) / transfers (note 5.1.1)	As at June 30, 2017	As at June 30, 2017	Depreciation Rate
	----------------	----------------	----------------	(Rupees)	----------------	----------------	----------------	%
Owned								
Leasehold land	194,124,965	218,875,035	413,000,000	-	-	-	413,000,000	-
Building on leasehold land	410,558,183	14,590,648	425,148,831	23,487,978	4,526,332	28,014,310	397,134,521	5
Machinery	8,588	-	8,588	6,660	1,928	8,588	-	
Computers and accessories	208,531,579	20,243,018 (551,890) *2,849,531 ***6,530,027	237,602,265	188,324,990	25,820,229 (398,965) ***6,530,027	220,276,281	17,325,984	33.33
Generators	6,502,202	-	6,502,202	6,480,372	21,830	6,502,202	-	20
Power generation Unit	92,048,400	6,892,240 *** 61,718,512	160,659,152	5,766,671	5,901,502 ***6,225,274	17,893,447	142,765,705	
Electrical equipment	475,733,604	297,872,047 (1,172,810) *** 82,187,741 *3,564,900 **60,002,966	918,188,448	200,583,631	86,797,163 (1,014,810) ***15,707,217	302,073,201	616,115,247	20
IT equipment	30,831,740	2,218,700	33,050,440	10,944,367	7,922,574	18,866,941	14,183,499	20
Furniture and fittings	147,859,459	31,631,309 (387,981) *4,003,225	183,106,012	59,599,311	35,242,307 (387,341)	94,454,277	88,651,735	20
Vehicles	111,611,714	3,634,649 (5,890,984)	109,355,379	59,580,683	15,796,545 (5,890,984)	69,486,244	39,869,135	20
Construction of Shed	6,048,277	-	6,048,277	6,048,277	-	6,048,277	-	20
Mobile phones	20,509,087	4,905,602 (435,450) *455,600	25,434,839	13,813,436	4,479,598 (126,884)	18,166,150	7,268,689	33.33
Weapons	3,966,033	-	3,966,033	1,711,483	397,023	2,108,506	1,857,527	10
ICOM Based Station	25,000	-	25,000	20,922	1,360	22,282	2,718	25
Leasehold improvements	-	5,007,000	5,007,000	-	127,760	127,760	4,879,240	
Gym equipments	-	11,415,174	11,415,174	-	197,771	197,771	11,217,403	
	1,708,358,831	617,285,422 (8,439,115) *10,873,256 ***150,436,280 **60,002,966	2,538,517,640	576,368,781	187,233,921 (7,818,984) ***28,462,518	784,246,236	1,754,271,404	
~~Leased:~~								
Computers and Accessories	46,000,408	- ***(6,530,027)	39,470,381	40,347,050	3,601,385 (6,530,027)	37,418,408	2,051,973	20
Generators	16,000,400	-	16,000,400	3,200,076	3,200,076	6,400,152	9,600,248	20
Power generation unit	61,718,512	- ***(61,718,512)	-	4,871,829	1,353,445 (6,225,274)	-	-	20
Electrical equipment	82,187,741	- ***(82,187,741)	-	12,731,792	2,975,425 (15,707,217)	-	-	20
Vehicles	37,560,880	- *2,493,750	40,054,630	27,348,026	4,057,096	31,405,122	8,649,508	20
Mobile phone	279,800	-	279,800	279,800	-	279,800	-	20
	243,747,741	*2,493,750 ***(150,436,280)	95,805,211	88,778,573	15,187,427 ***(28,462,518)	75,503,482	20,301,729	
2017	1,952,106,572	617,285,422 (8,439,115) *13,367,006 **60,002,966	2,634,322,851	665,147,354	175,543,223 (7,818,984) - ****26,878,125	859,749,718	1,774,573,133	

* Represents transfers from capital work-in-progress to owned and leased assets (note 5.3)
** Represents transfers from stock-in-trade to owned assets
*** Represents transfers from leased to owned assets
**** Represents the opening accumulated depreciation of TPLL added into Charge for the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	COST			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2015	Additions / (disposals) / transfers	As at June 30, 2016	As at July 01, 2015	Charge for the year / (disposals) / transfers (note 5.1.1)	As at June 30, 2016	As at June 30, 2016	Depreciation Rate
	---------- (Rupees) ----------							%
Owned								
Leasehold land	194,124,965	-	194,124,965	-	-	-	194,124,965	-
Building on leasehold land	406,634,482	3,923,701	410,558,183	17,563,781	5,924,197	23,487,978	387,070,205	5
Machinery	8,588	-	8,588	2,220	4,440	6,660	1,928	
Computers and accessories	192,312,577	5,637,955 *10,791,047 (210,000)	208,531,579	170,869,854	17,665,136 (210,000)	188,324,990	20,206,589	33.33
Generators	8,402,202	(1,900,000)	6,502,202	8,275,372	105,000 (1,900,000)	6,480,372	21,830	20
Power generation Unit	92,048,400	-	92,048,400	1,898,993	3,867,678	5,766,671	86,281,729	
Electrical equipment	414,058,174	40,371,220 *21,304,210	475,733,604	136,795,874	63,787,757	200,583,631	275,149,973	20
IT equipment	30,831,740	-	30,831,740	3,428,554	7,515,813	10,944,367	19,887,373	20
Furniture and fittings	97,015,293	29,197,356 *21,646,810	147,859,459	37,039,762	22,559,549	59,599,311	88,260,148	20
Vehicles	107,490,382	435,813 (13,787,138) *17,472,657	111,611,714	50,738,300	12,131,352 (3,288,969)	59,580,683	52,031,031	20
Construction of Shed	6,048,277	-	6,048,277	6,048,277	-	6,048,277	-	20
Mobile phones	13,569,813	5,473,165 *1,728,120 (262,011)	20,509,087	10,588,643	3,454,567 (229,774)	13,813,436	6,695,651	33.33
Weapons	3,393,783	572,250	3,966,033	1,498,068	213,415	1,711,483	2,254,550	10
ICOM Based Station	25,000	-	25,000	19,562	1,360	20,922	4,078	25
	1,565,963,676	**85,611,460 *72,942,844 (16,159,149)**	**1,708,358,831**	**444,767,260**	**137,230,264 (5,628,743)**	**576,368,781**	**1,131,990,050**	
Leased:								
Computers and Accessories	46,000,408	-	46,000,408	35,636,153	4,710,897	40,347,050	5,653,358	20
Generators	-	1,600,040 *14,400,360	16,000,400	-	3,200,076	3,200,076	12,800,324	20
Power generation unit	61,718,512	-	61,718,512	1,623,562	3,248,267	4,871,829	56,846,683	20
Electrical equipment	82,187,741	-	82,187,741	5,450,786	7,281,006	12,731,792	69,455,949	20
Vehicles	30,011,030	*7,549,850	37,560,880	24,013,491	3,334,535	27,348,026	10,212,854	20
Mobile phone	279,800	-	279,800	279,800	-	279,800	-	20
	220,197,491	**1,600,040 *21,950,210**	**243,747,741**	**67,003,792**	**21,774,781**	**88,778,573**	**154,969,168**	
2016	**1,786,161,167**	**87,211,500 *94,893,054 (16,159,149)**	**1,952,106,572**	**511,771,052**	**159,005,045 (5,628,743)**	**665,147,354**	**1,286,959,218**	

* Represents transfers from capital work-in-progress to owned and leased assets (note 5.3)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
5.1.1. Depreciation charge for the year has been allocated as follows:			
Cost of sales	36	**112,512,604**	103,054,996
Distribution expenses	37	**25,307,603**	22,687,003
Administrative expenses	38	**37,723,016**	33,263,046
		175,543,223	159,005,045

5.1.2. During the year, the Group has transferred tracking devices from stock-in-trade at a cost of Rs.329.98 million (2016: Rs. 35.652 million) to owned assets which are in possession of third parties, on rental basis.

5.1.3. Includes assets costing Rs. 487.5 million (2016: Rs. 377.368 million) which are fully depreciated.

5.1.4. The immoveable assets of the Group are placed as security against term finance facility and running finance under mark-up arrangement facility obtained from commercial banks as stated in notes 25 and 31 respectively to these consolidated financial statements.

5.1.5. During the year, the Group has carried out the revaluation exercise by an independent valuers, which has resulted in surplus on leasehold land and building on leasehold land of Rs. 218.875 million and Rs. 14.591 million over their existing cost of Rs. 194.125 million and Rs. 45.465 million and written down value of Rs. 194.125 million and Rs. 26.298 million, respectively during the year.

Had there been no revaluation, the aggregated cost and written down value of revalued leasehold land and building on leasehold land would have been lower by Rs. 233.466 million and Rs. 233.040 million and surplus on revaluation of fixed assets would have been lower by Rs. 233.466 million.

The fair values were determined with reference to market based evidence, based on active market prices and relevant enquiries and information as considered necessary, and adjusted for any difference in nature, location or condition of the specific properties. The fair value of leasehold land and building on leasehold land falls under level 2 of fair value hierarchy (i.e. significant observable inputs).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

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

	Original cost	Accumulated depreciation	Written down value	Sale proceeds	Gain on disposals	Mode of disposal	Particulars of buyers	Location
	(Rupees)							
Owned								
Aggregate amount of assets disposed off having written down value less than Rs.50,000 each	8,439,115	8,439,115	-	3,832,248	3,832,248	Negotiation	Various	Karachi
2017	**8,439,115**	**8,439,115**	**-**	**3,832,248**	**3,832,248**			
2016	16,159,149	5,628,743	10,530,406	12,585,711	2,055,305			

	Note	2017 Rupees	2016 Rupees
5.3. Capital work-in-progress			
Opening balance		**18,505,613**	46,476,684
Additions during the year		**23,271,293**	66,921,983
Transfers during the year:			
- operating fixed assets	5.1	**(13,367,006)**	(94,893,054)
- TPL Direct Insurance Limited (an associated company)		**(3,462,409)**	-
Closing balance	5.3.1	**24,947,491**	18,505,613

5.3.1 Represents expenses incurred and advances made by the Group in respect of procurement of computer equipment and software, office equipment, furniture and fixtures.

	Note	2017 Rupees	2016 Rupees
6. INTANGIBLE ASSETS			
Intangible assets	6.1	**1,434,954,387**	1,459,430,001
Intangible assets under development	6.2	**314,526,753**	60,831,039
		1,749,481,140	1,520,261,040

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

6.1. Intangible assets

	COST			ACCUMULATED DEPRECIATION IMPAIRMENT			WRITTEN DOWN VALUE	
	As at July 01, 2016	Additions	As at June 30, 2017	As at July 01, 2016	Charge for the year (note 6.1)	As at June 30, 2017	As at June 30, 2017	Amortis-ation Rate
	---------- (Rupees) ----------							%
Owned								
Goodwill (note 6.4)	493,042,630	-	493,042,630	-	-	-	493,042,630	-
Customer related intangibles	453,635,249	-	453,635,249	-	-	-	453,635,249	-
Marketing related intangible assets	289,021,582	-	289,021,582	-	-	-	289,021,582	-
Internally generated customer software	25,840,000	-	25,840,000	24,973,490	866,508	25,840,000	-	13.33
Maps database	147,858,790	-	147,858,790	53,598,807	7,392,940	60,991,747	86,867,043	5
Software	282,229,224	43,654,283	325,883,507	153,625,177	59,870,447	213,495,624	112,387,883	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
2017	**1,715,512,670**	**43,654,283**	**1,759,166,953**	**256,082,669**	**50,191,169 *17,938,727**	**324,212,566**	**1,434,954,387**	

* Represents the opening accumulated depreciation of TPLL.

	COST			ACCUMULATED DEPRECIATION IMPAIRMENT			WRITTEN DOWN VALUE	
	As at July 01, 2015	Additions	As at June 30, 2016	As at July 01, 2015	Charge for the year (note 6.1)	As at June 30, 2016	As at June 30, 2016	Amortis-ation Rate
	---------- (Rupees) ----------							%
Owned								
Goodwill (note 6.4)	493,042,630	-	493,042,630	-	-	-	493,042,630	-
Customer related intangibles	453,635,249	-	453,635,249	-	-	-	453,635,249	-
Marketing related intangible assets	289,021,582	-	289,021,582	-	-	-	289,021,582	-
Internally generated customer software	25,840,000	-	25,840,000	21,529,018	3,444,472	24,973,490	866,510	13.33
Maps database	147,858,790	-	147,858,790	46,205,868	7,392,939	53,598,807	94,259,983	5
Software	190,992,617	65,886,889 *25,349,718	282,229,224	91,305,147	38,380,184 *23,939,846	153,625,177	128,604,047	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
	1,624,276,063	**65,886,889 *25,349,718**	**1,715,512,670**	**182,925,228**	**49,217,595 *23,939,846**	**256,082,669**	**1,459,430,001**	
Leased								
Software	25,349,718	- *(25,349,718)	-	15,489,940	8,449,906 *(23,939,846)	-	-	33.33
	25,349,718	***(25,349,718)**	-	**15,489,940**	**8,449,906 *(23,939,846)**	-	-	
2016	**1,649,625,781**	**65,886,889**	**1,715,512,670**	**198,415,168**	**57,667,501**	**256,082,669**	**1,459,430,001**	

*Represents transfer from leased to owned intangible assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

6.2. Represents expenditure incurred for development of map database.

6.3. Amortisation charge for the year has been allocated as follows:

	Note	2017 Rupees	2016 Rupees
Cost of sales	36	**50,103,602**	57,536,170
Administrative expenses	38	**87,567**	131,331
		50,191,169	57,667,501

6.4. Impairment testing of goodwill and intangibles with indefinite lives

The Group has performed its annual impairment test on the following cash generating units as at June 30, 2017.

Tracking business

Goodwill acquired through business combinations and intangibles with indefinite useful lives have been allocated and monitored at the Group level (tracking business - excluding non-operating assets). Intangible assets with indefinite useful lives include customer and marketing related intangibles assets. The Group has performed its annual impairment test as at June 30, 2017.

The recoverable amount is determined based on a value-in-use calculation using cash flow projections from financial budgets approved by the senior management covering a five year period and applying the expected value approach. The discount rate applied to cash flow projections is 16.1 percent (2016: 17.1 percent). The growth rate used to extrapolate the cash flows beyond the five-year period is 4.1 percent (2016: 4.1 percent). As a result of this analysis, the management did not identify any impairment for the cash generating unit to which goodwill of Rs. 403,380,571/- and intangibles with indefinite useful lives are allocated.

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 IAS-36 "Impairment of Assets", 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.

Other business

Goodwill acquired through business combinations have been allocated and monitored at the Group level (other business i.e. security services).The recoverable amount is determined based on value in use calculations, which was higher than the carrying value. The discount rate applied to cash flow projections is 13.6 percent (2016: 16 percent). The growth rate use to extrapolate the cash flows beyond the five-year period is 4.1 percent (2016: 4 percent). As a result of this analysis, the management did not identify any impairment for the cash generating unit to which goodwill of Rs. 30,333,296/- is allocated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

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 and greater focus on container tracking and navigation businesses.

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.

	Note	2017 Rupees	2016 Rupees
7. INVESTMENT PROPERTY			
Operating fixed assets	7.1	**4,340,262,571**	4,090,415,737
Capital work-in-progress	7.2	**8,190,702**	-
		4,348,453,273	4,090,415,737

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

	Note	2017 Rupees	2016 Rupees
As at 01 July		**4,090,415,737**	3,846,097,684
Add: Additions to investment property		**46,918,610**	38,782,113
Less: Transferred to property, plant and equipment (share of owner occupied property)		**-**	3,923,701
		4,137,334,347	3,880,956,096
Remeasurement adjustment		**202,928,224**	209,459,641
As at June 30	7.1.1	**4,340,262,571**	4,090,415,737

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

7.1.1. An independent valuation of Centrepoint Project was carried out by an independent professional valuer on June 30, 2017 and the fair value of Rs. 4,967 million (2016: Rs. 4,632 million) was determined with reference to market based evidence, active market prices and relevant information. Accordingly, the fair value adjustment for the year of Rs. 202.928 million (2016: Rs. 209.459 million) excluding of the impact related to owner occupied property is recognized in the profit and loss account. is recognized in the profit and loss account. The fair value of investment property fall under level 2 of fair value hierarchy (i.e. significant observable inputs).

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

	Note	2017 Rupees	2016 Rupees
8. LONG-TERM INVESTMENTS			
Investment in associated Company – equity method			
TPL Direct Insurance Limited	8.1 & 8.2	**536,285,330**	506,417,217

8.1. The Holding Company holds 18,419,000 (2016: 18,419,000) ordinary shares of Rs.10/- each, representing 24.39 percent (2016: 24.39 percent) of the share capital of TPL Direct Insurance Limited as of the balance sheet date. The market value per share amounts to Rs. 24.60 (2016: Rs. 17.85). The Holding Company has calculated the recoverable amount of its investment based on value in use calculations as prescribed under IAS-36 "Impairment of Assets". The discount rate applied to cash flow projections is 17.5 percent. The growth rate use to extrapolate the cash flows beyond the five-year period is 4.1 percent. Accordingly, the management considers that no provision for any impairment is required at this stage.

8.2. Out of 18.419 million ordinary shares of TDI held by the Group, 18.402 million ordinary shares are pledged with financial institutions against various financing facilities.

	2017 Rupees	2016 Rupees
8.2.1. Movement of investment in an associated company		
Balance at the beginning of the year	**506,417,217**	487,176,150
Share of profit for current year (un-audited)	**29,868,113**	19,241,067
Balance at the end of the year	**536,285,330**	506,417,217

8.2.2. The summarised financial information of an associate based on the financial statements for the year ended June 30, 2017 and 2016, is as follows:

	2017 Rupees (Un-audited)	2016 Rupees (Un-audited)
Total assets	**2,426,809,165**	2,100,676,235
Total liabilities	**1,098,086,255**	963,207,533
Revenues	**1,276,616,522**	1,152,723,173
Profit after tax	**122,434,687**	78,865,077

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
9. LONG-TERM LOANS - secured, considered good			
Executives	9.1 & 9.2	1,067,737	915,018
Employees		1,271,861	1,924,583
	9.3	2,339,598	2,839,601
Less: Current portion	16	(1,513,060)	(2,409,135)
		826,538	430,466

9.1. Reconciliation of the carrying amount of loans to executives

	2017 Rupees	2016 Rupees
Balance as on July 01	915,018	1,530,385
Disbursements	1,118,694	960,454
Repayments / adjustments	(965,975)	1,575,821
Balance as on June 30	1,067,737	915,018

9.2. The maximum aggregate amount of loans due from the executives at the end of any month during the year was Rs. 3.380 million (2016: Rs. 3.125 million).

9.3. The loans are provided to employees of the Holding Company 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 (2016: 5 percent) per annum. Further, it also includes loans provided on interest free basis amounting to Rs. 0.612 million (2016: Rs. 0.686 million). All loans are repayable over a period of two years in equal monthly installments and are secured against salaries and provident fund balances of the employees.

	Note	2017 Rupees	2016 Rupees
10. LONG-TERM DEPOSITS			
Security deposits – leased and ijarah assets		33,010,985	22,767,829
Less: Current portion	17	12,643,282	6,880,834
		20,367,703	15,886,995
Utilities		177,450	177,450
Rent deposits		2,998,921	2,652,921
Cash margin against guarantees	10.1	21,787,154	17,303,620
Others		186,919	186,919
	10.2	45,518,147	36,207,905

10.1. Represents cash margin on guarantee issued by a conventional commercial bank on behalf of the Holding Company.

10.2. These are non-interest bearing and generally on a term of more than a year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
11. INTEREST ACCRUED – unsecured, considered good			
Accrued mark-up on current account with:			
Ultimate parent company			
- TPL Holdings (Private) Limited		-	981,547
Associated companies			
- Trakker Middle East LLC.		2,653,162	2,653,161
Others			
- TPL Logistics (Private) Limited		323,474	251,578
- Trakker Direct Finance (Private) Limited		791,624	722,005
- TPL Rupiya (Private) Limited		224,053	83,286
- The Resource Group Pakistan Limited		3,666,381	3,130,601
	12.1	5,005,532	4,187,480
		7,658,694	7,822,178
Less: Current portion		7,658,694	7,822,178
		-	-

	Note	2017 Rupees	2016 Rupees
12. DUE FROM RELATED PARTIES – unsecured, considered good			
Ultimate parent company			
- TPL Holdings (Private) Limited		-	18,789,612
Others			
- Trakker Direct Finance (Private) Limited		771,300	757,425
- TPL Logistic (Private) Limited		778,522	734,805
- TPL Rupiya (Private) Limited		1,697,610	1,529,048
- The Resource Group Pakistan Limited		5,884,572	5,884,572
	12.1	9,132,004	8,905,850
		9,132,004	27,695,462
Less: Current portion		9,132,004	27,695,462
		-	-

12.1. Represents current account balances with related parties carrying markup at the variable rate of 6 months KIBOR plus 3 percent i.e. 9.25 percent and fixed rate of 18 percent (2016: fixed rate of 18 percent) per annum and are repayable on demand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
13. DEFERRED TAX ASSET / (LIABILITY)			
Deferred tax asset on deductible temporary difference:			
- unused tax losses		**156,911,219**	168,732,535
- surplus on revaluation of fixed assets – net		**4,249,526**	-
- liabilities against assets subject to finance lease – net		**6,675,473**	21,084,355
- provision for doubtful debts		**8,825,403**	8,207,611
- deferred income		**733,334**	1,667,112
- provision for gratuity		**3,669,062**	1,661,693
		181,064,017	201,353,306
Deferred tax liability on taxable temporary difference:			
- accelerated tax depreciation on owned and leased assets		**(53,679,949)**	(91,543,875)
- intangible assets		**(5,695,305)**	654,786
- advance against rent from tenants		**(38,236,796)**	(39,005,393)
		(97,612,050)	(129,894,482)
		83,451,967	71,458,824
14. STOCK-IN-TRADE			
Tracking devices	14.1 & 14.2	**347,658,183**	282,696,732
Spare parts and loose tools	14.3	**9,558,744**	11,428,635
		357,216,927	294,125,367

14.1. Includes stock of Rs.13.149 million (2016: Rs. 13.454 million) held with third parties on account of stock given for demo and repair purposes.

14.2. Includes stock of Rs.95.646 million (2016: Rs. 77.901 million) held with third parties on account of on-site container tracking installations.

14.3. Represents Bonnet Locks, Window Motors etc. which are held for sale.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
15. TRADE DEBTS - unsecured			
Considered good			
- tracking devices	15.1 & 15.2	**1,206,636,562**	1,037,594,835
- security services		**31,120,421**	16,165,410
- rent		**-**	4,816,429
- electricity, air conditioning and other services	15.3	**16,274,200**	27,446,083
	15.4	**1,254,031,183**	1,086,022,757
Considered doubtful		**31,218,010**	26,476,168
Less: Provision for doubtful debts	15.5	**(31,218,010)**	(26,476,168)
		-	-
		1,254,031,183	1,086,022,757

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

15.2. Included herein amount due from TDI and The Resource Group Pakistan Limited (the associated companies) of Rs. 10.061 million and Rs. 0.033 million (2016: Rs. 6.022 million and Rs. 0.032 million) respectively.

15.3. Included herein amount due from TDI (an associated company) of Rs. 1.149 million (2016: Rs. 3.970 million).

15.4. As at June 30, 2017 and 2016, the ageing analysis of unimpaired trade debts are as follows:

	Total	Neither past due nor impaired	Past due but not impaired > 30 days upto 120 days	> 121 days upto 180 days	180 days and above
	----------	----------	(Rupees)	----------	----------
Related parties	**12,293,567**	**6,130,068**	**1,802,801**	**418,229**	**3,942,469**
Other than related parties	**1,241,737,616**	**516,407,847**	**512,006,107**	**83,474,020**	**129,849,642**
2017	**1,254,031,183**	**522,537,915**	**513,808,908**	**83,892,249**	**133,792,111**
Related parties	6,054,473	1,571,007	2,068,776	375,397	2,039,293
Other than related parties	1,079,968,284	520,406,993	401,614,117	50,066,792	107,880,382
2016	1,086,022,757	521,978,000	403,682,893	50,442,189	109,919,675

	Note	2017 Rupees	2016 Rupees
15.5. Provision for doubtful debts			
Opening balance		**26,476,168**	26,009,833
Provision for the year	38	**19,252,497**	22,241,419
Written-off during the year		**(14,510,655)**	(21,775,084)
Closing balance		**31,218,010**	26,476,168

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
16. LOANS AND ADVANCES			
Loans – secured, considered good			
Current portion of long-term loans	9	1,513,060	2,409,135
Advances – unsecured, considered good			
- suppliers		24,636,438	30,035,289
- executives		-	318,007
- employees		1,122,437	282,258
- others		1,717,752	81,400
	16.1	27,476,627	30,716,954
		28,989,687	33,126,089

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

	Note	2017 Rupees	2016 Rupees
17. TRADE DEPOSITS AND PREPAYMENTS			
Trade deposits			
- security deposits		86,330,220	1,143,720
- LC margin and cash margin against guarantee		2,599,531	4,996,737
- current portion of leases and ijarah deposits	10	12,643,282	6,880,834
- others		19,395,531	840,516
	17.1	120,968,564	13,861,807
Prepayments			
- insurance		8,629,309	10,340,012
- rent		6,938,358	13,005,455
- maintenance		2,685,965	1,613,221
- security trustee and agency fees		1,695,000	1,500,000
- others		4,474,430	110,497
		24,423,062	26,569,185
		145,391,626	40,430,992

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
18. OTHER RECEIVABLES – unsecured, considered good			
Earnest money		**15,326,939**	3,509,174
Insurance claims		**2,988,489**	3,540,955
Rent receivable		**26,555,792**	-
Others		**1,133,269**	1,133,264
	18.1	**46,004,489**	8,183,393

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

	Note	2017 Rupees	2016 Rupees
19. SHORT-TERM INVESTMENTS			
Investment in associated company – equity method			
Trakker Middle East L.L.C. (TME)	19.1 & 19.2	**131,666,479**	144,572,243
Held to Maturity - Government securities			
Pakistan Investment Bonds (PIBs)	19.4	**85,054,000**	-
Treasury bills			
		49,751,936	-
Held for trading			
Listed equities	19.5	**37,370,000**	-
Open ended mutual funds	19.6	**10,278,000**	-
		314,120,415	144,572,243

19.1. The Holding Company holds 1,644 (2016: 1,644) ordinary shares of AED 1,000 each, representing 29 percent (2016: 29 percent) of the share capital as of the balance sheet date. The book value per share amounts to AED 1,715 (2016: AED 1,715) equivalent to Rs. 41,167 (2016: Rs. 48,797) based on the latest available un-audited financial statements for the period ended June 30, 2017.

Based on the approval of Board of Directors of the Holding Company in their meeting held on April 23, 2015 to consider and negotiate an offer to disinvest 29 percent shareholding in TME, the Holding Company has conditionally accepted an offer for disposal of its entire shareholding in TME, subject to obtaining the necessary approvals, compliance of legal formalities and signing of a binding sale agreement to execute the transaction. The management expects that this offer will be materialized and the said investment in TME will be disposed off within twelve months from the balance sheet date. Accordingly, it has been classified as short-term investments under current assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

19.2. Movement of investment in an associated company

	2017 Rupees	2016 Rupees
Balance at the beginning of the year	144,572,243	155,081,166
Share of loss for current year (un-audited)	(12,905,764)	(10,508,923)
Balance at the end of the year	131,666,479	144,572,243

19.3. The summarised financial information of an associate based on the financial statements for the year ended June 30, 2017 and 2016, is as follows:

	2017 Rupees (Un-audited)	2016 Rupees (Un-audited)
Total assets	328,521,124	378,148,278
Total liabilities	95,778,673	100,885,510
Revenues	240,141,482	299,191,680
Loss for the year	(44,502,636)	(36,237,664)

19.4. The Group has deposited 3 years Pakistan Investment Bonds having face value of Rs.68 million (31 December 2016: three year Pakistan Investment Bonds (PIBs) having face value Rs. 60 million) with State Bank of Pakistan under Section 29 of Insurance Ordinance, 2000.

19.5. The Group has the following short term investments in listed equities held for trading:

2017 Number of shares	2016 Number of shares		2017 Rupees	2016 Rupees
360,000	-	Summit Bank Limited (Face Value of Rs. 10 each)	36,000,000	-
Share Holders' Funds			1,370,000	-
			37,370,000	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

19.6. The Group has the following short term investments in open ended mutual funds held for trading:

	No. of Units		Cost		Carrying Value	
	2017	2016	2017	2016	2017	2016
Statutory Fund						
PICIC Cash Fund	**4,045**	-	**421,000**	-	**406,000**	-
ABL Stock Fund	**47,362**	-	**920,000**	-	**807,000**	-
NAFA Stock Fund	**61,840**	-	**1,118,000**	-	**1,003,000**	-
MCB Pakistan Stock Market Fund	**7,366**	-	**859,000**	-	**755,000**	-
Alfalah GHP Stock Fund	**6,108**	-	**1,028,000**	-	**958,000**	-
JS Growth Fund	**1,710**	-	**409,000**	-	**378,000**	-
MCB Pakistan Sovereign Fund	**6,316**	-	**350,000**	-	**336,000**	-
Lakson Income Fund	**9,047**	-	**948,000**	-	**911,000**	-
ABL Income Fund	**70,130**	-	**728,000**	-	**704,000**	-
Atlas Income Fund	**1,179**	-	**623,000**	-	**604,000**	-
Alfalah GHP Income Fund	**4,346**	-	**499,000**	-	**487,000**	-
NAFA Government Securities Liquid Fund	**49,179**	-	**527,000**	-	**500,000**	-
Meezan Islamic Fund	**4,939**	-	**421,000**	-	**377,000**	-
Meezan Islamic Income Fund	**11,721**	-	**621,000**	-	**602,000**	-
MCB DCF Income Fund	**3,773**	-	**418,000**	-	**402,000**	-
JS Income Fund	**10,935**	-	**1,097,000**	-	**1,048,000**	-
			10,987,000	-	**10,278,000**	-

20. TAXATION - net

	Note	2017 Rupees	2016 Rupees
Opening balance – refundable		**110,111,218**	7,018,425
Provision for current and prior year taxation*	43	**(40,398,157)**	(56,336,152)
Income tax paid and deducted at source		**111,784,110**	159,428,945
Closing balance – refundable		**181,497,171**	110,111,218

*includes herein opening balance of tax refundable of TPL Life.

21. CASH AND BANK BALANCES

	Note	2017 Rupees	2016 Rupees
Cash in hand		**1,149,205**	594,853
At banks in:			
current accounts- local currency			
- conventional banking		**133,612,365**	712,004,212
- islamic banking		**33,233,560**	118,227,954
		166,845,925	830,232,166
current accounts- foreign currency			
- conventional banking		**-**	133,314
saving accounts-local currency			
- conventional banking	21.1 to 21.3	**56,895,227**	69,786,140
- islamic banking		**265,214,074**	27,028,001
		322,109,301	96,814,141
		490,104,431	927,774,474

21.1. These carry mark-up ranging from 3.8 percent to 5.90 percent (2016: 3.8 percent to 5.90 percent) per annum.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

21.2. Included herein debt service reserve account maintained with United Bank Limited for any date of US dollar Nil (2016: US Dollars 0.493) equal to the aggregate amount of principal, interest payments and fees of Rs. Nil (2016: Rs. 52.415) million for immediately succeeding six month period with respect to the financing facility as disclosed in the notes 22.1 and 22.2 to these financial statements. This account shall be quarterly adjusted to account for exchange rate fluctuations in accordance with the requirement of Security and Deposit Account Control Agreement among the Company, Overseas Private Investment Corporation (OPIC) and United Bank Limited dated December 09, 2013.

21.3. Included herein a cash deposit of Rs.16.584 million under lien (note 34.2.2).

22. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2017	2016		Note	2017	2016
Number of shares				Rupees	Rupees
		Ordinary shares of Rs.10/- each			
30,009,900	30,009,900	- issued for cash		**300,099,000**	300,099,000
187,239,063	187,239,063	- issued for consideration other than cash	20.1	**1,872,390,630**	1,872,390,630
217,248,963	217,248,963			**2,172,489,630**	2,172,489,630

22.1. 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 TPL Holdings (Private) Limited, the ultimate Parent Company into a new Company in consideration for ordinary shares of the Holding Company.

22.2 SURPLUS ON REVALUATION OF FIXED ASSETS

	Note	2017 Rupees	2016 Rupees
Surplus on revaluation of operating fixed assets recognized during the period / year:			
- Leasehold land	5.1	**218,875,035**	-
- Building on leasehold land	5.1	**14,590,648**	-
		233,465,683	-
Transfer to unappropriated profit on account of incremental depreciation charged for the year		**425,561**	-
		233,040,122	-
Deferred tax:			
- On account of surplus of revaluation of building on leasehold land		**4,377,194**	-
- Impact of deferred tax on incremental depreciation charged for the period / year		**(127,668)**	-
		4,249,526	-
	5.1.5	**228,790,596**	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
23. LONG-TERM FINANCING – secured			
Conventional banking			
Project finance I	23.1	**114,843,751**	206,128,126
Islamic banking			
Diminishing musharika I	23.2	**1,865,443,975**	2,074,861,362
Demand finance		-	109,375,000
Diminishing Musharika II	23.3	**267,379,788**	-
Diminishing Musharika III	23.4	**11,297,605**	32,434,483
Diminishing Musharika IV (Islamic)		-	56,250,000
Sukuk financing	23.5	**600,000,000**	600,000,000
		2,858,965,119	3,079,048,971
Less: Current portion shown under current liabilities	33	**(335,422,605)**	(332,182,162)
		2,523,542,514	2,746,866,809

23.1. The Holding Company had obtained a project financing facility of US Dollars 3.5 million (equivalent to Rs. 367.663 million) for a period of five years from OPIC (a foreign financial institution) through an agreement dated November 27, 2013 to be read with amendment dated March 31, 2014 to the original loan agreement.

As of the balance sheet date, the Group has utilised the aforementioned financing facility. The said facility amount is repayable in US Dollars in sixteen equal quarterly installments commencing from September 15, 2014 and ending no later than June 15, 2018 i.e. maturity date. It carries mark up at the rate of 5 year United States Treasury Rate plus 3.75 percent (i.e. 5.12 percent) per annum payable quarterly on 15th of each March, June, September and December after the receipt of first disbursement date i.e. December 24, 2013. The facility is secured against pledge of 35 million ordinary shares owned by TPL Holdings (Private) Limited (Parent Company) in the Company, guarantees of the Parent Company of US Dollars 2.70 million and charge on saving account (note 21.2).The Holding Company shall be liable to pay maintenance fee of US Dollars 7,500 per annum in arrears. Under the aforesaid agreement there are certain restrictive payments covenants.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

23.4. The Holding Company had obtained diminishing musharaka financing facilities for electrical equipment, IT equipment and vehicles aggregating to Rs. 59.745 million from Burj Bank Limited for a period of 3 years, carrying mark-up at the rate of 6 months KIBOR plus 2 percent per annum subject to half-yearly revision. The musharaka units are to be purchased during the period of 3 years in 36 monthly installments on various dates latest by November 2017 and are secured against first charge of Rs. 66.866 million on electrical equipment, IT equipment and vehicles, ranking hypothecation charge over fixed assets of The Holding Company and personal guarantees of sponsoring directors.

23.5. During the year, The Holding Company has issued Sukuk certificates of 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 amended agreement for Green Shoe Option dated May 08, 2016.

The said certificates are redeemable in 4 equal quarterly installments starting from 14th quarter (i.e. October 2019) and ending no later than April 2021 i.e. redemption date. The rate for rental payment is 1 year KIBOR plus 3 percent per annum payable at the end of each April, July, October and January, after the date of agreement. 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.

24. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

		2017		2016	
		Minimum Lease Payments (MLP)	Present Value of MLP	Minimum Lease Payments (MLP)	Present Value of MLP
	Note	(Rupees)			
Within one year		**12,477,453**	**11,275,640**	42,176,388	37,796,542
After one year but not more than five years		**11,660,005**	**10,975,935**	31,716,235	30,217,506
Total minimum lease payments		**24,137,458**	**22,251,575**	73,892,623	68,014,048
Less: Finance charges		**1,885,883**	**-**	5,878,575	-
Present value of minimum lease payments	24.1	**22,251,575**	**22,251,575**	68,014,048	68,014,048
Less: Current portion shown under current Liabilities	32	**11,275,640**	**11,275,640**	37,796,542	37,796,542
		10,975,935	**10,975,935**	30,217,506	30,217,506

24.1. Represents conventional obligation in respect of assets acquired under finance lease arrangements from various conventional financial institutions (note 5.1). Rentals are payable in equal monthly installments. Repairs and insurance costs are to be borne by lessee. Financing rate ranging from 8.28 percent to 12.07 percent (2016: 9.97 percent to 12.99 percent) per annum has been used as discounting factor. Overdue rental payments are subject to additional charge upto 0.1 percent (2016: 0.1 percent) per day. Purchase option can be exercised by the lessee by adjusting security deposit against residual value at the expiry of the lease period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

		Note	2017 Rupees	2016 Rupees
25.	**LONG-TERM LOANS**			
	Term finance I	25.1 & 25.2	**79,166,668**	75,000,000
	Term finance II	25.3, 25.4 & 25.5	**56,555,108**	20,000,000
	Term finance III	25.6	**200,000,000**	36,986,741
	Term finance IV	25.7	**100,000,000**	-
			435,721,776	131,986,741
	Less: Current portion	32	**145,444,446**	81,333,328
			290,277,330	50,653,413

25.1. The Holding Company had obtained a term finance of Rs. 75 million from a conventional commercial bank. The loan is repayable within a period of 3 years from the date of first disbursement i.e. June 30, 2016, in equal quarterly installments of Rs. 8.333 million. It carries mark-up at the rate of 3 months KIBOR plus 2.10 percent per annum and is secured against legal mortgage and first pari passu charge over Group's book debts, receivables, stocks, fixed assets (i.e. tracking devices) and immovable property to the extent of Rs. 144 million, first pari passu charge over book debts and receivables of Rs. 63 million (2016: Rs. 63 million) and pledge of 5 million ordinary shares of TPL Direct Insurance Limited, an associated company, held by the Holding Company.

25.2. The Holding Company has obtained a term finance of Rs. 37.5 million from a conventional commercial bank for a period of three years through an agreement dated January 26, 2017. The said loan is to be paid in 12 equal quarterly installments of Rs. 3.125 million. It carries mark-up at the rate of 3 month KIBOR plus 2.10 percent per annum and is secured against first pari passu charge over current assets to the tune of Rs. 120 million, first charge of an existing property collateral to the tune of Rs. 216 million and personal gurantees of directors of the Group.

25.3. The Holding Company had obtained a term finance of Rs. 60 million from a conventional commercial bank. The loan was repayable within a period of 2 years in equal quarterly installments of Rs. 2.50 million latest by January 31, 2017. It carried mark-up at the rate of 3 months KIBOR plus 4.0 percent per annum and was secured against first pari passu charge and ranking charge over Group's stocks and book debts to the extent of Rs. 80 million and personal guarantees of directors. Accordingly, the loan was fully repaid as per the terms of the agreement.

25.4. The Holding Company had obtained a term finance of Rs. 70 million from a conventional commercial bank. The loan is repayable within a period of 2.5 years in equal quarterly installments of Rs. 2.333 million latest by September 13, 2017. It carries mark-up at the rate of 1 month KIBOR plus 3.0 percent per annum and is secured ranking charge by way of hypothecation over Group's all present and future books debts and receivables to the extent of Rs. 100 million and pledge of Rs. 13.4 million shares of TPL Direct Insurance Limited, an associated company.

25.5. The Holding Company has obtained a term finance of Rs. 50 million for a period of 3 years from a conventional commercial bank through an agreement dated March 13, 2017. It carries mark-up at the rate of 1 month KIBOR plus 3 percent per annum and is secured ranking charge by way of hypothecation over present and future books debts and receivables to the extent of Rs.70 million.

25.6. The Holding Company has obtained a term finance of Rs. 200 million for a period of 3 years from a conventional commercial through an agreement dated May 9, 2017. It carries mark-up at the rate of 1 month KIBOR plus 2.5 percent per annum. The loan is repayable in 36 equal monthly installments of Rs. 5.556 million. The facility is secured against specific charge of Rs. 300 million over tracking devices owned by the Holding Company and assignment of receivables from cutomers and personal guarntee of the directors of the Holding Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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25.7. The Holding Company has obtained a term finance having a limit of Rs. 200 million for a period of two years from a conventional commercial bank through an agreement dated June 29, 2017. It carries mark-up at the rate of 3 months KIBOR plus 4 percent per annum. The loan is repayable in 4 equal installments of Rs. 50 million starting from July 1, 2018. The facility is secured against first pari passu charge over property and personal guarantees of Rs. 267 million from chief executive of the Holding Company and cross corporate guarantee of Rs. 267 million from TPLP.

		Note	2017 Rupees	2016 Rupees
26.	**DEFERRED LIABILITIES**			
	Deferred income	26.1	2,444,444	5,377,780
	Gratuity	26.2	9,284,894	5,360,300
			11,729,338	10,738,080
26.1.	**Deferred income**			
	Opening balance		5,377,780	10,014,427
	Less: Amortisation for the year	41	2,933,336	4,636,647
			2,444,444	5,377,780
26.2.	**Gratuity**			
	Balance as at July 01		5,360,300	6,123,174
	Charge / (reversal) for the year	36	3,924,594	(762,874)
	Balance as at June 30		9,284,894	5,360,300

As of the balance sheet date, no actuarial valuation of gratuity has been carried out by TPLS, the Subsidiary Company, since the management of TPLS believes that effect of actuarial valuation would not be materially different. Further, provision of gratuity has been made at the year end.

		Note	2017 Rupees	2016 Rupees
27.	**DUE TO RELATED PARTIES - unsecured**			
	Ultimate parent company			
	TPL Holdings (Private) Limited	27.1 & 27.2	69,344,394	32,651,583
	Associated companies			
	TPL Direct Insurance Limited (TDI)	27.3	18,275,776	67,857,685
	Trakker Middle East (TME)	27.4	329,584	301,576
			18,605,362	68,159,261
	Loan from a Director		-	22,981,004
			87,949,756	123,791,848
	Less: Current portion		87,949,756	(91,453,670)
			-	32,338,178

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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27.1. Represents current account balances with related party carrying markup at the variable rate of 6 months KIBOR plus 3 percent i.e 9.15 percent and fixed rate of 18 percent (2016: variable rate of 6 months KIBOR plus 3 percent i.e. 9.06 percent and fixed rate of 18 percent) per annum and are repayable on demand.

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

27.3. Represents current account balance with a related party and carries mark-up at the variable rate of 9.11 percent (2016: variable rate of 9.06 percent) per annum and is repayable on demand.

27.4. Represents interest free current account balance with related party and is repayable on demand.

28. ACCRUED MARK-UP

	Note	2017 Rupees	2016 Rupees
Long-term financing	23	**70,927,589**	92,150,574
Liabilities against asset subject to finance lease	24	**-**	89,458
Long-term loans	25	**5,089,202**	6,330,054
Due to related parties	27	**9,444,222**	65,301,832
Short-term financing	30	**8,591,626**	11,509,500
Running finance under mark-up arrangements	31	**15,901,172**	8,579,285
		109,953,811	183,960,703
Less: Current portion shown under current liabilities		**105,627,379**	178,348,148
		4,326,432	5,612,555

29. TRADE AND OTHER PAYABLES

	Note	2017 Rupees	2016 Rupees
Creditors		**316,224,024**	294,575,847
Accrued liabilities		**108,181,901**	87,756,062
Unearned equipment rentals		**112,878,453**	46,256,239
Retention money		**15,473,152**	34,065,170
Unearned rent	29.1	**98,035,356**	67,351,550
Premiums received in advance		**3,839,510**	-
Provision of outstanding claims		**24,950,923**	-
Other liabilities			
Sales commission payable		**2,606,657**	8,530,078
Sales tax payable		**14,135,561**	22,863,653
Withholding tax payable		**31,980,830**	30,776,166
Workers' Welfare Fund		**22,906,232**	22,135,013
Dividend payable		**4,078,801**	3,000,000
Provident fund		**4,440,821**	2,133,847
Amounts due to other insurers / reinsurers		**12,149,684**	-
Others	29.2	**15,362,459**	1,362,402
		107,661,045	90,801,159
		787,244,364	620,806,027

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

29.1. Includes an amount of Rs. 24.973 million (2016: Rs. 22.535 million) received from TDIL (an associated company) on account of rent and maintenance services.

29.2. Includes stale cheques amounting to Rs.1.647 million (2016: Rs.1.647 million).

	Note	2017 Rupees	2016 Rupees
30. SHORT-TERM FINANCING			
Trust receipts (FATR)	30.1	**62,238,722**	34,199,476
Term finance		**-**	200,000,000
		62,238,722	234,199,476

30.1. Represents FATR and Sight LCs facility obtained by the Holding Company having a limit of Rs. 310 million (2016: Rs. 135 million) from commercial banks. The FATR carries mark-up ranging from 3 months KIBOR plus 3.5 percent to 2.5 percent per annum and is secured against first pari passu hypothecation charge of Rs. 403 million (2016: Rs. 366 million) over all present and future stocks, book debts and fixed assets excluding land and buildings of the Group with cash margin ranging from 5 to 15 percent (2016: 15 percent). As of balance sheet date, Rs. 227 million (2016: Rs. 63.23 million) remained unutilized.

31. RUNNING FINANCE UNDER MARK-UP ARRANGEMENTS

The facilities for short-term running finance are obtained from various commercial banks aggregating to Rs. 812.5 million (2016: Rs. 385 million), out of which Rs. 60.23 million (2016: Rs. 1.6 million) was unutilized as of the balance sheet date. These carry markup ranging between 3 months KIBOR plus 1 percent to 2.5 percent (2016: 3 months KIBOR plus 2.1 percent to 3.5 percent) per annum. These are secured by way of registered hypothecation over stocks and book debts aggregating to Rs. 1,042 million (2016: Rs. 387 million) and equitable first pari passu charge over properties to the extent of Rs. 625 million (2016: Rs. 268 million).

	Note	2017 Rupees	2016 Rupees
32. CURRENT PORTION OF NON-CURRENT LIABILITIES			
Long-term financing	23	**335,422,605**	332,182,162
Liabilities against assets subject to finance lease	24	**11,275,640**	37,796,542
Long-term loans	25	**145,444,446**	81,333,328
		492,142,691	451,312,032
33. ADVANCE MONITORING FEES			
Opening balance as on July 1		**105,281,670**	71,072,249
Additions during the year – net		**650,639,953**	563,732,789
Transferred to income during the year	35	**(588,360,175)**	(529,523,368)
Closing balance as on June 30	33.1	**167,561,448**	105,281,670

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

34. CONTINGENCIES AND COMMITMENTS

34.1. Contingencies	Note	2017 Rupees	2016 Rupees
34.1.1 Guarantees issued by banks on behalf of the Holding Company	10	21,787,869	17,303,620
34.1.2. Claims not acknowledged as debt		-	1,938,227

34.1.3 The Holding Company is defending various suits filed against it in various courts in Pakistan for sums, aggregating to Rs 22.890 million (2016: Rs. 22.890 million), related to its business operations. The legal counsel is confident that these suits are expected to be decided in the favor of the Holding Company and, accordingly, no provision has been made for any liability against these law suits in these consolidated financial statements.

34.2. Commitments		2017 Rupees	2016 Rupees
34.2.1. Letter of credit	10 & 17	20,751,715	37,566,990
34.2.2. Revolving letter of credit	21.3	16,854,000	16,854,000
34.2.3. Capital expenditure	34.2.6	160,000	25,936,217

34.2.4. Ijarah agreements

The Holding Company has entered into various Ijarah agreements with Standard Chartered Modarba in respect of purchase of vehicles for a period of three years. Ijarah payments due under these agreements are Rs. 54.859 million (2016: Rs. 29.613 million) payable in monthly installments latest by April 2020. Taxes and repairs are to be borne by the Group (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. 29.123 million (2016: Rs. 13.340 million). Security deposits includes Rs. Nil (2016: Rs. 0.463 million) being the amount of deposit on leases matured during the year but the title to underlying assets is transferred to the Holding Company during the year. Future minimal rentals payable under Ijarah agreements as at year end are as follows:

	2017 Rupees	2016 Rupees
Not later than one year	37,785,926	24,203,471
Later than one year but not later than five years	17,072,096	5,410,356
	54,858,022	29,613,827

34.2.5. TPLP, the Subsidiary Company, has entered into commercial property leases on its investment property with TPL Direct Insurance Limited (a related party) and other tenants. These non-cancellable leases have terms of five years. Future minimum rentals receivable under non-cancellable operating leases as at year end are as follows:

	2017 Rupees	2016 Rupees
Not later than one year	37,785,926	336,127,283
Later than one year but not later than five years	17,072,096	853,447,942
	54,858,022	1,189,575,225

34.2.6. Represents TPLP contractual commitments in respect of the Centrepoint Project at year end.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
35. REVENUE – net			
Equipment installation and sales	35.1	255,895,764	384,924,475
Monitoring fees	33	588,360,175	529,523,368
Net premium revenue		121,033,000	-
Equipment rentals		494,863,720	488,842,323
Rental income		321,573,719	322,132,377
Service income:			
- security		73,784,331	55,748,620
- navigation		99,328,073	52,967,236
- maintenance, electricity and air conditioning		132,796,960	122,299,224
- others		80,797,621	80,923,406
		386,706,985	311,938,486
		2,168,433,363	2,037,361,029

35.1. Represents turnover net of sales tax for the year amounting to Rs. 296.62 million (2016: Rs. 274.4 million).

36. COST OF SALES AND SERVICES	Note	2017 Rupees	2016 Rupees
Cost of equipment sold			
Opening balance		293,838,894	253,138,304
Purchases		405,790,313	215,517,704
		699,629,207	468,656,008
Closing stock		(356,122,525)	(293,838,894)
		343,506,682	174,817,114
Direct expenses			
Salaries, wages and benefits	36.1	339,299,215	286,059,679
Activation and connection charges		179,728,918	135,216,657
Insurance		18,905,246	19,176,005
Vehicle running and maintenance		15,706,498	16,208,788
Depreciation	5.1.1	112,512,604	103,054,996
Amortisation	6.3	50,103,602	57,536,170
License renewal royalty		3,194,911	2,350,096
Communication		7,145,689	7,669,048
Travelling and conveyance		13,404,046	24,813,518
Electricity, gas and water		2,998,133	22,580,858
Rent, rates and taxes		9,686,143	12,805,166
Entertainment		-	202,277
Computer expenses		5,996,915	-
Oil, gas and diesel		46,126,756	45,708,434
Repairs and maintenance		19,646,115	19,641,160
Others		742,830	1,492,948
		825,197,621	754,515,800
		1,168,704,303	929,332,914

36.1. These include Rs. 8.566 million (2016: Rs. 5.932 million) in respect of staff retirement benefits (provident fund contribution).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

37. DISTRIBUTION EXPENSES	Note	2017 Rupees	2016 Rupees
Salaries, wages and benefits	37.1	71,929,226	63,470,933
Commission		53,235,922	64,685,950
Outsourcing		13,224,384	13,086,000
Depreciation	5.1.1	25,307,603	22,687,003
Sales promotion and publicity		23,937,780	18,853,103
Computer		-	3,585,943
Electricity, gas and water		584,433	4,725,892
Postage and courier		6,750,869	7,924,894
Printing and stationery		2,257,612	1,272,475
Telephone		2,291,467	2,459,297
Rent, rates and taxes		2,396,753	3,233,611
Vehicle running and maintenance		5,036,733	5,197,806
Insurance		3,045,545	2,926,685
Travelling and conveyance		4,132,917	7,957,156
Newspapers and periodicals		115,584	86,496
		214,246,828	222,153,244

37.1. These include Rs. 2.746 million (2016: Rs. 1.902 million) in respect of staff retirement benefits (provident fund contribution).

38. ADMINISTRATIVE EXPENSES	Note	2017 Rupees	2016 Rupees
Salaries, wages and benefits	38.1	175,903,002	136,622,034
Legal and professional		64,062,446	42,522,119
Depreciation	5.1.1	37,723,016	33,263,046
Amortisation	6.3	87,567	131,331
Provision for doubtful debts	15.5	19,252,497	22,241,419
Electricity, gas and water		3,478,131	9,468,534
Rent, rates and taxes		13,928,997	11,344,451
Travelling and conveyance		14,230,324	11,316,064
Security service charges		4,494,440	1,926,759
Repair and maintenance		23,845,452	26,420,771
Vehicle running and maintenance		13,170,057	13,196,847
Telephone		3,555,212	3,664,574
Training		3,419,281	4,000,317
Auditors' remuneration	38.2	11,720,135	9,027,200
Insurance		4,724,062	5,122,622
Entertainment		19,151,181	21,696,120
Printing and stationery		6,094,840	4,369,618
Postage and courier		9,328,730	10,680,431
Donations	38.3	15,063,000	8,681,480
Subscription		3,641,151	1,013,423
Advertisement		-	267,227
Ijarah rentals		45,485,200	14,711,151
Others		9,146,477	1,939,062
		501,505,198	393,626,600

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

38.1. These include Rs. 3.693 million (2016: Rs. 2.557 million) in respect of staff retirement benefits (provident fund contribution).

38.2. Auditors' remuneration

	2017 Rupees	2016 Rupees
Holding Company audit fee – standalone	**2,750,000**	2,500,000
– consolidation	**275,000**	250,000
Code of corporate governance – Holding Company	**175,000**	150,000
Half-yearly review fee – Holding Company	**800,000**	735,000
Fee for review / audit of subsidiary companies	**3,896,860**	1,763,950
Other services – Holding Company	**3,523,800**	3,356,000
Out of pocket expenses	**299,475**	272,250
	11,720,135	9,027,200

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

38.4. Provident fund

	2017 Rupees	2016 Rupees
	------ (Un-audited) ------	
Size of the fund	**95,287,387**	85,109,207
Cost of investments made	**90,846,566**	42,200,000
Percentage of investments made	**95%**	50%
Fair value of investments	**90,846,566**	82,975,360

38.4.1 Break-up of investments of provident fund

The break-up of investments in terms of amount and percentage of the size of the provident fund are as follows:

	2017		2016	
	Investments Rupees	% of investment as size of the fund	Investments Rupees	% of investment as size of the fund
Short-term deposit	**90,846,566**	**95%**	52,975,360	62%
Ordinary shares	-	-	30,000,000	35%
	90,846,566		82,975,360	

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 Rupees	2016 Rupees
39. OTHER EXPENSES			
Workers' Welfare Fund		771,221	3,394,798
Exchange loss – net		588,438	66,579,285
		1,359,659	69,974,083
40. FINANCE COSTS			
Mark-up on:			
- long-term financing		245,789,372	218,931,435
- liabilities against assets subject to finance lease		4,457,165	10,670,123
- long-term loans		12,540,355	20,522,872
- short-term financing		4,534,834	19,049,369
- running finance facility under mark-up arrangements		49,235,863	35,392,834
- due to related parties		13,470,032	58,986,720
Bank and other charges		4,792,344	6,178,003
		334,819,965	369,731,356
41. OTHER INCOME			
Income from financial assets:			
Interest income on loan given to employees		83,555	128,120
Income on term deposits		1,527,094	1,690,854
Mark up on saving accounts		5,764,480	4,054,160
Investment income		7,339,000	-
Gain on disposal of shares of TPL Life Insurance Limited		18,500,707	-
		33,214,836	5,873,134
Income from related parties:			
Mark-up on current account with related parties		7,680,543	-
Income from assets other than financial assets:			
Profit on islamic saving account		3,814,384	1,061,771
Deferred income	26.1	2,933,336	4,636,647
Gain on disposal of property and equipment		3,728,013	2,055,305
Remeasurement adjustment on investment property	7.1	288,765,209	209,459,641
Others		8,237,914	12,555,954
		307,478,856	229,769,318
		348,374,235	235,642,452

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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	Note	2017 Rupees	2016 Rupees
42. TAXATION			
Current		58,977,012	60,791,346
Prior		2,246,839	5,667,236
	20	61,223,851	66,458,582
Deferred		(16,370,345)	(1,170,126)
	43.1	44,853,506	65,288,456

42.1. The income tax assessments of the Holding Company has been finalised upto year 2016.

	Note	2017 Rupees	2016 Rupees
42.2. Relationship between tax expense and accounting profit			
Profit before taxation		313,134,004	296,917,428
Applicable tax rate		31%	32%
Tax at the above rate		97,071,541	95,013,577
Tax effect of income / expenses that are not allowable for tax purposes	42.3	(110,582,242)	(31,484,922)
Alternate corporate tax / minimum tax		-	(4,590,228)
Tax effect of income subject to lower tax rate		8,369,492	52,800
Tax effect of prior year tax		42,982,396	5,667,236
Tax effect of change in tax rate		2,246,839	629,993
Effect of tax credit		4,765,480	-
Tax expense for the year		44,853,506	65,288,456
Effective tax rate		14%	21.9%

42.3. Under section 5A of the Income Tax Ordinance, 2001 (the Ordinance), the Group is obligated to pay tax at the rate of 7.5 percent on its accounting profit before tax if it derives profit for a tax year but does not distribute at least 40 percent of its after tax profits within six months of the end of the tax year, through cash or bonus shares. The Parent Company is confident that it will be able to distribute atleast 40 percent of its after tax profits of current year, in line with requirements of section 5A of the Ordinance, and other group companies are in process of filing application for stay order in this regard. Accordingly, no further tax provision has been recorded under section 5A of the Ordinance.

	2017	2016
43. EARNINGS PER SHARE - basic and diluted		
There is no dilutive effect on the basic earnings per share of the Group, which is based on:		
Profit attributable to equity holders of parent (Rupees)	19,746,261	62,039,189
Weighted average number of ordinary shares in issue	217,248,963	217,248,963
Earnings per share – basic and diluted (Rupees)	0.09	0.29

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group finances its operations through equity, borrowings and management of working capital with a view to maintaining and appropriate mix between various sources of finance to minimize risks. Taken as a whole, the Group is exposed to insurance risk, market risk, credit risk, and liquidity 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.

No changes were made in the objectives, policies or processes and assumptions during the year ended June 30, 2017. The policies for managing each of these risks are summarised below:

44.1. 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 claims. 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.

44.1.1. 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 claims severity or frequency. This can be as a result of anti-section, fraudulent claims, a catastrophe or poor persistency. The Group may also face the risk of poor investment return, inflation of business expenses and liquidity issues on monies invested in the fund. The Group faces the risk of underpricing particularly due to the fact that these contracts are long term. Additionally, the risk of poor persistency may result in the Group being unable to recover expenses incurred at policy acquisition.

The Group manages these risks through its underwriting, reinsurance, claims handling policy and other related controls. The Group has a well-defined medical under-writing policy and avoids selling policies to high risk individuals. This puts a check on anti-selection. Profit testing is conducted on an annual basis to ensure reasonableness of premiums charged. Reinsurance contracts have been purchased by the Group to limit the maximum exposure on any one policy holder. To avoid poor persistency the Group applies quality controls on the standard of service provided to the policyholders. For this, a regular monitoring of lapsation rates is conducted. On the claims handling side, the Group has procedures in place to ensure that payment of any fraudulent claims is avoided. For this, Claims Committee with variable materiality limits review all claims for verification and specific and detailed investigation of all apparently doubtful claims (particularly of high amounts) is conducted. The Group maintains adequate liquidity in each unit fund to cater for potentially sudden and high cash requirement. The Group reserves the right to review the charges deductible under the contracts, thus limiting the risk of underpricing.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

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 minimizes 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.

44.1.2. 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 as 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 risks such as that of underpricing 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 underwriting 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 nature of mortality exposure the group faces. The rates are certified by the appointed actuary for large groups. The Group also maintains the 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 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 premiums at a minimum, especially the ones that are overdue. The bulk of assets held against liabilities of this line of business have a short duration, thus mitigating the risk of asset value deterioratio

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 benefit payments and premium receipts

Other than conducting a liability adequacy for Unexpired Risk Reserves (URR), there is no need to estimate mortality for future years because of the short duration of the contracts.

c. Process used to decide on assumptions

Statistical methods are used to adjust the rates to a best estimate of mortality. Where data is sufficient to be statistically credible, the statistics generated by the data is assigned appropriate credibility factors to account for the group's experience.

44.1.3. 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 underpricing 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 underwriting 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 Reserve (URR), there is no need to estimate morbidity for future years because of the short duration of the contracts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

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 had been no changes in assumptions.

Revenue 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 claims liabilities. However, the management considers that uncertainty about the amount and timing of claim payments is generally resolved within a year.

As the Group enters into short term insurance contracts, it does not assume any significant impact of changes in market conditions on unexpired risks. However, some results of sensitivity testing are set out below:

	Change in claim assumption	Impact on gross liabilities	Impact on profit before tax
	I--------------------	Rupees	--------------------I
2017			
Provision for outstanding claims	**+10%**	2,495,092	(2,495,092)
	-10%	(2,495,092)	2,495,092

44.2. 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, 2017.

44.2.1. 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 arrangement at floating interest rates to meet its business operations and working capital requirements. The Group manages these mismatches through risk management strategies where significant changes in gap position can be adjusted.

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 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. Further, interest rate sensitivity does not have an asymmetric impact on the Group's result.

	Increase / decrease in basis points	Effect on profit before tax (Rupees)
2017	**+100**	**(42,558,968)**
	-100	**42,558,968**
2016	+100	(38,193,766)
	-100	38,193,766

44.2.2. 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 risk primarily relates to the Group's operating activities and borrowings in foreign currencies. The Group manages its foreign currency risk by effective fund management and timely repayment of its foreign currency liabilities. The Group, however, has not hedged its foreign currency liabilities as the management has assessed that it will not be cost beneficial.

The following table demonstrates the sensitivity to a reasonably possible change in the US Dollar exchange rate. As at June 30, 2017 and 2016, if Pakistani Rupee (Pak Rupee) had weakened / strengthened by 5 percent against the US Dollar, with all other variables held constant, on the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) are as follows:

	Increase / decrease in US Dollar to Pak Rupee	Effect on profit before tax (Rupees)
2017	**+5%**	**(6,663,858)**
	-5%	**6,663,858**
2016	+5%	(11,714,642)
	-5%	11,714,642

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

44.2.3. 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.

44.2.3.1. 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 balance sheet date, the Group is exposed to equity price risk in respect of investment in its listed associated company (note 8.1) and other quoted securities, However the impact of such is immaterial.

44.3. Credit risk

44.3.1. 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. Out of the financial assets of Rs.2,854 million (2016: Rs.1,926 million) the financial assets which are subject to credit risk amounted to Rs.2,001 million (2016: Rs. 1,282 million). The Group's credit risk is primarily attributable to its trade debtors, other receivables and bank balances. The Group has large number of customers, including corporate and individuals, due to large number and diversity of its customer base, and effective implementation of customers credit policy, concentration of credit risk with respect to trade debtors is limited. Further, the Group manages its credit risk by obtaining in advance payment for tracking devices, service charges, rent, and maintenance and other services.

44.3.2. The credit quality of financial assets that are past due but not impaired is disclosed in note 15.4 to these consolidated financial statements. As at the balance sheet date, there are no financial assets that would otherwise be past due or impaired whose terms have been renegotiated.

44.3.3. 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	2017 Rupees	2016 Rupees
Long term loans	9	2,339,598	2,839,601
Long-term deposits	10	45,518,147	36,207,905
Trade debts	15	522,537,915	521,978,000
Trade deposits	17	120,968,564	13,861,807
Interest accrued	11	7,658,694	7,822,178
Other receivables	18	46,004,489	8,183,397
Due from related parties	12	9,132,004	27,695,462
Bank balances	21	488,955,226	927,179,621
		1,243,114,637	1,545,767,971

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

44.3.4. 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 category	Rating Agency	2017 Rupees	2016 Rupees
A1+	PACRA	331,196,974	6,052,536
A1	JCR-VIS	39,250,897	10,275,850
A1	PACRA	182,367	-
A-1+	PACRA	60,668	5,681,267
A-1+	JCR-VIS	12,330,682	191,039,548
A-1	PACRA	105,733,138	182,367
A-1	JCR-VIS	-	713,742,582
A2	JCR-VIS	200,500	62,400
A-2	JCR-VIS	-	143,071
		488,955,226	927,179,621

44.4. Liquidity risk

Liquidity risk represents the risk that the Group will encounter difficulties in meeting obligations with the financial liabilities. The Group's objective is to maintain a balance 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, 2017 and 2016 based on contractual undiscounted payment dates and present market interest rates:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	(Rupees)					
June 30, 2017						
Long-term financing	1,622,794	29,842,599	303,957,212	2,523,542,514	-	2,858,965,119
Liabilities against assets subject to finance lease	-	2,818,910	8,456,730	10,975,935	-	22,251,575
Long-term loans	-	36,361,112	109,083,335	290,277,330	-	435,721,777
Due to related parties	87,949,755	-	-	-	-	87,949,755
Trade and other payables	190,420,698	596,497,577	-	-	-	105,627,379
Accrued markup	105,627,379	-	-	-	-	109,953,811
Running finance under markup arrangements	876,719,637	-	-	-	-	876,719,637
Short-term financing	62,238,722	-	-	-	-	62,238,722
	1,324,578,985	665,520,198	421,497,277	2,824,795,779	-	4,559,427,775

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	(Rupees)					
June 30, 2016						
Long-term financing	1,595,325	29,482,430	390,354,406	2,000,255,448	682,500,000	3,104,187,609
Liabilities against assets subject to finance lease	-	2,852,785	34,943,757	30,217,506	-	68,014,048
Long-term loans	-	22,833,332	58,499,996	50,653,413	-	131,986,741
Due to related parties	91,453,670	-	-	-	32,338,178	123,791,848
Trade and other payables	46,256,239	321,020,162	142,434,091	-	-	509,710,492
Accrued markup	103,519,045	74,829,103	-	5,612,555	-	183,960,703
Running finance under markup arrangements	420,965,430	-	-	-	-	420,965,430
Short-term financing	34,199,476	200,000,000	-	-	-	234,199,476
	697,989,185	651,017,812	626,232,250	2,086,738,922	714,838,178	4,776,816,347

44.5. Fair value of financial instruments

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

Fair value hierarchy

Financial Instruments carried at fair value are categorized as follows:

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

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

	Total	Level 1	Level 2	Level 3
	(Rupees)			
Financial assets				
Government securities	**134,805,829**	-	**134,805,829**	-
Listed securities	**37,370,000**	**37,370,000**	-	-
Open ended mutual funds	**10,278,000**	**10,278,000**	-	-
June 30, 2017	**182,453,829**	**47,648,000**	**134,805,829**	-
June 30, 2016	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

44.6 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, 2017.

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 reserves.

The gearing ratio as at June 30, 2017 and 2016 are as follows:

	Note	2017 Rupees	2016 Rupees
Long-term financing	23	2,523,542,514	2,746,866,809
Liabilities against assets subject to finance lease	24	10,975,935	30,217,506
Long-term loans	25	290,277,330	50,653,413
Accrued markup	28	109,953,811	5,612,555
Short-term financing	30	62,238,722	234,199,476
Running finance under mark-up arrangements	31	876,719,637	420,965,430
Current maturity of non-current liabilities	32	492,142,691	451,312,032
Total debts		4,365,850,640	3,939,827,221
Less: Cash and bank balances	21	490,104,431	927,774,474
Net debt		3,875,746,209	3,012,052,747
Share capital	22	2,172,489,630	2,172,489,630
Reserves		548,003,156	533,816,997
Total equity		2,720,492,786	2,706,306,627
Total capital and net debt		6,596,238,995	5,718,359,374
Gearing ratio		58.76%	52.67%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

45. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	2017			2016		
	Group Chief Executive	Executive Director	Executives	Group Chief Executive	Executive Director	Executives
Total number of person(s)	**3**	**1**	**117**	2	1	107
	(Rupees)					
Basic salary	**36,944,246**	**3,065,806**	**94,330,664**	18,469,220	1,970,968	66,027,546
House rent allowance	**16,619,189**	**1,379,613**	**42,442,734**	8,311,117	886,929	29,667,414
Utilities 3,705,856	**306,581**	**9,445,634**	**1,846,988**	197,103	6,603,105	
Vehicle Allowance	**1,980,000**	**1,260,000**	**6,493,361**	780,000	975,000	638,323
Retirement benefits	**-**	**-**	**150,000**	-	-	-
Others	**854,631**	**255,382**	**6,550,063**	893,672	-	-
	60,103,922	**6,267,382**	**159,412,456**	30,300,997	4,030,000	102,936,388

45.1. In addition, the Group 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.

45.2. Certain employees of the Holding Company provides free of cost services to the ultimate Parent Company and the Group Companies.

45.3. During the year, the Group has paid Rs. 240,000/- (2016: Rs. 80,000) to a Non- Executive Director on account of board meeting fees.

46. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Group comprise of ultimate Parent Company, associates, suppliers, directors and key management personnel. Transactions with related parties and associated undertakings during the year, other than those which have been disclosed elsewhere in these consolidated financial statements, are as follows:

Name / Relationship	2017 Rupees	2016 Rupees
TPL Holdings (Private) Limited – (ultimate Parent Company)		
Amount received by the Group	**395,748,834**	444,817,353
Expenses incurred / paid by the Holding Company	**371,245**	2,395,622
Mark-up on current account	**4,801,527**	5,293,823
Amount paid / repaid by the Holding Company	**190,379,944**	255,818,921
Loan received by CMS	**-**	51,615,000
Payment made by TPLP	**580,300,000**	534,106,631
Mark-up on loan given to CMS	**851**	8,998,842
Advance paid by CMS	**300,000**	60,745,312
Mark-up for the year	**-**	27,373,970
Payment made by Group on account of accrued mark-up	**-**	180,355,898

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Name / Relationship	2017 Rupees	2016 Rupees
TPL Direct Insurance Limited - (Associated company)		
Sales made by the Holding Company	508,076,841	276,785,356
Expenses incurred/paid by the Holding Company on behalf of TDI	74,338,590	54,880,750
Amount received by TDI	-	198,147,767
Mark-up on current account	-	14,043,581
Assets transferred to the Company	-	10,405,776
Advance against rent received during the year	-	34,289,331
Adjustment of Accrued mark-up payable to TDI by Company	-	10,787,189
Payment made by the Company	-	3,601,548
Expenditure incurred / paid by TDI on behalf of the Holding Company	-	2,869,757
Trakker Middle East LLC. – (Associated Company)		
Expenses incurred / paid by the Holding Company -	-	
Expenses incurred / paid on behalf of the Holding Company	28,009	43,385
Trakker Direct Finance (Private) Limited [formerly Trakker Financial Consultancy (Private) Limited] – (Common directorship)		
Expenses incurred / paid by the Holding Company	13,875	34,545
Mark-up on current account	69,619	67,558
The Resource Group Pakistan Limited – (Common directorship)		
Expenses incurred / paid by the Holding Company	-	1,000,000
Services rendered by TSS	1,439,500	-
Amount received by TSS	-	-
Mark-up on current account	535,769	533,114
TPL Logistics (Private) Limited – (Common directorship)		
Expenses incurred / paid by the Holding Company	43,717	82,420
Mark-up on current account	71,896	63,996
Virtual World (Private) Limited – (Common directorship)		
Services received during the year from TDI	-	1,529,048
Outsourcing expense paid during the year to TDI	-	83,286
Clifton Land Limited (Cll) – (Common directorship)		
Loan made to CLL	430,731	-
Services rendered to CLL	272,000	-
Payment received from CLL	702,731	-
Paradigm Re (Pre) - (Common directorship)		
Services received from PRE	200,000	-
Payment made to PRE	200,000	-

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FOR THE YEAR ENDED JUNE 30, 2017

Name / Relationship	2017 Rupees	2016 Rupees
Paradigm services (private) capital limited (pspl) - (Common directorship)		
Services received from PSPL	450,000	-
Payment made against services to PSPL	600,000	-
TPL Rupiya (Private) Limited - (Common directorship)		
Expenses incurred by the Company	168,563	-
Mark-up on current account	140,768	-
Staff retirement benefit		
Provident fund - Employer contribution	15,006,666	11,459,237

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

46.2. Transactions with related parties carried out on commercial terms, as approved by the Board of Directors.

46.3. Certain employees of the Holding Company provide services free of cost to TPL Holdings (Private) Limited, the ultimate parent company.

47. CASH AND CASH EQUIVALENTS

	Note	2017 Rupees	2016 Rupees
Cash and bank balances	21	490,104,431	927,774,474
Running finance under mark-up arrangements	31	(876,719,637)	(420,965,430)
		(386,615,306)	506,809,044

48. INFORMATION ABOUT OPERATING SEGMENTS

For management purposes, the activities of the Group are organised into business units based on their services. Accordingly, the Group has three reportable operating segments as follows:

- The 'Tracking' segment relates to installation and sales of tracking devices, vehicle tracking and fleet management.
- 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.
- All other segments include security services and road side assistance services of providing vehicle assistance in emergency.

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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.

	Tracking	Insurance	Real estate and related services	Others	Total
2017	(Rupees)				
TURNOVER – net	**1,505,561,071**	**135,986,584**	**453,101,377**	**73,784,331**	**2,168,433,363**
RESULT					
Segment result	**80,911,128**	**(119,496,008)**	**338,854,816**	**(4,098,293)**	**296,171,643**
Unallocated income / (expense)					
Share of profit from investment in associates – net					**16,962,359**
Taxation					**(44,853,504)**
Profit for the year					**268,280,498**
OTHER INFORMATION					
Total capital expenditure	**606,701,692**	**42,203,682**	**32,078,302**	**314,400**	**681,298,076**
Total depreciation and amortization	**186,351,142**	**8,919,016**	**37,026,074**	**534,658**	**232,830,890**
ASSETS AND LIABILITIES					
Total segment assets (note 6.4)	**2,890,134,386**	**504,660,734**	**8,140,828,727**	**812,083,106**	**12,347,706,953**
Total segment liabilities	**2,792,004,601**	**97,058,816**	**2,479,284,442**	**51,987,687**	**5,420,335,546**
2016					
TURNOVER – net	1,537,180,808	-	444,431,601	55,748,620	2,037,361,029
RESULT					
Segment result	192,960,487	-	115,386,585	(20,161,788)	288,185,284
Unallocated income / (expense)					
Share of profit from investment in associates – net					8,732,144
Taxation					(65,288,456)
Profit for the year					231,628,972
OTHER INFORMATION					
Total capital expenditure	271,152,492	-	9,111,969	586,950	280,851,411
Total depreciation and amortization	181,030,354	-	35,260,343	381,848	216,672,545
ASSETS AND LIABILITIES					
Total segment assets (note 6.4)	4,251,538,801	-	5,923,245,595	35,735,797	10,210,520,193
Total segment liabilities	2,081,905,601	-	2,885,067,102	11,820,291	4,978,792,994

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Geographical information

Following is the geographical breakup of Group's gross turnover:

	Note	2017 Rupees	2016 Rupees
Pakistan		2,168,433,363	2,036,807,096
United States of America		-	553,933
	35	2,168,433,363	2,037,361,029

Non-current assets of the Group are confined within Pakistan and consist of property and equipment, intangible assets, investment property, long-term investments, loans, deposits and receivables.

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

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.

49. SUBSEQUENT EVENTS

The Board of Directors of the Holding Company in their meeting held on August 24, 2017 have recommended cash dividend @ 2.5 % amounting to Rs. 54.31 million (2016: Rs. 25.57 million) on the existing paid-up value of the ordinary share capital for approval of the shareholders in the annual general meeting to be held on October 10, 2017.

50. DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were authorised for issue on August 24, 2017 by the Board of Directors of the Holding Company.

51. GENERAL

51.1. Certain prior year figures have been rearranged for better presentation wherever necessary. However, there are no material reclassifications to report.

51.2. Number of employees as at June 30, 2017 was 1,602 (2016: 1,321) and average number of employees during the year was 1,419 (2016: 1,287).

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

Chief Executive	Chief Financial Officer	Director

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held at the Auditorium of the Institute of Chartered Accountants of Pakistan (ICAP) at Chartered Accountants Avenue, Clifton, Karachi, on Tuesday October 10, 2017 at 12:00 pm, to transact following business:

ORDINARY BUSINESS

1. To approve the minutes of the Extraordinary General Meeting held on April 14, 2017.

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

3. To appoint auditors and fix their remuneration for the financial year ending June 30, 2018. The present auditors EY Ford Rhodes, Chartered Accountants being eligible have offered themselves for reappointment. The Audit Committee and Board of Directors have also recommended EY Ford Rhodes, Chartered Accountants for reappointment.

4. To consider and approve final cash dividend of Rs. 0.25 per ordinary share i.e. (2.5%) for the financial year ended June 30, 2017.

SPECIAL BUSINESS

5. To consider and, if thought fit, pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017, to authorize the renewal of advance of up to Rs. 100 million to the holding company, TPL Holdings (Private) Limited.

6. To consider and, if thought fit, pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017, for the renewal of advance to a reduced amount of Rs. 100 million from Rs. 250 million to the associated company, TPL Properties Limited.

7. To consider and, if thought fit, pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017 to authorize Investment of Rs. 100 million in the associated company, 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 advance and / or invest Rs 200 million to the subsidiary company, TPL Rupiya (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 advance and / or invest Rs.100 million to an associated company in UAE (TPL International).

10. 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 advance and / or invest Rs. 200 million to the subsidiary company in Pakistan for E-Commerce (Proposed name to be "TPL E-Ventures" subject to relevant approvals).

11. 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 advance and / or invest Rs. 200 million to an associated company including as a part of a joint venture arrangement. (Proposed name to be TPL Mobile subject to relevant approvals)

NOTICE OF ANNUAL GENERAL MEETING

12. 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 advance and / or invest Rs. 200 million to an associated company to be incorporated in Pakistan involving business of SIM Manufacturing including as a part of a joint venture arrangement. (Proposed name to be decided)

13. 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 further equity investment of Rs. 20 million to the subsidiary Company, TPL Life Insurance Limited and advance to TPL Life Insurance Limited of Rs. 50 million for meeting its working capital requirements.

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

ANY OTHER BUSINESS

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

By Order of the Board

Company Secretary

Dated: September 19, 2017

Notes:

1) The Share Transfer Books of the Company will be closed from October 01, 2017 to October 10, 2017 (both days inclusive).

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

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

4) SECP through its Notification SRO 787 (I)/2014 dated September 8, 2014 has allowed the circulation of Audited Financial Statements along with Notice of Annual General Meeting to the members of the Company through e-mail. Therefore, all members of the Company who desire to receive soft copy of Annual Report are requested to send their e-mail addresses.

NOTICE OF ANNUAL GENERAL MEETING

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

THK Associates (Private) Limited,
1st Floor, 40-C, Block-6, P.E.C.H.S,
KARACHI-75400.
UAN 021-111-000-322.
Direct # 021- 34168270
Fax # 021- 34168271
Email: secretariat@thk.com.pk

6) Members are advised that Pursuant to the orders of the Securities & Exchange Commission of Pakistan (SECP) inter alia SRO 831(1)/2012 dated July 05, 2012 and SRO No. 19(1)2014 dated January 10, 2014, CNIC numbers of shareholders are mandatorily required to be mentioned on dividend warrants, members register and other statutory returns. Shareholders are therefore requested to submit a copy of their CNIC (if not already provided) to the Shares Registrar. In case of non-receipt of the copy of a valid CNIC, the company would be unable to comply with and therefore will be constrained to withhold the dispatch of dividend warrants of such shareholders. The shareholders while sending CNIC must quote their respective folio number and name of the Company.

7) Under the provisions of Section 242 of the Companies Act, 2017 and Circular No. 18 /2017, it is mandatory for a listed Company to pay cash dividend to its shareholders ONLY through electronic mode directly into bank account designated by the entitled shareholders.

8) In order to receive dividends directly into their bank account, shareholders are requested to fill in Electronic Credit Mandate Form available on Company's website and send it duly signed along with a copy of CNIC to the Registrar of the Company M/s THK Associates (Private) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, KARACHI-75400 in case of physical shares.

In case shares are held in CDC then Electronic Credit Mandate Form must be submitted directly to shareholder's broker/participant/CDC account services.

9) Pursuant to the provisions of the Finance Act 2017 effective July 1, 2017, the rates of deduction of income tax from dividend payments under the Income Tax Ordinance, 2001 have been revised as follows:

(i) For filer of income tax return 15%
(ii) For non-filers of income tax return 20%

To enable the Company to make tax deduction on the amount of cash dividend @ 15% instead of 20%, shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered in ATL before the first day of book closure, otherwise tax on their cash dividend will be deducted @ 20% instead of 15%.

10) Withholding Tax exemption from the dividend income, shall only be allowed if copy of valid tax exemption certificate is made available to THK Associates (Private) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, KARACHI-75400., by the first day of Book Closure.

Further, according to clarification received from Federal Board of Revenue (FBR), with-holding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint holder based on their shareholding proportions, in case of joint accounts.

NOTICE OF ANNUAL GENERAL MEETING

In this regard all shareholders who hold shares jointly are requested to provide shareholding proportions of Principal shareholder and Joint-holder(s) in respect of shares held by them (only if not already provided) to our Shares Registrar, in writing as follows:

Company Name	Folio/CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

The required information must reach our Shares Registrar within 10 days of this notice, otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s).

11) For any query/problem/information, the investors may contact the Company or M/s THK Associates (Private) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, KARACHI-75400.

12) Corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to M/s THK Associates (Private) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, KARACHI-75400. Shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers. Without the NTN company would not be in a position to check filer status on the ATL and hence higher tax of 20% may be applied in such cases.

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

Renewal of advance to TPL Holdings (Private) Limited

TPL Trakker Limited (the Company) is desirous to renew its advance to TPL Holdings (Private) Limited which was subject to a maximum amount of Rs. 150 million initially approved by the Board of Directors on January 27, 2012, and renewed subsequently to a maximum amount of Rs. 100 million on October 27, 2016. The renewal of advance to TPL Holdings (Private) Limited shall be up to the extent of Rs. 100 million. The outstanding balance due to TPL Holdings (Private) Limited as at June 30, 2017 amounts to Rs. 69.1 million. Markup will be charged at a rate equivalent to the borrowing cost of the Company on the outstanding principal balance. This markup will be revised / reviewed in case any change occurs in the borrowing cost of the Company. The repayment period for the said advance will expire on June 30, 2020.

The above renewal of advance has been approved by the Board of Directors of the Company in their meeting held on August 24, 2017.

The information required to be annexed to the Notice by Notification No. SRO 27(I)/2012 dated January 30, 2012 is set out below:

Name of the associated company	TPL Holdings (Private) Limited	
Relationship with associated company	Holding Company of TPL Trakker Limited 53% shareholding as at June 30, 2017.	
Proposed limit of the loan or advance	To the extent of Rs. 100 million	
Benefits to the Company	To earn markup.	
The complete details of loans already provided	The shareholders of the company in an Extra Ordinary General Meeting held on January 7, 2012 resolved to make advance to TPL Holding (Private) Limited for the working capital requirements subject to a maximum of Rs. 150 million which was renewed subsequently to a maximum amount of Rs. 100 million on October 27, 2016.	
Financial position of the holding company	The extracts of the un-audited balance sheet and profit and loss account of the holding company as at and for the year ended 30th June 2017 is as follows:	
	Balance Sheet	**Rupees**
	Non-current assets	1,439,690,379
	Other assets	109,676,462
	Total Assets	**1,549,366,841**
	Total Liabilities	**244,248,963**

	Represented by:	
	Paid up capital	37,744,000
	Accumulated profit	1,267,373,878
	Equity	**1,549,366,841**
	Profit and Loss	**Rupees**
	Loss before interest and taxation	(11,864,652)
	Financial charges	15,010,146
	Loss before taxation	(26,874,798)
	Taxation	-
	Profit after taxation	**(26,874,798)**
Average borrowing cost of the company	The average estimated borrowing cost of the Company is KIBOR + 3%.	
Rate of mark-up to be charged to associated company	Markup to be charged equivalent to the borrowing cost of the TPL Trakker Limited.	
Sources of funds for advance	Own sources	
Particulars of collateral security against advance	Letter of comfort	
Repayment schedule and terms of advance	Repayable on demand	
Salient features of all agreements	None	
Interest of directors, majority shareholders and their relatives	Mr. Jameel Yusuf (S.St) and Mr. Ali Jameel, directors of the Company are also directors of TPL Holdings (Private) Limited.	

Renewal and decrease of advance to TPL Properties Limited and Investment of Rs. 100million

The Company is desirous of renewing and decreasing the advance to TPL Properties Limited for financing its working capital requirements. The advance initially approved on January 7, 2012 to the extent of Rs. 200 million and increased subsequently to Rs. 250 million on October 27, 2016 is now to be reduced to Rs. 100 million. Such advance shall be unsecured and shall be given from time to time as per the requirements of TPL Properties Limited in a way that the maximum amount must not exceed Rs. 100 million.

Further, the Company is desirous to further invest in TPL Properties Limited upto Rs. 100 million. the Investment in TPL Properties Limited shall be made to extend the paid-up Capital of the Company.

Thus the advance shall be a floating advance. The markup will be charged equivalent to the borrowing cost of the Company on the outstanding balance. This markup will be revised / reviewed in case any change occurs in the borrowing cost of the Company. The investment period for the said advance will expire on 30 June 30, 2020.

The above renewal and decrease of advance has been approved by the Board of Directors of the Company in their meeting held on August 24, 2017.

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

Name of the associated company	TPL Properties Limited	
Relationship with associated company	Subsidiary Company of TPL Trakker Limited – 20.11% shareholding as at June 30, 2017.	
Proposed limit of the loan or advance	To the extent of Rs. 100 million	
Proposed limit of Investment	To the extent of Rs. 100 million	
Benefits to the Company	To assist the Company to meet its working capital requirements and to invest for the purpose of extending its equity in the same.	
Fair Market value and Break-up value of investment	Fair Value Rs. 12.25 per share and Breakup value Rs. 16.9 per share	
EPS	Rs. 1.69 per share	
The complete details of loans already provided	The shareholders of the company in an Extraordinary General Meeting held on January 7, 2012 resolved to make advance to TPL Properties Limited for advance against office floors subject to a maximum of Rs. 200 million. The Company holds 55 million ordinary shares representing 20.11% at a value of Rs. 673.75 million as at June 30, 2017	
Financial position of the associated company	The extracts of the audited balance sheet and profit and loss account of the associated company as at and for the year ended June 30, 2017 is as follows:	
	Balance Sheet	**Rupees**
	Non-current assets	6,231,740,570
	Other assets	485,167,179
	Total Assets	**6,716,907,749**

	Total Liabilities	**2,093,719,113**
	Represented by:	
	Paid up capital	3,295,677,225
	Accumulated Profit	1,327,511,411
	Equity	**4,623,188,636**
	Profit and Loss	
	Profit before interest and taxation	551,566,238
	Financial charges	176,487,486
	Profit before taxation	375,078,752
	Taxation	23,101,194
	Profit after taxation	**351,977,558**
Average borrowing cost of the company	The average estimated borrowing cost of the Company is KIBOR + 3%.	
Rate of mark-up to be charged to associated company	Markup to be charged equivalent to the borrowing cost of the Company.	
Sources of funds for advance	Own sources	
Particulars of collateral security against advance	Letter of comfort	
Repayment schedule and terms of advance	Repayable on demand	
Salient features of all agreements	None	
Interest of directors, majority shareholders and their relatives	Mr. Jameel Yusuf (S. St) and Mr. Ali Jameel directors of the Company are also directors of TPL Holding (Private) Limited.	

Renewal of advance to TPL Rupiya (Private) Limited

The Company is desirous of renewing the advance and or Investment to TPL Rupiya (Private) Limited of Rs. 200 million for meeting its initial capital requirements and financing its working capital requirements.

The advance and or Investment initially approved on October 28, 2015 and further renewed on October 27, 2016 to the extent of Rs. 200 million. Such advance shall be unsecured and shall be given from time to time as per the requirements of TPL Rupiya (Private) Limited.

Thus the advance shall be a floating advance. The markup will be charged equivalent to the borrowing cost of the Company on the outstanding balance. This markup will be revised / reviewed in case any change occurs in the borrowing cost of the Company. The investment period will expire on June 30, 2025.

The above renewal proposition of advance and or investment has been approved by the Board of Directors of the Company in their meeting held on August 24, 2017.

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

Name of the associated company	TPL Rupiya (Private) Limited
Relationship with associated company	Subsidiary Company of TPL Trakker Limited through investment in shares / equity.
Proposed limit of loan or advance and or Investment	Rs.200 million
Purpose and benefits to the Company	To assist the Company meet its initial Capital requirements and to invest in company with better prospects and returns.
The complete details of investment already provided	None
Fair Market value and Break-up value of investment	The company is newly incorporated
EPS	Not applicable
Financial position of the associated company	The company is newly incorporated
Sources of funds for investment	Own sources
Salient features of all agreements	None
Interest of directors, majority shareholders and their relatives	Mr. Jameel Yusuf (S. St). and Mr. Ali Jameel directors of the Company are also directors of TPL Holdings (Private) Limited.
Description of the Project	Online payment solution.
Starting and Expected date of completion of Work	SBP has given in-principle approval to initiate operations. Further, requirements to be met.
Time by which project becomes commercially operational	December 31, 2017
Expected time by which the project shall start paying return on investment	June 30, 2018

Authorization of investment in an associated company in UAE (TPL International)

The Company is desirous of investment in an associated company in UAE up to the extent of Rs. 100 million for initial capital requirements of the Company at the time of its incorporation. The investment shall be made as per the requirements of joint venture in a way that the maximum amount must not exceed Rs. 100 million

The Investment initially approved on October 27, 2016 to the extent of Rs. 100 million.

The investment period will expire on June 30, 2025.

The above renewal proposition of investment has been approved by the Board of Directors of the Company in their meeting held on August 24, 2017.

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

Name of the associated company	TPL International
Relationship with associated company	Associated Company of TPL Trakker Limited through investment in shares / equity
Proposed limit of investment	Rs. 100 million
Benefits to the Company and Purpose	To assist the Company meet its working Capital requirements and to invest in joint venture with better prospects and returns
The complete details of investment already provided	None
Fair Market value and Break-up value of investment	The company is newly incorporated
EPS	Not applicable
Financial position of the associated company	The company is newly incorporated
Sources of funds for investment	Own sources
Particulars of collateral security against advance	None
Salient features of all agreements	None
Interest of directors, majority shareholders and their relatives	Mr. Ali Jameel director of the company is also director in TPL International.
Description of the Project	Expansion of business segments of the Company in Middle East

Starting and Expected date of completion of Work	Expected starting date (subject to SBP) January 1, 2018. Expected date of completion April 30, 2018.
Time by which project becomes commercially operational	May 2, 2018
Expected time by which the project shall start paying return on investment	June 30, 2018

Authorization of investment in an associated company in Pakistan for E-commerce (proposed name to be TPL E-ventures subject to relevant approvals).

The Company is desirous of investment in an associated company to be incorporated in Pakistan involved in the business of E-Commerce up to the extent of Rs. 200 million for initial capital requirements of the Company at the time of its incorporation. The investment shall be made as per the requirements of the Company in a way that the maximum amount must not exceed Rs. 200 million.

The investment period will expire on June 30, 2025.

The above proposition of investment has been approved by the Board of Directors of the Company in their meeting held on August 24, 2017.

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

Name of the associated company	The company to be incorporated. Proposed name to be TPL E ventures
Relationship with associated company	Associated Company of TPL Trakker Limited through investment in shares / equity
Proposed limit of investment	Rs. 200 million
Benefits to the Company	To invest in the company with better prospects and returns.
The complete details of investment already provided	None
Fair Market value and Break-up value of investment	The company to be newly incorporated
EPS	Not applicable
The complete details of loans already provided	None
Financial position of the associated company	The company to be newly incorporated
Sources of investment	Own sources

Repayment schedule and terms of advance	Not applicable
Salient features of all agreements	None
Interest of directors, majority shareholders and their relatives	The company to be newly incorporated
Description of the Project	Transactions through E-Commerce.
Starting and Expected date of completion of Work	Expected starting date December 31, 2017. Expected date of completion May 31, 2018
Time by which project becomes commercially operational	June 1, 2018
Expected time by which the project shall start paying return on investment	June 30, 2018

Authorization of investment in a joint venture arrangement in Pakistan (proposed named to be for TPL Mobile subject to relevant approvals).

The Company is desirous of investment in a joint venture to be incorporated in Pakistan involved in the business of Telecom up to the extent of Rs. 100 million for initial capital requirements of the Company at the time of its incorporation. The investment shall be made as per the requirements of the Company in a way that the maximum amount must not exceed Rs. 100 million.

The above proposition of the Investment has been approved by the Board of Directors of the Company in their meeting held on August 24, 2017.

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

Name of the associated company	Proposed name TPL Mobile subject to relevant approvals
Relationship with associated company	Associated Company of TPL Trakker Limited through investment in shares / equity .
Proposed limit of the equity	Rs. 100 million
The complete details of investment already done	None
Fair Market value and Break-up value of investment	The company to be newly incorporated
EPS	Not applicable
Benefits to the Company	To assist the Company to meet its working capital requirements.
Financial position of the associated company	The company will be newly incorporated.

Sources of investment	Own sources
Interest of directors, majority shareholders and their relatives	The company to be newly incorporated
Salient features of all agreements	None
Description of the Project	Telecom Services
Starting and Expected date of completion of Work	Expected starting date December 31, 2017. Expected date of completion June 30, 2018
Time by which project becomes commercially operational	May 31, 2018
Expected time by which the project shall start paying return on investment	June 30, 2018

Authorization of investment in a joint venture arrangement in Pakistan for SIM Manufacturing (Proposed name to be decided).

The Company is desirous of investment in a joint venture to be incorporated in Pakistan involved in the business of SIM Manufacturing to the extent of Rs. 200 million for initial capital requirements of the Company at the time of its incorporation. The investment shall be made as per the requirements of the Company in a way that the maximum amount must not exceed Rs. 200 million.

The above proposition of the Investment has been approved by the Board of Directors of the Company in their meeting held on August 24, 2017.

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

Name of the associated company	Name to be decided
Relationship with associated company	Associated Company of TPL Trakker Limited through investment in shares / equity .
Proposed limit of the equity	Rs. 200 million
The complete details of loans already provided	None
Fair Market value and Break-up value of investment	The company to be newly incorporated
EPS	Not applicable
Benefits to the Company	To assist the Company to meet its working capital requirements.

Financial position of the associated company	The company will be newly incorporated.
Sources of investment	Own sources
Interest of directors, majority shareholders and their relatives	The company to be newly incorporated
Salient features of all agreements	None
Description of the Project	SIM Manufacturing
Starting and Expected date of completion of Work	Expected starting date December 31, 2017. Expected date of completion June 30, 2018
Time by which project becomes commercially operational	May 31, 2018
Expected time by which the project shall start paying return on investment	June 30, 2018

To invest further equity in TPL Life Insurance Limited

The Company is desirous to further invest in TPL Life Insurance Limited Rs. 20 million. The investment in TPL Life Insurance Limited shall be made to extend the paid-up capital of the Company as per the requirements. Further the Company is desirous to advance TPL Life Insurance Limited of Rs. 50 million for meeting its working capital requirements. Such advance shall be unsecured and shall be given from time to time as per the requirements of TPL Life Insurance Limited.

Thus the advance shall be a floating advance. The markup will be charged equivalent to the borrowing cost of the Company on the outstanding balance. This markup will be revised / reviewed in case any change occurs in the borrowing cost of the Company. The investment period will expire on June 30, 2025.

The above investment has been approved by the Board of Directors of the Company in their meeting held on August 24, 2017.

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

Name of the associated company	TPL Life Insurance Limited	
Relationship with associated company	Associated Company of TPL Trakker Limited	
Financial position of the company	The extracts of the un-audited balance sheet and profit and loss account of the company as at and for the period ended June 30, 2017 is as follows:	
	Balance Sheet	**Rupees**
	Non-current assets	36,254,144

	Other assets	468,406,590
	Total Assets	**504,660,734**
	Total Liabilities	**201,755,892**
	Represented by:	
	Paid up capital	680,000,000
	Accumulated profit	(377,095,158)
	Equity	**302,904,842**
	Profit and Loss	**Rupees**
	Profit before taxation	4,210,633
	Taxation	60,410
	Profit after taxation	**4,150,223**
Benefits to the Company	To invest in the company for the purpose of extending its equity in the same.	
The complete details of investment already provided	None	
Fair Market value and Break-up value of investment	Fair value Rs 6.24 per share and Break-up value Rs. 4.79 per share	
EPS (for six months ended June 30, 2017)	Rs. 0.07 per share	
The complete details of loans already provided	As of June 30, 2017, the company holds 58.5 million ordinary shares of TPL Life representing 86.02 percent of share capital of TPLL at value of Rs. 364.89 million.	
Sources of investment	Own sources	
Salient features of all agreements	None	
Average borrowing cost of the company	The average estimated borrowing cost of the Company is KIBOR + 3%.	
Rate of mark-up to be charged to associated company	Markup to be charged equivalent to the borrowing cost of the Company.	
Sources of funds for advance	Own sources	

Particulars of collateral security against advance	Letter of comfort
Repayment schedule and terms of advance	Repayable on demand
Interest of directors, majority shareholders and their relatives	Mr. Jameel Yusuf (S. St.) and Mr. Ali Jameel directors of the Company are also directors of TPL Holding (Private) Limited.

PROXY FORM

Annual General Meeting of TPL Trakker Limited 2016-17

I/We_________________________________ s/o, w/o, d/o______________________________

resident of (full address) ____

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

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

CDC Participant I.D No.______________________ and Sub Account No.__________________

hereby appoint____________________________ s/o, w/o, d/o ___________________________

resident of____or failing him/her

____________________________________ s/o, w/o d/o ______________________________ of

(full address)____, as

my proxy to vote for me and on my behalf at the Annual General Meeting of the Company to be held on the October 10, 2017 and at any adjournment thereof.

Signature this ___________________________day of ____________________________ 2017.

1. Signature: ________________________________

   Name: ___________________________________

   Address: _________________________________

   CNIC or: _________________________________

   Passport No: ______________________________

Please affix revenue stamp

2. Signature: ________________________________

   Name: ___________________________________

   Address: _________________________________

   CNIC or: _________________________________

   Passport No: ______________________________

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

Notes:

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

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

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

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

ہدایات:

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

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

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

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

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

(نیابت) پراکسی فارم

میں/ہم ______ جس کا/ (جن کا) مکمل پتہ

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

اور میرے/ ہمارے پاس ______ نمبر کے آرڈنری شیئرز ہیں

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

اور ذیلی اکاونٹ نمبر ______ بذریعہ تقرر ______

______ جس کا مکمل پتہ ______

______

یا اسکی عدم موجودگی میں ______ مکمل پتہ ______

______

میری جانب سے کمپنی کی سالانہ جنرل میٹنگ میں، جو کہ 10 اکتوبر 2017 کی میٹنگ، یا اس کے التواء کی صورت میں اس کے بعد جب بھی میٹنگ ہو، میری نیابت (پراکسی) میں میری طرف سے ووٹ دینے کا حق رکھتا/ رکھتی ہے۔

زیر دستخطی ______ دن ______ 2017

برائے مہربانی یہاں ریونیو سٹمپ چسپاں کریں

1۔ دستخط : ______

نام: ______

پتہ: ______

شناختی کارڈ نمبر ______

پاسپورٹ نمبر ______

2۔ دستخط : ______

نام: ______

پتہ: ______

شناختی کارڈ نمبر ______

پاسپورٹ نمبر ______

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

CORPORATE OFFICE
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Off Shaheed-e-Millat Expressway,
Adjacent KPT Interchange, Karachi - 74900
Phone: (+92)-21-34390300
UAN: (+92)-21-111-000-300
Fax: (+92)-21-35316032
Email: info@trakker.com.pk
Website: www.tpltrakker.com