

# Table of Contents

Vision and Mission	06	Unconsolidated Financial Statements	
Core Values	06	Auditor's Review Report	50
Company Profile	07	Statement of Compliance with CCG	51
Company Information	08	Auditor's Report to the Members	53
Geographical Presence	09	Statement of Financial Position	59
		Statement of Profit and Loss Account	60
Chairman's Review Report	11	Statement of Changes in Equity	61
		Statement of Cash Flow	62
CEO's Message	12	Notes to the Financial Statements	63
Board of Directors	14	Consolidated Financial Statements	
		Auditor's Report to the Members	116
Profile of Directors	15	Consolidated Statement of	
		Financial Position	121
Organizational Structure	18	Consolidated Statement of	
		Profit and Loss Account	122
Sustainability Report	20	Consolidated Statement	
		of Changes in Equity	123
Stakeholders' Information		Consolidated Statement of Cash Flow	124
Horizontal Analysis Balance Sheet	26	Notes to the Consolidated	
Horizontal Analysis Profit & Loss Account	27	Financial Statements	125
Vertical Analysis Balance Sheet	28		
Vertical Analysis Profit & Loss Account	29	Shareholders' Information	
Cash Flow Analysis	30	Notice of Annual General Meeting	176
Ratio Analysis	31	Statement of Material Facts	178
Graphical Presentation of Key Financial Ratios	32	Proxy Form	203
Statement of Value Addition & its Distribution	33		
Directors' Report			
Economic Outlook	34		
Group Performance	34		
Future Outlook	35		
Statement on Corporate and Financial			
Reporting Framework	37		
Pattern of Shareholding	38		
Additional Information	39		
Acknowledgments	40		



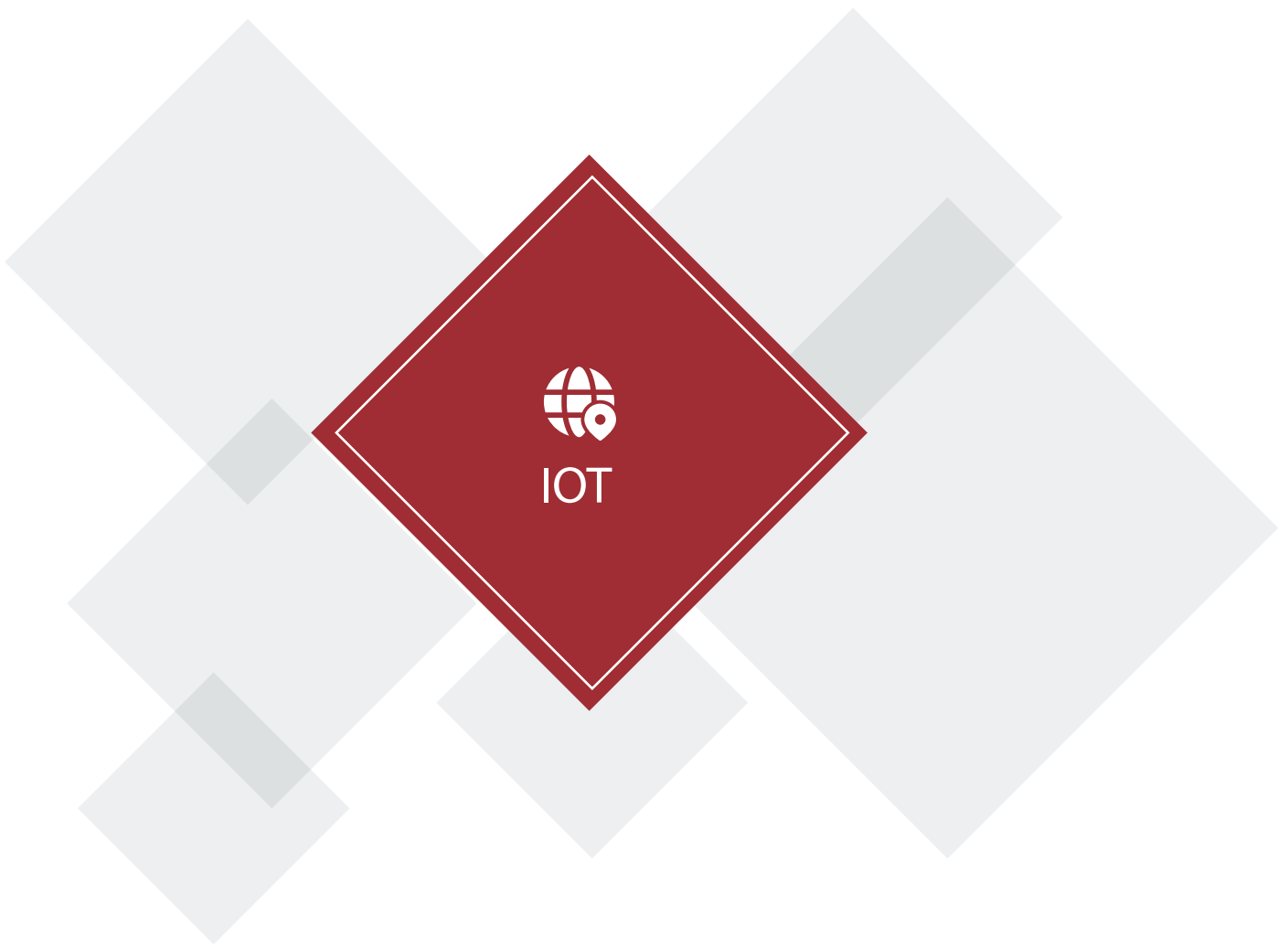
Trakking

TPL Trakker has been the forerunner of innovation in the asset tracking industry of Pakistan.



TPL Trakker was amongst the first companies to get a license for digital mapping in the country.

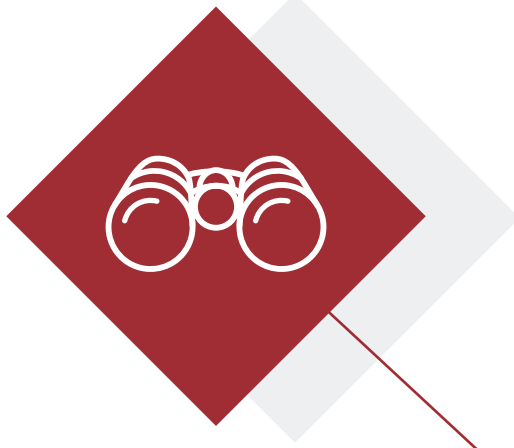




At TPL Trakker we put analytics,  
machines and people to work in  
order to create an advance network  
of a connected experience.

TPL Trakker helps businesses and large corporations in optimizing operations with the power of data.





## Vision

Create Value through innovative disruption



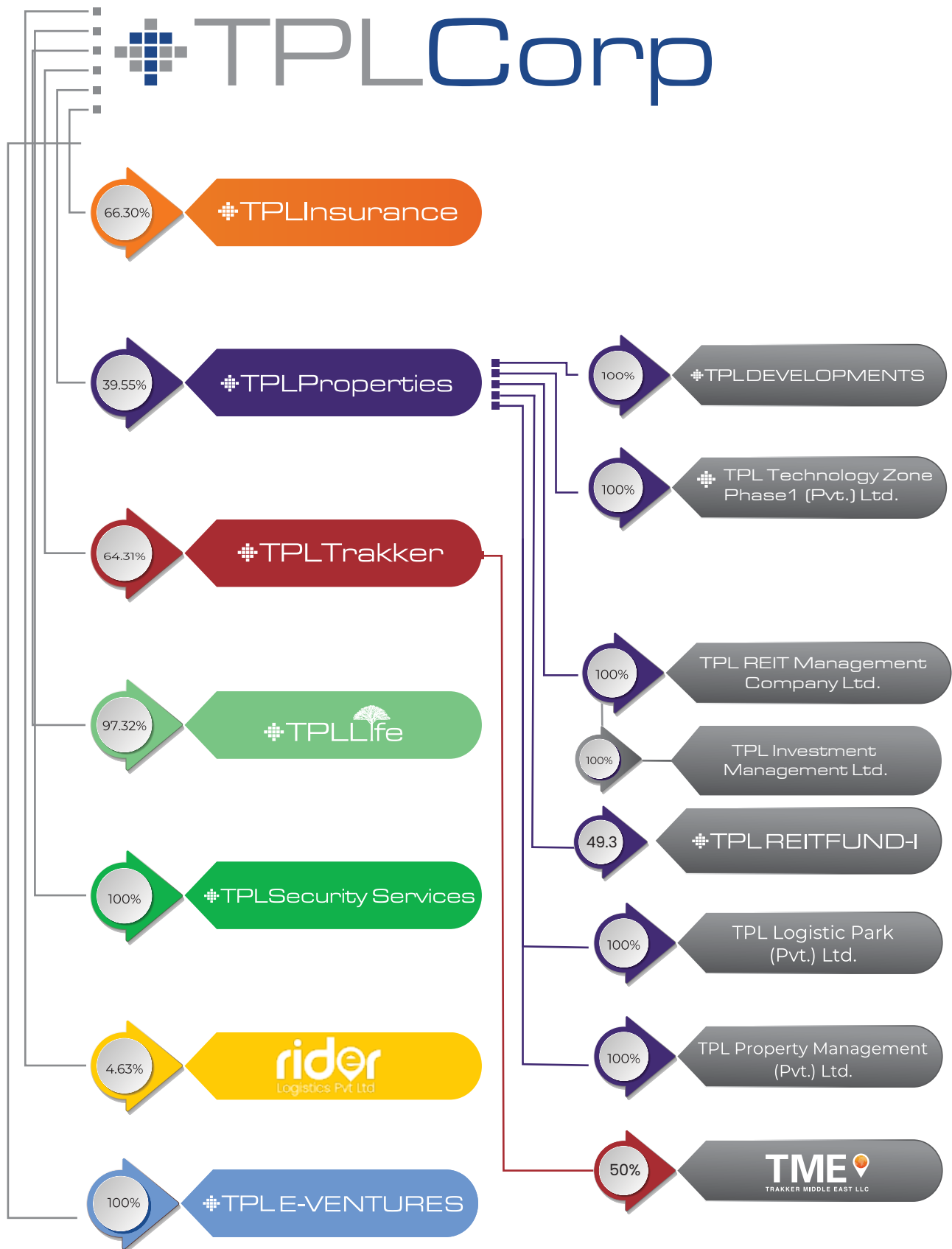
## Mission

Achieve sustainable growth through technology



## Core Values

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



# Company Information

## BOARD OF DIRECTORS

Jameel Yusuf S.St	Chairman
Sarwar Ali Khan	CEO
Nausheen Javaid Amjad	Director
Mohammad Riaz	Director
Brigadier (R) Muhammad Tahir Chaudhry	Director
Omar Askari	Director
Ahmad Zuberi	Director
Ali Asgher	Director

## CHIEF EXECUTIVE OFFICER

Sarwar Ali Khan

## CHIEF FINANCIAL OFFICER

Malik Ahmed Sheheryar

## COMPANY SECRETARY

Danish Qazi

## AUDIT COMMITTEE

Ahmad Zuberi	Chairman
Omar Askari	Member
Mohammad Riaz	Member
Hashim Sadiq Ali	Secretary

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Ahmad Zuberi	Chairman
Mohammad Riaz	Member
Sarwar Ali Khan	Member
Nader Nawaz	Secretary

## AUDITORS

BDO Ebrahim & Co.  
Chartered Accountants

## LEGAL ADVISOR

Mohsin Tayebaly & Co.

## Bankers

Al Baraka Bank (Pakistan) Limited  
Askari Bank Limited  
Bank Al Habib Limited  
Bank Alfalah Limited  
BankIslami Pakistan Limited  
Dubai Islamic Bank (Pakistan) Limited  
Faysal Bank Limited  
Habib Metropolitan Bank Limited  
Habib Metropolitan Bank Limited - Islamic Banking  
JS Bank Limited  
Mobilink Microfinance Bank Limited  
National Bank of Pakistan  
Silkbank Limited  
Standard Chartered Bank (Pakistan) Limited  
Summit Bank Limited  
United Bank Limited

## SHARE REGISTRAR

THK Associates (Pvt.) Limited,  
Plot No. 32-C, Jami Commercial Street 2, D.H.A.,  
Phase VII, Karachi-75500 Pakistan  
Tel: (021) 34168270  
UAN: 111-000-322  
FAX: (021) 34168271

## REGISTERED OFFICE

Plot 1-A, Sector No. 24, near Shan Chowrangi,  
Korangi Industrial Area, Karachi  
Postal Code: 74900

## CORRESPONDENCE OFFICE

20th Floor, Sky Tower-East Wing,  
Dolmen City, HC-3, Block 4,  
Abdul Sattar Edhi Avenue, Clifton, Karachi.  
Postal Code: 75600

## Web Presence

[www.tpltrakker.com](http://www.tpltrakker.com)

# Geographical Presence

**Registered Office:** Plot No. 1, Sector #24, Near Shan Chowrangi,  
Korangi Industrial Area, Karachi-74900  
Phone: +92-21-37130227  
Fax: +92-21-35184064

**Corporate Office:** 20th Floor, Sky Tower, East Wing,  
Dolmen City, HC-3, Abdul Sattar Edhi Avenue, Block No. 4,  
Clifton, Karachi.  
Phone: +92-21-37130227  
Fax: +92-21-35184064

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

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

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

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

**Hyderabad:** 2nd Floor Plot #15/5, Main Auto Bhan Road  
Railway Cooperative Housing Society, Hyderabad.  
Phone: +92-22-3411023 -24 -26  
Fax: +92-22-2783154





# Chairman's Review

I find utmost pleasure in presenting the extraordinary performance of the Board of Directors of TPL Trakker Limited (the "Company") and imparting an overview of the Company's notable achievements for the year ended June 30, 2022. The Board has provided its able and unique expertise which has led to the development of strategy, governance and human resources. Despite the numerous challenges experienced during the year, the Company has achieved a great deal of success and the Board is pleased with the progress of the Company.

I am delighted to report that the Company recorded a significant increase in profit for the year, due to the Management's efficient functioning, leading to the continued success of the "Connected-Car & IoT" segment and the "Safe Transport Environment" project. The Company was awarded tenders in various public sector projects across Pakistan for tracking and monitoring. Notably, the Company has partnered with Telenor Pakistan to provide state-of-the-art IoT solutions. Moreover, the Board capably approved the demerger and transfer of the Company's mapping segment to a separate legal entity which will play a pivotal role in enhancing the footprint of the Company in digital mapping.

The Board composition of the Company is well balanced and diversified in terms of its skills, knowledge and industry experience, assisting the Management to thrive consistently and positively impact the growth of the Company. The Board has a strong ongoing commitment to transparency, accountability and good corporate governance as a vital part of discharging its responsibilities. The Board sub-committees met adequately during the year and continued to provide the Board with the necessary assurance that audit and remuneration structures and processes were being correctly implemented by management.

We stay committed to growing all the Company's businesses in the long term to develop and increase its value for all our stakeholders, by further strengthening its position in the market, increasing operational efficiency, boosting revenue and improving earnings. The Board appreciates the efforts of the Management of the Company and the Compensation Committee and grants Employee Stock Options for deserving, hardworking and dedicated employees to provide them with incentives and appreciate their efforts.

Significantly, on behalf of the Board, I would like to express my gratitude to the valued shareholders, management, employees and other stakeholders of the Company and pray that the Company continues to flourish and strive toward the profit trajectory in the years to come.



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Jameel Yusuf S.St.  
Chairman of the Board  
As of June 30, 2022

# CEO's Message

TPL Trakker Limited is proud of its 22 years of history and forte in the technology industry of Pakistan.

In recent times, our core focus has shifted towards becoming future-ready by anticipating changes and challenges. With a systematic approach to dealing with the transition and transformation of our organizational goals, processes, and technologies, we have been able to boost company-wide growth. Understanding and navigating through social, technological, environmental, economic and often political adjustments is critical for any organization to embrace change. As an evolving organization, we proactively assess situations and adapt to shifting market trends.

## **Growth in Trakker Business:**

We will soon launch our IoT platform to manage the connectivity of devices and allow developers to venture into new mobile applications. This platform will help spread out applications, remotely collect data and secure connectivity via an intricate set of components.

We consistently hone our connected car systems, smart security solutions, and autonomous farming solutions, and we diligently aim to provide a holistic IoT experience to our customers. One of our most prominent partnerships this year has been with Shell Pakistan to provide telematics solutions to their customers by linking their fuel cards and vehicle trackers onto one consolidated fleet management platform.

Another noteworthy partnership materialized with Telenor Pakistan to strengthen the IoT connectivity infrastructure. Through this joint venture, Trakker is offering a range of IoT services focusing on Video Monitoring & Analytics, Gen-set and Fuel Monitoring and Water Management solutions to Telenor Pakistan. Customers will benefit from these IoT services by acquiring valuable insights and actionable data to improve operational efficiency, optimal resource utilization and cost optimization.

## **MAPs Business Expansion:**

TPL Maps division has quite a few noteworthy achievements. Prominent among them are being awarded the GIS Project by the Pakistan Telecommunication Authority (PTA) to monitor telecom service quality and 5G roll-out; delivering a custom surveying and digitizing scope to Rayn Group (funded by the Bill and Melinda Gates Foundation) for the Pakistan Polio Eradication Program; and being awarded the tender to provide LBS to the National Emergency Helpline. Furthermore, prominent partnerships were entered into with HBL, Khaddi and Cybernet for digital mapping and location services.

TPL Maps flagship product, TPL Maps App will be launched this year and positioned as the Maps App for Pakistan. The TPL Maps app will enable movers to have a wholesome travel experience in Pakistan by providing guidance, assistance, planning and facilitation through an integrated mapping platform. This app will be entirely Pakistani, bringing together the startup and entrepreneurial sectors to serve the end user and meet all of their travel and mobility requirements. TPL Maps app will also provide wide-ranging awareness of TPL Maps being in the digital mapping and location services space and provide recognition and a boost to the enterprise services.

TPL Maps division experienced consistent growth this past year and was able to distinguish itself as a prominent player in the digital mapping and location services arena. Considering this growth pattern, TPL Management has taken steps to carve out this division from TPL Trakker. The Maps division will now operate as a separate legal entity operating under the name of Astra Location Services. A HoldCo has been incorporated in Singapore with the OpCo registered in Pakistan. This enables the Maps business to seek external investor funding to capitalize on the current growth pattern. The new capital investment will be utilized to expand innovative product offerings, open up international markets and considerably increase the size of the team.



## Initiatives:

This year has been exceptionally rewarding for our staff with the introduction of various employee-focused programs. Activities that provide visibility and exposure to key individuals, leaders and teams in order to learn from their experience.

The Growth Catalyst Program is to create a targeted people strategy by training, attracting, and retaining the right people. Moreover, this program will ensure that we have the right people and skills needed to achieve our business objectives and identify, develop and engage internal talent to prepare them for the future state of business.

The Employee Mentorship Program is designed to articulate appropriate engagement, development and career progression plans through training, coaching and mentoring of employees.

The GenZ Internship Program and Management Trainee Program were launched to give young blood a fighting chance to represent their brilliance and vanguard at work, as well as fuel our growth initiatives with their new-age perspectives. Young individuals easily adapt to the new and frequent shifts in their work environment, be it new tools, innovative thinking or seizing creative opportunities and are quick to shoulder more cognitively complex roles.

With our various women's initiatives, we acknowledge the importance of gender & work-space equality; their contribution towards Trakker's business equity; and lead growth and advancement for the Company and its success. We believe in consistently building and multiplying work opportunities for our female colleagues at all levels.

Strategic and analytic thinking and adapting to challenging situations on the fly are not innate gifts. Anyone with a passion for learning can develop them; our various teams are living proof of the collaborative utilization of skills and efforts for the growth and prosperity of Trakker. We cheer our teams for their problem-solving skills, potential for innovation, productivity and smart risk-taking; all the while ensuring their personal growth and a happy work environment. Our teams echo the voice we've been creating in our industry for years.

Thank you.



**Sarwar Ali Khan**  
CEO – TPL Trakker Ltd.



# Board of Directors



Jameel Yusuf S. St. Chairman



Sarwar Ali Khan CEO



Nausheen Javaid Amjad Director



Omar Askari Director



Ahmad Zuberi Director



Mohammad Riaz Director



Ali Asgher Director



Brigadier (R) Muhammad Tahir Chaudhary Director

# PROFILE OF DIRECTORS

## Mr. Jameel Yusuf – Chairman

A businessman by profession and the Chairman of TPL Corp Ltd. He is the founding Chairman of Citizens-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 "PANAHA", a shelter established for women in distress. Mr. Yusuf has also been a member of the Advisory Council Fellowship (WWC) since 2004. He was awarded the Presidential Award "Sitara-e-Shujaat" for gallant services in August 1992 and was also nominated for the First United Nations Vienna Civil Society Award in 1999. He has also been appointed as a Member of the Committee formulated by National Accountability Bureau for redressal of business community's grievances.

## Mr. Sarwar Ali Khan – Chief Executive Officer

Sarwar Ali Khan is the CEO of TPL Trakker Limited, which has for over 19 years been a pioneer in the Telematics + IoT industry in Pakistan. TPL Trakker helps customers extract and turn data about vehicles and their use into intelligence that improves operations and safety while reducing costs and risks. Trakker provides reliable end-to-end solutions for individuals, commercial fleets, businesses and automotive industry suppliers.

Mr.Khan started his career with Accenture, US where he worked for over 5 years. In 2010 he started working with National Bank of Pakistan where he headed the IT Department until 2012. On completion of his MBA in 2013 he was recruited by Samsung, Seoul to work for the Samsung Global Strategy Group which is part of the Samsung Chairman's Office. During his time with Samsung, Mr.Khan developed the detailed product roadmap and go-to-market strategy for Samsung's Smart Home business, assessed opportunities and identified new growth areas for different Samsung businesses to expand globally.

Mr.Khan has created and implemented a predictive analytics solution for correlating driver behavior with propensity to file insurance claims which enables TPL to offer usage based insurance products for the first time in Pakistan.

Mr.Khan has a disruptive mindset when it comes to business management, he has diversified TPL Trakker from a vehicle tracking company to an IoT solutions provider in just under 3 years. Today TPL Trakker has a services suite covering predictive maintenance, smart generator monitoring, fuel management, smart homes and digital App based solutions.

Mr.Khan received his BS in Computer Science from the University of Wisconsin - Madison in 2005. He later went on to complete his MBA from INSEAD, France in 2013.

### **Mr. Mohammad Riaz – Director**

Mr. Mohammad Riaz holds a Master's degree in Development Economics from Williams College, Massachusetts USA and MSc in Defense and Strategic Studies from National Defence University.

He has served as Commercial and Economic Counselor in Paris and Counsel General, Turkey. Due to his active involvement in Public Affairs, he was posted as DG Social Sector at the Prime Minister's Secretariat. Mr. Riaz has also served as Member/ DG Customs for 4 years. He retired as the Federal Secretary and his last posting was Secretary, National Assembly of Pakistan. He also served as Director, State Bank of Pakistan (SBP) in 2016. Moreover, he was a member of the Monetary Policy Committee of Pakistan. Mr. Riaz has served the Government of Pakistan for over 37 years. He is presently the Independent director at Pakistan Tobacco Company Limited.

### **Mr. Ahmad Zuberi – Director**

Mr. Ahmad is the Managing Director of Recorder Television Network (Private) Limited. Ahmad completed his primary and secondary school education in Karachi, Pakistan. After high school he received his Bachelors Degree from the Wharton School at the University of Pennsylvania. He graduated with High Honors in 2001 with a concentration in Finance and a Minor in Economics.

Mr. Ahmad worked as an Investment Banking analyst at Donaldson, Lufkin & Jenrette and then at Credit Suisse First Boston in New York, specializing in advising Media & Telecom companies on Mergers & Acquisitions as well as Equity and Debt offerings.

In 2004 he moved back to Pakistan to join his family's media business and expanded it from print into the electronic space. The company broadcasts Aaj News and Aaj Entertainment which are among Pakistan's most watched TV channels. He also runs Apex Printry which is the country's largest security printing business. He is also a Director of Emmay Zed Publications which publishes Pakistan's only English financial daily, Business Recorder.

Mr. Ahmad is an active member of Young Presidents' Organization (YPO) which is a global Organization of CEOs across the world. He is currently the Regional Chairman of YPO Middle East and North Africa. He also serves on the Board of Pakistan Centre for Philanthropy.

### **Brigadier (R) Muhammad Tahir Chaudhary**

Brigadier (R) Chaudhary is on the Board of the Company and comes along with more than 30 years of experience. Due to his known R & D skills and IT qualifications, he conceptualized and developed surveillance & Control system. He has also developed many projects related to Cyber Security recognized at national level.

Brigadier Chaudhary is MS (IT), M.Phil. Engineering Management and Ph.D. Scholar for Information Security Management. He is specialized in Engineering Project Management from Center for Advanced Studies in Engineering. Due to his acumen and highest qualification in the field of Information Technology and Information Security Management, he also framed "Pakistan's Cyber Security Policy".



### **Mr. Ali Asgher – Director**

Mr. Ali Asgher is currently the CEO of TPL RMC. He is an experienced senior management professional, having working experience spanned over 14 years from textile, insurance, technology and real estate development with expertise in strategic business management, raising of equity & debt, financial management, value chain analysis, procurement and project management. He has an experience of implementing ERP solution and process automation. He has successfully advised the Group on state of the art construction project, financial close of foreign and local debt finances, new business feasibilities, debt swaps, private placements and rental deals. He is an Associate member of the Chartered Institute of Management Accountants (CIMA), UK and also holds MBA degree with concentration in Finance. He is a certified director from the Institute of Business Administration (IBA) Karachi and attended Leadership Course at The Wharton School, University of Pennsylvania.

### **Nausheen Javaid Amjad – Director**

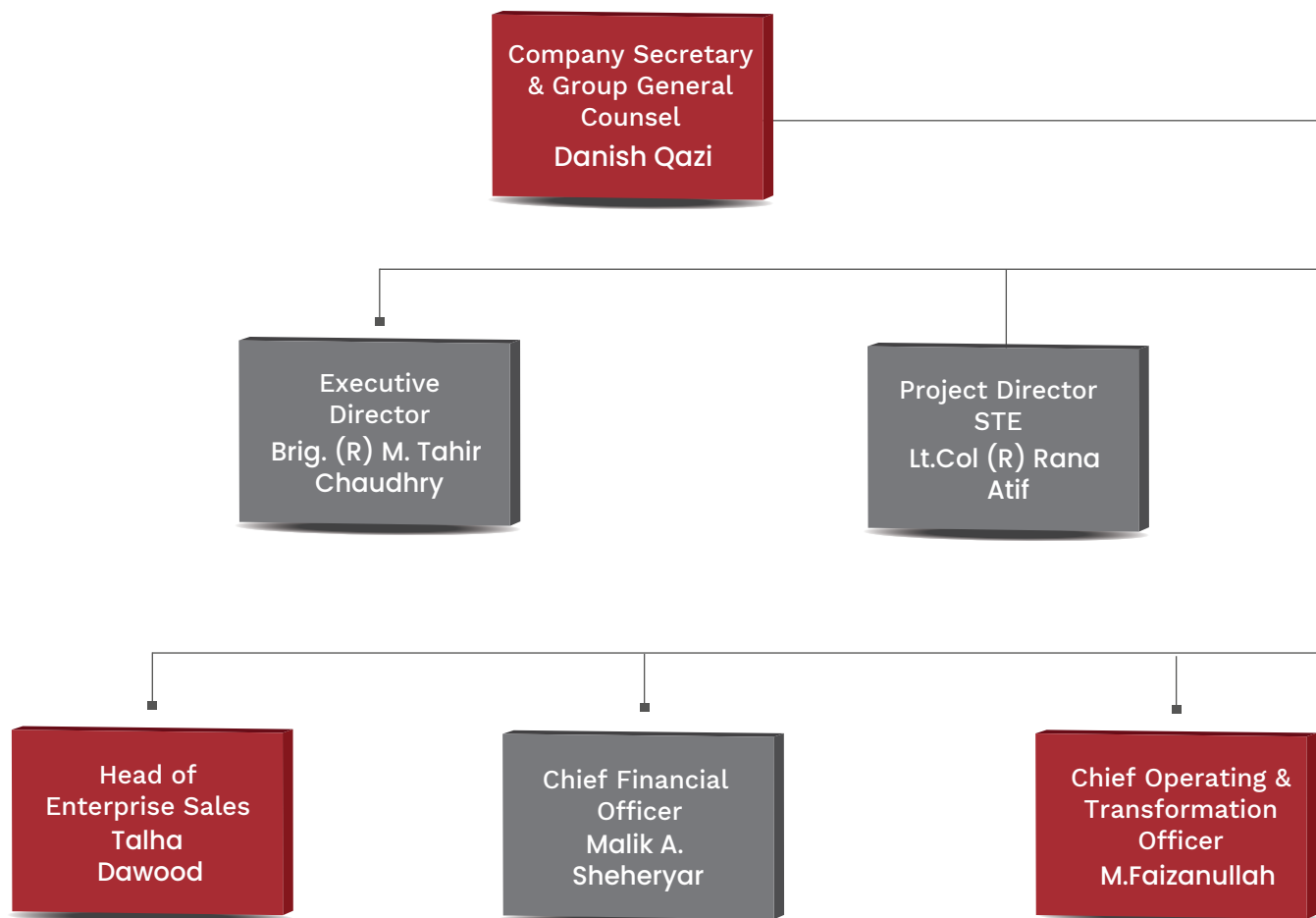
Nausheen has been in the Government Service for 36 years and retired as a Federal Secretary in April 2021. She held many key positions in the Federal Government including the Chairperson of the Federal Board of Revenue (FBR), also being the first female to finalize the Federal Budget 2021. She spent majority of her time in the Inland Revenue Services and held key positions in the field formation and at FBR headquarters including Member, Administration, Audit and Information Technology. She played a pivotal role in improving and formulating the Audit, IT along with external and internal Communication Policies. She has also garnered vast experience of working with international agencies including IMF, World Bank, OECD, DIFD and HMRC. Earlier, she has been the Chief Commissioner and Commissioner of largest tax jurisdictions of Pakistan i.e. Large Taxpayers Unit, Karachi. Nausheen being part of the policy team of FBR has evaluated the businesses from tax revenue perspective including reviewing the operational and financial business models of taxpayers. She was the key player which repivoted the tax jurisdictions and carved out the Large Taxpayers Unit and has served there for more than a decade, was also the first Chief Commissioner of second Large Taxpayers Unit of Karachi.

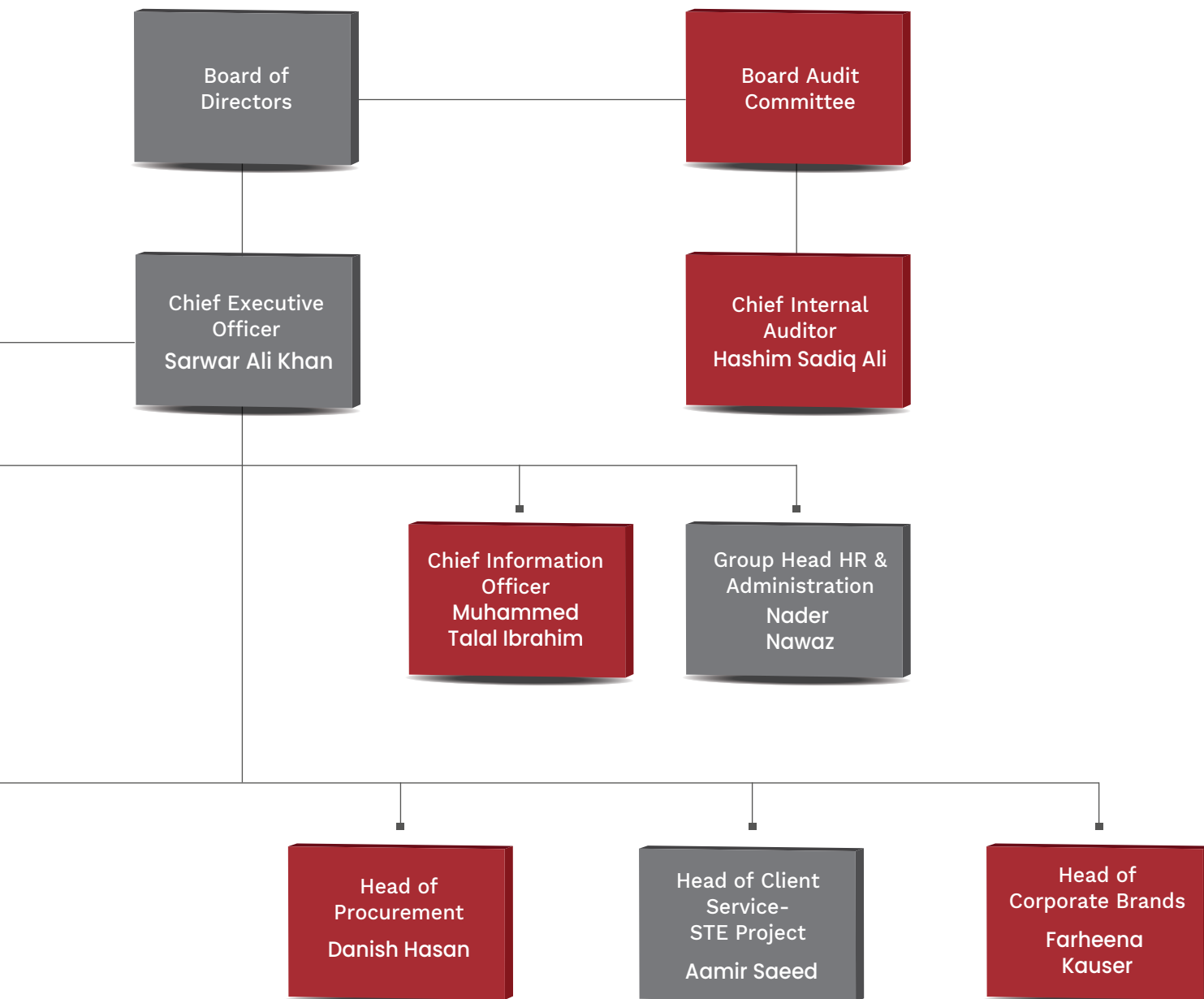
She is a certified director from Pakistan Institute of Corporate Governance and is representing Government of Pakistan on many important boards including, Pakistan Media Regulatory Authority, National Council of Arts, Academy of Letters etc. Nausheen is part of non-profit organizations including Parveen Shakir Foundation and has been an advocate of Women Empowerment and Diversity. To ensure advancement of women empowerment, she regularly mentors working women and fresh graduates.

### **Omar Askari – Director**

Mr Askari is the founder and CEO of Wali Venture Technologies, a company that is making Islamic insurance and financing easily accessible for the Muslim world. Mr. Askari has previously been the global head of business development for Revolut in London and before that Head of Business for Uber in Pakistan. His career spans twenty years in investment banking, hedge fund asset management, real estate and energy. He has been a visiting lecturer in IBA and earned his Masters of Science from the London School of Economics and undergraduate degree from Brown University.

# Organizational Structure





# Sustainable Actions

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

TPL Corp has used the UNSDGs as a guiding document to develop its CSR strategy and framework and this approach is followed through all our social impact interventions.

TPLCares, the group's CSR platform engages with the community via support for healthcare, education, gender equality and sports related initiatives. We continue to learn in this journey and going forward aspire to play an even greater role with respect to climate action.

## Annual Giving

Our yearly donations have historically contributed to the healthcare and education sectors of Pakistan. This year we also created awareness for previously supported institutions by conducting formal visits to better understand their needs and how the private sector can assist in making a greater impact. We believe healthcare and education is a fundamental right and should be provided to every soul with dignity and compassion and without the discrimination of caste, creed, color or religion. Some of the institutions and initiatives we supported are featured below:

- **SIUT**

The Sindh Institute of Urology and Transplantation (SIUT) is regarded as one of the premier Institutes in the world. It provides free of cost treatment of urological and nephrological ailments, oncological treatments and organ transplantation facilities to the general public.



Our donation has resulted in providing 610 dialysis sessions to SIUT patients.

- **Childlife Foundation**

ChildLife is providing the full spectrum of medical care, from emergency rooms, to primary clinics, down to preventive practices. The Foundation has 11 state-of-the-art model emergency rooms in Pakistan. ChildLife Foundation also runs 30 primary care clinics in Karachi's slum area and runs a Preventive Healthcare Program that has reached over 190,000 families so far.



Our contribution towards the Emergency Room (ER) has positively impacted approximately 1500 children's well-being.

- **JDC Foundation**

Jaffriya Disaster Management Cell Welfare Organization (JDC) is a welfare and Non-Governmental Organization (NGO) commonly known as JDC Foundation Pakistan. It was established in 2009 and focusses on providing rehabilitation activities and medical emergency services in Sindh.



Our collaboration with JDC provided iftar and sehri to 10,000 people observing fasts during the holy month of Ramadan.

# Employee Welfare & Support

- **CPR**

TPL conducted our annual Cardiopulmonary Resuscitation (CPR) & Basic Life Support Training Sessions. By learning this life-saving technique, our employees will be able to assist in medical emergency situations. 50 members of our staff both male and females participated and were given the necessary skills to save a life.

- **L & D Training**

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

**Awareness Sessions: 390 employees**

**Soft Training: 254 employees**

Technical Training: 81 employees

Some of the most well received awareness sessions were as follows:

Prostate Cancer Awareness – 65 participants

Mental Health Awareness – 79 participants

World Literacy Day – 50 participants

- **Launch Of Employee Friendly Policies**

- Gender Equity Social Inclusion
- Grievance Procedure
- Work from Home
- Flexible Hours

- **Child Education Policy**

At TPL we believe that knowledge and education is one of the fundamental ways for society to progress. our Children Education Benefit Policy continues to provide our low-income employees' children with full academic scholarships.

82 children were provided with quality education

- **ECO TIPS**

A weekly email series for TPL Group has been launched which provides small tips that can be used in everyday life to create a sustainable environment for our future generations. This internal communication reaches out to over 1000 employees nationally.

## • TPL Visits Lady Dufferin Hospital

Good Health & Well-being (UNSDG – 3) has been a key focus for TPL Corp's CSR strategy. In line with this vision, TPL Corp partnered with Lady Dufferin Hospital and contributed to their efforts in providing quality maternal healthcare in Karachi.

TPL Corp's support towards the hospital's clinical room will serve approximately 3,000 patients annually.



## • TPL at JPMC with Patients Aid Foundation(PAF)

TPL Corp Chairman Mr. Jameel Yusuf visited Jinnah Postgraduate Medical Centre (JPMC). He was accompanied by Mr. Mushtaq Chhapra (Vice-Chairperson PAF) and Dr. Tariq Mahmood (Head of Radiology & Oncology JPMC) who gave him a tour of the facility and an update on the work being done. PAF was made to alleviate the burden on JPMC and is providing free of cost high-quality healthcare with our contribution.



## Volunteer Program

At TPL we believe volunteering reflects our values – what we care about, our vision for our community and our sense of responsibility for the planet and all those with whom we share it. Volunteerism is known to show improvements in emotional well-being, reduce stress and helps in building a community. This year we engaged our employees in the following activities:

### • Blood Drive

41 donors came forward (Male – 35, Female – 6) and were able to collect 31 blood bags for Indus Hospital. This translated to approximately 95 lives saved.

### • Beach Cleanup

UNSDG 15 – Life on Land encourages protection and restoration of terrestrial ecosystems and looks to reverse land degradation and halt biodiversity loss. Keeping in line with this, we collaborated for an Environment Day Drive on 7th June at Seaview Beach, Clifton. We recorded 40 hours of voluntary service and were successful in collecting approx. 140 kgs of waste of which 107 kgs was recycled and will not end up in landfills.

### • TCF

In line with our CSR efforts towards SDG 4 – Quality Education, we invited The Citizens Foundation (TCF) to present their volunteering programs for our colleagues. We are happy to report 10 colleagues have committed time for the Rahbar Program and will be engaged with TCF in the coming year.

### • Earth Day Lights Out

To make a positive impact with respect to energy conservation on Earth Day, we turned off the lights in all our offices on Friday, April 22nd from 12.00 – 1.00 PM. Our efforts resulted in saving approximately 20kw or 2300 units of electricity. We aim to multiply these savings in our next energy conservation exercise by increasing the number of hours and expanding the program to incorporate our regional offices.

# Diversity and Inclusion

TPL strives to operate with integrity, promoting diversity and inclusion in the workplace. As an equal opportunity employer, management teams ensure that people from diverse backgrounds are recruited.

TPL Corp partnered with NOWPDP to offer 3 month internships to the differently abled last year where 15 interns were hired and placed across TPL's portfolio companies.

2 interns have transitioned to full-time employment and now working in our legal and sales teams respectively



## Future Go Forward – Going Green

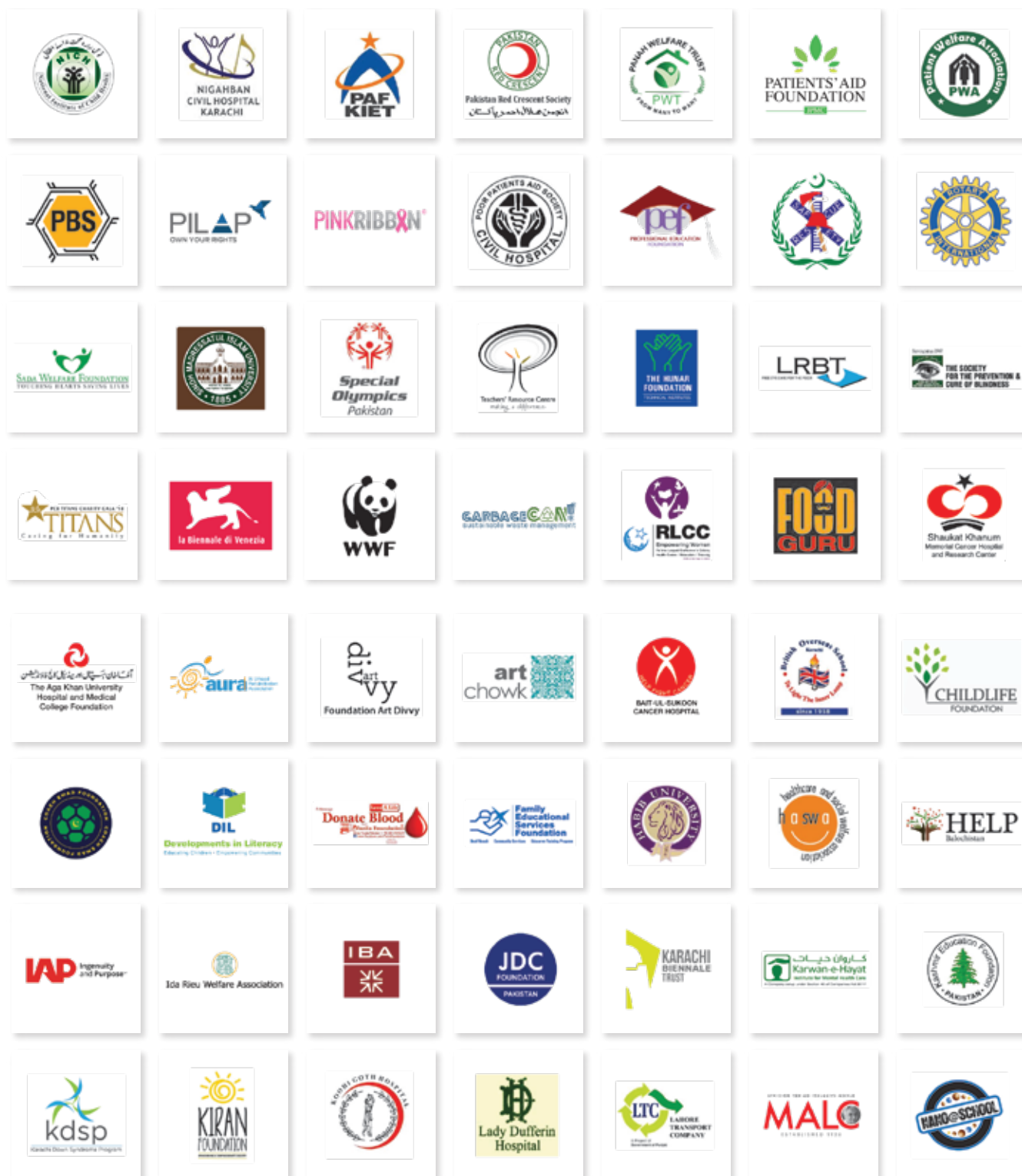
As a group focused on sustainability, we adhere to the triple bottom line approach i.e. profits, people and the planet. Being green is no longer a cost of doing business but a catalyst for innovation and business growth in new markets. We believe positive environmental practices lead to reduced expenses and boosting employee morale and engagement. Our interventions going forward are looking at the following areas:

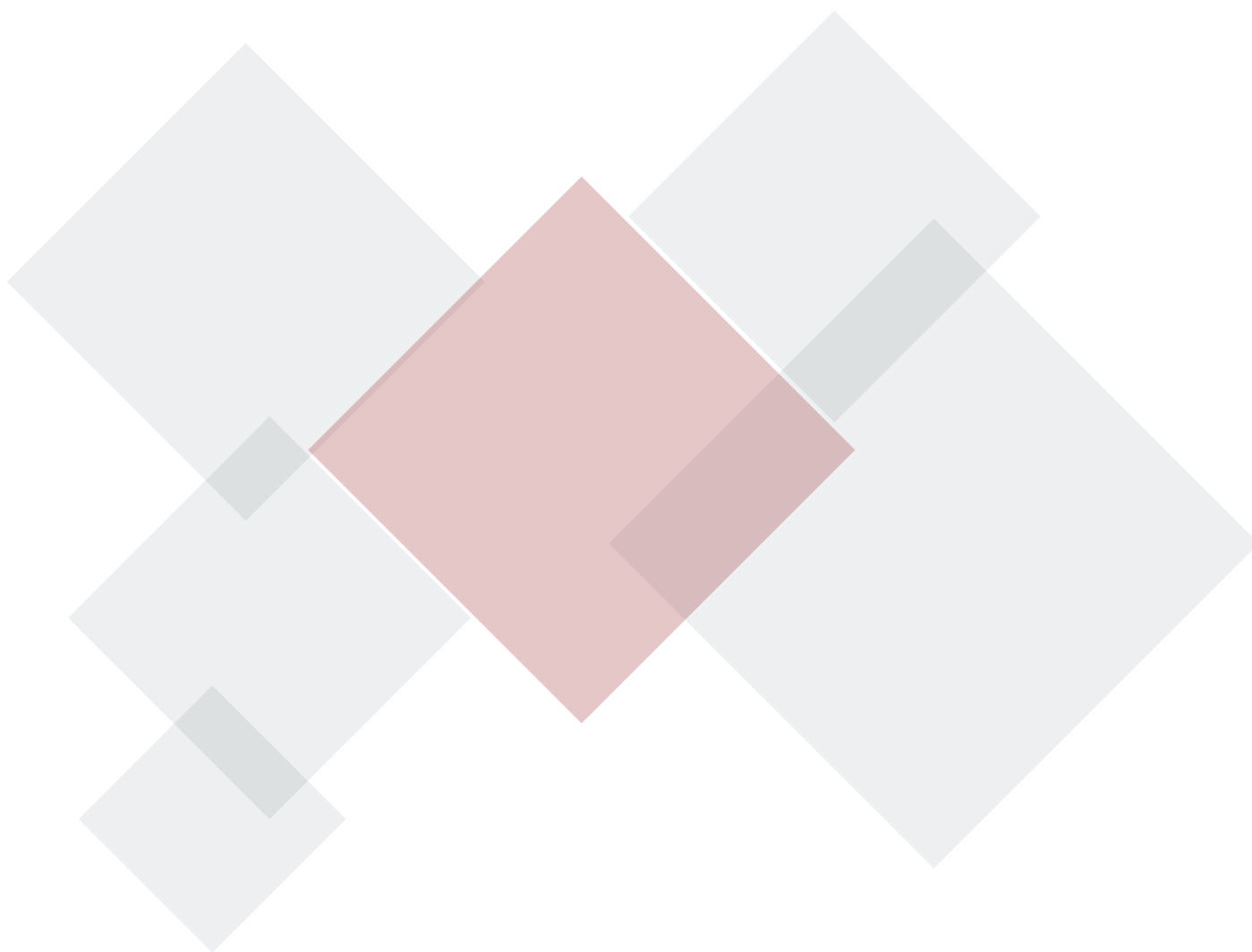
- Carbon Emissions Management
- Waste Management i.e. reduce, reuse & recycle
- Green Office Program i.e. internal energy conservation and paper reduction project
- Air Quality



# Scaling for Impact

Over the years, TPL has supported more than 50 non-profit organizations, educational institutes and charitable trusts across Pakistan, ranging from local charities to international NGOs and universities. We aim to understand the challenges being faced by our communities to make collective change.





# Horizontal Analysis Balance Sheet

	2022		2021		2020		2019	
	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %
Fixed Assets	736,172,722	-34%	1,118,248,281	6%	1,059,232,338	-34%	1,602,145,206	44%
Intangible Assets	2,140,841,064	0%	2,131,271,500	0%	2,138,388,733	86%	1,151,299,734	0%
Right-of-use assets	118,591,439	10%	107,974,195	49%	72,269,178	100%	-	0%
Long-term investments	194,552,732	0%	194,552,732	129%	85,030,450	0%	85,030,450	100%
Long term loans	471,612	129%	205,713	-69%	669,898	5%	637,436	46%
Long term deposits	37,699,947	44%	26,194,868	-23%	33,953,962	-28%	47,100,425	-11%
Deferred tax assets - net	198,197,600	232%	59,673,043	-6%	63,764,748	788%	7,178,349	431%
Stock-in-trade	369,984,768	-12%	420,445,073	71%	246,221,725	-8%	266,339,657	-18%
Trade debts	819,745,922	-27%	1,123,767,028	10%	1,022,872,997	-22%	1,309,502,023	1%
Loan and advances	34,329,356	-46%	63,023,917	-42%	107,834,467	173%	39,435,026	-1%
Trade deposits and prepayments	34,253,270	6%	32,412,327	-47%	61,494,946	41%	43,674,281	-14%
Interest accrued	355,675,133	22%	291,255,846	127%	128,444,634	76%	73,054,250	131%
Other receivables	29,158,769	66%	17,607,533	-40%	29,339,542	111%	13,934,042	-26%
Due from related parties	915,409,731	-39%	1,493,574,743	39%	1,071,684,058	86%	576,290,498	81%
Taxation - net	-	0%	-	0%	-	-100%	42,478,304	220%
Cash and bank balances	120,014,072	-9%	132,203,982	588%	19,221,288	-3%	19,830,816	40%
<b>TOTAL ASSETS</b>	<b>6,105,098,137</b>		<b>7,212,410,781</b>		<b>6,140,422,964</b>		<b>5,277,930,497</b>	
Issued, subscribed and paid-up capital	1,872,630,930	0%	1,872,630,930	55%	1,204,425,930	30%	929,262,520	54%
Capital reserve	202,650,046	-13%	232,690,046	58%	146,817,136	100%	-	0%
Revenue reserve	44,227,795	-123%	(189,432,169)	131%	(82,063,384)	-164%	128,476,899	-65%
Other components of equity	77,760,820	-79%	362,683,585	28%	284,432,213	-49%	555,272,027	143%
Long-term financing	769,301,702	-27%	1,049,650,530	167%	393,263,634	31%	300,000,000	-50%
Lease liabilities	89,833,930	10%	81,889,252	210%	26,419,021	-49%	52,145,571	10246%
Long-term loans	-	-100%	68,367,855	-70%	227,448,306	53%	148,888,890	-52%
Government grant	-	-100%	797,103	-55%	1,781,008	100%	-	0%
Trade and other payables	1,075,878,630	-17%	1,293,755,026	38%	935,825,506	25%	750,929,062	9%
Accrued mark-up	72,529,878	-25%	96,437,639	-31%	140,061,771	106%	68,100,451	11%
Short-term financing	196,701,371	-17%	235,953,736	-83%	1,394,169,173	10846%	12,737,305	-34%
Running finance under mark-up arrangements	767,102,058	-28%	1,062,507,117	-4%	1,105,194,287	12%	988,025,014	5%
Current portion of non-current liabilities	405,261,087	-46%	753,189,884	185%	264,050,183	-58%	627,321,359	86%
Due to related parties	414,753,666	85%	224,422,893	370%	47,772,963	-93%	670,119,700	53%
Taxation - net	28,098,976	-9%	31,014,251	127%	13,685,055	100%	-	0%
Advance monitoring fees	88,367,248	146%	35,853,103	-3%	37,140,162	-20%	46,651,699	25%
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,105,098,137</b>		<b>7,212,410,781</b>		<b>6,140,422,964</b>		<b>5,277,930,497</b>	

# Horizontal Analysis Profit and Loss Account

	2022		2021		2020		2019	
	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %
Turnover - net	2,106,468,500	12%	1,886,241,808	18%	1,605,235,951	-9%	1,771,864,595	7%
Cost of sales	(1,360,234,223)	6%	(1,280,126,555)	5%	(1,222,154,752)	59%	(767,114,950)	16%
Gross profit	746,234,277	23%	606,115,253	58%	383,081,199	-62%	1,004,749,645	1%
Distribution expenses	(105,861,119)	9%	(97,174,335)	-7%	(105,041,628)	-63%	(286,453,301)	9%
Administrative expenses	(359,924,460)	13%	(319,069,004)	-14%	(370,420,607)	1%	(368,309,884)	-11%
Operating profit / (loss)	280,448,698	48%	189,871,914	-306%	(92,381,036)	-126%	349,986,460	8%
Other expenses	-	0%	-	0%	-	-100%	(30,822,802)	62%
Research and development expenses	(77,654,755)	0%	(77,725,874)	238%	(23,028,138)	100%	-	0%
Finance costs	(326,958,014)	-16%	(389,542,836)	-24%	(515,317,204)	66%	(309,959,166)	38%
Other Income	210,638,359	10%	191,100,087	19%	161,224,750	162%	61,484,097	28%
Profit / (Loss) before taxation	86,474,288	-200%	(86,296,709)	-82%	(469,501,628)	-764%	70,688,589	-45%
Taxation	110,640,723	-426%	(33,905,584)	-409%	10,984,235	-132%	(34,825,647)	11%
Profit / (Loss) after taxation	197,115,011	-264%	(120,202,293)	-74%	(458,517,393)	-1379%	35,862,942	-63%
Other comprehensive income / (loss)	-	-100%	77,760,820	-915%	(9,538,644)	-103%	327,456,882	100%
Total comprehensive income / (loss)	197,115,011	-564%	(42,441,473)	-91%	(468,056,037)	-229%	363,319,824	273%

# Vertical Analysis Balance Sheet

	2022		2021		2020		2019	
	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %
Fixed Assets	736,172,722	12.06%	1,118,248,281	15.50%	1,059,232,338	17.25%	1,602,145,206	30.36%
Intangible Assets	2,140,841,064	35.07%	2,131,271,500	29.55%	2,138,388,733	34.82%	1,151,299,734	21.81%
Right-of-use assets	118,591,439	1.94%	107,974,195	1.50%	72,269,178	1.18%	-	0.00%
Long-term investments	194,552,732	3.19%	194,552,732	2.70%	85,030,450	1.38%	85,030,450	1.61%
Long term loans	471,612	0.01%	205,713	0.00%	669,898	0.01%	637,436	0.01%
Long term deposits	37,699,947	0.62%	26,194,868	0.36%	33,953,962	0.55%	47,100,425	0.89%
Deferred tax assets - net	198,197,600	3.25%	59,673,043	0.83%	63,764,748	1.04%	7,178,349	0.14%
Stock-in-trade	369,984,768	6.06%	420,445,073	5.83%	246,221,725	4.01%	266,339,657	5.05%
Trade debts	819,745,922	13.43%	1,123,767,028	15.58%	1,022,872,997	16.66%	1,309,502,023	24.81%
Loan and advances	34,329,356	0.56%	63,023,917	0.87%	107,834,467	1.76%	39,435,026	0.75%
Trade deposits and prepayments	34,253,270	0.56%	32,412,327	0.45%	61,494,946	1.00%	43,674,281	0.83%
Interest accrued	355,675,133	5.83%	291,255,846	4.04%	128,444,634	2.09%	73,054,250	1.38%
Other receivables	29,158,769	0.48%	17,607,533	0.24%	29,339,542	0.48%	13,934,042	0.26%
Due from related parties	915,409,731	14.99%	1,493,574,743	20.71%	1,071,684,058	17.45%	576,290,498	10.92%
Taxation - net	-	0.00%	-	0.00%	-	0.00%	42,478,304	0.80%
Cash and bank balances	120,014,072	1.97%	132,203,982	1.83%	19,221,288	0.31%	19,830,816	0.38%
<b>TOTAL ASSETS</b>	<b>6,105,098,137</b>	<b>100%</b>	<b>7,212,410,781</b>	<b>100%</b>	<b>6,140,422,964</b>	<b>100%</b>	<b>5,277,930,497</b>	<b>100%</b>
Issued, subscribed and paid-up capital	1,872,630,930	30.67%	1,872,630,930	25.96%	1,204,425,930	19.61%	929,262,520	17.61%
Capital reserve	202,650,046	3.32%	232,690,046	3.23%	146,817,136	2.39%	-	0.00%
Revenue reserve	44,227,795	0.72%	(189,432,169)	-2.63%	(82,063,384)	-1.34%	128,476,899	2.43%
Other components of equity	77,760,820	1.27%	362,683,585	5.03%	284,432,213	4.63%	555,272,027	10.52%
Long-term financing	769,301,702	12.60%	1,049,650,530	14.55%	393,263,634	6.40%	300,000,000	5.68%
Lease liabilities	89,833,930	1.47%	81,889,252	1.14%	26,419,021	0.43%	52,145,571	0.99%
Long-term loans	-	0.00%	68,367,855	0.95%	227,448,306	3.70%	148,888,890	2.82%
Government grant	-	0.00%	797,103	0.01%	1,781,008	0.03%	-	0.00%
Trade and other payables	1,075,878,630	17.62%	1,293,755,026	17.94%	935,825,506	15.24%	750,929,062	14.23%
Accrued mark-up	72,529,878	1.19%	96,437,639	1.34%	140,061,771	2.28%	68,100,451	1.29%
Short-term financing	196,701,371	3.22%	235,953,736	3.27%	1,394,169,173	22.70%	12,737,305	0.24%
Running finance under mark-up arrangements	767,102,058	12.56%	1,062,507,117	14.73%	1,105,194,287	18.00%	988,025,014	18.72%
Current portion of non-current liabilities	405,261,087	6.64%	753,189,884	10.44%	264,050,183	4.30%	627,321,359	11.89%
Due to related parties	414,753,666	6.79%	224,422,893	3.11%	47,772,963	0.78%	670,119,700	12.70%
Taxation - net	28,098,976	0.46%	31,014,251	0.43%	13,685,055	0.22%	-	0.00%
Advance monitoring fees	88,367,248	1.45%	35,853,103	0.50%	37,140,162	0.60%	46,651,699	0.88%
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,105,098,137</b>	<b>100%</b>	<b>7,212,410,781</b>	<b>100%</b>	<b>6,140,422,964</b>	<b>100%</b>	<b>5,277,930,497</b>	<b>100%</b>

# Vertical Analysis of Profit and Loss Account

	2022		2021		2020		2019	
	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %	Rupees	Variance %
Turnover - net	2,106,468,500	100%	1,886,241,808	100%	1,605,235,951	100%	1,771,864,595	100%
Cost of sales	(1,360,234,223)	-65%	(1,280,126,555)	-68%	(1,222,154,752)	-76%	(767,114,950)	-43%
Gross profit	746,234,277	35%	606,115,253	32%	383,081,199	24%	1,004,749,645	57%
Distribution expenses	(105,861,119)	-5%	(97,174,335)	-5%	(105,041,628)	-7%	(286,453,301)	-16%
Administrative expenses	(359,924,460)	-17%	(319,069,004)	-17%	(370,420,607)	-23%	(368,309,884)	-21%
Operating profit / (loss)	280,448,698	13%	189,871,914	10%	(92,381,036)	-6%	349,986,460	20%
Other expenses	-	0%	-	0%	-	0%	(30,822,802)	-2%
Research and development expenses	(77,654,755)	-4%	(77,725,874)	-4%	(23,028,138)	-1%	-	0%
Finance costs	(326,958,014)	-16%	(389,542,836)	-21%	(515,317,204)	-32%	(309,959,166)	-17%
Other Income	210,638,359	10%	191,100,087	10%	161,224,750	10%	61,484,097	3%
Profit / (Loss) before taxation	86,474,288	4%	(86,296,709)	-5%	(469,501,628)	-29%	70,688,589	4%
Taxation	110,640,723	5%	(33,905,584)	-2%	10,984,235	1%	(34,825,647)	-2%
Profit / (Loss) after taxation	197,115,011	9%	(120,202,293)	-6%	(458,517,393)	-29%	35,862,942	2%
Other comprehensive income / (loss)	-	0%	77,760,820	4%	(9,538,644)	-1%	327,456,882	18%
Total comprehensive income / (loss)	197,115,011	9%	(42,441,473)	-2%	(468,056,037)	-29%	363,319,824	21%

# Cash Flow Analysis

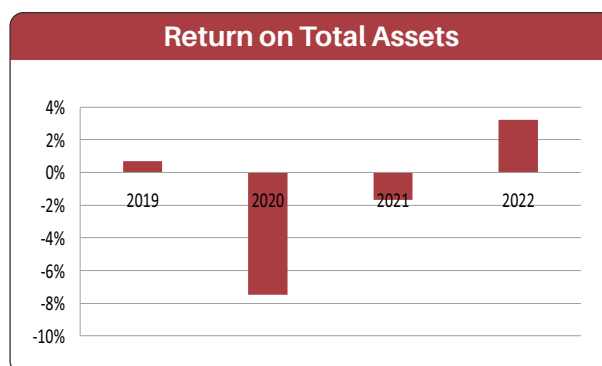
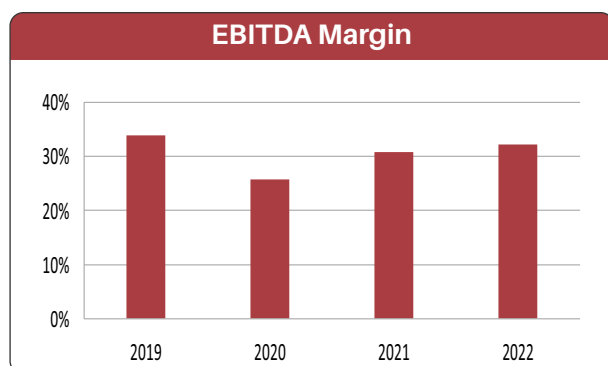
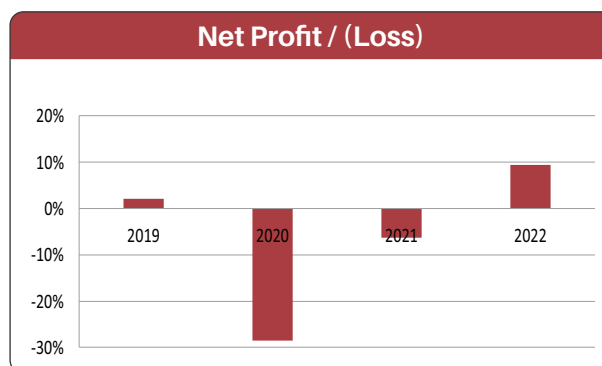
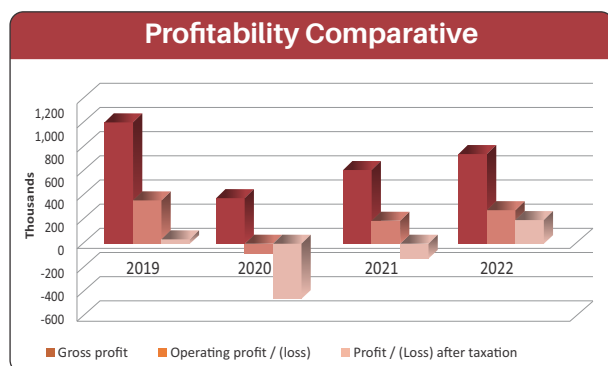
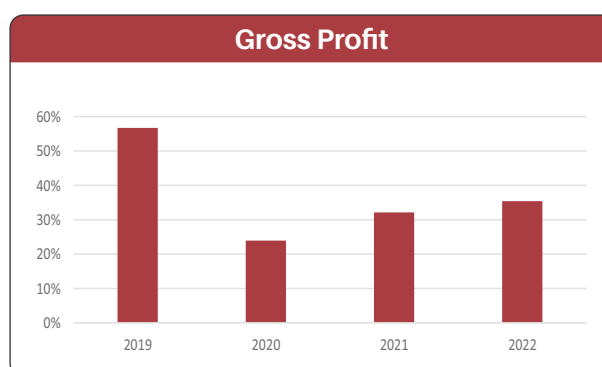
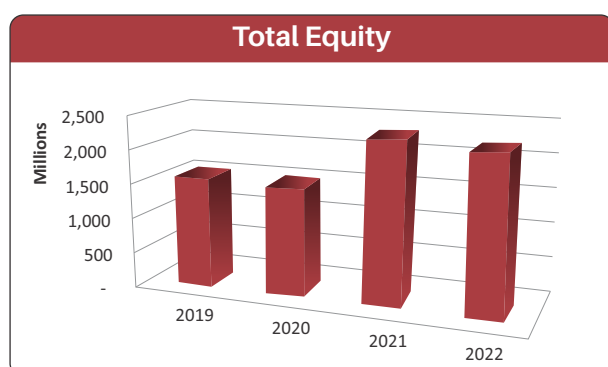
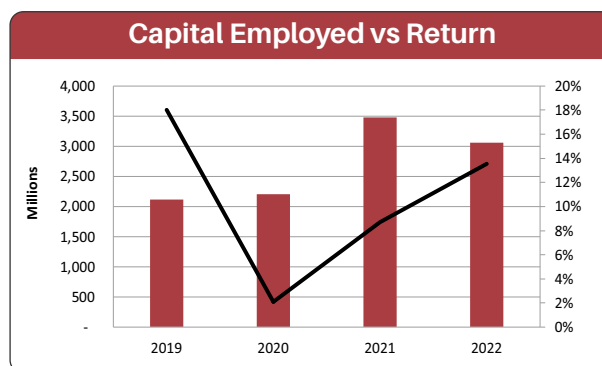
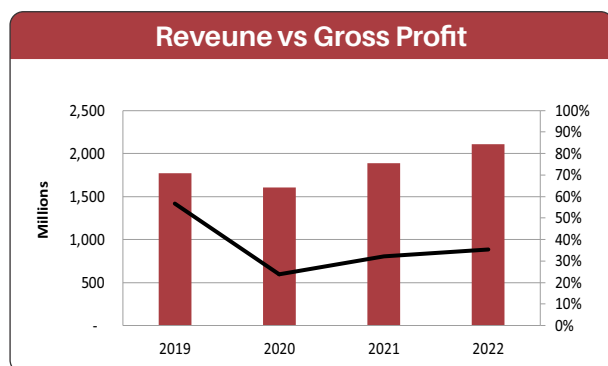
	2022	2021	2020	2019
	-----Rupees-----			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit / (Loss) before taxation	86,474,288	(86,296,709)	(469,501,628)	70,688,589
Adjustment for non cash charges and other items:				
Depreciation on operating fixed assets	250,020,167	254,267,804	240,308,576	216,323,634
Depreciation on Right-of-use assets	69,110,403	66,938,503	82,131,716	-
Allowance / (Reversal) for expected credit loss (ECL)	4,025,029	(4,814,014)	(21,406,034)	4,150,708
Amortisation of intangible assets	15,635,790	22,557,366	45,282,814	3,637,431
Finance cost	311,535,697	389,542,836	515,317,204	309,959,166
Gain on disposal of property, plant and equipment	(44,636,606)	(39,300)	(344,817)	(3,034,752)
Reversal of Deferred Tax asset on surplus of revaluation of PPE	2,642,191	-	-	-
Amortization of government grant	(5,950,600)	(10,472,666)	(2,416,771)	-
Share based payment	(30,040,000)	30,040,000	-	-
Exchange loss / (gain) - net	15,422,317	(3,173,759)	(639,152)	11,151,268
Operating profit before working capital changes	587,764,388	744,846,770	858,233,536	542,187,455
	674,238,676	658,550,061	388,731,908	612,876,044
(Increase) / decrease in current assets				
Stock-in-trade	(144,402,615)	(259,608,692)	20,117,932	(141,029,292)
Trade debts	299,996,077	(96,080,017)	278,242,209	(48,890,303)
Loans and advances	28,694,561	44,810,550	(68,399,441)	532,099
Trade deposits and prepayments	(1,840,943)	29,082,619	(15,588,899)	(4,319,719)
Other receivables	(11,551,236)	11,732,009	1,594,500	4,990,375
Interest Accrued	(64,419,287)	(162,811,212)	(108,680,690)	(41,419,482)
Due from related parties	578,165,012	(421,890,685)	(985,890,100)	(257,654,734)
	684,641,569	(854,765,428)	(878,604,489)	(487,791,056)
(Decrease) / increase in current liabilities				
Trade and other payables	(233,298,713)	354,755,761	169,508,573	63,471,387
Due to a related party	190,330,773	176,649,930	(623,577,070)	233,262,538
Advance monitoring fees	52,514,145	(1,287,059)	(9,511,537)	9,188,023
	9,546,205	530,118,632	(463,580,034)	305,921,948
Cash generated from operations	1,368,426,450	333,903,265	(953,452,615)	431,006,936
Receipts / (payments) for :				
Finance cost	(320,045,485)	(413,001,954)	(411,482,742)	(303,416,232)
Income taxes	(33,441,300)	(44,045,779)	9,753,822	(71,902,319)
	(353,486,785)	(457,047,733)	(401,728,920)	(375,318,551)
Net cash generated from / (used in) operating activities	1,014,939,665	(123,144,468)	(1,355,181,535)	55,688,385
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of - property and equipment	(76,174,886)	(110,161,786)	(17,379,690)	(50,853,791)
- capital work-in-progress	(23,466,625)	(83,426,500)	-	(50,459,257)
- intangible	(25,205,354)	(15,440,133)	(87,974,492)	(2,929,530)
Sale proceed from fixed assets	222,818,617	334,965	323,464,876	3,427,814
Long-term deposits	(11,505,079)	(26,846,688)	18,146,463	5,868,076
Long-term loans	(265,899)	464,185	(32,462)	(200,859)
Sale proceed from encashment of term deposit receipts	-	-	-	200,000,000
Net cash generated from / (used in) investing activities	86,200,774	(235,075,957)	236,224,695	104,852,453
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Lease liabilities repaid	(84,761,115)	(70,205,689)	(90,639,000)	(9,176,330)
Proceeds from issuance of ordinary shares	-	801,846,000	-	-
Long-term loans - net	(137,097,578)	(122,331,194)	(82,715,125)	(152,252,399)
Long term financing - net	(556,814,232)	1,127,280,639	(205,807,641)	(35,157,167)
Share issuance cost	-	(64,484,030)	(13,324,060)	-
Short-term financing	(39,252,365)	(1,158,215,437)	1,381,431,868	(6,443,899)
Net cash (used in) / generated from financing activities	(817,925,290)	513,890,289	988,946,042	(203,029,795)
Net increase / (decrease) in cash and cash equivalents	283,215,149	155,669,864	(125,520,749)	(42,488,957)
Cash and cash equivalents at the beginning of the year	(930,303,135)	(1,085,972,999)	(968,194,198)	(925,705,241)
Cash and cash equivalents transferred under the scheme	-	-	7,741,948	-
Cash and cash equivalents at the end of the year	(647,087,986)	(930,303,135)	(1,085,972,999)	(968,194,198)



# Ratio Analysis

		2022	2021	2020	2019
<u>Profitability Ratios</u>					
Gross Profit to Sales	percent	35%	32%	24%	57%
Net Profit to Sales	percent	9%	-6%	-29%	2%
EBITDA Margin to sales	percent	32%	31%	26%	34%
Return on Equity	percent	9%	-5%	-30%	2%
Return on Capital Employed	percent	14%	9%	2%	18%
<u>Liquidity Ratios</u>					
Current Ratio	Ratio	0.96	0.96	0.68	0.75
Quick / Acid test ratio	Ratio	0.84	0.84	0.62	0.67
Cash to Current Liabilities	Ratio	0.035	0.035	0.005	0.006
Cashflow from Operations to Sales	Ratio	0.48	-0.07	-0.84	0.03
<u>Activity/ Turnover Ratios</u>					
Inventory turnover	Number of times	6	4	7	7
No of days in inventory	Number of days	64	81	56	55
Debtor turnover	Number of times	2.57	1.68	1.57	1.35
No of days in Receivables	Number of days	142	217	233	270
Credit turnover	Number of times	1.26	0.99	1.31	1.02
No of days in Payables	Number of days	289	369	279	357
Net Operating cycle	Number of days	-83	-70	9	-33
Total asset turnover	percent	35%	26%	26%	34%
Fixed assets turnover	percent	61%	52%	46%	61%
<u>Investment Valuation Ratios</u>					
Earnings / (Loss) per Share	Rs	1.05	-0.64	-3.81	0.30
<u>Capital structure Ratios</u>					
Financial leverage Ratio	Ratio	0.95	1.37	2.14	1.27
Debt Equity Ratio	Ratio	0.49	0.58	0.68	0.56
Interest cover Ratio	Ratio	1.26	0.78	0.09	1.23

# Graphical Presentation of Key Financial Ratios



# Statement of Value Addition and its Distribution

2022		2021	
Rupees	%	Rupees	%

## WEALTH GENERATED

Total revenue inclusive of sales tax & other income	2,638,041,041		2,375,714,524	
Cost of Sales and services (excluding salaries)	(1,028,771,756)		(957,646,456)	
	1,609,269,285	100%	1,418,068,068	100%

## WEALTH DISTRIBUTION

### To Employees

Salaries, benefits and other costs	638,902,210	40%	621,588,471	44%
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### To Government

Income tax, sales tax, excise duty and others	351,460,207	22%	359,747,604	25%
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### To Society

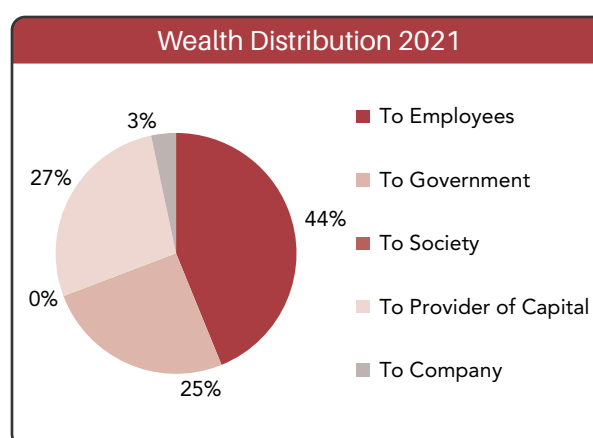
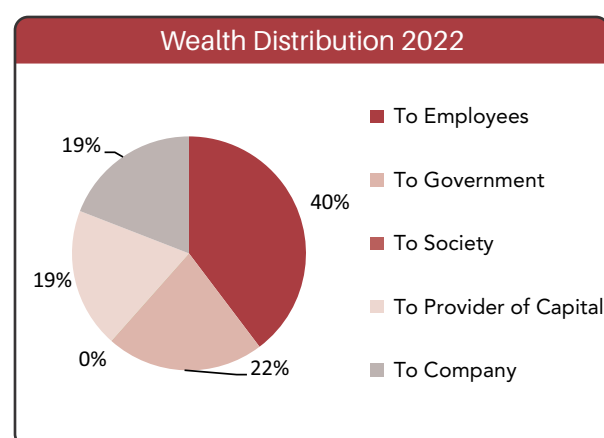
Donation towards education, health and environment	-	0%	-	0%
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### To Provider of Capital

Dividend to shareholders	-		-	
Markup / Interest expenses on borrowed funds	311,535,697	19%	389,542,836	27%

### To Company

Depreciation, amortisation & accumulated profits / losses	307,371,171	19%	47,189,157	3%
	1,609,269,285	100%	1,418,068,068	100%



# Directors' Report

On behalf of the Board of Directors of TPL Trakker Limited, we are pleased to present the annual financial statements with the performance review of the Company for the year ended June 30, 2022.

## 1. ECONOMIC OUTLOOK

Collective efforts around the world in response to the COVID-19 pandemic seemed to have stabilized the overall economic scenario to a certain extent. However, the Russia-Ukraine conflict created a new set of challenges not limited to rising commodity and energy prices, global monetary policy tightening, sustained supply chain disruptions and lower investor & business confidence.

Although, the country witnessed GDP growth of 5.97% for the FY 2021-22, average inflation during the year clocked at 21%, the highest in the last 13 years. The central bank increased the policy rate from 7% to 13.75% periodically during the year; however, the PKR witnessed significant depreciation, especially in the last quarter of FY 2021-22. All of the aforementioned factors coupled with the ongoing political instability pose threats to the overall economic growth of the country.

Cumulative Sales of cars and light commercial vehicles witnessed growth of 54% during the FY 2021-22 as compared to last year. The import of used vehicles also augmented by 32% in the same period respectively. Healthy performance by the auto finance sector coupled with the positive macro-economic indicators were the prime attributes for this, especially in first half of the FY 2021-22, however the external environment negatively affected the market in the second half.

Going forward, for the automotive & its related industries, the macroeconomic indicators appear challenging. However, the inflationary pressure is expected to subside, along with an improved foreign exchange situation on account of the recent approval of the revival of the Extended Fund Facility program by the International Monetary Fund (IMF) for the country.

## 2. GROUP PERFORMANCE

### Business Performance

	Unconsolidated			Consolidated	
	YE Jun 30, 2022	YE Jun 30, 2021		YE Jun 30, 2022	YE Jun 30, 2021
	----- Rs. In 000's -----			----- Rs. In 000's -----	
Turnover - net	2,106,469	1,886,242	Turnover - net	2,342,487	2,111,257
Gross Profit	746,234	606,115	Gross Profit	809,480	707,294
Operating Profit	280,449	189,872	Operating Profit	120,415	86,732
Profit / (Loss) before Tax	86,475	(86,297)	Loss before Tax	(87,777)	(75,005)
Taxation	110,640	(33,905)	Taxation	110,640	(33,905)
Profit / (Loss) after Tax	197,115	(120,202)	Profit / (Loss) after Tax	22,863	(108,910)
EPS - basic & diluted	1.05	(0.64)	EPS - basic & diluted	0.61	(0.31)

For the financial year 2021-2022 ended, the Company achieved consolidated revenues of Rs. 2.34 billion representing a growth of 11% when compared with last year. The Company also witnessed an improvement in its operating profit by 39% relative to the last year on consolidated basis. The Connected Car segment contributed 51% to the topline of the Company, where 7% growth was observed from last year, whereas the Digital Mapping & Location services exceeded expectation by achieving 21% over last year. The Company reported profit after tax of PKR 197.12 million and PKR 22.86 million on unconsolidated and consolidated basis respectively as compared to last year resulting in the bottom line improvement by 264% and 121% respectively.

# Directors' Report

## Future Outlook – Connected Car & Industrial Internet of Things (IOT)

Pakistan started facing heavy political and economic turmoil during last quarter of FY21-22; effects of which are still reaching into FY 22-23. Production of vehicles in Pakistan came to standstill due to unavailability and inaccessibility of importing materials for production. However, production has started albeit at a very slow pace. On the other side, sales of used cars have picked up mimicking a new car purchase behavior with consumers safeguarding their recent purchase with tracker installations.

SBP regulations have further tightened impacting on the car financing and consumer buying power. Some OEM have started accepting bookings and market is anticipated to pick up.

TPL Trakker will continue its focus on capturing the IOT market by offering new and competitive solutions. TPLT will be launching an innovative IOT Platform this year which will make our tracking and IOT services device agnostic – thus enabling the Company to capture a larger share of the market by providing easy portability of services from our competitors.

With rising fuel costs, Genset monitoring is a hot seller right now due to the need for optimization of fuel consumption. Sales of Video surveillance have also substantially picked up.

Overall the market situation is challenging but the challenges also present opportunities with our focus on capturing the used car market as well as a renowned focus on fuel monitoring solutions.

## Future Outlook – Digital Mapping & Location Services

This past year saw some worthy achievements being made by the TPL Maps team, such as winning and executing the custom scope to Rayn Group (Funded by Bill and Melinda Gates Foundation) for the Pakistan Polio Eradication Program, being awarded the development of the GIS system for service quality monitoring and 5G roll-out to Pakistan Telecommunication Authority and being awarded the tender to provide LBS to the National Emergency Helpline.

With these wins, TPL Maps has positioned itself as a formidable GIS player in the Pakistan's market. With a recent collaboration to be a reseller of premium Satellite Imagery, new avenues of revenue are expected to open up.

Considering this market reception, the TPL Management has decided to carve out the Maps division from TPL Trakker and launch it as a separate entity. Plans are underway to incorporate a HoldCo in Singapore and OpCo in Pakistan operating under the name of Astra Location Services. The vision behind this move is to invite external capital investment to boost up development and build new digital mapping products and services, and increase market reach through a dedicated growth team. This market positioning is expected to increase the growth of the Digital Maps and Location Services manifold.

New digital mapping and location products are under research and conceptualization and will be ready to go into development with the capital influx coming through. This coming year will also see the anticipated release of the TPL Maps consumer app. TPL Maps app will provide wide reaching awareness of TPL being in digital mapping and location services space and provide recognition and a boost to the enterprise services.

Pakistan is facing a natural calamity that has seen 33 million of the country's population being displaced due to floods. Organizations are coming together to serve the nation in their capacities – TPL Maps is in a strategic position to help out with relief and rehabilitation activities and is already collaborating to provide GIS and Location Services to National Disaster Management Authority and National Flood Coordination Center (NFRCC).

# Directors' Report

TPL Maps will also capture the upcoming National Elections wave by focusing on developing solutions for major media companies, political parties, Election Commission of Pakistan and public figures to integrate maps in their newsrooms, campaigns and strategies. We hope to develop and will provide live updates from elections with real-time results counter on the map, updates from polling stations of each constituency along the past election data for comparison. The live maps will be able to provide insights about the voter turnout according to the constituency, along with providing the number of votes each candidate gets.

With the Maps carve-out and additional investment expected to come in, focus will heavily be on product innovations, product development, and direct business growth – both in B2B and B2G, to achieve an exponential growth for Digital Maps and Location Services.

## COMPOSITION OF THE BOARD AND THE BOARD COMMITTEES

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

Male	Female
7	1

The composition of the Board is as follows:

Category	Names
Independent Directors	Mr. Omar Askari Ms. Nausheen Javaid Amjad Mr. Ahmad Zuberi
Executive Directors	Mr. Sarwar Ali Khan Brigadier (Retd) Muhammad Tahir Chaudhary
Non-Executive Directors	Mr. Jameel Yusuf Mr. Mohammad Riaz Mr. Ali Asgher

The Board has formed committees comprising of members given below:

Audit Committee	Mr. Ahmad Zuberi – Chairman Mr. Omar Askari – Member Mr. Mohammad Riaz – Member Mr. Hashim Sadiq Ali – Secretary
HR and Remuneration Committee	Mr. Ahmad Zuberi – Chairman Mr. Mohammad Riaz – Member Mr. Sarwar Ali Khan – Member Mr. Nader Nawaz – Secretary

# Directors' Report

## BOARD MEETINGS

The Board of Directors held 5 meetings during the financial year. Attendance of Directors is indicated below;

Name of Director	Meetings Attended
Mr. Jameel Yusuf S.St.	4
Mr. Sarwar Ali Khan	4
Mr. Omar Askari	5
Brigadier (Retd) Muhammad Tahir Chaudhary	5
Ms. Nausheen Javaid Amjad	5
Mr. Mohammad Riaz	5
Mr. Ahmad Zuberi	3
Ms. Ali Asgher	5

## DIRECTORS' REMUNERATION

A formal Director's Remuneration policy approved by the Board is in place. The policy includes transparent procedure for remuneration of directors in accordance with the Companies Act, 2017 and the Listed Companies Code of Corporate Governance, 2019. As per the said policy, Directors are paid a remuneration of PKR 100,000/- for attending each meeting of the Board or its sub-committees. Appropriate disclosure for remuneration / bonuses / incentives / stock options paid during the year to Directors and the Chief Executive has been provided in Note 44 to the unconsolidated financial statements.

## DIRECTOR'S TRAINING

Majority of the Board members have completed their certification while the directors, who do not hold the certification, are well conversant with their duties and responsibilities as directors of a listed company. The Company, however, aims to encourage the remaining directors, to complete their certification.

## STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK

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

- The financial statements, prepared by the Company present its state of affairs fairly the result of its operations, cash flows and changes in equity.
- The Company has maintained proper books of accounts as required under Companies Act, 2017.
- The Company has followed consistently appropriate accounting policies in the preparation of Financial Statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of the financial statements and any departure there from have been adequately disclosed and explained.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- Fundamentals of the Company are strong and there are no doubts about Company's ability to continue as a going concern.

# Directors' Report

- The Company has followed best practices of the Code of Corporate Governance as laid down in the listing regulation
- Key operating and financial data for the last four years in summarized form, is included in this annual report.
- Outstanding levies and taxes are given in the respective notes to the financial statements.

## PATTERN OF SHAREHOLDING

A statement of pattern of shareholding of the Company as at 30 June 2022 is as follows:

Particulars	No of Folio	Balance Share	Percentage
SPONSORS, DIRECTORS, CEO AND CHILDREN	4	4	0.00
ASSOCIATED COMPANIES	4	121,352,588	64.80
INSURANCE COMPANIES	1	2,499,000	1.33
MODARABAS AND MUTUAL FUNDS	16	29,537,000	15.77
GENERAL PUBLIC (LOCAL)	1,058	9,034,550	4.82
GENERAL PUBLIC (FOREIGN)	106	3,454,451	1.84
OTHERS	14	21,385,500	11.42
<b>Company Total</b>	<b>1,203</b>	<b>187,263,093</b>	<b>100</b>

Pattern of holding shares held by the shareholders of the Company as at June 30, 2022:

NO. OF SHAREHOLDERS	FROM	TO	SHARES HELD	PERCENTAGE
26	1	100	131	0.0001
385	101	500	191,917	0.1025
239	501	1,000	237,908	0.127
309	1,001	5,000	887,132	0.4737
88	5,001	10,000	767,417	0.4098
16	10,001	15,000	207,500	0.1108
24	15,001	20,000	459,500	0.2454
23	20,001	25,000	555,000	0.2964
7	25,001	30,000	203,500	0.1087
8	30,001	35,000	269,500	0.1439
5	35,001	40,000	190,000	0.1015
4	40,001	45,000	171,000	0.0913
12	45,001	50,000	593,500	0.3169
2	50,001	55,000	110,000	0.0587
2	60,001	65,000	123,500	0.066
2	65,001	70,000	136,500	0.0729
3	70,001	75,000	225,000	0.1202
1	75,001	80,000	79,000	0.0422
1	80,001	85,000	83,000	0.0443
6	95,001	100,000	600,000	0.3204
1	115,001	120,000	120,000	0.0641
1	135,001	140,000	140,000	0.0748
1	145,001	150,000	150,000	0.0801
1	150,001	155,000	154,000	0.0822
2	155,001	160,000	314,500	0.1679
1	160,001	165,000	163,500	0.0873



# Directors' Report

NO. OF SHAREHOLDERS	FROM	TO	SHARES HELD	PERCENTAGE
1	170,001	175,000	174,000	0.0929
1	175,001	180,000	180,000	0.0961
2	195,001	200,000	400,000	0.2136
1	210,001	215,000	213,000	0.1137
1	245,001	250,000	250,000	0.1335
2	265,001	270,000	537,000	0.2868
1	290,001	295,000	291,500	0.1557
1	310,001	315,000	315,000	0.1682
1	320,001	325,000	325,000	0.1736
1	360,001	365,000	361,500	0.193
1	410,001	415,000	411,000	0.2195
1	440,001	445,000	445,000	0.2376
1	510,001	515,000	510,500	0.2726
1	560,001	565,000	561,000	0.2996
1	565,001	570,000	567,500	0.303
1	655,001	660,000	660,000	0.3524
2	995,001	1,000,000	1,996,000	1.0659
1	1,545,001	1,550,000	1,546,500	0.8258
1	1,665,001	1,670,000	1,667,000	0.8902
1	1,985,001	1,990,000	1,989,500	1.0624
1	1,995,001	2,000,000	2,000,000	1.068
1	2,495,001	2,500,000	2,499,000	1.3345
1	2,820,001	2,825,000	2,824,500	1.5083
1	3,245,001	3,250,000	3,250,000	1.7355
1	4,150,001	4,155,000	4,152,000	2.2172
1	5,980,001	5,985,000	5,981,500	3.1942
1	8,140,001	8,145,000	8,140,500	4.3471
1	8,330,001	8,335,000	8,333,000	4.4499
1	9,430,001	9,435,000	9,431,000	5.0362
1	120,115,001	120,120,000	120,117,588	64.1438
<b>1203</b>	<b>Total</b>	<b>187,263,093</b>	<b>100</b>	

## ADDITIONAL INFORMATION

Associated Companies, Undertaking and Related Parties (name wise details)	No of shares held (June 30, 2022)
TPL CORP LIMITED	120,442,588
TPL HOLDINGS (PRIVATE) LIMITED	660,000
TPL DIRECT INSURANCE LIMITED EMPLOYEES PROVIDENT FUND	250,000
Mutual Funds (name wise details)	
CDC - TRUSTEE HBL INVESTMENT FUND	5,981,500
CDC - TRUSTEE HBL GROWTH FUND	9,431,000
CDC - TRUSTEE FAYSAL STOCK FUND	267,000
CDC - TRUSTEE AKD OPPORTUNITY FUND	1,667,000
CDC - TRUSTEE HBL - STOCK FUND	1,546,500
CDC - TRUSTEE NBP ISLAMIC SARMAYA IZAFAT FUND	120,000
CDC - TRUSTEE HBL MULTI - ASSET FUND	213,000
CDC - TRUSTEE AL HABIB STOCK FUND	200,000

# Directors' Report

CDC-TRUSTEE HBL ISLAMIC STOCK FUND	79,000
CDC - TRUSTEE HBL EQUITY FUND	8,140,500
CDC - TRUSTEE HBL IPF EQUITY SUB FUND	291,500
CDC - TRUSTEE HBL PF EQUITY SUB FUND	361,500
NEXT CAPITAL LIMITED - MF	996,000
MULTILINE SECURITIES LIMITED - MF	50,000
CDC - TRUSTEE HBL ISLAMIC EQUITY FUND	157,500
CDC - TRUSTEE AL HABIB ASSET ALLOCATION FUND	35,000
Directors, CEO and their Spouse and Minor Children (name wise details)	
Following directors are the non-executive / nominee directors of the Company and have shares of the Company as of June 30, 2022.	
Mr. Jameel Yusuf	1
Mr. Mohammad Riaz	1
Mr. Ali Asgher	-
Following directors are the independent directors of the Company and do not have any shares of the Company as of June 30, 2022.	
Mr. Omar Askari	
Ms. Nausheen Javaid Amjad	
Mr. Ahmad Zuberi	
Following directors are the executive directors of the Company and have shares of the Company as of June 30, 2022.	
Mr. Sarwar Ali Khan	1
Brigadier (Retd) Muhammad Tahir Chaudhary	1
Details of trading in the shares by the directors, CEO, CFO, Company Secretary, and their spouses and minor Children	
NONE OF DIRECTORS, CEO, COMPANY SECRETARY, AND THEIR SPOUSES AND MINOR CHILDREN HAS TRADED IN THE SHARES OF THE COMPANY DURING THE YEAR.	

## DIVIDEND

The Board of Directors has recommended holding the profit for the year as retained earnings to meet the Working Capital requirements and for investment in potential projects to enhance future profitability of the Company.

## ACKNOWLEDGEMENTS

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



SARWAR ALI KHAN  
CHIEF EXECUTIVE OFFICER



JAMEEL YUSUF (S.ST.)  
CHAIRMAN

# ڈائریکٹر رپورٹ

ٹی پی ایل ٹریڈر لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے ہم کمپنی کے سالانہ مالیاتی گوشوارے مع کارکردگی کا جائزہ برائے اختتام سال ۲۰۲۲، جون، ۲۰۲۲ پیش کرتے ہوئے انتہائی مسرت محسوس کر رہے ہیں۔

## ۱. معاشی جائزہ

وبائی مرض کو وید-۱۹ کے خلاف دنیا بھر کی اجتماعی کوششوں نے معاشی منظر نامے کو ایک حد تک مستحکم کیا ہے۔ تاہم، روس-یوکرین تنازعے کے باعث مشکلات و چیلنجز کا ایک نیا پہاڑ کھڑا ہو گیا ہے جو صرف اجناس اور توانائی کی قیمتوں میں اضافے، عالمی مالیاتی پالیسی میں سختی، سپلائی چین میں مسلسل رکاوٹوں اور سرمایہ کاروں اور کاروباری یقین و اعتماد میں کمی تک محدود نہیں رہا۔

اگرچہ ملک نے مالی سال ۲۰۲۱-۲۲ کے لیے جی ڈی پی کی شرح نمو ۵.۹۷ فیصد دیکھی، لیکن سال کے دوران اوسط مہنگائی ۲۱ فیصد رہی، جو گزشتہ ۱۳ سالوں میں سب سے زیادہ ہے۔ مرکزی بینک نے سال کے دوران وفاقاً پالیسی ریٹ کو ۷ فیصد سے بڑھا کر ۱۳.۷۵ فیصد کر دیا۔ تاہم، پاکستانی روپے میں خاص طور پر مالی سال ۲۰۲۱-۲۲ کی آخری سہ ماہی میں نمایاں کمی دیکھی گئی۔ جاری سیاسی عدم استحکام کے ساتھ مذکورہ بالا تمام عوامل ملک کی مجموعی اقتصادی ترقی کے لیے خطرہ ہیں۔

مالی سال ۲۰۲۱-۲۲ کے دوران کاروں اور ملکی کمرشل گاڑیوں کی مجموعی فروخت میں گزشتہ سال کے مقابلے میں ۵۴ فیصد اضافہ دیکھا گیا۔ اسی عرصے میں استعمال شدہ گاڑیوں کی دہائی مد میں بھی بالترتیب ۳۲ فیصد اضافہ ہوا۔ آٹو فنانس سیکٹر کی اچھی کارکردگی کے ساتھ ساتھ مثبت میکرو اکنامک انڈیکسز اس کے لیے اہم اوصاف تھے، خاص طور پر مالی سال ۲۰۲۱-۲۲ کی پہلی ششماہی میں، تاہم دوسری ششماہی میں بیرونی ماحول نے مارکیٹ کو منفی طور پر متاثر کیا۔

آگے بڑھتے ہوئے، آٹو میٹیو اور اس سے متعلقہ صنعتوں کے لیے، میکرو اکنامک اشاریے چیلنجز و مشکل دکھائی دیتے ہیں۔ تاہم، ملک کے لیے بین الاقوامی مالیاتی فنڈ (IMF) کی جانب سے فنڈ سہولت پروگرام کی توسیعی و بحالی کی حالیہ منظوری کی وجہ سے زرمبادلہ کی بہتر صورت حال کے ساتھ، افراط زر کا دباؤ کم ہونے کی توقع ہے۔

## ۲. گروپ کی کارکردگی۔

کاروباری کارکردگی:

متفقہ		غیر متفقہ		
سال اختتام	سال اختتام	سال اختتام	سال اختتام	
۲۰۲۱، جون	۲۰۲۲، جون	۲۰۲۱، جون	۲۰۲۲، جون	
-----روپے ۰۰۰ میں-----		-----روپے ۰۰۰ میں-----		
۲,۱۱۱,۲۵۷	۲,۳۴۲,۳۸۷	۱,۸۸۶,۲۴۲	۲,۱۰۶,۴۶۹	ٹرن اوور-نیٹ آمدنی
۷۰۷,۲۹۴	۸۰۹,۴۸۰	۶۰۶,۱۱۵	۷۴۶,۲۳۴	مجموعی منافع
۸۶,۷۳۲	۱۲۰,۴۱۵	۱۸۹,۸۷۲	۲۸۰,۴۴۹	انتظامی منافع
(۷۵,۰۰۵)	(۸۷,۷۷۷)	(۸۶,۲۹۷)	۸۶,۴۷۵	نفع/(نقصان) قبل از محصول
(۳۳,۹۰۵)	۱۱۰,۶۴۰	(۳۳,۹۰۵)	۱۱۰,۶۴۰	محصولات
(۱۰۸,۹۱۰)	۲۲,۸۶۳	(۱۲۰,۲۰۲)	۱۹۷,۱۱۵	نفع/(نقصان) بعد از محصول
(۰.۳۱)	۰.۶۱	(۰.۶۴)	۱.۰۵	EPS بنیادی اور تحلیل شدہ

## ڈائریکٹر رپورٹ

مالی سال ۲۰۲۱-۲۰۲۲ کے اختتام ہونے پر، کمپنی نے ۲۳۴ بلین روپے کی مجموعی آمدنی حاصل کی۔ جو گزشتہ سال کے مقابلے میں ۱۱ فیصد اضافے کی نمائندگی کرتا ہے۔ کمپنی نے اپنے انتظامی منافع میں بھی پچھلے سال کے مقابلے میں ۳۹ فیصد بہتری دیکھی ہے۔ کنیکٹڈ کار سیگمنٹ نے کمپنی کی ٹاپ لائن میں ۵۱ فیصد کا حصہ ڈالا، جہاں پچھلے سال کے مقابلے میں ۷ فیصد اضافہ دیکھا گیا، جب کہ ڈیجیٹل میپنگ اور لوکیشن سروسز نے پچھلے سال کے مقابلے میں توقعات سے تجاوز کرتے ہوئے ۲۱ فیصد منافع حاصل کیا۔ کمپنی نے گزشتہ سال کے مقابلے میں بالترتیب ۱۹۷۷ ملین پاکستانی روپے اور ۲۲۸۶ ملین پاکستانی روپے غیر متفقہ اور مستحکم بنیادوں پر بعد از محصول منافع کی اطلاع دی جس کے نتیجے میں بالترتیب ۲۶۴ فیصد اور ۱۲۱ فیصد کی چلی سطح میں بہتری آئی۔

### مستقبل کا جائزہ - کنیکٹڈ کار اور انڈسٹریل انٹرنیٹ آف تھنگز (IIOT)

پاکستان کو مالی سال ۲۱-۲۲ کی آخری سہ ماہی کے دوران بھاری سیاسی اور اقتصادی بحران کا سامنا کرنا شروع ہوا۔ جس کے اثرات ابھی بھی مالی سال ۲۲-۲۳ تک پہنچ رہے ہیں۔ پاکستان میں گاڑیوں کی پیداوار رک گئی تھی جس کی وجہ پر وڈکشن کے لیے سامان کی دہا کی عدم موجودگی اور عدم دستیابی ہے۔ تاہم پیداوار بہت سست رفتاری سے شروع ہوئی ہے۔ دوسری طرف، استعمال شدہ کاروں کی فروخت میں اضافہ ہوا ہے جس نے کار کی خریداری کے نئے رویے کی نقل کرتے ہوئے صارفین کو ٹریکر کی تنصیب کے ساتھ اپنی حالیہ خریداری کی حفاظت بھی کرنا ہے۔

SBP کے ضوابط کی مزید سختی نے کار فنانسنگ اور صارفین کی قوت خرید پر اثر ڈالا ہے۔ کچھ OEM نے بنگ قبول کرنا شروع کر دی ہے اور مارکیٹ میں تیزی آنے کی توقع ہے۔

TPL Trakker نے اور مسابقتی حل پیش کر کے IIOT مارکیٹ پر قبضہ کرنے پر اپنی توجہ جاری رکھے گا۔ TPL اس سال ایک اختراعی / جدید IIOT پلیٹ فارم متعارف کرائے گا جو ہماری ٹریکنگ اور IIOT سروسز کے آلے کو خود مختار بنائے گا۔ اس طرح کمپنی کو اس قابل بنائے گا کہ وہ اپنے حریفوں کے مقابلے خدمات کی سہولت اور پورٹیبلیٹی فراہم کر کے مارکیٹ کا بڑا حصہ حاصل کر سکے۔

اینڈھن کے بڑھتے ہوئے اخراجات کے ساتھ، اینڈھن کی کھپت کو بہتر بنانے کی ضرورت کی وجہ سے Genset مانیٹرنگ اس وقت ایک سب سے زیادہ کھنے والا پروڈکٹ ہے۔ ویڈیو سروسز کی فروخت میں بھی کافی اضافہ ہوا ہے۔

مجموعی طور پر مارکیٹ کی صورت حال چیلنجنگ ہے لیکن چیلنجز ہمارے استعمال شدہ کاروں کی مارکیٹ کو حاصل کرنے کے ساتھ ساتھ اینڈھن کی نگرانی کے سلوشنز پر خصوصی توجہ کے ساتھ مواقع بھی پیش کرتے ہیں۔

### مستقبل کا جائزہ - ڈیجیٹل میپنگ اور لوکیشن سروسز۔

اس پچھلے سال میں TPL Maps کی ٹیم کی جانب سے کچھ قابل قدر کامیابیاں حاصل کی گئی ہیں، جیسے کہ پاکستان سے پولیو کے خاتمے کے پروگرام کے لیے Rayn گروپ (بل اینڈ ملنڈ) گیس فاؤنڈیشن کے ذریعے فنڈڈ) کو اپنی مرضی کے دائرہ کار کو جیتنا اور اس پر عمل دہا کرنا، GIS سسٹم کی ڈویلپمنٹ سے نوانا جانا۔ سروس کے معیار کی نگرانی اور پاکستان ٹیلی کمیونیکیشن اتھارٹی کو ۵G رول آؤٹ کرنے اور نیشنل ایمرجنسی ہیلپ لائن کو LBS فراہم کرنے کے لیے ٹینڈر سے نوانا جا رہا ہے۔

ان فتوحات کے ساتھ، TPL Maps نے خود کو پاکستان کی مارکیٹ میں ایک مضبوط GIS پلیئر کے طور پر کھڑا کر دیا ہے۔ پریمیم سیٹلائٹ ایمرجی کے ری سیلر بننے کے لیے حالیہ تعاون کے ساتھ، آمدنی کی نئی راہیں کھلنے کی امید ہے۔

مارکیٹ کی اس پذیرائی کو دیکھتے ہوئے، ٹی پی ایل مینجمنٹ نے ٹی پی ایل ٹریکر سے نقشہ جات کے ڈویژن کو الگ کرنے اور اسے ایک علیحدہ ادارے کے طور پر شروع کرنے کا فیصلہ کیا ہے۔ سنگاپور میں ایک HoldCo اور پاکستان میں OpCo کو شامل کرنے کے منصوبے جاری ہیں جو Astra Location Services کے نام سے کام کر رہے ہیں۔ اس اقدام کے پیچھے کا نقطہ نظر نئی ڈیجیٹل میپنگ مصنوعات کی ترقی کو فروغ دینے اور سروسز کو بنانے کے لیے بیرونی سرمایہ کاری کو مدعو کرنا ہے، اور ایک مکمل وقف گرو تھ ٹیم کے ذریعے مارکیٹ کی رسائی کو بڑھانا ہے۔ مارکیٹ کی اس پوزیشننگ سے ڈیجیٹل میپس اور لوکیشن سروسز کی ترقی میں کئی گنا اضافہ متوقع ہے۔

## ڈائریکٹر رپورٹ

نئی ڈیجیٹل میپنگ اور لوکیشن پروڈکٹس تحقیق اور تصور میں ہیں اور سرمایہ کی آمد کے ساتھ ڈیولپمنٹ کے لیے تیار ہوں گے۔ اس آنے والے سال میں TPL Maps صارف ایپ کی متوقع ریلیز بھی نظر آئے گی۔ TPL Maps ایپ کے ڈیجیٹل میپنگ اور لوکیشن سروسز کی لوکیشن میں ہونے کے بارے میں وسیع پیمانے پر آگاہی فراہم کرے گی اور انٹرپرائز سروسز کو پہچان اور فروغ فراہم کرے گی۔

پاکستان ایک قدرتی آفت کا سامنا کر رہا ہے جس میں دیکھا جاسکتا ہے کہ ملک کی ۳۳ ملین آبادی سیلاب کی وجہ سے بے گھر ہو چکی ہے۔ تنظیمیں / آرگنائزیشنز اپنی صلاحیتوں کے مطابق قوم کی خدمت کے لیے اکٹھے ہو رہی ہیں۔ TPL Maps امداد اور بحالی کی سرگرمیوں میں مدد کرنے کے لیے ایک اسٹریٹجک پوزیشن میں ہے اور پہلے سے ہی نیشنل ڈیزاسٹر مینجمنٹ اتھارٹی اور نیشنل فلڈ کوآرڈینیشن سینٹر (NFRCC) کو GIS اور لوکیشن سروسز فراہم کرنے میں تعاون کر رہا ہے۔

TPL Maps بڑی میڈیا کمپنیوں، سیاسی جماعتوں، الیکشن کمیشن آف پاکستان اور عوامی شخصیات کے لیے اپنے نیوز رومز، کیمپینز اور حکمت عملیوں میں میپس کو مربوط کرنے کے لیے سلوشنز تیار کرنے پر توجہ مرکوز کرتے ہوئے آنے والے قومی انتخابات کی لہر کو بھی بروئے کار لائے گا۔ ہم امید کرتے ہیں کہ Maps پر فوری (real-time) نتائج کے کاؤنٹر کے ساتھ انتخابات سے لایو اپ ڈیٹس فراہم کریں گے، موازنہ کے لیے ہر حلقے کے پولنگ اسٹیشنوں کے ساتھ ماضی کے انتخابی اعداد و شمار کے ساتھ اپ ڈیٹس فراہم کریں گے۔ لائیو نقشے حلقے کے مطابق ووٹر ٹرن آؤٹ کے بارے میں اندرونی معلومات فراہم کرنے کے ساتھ ساتھ ہر امیدوار کو ملنے والے ووٹوں کی تعداد فراہم کرنے کے قابل ہوں گے۔

نقشہ سازی اور اضافی سرمایہ کاری کے آنے کی توقع کے ساتھ، ڈیجیٹل نقشہ جات اور لوکیشن کی سروسز کے لیے نمایاں ترقی حاصل کرنے کے لیے B2B اور B2G دونوں میں - مصنوعات کی اختراعات، مصنوعات کی ترقی، اور براہ راست کاروباری بڑھوتری پر توجہ مرکوز کی جائے گی۔

### بورڈ اور بورڈ کمیٹیوں کی تشکیل:

درج ذیل کے مطابق ڈائریکٹر کی کل تعداد آٹھ (۸) ہے۔

مرد	خواتین
۷	۱

بورڈ کی تشکیل درج ذیل ہے۔

کیئگری	نام
آزاد ڈائریکٹرز	جناب عمر عسکری محترمہ نوشین جاوید امجد جناب احمد زبیری
ایگزیکٹو ڈائریکٹرز	جناب سرور علی خان بریگیڈیئر (ریٹائرڈ) محمد طاہر چوہدری
غیر ایگزیکٹو ڈائریکٹرز	جناب جمیل یوسف ایس۔ ایس ٹی جناب محمد ریاض جناب علی اصغر

## ڈائریکٹر ز رپورٹ

بورڈ نے درج ممبران پر مشتمل کمیٹیاں تشکیل دی ہیں۔

آڈٹ کمیٹی	جناب احمد زبیری - چیئر مین جناب عمر عسکری - ممبر جناب محمد ریاض - ممبر جناب ہاشم صادق علی - سیکریٹری
ایچ آر اور معاوضہ کمیٹی	جناب احمد زبیری - چیئر مین جناب محمد ریاض - ممبر جناب سرور علی خان - ممبر جناب نادر نواز - سیکریٹری

### بورڈ کی میٹنگز:

بورڈ آف ڈائریکٹرز نے اس مالی سال کے دوران ۵ میٹنگز منعقد کیں۔ جس میں ڈائریکٹر کی حاضری درج ذیل بیان کی گئی ہے۔

ڈائریکٹر کے نام	حاضری میٹنگز
جناب جمیل یوسف ایس۔ ایس۔ ٹی۔	۴
جناب سرور علی خان	۴
جناب عمر عسکری	۵
بریگیڈیئر (ریٹائرڈ) محمد طاہر چوہدری	۵
محترمہ نوشین جاوید امجد	۵
جناب محمد ریاض	۵
جناب احمد زبیری	۳
جناب علی اصغر	۵

### ڈائریکٹر ز کا معاوضہ / مشاہرہ:

بورڈ آف ڈائریکٹر ز کے ذریعہ منظور شدہ، ایک باضابطہ ڈائریکٹر کی معاوضہ پالیسی موجود ہے۔ اس پالیسی میں کمپنیز ایکٹ، ۲۰۱۷ اور کارپوریٹ گورننس کے درج شدہ کمپنیز کوڈ ۲۰۱۹ کے مطابق ڈائریکٹروں کے معاوضے کے لئے ایک شفاف طریقہ کار شامل ہے۔ بورڈ اور سب کمیٹی / زیریں کمیٹی کے ہر اجلاس میں شرکت کرنے یا اس کے سب میٹنگ میں شرکت کرنے کے لئے ڈائریکٹر ز کو ۱۰۰،۰۰۰ پاکستانی روپے کا معاوضہ دیا جاتا ہے۔ سال کے دوران ڈائریکٹر ز اور چیف ایگزیکٹو کو ادا کیے گئے معاوضے / بونس / مراعات / اسٹاک آپشنز کے لیے مناسب معلومات نوٹ ۴۴ میں غیر متفقہ مالیاتی گوشواروں میں فراہم کیا گیا ہے۔

# ڈائریکٹر رپورٹ

## ڈائریکٹر کی تربیت:

بورڈ ممبران کی اکثریت نے اپنا سرٹیفیکیشن مکمل کر لیا ہے جبکہ وہ ڈائریکٹر جن کے پاس سرٹیفیکیشن نہیں ہے، لسٹڈ کمپنی کے ڈائریکٹر کے طور پر اپنے فرائض اور ذمہ داریوں سے بخوبی واقف ہیں۔ تاہم، کمپنی کا مقصد باقی ڈائریکٹر کی حوصلہ افزائی کرنا ہے، تاکہ وہ اپنے سرٹیفیکیشن کو مکمل کریں۔

## کارپوریٹ اور مالی رپورٹنگ فریم ورک پر بیان / بیانیہ:

سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے ذریعہ مقرر کردہ کوڈ آف کارپوریٹ گورننس کے تحت بورڈ کو اپنی کارپوریٹ ذمہ داریوں سے بخوبی آگاہی حاصل ہے اور اس بات کی تصدیق کرنے پر خوشی محسوس کرتے ہیں کہ:

- فنانسئل اسسٹنٹ، جو کہ کمپنی کی طرف سے پیش کئے گئے ہیں اس کی کاروائیوں، نقد بہاؤ اور ایکویٹی میں بدلاؤ کا نتیجہ منصفانہ طور پر پیش کیا گیا ہے۔
- کمپنی نے بک آف اکاؤنٹس کو مناسب طریقے سے برقرار رکھا ہے جو کہ کمپنیز آرڈیننس ۲۰۱۷ تحت ہے۔
- کمپنی نے فنانسئل اسسٹنٹ کی تیاری میں مستقل اکاؤنٹنگ کی پالیسیوں کی پیروی کی ہے اور محاسبہ کا تخمینہ معقول اور محتاط فیصلے پر مبنی ہے۔
- بین الاقوامی مالیاتی رپورٹنگ اسٹینڈرڈ، جو کہ پاکستان میں بھی جیسا قابل اطلاق ہے، مالی بیانات کی تیاری میں اس پر عمل کیا گیا ہے اور رپورٹنگ میں کسی بھی طرح کی رواجی کا مناسب طور پر انکشاف اور وضاحت کی گئی ہے۔
- اندرونی انتظام کو کنٹرول کرنے کا نظام بہت ہی بہترین طریقے سے تیار کیا گیا اور کافی موثر طریقے سے اس کا نفاذ بھی کیا گیا اور اس کی نگرانی بھی کی جا رہی ہے۔
- کمپنی کے بنیادی اصول مضبوط ہیں اور کمپنی کی صلاحیتوں کے بارے میں کوئی شک نہیں ہونا چاہئے جیسا کہ کچھ تشویش ظاہر کی جا رہی تھی۔
- کمپنی نے تمام کوڈ آف کارپوریٹ گورننس کے بہترین طریقوں کی پیروی و عمل کیا ہے جیسا کہ لسٹنگ ریگولیشن میں درج ہے۔
- گزشتہ چار سالوں سے جاری اہم آپریٹنگ اور مالی اعداد و شمار کو خلاصہ کی شکل میں، اس سالانہ رپورٹ میں شامل کیا گیا ہے۔
- فنانسئل اسسٹنٹ کے متعلقہ نوٹ میں بقایا محصول اور ادا کرنے والے ٹیکس کو ظاہر کیا گیا۔

## شیر ہولڈنگ کی ساخت / طریقہ کار:

۳۰ جون ۲۰۲۲ کو کمپنی کی شیر ہولڈنگ کی ساخت کا ایک گوشوارہ درج ذیل ہے۔

تفصیلات	فولیو کی تعداد	ہیلنس شیر	فیصد
معاونین ڈائریکٹر، سی ای او اور بچے	۴	۴	۰.۰۰۰
ایسوسی ایٹڈ کمپنیاں	۴	۱۲۱،۳۵۲،۵۸۸	۶۴.۸۰
بیہ کمپنیاں	۱	۲،۴۹۹،۰۰۰	۱.۳۳
مضاربے اور میوچوئل فنڈز	۱۶	۲۹،۵۳۷،۰۰۰	۱۵.۷۷
عام لوگ (مقامی)	۱۰۵۸	۹،۰۳۴،۵۵۰	۴.۸۲
عام لوگ (غیر مقامی)	۱۰۶	۳،۴۵۴،۴۵۱	۱.۸۴
دیگر	۱۴	۲۱،۳۸۵،۵۰۰	۱۱.۴۲
کمپنی کا کل مجموعہ	۱،۴۰۳	۱۸۷،۲۶۳،۰۹۳	۱۰۰.۰۰



## ڈائریکٹر رپورٹ

۳۰ جون ۲۰۲۲ کو کمپنی کے شیئر ہولڈرز کی تحویل میں موجود ہولڈنگ شیئر کی ساخت:

شیئر ہولڈرز کی تعداد	ابتدائی تعداد	اختتامی تعداد	زیر تحویل شیئرز	فیصد
۲۶	۱	۱۰۰	۱۳۱	۰.۰۰۰۱
۳۸۵	۱۰۱	۵۰۰	۱۹۱۹۱۷	۰.۱۰۲۵
۲۳۹	۵۰۱	۱۰۰۰	۲۳۷۹۰۸	۰.۱۲۷
۳۰۹	۱۰۰۱	۵۰۰۰	۸۸۷۱۳۲	۰.۴۷۳۷
۸۸	۵۰۰۱	۱۰۰۰۰	۷۶۷۴۱۷	۰.۴۰۹۸
۱۶	۱۰۰۰۱	۱۵۰۰۰	۲۰۷۵۰۰	۰.۱۱۰۸
۲۴	۱۵۰۰۱	۲۰۰۰۰	۲۵۹۵۰۰	۰.۲۴۵۴
۲۳	۲۰۰۰۱	۲۵۰۰۰	۵۵۵۰۰۰	۰.۲۹۶۴
۷	۲۵۰۰۱	۳۰۰۰۰	۲۰۳۵۰۰	۰.۱۰۸۷
۸	۳۰۰۰۱	۳۵۰۰۰	۲۶۹۵۰۰	۰.۱۴۳۹
۵	۳۵۰۰۱	۴۰۰۰۰	۱۹۰۰۰۰	۰.۱۰۱۵
۴	۴۰۰۰۱	۴۵۰۰۰	۱۷۱۰۰۰	۰.۰۹۱۳
۱۲	۴۵۰۰۱	۵۰۰۰۰	۵۹۳۵۰۰	۰.۳۱۶۹
۲	۵۰۰۰۱	۵۵۰۰۰	۱۱۰۰۰۰	۰.۰۵۸۷
۲	۶۰۰۰۱	۶۵۰۰۰	۱۲۳۵۰۰	۰.۰۶۶
۲	۶۵۰۰۱	۷۰۰۰۰	۱۳۶۵۰۰	۰.۰۷۲۹
۳	۷۰۰۰۱	۷۵۰۰۰	۲۲۵۰۰۰	۰.۱۲۰۲
۱	۷۵۰۰۱	۸۰۰۰۰	۷۹۰۰۰	۰.۰۴۲۲
۱	۸۰۰۰۱	۸۵۰۰۰	۸۳۰۰۰	۰.۰۴۴۳
۶	۹۵۰۰۱	۱۰۰۰۰۰	۶۰۰۰۰۰	۰.۳۲۰۴
۱	۱۱۵۰۰۱	۱۲۰۰۰۰	۱۲۰۰۰۰	۰.۰۶۴۱
۱	۱۳۵۰۰۱	۱۴۰۰۰۰	۱۴۰۰۰۰	۰.۰۷۴۸
۱	۱۴۵۰۰۱	۱۵۰۰۰۰	۱۵۰۰۰۰	۰.۰۸۰۱
۱	۱۵۰۰۰۱	۱۵۵۰۰۰	۱۵۴۰۰۰	۰.۰۸۲۲
۲	۱۵۵۰۰۱	۱۶۰۰۰۰	۳۱۴۵۰۰	۰.۱۶۷۹
۱	۱۶۰۰۰۱	۱۶۵۰۰۰	۱۶۳۵۰۰	۰.۰۸۷۳
۱	۱۷۰۰۰۱	۱۷۵۰۰۰	۱۷۴۰۰۰	۰.۰۹۲۹
۱	۱۷۵۰۰۱	۱۸۰۰۰۰	۱۸۰۰۰۰	۰.۰۹۶۱
۲	۱۹۵۰۰۱	۲۰۰۰۰۰	۲۰۰۰۰۰	۰.۲۱۳۶
۱	۲۱۰۰۰۱	۲۱۵۰۰۰	۲۱۳۰۰۰	۰.۱۱۳۷
۱	۲۳۵۰۰۱	۲۵۰۰۰۰	۲۵۰۰۰۰	۰.۱۳۳۵
۲	۲۶۵۰۰۱	۲۷۰۰۰۰	۵۳۷۰۰۰	۰.۲۸۶۸
۱	۲۹۰۰۰۱	۲۹۵۰۰۰	۲۹۱۵۰۰	۰.۱۵۵۷
۱	۳۱۰۰۰۱	۳۱۵۰۰۰	۳۱۵۰۰۰	۰.۱۶۸۲

## ڈائریکٹر رپورٹ

شیر ہولڈرز کی تعداد	ابتدائی تعداد	اختتامی تعداد	زیر تحویل شیئرز	فیصد
۱	۳۲۰۰۰۱	۳۲۵۰۰۰	۳۲۵۰۰۰	۰.۱۷۳۶
۱	۳۶۰۰۰۱	۳۶۵۰۰۰	۳۶۱۵۰۰	۰.۱۹۳
۱	۴۱۰۰۰۱	۴۱۵۰۰۰	۴۱۱۰۰۰	۰.۲۱۹۵
۱	۴۴۰۰۰۱	۴۴۵۰۰۰	۴۴۵۰۰۰	۰.۲۳۷۶
۱	۵۱۰۰۰۱	۵۱۵۰۰۰	۵۱۰۵۰۰	۰.۲۷۲۶
۱	۵۶۰۰۰۱	۵۶۵۰۰۰	۵۶۱۰۰۰	۰.۲۹۹۶
۱	۵۶۵۰۰۱	۵۷۰۰۰۰	۵۶۷۵۰۰	۰.۳۰۳
۱	۶۵۵۰۰۱	۶۶۰۰۰۰	۶۶۰۰۰۰	۰.۳۵۲۴
۲	۹۹۵۰۰۱	۱۰۰۰۰۰۰	۱۹۹۶۰۰۰	۱.۰۶۵۹
۱	۱۵۴۵۰۰۱	۱۵۵۰۰۰۰	۱۵۴۶۵۰۰	۰.۸۲۵۸
۱	۱۶۶۵۰۰۱	۱۶۷۰۰۰۰	۱۶۶۷۰۰۰	۰.۸۹۰۲
۱	۱۹۸۵۰۰۱	۱۹۹۰۰۰۰	۱۹۸۹۵۰۰	۱.۰۶۲۴
۱	۱۹۹۵۰۰۱	۲۰۰۰۰۰۰	۲۰۰۰۰۰۰	۱.۰۶۸
۱	۲۴۹۵۰۰۱	۲۵۰۰۰۰۰	۲۴۹۹۰۰۰	۱.۳۳۳۵
۱	۲۸۲۰۰۰۱	۲۸۲۵۰۰۰	۲۸۲۴۵۰۰	۱.۵۰۸۳
۱	۳۲۴۵۰۰۱	۳۲۵۰۰۰۰	۳۲۵۰۰۰۰	۱.۷۳۵۵
۱	۴۱۵۰۰۰۱	۴۱۵۵۰۰۰	۴۱۵۲۰۰۰	۲.۲۱۷۲
۱	۵۹۸۰۰۰۱	۵۹۸۵۰۰۰	۵۹۸۱۵۰۰	۳.۱۹۴۲
۱	۸۱۴۰۰۰۱	۸۱۴۵۰۰۰	۸۱۴۰۵۰۰	۴.۳۷۷۱
۱	۸۳۳۰۰۰۱	۸۳۳۵۰۰۰	۸۳۳۳۰۰۰	۴.۴۴۹۹
۱	۹۴۳۰۰۰۱	۹۴۳۵۰۰۰	۹۴۳۱۰۰۰	۵.۰۳۶۲
۱	۱۲۰۱۱۵۰۰۱	۱۲۰۱۲۰۰۰۰	۱۲۰۱۱۷۵۸۸	۶۴.۱۴۳۸
	۱۲۰۳	ٹوٹل	۱۸۷۲۶۳۰۹۳	۱۰۰.۰۰۰

### اضافی معلومات:

ایسوسی ایٹڈ کمپنیاں، ضمانت اور متعلقہ فریقین (تفصیلات بلحاظ نام)	زیر تحویل شیئرز کی تعداد (۳۰ جون ۲۰۲۲)
ٹی پی ایل کارپوریٹ لمیٹڈ	۱۲۰،۴۴۲،۵۸۸
ٹی پی ایل ہولڈنگز (پرائیوٹ) لمیٹڈ	۶۶۰،۰۰۰
ٹی پی ایل ڈائریکٹ انشورنس لمیٹڈ ایمپلائز پروویڈنٹ فنڈ	۲۵۰،۰۰۰
میو چل فنڈز (تفصیلات بلحاظ نام)	
سی ڈی سی- ٹرسٹی ایچ بی ایل انویسٹمنٹ فنڈ	۵،۹۸۱،۵۰۰
سی ڈی سی- ٹرسٹی ایچ بی ایل گروتھ فنڈ	۹،۴۳۱،۰۰۰
سی ڈی سی- ٹرسٹی فیصل اسٹاک فنڈ	۲۶۷،۰۰۰

## ڈائریکٹر رپورٹ

۱،۶۶۷،۰۰۰	سی ڈی سی۔ ٹرسٹی اے کے ڈی آپریٹوٹی فنڈ
۱،۵۳۶،۵۰۰	سی ڈی سی۔ ٹرسٹی ایچ بی ایل اسٹاک فنڈ
۱۲۰،۰۰۰	سی ڈی سی۔ ٹرسٹی این بی پی اسلامک سرمایہ اضافی فنڈ
۲۱۳،۰۰۰	سی ڈی سی۔ ٹرسٹی ایچ بی ایل ملٹی ایسٹ فنڈ
۲۰۰،۰۰۰	سی ڈی سی۔ ٹرسٹی الحیب اسٹاک فنڈ
۷۹،۰۰۰	سی ڈی سی۔ ٹرسٹی ایچ بی ایل اسلامک اسٹاک فنڈ
۸،۱۳۰،۵۰۰	سی ڈی سی۔ ٹرسٹی ایچ بی ایل ایکویٹی فنڈ
۲۹۱،۵۰۰	سی ڈی سی۔ ٹرسٹی ایچ بی ایل آئی پی ایف ایکویٹی سب فنڈ
۳۶۱،۵۰۰	سی ڈی سی۔ ٹرسٹی ایچ بی ایل پی ایف ایکویٹی سب فنڈ
۹۹۶،۰۰۰	ٹیکسٹ کیپٹل لمیٹڈ۔ ایم ایف
۵۰،۰۰۰	ملٹی لائن سیکورٹیز لمیٹڈ۔ ایم ایف
۱۵۷،۰۰۰	سی ڈی سی۔ ٹرسٹی ایچ بی ایل اسلامک ایکویٹی فنڈ
۳۵،۰۰۰	سی ڈی سی۔ ٹرسٹی الحیب ایسٹ ایلو کیشن فنڈ
	ڈائریکٹر، سی ای او اور ان کے شریک حیات اور نابالغ بچے (تفصیلات بلحاظ نام)
	درج ذیل ڈائریکٹر کمپنی کے نان ایگزیکٹو / نامزد ڈائریکٹر ہیں اور ۳۰ جون ۲۰۲۲ کو کمپنی کے شیئرز رکھتے ہیں۔
۱	جناب جمیل یوسف
۱	جناب محمد ریاض
-	جناب علی اصغر
	درج ذیل ڈائریکٹر کمپنی کے خود مختار ڈائریکٹر ہیں اور ۳۰ جون ۲۰۲۲ کو کمپنی کے کوئی شیئرز نہیں رکھتے ہیں۔
	جناب عمر عسکری
	محترمہ نوشین جاوید امجد
	جناب احمد زبیری
	درج ذیل ڈائریکٹر کمپنی کے ایگزیکٹو ڈائریکٹر ہیں اور ۳۰ جون ۲۰۲۲ کو کمپنی کے شیئرز رکھتے ہیں۔
۱	جناب سرور علی خان
۱	بریگیڈیئر (ریٹائرڈ) محمد طاہر چوہدری
	ڈائریکٹر، سی ای او، سی ایف او، کمپنی سیکریٹری اور ان کے شریک حیات اور نابالغ بچوں کی جانب سے شیئرز میں ٹریڈنگ کی تفصیلات
	کسی بھی ڈائریکٹر، سی ای او، سی ایف او، کمپنی سیکریٹری اور ان کے شریک حیات اور نابالغ بچوں کی جانب سے اس سال کمپنی کے شیئرز میں ٹریڈنگ نہیں کی گئی۔

## ڈائریکٹر رپورٹ

### ڈیوڈینٹ:

بورڈ آف ڈائریکٹرز نے سال کے لیے منافع کو برقرار رکھی ہوئی آمدنی کے طور پر رکھنے کی سفارش کی ہے تاکہ ورکنگ کیپیٹل کی ضروریات کو پورا کیا جاسکے اور کمپنی کے مستقبل کے منافع کو بڑھانے کے لیے ممکنہ منصوبوں میں سرمایہ کاری کی جاسکے۔

### اظہارِ تشکر:

کمپنی کے شیئر ہولڈرز نے ہم پر جس اعتماد کا اہار کیا اس پر ان کا تہ دل سے شکریہ ادا کرتے ہیں۔ ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، فیڈرل بورڈ آف ریونیو اور پاکستان اسٹاک ایکسچینج کی بیش قیمت معاونت اور رہنمائی کو بھی خراج تحسین پیش کرتے ہیں۔ ہم اپنے ملازمین، کاروباری پارٹنرز، وینڈرز، سپلائرز اور کسٹمرز کا بھی خلوص دل سے شکریہ ادا کرتے ہیں کہ انہوں نے ہمارے مقاصد کے حصول میں اپنا بھرپور کردار ادا کیا۔



جلیل یوسف (ایس۔ ایس۔ ٹی۔)  
چیرمین



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# Independent Auditor's Review Report

to the members of TPL Trakker Limited on the Statement of Compliance contained in the Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of TPL Trakker Limited (the Company) for the year ended June 30, 2022 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2022.

KARACHI

DATED: September 26, 2022

UDIN: CR2022100670pCbXqdW6

**BDO EBRAHIM & CO.**

CHARTERED ACCOUNTANTS

Engagement Partner: Zulfikar Ali Causer

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

Name of company : TPL Trakker Limited  
Year ended : June 30, 2022

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

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

Male	Female
7	1

2. The composition of the Board is as follows:

Category	Names
Independent Directors	Mr. Omar Askari Ms. Nausheen Javaid Amjad Mr. Ahmad Zuberi
Executive Directors	Mr. Sarwar Ali Khan Brigadier (R) Muhammad Tahir Chaudhary
Non-Executive Directors	Mr. Jameel Yusuf Mr. Mohammad Riaz Mr. Ali Asgher

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

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of significant policies, approved at group level, along with the dates on which they/policies were approved or amended has also been maintained by the Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ Shareholders as empowered by the relevant provisions of the Companies Act, 2017 ("Act") and the Listed Companies (Code of Corporate Governance), 2019 ("Regulations").
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.
8. The Board of Directors has a formal policy, at group level, and transparent procedures for remuneration of directors in accordance with the Act and these Regulations. However, the same will be presented to the Board at its meeting for the approval of the annual accounts.
9. The Board is in the process of compliance with the Directors' Training Program as required under Regulation 19 of the Listed Companies Code of Corporate Governance, 2019. Three of the Board members have completed their certification while the directors, who do not hold the certification, are well conversant with their duties and responsibilities as directors of a listed company. The Company, however, aims to encourage the remaining directors, to complete their certification.

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. The Chief Financial Officer and Chief Executive Officer have duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:

Audit Committee	Mr. Ahmad Zuberi – Chairman Mr. Omar Askari – Member Mr. Mohammad Riaz – Member Mr. Hashim Sadiq Ali – Secretary
HR and Remuneration Committee	Mr. Ahmad Zuberi – Chairman Mr. Mohammad Riaz – Member Mr. Sarwar Ali Khan – Member Mr. Nader Nawaz – Secretary

13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the Committees for compliance.
14. The frequency of meetings (quarterly / half yearly / yearly) of the Committees were as per following:

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

15. The Board has set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by ICAP and that they and the partners of the firm involved in the audit are not close relative (spouse, parents, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.



SARWAR ALI KHAN  
CHIEF EXECUTIVE OFFICER



JAMEEL YUSUF (S.ST.)  
CHAIRMAN





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# Independent Auditor's Report

To the members of TPL Trakker Limited

## Report on the Audit of the Unconsolidated Financial Statements

### Opinion

We have audited the annexed unconsolidated financial statements of TPL Trakker Limited (the Company), which comprise the statement of financial position as at June 30, 2022, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2022 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

### Basis for Opinion

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

### Key Audit Matters

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

Following are the key audit matters:

Key audit matter	How the matter was addressed in our audit
<b>1. Revenue recognition</b>	
<p>(Refer note 35 to the accompanying unconsolidated financial statements)</p> <p>Revenue from rendering of monitoring services is recognized over the time i.e. as and when the services are rendered.</p> <p>We have considered revenue from the rendering of monitoring services as a key audit matter as determination of the amount of revenue to be recognized for each contract requires complex IT systems integration and there is a risk that revenue is recorded in the wrong accounting period.</p>	<p>Our audit procedures include the following:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of key IT systems, including interfaces involved in the recording of revenue along with the IT general controls.</li> <li>• We tested the operating effectiveness of the controls to ensure that they operated throughout the year as intended.</li> <li>• We have performed tests of details over revenue and tested manual journal entries posted into relevant revenue accounts in the sub-ledgers and general ledger.</li> <li>• We have performed cut-off procedures and recalculations of revenue recognized over the time to ensure that revenue has been recorded in the correct accounting period.</li> </ul>
<b>2. Impairment of goodwill and intangible assets</b>	
<p>(Refer note 6 to the accompanying unconsolidated financial Statements)</p> <p>The intangible assets include goodwill, intangible assets with indefinite life and intangible assets under development having carrying value aggregating to Rs. 2,086.102 million as of June 30, 2022 and tested for impairment at least on an annual basis.</p> <p>The determination of recoverable amount requires judgement in both identifying and then valuing the relevant Cash Generating Units (CGUs), and the impairment assessment for such assets involves significant judgments and estimates about future business performance, with key assumptions including cash flows, inflation rates, the overall long-term growth rates, discount rates used and to the extent relevant, the fair value less costs to dispose. Changes in these assumptions might lead to a significant change in the carrying values of the related assets, for such reasons we considered this as a key audit matter.</p>	<p>Our audit procedures amongst others, included a review of the Company's intangible assets impairment process and evaluating the Company's assumptions used in assessing the recoverability of intangible assets, in particular, revenue and cash flow projections, useful economic lives and discount rates.</p> <p>We assessed the methodologies used by the management in the impairment analysis and determination of CGUs, to which it relates.</p> <p>We involved our specialist to:</p> <ul style="list-style-type: none"> <li>• assess the key assumptions and methodologies used in the impairment analysis, in particular growth rates, inflation rate and discount rate applied;</li> <li>• examined the approved business plans and assumptions used by management, including forecasted revenue base, profit from operations capital calculations and cash flows necessary for the continuing use of the CGU's assets and allocated goodwill; and</li> </ul>

Key audit matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>evaluated the sensitivity analysis performed by management around the key assumptions for various CGU's as well as performing break-even analysis on key assumptions and challenged the outcomes of the assessment.</li> <li>We also checked the relationship between the market capitalization for relevant CGU, using the Level 1 input of the fair value hierarchy i.e. quoted prices, and its book value, among other factors.</li> </ul>
<b>3. Acquisition of Trakker Middle East LLC</b>	
<p>(Refer notes 8 and 43.6 to the accompanying financial statements)</p> <p>The Company has an investment in the Subsidiary namely Trakker Middle East LLC. which is measured at fair value on the basis of observable market prices, where such prices are available, and by applying valuation techniques, where quoted prices are not available.</p> <p>We considered the valuation of the Subsidiary as a key audit matter due to the judgment involved in estimating future cashflows in relation to the Subsidiary for the purpose of applying valuation techniques.</p>	<p>Our audit procedures amongst others, comprised of understanding the management process for valuation of investments, considering whether the application of methodologies are consistent with generally accepted valuation methodologies and prior periods, and that assumptions and inputs used are consistent, in all material respects, with the business' past performance and management business strategy.</p> <p>We involved our specialists to assess the appropriateness of the methodology and assumptions used by the management to determine the fair value of the investment in the unquoted Subsidiary. As part of these audit procedures, our specialists:</p> <ul style="list-style-type: none"> <li>assessed whether, for a selection of models, the model valuation methodology is appropriate;</li> <li>checked the accuracy of key inputs used in the valuation such as the expected cash flows, discount and inflation rates used by benchmarking them with external data; and</li> </ul> <p>We checked the allocation of investments to the correct level (1, 2 and 3) within the fair value hierarchy in line with the established policy, and that the policy classifications were appropriate.</p> <p>We also assessed the adequacy of the related disclosures in the financial statements in accordance with the financial reporting standards.</p>

## **Emphasis of Matters**

1. We draw attention to note 1.2 of notes to the unconsolidated financial statements, which states that the Board approved the demerger of the mapping segment of the business from the Company by creating a separate entity in Pakistan and transferring the net assets to the same, consequent to which a new entity as a subsidiary of the Company by the name of "Astra Location Services (Private) Limited" was incorporated subsequent to year end on July 05, 2022. Moreover, the Board has also authorized the management to incorporate a foreign entity in a suitable jurisdiction for investments in the mapping business. Our opinion is not modified in respect of this matter.
2. We draw attention to note 6 of notes to the unconsolidated financial statements, which discloses that goodwill acquired through business combination, intangibles with indefinite lives and intangible assets under development are subject to impairment reviews which are based on underlying assumptions. However, changes to the assumptions may result in adjustments to the carrying values of the assets. Our opinion is not modified in respect of this matter.

## **Information Other than the Financial Statements and Auditor's Report Thereon**

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

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

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

## **Responsibilities of Management and Board of Directors for the Financial Statements**

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

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### **Report on Other Legal and Regulatory Requirements**

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of unconsolidated financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

**Other Matter**

The unconsolidated financial statements of the Company for the year ended June 30, 2021 were audited by another firm of chartered accountants who expressed an unmodified opinion on those statements vide their report dated September 18, 2021.

The engagement partner on the audit resulting in this independent auditor's report is Zulfikar Ali Causer.

KARACHI

DATED: September 26, 2022

UDIN: AR202210067kg3QujKUc



**BDO EBRAHIM & CO.**

CHARTERED ACCOUNTANTS

# Unconsolidated Statement of Financial Position

As at June 30, 2022

		► 2022	► 2021
	Note	Rupees	
<b>ASSETS</b>			
NON-CURRENT ASSETS			
Property, plant and equipment	5	736,172,722	1,118,248,281
Intangible assets	6	2,140,841,064	2,131,271,500
Right-of-use assets	7	118,591,439	107,974,195
Long-term investments	8	194,552,732	194,552,732
Long-term loans	9	471,612	205,713
Long-term deposits	10	37,699,947	26,194,868
Deferred tax assets – net	11	198,197,600	59,673,043
		3,426,527,116	3,638,120,332
CURRENT ASSETS			
Stock-in-trade	12	369,984,768	420,445,073
Trade debts	13	819,745,922	1,123,767,028
Loans and advances	14	34,329,356	63,023,917
Trade deposits and prepayments	15	34,253,270	32,412,327
Interest accrued	16	355,675,133	291,255,846
Other receivables	17	29,158,769	17,607,533
Due from related parties	18	915,409,731	1,493,574,743
Cash and bank balances	19	120,014,072	132,203,982
		2,678,571,021	3,574,290,449
TOTAL ASSETS		6,105,098,137	7,212,410,781
<b>EQUITY AND LIABILITIES</b>			
SHARE CAPITAL AND RESERVES			
Share capital			
Authorized capital			
285,000,000 (2021: 285,000,000) ordinary shares of Rs.10/- each		2,850,000,000	2,850,000,000
Issued, subscribed and paid-up capital	20	1,872,630,930	1,872,630,930
Capital reserves		202,650,046	232,690,046
Revenue reserve		44,227,795	(189,432,169)
Other components of equity		77,760,820	362,683,585
		2,197,269,591	2,278,572,392
NON-CURRENT LIABILITIES			
Long-term financing	22	769,301,702	1,049,650,530
Lease liabilities	23	89,833,930	81,889,252
Long-term loans	24	-	68,367,855
Government grant	25	-	797,103
		859,135,632	1,200,704,740
CURRENT LIABILITIES			
Trade and other payables	26	1,075,878,630	1,293,755,026
Accrued mark-up	27	72,529,878	96,437,639
Short-term financings	28	196,701,371	235,953,736
Running finance under mark-up arrangements	29	767,102,058	1,062,507,117
Current portion of non-current liabilities	30	405,261,087	753,189,884
Due to related parties	31	414,753,666	224,422,893
Taxation – net	32	28,098,976	31,014,251
Advance monitoring fees	33	88,367,248	35,853,103
		3,048,692,914	3,733,133,649
TOTAL EQUITY AND LIABILITIES		6,105,098,137	7,212,410,781
<b>CONTINGENCIES AND COMMITMENTS</b>			
	34		

The annexed notes from 1 to 50 form an integral part of these unconsolidated financial statements.

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR



# Unconsolidated Statement of Profit or Loss and other Comprehensive Income

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
Turnover – net	35	2,106,468,500	1,886,241,808
Cost of sales and services	36	(1,360,234,223)	(1,280,126,555)
Gross profit		746,234,277	606,115,253
Distribution expenses	37	(105,861,119)	(97,174,335)
Administrative expenses	38	(359,924,460)	(319,069,004)
Operating profit		280,448,698	189,871,914
Research and development expenses	39	(77,654,755)	(77,725,874)
Finance costs	40	(326,958,014)	(389,542,836)
Other income	41	210,638,359	191,100,087
Profit / (Loss) before taxation		86,474,288	(86,296,709)
Taxation	42	110,640,723	(33,905,584)
Profit / (Loss) for the year		197,115,011	(120,202,293)
Other comprehensive income / (loss)			
Fair value gain on equity instruments designated at fair value through other comprehensive income (FVTOCI), net of tax		-	77,760,820
Total comprehensive income / (loss) for the year		197,115,011	(42,441,473)
Earnings / (Loss) per share – basic and diluted	47	1.05	(0.64)

The annexed notes from 1 to 50 form an integral part of these unconsolidated financial statements.

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

# Unconsolidated Statement of Changes in Equity

## For the year ended June 30, 2022

	Capital reserves				Other components of equity			Total reserves	Total equity
	Share Capital	Reserve created under Scheme of Arrangement	Share premium	Other capital reserve	Revenue reserve – accumulated profits / (losses)	Surplus on revaluation of property, plant and equipment	Fair value reserve of financial assets designated at FVTOCI		
	-----Rupees-----								
Balance as at July 01, 2020	1,204,425,930	146,817,136	-	-	(82,063,384)	284,432,213	-	349,185,965	1,553,611,895
Issuance of ordinary shares	668,205,000	-	-	-	-	-	-	-	668,205,000
Share premium on issuance of ordinary shares	-	-	133,641,000	-	-	-	-	133,641,000	133,641,000
Loss for the year	-	-	-	-	(120,202,293)	-	-	(120,202,293)	(120,202,293)
Other comprehensive loss for the year, net of tax	-	-	-	-	-	-	77,760,820	77,760,820	77,760,820
Total comprehensive loss for the year	-	-	-	-	(120,202,293)	-	77,760,820	(42,441,473)	(42,441,473)
Transaction cost on issuance of ordinary shares	-	-	(77,808,090)	-	13,324,060	-	-	(64,484,030)	(64,484,030)
Share based payment reserve	-	-	-	30,040,000	-	-	-	30,040,000	30,040,000
Surplus on revaluation of property, plant and equipment realised on account of: incremental depreciation charged on related assets - net of tax	-	-	-	-	(490,552)	490,552	-	-	-
Balance as at June 30, 2021	1,872,630,930	146,817,136	55,832,910	30,040,000	(189,432,169)	284,922,765	77,760,820	405,941,462	2,278,572,392
Profit for the year	-	-	-	-	197,115,011	-	-	197,115,011	197,115,011
Other comprehensive income / (loss) for the year, net of tax	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	197,115,011	-	-	197,115,011	197,115,011
Share based payment reserve	-	-	-	(30,040,000)	-	-	-	(30,040,000)	(30,040,000)
Deficit on revaluation of property, plant and equipment realised	-	-	-	-	-	(248,377,812)	-	(248,377,812)	(248,377,812)
Transfer of revaluation on surplus on disposal	-	-	-	-	36,544,953	(36,544,953)	-	-	-
Balance as at June 30, 2022	1,872,630,930	146,817,136	55,832,910	-	44,227,795	-	77,760,820	324,638,661	2,197,269,591

The annexed notes from 1 to 50 form an integral part of these unconsolidated financial statements.

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

# Unconsolidated Statement of Cash Flows

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit / (Loss) before taxation		86,474,288	(86,296,709)
Adjustment for non-cash charges and other items:			
Depreciation on operating fixed assets	5.1.2	250,020,167	254,267,804
Depreciation on ROUA	7.4	69,110,404	66,938,503
Amortisation	6.1	15,635,790	22,557,366
Allowance / (Reversals) for expected credit loss (ECL)	38	4,025,029	(4,814,014)
Finance costs	40	311,535,697	389,542,836
Gain on disposal of property, plant and equipment – net	41	(44,636,606)	(39,300)
Reversal of deferred tax asset on surplus of revaluation of PPE	11.1	2,642,191	-
Amortisation of government grant	41	(5,950,600)	(10,472,666)
Share based payment		(30,040,000)	30,040,000
Exchange loss / (gain) – net	40	15,422,317	(3,173,759)
		587,764,389	744,846,770
		674,238,677	658,550,061
Operating profit before working capital changes			
(Increase) / decrease in current assets			
Stock-in-trade		(144,402,616)	(259,608,692)
Trade debts		299,996,077	(96,080,017)
Loans and advances		28,694,561	44,810,550
Trade deposits and prepayments		(1,840,943)	29,082,619
Interest accrued		(64,419,287)	(162,811,212)
Other receivables		(11,551,236)	11,732,009
Due from related parties		578,165,012	(421,890,685)
		684,641,568	(854,765,428)
(Decrease) / increase in current liabilities			
Trade and other payables		(233,298,713)	354,755,761
Due to related parties		190,330,773	176,649,930
Advance monitoring fees		52,514,145	(1,287,059)
		9,546,205	530,118,632
Cash flows from operations		1,368,426,450	333,903,265
Payments for:			
Finance costs		(320,045,485)	(413,001,954)
Income taxes	32	(33,441,300)	(44,045,779)
		(353,486,785)	(457,047,733)
Net cash generated from / (used in) operating activities		1,014,939,665	(123,144,468)
<b>CASH FLOWS FROM INVESTING ACTIVITIES*</b>			
Purchase of – property, plant and equipment	5.1	(76,174,886)	(110,161,786)
– capital work-in-progress	5.2	(23,466,625)	(83,426,500)
– intangible assets	6.3	(25,205,354)	(15,440,133)
Sale proceeds from disposal of property, plant and equipment		222,818,617	334,965
Long-term loans		(265,899)	464,185
Long-term deposits		(11,505,079)	(26,846,688)
Net cash generated from / (used in) investing activities		86,200,774	(235,075,957)
<b>CASH FLOWS FROM FINANCING ACTIVITIES*</b>			
Proceeds from issuance of ordinary shares		-	801,846,000
Share issuance costs		-	(64,484,030)
Long-term financings – net		(556,814,232)	1,127,280,639
Lease liabilities repaid	23.1	(84,761,115)	(70,205,689)
Long-term loans – net		(137,097,578)	(122,331,194)
Short-term financings – net		(39,252,365)	(1,158,215,437)
Net cash (used in) / generated from financing activities		(817,925,290)	513,890,289
Net increase in cash and cash equivalents		283,215,149	155,669,864
Cash and cash equivalents at the beginning of the year		(930,303,135)	(1,085,972,999)
Cash and cash equivalents at the end of the year	46	(647,087,986)	(930,303,135)

The annexed notes from 1 to 50 form an integral part of these unconsolidated financial statements.

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

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

## 1. LEGAL STATUS AND OPERATIONS

- 1.1 TPL Vehicle Tracking (Private) Limited (the Company) was incorporated in Pakistan on December 27, 2016 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). Effective from November 30, 2017, the name of the Company was changed to TPL Trakker (Private) Limited. The Company was later converted into a public company on January 17, 2018 and accordingly, the name was changed to TPL Trakker Limited. On August 10, 2020, the Company got listed on Pakistan Stock Exchange Limited. The Company is subsidiary of TPL Corp Limited and TPL Holdings (Private) Limited is the ultimate parent company.

The registered office of the Company is situated at Plot No. 1, Sector # 24, near Shan Chowrangi, Korangi Industrial Area, Karachi. The principal activities of the Company include installation and sale of tracking devices, vehicle tracking, fleet management, digital mapping & location based services.

- 1.2 During the year, in the meeting held on September 18, 2021 the Board approved the demerger of the mapping segment of the business from the Company by creating a separate entity in Pakistan and transferring the net assets to the same, consequent to which a new entity as a subsidiary of the Company by the name of "Astra Location Services (Private) Limited" was incorporated subsequent to year end on July 05, 2022 under section 16 of the Companies Act, 2017. Moreover, the Board has also authorized the management to incorporate a foreign entity in a suitable jurisdiction for investments in the mapping business.

The Company has identified the following Net Assets as at June 30, 2022 to be transferred to the new entity;

	Rupees
<b>Assets:</b>	
Property, plant and equipment	3,060,660
Intangible assets	940,064,721
Right-of-use assets	4,368,331
Long-term deposits	140,000
Trade debts	26,436,830
Cash and bank balances	7,692,902
	<b>981,763,444</b>
<b>Liabilities:</b>	
Long-term financing	9,769,207
Trade and other payables	51,919,876
Accrued mark-up	245,708,976
Current portion of non-current liabilities	22,888,320
Due to related parties	527,566,321
	<b>857,852,700</b>
<b>Net Assets</b>	<b>123,910,744</b>

# Notes to the Unconsolidated Financial Statements

## For the year ended June 30, 2022

### 1.3 The geographical location and addresses of business units are as under:

Location	Address
Corporate office, Karachi	Plot No. 1, Sector #24, near Shan Chowrangi, Korangi Industrial Area, Karachi – 74900
Regional offices:	
Lahore office	Tower 75, 4th Floor, L Block, Gulberg III, Kalma Chowk, Main Ferozpur Road, Lahore
Islamabad office I	10th floor (South) ISE Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad.
Islamabad office II	Workpad Building, Plot 67, Street 35, I&T Center, Sector G-10/1, Islamabad.
Faisalabad office	Office No. 2, 4th Floor, Mezan Executive Tower, Liaquat Road, Faisalabad.
Multan office	House No. 2, Shalimar Colony, Haider Street, Bosan Road, near Northern Bypass, Multan
Hyderabad office	2nd Floor, Plot # 15/5, Railway Cooperative Housing Society, Main Auto Bhan Road Latifabad, Hyderabad.

### 1.4 Details of related parties

Name of related party	Basis of relationship	Shareholding
TPL Holdings (Private) Limited	Ultimate Parent Company	-
TPL Corp Limited	Parent Company	-
Trakker Middle East LLC	Subsidiary Company	50%
TPL Insurance Limited	Common Directorship	-
TPL Security Services (Private) Limited	Associated Company	-
TPL Properties Limited	Common Directorship	-
TPL Property Management (Private) Limited	Common Directorship	-
HKC (Private) Limited	Common Directorship	-
TPL Technology Zone Phase - 1 (Private) Limited	Common Directorship	-
TPL Direct Finance (Private) Limited	Common Directorship	-
The Resource Group Pakistan Limited	Common Directorship	-
TPL Logistic Park (Private) Limited	Common Directorship	-
TPL Logistics (Private) Limited	Common Directorship	-
TPL Life Insurance Limited	Common Directorship	-
TPL E-Ventures (Private) Limited	Associated Company	-
TPL Mobile (Private) Limited	Common Directorship	-
TPL Tech Pakistan (Private) Limited	Common Directorship	-
Trakker Energy (Private) Limited	Associated Company	-
Trakker (Private) Limited Staff Provident Fund	Retirement Benefit Fund	-

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

## 2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

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

## 3. BASIS OF PREPARATION

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

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### 4.1.1 Standards, interpretations and amendments to published approved accounting standards that are effective.

- Interest Rate Benchmark Reform – Phase 2 which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 is applicable for annual financial periods beginning on or after 1 January 2021, with earlier application permitted. The amendments introduce a practical expedient to account for modifications of financial assets or financial liabilities if a change results directly from IBOR reform and occurs on an 'economically equivalent' basis. In these cases, changes will be accounted for by updating the effective interest rate. A similar practical expedient will apply under IFRS 16 for lessees when accounting for lease modifications required by IBOR reform. The amendments also allow a series of exemptions from the regular, strict rules around hedge accounting for hedging relationships directly affected by the interest rate benchmark reforms. The amendments apply retrospectively with earlier application permitted. Hedging relationships previously discontinued solely because of changes resulting from the reform will be reinstated if certain conditions are met.

#### 4.1.2 The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 1 July 2022:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual periods beginning on or after 1 January 2022 clarifies that the 'cost of fulfilling a contract' for the purposes of the onerous contract assessment comprises the costs that relate directly to the contract, including both the incremental costs and an allocation of other direct costs to fulfil the contract. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

#### 4.1.3 The following annual improvements to IFRS Standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022.

- IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

- IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for annual periods beginning on or after 1 January 2022 clarifies that sales proceeds and costs of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other components of equity, as appropriate) at the beginning of that earliest period presented.
- Reference to the Conceptual Framework (Amendments to IFRS 3) – Reference to the Conceptual Framework, issued in May 2020, amended paragraphs 11, 14, 21, 22 and 23 of and added paragraphs 21A, 21B, 21C and 23A to IFRS 3. An entity shall apply those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2022.
- Classification of liabilities as current or non-current (Amendments to IAS 1) amendments apply retrospectively for the annual periods beginning on or after 1 January 2023. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the IASB has issued amendments on the application of materiality to disclosure of accounting policies and to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:
  - (i) requiring companies to disclose their material accounting policies rather than their significant accounting policies;
  - (ii) clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
  - (iii) clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.
- The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.
- Definition of Accounting Estimates (Amendments to IAS 8) introduce a new definition for accounting estimates clarifying that they are monetary amounts in the financial



# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that an entity develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for periods beginning on or after 1 January 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other components of equity at that date. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) - The amendment amends accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.
- The Company is in the process of assessing the impact of the above amendments and improvements.

## 4.2 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in the process of applying the 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 unconsolidated financial statements:

### a) Operating fixed assets and intangible assets

The Company 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 Company assesses at each reporting date whether there is any indication that assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying value exceeds recoverable amount, assets are written down to the recoverable amounts and the resulting impairment loss is recognized as expense in the profit or loss, unless the asset is carried at revalued amount. Any impairment loss of revalued assets is treated as revaluation decrease.

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

b) Investment in subsidiaries

The Company values its investment in subsidiaries at fair value using fair value hierarchy; Level 1 – quoted prices (unadjusted) in active markets, Level 2 – valuations based on directly or indirectly observable market input and Level 3 – valuations based on unobservable market input. The determination of fair value of unquoted subsidiaries involves inherent subjectivity, key assumptions (such as future cash flow forecasts, discount and growth rates and volatility), and estimation relation to valuation inputs and techniques. Any change in these assumptions and estimates may have significant impact on the fair value of investments with corresponding impact in other comprehensive income.

c) Stock-in-trade

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

d) Provision for expected credit losses (ECL) of certain financial assets

The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. Any change might affect the carrying value and amount of expected credit loss charge to profit or loss.

e) 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.

Significant management judgement is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. The management consider tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

## 4.3 Property, plant and equipment

### 4.3.1 Owned

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

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

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 or loss, as and when incurred.

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

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

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

#### 4.3.2 Capital work-in-progress

Capital work-in-progress is stated at cost less accumulated impairment losses, if any, and consist of expenditure incurred 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.

#### 4.4 Surplus on revaluation of property, plant and equipment

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

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

#### 4.5 Intangible assets

Intangible assets other than goodwill, customers related intangible assets and marketing related intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Goodwill, customers related intangible assets and marketing related intangible assets are stated at cost less accumulated impairment losses, if any, as their useful life is indefinite and are tested for impairment annually. For other intangibles, amortisation is charged to the profit or loss applying the straight line method, whereby, the cost of intangible asset is written off over its useful economic life. The amortisation rate of the intangible assets are stated in note 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.

##### 4.5.1 Intangible assets under development

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

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

## 4.5.2 Business combinations and Goodwill

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

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

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

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

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

## 4.6 Leases

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

### 4.6.1 Company as a lessee

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

#### a) Right-of-use assets

The Company recognises right-of-use assets (ROU assets) at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, if any, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised ROU assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term, on the rates as disclosed in the note 7.1 to these financial statements. ROU assets are subject to impairment.

#### b) Lease liabilities

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

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

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

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

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

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

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

## 4.6.2 Company as a lessor

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

## 4.7 Financial instruments

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

### 4.7.1 Financial assets

#### 4.7.1.1 Initial recognition and measurement

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

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

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

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

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

## 4.7.1.2 Subsequent measurement

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

### a) Financial assets at amortised cost (debt instruments)

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

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

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

### b) Financial assets designated at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

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

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

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

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

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

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as dividend income in the profit or loss when the right of payment has been established, except when the Company benefits from such



# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

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

## d) Financial assets at fair value through profit or loss

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

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

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

## 4.7.1.3 Derecognition

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

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

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

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

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

## 4.7.1.4 Impairment

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

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

The Company considers a financial asset in default when contractual payments are past due over the agreed credit terms. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## 4.7.2 Financial liabilities

### 4.7.2.1 Initial recognition and measurement

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

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

### 4.7.2.2 Subsequent measurement

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

#### a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

#### b) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the profit or loss.



# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

## 4.7.2.3 Derecognition

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

## 4.7.2.4 Offsetting of financial instruments

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

## 4.8 Impairment of non-financial assets

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

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

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

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

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

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

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

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

## 4.9 Investments in subsidiaries and associates

### 4.9.1 Investments in subsidiaries

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

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

## 4.9.2 Investments in associates

An associate is an entity over which the Company 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 Company's investment in its associate is accounted at cost less accumulated impairment losses, if any, under the exemption available in relevant accounting standards.

## 4.10 Stock-in-trade

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

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

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

## 4.11 Cash and cash equivalents

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

## 4.12 Staff retirement benefits – Defined contribution plan

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

## 4.13 Taxation

### Current

Provision for current taxation is computed on taxable income at the current rates of taxation, after taking into account tax credits and rebates available, if any, in accordance with the provision of the Income Tax Ordinance, 2001. It also includes any adjustment to tax payable in respect of prior years. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime.

### Deferred

Deferred tax is recognised using the balance sheet method, on all temporary differences arising at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, while deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax losses and unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forwards of unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date. Deferred tax is charged or credited to the profit or loss.

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

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

## 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 reporting date and accordingly adjusted to reflect current best estimates.

## 4.15 Ijarah arrangements

Payments made under ijarah arrangements / agreements are charged to the profit or loss on a straight line basis over the ijarah term.

## 4.16 Revenue recognition

### 4.16.1 Revenue from contracts with customers

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

- Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer i.e. when goods are installed.
- Revenue from rendering of monitoring services is recognised over the time i.e. as and when services are rendered, revenue from rendering of other associated services are recognised at the point in time when services are rendered.
- For maps navigation business, revenue from sale of goods and rendering of map navigation services are recognised at the point in time when control of the goods and services are transferred to the customer, generally on delivery of goods and rendering of services for installation of goods.

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

### 4.16.2 Other revenues

- a) Rental income from equipment is recognised on accrual basis.
- b) Income on bank accounts are recognised using effective interest rate.

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

- c) Dividend income is recognised when the right to receive the dividend is established and other income, if any is recognised on accrual basis.

## 4.17 Foreign currency translation

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

## 4.18 Borrowing costs

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

## 4.19 Dividend and appropriation to reserves

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

## 4.20 Government grant

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

## 4.21 Segment reporting

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

## 4.22 Employees share option plan

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

# Notes to the Unconsolidated Financial Statements

## For the year ended June 30, 2022

		► 2022	► 2021
Note	Rupees		
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	5.1	551,014,458	956,556,642
Capital work-in-progress	5.2	185,158,264	161,691,639
		<b>736,172,722</b>	<b>1,118,248,281</b>

### 5.1 Operating fixed assets

	COST / REVALUED AMOUNT			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	
	As at July 01, 2021	Additions / (disposals) / transfers	As at June 30, 2022	As at July 01, 2021	Charge for the year / (disposals) / transfers	As at June 30, 2022	As at June 30, 2022	Depreciation Rate
								%
<b>Owned</b>								
Leasehold land	411,000,000	(165,000,000) *** (246,000,000)	-	-	-	-	-	-
Building on leasehold land	16,406,766	(9,000,000) (5,028,954) *** (2,377,812)	-	4,892,231	136,723 (5,028,954)	-	-	5
Computers and accessories	289,171,671	38,400,420 (61,004,670)	266,567,421	225,133,450	60,900,972 (59,779,976)	226,254,446	40,312,975	33.33
Generators	5,123,665	1,600,040	6,723,705	4,390,032	368,439	4,758,471	1,965,234	20
Electrical devices	1,109,240,926	1,664,705 ** 214,904,960 * (43,573,391) (54,394,613)	1,227,842,587	699,781,111	8,931,063 142,559,692 ** 19,763,144 * (23,531,351) (54,132,858)	793,370,801	434,471,786	20
Furniture and fittings	181,566,630	1,844,218 (48,974,533)	134,436,315	157,410,836	11,554,770 (48,913,120)	120,052,486	14,383,829	20
Vehicles	44,427,620	31,969,003 (7,357,000)	69,039,623	9,260,792	4,816,878 (4,795,809)	9,281,861	59,757,762	20
Construction of shed	6,048,277	(6,048,277)	-	6,048,277	(6,048,277)	-	-	20
Mobile phones	8,459,977	696,500 (4,066,637)	5,089,840	7,972,161	988,486 (3,993,679)	4,966,968	122,872	33.33
June 30, 2022	2,071,445,532	76,174,886 (360,874,684) * (43,573,391) ** 214,904,960 *** (248,377,812)	1,709,699,491	1,114,888,890	230,257,023 (182,692,673) * (23,531,351) ** 19,763,144	1,158,685,033	551,014,458	

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

\*\* Represents transfers from stock-in-trade to owned assets

\*\*\* Represents revaluation loss booked during the year

# Notes to the Unconsolidated Financial Statements

## For the year ended June 30, 2022

	COST / REVALUED AMOUNT			ACCUMULATED DEPRECIATION			WRITTEN DOWN VALUE	Depreciation Rate %
	As at July 01, 2020	Additions / (disposals) / transfers	As at June 30, 2021	As at July 01, 2020	Charge for the year / (disposals) / transfers	As at June 30, 2021	As at June 30, 2021	
(Rupee es)								
Owned								
Leasehold land	411,000,000	-	411,000,000	-	-	-	411,000,000	-
Building on leasehold land	16,406,766	-	16,406,766	4,071,893	820,338	4,892,231	11,514,535	5
Computers and accessories	189,421,226	101,475,312 (331,000) ** (1,393,867)	289,171,671	146,968,807	79,804,665 (246,155) ** (1,393,867)	225,133,450	64,038,221	33.33
Generators	4,423,665	700,000	5,123,665	4,363,265	26,767	4,390,032	733,633	20
Electrical devices	1,048,008,449	2,360,675 * 117,678,857 *** (58,807,055)	1,109,240,926	579,187,949	147,106,704 *** (26,513,542)	699,781,111	409,459,815	20
Furniture and fittings	177,223,156	4,380,141 ** (36,667)	181,566,630	140,647,078	16,800,424 ** (36,666)	157,410,836	24,155,794	20
Vehicles	9,863,338	** (41,500) **** 34,605,782	44,427,620	1,424,171	2,566,548  ** (41,500) **** 5,311,573	9,260,792	35,166,828	20
Construction of shed	6,048,277	-	6,048,277	6,048,277	-	6,048,277	-	20
Mobile phones	11,137,197	* 1,245,658 (857,230) ** (3,065,648)	8,459,977	9,853,434	1,830,785 (646,410) ** (3,065,648)	7,972,161	487,816	33.33
June 30, 2021	1,873,532,074	110,161,786 (1,188,230) * 117,678,857 ** (4,537,682) *** (58,807,055) **** 34,605,782	2,071,445,532	892,564,874	248,956,231 (892,565) ** (4,537,681) *** (26,513,542) **** 5,311,573	1,114,888,890	956,556,642	

\* Represents transfers from stock-in-trade to owned assets

\*\* Represents assets written off during the year

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

\*\*\*\* Represents assets transferred from ijarah lease

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

- 5.1.1 Computers and accessories and vehicles includes assets costing Nil (2021: Rs. 4.443 million) and Nil (2021: Rs. 1.972 million) respectively purchased on maturity of ijarah agreements.

		► 2022	► 2021	
Note		Rupees		
5.1.2	Depreciation charge for the year has been			
	Cost of sales and services	36	210,041,942	213,610,381
	Distribution expenses	37	6,775,547	6,890,658
	Administrative expenses	38	11,845,374	12,057,415
	Research and development	39	21,357,304	21,709,350
			250,020,167	254,267,804

- 5.1.3 During the year, the Company has transferred tracking devices from stock-in-trade at a cost of Rs. 214.904 million (2021: Rs. 117.679 million) to owned assets. As of the reporting date, assets costing Rs. 1.041 billion (2021: Rs. 951.208 million) are in possession of third parties, on rental basis. The particulars of these assets have not been disclosed due to several numbers of parties involved.

- 5.1.4 Included in operating fixed assets are fully depreciated assets having cost of Rs. 421.938 million (2021: Rs. 542.001 million).

- 5.1.5 During the year, the Company has written off fully depreciated assets costing Rs. 1.795 million (2021: Rs. 4.538 million).

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

Owned	Original / revalued cost	Accumulated depreciation	Written down value	Sale proceeds	Gain / (loss) on disposals	Mode of disposal	Particulars of buyers	Location
Aggregate amount of assets disposed off having WDV more than Rs.	----- (Rupees) -----							
Leasehold land	165,000,000	-	165,000,000	203,879,310	38,879,310	Negotiation	Mr. M. Rafay Razzaq	Karachi
Building on leasehold land	9,000,000	-	9,000,000	11,120,690	2,120,690		Mr. A.Wasey Razzaq	
	174,000,000	-	174,000,000	215,000,000	41,000,000		Mr. Muhaymin Akram Mr. Moiz Akram	
Aggregate amount of assets disposed off not having WDV more than Rs. 5,000,000 each	----- (Rupees) -----							
Computers and accessories	61,004,670	59,779,976	1,224,694	454,211	(770,483)	Various	Various	Karachi
Electrical devices	54,394,613	54,132,858	261,755	155,000	(106,755)			
Vehicles	7,357,000	4,795,809	2,561,191	7,084,741	4,523,550			
Construction of shed	6,048,277	6,048,277	-	-	-			
Furniture and fittings	48,974,533	48,913,120	61,413	-	(61,413)	Various	Various	Karachi
Mobile phones	4,066,637	3,993,679	72,958	124,665	51,707	Various	Various	Karachi
	181,845,730	177,663,719	4,182,011	7,818,617	3,636,606			
2022	355,845,730	177,663,719	178,182,011	222,818,617	44,636,606			
2021	1,188,230	892,565	295,665	334,965	39,300			

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
Note	Rupees		
5.2 Capital work-in-progress			
Opening balance	161,691,639	78,265,139	
Additions during the year	23,466,625	83,426,500	
Closing balance	5.2.1 185,158,264	161,691,639	

5.2.1 Represents expenditure in respect of leasehold improvements and renovation of office premises.

		► 2022	► 2021
Note	Rupees		
6. INTANGIBLE ASSETS			
Intangible assets	6.1 1,200,776,343	1,216,412,133	
Intangible assets under development	6.3 940,064,721	914,859,367	
	2,140,841,064	2,131,271,500	

	COST			ACCUMULATED AMORTISATION			WRITTEN DOWN VALUE	
	As at July 01, 2021	Additions / transfers	As at June 30, 2022	As at July 01, 2021	Charge for the year / transfers	As at June 30, 2022	As at June 30, 2022	Amortisation rate %
(Rupees)								
<b>Owned</b>								
Goodwill - note 6.2	403,380,571	-	403,380,571	-	-	-	403,380,571	-
Customers related intangible assets - note 6.2	453,635,249	-	453,635,249	-	-	-	453,635,249	-
Marketing related intangible assets - note 6.2	289,021,582	-	289,021,582	-	-	-	289,021,582	-
Internally generated computer softwares	25,840,000	-	25,840,000	25,840,000	-	25,840,000	-	13.33
Softwares	327,552,022	-	327,552,022	314,208,091	8,110,606	322,318,697	5,233,325	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
Maps database	147,858,790	-	147,858,790	90,827,990	7,525,184	98,353,174	49,505,616	5
2022	1,671,173,409	-	1,671,173,409	454,761,276	15,635,790	470,397,066	1,200,776,343	



# Notes to the Unconsolidated Financial Statements

## For the year ended June 30, 2022

	COST			ACCUMULATED AMORTISATION			WRITTEN DOWN VALUE	Amortisation rate %
	As at July 01, 2020	Additions / transfers	As at June 30, 2021	As at July 01, 2020	Charge for the year / transfers	As at June 30, 2021	As at June 30, 2021	
	(Rupees)							
<u>Owned</u>								
Goodwill - note 6.2	403,380,571	-	403,380,571	-	-	-	403,380,571	-
Customers related intangible assets - note 6.2	453,635,249	-	453,635,249	-	-	-	453,635,249	-
Marketing related intangible assets - note 6.2	289,021,582	-	289,021,582	-	-	-	289,021,582	-
Internally generated computer softwares	25,840,000	-	25,840,000	25,840,000	-	25,840,000	-	13.33
Softwares	324,352,222	3,199,800	327,552,022	299,175,909	15,032,182	314,208,091	13,343,931	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
Maps database	147,858,790	-	147,858,790	83,302,806	7,525,184	90,827,990	57,030,800	5
2021	1,667,973,609	3,199,800	1,671,173,409	432,203,910	22,557,366	454,761,276	1,216,412,133	

### 6.2 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, 2022. The recoverable amount of the Company is determined based on using cash flow projections from financial budgets approved by the senior management covering a five year period. The discount rate applied to cash flow projections is 15.7 percent (2021: 16.9 percent). The growth rate used to extrapolate the cash flows beyond the five-year period is 5.8 percent (2021: 5.6 percent). As a result of this assessment, the management did not identify any impairment for the cash generating unit to which these assets are allocated.

Key assumptions used in discounted cashflow calculations

The calculation of discounted cashflow 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 business.

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

## 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.

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

		► 2022	► 2021
Note	Rupees		
6.3	Intangible assets under development		
	Opening balance	914,859,367	902,619,034
	Additions during the year	25,205,354	12,240,333
	Closing balance	940,064,721	914,859,367
	6.3.1 & 6.3.2		

6.3.1 Represents expenditure incurred for development of map database including business intelligence and applications solutions, etc. which is expected to be completed earliest by the first quarter of the fiscal year 2023. The Company has estimated that the total cost required to complete the development of these intangible assets aggregates to Rs. 1,620 million, out of which Rs. 940.064 million has been incurred by the Company as of the reporting date.

6.3.2 The management has carried out an annual impairment assessment for intangible assets under development based on the discounted cashflow calculations. The discount rate applied to the cashflow projections is 15.7 percent (2021: 16.9 percent) and the growth rate used to extrapolate the cashflows beyond the five year period is 5.8 percent (2021: 5.6 percent). As a result of this assessment, the management did not identify any impairment in the carrying value of intangible assets under development as of the reporting date.

### Key assumptions used in discounted cashflow calculations

The calculation of discounted cashflow 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 Company.

### Key business assumptions

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

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

## 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.

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

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

		► 2022	► 2021
	Note	Rupees	
Cost of sales and services	36	13,135,627	18,950,443
Distribution expenses	37	423,730	611,305
Administrative expenses	38	2,076,433	2,995,618
		<u>15,635,790</u>	<u>22,557,366</u>

6.5 Included in intangible assets are fully amortized assets having cost of Rs. 355.581 million (2021: Rs. 343.163 million).

## 7. RIGHT-OF-USE ASSETS

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

7.1 Net carrying value basis - 2022

	Vehicles	Computers and accessories	Regional offices	Total
	(Rupees)			
Opening net book value - July 01, 2021	397,690	16,819,589	90,756,916	107,974,195
Additions during the year	-	-	79,727,647	79,727,647
Less: Depreciation charge for the year	(397,690)	(16,819,589)	(51,893,124)	(69,110,403)
Closing net book value - June 30, 2022	<u>-</u>	<u>-</u>	<u>118,591,439</u>	<u>118,591,439</u>
Net carrying value basis - 2021				
Opening net book value July 01, 2020	1,590,762	42,048,972	28,629,444	72,269,178
Additions during the year	-	-	102,643,520	102,643,520
Less: Depreciation charge for the year	(1,193,072)	(25,229,383)	(40,516,048)	(66,938,503)
Closing net book value - June 30, 2021	<u>397,690</u>	<u>16,819,589</u>	<u>90,756,916</u>	<u>107,974,195</u>

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
7.2	Gross carrying value basis – 2022		
	Cost	400,378,950	320,651,303
	Less: Accumulated depreciation	(281,787,511)	(212,677,108)
	Net book value	118,591,439	107,974,195

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

		► 2022	► 2021
	Note	Rupees	
Cost of sales and services	36	58,059,650	56,235,035
Distribution expenses	37	1,872,892	1,814,034
Administrative expenses	38	9,177,862	8,889,434
		69,110,404	66,938,503
<b>8. LONG-TERM INVESTMENTS</b>			
Designated at FVTOCI			
Investment in a subsidiary company			
Trakker Middle East LLC (TME)		194,552,732	194,552,732

8.1 The Company has calculated the fair value of its investment based on discounted cash flow calculations and, the discount rate applied to cashflow projections is 11.8 percent and the growth rate used to extrapolate the cashflows beyond the five-year period is 1.70 percent. The Company holds 50% (2021 : 50%) of share in subsidiary.

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

8.3 The name of the General Manager is Tanzil Tahir and name/addresses of beneficial owners is as follows:

Name	Addresses
M.M.R International FZE	P.O.Box 7073, Umm Al Quwain, UAE.

8.4 Investment in subsidiary company has been made in accordance with the requirement of Companies Act, 2017.

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
<b>9. LONG-TERM LOANS (secured, considered good)</b>			
Executives	9.1 & 9.3	122,076	482,270
Employees	9.2 & 9.3	2,738,896	1,000,554
		2,860,972	1,482,824
Less: Current portion of long-term loans	14	(2,389,360)	(1,277,111)
		471,612	205,713
<b>9.1 Reconciliation of the carrying amount of loans to executives</b>			
Opening balance		482,270	1,601,108
Disbursements		-	-
Less: Repayments		(360,194)	(1,118,838)
Closing balance		122,076	482,270
<b>9.2 Reconciliation of the carrying amount of loans to employee</b>			
Opening balance		1,000,554	1,162,375
Disbursements		3,080,000	562,000
Less: Repayments		(1,341,658)	(723,821)
Closing balance		2,738,896	1,000,554
<b>9.3</b>	The maximum aggregate amount of loans due from the executives & employees at the end of any month during the year were Rs. 0.421 million & Rs 3.968 respectively (2021: Rs. 1.375 million & Rs 1.664 million respectively).		
<b>9.4</b>	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 (2021: 5 percent) per annum. Further, it also includes loans provided on interest free basis amounting to Rs. 0.936 million (2021: Rs. 0.680 million). All loans are repayable over a period of two years in equal monthly instalments and are secured against salaries and provident fund balances of the employees. The management of the Company has not discounted these loans to their present value, as they consider the impact is immaterial to these financial statements taken as whole.		

		► 2022	► 2021
	Note	Rupees	
<b>10. LONG-TERM DEPOSITS</b>			
Security deposits - leased and ijarah assets		-	10,120,921
Less: Current portion of security deposits	15	-	(10,120,921)
		-	-
Utilities		177,450	177,450
Rent deposits		5,227,756	4,377,756
Cash margin against guarantees	10.1	32,294,741	21,639,662
	10.2	37,699,947	26,194,868

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

- 10.1 Represents cash margin on guarantee issued by various commercial banks on behalf of the Company.
- 10.2 These are non-interest bearing, generally on a term of more than a year and are neither past due nor impaired.

		► 2022	► 2021
Note	Rupees		
<b>11. DEFERRED TAX ASSETS - net</b>			
Deferred tax liabilities on taxable temporary differences:			
Accelerated tax depreciation on:			
Property, plant and equipment	51,990,846		42,138,071
Right-of-use assets	(34,391,517)		(31,312,517)
Intangible assets	(15,564,979)		(7,698,468)
Long-term investments	(31,761,462)		(31,761,462)
	(29,727,112)		(28,634,376)
Deferred tax assets on deductible temporary differences:			
Trade debts	6,961,980		5,794,722
Surplus on revaluation of property, plant and equipment	-		2,642,191
Lease liabilities	40,580,880		37,571,694
Share based payments	-		8,711,600
Tax losses	180,381,852		32,890,540
Minimum tax	-		696,672
	227,924,712		88,307,419
	198,197,600		59,673,043
<b>11.1 The movement in deferred tax assets is as follows:</b>			
Charged to other comprehensive income	-		(31,761,462)
Transferred to unappropriated profit on account of incremental depreciation for the year	-		200,366
Settlement of surplus on revaluation of PPE on disposal	(2,642,191)		-
Charged to profit or loss	141,166,748		27,469,391
	138,524,557		(4,091,705)
<b>11.2</b>			
As of reporting date, the Company has not recognised deferred tax assets of Nil (2021: Rs. 79.621 million) on losses of Nil (2021: Rs. 274.556 million) in line with accounting policies of the Company as stated in note 4.13 to these unconsolidated financial statements.			

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
<b>12. STOCK-IN-TRADE</b>			
Tracking devices	12.1	270,175,955	371,468,433
Spare parts	12.2	99,808,813	48,976,640
		<u>369,984,768</u>	<u>420,445,073</u>

12.1 Includes stock of Rs. 3.361 million (2021: Rs. 15.737 million) held with third parties.

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

		► 2022	► 2021
	Note	Rupees	
<b>13. TRADE DEBTS - unsecured</b>			
Related parties			
TPL Insurance Limited	13.3 & 13.4	19,256,007	4,363,523
Others than related parties		824,496,744	1,139,385,305
	13.1	843,752,751	1,143,748,828
Less: Allowances for expected credit losses	13.5	(24,006,829)	(19,981,800)
	13.2	<u>819,745,922</u>	<u>1,123,767,028</u>

13.1 The credit risk exposure on the Company's trade debts using provision matrix at year end is as follows:

			Days past due		
	Total	Current	> 30 days upto 120 days	> 121 days upto 180 days	180 days and above
	----- (Rupees) -----				
2022					
Expected credit loss rate	2.85%	1.30%	1.59%	9.87%	11.81%
Estimated total gross carrying amount at default	843,752,751	303,108,337	416,507,365	61,855,180	62,281,869
Expected credit loss	24,006,829	3,926,260	6,624,947	6,102,402	7,353,220
2021					
Expected credit loss rate	1.75%	0.47%	0.34%	7.45%	8.80%
Estimated total gross carrying amount at default	1,143,748,828	332,597,191	611,639,932	91,171,964	108,339,741
Expected credit loss	19,981,800	1,574,262	2,083,218	6,788,724	9,535,596

13.2 Represent 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.

# Notes to the Unconsolidated Financial Statements

## For the year ended June 30, 2022

13.3 The ageing analysis of unimpaired trade debts due from related parties is as follows:

	Total	Current	Past due but not impaired		
			> 30 days upto 120 days (Rupees)	> 121 days upto 180 days	180 days and above
TPL Insurance Limited - 2022	19,256,007	14,037,686	2,065,430	2,127,471	1,025,420
TPL Insurance Limited - 2021	4,363,523	1,149,266	1,501,841	1,474,687	237,729

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

	Note	► 2022	► 2021
		Rupees	
TPL Insurance Limited		19,256,007	4,363,523
13.5 Allowance for expected credit losses			
Opening balance		19,981,800	24,795,814
Less: Charge / (reversal) during the year	38	4,025,029	(4,814,014)
Closing balance		24,006,829	19,981,800

### 14. LOANS AND ADVANCES

Loans – secured, considered good			
Current portion of long-term loans	9	2,389,360	1,277,111
Advances – unsecured, considered good			
suppliers		31,939,996	61,562,102
others		-	184,704
	14.1	31,939,996	61,746,806
		34,329,356	63,023,917

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

### 15. TRADE DEPOSITS AND PREPAYMENTS

Trade deposits			
Security deposits		7,214,720	1,967,720
LC margin		377,546	3,772,346
Current portion of leased and ijarah deposits		2,286,826	10,120,921
Others		711,516	711,516
	15.1	10,590,608	16,572,503
Prepayments			
Insurance		3,210,595	6,872,493
Maintenance		7,894,553	4,808,824
Others		12,557,514	4,158,507
		23,662,662	15,839,824
		34,253,270	32,412,327

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



# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
Note	Rupees		
<b>16. INTEREST ACCRUED (unsecured, considered good)</b>			
Mark-up accrued on due from related parties			
On current account:			
Ultimate parent company			
- TPL Holdings (Private) Limited [TPLH]	225,097,934	139,088,282	
Parent company			
- TPL Corp Limited [TPLC]	64,304,940	106,632,497	
Subsidiary company			
- Trakker Middle East LLC [TME]	33,651,177	19,804,055	
Associates			
- TPL Security Services (Private) Limited [TSS]	4,326,421	4,326,421	
- TPL Direct Finance (Private) Limited [TPLD]	1,291,055	1,186,702	
- TRG Pakistan Limited [TRG]	8,460,845	7,309,315	
- TPL Tech Pakistan (Private) Limited [TPL Tech]	16,139,391	10,861,518	
- TPL Properties Limited [TPLP]	2,403,370	2,047,056	
	<b>355,675,133</b>	<b>291,255,846</b>	
<b>17. OTHER RECEIVABLES (unsecured, considered good)</b>			
Earnest money	23,069,505	11,444,235	
Insurance claims	4,955,995	5,030,029	
Others	17.1 1,133,269	1,133,269	
	<b>29,158,769</b>	<b>17,607,533</b>	

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.

		► 2022	► 2021
Note	Rupees		
<b>18. DUE FROM RELATED PARTIES (unsecured, considered good)</b>			
Ultimate parent company			
- TPL Holdings (Private) Limited [TPLH]	18.1 699,627,685	697,831,944	
Parent company			
- TPL Corp Limited [TPLC]	18.2 -	597,793,456	
Subsidiary company			
- Trakker Middle East LLC [TME]	18.2 141,323,900	132,185,451	

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
Associates			
- TPL Properties Limited [TPLP]	18.2	-	7,420,642
- TPL Life Insurance Limited [TPL Life]	18.2	21,233,637	5,118,741
- TPL Direct Finance (Private) Limited [TPLD]	18.2	850,070	850,070
- TRG Pakistan Limited [TRG]	18.2	9,380,446	9,380,446
- TPL Tech Pakistan Limited [TPL Tech]	18.2	42,993,993	42,993,993
		<u>915,409,731</u>	<u>1,493,574,743</u>
18.1	Represents current account balance carrying mark-up at the fixed rate of 3 months KIBOR plus 3 percent (2021: 3 months KIBOR plus 3 percent) and is repayable on demand.		
18.2	Represents current account balances with related parties carrying mark-up at the variable rate of 3 months to 6 months KIBOR plus 3 percent (2021: 3 months to 6 months KIBOR plus 3 percent) per annum and are repayable on demand.		
18.3	These are neither past due nor impaired.		
18.4	The maximum amount outstanding at any time during the year calculated by reference to month end balances are as follows:		

		► 2022	► 2021
	Note	Rupees	
Ultimate parent company			
- TPL Holdings (Private) Limited [TPLH]		<u>699,627,685</u>	<u>697,831,944</u>
Parent company			
- TPL Corp Limited [TPLC]		<u>955,103,622</u>	<u>827,542,334</u>
Subsidiary company			
- Trakker Middle East LLC [TME]		<u>141,323,900</u>	<u>133,505,613</u>
Associates			
- TPL Properties Limited [TPLP]		<u>34,085,250</u>	<u>7,821,947</u>
- TPL Life Insurance Limited [TPL Life]		<u>21,233,637</u>	<u>6,232,538</u>
- TPL Direct Finance (Private) Limited [TPLD]		<u>850,070</u>	<u>850,070</u>
- TRG Pakistan Limited [TRG]		<u>9,380,446</u>	<u>9,380,446</u>
- TPL Tech Pakistan Limited [TPL Tech]		<u>42,993,993</u>	<u>42,993,993</u>

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
Note		Rupees	
<b>19. CASH AND BANK BALANCES</b>			
Cash in hand		154,340	359,746
At banks in local currency:			
current accounts		12,050,422	13,335,255
saving accounts	19.1	107,809,310	118,508,981
		119,859,732	131,844,236
		120,014,072	132,203,982

19.1 These carry mark-up at the rate of 2.95 percent to 6.96 percent (2021: 2.95 percent to 7.65 percent) per annum.

		► 2022	► 2021
2022	2021	Rupees	
Number of shares			
66,820,510	10	668,205,100	100
-	66,820,500	-	668,205,000
66,820,510	66,820,510	668,205,100	668,205,100
68,680,171	68,680,171	686,801,710	686,801,710
51,762,412	51,762,412	517,624,120	517,624,120
187,263,093	187,263,093	1,872,630,930	1,872,630,930

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

		► 2022	► 2021
Note		Rupees	
<b>21. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT</b>			
Opening balance:			
Leasehold land		271,024,056	274,630,291
Building on leasehold land		13,898,709	13,898,709
		284,922,765	288,529,000
(Deficit) / surplus on revaluation recognised / (reversed on disposal) during the year:			
Leasehold land		(271,024,056)	-
Building on leasehold land		(13,898,709)	-
		(284,922,765)	-
Transfer to unappropriated profit on account of incremental depreciation charged for the year		-	(690,918)
Deferred tax:			
On account of surplus on revaluation of building on leasehold land - net		-	(3,115,683)
Impact of deferred tax on incremental depreciation charged for the year		-	200,366
		-	(2,915,317)
		-	284,922,765

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
<b>22. LONG-TERM FINANCING – secured</b>			
Sukuk financing I	22.1	-	350,000,000
Sukuk financing II	22.2	1,027,032,974	1,231,467,442
Diminishing musharaka I	22.3	27,912,021	43,263,634
Diminishing musharaka II	22.4	10,472,867	-
Diminishing musharaka III	22.5	2,498,982	-
		1,067,916,844	1,624,731,076
Less: Current portion shown under current liabilities	30	(298,615,142)	(575,080,546)
		<u>769,301,702</u>	<u>1,049,650,530</u>

- 22.1 Represents Sukuk certificates issued 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 amendment agreement for Green Shoe Option dated May 08, 2016 and second supplemental agreement dated June 30, 2020. The said certificates got redeemed completely on 13th April 2022. The rate for rental payment was 1 year KIBOR plus 3 percent (2021: 1 year KIBOR plus 3 percent). These certificates were secured against ordinary shares of TPL Properties Limited (inclusive of 35% margin) owned by TPL Corp Limited (the parent 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.
- 22.2 Represents Sukuk certificates issued of Rs. 1,250 million divided into 1,250 certificates of Rs 1 million each for a period of 5 years under an agreement dated December 22, 2020. The said certificates are redeemable in periodic instalments by March 2026 and the rate for rental payment is 3 months KIBOR plus 3% per annum. These certificates are secured against first pari passu charge of Rs. 70 million on present and future moveable fixed assets of the Company inclusive of 25% margin, first pari passu hypothecation charge of Rs. 340 million on present and future current assets of the Company inclusive of 25% margin; and first pari passu charge of upto Rs.1,500 million on present and future long-term investments of TPL Corp Limited (the parent company) inclusive of 25% margin and first charge over lien and set off against facility payment and facility service reserve accounts to the extent of Rs. 1,855 million.
- 22.3 Represents diminishing musharaka facility to finance the purchase of computer servers and related accessories aggregating to Rs 58.615 million from an Islamic bank for a period of 5 years [2021: 5 years (after deferment of 1 year)] and carries mark-up at the rate of 1 month KIBOR plus 2 percent per annum. The musharaka units are to be purchased by January 2024. The facility is secured by exclusive charge over the diminishing musharaka assets, first charge over all present and future current and fixed assets of the Company and corporate guarantee of TPL Corp Limited (the parent company).
- 22.4 Represents diminishing musharaka facility to finance the purchase of vehicle aggregating to Rs 11.484 million from Islamic Financial Institution for a period of 5 years and carries mark-up at the rate of 3 month KIBOR plus 3.5 percent per annum. The musharaka units are to be purchased by November 2026. The facility is secured by post-dated cheques of all instalments and corporate guarantee of TPL Corp Limited (the parent company).
- 22.5 Represents diminishing musharaka facility to finance the purchase of vehicles aggregating to Rs 3.133 million from Islamic Financial Institution for a period of 3 years and carries mark-up at the rate of 6 month KIBOR plus 3.5 percent per annum. The musharaka units are to be purchased by November 2024. The facility is secured by post-dated cheques of all instalments and corporate guarantee of TPL Corp Limited (the parent company).

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
22.6	The movement in long-term financings is as follows:		
Opening balance		1,624,731,076	497,450,437
Financings obtained during the year		14,398,700	1,231,467,442
Unwinding of transaction cost		3,898,864	-
Financings repaid during the year		(575,111,796)	(104,186,803)
Closing balance		1,067,916,844	1,624,731,076
<b>23. LEASE LIABILITIES</b>			
Current maturity of lease liabilities	30	50,088,139	47,668,312
Non current maturity of lease liabilities		89,833,930	81,889,252
	23.1	139,922,069	129,557,564
<b>23.1 Reconciliation of total lease liabilities:</b>			
Opening balance		129,557,564	83,101,871
Additions for the year		79,727,647	102,643,520
Interest expense for the year		15,397,973	14,017,862
Payments made during the year		(84,761,115)	(70,205,689)
Closing balance		139,922,069	129,557,564

The following are the amounts recognised in profit or loss in respect of leases:

		► 2022	► 2021
	Note	Rupees	
Depreciation expense on right-of-use assets	7.4	69,110,403	66,938,503
Interest expense on lease liabilities		15,397,973	14,017,862
Total amount recognised in profit or loss		84,508,376	80,956,365

23.2 The maturity analysis of lease liabilities is presented in note 43.1 to these financial statements.

23.3 The Company had total cash outflows for leases of Rs. 84.761 million (2021: Rs. 70.206 million) as of reporting date. The Company also had non-cash additions to right-of-use assets and lease liabilities of Rs. 79.727 million (2021: Rs. 102.644 million). The Company do not have any future cashflows relating to leases other than as disclosed in these financial statements.

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
Note	Rupees		
<b>24. LONG-TERM LOANS</b>			
Term finance I	24.1	-	25,000,002
Term finance V	24.2	-	28,777,780
Term finance VI	24.3	23,856,264	69,416,504
Term finance VII	24.4	31,904,439	69,663,995
		55,760,703	192,858,281
Less: Current portion shown under current liabilities	30	(55,760,703)	(124,490,426)
		-	68,367,855

- 24.1 The term finance facility of Rs. 100 million was obtained for a period of three years from a commercial bank through an agreement dated November 27, 2017. The said loan was to be paid in equal quarterly instalments of Rs. 8.3 million each from the date of disbursement. It carried mark-up at the rate of 3 months KIBOR plus 2.1 percent per annum. The facility was secured against first pari passu charge over stocks and book debts for Rs. 144 million duly insured in bank's favour covering all risks with 25% margin and first pari passu charge over book debts and receivables with 25% margin amounting to Rs. 183 million in bank's favour. During the year, the Company repaid the outstanding balance in full and charge on this facility was released.
- 24.2 The term finance facility of Rs. 37 million for a period of five years from a commercial bank through an agreement dated April 29, 2020. The loan was repayable in 18 equal quarterly instalments of Rs. 2.05 million each and carries mark-up at the rate of 3 months KIBOR plus 2.50 percent per annum which had been fully settled during the year. The facility was secured against first parri passu equitable mortgage charge of Rs. 385 million over land and building of the Company and personal guarantees of directors / sponsors of the Company.
- 24.3 The Company and the parent company (TPL Corp Limited) has obtained long-term financing from a commercial bank of Rs. 150 million under Refinance Scheme for payment of Wages & Salaries by State Bank of Pakistan. Out of total facility limit, Rs. 96.7 million was availed by the Company and Rs. 51.7 million was availed by the parent company. It carries a flat mark-up at the rate of 3 percent per annum and is repayable in 8 quarterly instalments commencing from January 2021 discounted at effective rate of interest of 9.72 percent to 11.31 percent per annum. The differential mark-up has been recognised as government grant (see note 25 to these unconsolidated financial statements) which will be amortised to interest income over the period of the facility. The facility is secured against existing charge over Company's current assets, fixed assets and pledge of shares of TPL Insurance Limited and TPL Properties Limited.
- 24.4 The Company has obtained long-term financing from a commercial bank of Rs. 98 million under Refinance Scheme for payment of Wages & Salaries by State Bank of Pakistan. Out of total facility limit, Rs. 97.8 million was availed by the Company. It carries a flat mark-up at the rate of 3 percent per annum and is repayable in 8 quarterly instalments commencing from January 2021 discounted at effective rate of interest of 10.25 percent to 10.26 percent per annum. The differential mark-up has been recognised as government grant (see note 25 to these unconsolidated financial statements) which will be amortised to interest income over the period of the facility. The facility is secured against ranking charge over current assets of the Company and pledge of shares of TPL Corp Limited & TPL Properties Limited of Rs. 163.333 million with 40 percent margin.

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
Note		Rupees	
24.5	The movement in long-term loans is as follows:		
	Opening balance	192,858,281	327,919,795
	Loans obtained during the year	-	81,180,490
	Loans repaid during the year	(137,097,578)	(216,242,004)
	Closing balance	55,760,703	192,858,281
<b>25.</b>	<b>GOVERNMENT GRANT</b>		
	Opening balance	6,747,703	4,490,049
	Recognised during the year	-	12,730,320
	Released to profit or loss during the year	(5,950,600)	(10,472,666)
	Closing balance	797,103	6,747,703
	Current portion	797,103	5,950,600
	Non-current portion	-	797,103
		797,103	6,747,703
<b>26.</b>	<b>TRADE AND OTHER PAYABLES</b>		
	Creditors	370,340,075	322,151,458
	Accrued liabilities	173,390,354	169,547,726
	Unearned equipment rentals	118,998,792	108,580,014
	Book overdraft	62,159,815	413,000,000
	Other liabilities		
	Sales commission	16,049,345	23,747,196
	Sales tax payable	16,118,843	12,832,128
	Withholding tax payable	246,504,164	184,914,230
	Workers' Welfare Fund	2,638,267	2,638,267
	Provident fund	68,017,177	54,682,209
	Others	1,661,798	1,661,798
		350,989,594	280,475,828
		1,075,878,630	1,293,755,026

26.1 Included herein Rs. 25.660 million (2021: Rs. 57.978 million) and Rs. 28.985 million (2021: Rs. 27.696) payable to TPL Properties Limited and TPL Property Management (Private) Limited (the related parties) respectively, on account of rental, maintenance and other services.

26.2 Equipment rentals transferred to revenue during the year amounts to Rs. 1.462 billion (2021: Rs. 910.296 million).

26.3 Includes stale cheques amounting to Rs. 1.647 million (2021: Rs.1.647 million).

26.4 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 Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
<b>27. ACCRUED MARK-UP</b>			
Long-term financings		907,744	21,256,181
Long-term loans		361,065	14,897,660
Running finance under mark-up arrangement		27,844,523	26,036,109
Short-term financings		2,822,667	3,739,838
Due to related parties		40,593,879	30,507,851
		<u>72,529,878</u>	<u>96,437,639</u>
<b>28. SHORT-TERM FINANCINGS</b>			
Payable against FATR	28.1	95,208,753	235,953,736
Payroll financing	28.2	101,492,618	-
		<u>196,701,371</u>	<u>235,953,736</u>

28.1 Represents payable against FATR (Finance against trust receipt) facility obtained by the Company from various commercial banks having an aggregate limit of Rs. 285 million (2021: Rs. 325 million). It carries mark-up ranging from 3 months KIBOR plus 2 percent to 3.5 percent and is secured against first pari passu hypothecation charge of Rs. 826 million (2021: Rs. 826 million) over all present and future stocks, book debts and fixed assets excluding land and buildings of the Company with cash margins ranging from nil to 15 percent. As of the reporting date, Rs. 189.791 million (2021: Rs. 89 million) remains unutilized.

28.2 Represents payroll financing facilities obtained by the Company during the year against processing fee charges at the rate of 1 month KIBOR + 2% per annum, calculated on a daily outstanding balance with settlement being done simultaneously along with the principal.

28.3 The movement in short-term financings is as follows:

Opening balance	235,953,736	1,394,169,173
Financings obtained during the year	146,390,785	235,953,736
Financings repaid during the year	(185,643,150)	(1,394,169,173)
Closing balance	<u>196,701,371</u>	<u>235,953,736</u>

## 29. RUNNING FINANCE UNDER MARK-UP ARRANGEMENTS

These facilities are obtained from various commercial banks having an aggregate limit of Rs. 795 million (2021: Rs. 1,097.5 million) out of which Rs. 37.375 million (2021: Rs. 59.9 million) was unutilised as of the reporting date. The facilities carry mark-up ranging between 1 month KIBOR plus 2 percent and 3 months KIBOR plus 1.5 percent to 3 percent (2021: 1 month KIBOR plus 2 percent and 3 months KIBOR plus 1.5 percent to 3 percent) per annum. These are secured by way of:

- registered hypothecation over stocks and book debts aggregating to Rs. 1,186 million (2021: Rs. 1,186 million) and pledge of the shares of TPL Insurance Limited, TPL Properties Limited and TPL Corp Limited having market value of Rs. 300 million.
- personal guarantees of sponsors/directors of the company, 100% liquid security in shape of lien over company/related company account/ lien over term deposit account on account of TPL Life Insurance Limited, 100% cash collateral under lien in the form of term deposit receipt or depository participants account (to be marked in group companies) / minimum 60% cash in shape of lien over term deposit receipt or depository participants



# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

account (to be marked lien in group Associate Company i.e. TPL Life Insurance Limited) and maximum 40% to be placed in investor portfolio securities account of TPL Life Insurance Limited with 10% margin.

- cash collateral in the form of lien over deposits held under islamic bank of Rs. 100 million in the name of TPL Insurance Limited and cross corporate guarantee of TPL Insurance Limited.

		► 2022	► 2021
Note		Rupees	
<b>30. CURRENT PORTION OF NON-CURRENT LIABILITIES</b>			
Long-term financings	22	298,615,142	575,080,546
Lease liabilities	23	50,088,139	47,668,312
Long-term loans	24	55,760,703	124,490,426
Government grant	25	797,103	5,950,600
		<u>405,261,087</u>	<u>753,189,884</u>
<b>31. DUE TO RELATED PARTIES - [unsecured]</b>			
Parent company			
TPL Corp Limited [TPLC]		164,227,754	-
Associates			
TPL Insurance Limited [TIL]	31.1	202,070,734	213,925,468
TPL Security Services (Private) Limited [TSS]	31.2	23,078,649	10,497,425
TPL Properties Limited [TPLP]		25,376,529	-
		<u>414,753,666</u>	<u>224,422,893</u>

31.1 Included herein current account balance of Rs.72.929 million (2021: Rs. 61.07 million) carrying mark-up at the variable rate of 3 months KIBOR plus 3 percent per annum and is repayable on demand. Further, it also includes outstanding loan of Rs. 275 million having facility limit of Rs. 300 million (2021: Rs. 275 million) carrying mark-up at the rate of 1 year KIBOR plus 3.5 percent per annum and is repayable on demand.

31.2 Represent interest free current account balances with related parties, which are repayable on demand.

		► 2022	► 2021
Note		Rupees	
<b>32. TAXATION - NET</b>			
Opening balance - payable		(31,014,251)	(13,685,055)
Less: Provision for current and prior taxation	42	(30,526,025)	(61,374,975)
Add: Income tax paid and deducted at source		33,441,300	44,045,779
Closing balance - payable		<u>(28,098,976)</u>	<u>(31,014,251)</u>

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
<b>33. ADVANCE MONITORING FEES</b>			
Opening balance		35,853,103	37,140,162
Billed during the year		514,303,971	440,750,688
Less: Transferred to revenue during the year		(461,789,826)	(442,037,747)
Closing balance	33.1	88,367,248	35,853,103

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

## 34. CONTINGENCIES AND COMMITMENTS

### 34.1 Contingencies

34.1.2 The Company is defending various suits filed against it in various courts in Pakistan for sums, aggregating to Rs. 13.279 million (2021: 13.279 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. Details of these legal cases are given below:

Court	Factual Description	Date of institution	Party	Relief Sought
High Court of Sindh	Dispute arising on the reimbursement on return of tracking device and un-utilised monitoring charges	April 01, 2011	Geofizyka Krakow Limited vs TPL Trakker Limited	Reimbursement of Rs.10.929 million being the price paid for the equipment in respect of returned units and un-utilised monitoring charges
District and Session Court (East)	Dispute arising due to the non-functionality of tracking device	April 08, 2013	Muhammad Aziz Khan vs TPL Trakker Limited	Recovery of Rs. 1.350 million being the cost of the car and Rs.1 million as damages

		► 2022	► 2021
	Note	Rupees	
<b>34.2 Commitments</b>			
34.2.1 Letter of credits		-	235,953,736
34.2.2 Guarantees issued by banks on behalf of the Company		32,294,741	21,639,662

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
Note	Rupees		
<b>35. TURNOVER – net</b>			
Tracking and other digital business			
Equipment installation and sales	506,492,119	393,817,267	
Monitoring fees	551,838,842	528,235,108	
Rentals from tracking devices	1,122,772,246	1,032,048,583	
Navigation revenue	212,782,469	190,936,999	
Other services	33,517,006	39,576,480	
	2,427,402,682	2,184,614,437	
Less: Sales tax	(320,934,182)	(298,372,629)	
35.1	2,106,468,500	1,886,241,808	

35.1 Included herein revenue recognized during the year of Rs. 165.431 million (2021: Rs. 208.10 million) made to related parties.

		► 2022	► 2021
Note	Rupees		
<b>36. COST OF SALES AND SERVICES</b>			
Cost of equipment sold			
Opening stock	420,445,073	246,221,725	
Purchases during the year	459,362,585	491,626,099	
	879,807,658	737,847,824	
Less: Units transferred to operating fixed assets given under rental arrangements	5.1 (214,904,960)	(117,678,857)	
Less: Closing stock	12 (369,984,768)	(420,445,073)	
	294,917,930	199,723,894	
Salaries, wages and other benefits	36.1 331,462,467	322,480,099	
Activation and connection charges	184,420,986	207,868,215	
Insurance	17,374,102	10,938,552	
Vehicle running and maintenance	49,210,333	42,039,440	
Depreciation	5.1.2 210,041,942	213,610,381	
Depreciation on ROUA	7.4 58,059,650	56,235,035	
Amortisation	6.4 13,135,627	18,950,443	
License renewal fee	2,831,979	2,518,857	
Communication	8,587,680	5,850,435	
Travelling and conveyance	26,590,187	19,458,723	
Utilities	17,387,509	14,738,220	
Rent, rates and taxes	6,304,874	22,599,423	
Entertainment	5,336,930	6,643,437	
Commission	66,461,172	83,110,034	
Ijarah rentals	3,566	1,086,811	
Outsourcing expenses	5,984,986	7,650,500	
Postage and courier	12,930,283	17,617,516	
Printing and stationery	4,451,497	299,041	
Repairs and maintenance	15,806,471	13,440,857	
Training	1,568,574	900,399	
Computer expenses	25,678,175	7,623,915	
Others	1,687,303	4,742,328	
	1,065,316,293	1,080,402,661	
	1,360,234,223	1,280,126,555	

36.1 These include Rs. 10.685 million (2021: Rs. 8.342 million) in respect of staff retirement benefits (provident fund contribution).

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
<b>37. DISTRIBUTION EXPENSES</b>			
Salaries, wages and other benefits	37.1	66,701,391	64,893,837
Vehicle running and maintenance		2,248,785	1,921,094
Depreciation	5.1.2	6,775,547	6,890,658
Depreciation on ROUA	7.4	1,872,892	1,814,034
Amortisation	6.4	423,730	611,305
Sales promotion and publicity		14,373,335	10,948,435
Utilities		1,597,982	1,354,502
Rent, rates and taxes		743,053	2,663,426
Entertainment		609,115	758,230
Printing and stationery		700,862	47,082
Communication		2,060,200	1,403,530
Repairs and maintenance		1,124,465	956,177
Insurance		1,878,503	1,182,686
Computer expenses		4,624,482	1,373,020
Others		126,777	356,319
		<b>105,861,119</b>	<b>97,174,335</b>

37.1 These include Rs. 2.150 million (2021: Rs. 1.679 million) in respect of staff retirement benefits (provident fund contribution).

		► 2022	► 2021
	Note	Rupees	
<b>38. ADMINISTRATIVE EXPENSES</b>			
Salaries, wages and other benefits	38.1	184,917,514	179,906,396
Legal and professional		21,400,224	15,627,840
Depreciation	5.1.2	11,845,374	12,057,415
Depreciation on ROUA	7.4	9,177,862	8,889,434
Amortisation	6.4	2,076,433	2,995,618
Charge / (Reversal) of allowance for expected credit losses		4,025,029	(4,814,014)
Utilities		7,082,738	6,003,560
Rent, rates and taxes		2,543,928	9,118,550
Travelling and conveyance		4,346,622	3,180,862
Repairs and maintenance		9,715,170	8,261,188
Security services		16,990,624	18,627,518
Vehicle running and maintenance		17,734,264	15,150,040
Computer expenses		19,908,870	5,910,994
Communication		5,561,406	3,788,759
Late payment surcharge (net)		15,000,000	12,324,129
Training		1,175,607	674,827
Auditors' remuneration	38.2	4,030,000	7,400,000
Insurance		8,090,961	5,093,984
Entertainment		2,490,455	3,100,131
Printing and stationery		4,142,895	278,310
Ijarah rentals		3,566	1,086,811
Subscription		6,617,222	1,462,000
Others		1,047,696	2,944,652
		<b>359,924,460</b>	<b>319,069,004</b>

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

38.1 These include Rs. 7.760 million (2021: Rs. 6.058 million) in respect of staff retirement benefits (provident fund contribution).

		► 2022	► 2021
Note	Rupees		
38.2 Auditors' remuneration			
Audit fee – standalone	2,300,000	2,300,000	
Audit fee – consolidation	500,000	500,000	
Review fee – standalone	750,000	750,000	
Code of corporate governance and other assurance services	330,000	3,700,000	
Out of pocket expenses	150,000	150,000	
	<b>4,030,000</b>	<b>7,400,000</b>	

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

		► 2022	► 2021
Note	Rupees		
<b>39. RESEARCH AND DEVELOPMENT EXPENSES</b>			
Salaries, wages and other benefits	55,820,839	54,308,139	
Depreciation	21,357,304	21,709,350	
Rent, rates and taxes	476,612	1,708,385	
	<b>77,654,755</b>	<b>77,725,874</b>	
<b>40. FINANCE COSTS</b>			
Mark-up on:			
Long-term financings	160,887,777	106,545,770	
Lease liabilities	15,409,973	14,017,862	
Long-term loans	10,503,478	42,099,560	
Short-term financings	11,238,585	59,101,063	
Running finance under mark-up arrangements	100,010,092	105,243,350	
Due to related parties	10,086,027	58,504,501	
Exchange Loss – net	15,422,317	-	
Bank and other charges	3,399,765	4,030,730	
	<b>326,958,014</b>	<b>389,542,836</b>	

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
Note	Rupees		
<b>41. OTHER INCOME</b>			
Income from financial assets:			
Interest income on loan given to employees		93,505	89,302
Mark-up on saving accounts		7,434,159	711,400
		7,527,664	800,702
Income from related parties:			
Mark-up on current account		136,301,636	162,811,208
Other service income		11,182,765	10,672,983
		147,484,401	173,484,191
		155,012,065	174,284,893
Income from assets other than financial assets:			
Gain on disposal of property, plant and equipment - net		44,636,606	39,300
Amortisation of government grant	25	5,950,600	10,472,666
Exchange gain - net		-	3,173,759
Others		5,039,088	3,129,469
		55,626,294	16,815,194
		210,638,359	191,100,087
<b>42. TAXATION</b>			
Current		(59,303,167)	(65,249,589)
Prior		28,777,142	3,874,614
Deferred	11.1	141,166,748	27,469,391
		110,640,723	(33,905,584)

42.1 The returns of the total income of the Company have been filed for and upto tax year 2021 which are considered as deemed assessments.

		► 2022	► 2021
Note	Rupees		
<b>42.2 Relationship between accounting profit and tax expense</b>			
Profit / (Loss) before taxation		86,474,288	(86,296,709)
Applicable tax rate		29%	29%
Prior year tax		28,777,142	3,874,614
Tax effect of income subject to lower tax rate		81,863,581	(37,780,198)
Taxation for the year		110,640,723	(33,905,584)

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

## 43. 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, 2022. The policies for managing each of these risks are summarised below:

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

	Interest bearing			Non-Interest bearing			
	Maturity after			Maturity after			
	Maturity upto	one year but		Maturity upto	one year but		Total
	one year	less than five	Total	one year	less than five	Total	
2022				-(Rupees)			
Financial assets							
(designated at FVTOCI)							
Long-term investments	-	-	-	-	194,552,732	194,552,732	194,552,732
(at amortised cost)							
Loans	1,687,376	237,133	1,924,509	701,984	234,479	936,463	2,860,972
Long-term deposits	-	-	-	-	37,699,947	37,699,947	37,699,947
Trade debts	-	-	-	843,752,751	-	843,752,751	843,752,751
Trade deposits	-	-	-	10,590,608	-	10,590,608	10,590,608
Interest accrued	-	-	-	355,675,133	-	355,675,133	355,675,133
Other receivables	-	-	-	29,158,769	-	29,158,769	29,158,769
Due from related parties	915,409,731	-	915,409,731	-	-	-	915,409,731
Cash and bank balances	107,809,310	-	107,809,310	12,204,762	-	12,204,762	120,014,072
	1,024,906,417	237,133	1,025,143,550	1,252,084,007	232,487,158	1,484,571,165	2,509,714,715
Financial liabilities							
(at amortised cost)							
Long-term financings	298,615,142	769,301,702	1,067,916,844	-	-	-	1,067,916,844
Lease liabilities	50,088,139	89,833,930	139,922,069	-	-	-	139,922,069
Long-term loans	55,760,703	-	55,760,703	-	-	-	55,760,703
Trade and other payables	-	-	-	506,849,259	-	506,849,259	506,849,259
Accrued mark-up	-	-	-	72,529,878	-	72,529,878	72,529,878
Short term financings	196,701,371	-	196,701,371	-	-	-	196,701,371
Running finance under		-					
mark-up arrangements	767,102,058	-	767,102,058	-	-	-	767,102,058
Due to related parties	414,753,666	-	414,753,666	-	-	-	414,753,666
	1,783,021,079	859,135,632	2,642,156,711	579,379,137	-	579,379,137	3,221,535,848

# Notes to the Unconsolidated Financial Statements

## For the year ended June 30, 2022

	Interest bearing			Non-Interest bearing			
	Maturity after			Maturity after			
	Maturity upto	one year but		Maturity upto	one year but		
	one year	less than five	Total	one year	less than five	Total	Total
2021	----- (Rupees) -----						
Financial assets							
(at amortised cost)							
Long-term investments	-	-	-	-	194,552,732	194,552,732	194,552,732
Loans	746,962	55,487	802,449	530,150	150,225	680,375	1,482,824
Long-term deposits	-	-	-	-	26,194,868	26,194,868	26,194,868
Trade debts	-	-	-	1,143,748,828	-	1,143,748,828	1,143,748,828
Trade deposits	-	-	-	16,572,503	-	16,572,503	16,572,503
Interest accrued	-	-	-	291,255,846	-	291,255,846	291,255,846
Other receivables	-	-	-	17,607,533	-	17,607,533	17,607,533
Due from related parties	1,493,574,743	-	1,493,574,743	-	-	-	1,493,574,743
Cash and bank balances	118,508,981	-	118,508,981	13,695,001	-	13,695,001	132,203,982
	1,612,830,686	55,487	1,612,886,173	1,483,409,861	220,897,825	1,704,307,686	3,317,193,859
Financial liabilities							
(at amortised cost)							
Long-term financings	575,080,546	1,049,650,530	1,624,731,076	-	-	-	1,624,731,076
Lease liabilities	47,668,312	81,889,252	129,557,564	-	-	-	129,557,564
Long-term loans	124,490,426	68,367,855	192,858,281	-	-	-	192,858,281
Trade and other payables	-	-	-	815,130,164	-	815,130,164	815,130,164
Accrued mark-up	-	-	-	96,437,639	-	96,437,639	96,437,639
Short term financings	235,953,736	-	235,953,736	-	-	-	235,953,736
Running finance under mark-up arrangements	1,062,507,117	-	1,062,507,117	-	-	-	1,062,507,117
Due to related parties	224,422,893	-	224,422,893	-	-	-	224,422,893
	2,270,123,030	1,199,907,637	3,470,030,667	911,567,803	-	911,567,803	4,381,598,470

43.1.1 The carrying values of all financial assets and liabilities reflected in these financial statements approximate their fair values.

### 43.2 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 analysis in the following sections relate to the position as at June 30, 2022.

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



# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

## 43.2.2 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 / (loss) before tax (through impact on floating rate borrowings). There is no direct impact on Company's equity. This analysis excludes the impact of movement in market variables on the carrying values of provisions and on non-financial assets and liabilities of the Company.

	(Increase) / decrease in basis points	Effect on profit / (loss) before tax (Rupees)
2022	+100	17,036,683
	-100	(17,036,683)
2021	+100	19,659,585
	-100	(19,659,585)

## 43.2.3 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 supplier payments 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.

	2022	2021	2022	2021
	----- Foreign Currency -----		----- Equivalent Rupees -----	
Assets				
Advances (USD)	43,215	-	8,878,522	-
Liabilities				
Trade creditors (USD)	(373,179)	(185,469)	(66,612,316)	(29,378,292)
Trade creditors (EUR)	(90,000)	-	(17,948,682)	-

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

	Average rate		Spot rate	
	2022	2021	2022	2021
	-----Rupees-----			
US Dollar	179.50	163.30	178.50	158.40
Euro	206.00	N/A	199.43	N/A

## Sensitivity analysis

Every 5% increase or decrease in exchange rate, with all other variables held constant, will decrease or increase profit / (loss) before tax for the year by Rs 4.338 million (2021: Rs 1.469 million).

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

## 43.2.4 Other price risk

Other price risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market prices such as equity price risk. Equity price risk is the risk arising from uncertainties about future values of investments securities. As at reporting date, the Company is not exposed to equity price risk other than its investment in subsidiary company (note 8).

## 43.3 Credit risk

43.3.1 Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharging an obligation. The financial assets excludes statutory assets and includes deposits, trade and other receivables, interest accrued, investments, due from related parties and cash and bank balances. Out of the total financial assets of Rs. 2,509.715 million (2021: Rs. 3,317.194 million), the financial assets which are subject to credit risk amounted to Rs. 2,506.854 million (2021: Rs. 3,315.711 million). The Company's credit risk is primarily attributable to its trade debts and bank balances. The Company has large number of customers, including corporate and individuals, due to large number and diversity of its customer base, concentration of credit risk with respect to trade debtors is limited. Further, the Company manages its credit risk by obtaining advance monitoring fee for device and service charges and effective implementation of credit policy for its customers.

The credit quality of financial assets that are past due but not impaired is disclosed in note 13.1 to these financial statements. As at the reporting date, there are no financial assets that would otherwise be past due or impaired whose terms have been renegotiated.

43.3.2 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:

		► 2022	► 2021
	Note	Rupees	
Long-term investments	8	194,552,732	194,552,732
Loans	9	2,860,972	1,482,824
Long-term deposits	10	37,699,947	26,194,868
Trade debts	13.1	303,108,337	332,597,191
Trade deposits	15	10,590,608	16,572,503
Interest accrued	16	355,675,133	291,255,846
Other receivables	17	29,158,769	17,607,533
Due from related parties	18	915,409,731	1,493,574,743
Bank balances	19	119,859,732	131,844,236
		<u>1,968,915,961</u>	<u>2,505,682,476</u>

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

		► 2022	► 2021
Bank Balances by short-term rating category	Rating Agency	Rupees	
A-1+	VIS	774,820	1,336,861
A-1	VIS	966	-
A-1+	PACRA	111,952,539	122,064,060
A-1	PACRA	7,131,407	8,443,315
		<u>119,859,732</u>	<u>131,844,236</u>

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

## 43.4 Liquidity risk

Liquidity risk represents the risk that a Company will encounter difficulties in meeting obligations with the financial liabilities. The financial liabilities excludes statutory liabilities and provisions and includes long-term and short-term financing, trade and other payables, accrued mark-up and due to related parties. The Company'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 Company's financial liabilities at June 30, 2022 and 2021 based on contractual undiscounted payment dates and present market interest rates:

	On demand	Less than 3 months	3 to 12 months	More than 1 year	Total
	(Rupees)				
<b>2022</b>					
Long-term financings	-	-	298,615,142	769,301,702	1,067,916,844
Lease liabilities	-	-	50,088,139	89,833,930	139,922,069
Long-term loans	-	-	55,760,703	-	55,760,703
Trade and other payables	-	506,849,259	-	-	506,849,259
Accrued mark-up	72,529,878	-	-	-	72,529,878
Short-term financings	-	101,492,618	95,208,753	-	196,701,371
Running finance under mark-up arrangements	767,102,058	-	-	-	767,102,058
Due to related parties	414,753,666	-	-	-	414,753,666
	<u>1,254,385,602</u>	<u>608,341,877</u>	<u>499,672,737</u>	<u>859,135,632</u>	<u>3,221,535,848</u>
<b>2021</b>					
Long-term financings	-	-	575,080,546	1,049,650,530	1,624,731,076
Lease liabilities	-	-	47,668,312	81,889,252	129,557,564
Long-term loans	-	-	124,490,426	68,367,855	192,858,281
Trade and other payables	-	815,130,164	-	-	815,130,164
Accrued mark-up	96,437,639	-	-	-	96,437,639
Short-term financings	-	-	235,953,736	-	235,953,736
Running finance under mark-up arrangements	1,062,507,117	-	-	-	1,062,507,117
Due to related parties	224,422,893	-	-	-	224,422,893
	<u>1,383,367,649</u>	<u>815,130,164</u>	<u>983,193,020</u>	<u>1,199,907,637</u>	<u>4,381,598,470</u>

## 43.5 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, 2022. The parent company is committed to provide full support to the Company, as and when required.

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, 2022 and 2021 are as follows:

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
Long-term financings	22	1,067,916,844	1,624,731,076
Lease liabilities	23	139,922,069	129,557,564
Long-term loans	24	55,760,703	192,858,281
Accrued mark-up	27	72,529,878	96,437,639
Short-term financings	28	196,701,371	235,953,736
Running finance under mark-up arrangements	29	767,102,058	1,062,507,117
Total debts		2,299,932,923	3,342,045,413
Less: Cash and bank balances	19	(120,014,072)	(132,203,982)
Net debt		2,179,918,851	3,209,841,431
Share capital	20	1,872,630,930	1,872,630,930
Capital reserves		202,650,046	232,690,046
Revenue reserve		44,227,795	(189,432,169)
Other components of equity		77,760,820	362,683,585
Total equity		2,197,269,591	2,278,572,392
Total capital		4,377,188,442	5,488,413,823
Gearing ratio		49.80%	58.48%

## 43.6 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

Level 1: Quoted market price

Level 2: Valuation techniques (market observable)

Level 3: Valuation techniques (non-market observables)

# Notes to the Unconsolidated Financial Statements

## For the year ended June 30, 2022

The Company had the following financial instruments measured at fair value:

	Total	Level 1	Level 2	Level 3
	----- Rupees -----			
Financial assets - Designated at FVTOCI				
2022	194,552,732	-	-	194,552,732
2021	194,552,732	-	-	194,552,732

No transfers made during the year within the fair value hierarchy.

As of reporting date, the Company has no assets carried at fair value other than long-term investments in a subsidiary as stated above.

### 43.6.1 Description of significant unobservable inputs to valuation

The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy, as at June 30, 2022 are shown below:

	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Non-listed equity investments - TME	Discount rate	11.80%	1% increase in the discount rate could result in decrease in fair value by Rs. 34 million.
			1% decrease in the discount rate could result in increase in fair value by Rs. 86 million.
	Terminal growth rate	1.70%	1% increase in the growth rate could result in increase in fair value by Rs. 69.203 million.
			1% decrease in the growth rate could result in decrease in fair value by Rs. 52.485 million.

## 44. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	Chief Executive		Directors		Executives	
	2022	2021	2022	2021	2022	2021
	----- Rupees -----					
Basic salary	19,356,132	15,484,800	-	-	84,057,948	60,054,036
House rent allowance	8,710,200	6,968,160	-	-	37,825,944	27,024,264
Utilities	1,933,668	1,547,040	-	-	8,397,564	5,999,580
Vehicle allowance	-	-	-	-	15,108,000	12,468,000
Retirement benefits	1,612,368	1,289,880	-	-	6,872,988	4,873,512
Meeting fees	-	-	1,700,000	1,300,000	-	-
	31,612,368	25,289,880	1,700,000	1,300,000	152,262,444	110,419,392
Number of person(s)	1	1	3	4	33	25

- 44.1 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.

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

## 45. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of ultimate parent company, parent company, subsidiary company, 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:

	► 2022	► 2021
	Rupees	
TPL Holdings (Private) - Limited (ultimate parent company) [TPLH]		
Amount received by the Company from TPLH	29,250,000	-
Expenditure incurred / paid by the Company on behalf of TPLH	31,045,741	9,979,955
Mark-up on current account	86,009,652	72,775,079
Amount paid / repaid by the Company to TPLH	-	254,150,010
TPL Corp Limited - (parent company) [TPLC]		
Amount received by the Company from TPLC	1,110,382,353	1,125,520,000
Amount paid by the Company on behalf of TPLC	414,884,799	1,373,638,537
Mark-up on current account	29,554,796	73,919,325
Settlement of amount receivable by the Company with TPL Life	20,284,690	59,421,786
Expenditure incurred by the Company on behalf of TPLC	2,592,956	11,915,394
Expenditure incurred on behalf of the Company	120,714,275	122,454,115
Trakker Middle East LLC - (subsidiary company) [TME]		
Expenses incurred / paid by the Company on behalf of TME	9,138,449	88,832,541
Expenditure incurred / paid by TME on behalf of the Company	-	3,362,970
Mark-up on current account	13,847,122	10,585,457
Associated companies		
TPL Security Services (Private) Limited [TSS]		
Expenditure incurred / paid by the Company on behalf of TSS	3,935,768	13,843,057
Expenditure incurred / paid by TSS on behalf of the Company	1,186,767	1,679,412
Services acquired by the Company from TSS	20,110,628	16,470,746
Amount received by the Company from TSS	2,000,000	20,179,425
Settlement of amount payable on behalf of the Company from TSS for services received from suppliers	8,488,840	9,352,030
Amount paid / repaid by the Company to TSS	15,269,241	6,841,063

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

	► 2022	► 2021
	Rupees	
TPL Properties Limited [TPLP]		
Expenditure incurred / paid by the Company on behalf of TPLP	3,333,561	22,080,546
Amount paid by the Company to TPLP	25,000,000	-
Amount received by the Company from TPLP	59,000,000	19,118,983
Expenditure incurred / paid by TPLP on behalf of the Company	2,130,731	1,241,154
Mark-up on current account	356,314	344,295
TPL Insurance Limited [TIL]		
Sales made by the Company to TIL	171,408,678	208,098,133
Expenditure incurred / paid by the Company on behalf of TIL	29,746,248	61,686,535
Amount received by the Company from TIL	1,091,563,750	1,379,000,000
Mark-up on current account	10,086,027	53,593,084
Payment made by the Company to TIL	906,516,000	996,670,203
Expenditure incurred / paid by TIL on behalf of the Company	4,252,442	41,476,059
TPL Direct Finance (Private) Limited [TPLD]		
Mark-up on current account	104,353	86,057
TPL Life Insurance Limited [TPL Life]		
Amount received by the Company from TPL Life	44,026,400	264,300,240
Expenditure incurred / paid by TPL Life on behalf of the Company	4,473,847	12,163,843
Mark-up on current account	-	4,911,418
Settlement of amount payable by the Company with TPLC	20,284,690	59,421,786
Expenditure incurred by the Company on behalf of TPL Life	26,330,453	45,043,994
Payments made by the Company to TPL Life	18,000,000	182,800,000
TRG Pakistan Limited [TRG]		
Expenditure incurred / paid by the Company on behalf of TRG	-	1,764,213
Mark-up on current account	1,151,528	861,965
TPL Tech Pakistan (Private) Limited [TPL Tech]		
Expenditure incurred / paid by the Company on behalf of TPL Tech	-	2,029,825
Mark-up on current account	5,277,872	4,239,028
Staff retirement benefit		
Provident fund employer contribution	20,596,023	16,078,616
Key management personnel		
Salaries and other benefits	48,018,000	39,923,976
Post employment benefits	2,496,898	2,061,876

# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

- 45.1 All transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Company. The related parties status of outstanding receivables / payables as at June 30, 2022 and 2021 are disclosed in the respective note to these financial statements.
- 45.2 Certain employees of the group companies provides services to the Company and accordingly, their cost are proportionately charged to the Company on agreed terms. In addition, certain common expenses (other than salaries and other benefits) are also allocated within the group companies on agreed basis and terms.

		► 2022	► 2021
	Note	Rupees	
<b>46. CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	19	120,014,072	132,203,982
Running finance under mark-up arrangements	29	(767,102,058)	(1,062,507,117)
		<u>(647,087,986)</u>	<u>(930,303,135)</u>
<b>47. EARNINGS / (LOSS) PER SHARE – (basic and diluted)</b>			
Profit / (Loss) attributable to the ordinary shareholders		<u>197,115,011</u>	<u>(120,202,293)</u>
		----- Number of shares -----	
Weighted average number of ordinary shares in issue		<u>187,263,093</u>	<u>187,263,093</u>
Earnings / (Loss) per share – basic and diluted		<u>1.05</u>	<u>(0.64)</u>

## 48. SEGMENT REPORTING

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

The Company sales represents revenue earned from the customer base in Pakistan only.

The revenue information is based on the location of the customer i.e. in Pakistan only. The details of customers with whom the revenue from sales transactions amount to 10% or more of the Company's overall revenue is as follows:

		► 2022	► 2021
	Note	Rupees	
TPL Insurance Limited		<u>171,408,678</u>	<u>208,098,133</u>



# Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2022

Non-current assets of the Company are confined within Pakistan and consist of property, plant and equipment, intangibles assets, right-of-use assets, long-term loans and deposits, except for long-term investment in a foreign subsidiary (Trakker Middle East LLC).

## **49. GENERAL**

49.1 Number of employees as at June 30, 2022 were 901 (2021: 809) and average number of employees during the year were 855 (2021: 757).

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

## **50. DATE OF AUTHORISATION OF ISSUE**

These financial statements were authorised for issue on September 26, 2022 by the Board of Directors of the Company.

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR



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# Independent Auditor's Report

## To the members of TPL Trakker Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the annexed consolidated financial statements of TPL Trakker Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at June 30, 2022, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the consolidated statement of financial position, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Group's affairs as at June 30, 2022 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

#### Basis for Opinion

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

#### Key Audit Matters

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

Following are the key audit matters:

Key audit matter	How the matter was addressed in our audit
<b>1. Revenue recognition</b>	
<p>(Refer note 35 to the accompanying consolidated financial statements)</p> <p>Revenue from rendering of monitoring services is recognized over the time i.e. as and when the services are rendered.</p> <p>We have considered revenue from the rendering of monitoring services as a key audit matter as determination of the amount of revenue to be recognized for each contract requires complex IT systems integration and there is a risk that revenue is recorded in the wrong accounting period.</p>	<p>Our audit procedures include the following:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of key IT systems, including interfaces involved in the recording of revenue along with the IT general controls.</li> <li>• We tested the operating effectiveness of the controls to ensure that they operated throughout the year as intended.</li> <li>• We have performed tests of details over revenue and tested manual journal entries posted into relevant revenue accounts in the sub-ledgers and general ledger.</li> <li>• We have performed cut-off procedures and recalculations of revenue recognized over the time to ensure that revenue has been recorded in the correct accounting period.</li> </ul>
<b>2. Impairment of goodwill and intangible assets</b>	
<p>(Refer note 6 to the accompanying consolidated financial Statements)</p> <p>The intangible assets include goodwill, intangible assets with indefinite life and intangible assets under development having carrying value aggregating to Rs. 2373.454 million as of June 30, 2022 and tested for impairment at least on an annual basis.</p> <p>The determination of recoverable amount requires judgement in both identifying and then valuing the relevant Cash Generating Units (CGUs), and the impairment assessment for such assets involves significant judgments and estimates about future business performance, with key assumptions including cash flows, inflation rates, the overall long-term growth rates, discount rates used and to the extent relevant, the fair value less costs to dispose. Changes in these assumptions might lead to a significant change in the carrying values of the related assets, for such reasons we considered this as a key audit matter.</p>	<p>Our audit procedures amongst others, included a review of the Group's intangible assets impairment process and evaluating the Group's assumptions used in assessing the recoverability of intangible assets, in particular, revenue and cash flow projections, useful economic lives and discount rates.</p> <p>We assessed the methodologies used by the management in the impairment analysis and determination of CGUs, to which it relates.</p> <p>We involved our specialist to:</p> <ul style="list-style-type: none"> <li>• assess the key assumptions and methodologies used in the impairment analysis, in particular growth rates, inflation rate and discount rate applied;</li> <li>• examined the approved business plans and assumptions used by management, including forecasted revenue base, profit from operations capital calculations and cash flows necessary for the continuing use of the CGU's assets and allocated goodwill; and</li> </ul>

Key audit matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>evaluated the sensitivity analysis performed by management around the key assumptions for various CGU's as well as performing break—even analysis on key assumptions and challenged the outcomes of the assessment.</li> </ul> <p>We also checked the relationship between the market capitalization for relevant CGU, using the Level 1 input of the fair value hierarchy i.e. quoted prices, and its book value, among other factors.</p> <p>We also assessed the adequacy of disclosures in the consolidated financial statements in accordance with the financial reporting framework.</p>

### Emphasis of Matters

- We draw attention to note 1.3 of notes to the consolidated financial statements, which states that the Board approved the demerger of the mapping segment of the business from the Group by creating a separate entity in Pakistan and transferring the net assets to the same, consequent to which a new entity as a subsidiary of the Holding Company by the name of "Astra Location Services (Private) Limited" was incorporated subsequent to year end on July 05, 2022. Moreover, the Board has also authorized the management to incorporate a foreign entity in a suitable jurisdiction for investments in the mapping business. Our opinion is not modified in respect of this matter.
- We draw attention to note 6 of notes to the consolidated financial statements, which discloses that goodwill acquired through business combination, intangibles with indefinite lives and intangible assets under development are subject to impairment reviews which are based on underlying assumptions. However, changes to the assumptions may result in adjustments to the carrying values of the assets. Our opinion is not modified in respect of this matter.

### Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

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

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### **Other Matter**

The consolidated financial statements of the Group for the year ended June 30, 2021 were audited by another firm of chartered accountants who expressed an unmodified opinion on those statements vide their report dated September 18, 2021.

The engagement partner on the audit resulting in this independent auditor's report is Zulfikar Ali Causer.

KARACHI

DATED: September 26, 2022

UDIN: AR202210067npsDyAzif



**BDO EBRAHIM & CO.**

CHARTERED ACCOUNTANTS

# Consolidated Statement of Financial Position

As at June 30, 2022

		► 2022	► 2021
	Note	Rupees	
<b>ASSETS</b>			
NON-CURRENT ASSETS			
Property, plant and equipment	5	796,772,167	1,155,057,762
Intangible assets	6	2,428,193,732	2,418,624,168
Right-of-use assets	7	118,591,439	107,974,195
Long-term loans	8	471,612	205,713
Long-term deposits	9	37,699,947	26,194,868
Deferred tax assets - net	10	229,959,062	91,434,505
		3,611,687,959	3,799,491,211
CURRENT ASSETS			
Stock-in-trade	11	402,224,531	445,649,520
Trade debts	12	897,662,678	1,278,014,782
Loans and advances	13	37,242,120	66,296,222
Trade deposits and prepayments	14	37,340,580	35,284,625
Interest accrued	15	322,023,956	275,393,211
Other receivables	16	35,321,152	18,026,784
Due from related parties	17	774,085,831	1,361,389,292
Cash and bank balances	18	122,526,961	139,713,606
		2,628,427,809	3,619,768,042
TOTAL ASSETS		6,240,115,768	7,419,259,253
<b>EQUITY AND LIABILITIES</b>			
SHARE CAPITAL AND RESERVES			
Share capital			
Authorized capital			
285,000,000 (2021: 285,000,000) ordinary shares of Rs.10/- each		2,850,000,000	2,850,000,000
Issued, subscribed and paid-up capital	19	1,872,630,930	1,872,630,930
Capital reserves		202,650,046	232,690,046
Revenue reserve		22,611,573	(127,575,912)
Other components of equity		(24,810,640)	291,140,941
		2,073,081,909	2,268,886,005
Non-controlling interest		(245,662,109)	(123,854,250)
		1,827,419,800	2,145,031,755
NON-CURRENT LIABILITIES			
Long-term financing	21	949,386,540	1,152,897,019
Deferred liability - Gratuity	22	25,635,120	13,182,747
Lease liabilities	23	89,833,930	81,889,252
Long-term loans	24	-	68,367,855
Government grant	25	-	797,103
		1,064,855,590	1,317,133,976
CURRENT LIABILITIES			
Trade and other payables	26	1,375,026,094	1,517,714,899
Accrued mark-up	27	72,529,878	96,437,639
Short-term financings	28	196,701,371	235,953,736
Running finance under mark-up arrangements	29	767,102,058	1,062,507,117
Current portion of non-current liabilities	30	405,261,087	753,189,884
Due to related parties	31	414,753,666	224,422,893
Taxation - net	32	28,098,976	31,014,251
Advance monitoring fees	33	88,367,248	35,853,103
		3,347,840,378	3,957,093,522
TOTAL EQUITY AND LIABILITIES		6,240,115,768	7,419,259,253
<b>CONTINGENCIES AND COMMITMENTS</b>			
	34		

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

# Consolidated Statement of Profit or Loss and other Comprehensive Income

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
Turnover – net	35	2,342,487,424	2,111,257,155
Cost of sales and services	36	(1,533,007,129)	(1,403,962,878)
Gross profit		809,480,295	707,294,277
Distribution expenses	37	(106,802,560)	(97,174,335)
Administrative expenses	38	(582,262,449)	(523,388,310)
Operating profit		120,415,286	86,731,632
Research and development expenses	39	(77,654,755)	(77,725,874)
Finance costs	40	(327,329,012)	(389,684,205)
Other income	41	196,791,247	305,673,837
Loss before taxation		(87,777,234)	(75,004,610)
Taxation	42	110,640,723	(33,905,584)
Profit / (loss) for the year		22,863,489	(108,910,194)
Items that are or may be reclassified subsequently to profit or loss account:			
Exchange differences on translation of foreign subsidiary		(62,057,632)	12,436,352
Total comprehensive loss for the year		(39,194,143)	(96,473,842)
Profit / (loss) attributable to:			
Owners of the Parent Company		113,642,532	(58,346,036)
Non-controlling interest		(90,779,043)	(50,564,158)
		22,863,489	(108,910,194)
Total comprehensive income / (loss) attributable to:			
Owners of the Parent Company		82,613,716	(52,127,860)
Non-controlling interest		(121,807,859)	(44,345,982)
		(39,194,143)	(96,473,842)
Earnings / (Loss) per share – basic and diluted	48	0.61	(0.31)

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR



# Consolidated Statement of Changes in Equity

For the year ended June 30, 2022

	Capital reserves				Other components of equity					
	Share Capital	Arrangement Scheme of created under Reserve	Share premium	Other capital reserve	Revenue reserve- accumulated profits / (losses)	Surplus on revaluation of property, plant and equipment	Foreign currency translation reserve	Total reserves	Non-controlling interest	Total equity
	Rupees									
<b>Balance as at July 01, 2020</b>	1,204,425,930	146,817,136	-	-	(82,063,384)	284,432,213	-	349,185,965	-	1,553,611,895
Issuance of ordinary shares	668,205,000	-	-	-	-	-	-	-	-	668,205,000
Acquisition of subsidiary	-	-	-	-	-	-	-	-	(79,508,268)	(79,508,268)
Share premium on issuance of ordinary shares	-	-	133,641,000	-	-	-	-	133,641,000	-	133,641,000
Loss for the year	-	-	-	-	(58,346,036)	-	-	(58,346,036)	(50,564,158)	(108,910,194)
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	6,218,176	6,218,176	6,218,176	12,436,352
Total comprehensive loss for the year	-	-	-	-	(58,346,036)	-	6,218,176	(52,127,860)	(44,345,982)	(96,473,842)
Transaction cost on issuance of ordinary shares	-	-	(77,808,090)	-	13,324,060	-	-	(64,484,030)	-	(64,484,030)
Share based payment reserve	-	-	-	30,040,000	-	-	-	30,040,000	-	30,040,000
Surplus on revaluation of property, plant and equipment realised on account of incremental depreciation charged on related assets - net of tax	-	-	-	-	(490,552)	490,552	-	-	-	-
<b>Balance as at June 30, 2021</b>	1,872,630,930	146,817,136	55,832,910	30,040,000	(127,575,912)	284,922,765	6,218,176	396,255,075	(123,854,250)	2,145,031,755
Profit / (Loss) for the year	-	-	-	-	113,642,532	-	-	113,642,532	(90,779,043)	22,863,489
Other comprehensive loss for the year, net of tax	-	-	-	-	-	-	(31,028,816)	(31,028,816)	(31,028,816)	(62,057,632)
Total comprehensive income / (loss) for the year	-	-	-	-	113,642,532	-	(31,028,816)	82,613,716	(121,807,859)	(39,194,143)
Share based payment reserve	-	-	-	(30,040,000)	-	-	-	(30,040,000)	-	(30,040,000)
Deficit on revaluation of property, plant and equipment realised	-	-	-	-	-	(248,377,812)	-	(248,377,812)	-	(248,377,812)
Transfer of revaluation on surplus on disposal	-	-	-	-	36,544,953	(36,544,953)	-	-	-	-
<b>Balance as at June 30, 2022</b>	1,872,630,930	146,817,136	55,832,910	-	22,611,573	-	(24,810,640)	200,450,979	(245,662,109)	1,827,419,800

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

# Consolidated Statement of Cash Flows

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before taxation		(87,777,234)	(75,004,610)
Adjustment for non-cash charges and other items:			
Depreciation on operating fixed assets	5.1.2	268,903,015	262,277,307
Depreciation on ROUA	7.4	69,110,404	66,938,503
Amortisation	6.1	15,635,790	22,557,366
Allowance / (Reversals) for expected credit loss (ECL)	38	5,799,195	(2,479,076)
Finance costs	40	311,906,695	389,684,205
Gain on disposal of property, plant and equipment – net	41	(44,636,606)	(39,300)
Reversal of deferred tax asset on surplus of revaluation of PPE	10.1	2,642,191	-
Amortisation of government grant	41	(5,950,600)	(10,472,666)
Provision on gratuity		11,239,335	2,676,950
Gain on bargain purchase option		-	(89,486,545)
Fair value gain on investment in TME		-	(33,327,406)
Share based payment		(30,040,000)	30,040,000
Exchange loss / (gain) – net	40	15,422,317	(3,173,759)
		620,031,736	635,195,579
Operating profit before working capital changes		532,254,502	560,190,969
(Increase) / decrease in current assets			
Stock-in-trade		(151,437,931)	(262,929,196)
Trade debts		371,118,682	(59,589,347)
Loans and advances		29,054,102	46,416,854
Trade deposits and prepayments		(2,055,955)	27,853,330
Interest accrued		(46,630,745)	(143,007,157)
Other receivables		(17,294,368)	11,066,707
Due from related parties		587,303,461	(289,705,234)
		770,057,246	(669,894,043)
(Decrease) / increase in current liabilities			
Trade and other payables		(158,111,122)	323,377,937
Due to related parties		190,330,773	142,763,479
Advance monitoring fees		52,514,145	(1,287,059)
		84,733,796	464,854,357
Cash flows from operations		1,387,045,544	355,151,283
Payments for:			
Finance costs		(320,416,483)	(434,403,768)
Gratuity paid		(2,593,710)	(2,563,850)
Income taxes	32	(33,441,300)	(44,045,779)
		(356,451,493)	(481,013,397)
Net cash generated from / (used in) operating activities		1,030,594,051	(125,862,114)
<b>CASH FLOWS FROM INVESTING ACTIVITIES*</b>			
Purchase of – property, plant and equipment	5.1	(110,647,873)	(151,520,378)
– capital work-in-progress	5.2	(23,466,625)	(83,426,500)
– intangible assets	6.3	(25,205,354)	(15,440,133)
Sale proceeds from disposal of property, plant and equipment		222,818,617	334,965
Long-term loans		(265,899)	464,185
Long-term deposits		(11,505,079)	(26,846,688)
Acquisition of a subsidiary, net cash acquired		-	3,335,756
Net cash generated from / (used in) investing activities		51,727,787	(273,098,793)
<b>CASH FLOWS FROM FINANCING ACTIVITIES*</b>			
Proceeds from issuance of ordinary shares		-	801,846,000
Share issuance costs		-	(64,484,030)
Long-term financings – net		(509,790,101)	1,175,855,345
Lease liabilities repaid	23.1	(84,761,115)	(70,205,689)
Long-term loans – net		(137,097,578)	(122,331,194)
Short-term financings – net		(39,252,365)	(1,158,215,437)
Net cash (used in) / generated from financing activities		(770,901,159)	562,464,995
Net increase in cash and cash equivalents		311,420,679	163,504,088
Cash and cash equivalents at the beginning of the year		(922,793,511)	(1,085,972,999)
Net foreign exchange differences		(33,202,265)	(324,600)
Cash and cash equivalents at the end of the year	47	(644,575,097)	(922,793,511)

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

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

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

## 1. LEGAL STATUS AND OPERATIONS

1.1 The Group consists of TPL Trakker Limited (the Holding Company) and its subsidiary company, Trakker Middle East LLC (TME) that has been consolidated in these consolidated financial statements.

1.2 TPL Trakker Limited (The Holding Company)

TPL Vehicle Tracking (Private) Limited (the Holding Company) was incorporated in Pakistan on December 27, 2016 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). Effective from November 30, 2017, the name of the Holding Company was changed to TPL Trakker (Private) Limited. The Holding Company was later converted into a public company on January 17, 2018 and accordingly, the name was changed to TPL Trakker Limited. On August 10, 2020, the Holding Company got listed on Pakistan Stock Exchange Limited. The Holding Company is subsidiary of TPL Corp Limited and TPL Holdings (Private) Limited is the ultimate parent company.

The registered office of the Holding Company is situated at Plot No. 1, Sector # 24, near Shan Chowrangi, Korangi Industrial Area, Karachi. The principal activities of the Holding Company include installation and sale of tracking devices, vehicle tracking, fleet management, digital mapping & location based services.

1.3 During the year, in the meeting held on September 18, 2021 the Board approved the demerger of the mapping segment of the business from the Holding Company by creating a separate entity in Pakistan and transferring the net assets to the same, consequent to which a new entity as a subsidiary by the name of "Astra Location Services (Private) Limited" was incorporated subsequent to year end on July 05, 2022 under section 16 of the Companies Act, 2017. Moreover, the Board has also authorized the management to incorporate a foreign entity in a suitable jurisdiction for investments in the mapping business.

The Holding Company has identified the following Net Assets as at June 30, 2022 to be transferred to the new entity;

	Rupees
<b>Assets:</b>	
Property, plant and equipment	3,060,660
Intangible assets	940,064,721
Right-of-use assets	4,368,331
Long-term deposits	140,000
Trade debts	26,436,830
Cash and bank balances	7,692,902
	<b>981,763,444</b>
<b>Liabilities:</b>	
Long-term financing	9,769,207
Trade and other payables	51,919,876
Accrued mark-up	245,708,976
Current portion of non-current liabilities	22,888,320
Due to related parties	527,566,321
	<b>857,852,700</b>
<b>Net Assets</b>	<b>123,910,744</b>

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

## 1.4 Trakker Middle East LLC (TME)

TME is a limited liability company registered in Abu Dhabi, United Arab Emirates. The registered office of the Company is a 18th Floor, Sidra Tower Building, Sheikh Zayed Road, TECOM, Dubai, United Arab Emirates. The principal activities of TME are selling, marketing and distribution of products and services in the field of wireless, fleet management, tracking and telemetry services.

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

### a) Holding Company

Location	Address
Corporate office, Karachi	Plot No. 1, Sector #24, near Shan Chowrangi, Korangi Industrial Area, Karachi – 74900
Regional offices:	
Lahore office	Tower 75, 4th Floor, L Block, Gulberg III, Kalma Chowk, Main Ferozpur Road, Lahore
Islamabad office I	10th floor (South) ISE Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad.
Islamabad office II	Workpad Building, Plot 67, Street 35, I&T Center, Sector G-10/1, Islamabad.
Faisalabad office	Office No. 2, 4th Floor, Mezan Executive Tower, Liaquat Road, Faisalabad.
Multan office	House No. 2, Shalimar Colony, Haider Street, Bosan Road, near Northern Bypass, Multan
Hyderabad office	2nd Floor, Plot # 15/5, Railway Cooperative Housing Society, Main Auto Bhan Road Latifabad, Hyderabad.

### a) Subsidiary Company

Location	Address
Dubai, UAE	18th Floor, Sidra Tower Building, Sheikh Zayed Road, TECOM, Dubai, United Arab Emirates

## 1.6 Details of related parties

Name of related party	Basis of relationship	Shareholding
TPL Holdings (Private) Limited	Ultimate Parent Company	-
TPL Corp Limited	Parent Company	-
TPL Insurance Limited	Common Directorship	-
TPL Security Services (Private) Limited	Associated Company	-
TPL Properties Limited	Common Directorship	-
TPL Property Management (Private) Limited	Common Directorship	-
HKC (Private) Limited	Common Directorship	-
TPL Technology Zone Phase – 1 (Private) Limited	Common Directorship	-
TPL Direct Finance (Private) Limited	Common Directorship	-
The Resource Group Pakistan Limited	Common Directorship	-
TPL Logistic Park (Private) Limited	Common Directorship	-
TPL Logistics (Private) Limited	Common Directorship	-
TPL Life Insurance Limited	Common Directorship	-
TPL E-Ventures (Private) Limited	Associated Company	-
TPL Mobile (Private) Limited	Common Directorship	-
TPL Tech Pakistan (Private) Limited	Common Directorship	-
Trakker Energy (Private) Limited	Associated Company	-
Trakker (Private) Limited Staff Provident Fund	Retirement Benefit Fund	-

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

## 2. STATEMENT OF COMPLIANCE

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

## 3. BASIS OF PREPARATION AND BASIS OF CONSOLIDATION

### 3.1 Basis of preparation

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

### 3.2 Basis of consolidation

These consolidated financial statements comprises the financial statements of the Holding Company and its subsidiaries as at June 30, 2022, here-in-after referred to as 'the Group'.

#### Subsidiaries

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

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

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

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

- the contractual arrangement(s) with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- 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 or loss from the date the Group gains control until the date the Group ceases to control the subsidiary.

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

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

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

impairment exists. Impairment loss in respect of goodwill is recognized in profit or loss and is not reversed in future periods.

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

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

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

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

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

## 4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### 4.1.1 Standards, interpretations and amendments to published approved accounting standards that are effective.

- Interest Rate Benchmark Reform – Phase 2 which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 is applicable for annual financial periods beginning on or after 1 January 2021, with earlier application permitted. The amendments introduce a practical expedient to account for modifications of financial assets or financial liabilities if a change results directly from IBOR reform and occurs on an 'economically equivalent' basis. In these cases, changes will be accounted for by updating the effective interest rate. A similar practical expedient will apply under IFRS 16 for lessees when accounting for lease modifications required by IBOR reform. The amendments also allow a series of exemptions from the regular, strict rules around hedge accounting for hedging relationships directly affected by the interest rate benchmark reforms. The amendments apply retrospectively with earlier application permitted. Hedging relationships previously discontinued solely because of changes resulting from the reform will be reinstated if certain conditions are met.

#### 4.1.2 The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 1 July 2022:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual periods beginning on or after 1 January 2022 clarifies that the 'cost of fulfilling a contract' for the purposes of the onerous contract assessment comprises the costs that relate directly to the contract, including both the incremental costs and an allocation of other direct costs to fulfil the contract. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.



# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

4.1.3 The following annual improvements to IFRS Standards 2018–2020 are effective for annual reporting periods beginning on or after 1 January 2022.

- IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
- IFRS 16 – The amendment partially amends Illustrative Example 13 Grouping IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for annual periods beginning on or after 1 January 2022 clarifies that sales proceeds and costs of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the consolidated financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other components of equity, as appropriate) at the beginning of that earliest period presented.
- Reference to the Conceptual Framework (Amendments to IFRS 3) – Reference to the Conceptual Framework, issued in May 2020, amended paragraphs 11, 14, 21, 22 and 23 of and added paragraphs 21A, 21B, 21C and 23A to IFRS 3. An entity shall apply those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2022.
- Classification of liabilities as current or non-current (Amendments to IAS 1) amendments apply retrospectively for the annual periods beginning on or after 1 January 2023. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the IASB has issued amendments on the application of materiality to disclosure of accounting policies and to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:
  - (i) requiring companies to disclose their material accounting policies rather than their significant accounting policies;
  - (ii) clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
  - (iii) clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a Group's consolidated financial statements.

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

- The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.
- Definition of Accounting Estimates (Amendments to IAS 8) introduce a new definition for accounting estimates clarifying that they are monetary amounts in the consolidated financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that an entity develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for periods beginning on or after 1 January 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the Group applies the amendments.
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other components of equity at that date. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) – The amendment amends accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.
- The Group is in the process of assessing the impact of the above amendments and improvements.

## 4.2 Significant accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements in conformity with accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in the process of applying the Group's accounting policies.

Judgments, estimates and assumptions are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

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

### a) Operating fixed assets and intangible assets

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



# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

whether there is any indication that assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying value exceeds recoverable amount, assets are written down to the recoverable amounts and the resulting impairment loss is recognized as expense in the profit or loss, unless the asset is carried at revalued amount. Any impairment loss of revalued assets is treated as revaluation decrease.

b) Stock-in-trade

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

c) Provision for expected credit losses (ECL) of certain financial assets

The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information.

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

d) Recognition of tax and deferred tax

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

Significant management judgement is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. The management consider tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

## 4.3 Property, plant and equipment

### 4.3.1 Owned

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

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

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

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

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

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

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

## 4.3.2 Capital work-in-progress

Capital work-in-progress is stated at cost less accumulated impairment losses, if any, and consist of expenditure incurred 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.

## 4.4 Surplus on revaluation of property, plant and equipment

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

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

## 4.5 Intangible assets

Intangible assets other than goodwill, customers related intangible assets and marketing related intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Goodwill, customers related intangible assets and marketing related intangible assets are stated at cost less accumulated impairment losses, if any, as their useful life is indefinite and are tested for impairment annually. For other intangibles, amortisation is charged to the profit or loss applying the straight line method, whereby, the cost of intangible asset is written off over its useful economic life. The amortisation rate of the intangible assets are stated in note 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.

### 4.5.1 Intangible assets under development

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

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

## 4.5.2 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 profit or loss on the acquisition date.

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

## 4.6 Leases

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

### 4.6.1 Group as a lessee

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

#### a) Right-of-use assets

The Group recognises right-of-use assets (ROU assets) at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, if any, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised ROU assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term, on the rates as disclosed in the note 7.1 to these consolidated financial statements. ROU assets are subject to impairment.

#### b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option (if any) reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

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

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

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

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

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

## 4.6.2 Group as a lessor

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

## 4.7 Financial instruments

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

### 4.7.1 Financial assets

#### 4.7.1.1 Initial recognition and measurement

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

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

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

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

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

## 4.7.1.2 Subsequent measurement

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

### a) Financial assets at amortised cost (debt instruments)

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

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

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

### b) Financial assets designated at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

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

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

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

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

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

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as dividend income in the profit or loss when the right of

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

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

## d) Financial assets at fair value through profit or loss

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

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

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

### 4.7.1.3 Derecognition

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

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

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

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

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

### 4.7.1.4 Impairment

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference



# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. For trade and other receivables (if any), the Group applies a simplified approach in calculating ECLs.

Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For other assets including deposits, accrued interest and bank balances that are held with reputational banks and other third parties, the Group applies low credit risk simplifications. At each reporting date, the Group evaluates whether these assets are considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort including their credit ratings assessed by reputable agencies and therefore assessed to have immaterial impact of allowances for ECL.

The Group considers a financial asset in default when contractual payments are past due over the agreed credit terms. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## 4.7.2 Financial liabilities

### 4.7.2.1 Initial recognition and measurement

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

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

### 4.7.2.2 Subsequent measurement

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

#### a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

#### b) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the profit or loss.

### 4.7.2.3 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit or loss.

#### 4.7.2.4 Offsetting of financial instruments

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

#### 4.8 Impairment of non-financial assets

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

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

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

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

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

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

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

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

#### 4.9 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.



# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

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.

## 4.10 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 of bank balances including short-term deposits net of bank overdraft, if any.

## 4.11 Staff retirement benefits

### 4.11.1 Defined contribution plan

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

### 4.11.2 Defined benefit plan

The Subsidiary Company operates an unfunded gratuity scheme covering all its employees in United Arab Emirates on the basis prescribed in the United Arab Emirates labour law, for the accumulated period of service at the date of statement of financial position.

## 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 reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, while deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax losses and unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forwards of unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date. Deferred tax is charged or credited to the profit or loss.

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

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

## 4.13 Provisions

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

## 4.14 Ijarah arrangements

Payments made under ijarah arrangements / agreements are charged to the profit or loss on a straight line basis over the ijarah term.

## 4.15 Revenue recognition

### 4.15.1 Revenue from contracts with customers

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

- Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer i.e. when goods are installed.
- Revenue from rendering of monitoring services is recognised over the time i.e. as and when services are rendered, revenue from rendering of other associated services are recognised at the point in time when services are rendered.
- For maps navigation business, revenue from sale of goods and rendering of map navigation services are recognised at the point in time when control of the goods and services are transferred to the customer, generally on delivery of goods and rendering of services for installation of goods.

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

### 4.15.2 Other revenues

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

## 4.16 Foreign currency translation

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

On consolidation, the assets and liabilities of foreign operations are translated into Pakistani Rupee at the rate of exchange prevailing at the reporting date and their statement of profit or loss

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

and other comprehensive income are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income (OCI). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

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

## 4.17 Borrowing costs

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

## 4.18 Dividend and appropriation to reserves

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

## 4.19 Government grant

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

## 4.20 Segment reporting

The Group has identified the single reportable segments considering similar businesses and economic characteristics such as nature of the products and services; type or class of customer for their products and services, methods used to distribute their products or provide their services, etc.

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

## 4.21 Employees share option plan

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

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
<b>5 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	5.1	611,613,903	993,366,123
Capital work-in-progress	5.2	185,158,264	161,691,639
		<u>796,772,167</u>	<u>1,155,057,762</u>

## 5.1 Operating fixed assets

	COST / REVALUED AMOUNT			ACCUMULATED DEPRECIATION				WRITTEN DOWN VALUE		
	As at July 01, 2021	Additions / (disposals) / transfers	Foreign currency translation reserve	As at June 30, 2022	As at July 01, 2021	Charge for the year / (disposals) / transfers	Foreign currency translation reserve	As at June 30, 2022	As at June 30, 2022	Depreciation Rate
	(Rupees)									%
<b>Owned</b>										
Leasehold land	411,000,000	(165,000,000)	-	-	-	-	-	-	-	-
		*** (246,000,000)								
Building on leasehold land	16,406,766	(9,000,000)	-	-	4,892,231	136,723	-	-	-	5-25
		(5,028,954)				(5,028,954)				
		*** (2,377,812)								
Computers and accessories	394,930,374	38,911,944	30,539,663	403,377,311	330,892,153	60,977,481	30,549,507	362,639,165	40,738,146	25-33.33
		(61,004,670)				(59,779,976)				
Generators	5,123,665	1,600,040	-	6,723,705	4,390,032	368,438	-	4,758,470	1,965,235	20-25
Electrical devices	1,127,618,411	35,626,168	5,306,817	1,285,488,352	711,589,730	18,320,160	4,617,969	819,186,486	466,301,866	20-33.33
		** 214,904,960				142,559,692				
		* (43,573,391)				** 19,763,144				
		(54,394,613)				* (23,531,351)				
						(54,132,858)				
Furniture and fittings	205,364,061	1,844,218	-	158,233,746	181,208,267	11,554,770	-	143,849,917	14,383,829	20-25
		(48,974,533)				(48,913,120)				
Vehicles	90,365,354	31,969,003	13,265,320	128,242,677	24,957,911	14,234,153	5,744,467	40,140,722	88,101,955	20
		(7,357,000)				(4,795,809)				
Construction of shed	6,048,277	(6,048,277)	-	-	6,048,277	(6,048,277)	-	-	-	20
Mobile phones	8,459,977	696,500	-	5,089,840	7,972,161	988,486	-	4,966,968	122,872	33.33
		(4,066,637)				(3,993,679)				
June 30, 2022	2,265,316,885	110,647,873	49,111,800	1,987,155,631	1,271,950,762	249,139,903	40,911,943	1,375,541,728	611,613,903	
		(360,874,684)				(182,692,673)				
		* (43,573,391)				* (23,531,351)				
		** 214,904,960				** 19,763,144				
		*** (248,377,812)								

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

\*\* Represents transfers from stock-in-trade to owned assets

\*\*\* Represents revaluation loss booked during the year

# Notes to the Consolidated Financial Statements

## For the year ended June 30, 2022

	COST / REVALUED AMOUNT					ACCUMULATED DEPRECIATION				WRITTEN DOWN VALUE		Depreciation Rate
	As at July 01, 2020	Acquired under business combination	Additions / (disposals) / transfers	Foreign currency translation reserve	As at June 30, 2021	As at July 01, 2020	Acquired under business combination	Charge for the year / (disposals) / transfers	Foreign currency translation reserve	As at June 30, 2021	As at June 30, 2021	
<hr style="border-top: 1px dashed black;"/>												
Owned	(Rupees)											%
Leasehold land	411,000,000	-	-	-	411,000,000	-	-	-	-	-	411,000,000	-
Building on leasehold land	16,406,766	-	-	-	16,406,766	4,071,893	-	820,338	-	4,892,231	11,514,535	5-25
Computers and accessories	189,421,226	112,203,221	101,475,312 (331,000) ** (1,393,867)	(6,444,518)	394,930,374	146,968,807	112,036,133	79,966,954 (246,155) ** (1,393,867)	(6,439,719)	330,892,153	64,038,221	25-33.33
Generators	4,423,665	-	700,000		5,123,665	4,363,265	-	26,767	-	4,390,032	733,633	20-25
Electrical devices	1,048,008,449	11,915,886	9,724,400 * 117,678,857 *** (58,807,055)	- (902,126)	1,127,618,411	579,187,949	7,365,596	152,121,038 *** (26,513,542)	(571,311)	711,589,730	416,028,681	20-33.33
Furniture and fittings	177,223,156	25,247,553	4,380,141 ** (36,667)	(1,450,122)	205,364,061	140,647,078	25,247,554	16,800,424 ** (36,666)	(1,450,123)	181,208,267	24,155,794	20-25
Vehicles	9,863,338	13,737,000	33,994,867 ** (41,500) **** 34,605,782	- (1,794,133)	90,365,354	1,424,171	13,737,000	5,399,428 ** (41,500) **** 5,311,573	(872,761)	24,957,911	65,407,443	20
Construction of shed	6,048,277	-	-	-	6,048,277	6,048,277	-	-	-	6,048,277	-	20
Mobile phones	11,137,197	-	1,245,658 (857,230) ** (3,065,648)	-	8,459,977	9,853,434	-	1,830,785 ** (646,410) ***** (3,065,648)	-	7,972,161	487,816	33.33
June 30, 2021	1,873,532,074	163,103,660	151,520,378 (118,230) * 117,678,857 ** (4,537,682) *** (58,807,055) **** 34,605,782	(10,590,899)	2,265,316,885	892,564,874	158,386,283	256,965,734 (892,565) ** (4,537,681) *** (26,513,542) **** 5,311,573	(9,333,914)	1,271,950,762	993,366,123	

\* Represents transfers from stock-in-trade to owned assets

\*\* Represents assets written off during the year

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

\*\*\*\* Represents assets transferred fromjarah lease

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

- 5.1.1 Computers and accessories and vehicles includes assets costing Nil (2021: Rs. 4.443 million) and Nil (2021: Rs. 1.972 million) respectively purchased on maturity of ijarah agreements.

		► 2022	► 2021
	Note	Rupees	
5.1.2 Depreciation charge for the year has been allocated as follows:			
Cost of sales and services	36	219,431,028	213,610,381
Distribution expenses	37	6,775,547	6,890,658
Administrative expenses	38	21,339,136	20,066,918
Research and development	39	21,357,304	21,709,350
		<u>268,903,015</u>	<u>262,277,307</u>

- 5.1.3 During the year, the Group has transferred tracking devices from stock-in-trade at a cost of Rs. 214.904 million (2021: Rs. 117.679 million) to owned assets. As of the reporting date, assets costing Rs. 1.041 billion (2021: Rs. 951.208 million) are in possession of third parties, on rental basis. The particulars of these assets have not been disclosed due to several numbers of parties involved.

- 5.1.4 Included in operating fixed assets are fully depreciated assets having cost of Rs. 605.592 million (2021: Rs.693.822 million).

- 5.1.5 During the year, the Group has written off fully depreciated assets costing Rs. 1.795 million. (2021: Rs 4.538 million).

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

	Original / revalued cost	Accumulated depreciation	Written down value	Sale proceeds	Gain / (loss) on disposals	Mode of disposal	Particulars of buyers	Location
	----- (Rupees) -----							
Owned								
Aggregate amount of assets disposed off having WDV more than Rs. 5,000,000 each								
Leasehold land	165,000,000	-	165,000,000	203,879,310	38,879,310	Negotiation	Mr. M. Rafay Razzaq Mr. A.Wasey Razzaq Mr.Muhaymin Akram Mr. Moiz Akram	Karachi
Building on leasehold land	9,000,000	-	9,000,000	11,120,690	2,120,690			
	<u>174,000,000</u>	<u>-</u>	<u>174,000,000</u>	<u>215,000,000</u>	<u>41,000,000</u>			
Aggregate amount of assets disposed off not having WDV more than Rs. 5,000,000 each								
Computers and accessories	61,004,670	59,779,976	1,224,694	454,211	(770,483)	Various	Various	Karachi
Electrical devices	54,394,613	54,132,858	261,755	155,000	(106,755)			
Vehicles	7,357,000	4,795,809	2,561,191	7,084,741	4,523,550			
Construction of shed	6,048,277	6,048,277	-	-	-	Various	Various	Karachi
Furniture and fittings	48,974,533	48,913,120	61,413	-	(61,413)			
Mobile phones	4,066,637	3,993,679	72,958	124,665	51,707			
	<u>181,845,730</u>	<u>177,663,719</u>	<u>4,182,011</u>	<u>7,818,617</u>	<u>3,636,606</u>	Various	Various	Karachi
2022	<u>355,845,730</u>	<u>177,663,719</u>	<u>178,182,011</u>	<u>222,818,617</u>	<u>44,636,606</u>			
2021	<u>1,188,230</u>	<u>892,565</u>	<u>295,665</u>	<u>334,965</u>	<u>39,300</u>			

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
Note	Rupees		
5.2 Capital work-in-progress			
Opening balance		161,691,639	78,265,139
Additions during the year		23,466,625	83,426,500
Closing balance	5.2.1	<u>185,158,264</u>	<u>161,691,639</u>

5.2.1 Represents expenditure in respect of leasehold improvements and renovation of office premises.

		► 2022	► 2021
Note	Rupees		
<b>6. INTANGIBLE ASSETS</b>			
Intangible assets	6.1	1,488,129,011	1,503,764,801
Intangible assets under development	6.3	940,064,721	914,859,367
		<u>2,428,193,732</u>	<u>2,418,624,168</u>

## 6.1 Intangible assets

	COST			ACCUMULATED AMORTISATION			WRITTEN DOWN VALUE	
	As at July 01, 2021	Additions / transfers	As at June 30, 2022	As at July 01, 2021	Charge for the year / transfers	As at June 30, 2022	As at June 30, 2022	Amortisation rate %
	(Rupees)							
<b>Owned</b>								
Goodwill - note 6.2	403,380,571	-	403,380,571	-	-	-	403,380,571	-
Customers related intangible assets - note 6.2	740,987,917	-	740,987,917	-	-	-	740,987,917	-
Marketing related intangible assets - note 6.2	289,021,582	-	289,021,582	-	-	-	289,021,582	-
Internally generated computer softwares	25,840,000	-	25,840,000	25,840,000	-	25,840,000	-	13.33
Softwares	327,552,022	-	327,552,022	314,208,091	8,110,606	322,318,697	5,233,325	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
Maps database	147,858,790	-	147,858,790	90,827,990	7,525,184	98,353,174	49,505,616	5
2022	<u>1,958,526,077</u>	<u>-</u>	<u>1,958,526,077</u>	<u>454,761,276</u>	<u>15,635,790</u>	<u>470,397,066</u>	<u>1,488,129,011</u>	

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

	COST				ACCUMULATED AMORTISATION			WRITTEN DOWN VALUE	
	As at July 01, 2020	Acquired Under Business Combination	Additions / transfers	As at June 30, 2021	As at July 01, 2020	Charge for the year / transfers	As at June 30, 2021	As at June 30, 2021	Amortisation rate %
	(Rupees)								
<u>Owned</u>									
Goodwill - note 6.2	403,380,571	-	-	403,380,571	-	-	-	403,380,571	-
Customers related intangible assets - note 6.2	453,635,249	287,352,668	-	740,987,917	-	-	-	740,987,917	-
Marketing related intangible assets - note 6.2	289,021,582	-	-	289,021,582	-	-	-	289,021,582	-
Internally generated computer softwares	25,840,000	-	-	25,840,000	25,840,000	-	25,840,000	-	13.33
Softwares	324,352,222	-	3,199,800	327,552,022	299,175,909	15,032,182	314,208,091	13,343,931	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
Maps database	147,858,790	-	-	147,858,790	83,302,806	7,525,184	90,827,990	57,030,800	5
2021	1,667,973,609	287,352,668	3,199,800	1,958,526,077	432,203,910	22,557,366	454,761,276	1,503,764,801	

## 6.2 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 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, 2022. The recoverable amount of the Group is determined based on using cash flow projections from financial budgets approved by the senior management covering a five year period. The discount rate applied to cash flow projections is 15.7 percent (2021:16.9 percent). The growth rate used to extrapolate the cash flows beyond the five-year period is 5.8 percent (2021: 5.6 percent). As a result of this assessment, the management did not identify any impairment for the cash generating unit to which these assets are allocated.

Key assumptions used in discounted cashflow calculations

The calculation of discounted cashflow 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 Group.

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 business.



# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

## 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.

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

		► 2022	► 2021
Note	Rupees		
6.3 Intangible assets under development			
Opening balance		914,859,367	902,619,034
Additions during the year		25,205,354	12,240,333
Closing balance	6.3.1 & 6.3.2	<u>940,064,721</u>	<u>914,859,367</u>

6.3.1 Represents expenditure incurred for development of map database including business intelligence and application solutions, etc. which is expected to be completed earliest by the first quarter of the fiscal year 2023. The Group has estimated that the total cost required to complete the development of these intangible assets aggregates to Rs. 1,620 million, out of which Rs. 940.064 million has been incurred by the Group as of the reporting date.

6.3.2 The management has carried out an annual impairment assessment for intangible assets under development based on the discounted cashflow calculations. The discount rate applied to the cashflow projections is 15.7 percent (2021:16.9 percent) and the growth rate used to extrapolate the cashflows beyond the five year period is 5.8 percent (2021: 5.6 percent). As a result of this assessment, the management did not identify any impairment in the carrying value of intangible assets under development as of reporting date.

## Key assumptions used in discounted cashflow calculations

The calculation of discounted cashflow is most sensitive to the following assumptions:

- Discount rates
- Key business assumptions

## Discount rates

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

## Key business assumptions

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

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

## 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.

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

- 6.4 Amortisation charge for the year has been allocated as follows:

		► 2022	► 2021
	Note	Rupees	
Cost of sales and services	36	13,135,627	18,950,443
Distribution expenses	37	423,730	611,305
Administrative expenses	38	2,076,433	2,995,618
		<u>15,635,790</u>	<u>22,557,366</u>

- 6.5 Included in intangible assets are fully amortised assets having cost of Rs. 355.581 million (2021: Rs. 343.163 million).

## 7. RIGHT-OF-USE ASSETS

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

- 7.1 Net carrying value basis - 2022

	Vehicles	Computers and accessories	Regional offices	Total
	(Rupees)			
Net carrying value basis - 2022				
Opening net book value - July 01, 2021	397,690	16,819,589	90,756,916	107,974,195
Additions during the year	-	-	79,727,647	79,727,647
Less: Depreciation charge for the year	(397,690)	(16,819,589)	(51,893,124)	(69,110,403)
Closing net book value - June 30, 2022	<u>-</u>	<u>-</u>	<u>118,591,439</u>	<u>118,591,439</u>
	Vehicles	Computers and accessories	Regional offices	Total
	(Rupees)			
Net carrying value basis - 2021				
Opening net book value July 01, 2020	1,590,762	42,048,972	28,629,444	72,269,178
Additions during the year	-	-	102,643,520	102,643,520
Less: Depreciation charge for the year	(1,193,072)	(25,229,383)	(40,516,048)	(66,938,503)
Closing net book value - June 30, 2021	<u>397,690</u>	<u>16,819,589</u>	<u>90,756,916</u>	<u>107,974,195</u>

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
7.2	Gross carrying value basis - 2022		
	Cost	400,378,950	320,651,303
	Less: Accumulated depreciation	(281,787,511)	(212,677,108)
	Net book value	118,591,439	107,974,195
7.3	Depreciation charge for the year has been allocated as follows:		
	Cost of sales and services	58,059,650	56,235,035
	Distribution expenses	1,872,892	1,814,034
	Administrative expenses	9,177,862	8,889,434
		69,110,404	66,938,503
<b>8</b>	<b>LONG-TERM LOANS</b> <b>(secured, considered good)</b>		
	Executives	122,076	482,270
	Employees	2,738,896	1,000,554
	Less: Current portion of long-term loans	(2,389,360)	(1,277,111)
		471,612	205,713
8.1	Reconciliation of the carrying amount of loans to executives		
	Opening balance	482,270	1,601,108
	Less: Repayments	(360,194)	(1,118,838)
	Closing balance	122,076	482,270
8.2	Reconciliation of the carrying amount of loans to employees		
	Opening balance	1,000,554	1,162,375
	Disbursements	3,080,000	562,000
	Less: Repayments	(1,341,658)	(723,821)
	Closing balance	2,738,896	1,000,554
8.3	The maximum aggregate amount of loans due from the executives & employees at the end of any month during the year were Rs. 0.421 million & Rs 3.968 respectively (2021: Rs. 1.375 million & Rs 1.664 million respectively).		
8.4	The loans are provided to employees of the Group for the purchase of furniture and fixtures, renovation of house and marriage of self / children in accordance with the terms of employment and carrying mark up at the rate of 5 percent (2021: 5 percent) per annum. Further, it also includes loans provided on interest free basis amounting to Rs. 0.936 million (2021: Rs. 0.680 million). All loans are repayable over a period of two years in equal monthly instalments and are secured against salaries and provident fund balances of the employees. The management of the Group has not discounted these loans to their present value, as they consider the impact is immaterial to these Consolidated Financial Statements taken as whole.		

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
Note	Rupees		
<b>9. LONG-TERM DEPOSITS</b>			
Security deposits – leased and ijarah assets		-	10,120,921
Less: Current portion of security deposits	14	-	(10,120,921)
		-	-
Utilities		177,450	177,450
Rent deposits		5,227,756	4,377,756
Cash margin against guarantees	9.1	32,294,741	21,639,662
	9.2	37,699,947	26,194,868

9.1 Represents cash margin on guarantee issued by various commercial banks on behalf of the Group.

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

		► 2022	► 2021
Note	Rupees		
<b>10. DEFERRED TAX ASSETS – net</b>			
Deferred tax liabilities on taxable temporary differences:			
Accelerated tax depreciation on:			
Property, plant and equipment		51,990,846	42,138,071
Right-of-use assets		(34,391,517)	(31,312,517)
Intangible assets		(15,564,979)	(7,698,468)
		2,034,350	3,127,086
Deferred tax assets on deductible temporary differences:			
Trade debts		6,961,980	5,794,722
Surplus on revaluation of property, plant and equipment		-	2,642,191
Lease liabilities		40,580,880	37,571,694
Share based payments		-	8,711,600
Tax losses		180,381,852	32,890,540
Minimum tax		-	696,672
		227,924,712	88,307,419
		229,959,062	91,434,505
<b>10.1 The movement in deferred tax assets is as follows:</b>			
Transferred to unappropriated profit on account of incremental depreciation for the year		-	200,366
Settlement of surplus on revaluation of PPE on disposal		(2,642,191)	-
Charged to profit or loss		141,166,748	27,469,391
		138,524,557	27,669,757

10.2 As of reporting date, the Holding Company has not recognised deferred tax assets of Nil (2021: Rs. 79.621 million) on losses of Nil (2021: Rs. 274.556 million) in line with accounting policies of the holding company as stated in note 4.12 to these Consolidated Financial Statements.

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
<b>11. STOCK-IN-TRADE</b>			
Tracking devices	11.1	302,415,718	396,672,880
Spare parts	11.2	99,808,813	48,976,640
		<u>402,224,531</u>	<u>445,649,520</u>

11.1 Includes stock of Rs. 3.361 million (2021: Rs. 15.737 million) held with third parties.

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

		► 2022	► 2021
	Note	Rupees	
<b>12. TRADE DEBTS – unsecured</b>			
Related parties			
TPL Insurance Limited	12.3 & 12.4	19,256,007	4,363,523
Others than related parties		918,724,113	1,304,735,279
	12.1	<u>937,980,120</u>	<u>1,309,098,802</u>
Less: Allowances for expected credit losses	12.5	(40,317,442)	(31,084,020)
	12.2	<u>897,662,678</u>	<u>1,278,014,782</u>

12.1 The credit risk exposure on the Group's trade debts using provision matrix at year end is as follows:

	Total	Current	Days past due		
			> 30 days	> 121 days upto	180 days
			upto 120 days	180 days	and above
	----- (Rupees) -----				
2022					
Expected credit loss rate	4.30%	1.43%	2.56%	16.98%	17.86%
Estimated total gross carrying amount at default	937,980,120	336,922,459	465,519,534	68,763,323	66,774,804
Expected credit loss	40,317,442	4,820,978	11,896,896	11,676,021	11,923,547
2021					
Expected credit loss rate	2.37%	0.64%	0.46%	10.12%	11.96%
Estimated total gross carrying amount at default	1,309,098,802	380,680,237	700,063,766	104,352,553	124,002,246
Expected credit loss	31,084,020	2,448,943	3,240,683	10,560,649	14,833,745

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

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

12.3 The ageing analysis of unimpaired trade debts due from related parties is as follows:

	Total	Current	Past due but not impaired		
			> 30 days upto 120 days (Rupees)	> 121 days upto 180 days	180 days and above
TPL Insurance Limited – 2022	19,256,007	14,037,686	2,065,430	2,127,471	1,025,420
TPL Insurance Limited – 2021	4,363,523	1,149,266	1,501,841	1,474,687	237,729

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

Note	► 2022	► 2021
	Rupees	
TPL Insurance Limited	19,256,007	4,363,523
12.5 Allowance for expected credit losses		
Opening balance	31,084,020	24,795,814
Acquired under the business Combination	-	10,405,045
Add: Charge during the year	5,799,195	2,334,938
Less: Reversal during the year	-	(4,814,014)
Less: Write off during the year	-	(1,000,688)
Foreign currency translation reserve	3,434,227	(637,075)
Closing balance	40,317,442	31,084,020

## 13. LOANS AND ADVANCES

Loans – secured, considered good  
Current portion of long-term loans  
Advances – unsecured, considered good  
suppliers  
employees for expenses  
others

8	2,389,360	1,277,111
	34,852,760	61,562,102
	-	3,272,305
	-	184,704
13.1	34,852,760	65,019,111
	37,242,120	66,296,222

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

Note	► 2022	► 2021
	Rupees	
14. TRADE DEPOSITS AND PREPAYMENTS		
Trade deposits		
Security deposits	7,214,720	1,967,720
LC margin	377,546	3,772,346
Current portion of leased and ijarah deposits	2,286,826	10,120,921
Others	711,516	711,516
14.1	10,590,608	16,572,503
Prepayments		
Insurance	4,174,712	6,872,493
Maintenance	7,894,553	4,808,824
Others	14,680,707	7,030,805
	26,749,972	18,712,122
	37,340,580	35,284,625

14.1 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, 2022

		► 2022	► 2021
Note	Rupees		
<b>15. INTEREST ACCRUED (unsecured, considered good)</b>			
Mark-up accrued on due from related parties			
On current account:			
Ultimate parent company			
- TPL Holdings (Private) Limited [TPLH]	225,097,934	139,088,282	
Parent company			
- TPL Corp Limited [TPLC]	64,304,940	106,632,497	
Associates			
- TPL Security Services (Private) Limited [TSS]	4,326,421	4,326,421	
- TPL Direct Finance (Private) Limited [TPLD]	1,291,055	1,186,702	
- TRG Pakistan Limited [TRG]	8,460,845	7,309,315	
- TPL Tech Pakistan (Private) Limited [TPL Tech]	16,139,391	14,802,938	
- TPL Properties Limited [TPLP]	2,403,370	2,047,056	
	<u>322,023,956</u>	<u>275,393,211</u>	
<b>16. OTHER RECEIVABLES (unsecured, considered good)</b>			
Earnest money	23,069,505	11,444,235	
Insurance claims	5,498,488	5,030,029	
Others	6,753,159	1,552,520	
	<u>35,321,152</u>	<u>18,026,784</u>	

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

		► 2022	► 2021
Note	Rupees		
<b>17. DUE FROM RELATED PARTIES (unsecured, considered good)</b>			
Ultimate parent company			
- TPL Holdings (Private) Limited [TPLH]	17.1	699,627,685	697,831,944
Parent company			
- TPL Corp Limited [TPLC]	17.2	-	597,793,456
Associates			
- TPL Properties Limited [TPLP]	17.3	-	7,420,642
- TPL Life Insurance Limited [TPL Life]	17.3	21,233,637	5,118,741
- TPL Direct Finance (Private) Limited [TPLD]	17.3	850,070	850,070
- TRG Pakistan Limited [TRG]	17.3	9,380,446	9,380,446
- TPL Tech Pakistan (Private) Limited [TPL Tech]	17.3	42,993,993	42,993,993
		<u>774,085,831</u>	<u>1,361,389,292</u>

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

- 17.1 Represents current account balance carrying mark-up at the fixed rate of 3 months KIBOR plus 3 percent (2021: 3 months KIBOR plus 3 percent) and is repayable on demand.
- 17.2 Represents current account balances with related parties carrying mark-up at the variable rate of 3 months to 6 months KIBOR plus 3 percent (2021: 3 months to 6 months KIBOR plus 3 percent) per annum and are repayable on demand.
- 17.3 These are neither past due nor impaired.
- 17.4 The maximum amount outstanding at any time during the year calculated by reference to month end balances are as follows:

		► 2022	► 2021
Note	Rupees		
Ultimate parent company			
- TPL Holdings (Private) Limited [TPLH]		699,627,685	697,831,944
Parent company			
- TPL Corp Limited [TPLC]		955,103,622	827,542,334
Associates			
- TPL Properties Limited [TPLP]		34,085,250	7,821,947
- TPL Life Insurance Limited [TPL Life]		21,233,637	6,232,538
- TPL Direct Finance (Private) Limited [TPLD]		850,070	850,070
- TRG Pakistan Limited [TRG]		9,380,446	9,380,446
- TPL Tech Pakistan (Private) Limited [TPL Tech]		42,993,993	42,993,993
<b>18. CASH AND BANK BALANCES</b>			
Cash in hand		351,135	761,091
At banks in local currency:			
current accounts		14,366,516	20,443,534
saving accounts	18.1	107,809,310	118,508,981
		122,175,826	138,952,515
		122,526,961	139,713,606

- 18.1 These carry mark-up at the rate of 2.95 percent to 6.96 percent (2021: 2.95 percent to 7.65 percent) per annum.

		► 2022	► 2021
Note	Rupees		
<b>19. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>			
2022 Number of shares	2021 Number of shares		
66,820,510	10		
-	66,820,500		
66,820,510	66,820,510	668,205,100	100
68,680,171	68,680,171	-	668,205,000
51,762,412	51,762,412	668,205,100	668,205,100
187,263,093	187,263,093	686,801,710	686,801,710
		517,624,120	517,624,120
		1,872,630,930	1,872,630,930

- 19.1 These are ordinary shares carrying one vote per share and right to dividend.



# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
Note		Rupees	
<b>20. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT</b>			
Opening balance:			
Leasehold land		271,024,056	274,630,291
Building on leasehold land		13,898,709	13,898,709
		284,922,765	288,529,000
(Deficit) / surplus on revaluation recognised / (reversed on disposal) during the year:			
Leasehold land		(271,024,056)	-
Building on leasehold land		(13,898,709)	-
		(284,922,765)	-
Transfer to unappropriated profit on account of incremental depreciation charged for the year		-	(690,918)
Deferred tax:			
On account of surplus on revaluation of building on leasehold land - net		-	(3,115,683)
Impact of deferred tax on incremental depreciation charged for the year		-	200,366
		-	(2,915,317)
		-	284,922,765
<b>21. LONG-TERM FINANCINGS – secured</b>			
Sukuk financing I	21.1	-	350,000,000
Sukuk financing II	21.2	1,027,032,974	1,231,467,442
Diminishing musharaka I	21.3	27,912,021	43,263,634
Diminishing musharaka II	21.4	10,472,867	-
Diminishing musharaka III	21.5	2,498,982	-
Loan from Director		180,084,838	103,246,489
		1,248,001,682	1,727,977,565
Less: Current portion shown under current liabilities	30	(298,615,142)	(575,080,546)
		949,386,540	1,152,897,019

21.1 Represents Sukuk certificates issued by the Holding Company 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 amendment agreement for Green Shoe Option dated May 08, 2016 and second supplemental agreement dated June 30, 2020. The said certificates got redeemed completely on 13th April 2022. The rate for rental payment was 1 year KIBOR plus 3 percent (2021: 1 year KIBOR plus 3 percent). These certificates were secured against ordinary shares of TPL Properties Limited (inclusive of 35% margin) owned by TPL Corp Limited (the parent 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.

21.2 Represents Sukuk certificates issued by the Holding Company of Rs. 1,250 million divided into 1,250 certificates of Rs 1 million each for a period of 5 years under an agreement dated December 22, 2020. The said certificates are redeemable in periodic instalments by March 2026 and the rate for rental payment is 3 months KIBOR plus 3% per annum. These certificates are secured against first pari passu charge of Rs. 70 million on present and future moveable fixed assets of the Holding Company inclusive of 25% margin, first pari passu hypothecation charge of Rs. 340 million on present and future current assets of the Holding Company inclusive of 25% margin; and first pari passu charge of upto Rs.1,500 million on present and future long-term investments of TPL Corp Limited (the parent company) inclusive of 25% margin and first charge over lien and set off against facility payment and facility service reserve accounts to the extent of Rs. 1,855 million.

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

- 21.3 Represents diminishing musharaka facility obtained by the Holding Company to finance the purchase of computer servers and related accessories aggregating to Rs 58.615 million from an Islamic bank for a period of 5 years [2021: 5 years (after deferment of 1 year)] and carries mark-up at the rate of 1 month KIBOR plus 2 percent per annum. The musharaka units are to be purchased by January 2024. The facility is secured by exclusive charge over the diminishing musharaka assets, first charge over all present and future current and fixed assets of the Holding Company and corporate guarantee of TPL Corp Limited (the parent company).
- 21.4 Represents diminishing musharaka facility to finance the purchase of vehicle aggregating to Rs 11.484 million from Islamic Financial Institution for a period of 5 years and carries mark-up at the rate of 3 month KIBOR plus 3.5 percent per annum. The musharaka units are to be purchased by November 2026. The facility is secured by post-dated cheques of all instalments and corporate guarantee of TPL Corp Limited (the parent company).
- 21.5 Represents diminishing musharaka facility to finance the purchase of vehicles aggregating to Rs 3.133 million from Islamic Financial Institution for a period of 3 years and carries mark-up at the rate of 6 month KIBOR plus 3.5 percent per annum. The musharaka units are to be purchased by November 2024. The facility is secured by post-dated cheques of all instalments and corporate guarantee of TPL Corp Limited (the parent company).

		► 2022	► 2021
Note	Rupees		
21.6	The movement in long-term financings is as follows:		
	Opening balance	1,727,977,565	497,450,437
	Acquired under business combination	-	59,527,000
	Financings obtained during the year	61,422,831	1,280,042,148
	Unwinding of transaction cost	3,898,864	-
	Financings repaid during the year	(575,111,796)	(109,042,020)
	Foreign currency translation reserve	29,814,218	-
	Closing balance	1,248,001,682	1,727,977,565
<b>22.</b>	<b>DEFERRED LIABILITY - GRATUITY</b>		
	Opening balance	13,182,747	-
	Acquired under business combination	-	13,869,608
	Charge during the year	11,239,335	2,676,950
	Paid during the year	(2,593,710)	(2,563,850)
	Foreign currency translation reserve	3,806,748	(799,961)
	Closing balance	25,635,120	13,182,747

- 22.1 As of reporting date, no actuarial valuation of gratuity has been carried out since the management believes that the effect of actuarial valuation would not be materially different. Further, provision of gratuity has been made at the year end.

		► 2022	► 2021
Note	Rupees		
<b>23.</b>	<b>LEASE LIABILITIES</b>		
	Current maturity of lease liabilities	50,088,139	47,668,312
	Non current maturity of lease liabilities	89,833,930	81,889,252
		139,922,069	129,557,564

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
Note		Rupees	
23.1	Reconciliation of total lease liabilities:		
	Opening balance	129,557,564	83,101,871
	Additions for the year	79,727,647	102,643,520
	Interest expense for the year	15,397,973	14,017,862
	Payments made during the year	(84,761,115)	(70,205,689)
	Closing balance	139,922,069	129,557,564

The following are the amounts recognised in profit or loss in respect of leases:

Depreciation expense on right-of-use assets	7.4	69,110,404	66,938,503
Interest expense on lease liabilities		15,397,973	14,017,862
Total amount recognised in profit or loss		84,508,377	80,956,365

23.2 The maturity analysis of lease liabilities is presented in note 43.1 to these consolidated financial statements.

23.3 The Group had total cash outflows for leases of Rs. 84.761 million (2021: Rs. 70.206 million) as of reporting date. The Group also had non-cash additions to right-of-use assets and lease liabilities of Rs. 79.727 million (2021: Rs. 102.644 million). The Group do not have any future cashflows relating to leases other than as disclosed in these consolidated financial statements.

		► 2022	► 2021
Note		Rupees	
<b>24. LONG-TERM LOANS</b>			
Term finance I	24.1	-	25,000,002
Term finance V	24.2	-	28,777,780
Term finance VI	24.3	23,856,264	69,416,504
Term finance VII	24.4	31,904,439	69,663,995
		55,760,703	192,858,281
Less: Current portion shown under current liabilities	30	(55,760,703)	(124,490,426)
		-	68,367,855

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

24.2 The term finance facility of Rs. 37 million was obtained by the Holding Company for a period of five years from a commercial bank through an agreement dated April 29, 2020. The loan was repayable in 18 equal quarterly instalments of Rs. 2.05 million each and carried mark-up at the

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

rate of 3 months KIBOR plus 2.50 percent per annum which was fully settled during the year. The facility was secured against first parri passu equitable mortgage charge of Rs. 385 million over land and building of the Company and personal guarantees of directors / sponsors of the Holding Company.

- 24.3 The Holding Company and the parent Company (TPL Corp Limited) has obtained long-term financing from a commercial bank of Rs. 150 million under Refinance Scheme for payment of Wages & Salaries by State Bank of Pakistan. Out of total facility limit, Rs. 96.7 million was availed by the Holding Company and Rs. 51.7 million was availed by the parent company. It carries a flat mark-up at the rate of 3 percent per annum and is repayable in 8 quarterly instalments commencing from January 2021 discounted at effective rate of interest of 9.72 percent to 11.31 percent per annum. The differential mark-up has been recognised as government grant (see note 25 to these consolidated financial statements) which will be amortised to interest income over the period of the facility. The facility is secured against existing charge over Holding Company's current assets, fixed assets and pledge of shares of TPL Insurance Limited and TPL Properties Limited.
- 24.4 The Holding Company has obtained long-term financing from a commercial bank of Rs. 98 million under Refinance Scheme for payment of Wages & Salaries by State Bank of Pakistan. Out of total facility limit, Rs. 97.8 million was availed by the Holding Company. It carries a flat mark-up at the rate of 3 percent per annum and is repayable in 8 quarterly instalments commencing from January 2021 discounted at effective rate of interest of 10.25 percent to 10.26 percent per annum. The differential mark-up has been recognised as government grant (see note 25 to these consolidated financial statements) which will be amortised to interest income over the period of the facility. The facility is secured against ranking charge over current assets of the Holding Company and pledge of shares of TPL Corp Limited & TPL Properties Limited of Rs. 163.333 million with 40 percent margin.

		► 2022	► 2021
Note		Rupees	
24.5	The movement in long-term loans is as follows:		
	Opening balance	192,858,281	327,919,795
	Loans obtained during the year	-	69,663,995
	Loans repaid during the year	(137,097,578)	(204,725,509)
	Closing balance	55,760,703	192,858,281
25.	<b>GOVERNMENT GRANT</b>		
	Opening balance	6,747,703	4,490,049
	Recognised during the year	-	12,730,320
	Released to profit or loss during the year	(5,950,600)	(10,472,666)
	Closing balance	797,103	6,747,703
	Current portion	797,103	5,950,600
	Non-current portion	-	797,103
		797,103	6,747,703

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
Note		Rupees	
<b>26. TRADE AND OTHER PAYABLES</b>			
Creditors	26.1	600,357,469	512,122,313
Accrued liabilities		213,402,124	208,534,420
Unearned equipment rentals	26.2	118,998,792	108,580,014
Book overdraft		62,159,815	413,000,000
Other liabilities			
Sales commission		16,049,345	23,747,196
Contract Liabilities – advance from customers		28,895,362	7,326,453
Sales tax payable		16,341,781	12,832,128
Withholding tax payable		246,504,164	172,590,101
Workers' Welfare Fund		2,638,267	2,638,267
Provident fund		68,017,177	54,682,209
Others	26.3	1,661,798	1,661,798
		380,107,894	275,478,152
	26.4	1,375,026,094	1,517,714,899

26.1 Included herein Rs. 25.660 million (2021: Rs. 57.978 million) and Rs. 28.985 million (2021: Rs. 27.696) payable to TPL Properties Limited and TPL Property Management (Private) Limited (the related parties) respectively, on account of rental, maintenance and other services.

26.2 Equipment rentals transferred to revenue during the year amounts to Rs. 1.462 billion (2021: Rs. 910.296 million).

26.3 Includes stale cheques amounting to Rs. 1.647 million (2021: Rs.1.647 million).

26.4 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.

		► 2022	► 2021
Note		Rupees	
<b>27. ACCRUED MARK-UP</b>			
Long-term financings		907,744	21,256,181
Long-term loans		361,065	14,897,660
Running finance under mark-up arrangement		27,844,523	26,036,109
Short-term financings		2,822,667	3,739,838
Due to related parties		40,593,879	30,507,851
		72,529,878	96,437,639
<b>28. SHORT-TERM FINANCINGS</b>			
Payable against FATR	28.1	95,208,753	235,953,736
Payroll financing	28.2	101,492,618	-
		196,701,371	235,953,736

28.1 Represents payable against FATR (Finance against trust receipt) facility obtained by the Holding Company from various commercial banks having an aggregate limit of Rs. 285 million (2021: Rs. 325 million). It carries mark-up ranging from 3 months KIBOR plus 2 percent to 3.5 percent and is secured against first pari passu hypothecation charge of Rs. 826 million (2021: Rs. 826 million) over all present and future stocks, book debts and fixed assets excluding land and buildings of the Holding Company with cash margins ranging from nil to 15 percent. As of the reporting date, Rs. 189.791 million (2021: Rs. 89 million) remains unutilized.

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

- 28.2 Represents payroll financing facility obtained by the Holding Company during the year against processing fee charges at the rate of 1 month KIBOR + 2% per annum, calculated on a daily outstanding balance with settlement being done simultaneously along with the principal.

		► 2022	► 2021
Note	Rupees		
28.3 The movement in short-term financings is as follows:			
Opening balance	235,953,736	1,394,169,173	
Financings obtained during the year	146,390,785	235,953,736	
Financings repaid during the year	(185,643,150)	(1,394,169,173)	
Closing balance	196,701,371	235,953,736	

## 29. RUNNING FINANCE UNDER MARK-UP ARRANGEMENTS

These facilities are obtained from various commercial banks having an aggregate limit of Rs. 795 million (2021: Rs. 1,097.5 million) out of which Rs. 37.375 million (2021: Rs. 59.9 million) was un-utilised as of the reporting date. The facilities carry mark-up ranging between 1 month KIBOR plus 2 percent and 3 months KIBOR plus 1.5 percent to 3 percent (2021: 1 month KIBOR plus 2 percent and 3 months KIBOR plus 1.5 percent to 3 percent) per annum. These are secured by way of:

- registered hypothecation over stocks and book debts aggregating to Rs. 1,186 million (2021: Rs. 1,186 million) and pledge of the shares of TPL Insurance Limited, TPL Properties Limited and TPL Corp Limited having market value of Rs. 300 million.
- personal guarantees of sponsors/directors of the Holding Company, 100% liquid security in shape of lien over Holding Company / related Company account/ lien over term deposit account on account of TPL Life Insurance Limited, 100% cash collateral under lien in the form of term deposit receipt or depository participants account (to be marked in group companies) / minimum 60% cash in shape of lien over term deposit receipt or depository participants account (to be marked lien in group associate Company i.e. TPL Life Insurance Limited) and maximum 40% to be placed in investor portfolio securities account of TPL Life Insurance Limited with 10% margin.
- cash collateral in the form of lien over deposits held under islamic bank of Rs. 100 million in the name of TPL Insurance Limited and cross corporate guarantee of TPL Insurance Limited.

		► 2022	► 2021
Note	Rupees		
<b>30. CURRENT PORTION OF NON- CURRENT LIABILITIES</b>			
Long-term financings	21	298,615,142	575,080,546
Lease liabilities	23	50,088,139	47,668,312
Long-term loans	24	55,760,703	124,490,426
Government grant	25	797,103	5,950,600
		405,261,087	753,189,884
<b>31. DUE TO RELATED PARTIES - [unsecured]</b>			
Parent Company			
TPL Corp Limited [TPLC]		164,227,754	-
Associates			
TPL Insurance Limited [TIL]	31.1	202,070,734	213,925,468
TPL Security Services (Private) Limited [TSS]	31.2	23,078,649	10,497,425
TPL Properties Limited [TPLP]		25,376,529	-
		414,753,666	224,422,893

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

- 31.1 Included herein current account balance of Rs.72.929 million (2021: Rs. 61.07 million) carrying mark-up at the variable rate of 3 months KIBOR plus 3 percent per annum and is repayable on demand. Further, it also includes outstanding loan of Rs. 275 million having facility limit of Rs. 300 million (2021: Rs. 275 million) carrying mark-up at the rate of 1 year KIBOR plus 3.5 percent per annum and is repayable on demand.
- 31.2 Represent interest free current account balances with related parties, which are repayable on demand.

		► 2022	► 2021
	Note	Rupees	
<b>32. TAXATION - NET</b>			
Opening balance - payable		(31,014,251)	(13,685,055)
Less: Provision for current and prior taxation	42	(30,526,025)	(61,374,975)
Add: Income tax paid and deducted at source		33,441,300	44,045,779
Closing balance - payable		(28,098,976)	(31,014,251)
<b>33. ADVANCE MONITORING FEES</b>			
Opening balance		35,853,103	37,140,162
Billed during the year		514,303,971	440,750,688
Less: Transferred to revenue during the year		(461,789,826)	(442,037,747)
Closing balance	33.1	88,367,248	35,853,103

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

## 34. CONTINGENCIES AND COMMITMENTS

### 34.1 Contingencies

- 34.1.2 The Holding Company is defending various suits filed against it in various courts in Pakistan for sums, aggregating to Rs. 13.279 million (2021: 13.279 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 financial statements. Details of these legal cases are given below:

Court	Factual Description	Date of institution	Party	Relief Sought
High Court of Sindh	Dispute arising on the reimbursement on return of tracking device and un-utilised monitoring charges	April 01, 2011	Geofizyka Krakow Limited vs TPL Trakker Limited	Reimbursement of Rs.10.929 million being the price paid for the equipment in respect of returned units and un-utilised monitoring charges
District and Session Court (East)	Dispute arising due to the non-functionality of tracking device	April 08, 2013	Muhammad Aziz Khan vs TPL Trakker Limited	Recovery of Rs. 1.350 million being the cost of the car and Rs.1 million as damages



# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
Note		Rupees	
34.2	Commitments		
34.2.1	Letter of credits	-	235,953,736
34.2.2	Guarantees issued by banks on behalf of the Holding Company	32,294,741	21,639,662
<b>35.</b>	<b>TURNOVER - net</b>		
	Tracking and other digital business		
	Equipment installation and sales	639,805,348	423,006,476
	Monitoring fees	596,698,541	684,072,928
	Rentals from tracking devices	1,179,135,788	1,054,806,707
	Navigation revenue	212,782,469	190,936,999
	Other services	34,999,460	56,806,674
		2,663,421,606	2,409,629,784
	Less: Sales tax	(320,934,182)	(298,372,629)
35.1		2,342,487,424	2,111,257,155
35.1	Included herein revenue recognized during the year of Rs. 165.431 million (2021: Rs. 208.10 million) made to related parties.		
<b>36.</b>	<b>COST OF SALES AND SERVICES</b>		
	Cost of equipment sold		
	Opening stock	445,649,520	246,221,725
	Purchases during the year	583,064,717	520,867,430
		1,028,714,237	767,089,155
	Less: Units transferred to operating fixed assets given under rental arrangements	5.1 (244,994,970)	(117,678,857)
	Less: Closing stock	11 (402,224,531)	(445,649,520)
		381,494,736	203,760,778
36.1	Salaries, wages and other benefits	352,409,458	338,519,897
	Activation and connection charges	239,704,405	297,016,151
	Insurance	17,374,102	10,938,552
	Vehicle running and maintenance	49,210,333	42,039,440
5.1.2	Depreciation	219,431,028	213,610,381
7.4	Depreciation on ROUA	58,059,650	56,235,035
6.4	Amortisation	13,135,627	18,950,443
	License renewal fee	3,320,417	17,130,562
	Communication	8,587,680	5,850,435
	Travelling and conveyance	26,590,187	19,458,723
	Utilities	17,387,509	14,738,220
	Rent, rates and taxes	6,304,874	22,599,423
	Entertainment	5,336,930	6,643,437
	Commission	66,549,338	83,110,034
	Ijarah rentals	3,566	1,086,811
	Outsourcing expenses	5,984,986	7,650,500
	Postage and courier	12,930,283	17,617,516
	Printing and stationery	4,451,497	299,041
	Repairs and maintenance	15,806,471	13,440,857
	Training	1,568,574	900,399
	Computer expenses	25,678,175	7,623,915
	Others	1,687,303	4,742,328
		1,151,512,393	1,200,202,100
		1,533,007,129	1,403,962,878



# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

36.1 These include Rs. 10.685 million (2021: Rs. 8.342 million) in respect of staff retirement benefits (provident fund contribution).

		► 2022	► 2021
37. DISTRIBUTION EXPENSES	Note	Rupees	
Salaries, wages and other benefits	37.1	66,701,391	64,893,837
Vehicle running and maintenance		2,248,785	1,921,094
Depreciation	5.1.2	6,775,547	6,890,658
Depreciation on ROUA	7.4	1,872,892	1,814,034
Amortisation	6.4	423,730	611,305
Sales promotion and publicity		15,161,853	10,948,435
Utilities		1,597,982	1,354,502
Rent, rates and taxes		743,053	2,663,426
Entertainment		609,115	758,230
Printing and stationery		853,785	47,082
Communication		2,060,200	1,403,530
Repairs and maintenance		1,124,465	956,177
Insurance		1,878,503	1,182,686
Computer expenses		4,624,482	1,373,020
Others		126,777	356,319
		<u>106,802,560</u>	<u>97,174,335</u>

37.1 These include Rs. 2.150 million (2021: Rs. 1.679 million) in respect of staff retirement benefits (provident fund contribution).

		► 2022	► 2021
38. ADMINISTRATIVE EXPENSES	Note	Rupees	
Salaries, wages and other benefits	38.1	343,553,173	313,583,703
Legal and professional		30,041,794	23,523,309
Depreciation	5.1.2	21,339,136	20,066,918
Depreciation on ROUA	7.4	9,177,862	8,889,434
Amortisation	6.4	2,076,433	2,995,618
Charge / (Reversal) of allowance for expected credit losses		5,799,195	(2,479,076)
Utilities		8,542,433	7,317,752
Rent, rates and taxes		9,575,294	19,322,716
Travelling and conveyance		7,125,213	5,015,901
Repairs and maintenance		10,930,573	8,261,188
Security services		16,990,624	18,627,518
Vehicle running and maintenance		36,711,733	33,293,172
Computer expenses		19,908,870	7,421,453
Communication		10,337,117	3,788,759
Late payment surcharge (net)		15,000,000	12,324,129
Training		1,175,607	674,827
Auditors' remuneration	38.2	4,030,000	7,400,000
Insurance		12,725,823	12,397,802
Entertainment		2,749,335	3,100,131
Printing and stationery		4,142,895	844,966
ljarah rentals		3,566	1,086,811
Subscription		9,278,077	1,462,000
Others		1,047,696	14,469,189
		<u>582,262,449</u>	<u>523,388,310</u>

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

38.1 These include Rs. 17.718 million (2021: Rs. 8.735 million) in respect of staff retirement benefits (provident fund contribution and deferred gratuity).

		► 2022	► 2021
	Note	Rupees	
38.2 Auditors' remuneration			
Audit fee – standalone		2,300,000	2,300,000
Audit fee – consolidation		500,000	500,000
Review fee – standalone		750,000	750,000
Code of corporate governance and other assurance services		330,000	3,700,000
Out of pocket expenses		150,000	150,000
		<u>4,030,000</u>	<u>7,400,000</u>

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

		► 2022	► 2021
	Note	Rupees	
<b>39. RESEARCH AND DEVELOPMENT EXPENSES</b>			
Salaries, wages and other benefits		55,820,839	54,308,139
Depreciation	5.1.2	21,357,304	21,709,350
Rent, rates and taxes		476,612	1,708,385
		<u>77,654,755</u>	<u>77,725,874</u>
<b>40. FINANCE COSTS</b>			
Mark-up on:			
Long-term financings		160,887,777	106,545,770
Lease liabilities		15,409,973	14,017,862
Long-term loans		10,503,478	42,099,560
Short-term financings		11,238,585	59,101,063
Running finance under mark-up arrangements		100,010,092	105,243,350
Due to related parties		10,086,027	58,504,501
Exchange Loss – net		15,422,317	-
Bank and other charges		3,770,763	4,172,099
		<u>327,329,012</u>	<u>389,684,205</u>
<b>41. OTHER INCOME</b>			
Income from financial assets:			
Interest income on loan given to employees		93,505	89,302
Mark-up on saving accounts		7,434,159	711,400
Fair value gain on investment in TME		-	33,327,406
Gain on bargain purchase option		-	89,486,545
		<u>7,527,664</u>	<u>123,614,653</u>
Income from related parties:			
Mark-up on current account		122,454,524	152,225,751
Other service income		11,182,765	10,672,983
		<u>133,637,289</u>	<u>162,898,734</u>
		<u>141,164,953</u>	<u>286,513,387</u>

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
Note		Rupees	
	Income from assets other than financial assets:		
	Gain on disposal of property, plant and equipment - net	44,636,606	39,300
	Amortisation of government grant	5,950,600	10,472,666
	Exchange gain - net	-	3,173,759
	Others	5,039,088	5,474,725
		55,626,294	19,160,450
		196,791,247	305,673,837

		► 2022	► 2021
Note		Rupees	
<b>42. TAXATION</b>			
	Current	(59,303,167)	(65,249,589)
	Prior	28,777,142	3,874,614
	Deferred	141,166,748	27,469,391
		110,640,723	(33,905,584)

42.1 The returns of the total income of the Holding Company have been filed for and upto tax year 2021 which are considered as deemed assessments.

42.2 Relationship between accounting profit and tax expense

		► 2022	► 2021
Note		Rupees	
42.2	Relationship between accounting profit and tax expense		
	Loss before taxation	(87,777,234)	(75,004,610)
	Applicable tax rate	29%	29%
	Prior year tax	28,777,142	3,874,614
	Tax effect of income subject to lower tax rate	81,863,581	(37,780,198)
	Taxation for the year	110,640,723	(33,905,584)

## 43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group finances its operations through equity, borrowings and management of working capital with a view of maintaining an appropriate mix between various sources of finance to minimize risks. Taken as a whole, the Group is exposed to market risk, credit risk, and liquidity risk. No changes were made in the objectives, policies or processes and assumptions during the year ended June 30, 2022. The policies for managing each of these risks are summarised below:

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

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

	Interest bearing			Non-Interest bearing			
	Maturity after			Maturity after			
	Maturity upto	one year but		Maturity upto	one year but		
	one year	less than five	Total	one year	less than five	Total	Total
				(Rupees)			
2022							
Financial assets							
(designated at FVTOCI)							
Long-term investments	-	-	-	-	-	-	-
(at amortised cost)							
Loans	1,687,376	237,133	1,924,509	701,984	234,479	936,463	2,860,972
Long-term deposits	-	-	-	-	37,699,947	37,699,947	37,699,947
Trade debts	-	-	-	937,980,120	-	937,980,120	937,980,120
Trade deposits	-	-	-	10,590,608	-	10,590,608	10,590,608
Interest accrued	-	-	-	322,023,956	-	322,023,956	322,023,956
Other receivables	-	-	-	35,321,152	-	35,321,152	35,321,152
Due from related parties	774,085,831	-	774,085,831	-	-	-	774,085,831
Cash and bank balances	107,809,310	-	107,809,310	14,717,651	-	14,717,651	122,526,961
	883,582,517	237,133	883,819,650	1,321,335,471	37,934,426	1,359,269,897	2,243,089,547
Financial liabilities							
(at amortised cost)							
Long-term financings	298,615,142	949,386,540	1,248,001,682	-	-	-	1,248,001,682
Lease liabilities	50,088,139	89,833,930	139,922,069	-	-	-	139,922,069
Long-term loans	55,760,703	-	55,760,703	-	-	-	55,760,703
Trade and other payables	-	-	-	736,866,653	-	736,866,653	736,866,653
Accrued mark-up	-	-	-	72,529,878	-	72,529,878	72,529,878
Short term financings	196,701,371	-	196,701,371	-	-	-	196,701,371
Running finance under		-					
mark-up arrangements	767,102,058	-	767,102,058	-	-	-	767,102,058
Due to related parties	414,753,666	-	414,753,666	-	-	-	414,753,666
	1,783,021,079	1,039,220,470	2,822,241,549	809,396,531	-	809,396,531	3,631,638,080

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

	Interest bearing			Non-Interest bearing			Total
	Maturity after		Total	Maturity after			
	Maturity upto	one year but		Maturity upto	one year but		
	one year	less than five		one year	less than five		
----- (Rupees) -----							
2021							
Financial assets							
(at amortised cost)							
Long-term investments	-	-	-	-	-	-	-
Loans	746,962	55,487	802,449	530,150	150,225	680,375	1,482,824
Long-term deposits	-	-	-	-	26,194,868	26,194,868	26,194,868
Trade debts	-	-	-	1,309,098,802	-	1,309,098,802	1,309,098,802
Trade deposits	-	-	-	16,572,503	-	16,572,503	16,572,503
Interest accrued	-	-	-	275,393,211	-	275,393,211	275,393,211
Other receivables	-	-	-	18,026,784	-	18,026,784	18,026,784
Due from related parties	1,361,389,292	-	1,361,389,292	-	-	-	1,361,389,292
Cash and bank balances	118,508,981	-	118,508,981	21,204,625	-	21,204,625	139,713,606
	<u>1,480,645,235</u>	<u>55,487</u>	<u>1,480,700,722</u>	<u>1,640,826,075</u>	<u>26,345,093</u>	<u>1,667,171,168</u>	<u>3,147,871,890</u>
Financial liabilities							
(at amortised cost)							
Long-term financings	678,327,035	1,049,650,530	1,727,977,565	-	-	-	1,727,977,565
Lease liabilities	47,668,312	81,889,252	129,557,564	-	-	-	129,557,564
Long-term loans	124,490,426	68,367,855	192,858,281	-	-	-	192,858,281
Trade and other payables	-	-	-	1,005,101,019	-	1,005,101,019	1,005,101,019
Accrued mark-up	-	-	-	96,437,639	-	96,437,639	96,437,639
Short term financings	235,953,736	-	235,953,736	-	-	-	235,953,736
Running finance under							
mark-up arrangements	1,062,507,117	-	1,062,507,117	-	-	-	1,062,507,117
Due to related parties	224,422,893	-	224,422,893	-	-	-	224,422,893
	<u>2,373,369,519</u>	<u>1,199,907,637</u>	<u>3,573,277,156</u>	<u>1,101,538,658</u>	<u>-</u>	<u>1,101,538,658</u>	<u>4,674,815,814</u>

43.1.1 The carrying values of all financial assets and liabilities reflected in these consolidated financial statements approximate their fair values.

## 43.2 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 analysis in the following sections relate to the position as at June 30, 2022.

### 43.2.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term and short-term financing arrangements at floating interest rates to meet its business operations and working capital requirements.

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

## 43.2.2 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 Group's loss before tax (through impact on floating rate borrowings). There is no direct impact on Group's equity. This analysis excludes the impact of movement in market variables on the carrying values of provisions and on non-financial assets and liabilities of the Group.

	(Increase) / decrease in basis points	Effect on profit / (loss) before tax (Rupees)
2022	+100	20,507,122
	-100	<u>(20,507,122)</u>
2021	+100	35,864,599
	-100	<u>(35,864,599)</u>

## 43.2.3 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 Group's exposure to the risk of changes in foreign currency exchange rates primarily relates to the Group's supplier payments and operating activities. The Group manages its currency risk by effective fund management and timely repayment of its current liabilities. The Group, however, has not hedged its foreign currency liabilities as the management has assessed that it will not be cost beneficial.

	2022	2021	2022	2021
	----- Foreign Currency -----		----- Equivalent Rupees -----	
Assets				
Advances (USD)	43,215	-	8,878,522	-
Liabilities				
Trade creditors (USD)	(373,179)	(185,469)	(66,612,316)	(29,378,292)
Trade creditors (EUR)	(90,000)	-	(17,948,682)	-

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

	Average rate	Spot rate
	2022 2021	2022 2021
	----- Rupees -----	----- Rupees -----
US Dollar	<u>179.50</u> <u>163.30</u>	<u>178.50</u> <u>158.40</u>
Euro	<u>206.00</u> <u>N/A</u>	<u>199.43</u> <u>N/A</u>

## Sensitivity analysis

Every 5% increase or decrease in exchange rate, with all other variables held constant, will decrease or increase loss before tax for the year by Rs 4.338 million (2021: Rs 1.469 million).

## 43.2.4 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 investment securities. As at reporting date, the Group is not exposed to equity price risk.

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

## 43.3 Credit risk

43.3.1 Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The financial assets excludes statutory assets and includes deposits, trade and other receivables, interest accrued, investments, due from related parties and cash and bank balances. Out of the total financial assets of Rs. 2,243.090 million (2021: Rs. 3,147.872 million), the financial assets which are subject to credit risk amounted to Rs. 2,240.229 million (2021: Rs. 3,146.389 million). The Group's credit risk is primarily attributable to its trade debts and bank balances. The Group has large number of customers, including corporate and individuals, due to large number and diversity of its customer base, concentration of credit risk with respect to trade debtors is limited. Further, the Group manages its credit risk by obtaining advance monitoring fee for device and service charges and effective implementation of credit policy for its customers.

The credit quality of financial assets that are past due but not impaired is disclosed in note 12.1 to these financial statements. As at the reporting date, there are no financial assets that would otherwise be past due or impaired whose terms have been renegotiated.

43.3.2 The Group monitors the credit policy of its financial assets with reference to historical performance of such assets and available external credit ratings. The carrying values of financial assets which are neither past due nor impaired are as under:

		► 2022	► 2021
	Note	Rupees	
Loans	8	2,860,972	1,482,828
Long-term deposits	9	37,699,947	26,194,868
Trade debts	12.1	336,922,459	380,680,237
Trade deposits	14	10,590,608	16,572,503
Interest accrued	15	322,023,956	275,393,211
Other receivables	16	35,321,152	18,026,784
Due from related parties	17	774,085,831	1,361,389,292
Bank balances	18	122,175,826	138,952,515
		<u>1,641,680,751</u>	<u>2,218,692,238</u>

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

			► 2022	► 2021
Bank Balances by short-term rating category	Rating Agency	Note	Rupees	
A-1+	VIS		774,820	1,336,861
A-1	VIS		966	-
A-1+	PACRA		111,952,539	122,064,060
A-1	PACRA		9,447,501	15,551,594
			<u>122,175,826</u>	<u>138,952,515</u>

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

## 43.4 Liquidity risk

Liquidity risk represents the risk that a Group will encounter difficulties in meeting obligations with the financial liabilities. The financial liabilities excludes statutory liabilities and provisions and includes long-term and short-term financing, trade and other payables, accrued mark-up and due to related parties. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of various financing facilities. The table below summarizes the maturity profile of the Group's financial liabilities (excluding statutory liabilities) at June 30, 2022 and 2021 based on contractual undiscounted payment dates and present market interest rates:

	On demand	Less than 3 months	3 to 12 months	More than 1 year	Total
	----- (Rupees) -----				
2022					
Long-term financings	-	-	298,615,142	949,386,540	1,248,001,682
Lease liabilities	-	-	50,088,139	89,833,930	139,922,069
Long-term loans	-	-	55,760,703	-	55,760,703
Trade and other payables	-	736,866,653	-	-	736,866,653
Accrued mark-up	72,529,878	-	-	-	72,529,878
Short-term financings	-	101,492,618	95,208,753	-	196,701,371
Running finance under mark-up arrangements	767,102,058	-	-	-	767,102,058
Due to related parties	414,753,666	-	-	-	414,753,666
	<u>1,254,385,602</u>	<u>838,359,271</u>	<u>499,672,737</u>	<u>1,039,220,470</u>	<u>3,631,638,080</u>
	On demand	Less than 3 months	3 to 12 months	More than 1 year	Total
	----- (Rupees) -----				
2021					
Long-term financings	103,246,489	-	575,080,546	1,049,650,530	1,727,977,565
Lease liabilities	-	-	47,668,312	81,889,252	129,557,564
Long-term loans	-	-	124,490,426	68,367,855	192,858,281
Trade and other payables	-	1,005,101,019	-	-	1,005,101,019
Accrued mark-up	96,437,639	-	-	-	96,437,639
Short-term financings	-	-	235,953,736	-	235,953,736
Running finance under mark-up arrangements	1,062,507,117	-	-	-	1,062,507,117
Due to related parties	224,422,893	-	-	-	224,422,893
	<u>1,486,614,138</u>	<u>1,005,101,019</u>	<u>983,193,020</u>	<u>1,199,907,637</u>	<u>4,674,815,814</u>

## 43.5 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, 2022. The parent company is committed to provide full support to the Group, as and when required.

The Group manages its capital structure and makes adjustment to it in the light of changes in economic conditions. The Group monitors capital using a debt equity ratio, which is net debt divided by total capital plus net debt. Equity comprises of share capital and reserves. The gearing ratio as at June 30, 2022 and 2021 are as follows:



# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
	Note	Rupees	
Long-term financings	21	1,248,001,682	1,727,977,565
Lease liabilities	23	139,922,069	129,557,564
Long-term loans	24	55,760,703	192,858,281
Accrued mark-up	27	72,529,878	96,437,639
Short-term financings	28	196,701,371	235,953,736
Running finance under mark-up arrangements	29	767,102,058	1,062,507,117
Total debts		2,480,017,761	3,445,291,902
Less: Cash and bank balances	18	(122,526,961)	(139,713,606)
Net debt		2,357,490,800	3,305,578,296
Share capital	19	1,872,630,930	1,872,630,930
Capital reserves		202,650,046	232,690,046
Revenue reserve		22,611,573	(127,575,912)
Other components of equity		(24,810,640)	291,140,941
Equity attributable to owners of the Parent Company		2,073,081,909	2,268,886,005
Total capital		4,430,572,709	5,574,464,301
Gearing ratio		53.21%	59.30%

## 43.6 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

Level 1: Quoted market price

Level 2: Valuation techniques (market observable)

Level 3: Valuation techniques (non-market observables)

As of reporting date, the Group has no assets carried at fair value.

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

## 44. SEGMENT REPORTING

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

The details of customers with whom the revenue from sales transactions amount to 10% or more of the Group's overall revenue is as follows:"

		► 2022	► 2021
Note	Rupees		
TPL Insurance Limited - customer located in Pakistan	171,408,678	208,098,133	
44.1 Geographical information			
44.1.1 Revenues			
Pakistan	2,106,468,500	1,886,241,808	
United Arab Emirates	236,018,924	225,015,347	
	2,342,487,424	2,111,257,155	
44.1.2 The revenue information is based on the location of customers.			
44.1.3 Non-current assets			
Pakistan	3,231,974,384	3,671,247,225	
United Arab Emirates	60,599,418	36,809,481	
	3,292,573,802	3,708,056,706	
44.1.4 Non-current assets of the Group are confined within Pakistan and UAE, and consist of property, plant and equipment, intangible assets, right-of-use assets, long-term loans and deposits.			

## 45. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	Chief Executive		Directors		Executives	
	2022	2021	2022	2021	2022	2021
	Rupees					
Basic salary	19,356,132	15,484,800	-	-	88,966,475	61,877,511
House rent allowance	8,710,200	6,968,160	-	-	41,507,339	28,091,664
Utilities	1,933,668	1,547,040	-	-	10,482,210	6,573,307
Vehicle allowance	-	-	-	-	18,450,825	12,668,138
Retirement benefits	1,612,368	1,289,880	-	-	7,715,914	4,873,512
Meeting fees	-	-	1,700,000	1,300,000	-	-
	31,612,368	25,289,880	1,700,000	1,300,000	167,122,763	114,084,132
Number of person(s)	1	1	3	4	34	27

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

- 45.1 The Chief Executive, Directors and certain executives of the Group have also been provided with Group's owned and maintained cars and other benefits in accordance with their entitlements as per rules of the Group.

## 46. TRANSACTIONS WITH RELATED PARTIES

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

	► 2022	► 2021
	Rupees	
TPL Holdings (Private) - Limited (ultimate parent company) [TPLH]		
Amount received by the Company from TPLH	29,250,000	-
Expenditure incurred / paid by the Company on behalf of TPLH	31,045,741	9,979,955
Mark-up on current account	86,009,652	72,775,079
Amount paid / repaid by the Company to TPLH	-	254,150,010
TPL Corp Limited - (parent company) [TPLC]		
Amount received by the Company from TPLC	1,110,382,353	1,125,520,000
Amount paid by the Company on behalf of TPLC	414,884,799	1,373,638,537
Mark-up on current account	29,554,796	73,919,325
Settlement of amount receivable by the Company with TPL Life	20,284,690	59,421,786
Expenditure incurred by the Company on behalf of TPLC	2,592,956	11,915,394
Expenditure incurred on behalf of the Company	120,714,275	122,454,115
Associated companies		
TPL Security Services (Private) Limited [TSS]		
Expenditure incurred / paid by the Company on behalf of TSS	3,935,768	13,843,057
Expenditure incurred / paid by TSS on behalf of the Company	1,186,767	1,679,412
Services acquired by the Company from TSS	20,110,628	16,470,746
Amount received by the Company from TSS	2,000,000	20,179,425
Settlement of amount payable on behalf of the Company from TSS for services received from suppliers	8,488,840	9,352,030
Amount paid / repaid by the Company to TSS	15,269,241	6,841,063
TPL Properties Limited [TPLP]		
Expenditure incurred / paid by the Company on behalf of TPLP	3,333,561	22,080,546
Amount paid by the Company to TPLP	25,000,000	-
Amount received by the Company from TPLP	59,000,000	19,118,983
Expenditure incurred / paid by TPLP on behalf of the Company	2,130,731	1,241,154
Mark-up on current account	356,314	344,295
TPL Insurance Limited [TIL]		
Sales made by the Company to TIL	171,408,678	208,098,133
Expenditure incurred / paid by the Company on behalf of TIL	29,746,248	61,686,535
Amount received by the Company from TIL	1,091,563,750	1,379,000,000
Mark-up on current account	10,086,027	53,593,084
Payment made by the Company to TIL	906,516,000	996,670,203
Expenditure incurred / paid by TIL on behalf of the Company	4,252,442	41,476,059
TPL Direct Finance (Private) Limited [TPLD]		
Mark-up on current account	104,353	86,057

# Notes to the Consolidated Financial Statements

For the year ended June 30, 2022

		► 2022	► 2021
		Rupees	
TPL Life Insurance Limited [TPL Life]			
Amount received by the Company from TPL Life		44,026,400	264,300,240
Expenditure incurred / paid by TPL Life on behalf of the Company		4,473,847	12,163,843
Mark-up on current account		-	4,911,418
Settlement of amount payable by the Company with TPLC		20,284,690	59,421,786
Expenditure incurred by the Company on behalf of TPL Life		26,330,453	45,043,994
Payments made by the Company to TPL Life		18,000,000	182,800,000
TRG Pakistan Limited [TRG]			
Expenditure incurred / paid by the Company on behalf of TRG		-	1,764,213
Mark-up on current account		1,151,528	861,965
TPL Tech Pakistan (Private) Limited [TPL Tech]			
Expenditure incurred / paid by the Company on behalf of TPL Tech		-	2,029,825
Mark-up on current account		5,277,872	4,239,028
Staff retirement benefit			
Provident fund employer contribution		20,596,023	16,078,616
Gratuity contribution paid during the year		2,593,710	2,563,850
Key management personnel			
Salaries and other benefits		62,035,393	48,588,151
Post employment benefits		3,339,824	4,738,826
Loan received by TME from a Director		47,024,131	48,574,706
46.1	All transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Group. The related parties status of outstanding receivables / payables as at June 30, 2022 and 2021 are disclosed in the respective note to these consolidated financial statements.		
46.2	Certain employees of the group companies provide services to the Group and accordingly, their cost are proportionately charged to the Group on agreed terms. In addition, certain common expenses (other than salaries and other benefits) are also allocated within the group companies on agreed basis and terms.		

		► 2022	► 2021
	Note	Rupees	
<b>47. CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	18	122,526,961	139,713,606
Running finance under mark-up arrangements	29	(767,102,058)	(1,062,507,117)
		(644,575,097)	(922,793,511)

## For the year ended June 30, 2022

These financial statements were authorised for issue on September 26, 2022 by the Board of Directors of the Group.

*James Yung*  
DIRECTOR

# Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting (“AGM”) of TPL Trakker Limited (“Company”) will be held on Monday, October 24, 2022 at 11:00 a.m. through electronic mode, to transact the following business:

## ORDINARY BUSINESS:

1. To approve the minutes of the Annual General Meeting held on October 21, 2021.

**“RESOLVED THAT** *the minutes of Annual General Meeting of TPL Trakker Limited held on October 21, 2021 at 03:00 pm be and are hereby approved.”*

2. To receive, consider and adopt the Annual Standalone and Consolidated Audited Financial Statements of the Company together with the Directors’, Auditors’ and Chairman’s Review Report thereon for the year ended June 30, 2022.

**“RESOLVED THAT** *the Annual Audited Financial Statements of TPL Trakker Limited, together with the Chairman’s Review Report, Directors’ and Auditors’ Report thereon for the year ended 30 June 2022 be and are hereby approved.”*

3. To appoint Auditors for the year ending June 30, 2023 and fix their remuneration. M/s. BDO Ebrahim & Co., Chartered Accountants retire and being eligible, have offered themselves for re-appointment.

**“RESOLVED THAT** *M/s. BDO Ebrahim & Co., Chartered Accountants be and are hereby appointed as Auditors of M/s. TPL Trakker Limited on the basis of consent received from them, at a fee mutually agreed for the period ending June 30, 2023.”*

4. To elect directors of the Company for a three-year term. The Board of the directors has fixed the number of directors at Eight (8). The term of the following Eight (8) directors, in pursuance to the Section 158 of the Companies Act, 2017, will expire on October 28, 2022:

1. Mr. Jameel Yusuf S.St
2. Mr. Mohammad Riaz
3. Mr. Ahmad Zuberi
4. Ms. Nausheen Javaid Amjad
5. Mr. Omar Askari
6. Mr. Sarwar Ali Khan
7. Brigadier (R) Muhammad Tahir Chaudhary
8. Mr. Ali Asgher

## SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017 to authorize the Company for renewal of advance of Rs. 600 million to the parent company, TPL Corp Limited.

**“RESOLVED THAT** *pursuant to Section 199 of the Companies Act 2017, the Company be and is hereby authorized to renew advance of Rs. 600 million to the parent company i.e TPL Corp Limited.”*

# Notice of Annual General Meeting

6. To consider and if thought fit, to pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017 to authorize the Company for renewal of advance of Rs. 250 million to the subsidiary company, Trakker Middle East L.L.C.

**"RESOLVED THAT** pursuant to Section 199 of the Companies Act 2017, the Company be and is hereby authorized to renew advance of Rs. 250 million to the subsidiary company i.e Trakker Middle East L.L.C."

7. To consider and, if thought fit, pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017, to authorize the Company for renewal of advance up to Rs. 100 million to the associated company, TPL Tech Pakistan (Pvt.) Limited.

**"RESOLVED THAT** pursuant to Section 199 of the Companies Act 2017, the Company be and is hereby authorized to renew advance up to Rs. 100 Million to TPL Tech Pakistan (Pvt.) Limited."

8. To consider and, if thought fit, pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017, to authorize the Company for renewal of advance up to Rs. 700 million to the associated company, TPL Holdings (Pvt.) Limited.

**"RESOLVED THAT** pursuant to Section 199 of the Companies Act 2017, the Company be and is hereby authorized to renew advance up to Rs. 700 Million to TPL Holdings (Pvt.) Limited."

9. To consider and if thought fit, to pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017 to authorize the Company for renewal of advance of Rs. 50 million to the associated company, TPL Security Services (Pvt.) Limited.

**"RESOLVED THAT** pursuant to Section 199 of the Companies Act 2017, the Company be and is hereby authorized to renew advance of Rs. 50 million to the associated company i.e TPL Security Services (Pvt.) Limited.."

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 Company for renewal of advance up to Rs. 20 million to the associated company, TPL Properties Limited.

**"RESOLVED THAT** pursuant to Section 199 of the Companies Act 2017, the Company be and is hereby authorized to renew advance up to Rs. 20 Million to TPL Properties Limited."

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

## Renewal of advance of PKR 600 Million to TPL Corp Limited:

The Company is desirous to renew advances made to TPL Corp Limited. The renewal of advance has been recommended by the Board of Directors of the Company in its meeting held on September 26, 2022.

The information required to be annexed to the Notice by Notification No. S. R. O. 1240(I)/2017 dated December 06, 2017 is set out below:

S. No.	Requirement	Information																																		
i.	Name of the associated company or associated undertaking	TPL Corp Limited																																		
ii.	Basis of relationship	Parent																																		
iii.	Earnings per share for the last three years of the Associated Company	2022: (2.49), 2021: (1.02), 2020: (1.57)																																		
iv.	Break-up value per share, based on latest audited financial statements	PKR 23.64 per share																																		
v.	Financial position of the associated company	<div>The extracts of the reviewed balance sheet and profit and loss account of the associated company as at and for the period ended June 30, 2022 is as follows:</div> <table><tr><th>Balance Sheet</th><th>Rupees</th></tr><tr><td>Non-current assets</td><td>11,362,094,433</td></tr><tr><td>Other assets</td><td>710,711,131</td></tr><tr><td><b>Total Assets</b></td><td>12,072,805,564</td></tr><tr><td></td><td></td></tr><tr><td><b>Total Liabilities</b></td><td>5,754,301,797</td></tr><tr><td></td><td></td></tr><tr><td><i>Represented by:</i></td><td></td></tr><tr><td>Paid up capital</td><td>2,672,977,630</td></tr><tr><td>Capital Reserve</td><td>60,855,762</td></tr><tr><td>Accumulated (loss)</td><td>(1,175,020,162)</td></tr><tr><td>Other component of equity</td><td>4,759,690,537</td></tr><tr><td><b>Equity</b></td><td>6,318,503,767</td></tr><tr><td></td><td></td></tr><tr><td><b>Profit and Loss</b></td><td></td></tr><tr><td>(Loss) before interest and taxation</td><td>(137,839,197)</td></tr><tr><td>Financial charges</td><td>(462,752,821)</td></tr></table>	Balance Sheet	Rupees	Non-current assets	11,362,094,433	Other assets	710,711,131	<b>Total Assets</b>	12,072,805,564			<b>Total Liabilities</b>	5,754,301,797			<i>Represented by:</i>		Paid up capital	2,672,977,630	Capital Reserve	60,855,762	Accumulated (loss)	(1,175,020,162)	Other component of equity	4,759,690,537	<b>Equity</b>	6,318,503,767			<b>Profit and Loss</b>		(Loss) before interest and taxation	(137,839,197)	Financial charges	(462,752,821)
Balance Sheet	Rupees																																			
Non-current assets	11,362,094,433																																			
Other assets	710,711,131																																			
<b>Total Assets</b>	12,072,805,564																																			
<b>Total Liabilities</b>	5,754,301,797																																			
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Paid up capital	2,672,977,630																																			
Capital Reserve	60,855,762																																			
Accumulated (loss)	(1,175,020,162)																																			
Other component of equity	4,759,690,537																																			
<b>Equity</b>	6,318,503,767																																			
<b>Profit and Loss</b>																																				
(Loss) before interest and taxation	(137,839,197)																																			
Financial charges	(462,752,821)																																			



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

		(Loss) before taxation	(600,592,018)
		Taxation	(7,704,319)
		<b>(Loss) after taxation</b>	<b>(608,296,337)</b>
vi	In case of investment in a project of an associated company / undertaking that has not commenced operations, in addition to the information referred to above, the following further information is also required: a) a description of the project and its history since conceptualization; b) starting date and expected date of completion; c) time by which such project shall become commercially operational; d) expected return on total capital employed in the project; and e) funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts;	Not Applicable	
vii.	Maximum amount of investment to be made	PKR 600,000,000	
viii.	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	Not applicable	
ix.	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,- (I) justification for investment through borrowings; (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis;	Not applicable	
x.	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	None	
xi.	Direct or indirect interest, of directors, sponsors, majority shareholders and their relatives, if any, in the associated company/undertaking or the transaction under consideration	None	

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

xii.	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	None
xiii.	Any other important details necessary for the members to understand the transaction;	None
xiv.	Category-wise amount of investment;	None
xv.	Average borrowing cost of the investing company or in case of absence of borrowing the KIBOR (Karachi Inter Bank Offered Rate) for the relevant period	3 month KIBOR + 3%.
xvi.	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	3 month KIBOR + 3%.
xvii.	Particulars of collateral or security to be obtained in relation to the proposed investment;	None
xviii.	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and	None
xix.	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	Repayable on demand.
xx.	Sources of funds from where loans or advances will be given	Own source
xxi.	Where loans or advances are being granted using borrowed funds: a) justification for granting loan or advance out of borrowed funds; b) detail of guarantees / assets pledged for obtaining such funds, if any; and c) repayment schedules of borrowing of the investing company	Not applicable

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

xxii.	Particulars of collateral or security to be obtained in relation to the proposed investment;	Letter of comfort/The loan is unsecured.
xxiii.	If the loans or advances carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable;	Not applicable
xxiv.	Repayment schedule and terms of loans or advances to be given to the investee company	Repayable on demand.

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

## Renewal of advance of PKR 250 Million to Trakker Middle East LLC:

The Company is desirous to renew advances made to Trakker Middle East LLC. The renewal of advance has been recommended by the Board of Directors of the Company in its meeting held on September 26, 2022.

The information required to be annexed to the Notice by Notification No. S. R. O. 1240(I)/2017 dated December 06, 2017 is set out below:

S. No.	Requirement	Information																																						
i.	Name of the associated company or associated undertaking	Trakker Middle East LLC																																						
ii.	Basis of relationship	Subsidiary																																						
iii.	Earnings per share for the last three years of the Associated Company	2022: (32,020.83) 2021: (19,702.61), 2020: (15,598.85)																																						
iv.	Break-up value per share, based on latest audited financial statements	PKR (94,849.85) per share																																						
v.	Financial position of the associated company	<div>The extracts of the reviewed balance sheet and profit and loss account of the associated company as at and for the period ended June 30, 2022 is as follows:</div> <table><tr><th>Balance Sheet</th><th>Rupees</th></tr><tr><td>Non-current assets</td><td>60,599,418</td></tr><tr><td>Other assets</td><td>124,831,865</td></tr><tr><td><b>Total Assets</b></td><td>185,431,283</td></tr><tr><td></td><td></td></tr><tr><td><b>Total Liabilities</b></td><td>723,229,923</td></tr><tr><td></td><td></td></tr><tr><td><i>Represented by:</i></td><td></td></tr><tr><td>Paid up capital</td><td>315,383,544</td></tr><tr><td>Statutory Reserves</td><td>63,080,992</td></tr><tr><td>Accumulated (loss)</td><td>(916,263,174)</td></tr><tr><td><b>Equity</b></td><td>(537,798,638)</td></tr><tr><td></td><td></td></tr><tr><td><b>Profit and Loss</b></td><td></td></tr><tr><td>(Loss) before interest and taxation</td><td>(167,654,979)</td></tr><tr><td>Financial charges</td><td>(13,903,107)</td></tr><tr><td>(Loss) before taxation</td><td>(181,558,086)</td></tr><tr><td>Taxation</td><td>-</td></tr><tr><td><b>(Loss) after taxation</b></td><td>(181,558,086)</td></tr></table>	Balance Sheet	Rupees	Non-current assets	60,599,418	Other assets	124,831,865	<b>Total Assets</b>	185,431,283			<b>Total Liabilities</b>	723,229,923			<i>Represented by:</i>		Paid up capital	315,383,544	Statutory Reserves	63,080,992	Accumulated (loss)	(916,263,174)	<b>Equity</b>	(537,798,638)			<b>Profit and Loss</b>		(Loss) before interest and taxation	(167,654,979)	Financial charges	(13,903,107)	(Loss) before taxation	(181,558,086)	Taxation	-	<b>(Loss) after taxation</b>	(181,558,086)
Balance Sheet	Rupees																																							
Non-current assets	60,599,418																																							
Other assets	124,831,865																																							
<b>Total Assets</b>	185,431,283																																							
<b>Total Liabilities</b>	723,229,923																																							
<i>Represented by:</i>																																								
Paid up capital	315,383,544																																							
Statutory Reserves	63,080,992																																							
Accumulated (loss)	(916,263,174)																																							
<b>Equity</b>	(537,798,638)																																							
<b>Profit and Loss</b>																																								
(Loss) before interest and taxation	(167,654,979)																																							
Financial charges	(13,903,107)																																							
(Loss) before taxation	(181,558,086)																																							
Taxation	-																																							
<b>(Loss) after taxation</b>	(181,558,086)																																							

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

vi	In case of investment in a project of an associated company / undertaking that has not commenced operations, in addition to the information referred to above, the following further information is also required: a) a description of the project and its history since conceptualization; b) starting date and expected date of completion; c) time by which such project shall become commercially operational; d) expected return on total capital employed in the project; and e) funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts;	Not Applicable
vii.	Maximum amount of investment to be made	PKR 250,000,000
viii.	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	Not applicable
ix.	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,- (I) justification for investment through borrowings; (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis;	Not applicable
x.	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	None
xi.	Direct or indirect interest, of directors, sponsors, majority shareholders and their relatives, if any, in the associated company/undertaking or the transaction under consideration	None
xii.	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete	None

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

	information/justification for any impairment or write offs; and	
xiii.	Any other important details necessary for the members to understand the transaction;	None
xiv.	Category-wise amount of investment;	None
xv.	Average borrowing cost of the investing company or in case of absence of borrowing the KIBOR (Karachi Inter Bank Offered Rate) for the relevant period	6 month KIBOR + 3%.
xvi.	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	6 month KIBOR + 3%.
xvii.	Particulars of collateral or security to be obtained in relation to the proposed investment;	None
xviii.	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and	None
xix.	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	Repayable on demand.
xx.	Sources of funds from where loans or advances will be given	Own source
xxi.	Where loans or advances are being granted using borrowed funds: a) justification for granting loan or advance out of borrowed funds; b) detail of guarantees / assets pledged for obtaining such funds, if any; and c) repayment schedules of borrowing of the investing company	Not applicable
xxii.	Particulars of collateral or security to be obtained in relation to the proposed investment;	Letter of comfort/The loan is unsecured.

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

xxiii.	If the loans or advances carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable;	Not applicable
xxiv.	Repayment schedule and terms of loans or advances to be given to the investee company	Repayable on demand.

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

## Renewal of advance of PKR 100 Million to TPL Tech Pakistan (Pvt.) Limited:

The Company is desirous to renew advances made to TPL Tech Pakistan (Pvt.) Limited. The renewal of advance has been recommended by the Board of Directors of the Company in its meeting held on September 26, 2022.

The information required to be annexed to the Notice by Notification No. S. R. O. 1240(I)/2017 dated December 06, 2017 is set out below:

S. No.	Requirement	Information																																				
i.	Name of the associated company or associated undertaking	TPL Tech Pakistan (Pvt.) Limited																																				
ii.	Basis of relationship	Associated																																				
iii.	Earnings per share for the last three years of the Associated Company	N.A																																				
iv.	Break-up value per share, based on latest audited financial statements	N.A																																				
v.	Financial position of the associated company	<div>The extracts of the reviewed balance sheet and profit and loss account of the associated company as at and for the period ended June 30, 2022 is as follows:</div> <table><tr><th>Balance Sheet</th><th>Rupees</th></tr><tr><td>Non-current assets</td><td>N.A</td></tr><tr><td>Other assets</td><td>N.A</td></tr><tr><td>Total Assets</td><td>N.A</td></tr><tr><td></td><td></td></tr><tr><td>Total Liabilities</td><td>N.A</td></tr><tr><td></td><td></td></tr><tr><td>Represented by:</td><td></td></tr><tr><td>Paid up capital</td><td>N.A</td></tr><tr><td>Capital Reserve</td><td>N.A</td></tr><tr><td>Accumulated (loss)</td><td>N.A</td></tr><tr><td>Equity</td><td>N.A</td></tr><tr><td></td><td></td></tr><tr><td>Profit and Loss</td><td></td></tr><tr><td>Profit/(Loss) before interest and taxation</td><td>N.A</td></tr><tr><td>Financial charges</td><td>N.A</td></tr><tr><td>(Loss) before taxation</td><td>N.A</td></tr><tr><td>Taxation</td><td>N.A</td></tr></table>	Balance Sheet	Rupees	Non-current assets	N.A	Other assets	N.A	Total Assets	N.A			Total Liabilities	N.A			Represented by:		Paid up capital	N.A	Capital Reserve	N.A	Accumulated (loss)	N.A	Equity	N.A			Profit and Loss		Profit/(Loss) before interest and taxation	N.A	Financial charges	N.A	(Loss) before taxation	N.A	Taxation	N.A
Balance Sheet	Rupees																																					
Non-current assets	N.A																																					
Other assets	N.A																																					
Total Assets	N.A																																					
Total Liabilities	N.A																																					
Represented by:																																						
Paid up capital	N.A																																					
Capital Reserve	N.A																																					
Accumulated (loss)	N.A																																					
Equity	N.A																																					
Profit and Loss																																						
Profit/(Loss) before interest and taxation	N.A																																					
Financial charges	N.A																																					
(Loss) before taxation	N.A																																					
Taxation	N.A																																					



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

		Profit/(Loss) after taxation	N.A
vi	In case of investment in a project of an associated company / undertaking that has not commenced operations, in addition to the information referred to above, the following further information is also required: a) a description of the project and its history since conceptualization; b) starting date and expected date of completion; c) time by which such project shall become commercially operational; d) expected return on total capital employed in the project; and e) funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts;	Not Applicable	
vii.	Maximum amount of investment to be made	PKR 100,000,000	
viii.	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	Not applicable	
ix.	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,- (I) justification for investment through borrowings; (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis;	Not applicable	
x.	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	None	
xi.	Direct or indirect interest, of directors, sponsors, majority shareholders and their relatives, if any, in the associated company/undertaking or the transaction under consideration	None	

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

xii.	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	None
xiii.	Any other important details necessary for the members to understand the transaction;	None
xiv.	Category-wise amount of investment;	None
xv.	Average borrowing cost of the investing company or in case of absence of borrowing the KIBOR (Karachi Inter Bank Offered Rate) for the relevant period	6 month KIBOR + 3%.
xvi.	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	6 month KIBOR + 3%.
xvii.	Particulars of collateral or security to be obtained in relation to the proposed investment;	None
xviii.	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and	None
xix.	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	Repayable on demand.
xx.	Sources of funds from where loans or advances will be given	Own source
xxi.	Where loans or advances are being granted using borrowed funds: a) justification for granting loan or advance out of borrowed funds; b) detail of guarantees / assets pledged for obtaining such funds, if any; and c) repayment schedules of borrowing of the investing company	Not applicable
xxii.	Particulars of collateral or security to be obtained in relation to the	Letter of comfort/The loan is unsecured.

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

	proposed investment;	
xxiii.	If the loans or advances carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable;	Not applicable
xxiv.	Repayment schedule and terms of loans or advances to be given to the investee company	Repayable on demand.

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

## Renewal of advance of PKR 700 Million to TPL Holdings (Pvt.) Limited:

The Company is desirous to renew advances made to TPL Holdings (Pvt.) Limited. The renewal of advance has been recommended by the Board of Directors of the Company in its meeting held on September 26, 2022.

The information required to be annexed to the Notice by Notification No. S. R. O. 1240(I)/2017 dated December 06, 2017 is set out below:

S. No.	Requirement	Information																																						
i.	Name of the associated company or associated undertaking	TPL Holdings (Pvt.) Limited																																						
ii.	Basis of relationship	Associated																																						
iii.	Earnings per share for the last three years of the Associated Company	2022: (34.91), 2021: (29.27), 2020: (41.45)																																						
iv.	Break-up value per share, based on latest audited financial statements	PKR 190.85 per share																																						
v.	Financial position of the associated company	<div>The extracts of the reviewed balance sheet and profit and loss account of the associated company as at and for the period ended June 30, 2022 is as follows:</div> <table><tr><th>Balance Sheet</th><th>Rupees</th></tr><tr><td>Non-current assets</td><td>1,792,483,216</td></tr><tr><td>Other assets</td><td>1,629,047,529</td></tr><tr><td><b>Total Assets</b></td><td><b>3,421,530,746</b></td></tr><tr><td></td><td></td></tr><tr><td><b>Total Liabilities</b></td><td><b>2,701,187,471</b></td></tr><tr><td></td><td></td></tr><tr><td><i>Represented by:</i></td><td></td></tr><tr><td>Paid up capital</td><td>37,744,000</td></tr><tr><td>Capital Reserve</td><td>10,742,480</td></tr><tr><td>Accumulated profit</td><td>671,856,794</td></tr><tr><td><b>Equity</b></td><td><b>720,343,275</b></td></tr><tr><td></td><td></td></tr><tr><td><b>Profit and Loss</b></td><td></td></tr><tr><td>Profit before interest and taxation</td><td>154,265,983</td></tr><tr><td>Financial charges</td><td>(285,911,701)</td></tr><tr><td>(Loss) before taxation</td><td>(131,645,718)</td></tr><tr><td>Taxation</td><td>(108,884)</td></tr><tr><td><b>(Loss) after taxation</b></td><td><b>(131,754,602)</b></td></tr></table>	Balance Sheet	Rupees	Non-current assets	1,792,483,216	Other assets	1,629,047,529	<b>Total Assets</b>	<b>3,421,530,746</b>			<b>Total Liabilities</b>	<b>2,701,187,471</b>			<i>Represented by:</i>		Paid up capital	37,744,000	Capital Reserve	10,742,480	Accumulated profit	671,856,794	<b>Equity</b>	<b>720,343,275</b>			<b>Profit and Loss</b>		Profit before interest and taxation	154,265,983	Financial charges	(285,911,701)	(Loss) before taxation	(131,645,718)	Taxation	(108,884)	<b>(Loss) after taxation</b>	<b>(131,754,602)</b>
Balance Sheet	Rupees																																							
Non-current assets	1,792,483,216																																							
Other assets	1,629,047,529																																							
<b>Total Assets</b>	<b>3,421,530,746</b>																																							
<b>Total Liabilities</b>	<b>2,701,187,471</b>																																							
<i>Represented by:</i>																																								
Paid up capital	37,744,000																																							
Capital Reserve	10,742,480																																							
Accumulated profit	671,856,794																																							
<b>Equity</b>	<b>720,343,275</b>																																							
<b>Profit and Loss</b>																																								
Profit before interest and taxation	154,265,983																																							
Financial charges	(285,911,701)																																							
(Loss) before taxation	(131,645,718)																																							
Taxation	(108,884)																																							
<b>(Loss) after taxation</b>	<b>(131,754,602)</b>																																							

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

vi	In case of investment in a project of an associated company / undertaking that has not commenced operations, in addition to the information referred to above, the following further information is also required: a) a description of the project and its history since conceptualization; b) starting date and expected date of completion; c) time by which such project shall become commercially operational; d) expected return on total capital employed in the project; and e) funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts;	Not Applicable
vii.	Maximum amount of investment to be made	PKR 700,000,000
viii.	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	To make investment in associated company.
ix.	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,- (I) justification for investment through borrowings; (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis;	Own Source
x.	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	Not applicable
xi.	Direct or indirect interest, of directors, sponsors, majority shareholders and their relatives, if any, in the associated company/undertaking or the transaction under consideration	Mr. Jameel Yusuf is the director of the Company, and TPL Holdings (Pvt.) Limited
xii.	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete	None

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

	information/justification for any impairment or write offs; and	
xiii.	Any other important details necessary for the members to understand the transaction;	Not applicable
xiv.	Category-wise amount of investment;	Loan is repayable on demand
xv.	Average borrowing cost of the investing company or in case of absence of borrowing the KIBOR (Karachi Inter Bank Offered Rate) for the relevant period	The average estimated borrowing cost of the Company is 3 month KIBOR + 3%.
xvi.	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	Markup to be charged equivalent to the borrowing cost
xvii.	Particulars of collateral or security to be obtained in relation to the proposed investment;	Letter of comfort
xviii.	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and	None
xix.	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	None
xx.	Sources of funds from where loans or advances will be given	Own source
xxi.	Where loans or advances are being granted using borrowed funds: a) justification for granting loan or advance out of borrowed funds; b) detail of guarantees / assets pledged for obtaining such funds, if any; and c) repayment schedules of borrowing of the investing company	Not applicable
xxii.	Particulars of collateral or security to be obtained in relation to the proposed investment;	The loan is unsecured.

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

xxiii.	If the loans or advances carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable;	Not applicable
xxiv.	Repayment schedule and terms of loans or advances to be given to the investee company	Repayable on demand.

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

## Renewal of advance of PKR 50 Million to TPL Security Services (Pvt.) Limited:

The Company is desirous to renew advances made to TPL Security Services (Pvt.) Limited. The renewal of advance has been recommended by the Board of Directors of the Company in its meeting held on September 26, 2022.

The information required to be annexed to the Notice by Notification No. S. R. O. 1240(I)/2017 dated December 06, 2017 is set out below:

S. No.	Requirement	Information																																				
i.	Name of the associated company or associated undertaking	TPL Security Services (Pvt.) Limited																																				
ii.	Basis of relationship	Associated																																				
iii.	Earnings per share for the last three years of the Associated Company	2022: (9.97), 2021: (6.01), 2020: 5.37																																				
iv.	Break-up value per share, based on latest audited financial statements	PKR (26.58) per share																																				
v.	Financial position of the associated company	<div>The extracts of the reviewed balance sheet and profit and loss account of the associated company as at and for the period ended June 30, 2022 is as follows:</div> <table><tr><th>Balance Sheet</th><th>Rupees</th></tr><tr><td>Non-current assets</td><td>12,543,277</td></tr><tr><td>Other assets</td><td>96,857,322</td></tr><tr><td><b>Total Assets</b></td><td>109,400,599</td></tr><tr><td></td><td></td></tr><tr><td><b>Total Liabilities</b></td><td>165,239,243</td></tr><tr><td></td><td></td></tr><tr><td><i>Represented by:</i></td><td></td></tr><tr><td>Paid up capital</td><td>21,000,000</td></tr><tr><td>Capital Reserve</td><td></td></tr><tr><td>Accumulated (loss)</td><td>(76,838,644)</td></tr><tr><td><b>Equity</b></td><td>(55,838,644)</td></tr><tr><td></td><td></td></tr><tr><td><b>Profit and Loss</b></td><td></td></tr><tr><td>(Loss) before interest and taxation</td><td>(13,982,159)</td></tr><tr><td>Financial charges</td><td>(169,156)</td></tr><tr><td>(Loss) before taxation</td><td>(14,151,315)</td></tr><tr><td>Taxation</td><td>(6,785,864)</td></tr></table>	Balance Sheet	Rupees	Non-current assets	12,543,277	Other assets	96,857,322	<b>Total Assets</b>	109,400,599			<b>Total Liabilities</b>	165,239,243			<i>Represented by:</i>		Paid up capital	21,000,000	Capital Reserve		Accumulated (loss)	(76,838,644)	<b>Equity</b>	(55,838,644)			<b>Profit and Loss</b>		(Loss) before interest and taxation	(13,982,159)	Financial charges	(169,156)	(Loss) before taxation	(14,151,315)	Taxation	(6,785,864)
Balance Sheet	Rupees																																					
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## Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

		(Loss) after taxation	(20,937,179)
vi	In case of investment in a project of an associated company / undertaking that has not commenced operations, in addition to the information referred to above, the following further information is also required: a) a description of the project and its history since conceptualization; b) starting date and expected date of completion; c) time by which such project shall become commercially operational; d) expected return on total capital employed in the project; and e) funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts;	Not Applicable	
vii.	Maximum amount of investment to be made	PKR 50,000,000	
viii.	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	Not applicable	
ix.	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,- (I) justification for investment through borrowings; (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis;	Not applicable	
x.	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	None	
xi.	Direct or indirect interest, of directors, sponsors, majority shareholders and their relatives, if any, in the associated company/undertaking or the transaction under consideration	None	

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

xii.	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	None
xiii.	Any other important details necessary for the members to understand the transaction;	None
xiv.	Category-wise amount of investment;	None
xv.	Average borrowing cost of the investing company or in case of absence of borrowing the KIBOR (Karachi Inter Bank Offered Rate) for the relevant period	6 month KIBOR + 3%.
xvi.	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	6 month KIBOR + 3%.
xvii.	Particulars of collateral or security to be obtained in relation to the proposed investment;	None
xviii.	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and	None
xix.	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	Repayable on demand.
xx.	Sources of funds from where loans or advances will be given	Own source
xxi.	Where loans or advances are being granted using borrowed funds: a) justification for granting loan or advance out of borrowed funds; b) detail of guarantees / assets pledged for obtaining such funds, if any; and c) repayment schedules of borrowing of the investing company	Not applicable
xxii.	Particulars of collateral or security to be obtained in relation to the	Letter of comfort/The loan is unsecured.

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

	proposed investment;	
xxiii.	If the loans or advances carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable;	Not applicable
xxiv.	Repayment schedule and terms of loans or advances to be given to the investee company	Repayable on demand.

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

## Renewal of advance of PKR 20 Million to TPL Properties Limited:

The Company is desirous to renew advances made to TPL Properties Limited. The renewal of advance has been recommended by the Board of Directors of the Company in its meeting held on September 26, 2022.

The information required to be annexed to the Notice by Notification No. S. R. O. 1240(I)/2017 dated December 06, 2017 is set out below:

S. No.	Requirement	Information																																						
i.	Name of the associated company or associated undertaking	TPL Properties Limited																																						
ii.	Basis of relationship	Associated																																						
iii.	Earnings per share for the last three years of the Associated Company	2022: 12.29, 2021: (1.72), 2020: 0.85																																						
iv.	Break-up value per share, based on latest audited financial statements	PKR 26.48 per share																																						
v.	Financial position of the associated company	<div>The extracts of the reviewed balance sheet and profit and loss account of the associated company as at and for the period ended June 30, 2022 is as follows:</div> <table><tr><th>Balance Sheet</th><th>Rupees</th></tr><tr><td>Non-current assets</td><td>9,029,215,796</td></tr><tr><td>Other assets</td><td>3,488,310,756</td></tr><tr><td><b>Total Assets</b></td><td>12,517,526,552</td></tr><tr><td></td><td></td></tr><tr><td><b>Total Liabilities</b></td><td>2,002,534,031</td></tr><tr><td></td><td></td></tr><tr><td><i>Represented by:</i></td><td></td></tr><tr><td>Paid up capital</td><td>5,107,332,456</td></tr><tr><td>Capital Reserve</td><td>(313,405,756)</td></tr><tr><td>Accumulated profit</td><td>5,721,065,821</td></tr><tr><td><b>Equity</b></td><td>10,514,992,521</td></tr><tr><td></td><td></td></tr><tr><td><b>Profit and Loss</b></td><td></td></tr><tr><td>Profit before interest and taxation</td><td>5,210,263,357</td></tr><tr><td>Financial charges</td><td>(332,568,498)</td></tr><tr><td>Profit before taxation</td><td>4,877,694,859</td></tr><tr><td>Taxation</td><td>(620,714)</td></tr><tr><td><b>Profit after taxation</b></td><td>4,877,074,145</td></tr></table>	Balance Sheet	Rupees	Non-current assets	9,029,215,796	Other assets	3,488,310,756	<b>Total Assets</b>	12,517,526,552			<b>Total Liabilities</b>	2,002,534,031			<i>Represented by:</i>		Paid up capital	5,107,332,456	Capital Reserve	(313,405,756)	Accumulated profit	5,721,065,821	<b>Equity</b>	10,514,992,521			<b>Profit and Loss</b>		Profit before interest and taxation	5,210,263,357	Financial charges	(332,568,498)	Profit before taxation	4,877,694,859	Taxation	(620,714)	<b>Profit after taxation</b>	4,877,074,145
Balance Sheet	Rupees																																							
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## Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business

	associated company / undertaking that has not commenced operations, in addition to the information referred to above, the following further information is also required: a) a description of the project and its history since conceptualization; b) starting date and expected date of completion; c) time by which such project shall become commercially operational; d) expected return on total capital employed in the project; and e) funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts;	
vii.	Maximum amount of investment to be made	PKR 20,000,000
viii.	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	Not applicable
ix.	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,- (I) justification for investment through borrowings; (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis;	Not applicable
x.	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	None
xi.	Direct or indirect interest, of directors, sponsors, majority shareholders and their relatives, if any, in the associated company/undertaking or the transaction under consideration	None
xii.	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any	None

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

	impairment or write offs; and	
xiii.	Any other important details necessary for the members to understand the transaction;	None
xiv.	Category-wise amount of investment;	None
xv.	Average borrowing cost of the investing company or in case of absence of borrowing the KIBOR (Karachi Inter Bank Offered Rate) for the relevant period	6 month KIBOR + 3%.
xvi.	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	6 month KIBOR + 3%.
xvii.	Particulars of collateral or security to be obtained in relation to the proposed investment;	None
xviii.	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and	None
xix.	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	Repayable on demand.
xx.	Sources of funds from where loans or advances will be given	Own source
xxi.	Where loans or advances are being granted using borrowed funds: a) justification for granting loan or advance out of borrowed funds; b) detail of guarantees / assets pledged for obtaining such funds, if any; and c) repayment schedules of borrowing of the investing company	Not applicable
xxii.	Particulars of collateral or security to be obtained in relation to the proposed investment;	Letter of comfort/The loan is unsecured.

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

xxiii.	If the loans or advances carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable;	Not applicable
xxiv.	Repayment schedule and terms of loans or advances to be given to the investee company	Repayable on demand.

### ANY OTHER BUSINESS

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

By Order of the Board

**Danish Qazi**  
Company Secretary

Karachi, October 03, 2022

### Notes

#### 1. Reason for holding AGM through electronic mode i.e. Contingency Planning:

In view of the threat of pandemic outbreak and to protect the wellbeing of shareholders, the Company requests its members to attend and participate in the general meeting through video link facility only to avoid large gathering at one place.

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

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

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

The Share Transfer Book of the Company will remain closed from October 17, 2022 to October 24, 2022 (both days inclusive). Share Transfers received at M/s THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi-75500. Pakistan by the close of business hours (5:00 PM) on October 14, 2022, will be treated as being in time for the purpose of above entitlement to the transferees.

#### 3. Participation in the Meeting:

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

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

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

## **4. For Attending the Meeting:**

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

## **5. For Election of Directors:**

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

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

## **6. Change of Address:**

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

7. Accounts of the Company for the year ended June 30, 2022 have been placed on the website of the Company, <http://tpltrakker.com/>.



# Form of Proxy

Annual General Meeting of TPL Trakker Limited

I/We \_\_\_\_\_ S/o / D/o / W/o \_\_\_\_\_

Resident of (Full address) \_\_\_\_\_

being a member(s) of TPL Trakker Limited, holding \_\_\_\_\_ ordinary shares,

hereby appoint \_\_\_\_\_ S/o / D/o / W/o \_\_\_\_\_

\_\_\_\_\_ resident of

(full address) \_\_\_\_\_ or failing him / her

\_\_\_\_\_ S/o / D/o / W/o \_\_\_\_\_

resident of (full address) \_\_\_\_\_ as my / our proxy in my / our absence to attend and vote for me / us on my / our behalf at Annual General Meeting of the Company to be held on Monday, 24 October, 2022 and/or adjournment thereof.

As witness my / our hand (s) seal this on the \_\_\_\_\_ day of \_\_\_\_\_ 2022.

Signed by the said:

Folio No. / CDC Account No.

Signature on  
Revenue Stamp of  
Appropriate Value.

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

In presence of:

1. Signature: \_\_\_\_\_ 2. Signature: \_\_\_\_\_

Name: \_\_\_\_\_ Name: \_\_\_\_\_

Address: \_\_\_\_\_ Address: \_\_\_\_\_

CNIC or Passport No: \_\_\_\_\_ CNIC or Passport No: \_\_\_\_\_

Important Instructions:

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

Important Instructions:

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

## (نیا بت) پراکسی فارم

میں/ہم \_\_\_\_\_ جس کا / جن کا مکمل پتہ

\_\_\_\_\_ ہے، ٹی بی ایل ٹریڈ لمیٹڈ کا ممبر ہوں/ہیں۔

اور میرے/ہمارے پاس \_\_\_\_\_ نمبر کے آرڈری شیٹرز ہیں

\_\_\_\_\_ بذریعہ تقرر

\_\_\_\_\_ جس کا مکمل پتہ

\_\_\_\_\_ یا اسکی عدم موجودگی میں \_\_\_\_\_ مکمل پتہ

میری/ہماری جانب سے کمپنی کی سالانہ جنرل میٹنگ میں، جو کہ پیر ۲۴ اکتوبر ۲۰۲۲ کی میٹنگ، یا اس کے التواء کی صورت میں اس کے بعد جب بھی میٹنگ ہو، میری/ہماری نیابت (پراکسی) میں میری/ہماری طرف سے ووٹ دینے کا حق رکھتا/رکھتی ہے۔

زیر دستخطی \_\_\_\_\_ دن \_\_\_\_\_ ۲۰۲۲

دستخط کنندہ

فولیو نمبر / سی ڈی سی آکاؤنٹ نمبر



برائے مہربانی یہاں ریونیوسٹپ  
چسپاں کریں

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

1- دستخط: \_\_\_\_\_

نام: \_\_\_\_\_

پتہ: \_\_\_\_\_

شناختی کارڈ یا پاسپورٹ نمبر \_\_\_\_\_

2- دستخط: \_\_\_\_\_

نام: \_\_\_\_\_


پتہ: \_\_\_\_\_

شناختی کارڈ یا پاسپورٹ نمبر \_\_\_\_\_

ہدایات:

- ۱۔ نیابت (پراکسی) صرف اسی صورت میں موثر سمجھی جائے گی جب یہ کمپنی کو مینٹنگ سے کم از کم 48 گھنٹے پہلے موصول ہو۔
- II۔ سی ڈی سی شیئر ہولڈرز اور ان کے نیابت کارروں کے لئے لازم ہے کہ وہ اس نیابت (پراکسی) کو کمپنی میں جمع کروانے سے پہلے اپنے کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ فوٹو کاپی کو اس فارم کے ساتھ منسلک کر دیں۔
- III۔ نیابت کار کو مینٹنگ 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 جا چکے ہوں)۔
- V۔ ان شرائط و ضوابط کی تشریح اور تفصیل کے لئے یا مبالغے کی صورت میں انگریزی میں لکھی ہوئی شرائط و ضوابط کو حتمی حیثیت حاصل ہوگی۔

# Contact Us

 Plot # 1-A, Sector # 24,  
Korangi Industrial Area,  
Karachi

 [www.tpltrakker.com](http://www.tpltrakker.com)

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