



Rating Action

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PACRA MAINTAINS RATINGS OF TPL TRAKKER LIMITED

The Pakistan Credit Rating Agency (PACRA) has maintained the long-term and short term entity ratings of TPL Trakker Limited (TTL), at 'A-' (Single A minus) and 'A2' (A Two), respectively. These ratings denote a low expectation of credit risk emanating from strong capacity for timely payment of financial commitments.

The ratings reflect TTL's sustained market leadership in the vehicle tracking industry, emanating from its superior technology infrastructure, well-known brand, and quality human resource. The company maintains competitive edge over its peers on account of association with one of the world's leading tracking solution providers - DigiCore Group. Although the subdued socio-economic environment has limited the business growth, TTL is managing its core margins by bringing further cost efficiencies and making efforts to explore new business opportunities, where, lately, it has managed new volumes. In addition, the recent fresh injection (long term debt and equity) in two group companies has eased the liquidity position of the group.

The ratings are dependent on company's ability to sustain its market share while managing the overall business risk. At the same time adherence to financial discipline as envisaged by the company, thereby bringing down the current level of leveraging, would remain critical.

The Company: TPL Trakker Limited (TTL) is Pakistan's largest vehicle tracking and fleet management company. The tracking operations of the company, earlier managed by Trakker (Private) Limited, now known as TPL Holdings Limited (THL), were commercially launched in Pakistan in April, 2000. The company has a network of 10 branches across Pakistan, with head office in Karachi. DigiCore, based in South Africa owns 30% of TTL, while the balance 70% is owned by THL, which, in turn, is equally owned by Ali Jameel and Ali Bhai families (TPL Group). TPL Group has business interests in insurance, security services, and real estate businesses.

Mr. Ali Jameel, a Chartered Account from England & Wales, is the Group CEO. He has diversified experience in managing various business ventures. Mr. Jameel has been instrumental in designing and spearheading the company's strategy.

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The primary function of PACRA is to evaluate the capacity and willingness of an entity to honor its obligations. Our ratings reflect an independent, professional and impartial assessment of the risks associated with a particular instrument or an entity.

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