



Pak Datacom

PAK DATACOM LIMITED

**Condensed Interim Financial Statements
Nine Months Period Ended March 31, 2022**

COMPANY INFORMATION

BOARD OF DIRECTORS

- | | |
|---|---|
| 1. Syed Zomma Mohiuddin | <i>Chairman / Non-Executive Director</i> |
| 2. Brig Syed Zulfiqar Ali, PoP, SI (M), (R) | <i>Chief Executive / Executive Director</i> |
| 3. Ms. Rubina Safir | <i>Independent Director / Female Director</i> |
| 4. Mr. Shamim Ahmed Sherazi | <i>Independent Director</i> |
| 5. Engr. Perwaiz Khan | <i>Non-Executive Director</i> |
| 6. Syed Junaid Imam | <i>Non-Executive Director</i> |
| 7. Dr. Faiz Illahi Memon | <i>Non-Executive Director</i> |
| 8. Mr. Muhammad Waheed | <i>Non-Executive Director</i> |

AUDIT COMMITTEE

- | | |
|-----------------------------|--------------------|
| 1. Ms. Rubina Safir | <i>Chairperson</i> |
| 2. Mr. Shamim Ahmed Sherazi | <i>Member</i> |
| 3. Mr. Muhammad Waheed | <i>Member</i> |

HUMAN RESOURCE & REMUNERATION COMMITTEE

- | | |
|-----------------------------|-----------------|
| 1. Mr. Shamim Ahmed Sherazi | <i>Chairman</i> |
| 2. Dr. Faiz Illahi Memon | <i>Member</i> |
| 3. Ms. Rubina Safir | <i>Member</i> |
| 4. Syed Junaid Imam | <i>Member</i> |

PROCUREMENT COMMITTEE

- | | |
|--------------------------|-----------------|
| 1. Syed Zomma Mohiuddin | <i>Chairman</i> |
| 2. Dr. Faiz Illahi Memon | <i>Member</i> |
| 3. Engr. Perwaiz Khan | <i>Member</i> |
| 4. Mr. Muhammad Waheed | <i>Member</i> |

NOMINATION COMMITTEE

- | | |
|-------------------------|-----------------|
| 1. Syed Zomma Mohiuddin | <i>Chairman</i> |
| 2. Syed Junaid Imam | <i>Member</i> |
| 3. Engr. Perwaiz Khan | <i>Member</i> |

STRATEGY & PROJECT APPRAISAL COMMITTEE

- | | |
|-------------------------|-----------------|
| 1. Syed Zomma Mohiuddin | <i>Chairman</i> |
| 2. Syed Junaid Imam | <i>Member</i> |
| 3. Engr. Perwaiz Khan | <i>Member</i> |

CHIEF FINANCIAL OFFICER

Syed Muhammad Asif Makhdoomi *FCMA, FPFA & FCIS*

COMPANY SECRETARY

Mr. Ali Saleem Rana (Acting Charge)

REGISTERED OFFICE

Telecom Foundation, 1st Floor, TF Headquarters, 7-Mauve Area, G-9/4, Islamabad.

HEAD OFFICE

Pak Datacom Ltd, 3rd Floor, Umar Plaza, Blue Area, Islamabad. Tel: (051) 2344123, 2344125, Fax: (051) 2344111.

SHARES DEPARTMENT

CDC Shares Registrar Services Limited (CDCSRL), CDC House, 99-B, Block B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi – 74400. Tel: (92-21) 111-111-500.

AUDITORS

BDO Ebrahim & Co. Chartered Accountants, 3rd Floor, Saeed Plaza, 22-East Blue Area, Jinnah Avenue, Islamabad. Tel: (92-51) 2604461-4.

LEGAL ADVISOR

Ahmed Bashir & Associates, Advocates and Solicitors, 210-A, Sughra Tower, Street # 73, Sector F11/1, Islamabad. Tel: 051-2211102

DIRECTORS' REPORT

The Directors of Pak Datacom Limited are pleased in presenting to the shareholders unaudited condensed interim financial statements together with their report of the Company for the nine month's period starting from July 01, 2021 to March 31, 2022.

During the period under review, the Company recorded an increase of 17 percent to its revenue in comparison with the same period last year. Revenue of the Company as on March 31, 2022 was recorded at Rs. 665 million, compared to Rs. 566 million on March 31, 2021. Gross profit of the Company is Rs. 125 million as compared to Rs. 90 million for the corresponding period of last year i.e. an increase of 39 percent.

Accordingly, net profit of the Company for the nine month's period ended March 31, 2022, was Rs. 79 million, resulting in earnings per share ('EPS') of Rs. 6.68, as compared to a loss of Rs. 29 million or EPS of Rs. -2.69 for the same period last year.

As a Data Communication organization, major factor contributing towards cost of the Company is the hired media. PDL has managed to reduce the space segment charges during the period and this reduction will bring positive impact on the earnings of the Company during the last quarter of FY 2021-22 and following periods to come.

Pak Datacom Limited is presently diversifying its business avenues. In this regard various new fields are being explored in the field of contemporary technology. In this regard we are focusing on the need of digital connectivity nationwide and are therefore poised to reach remote areas of Pakistan, encompassing our strength in VSAT Network and Terrestrial Digital Connectivity. Following this policy, the Company will continue to strive to explore new revenue streams.

The Board takes this opportunity to thank the Company's shareholders, valued customers, government agencies, financial institutions, employees and all other stakeholders of the Company for their continued cooperation and support without which it would have not been possible to achieve such outstanding results.

For and on behalf of the Board

ڈائریکٹرز رپورٹ

ڈائریکٹرز رپورٹ

پاک ڈیٹا کام لمیٹڈ کے ڈائریکٹرز کو یکم جولائی 2021ء سے 31 مارچ 2022ء تک کی نو ماہی مدت کے لئے کمپنی کے غیر آڈٹ شدہ مالیاتی گوشواروں کے ساتھ اپنی رپورٹ شیئرز ہولڈرز کو پیش کرتے ہوئے خوشی ہو رہی ہے۔

زیر جائزہ مدت کے دوران کمپنی کی آمدن میں گزشتہ سال کی اسی مدت کے مقابلے میں 17 فیصد اضافہ ریکارڈ کیا گیا۔ 31 مارچ 2022ء تک کمپنی کی آمدنی 665 ملین روپے ریکارڈ کی گئی جبکہ 31 مارچ 2021ء کو یہ 566 ملین روپے تھی۔ کمپنی کا مجموعی منافع 125 ملین روپے ہے جبکہ گزشتہ سال اسی مدت کے دوران یہ 90 ملین روپے تھا یعنی منافع میں 39 فیصد اضافہ ہوا۔

اس طرح سے 31 دسمبر 2022ء کو ختم ہونے والی نو ماہی کے دوران کمپنی کا خالص منافع 79 ملین روپے رہا جس کے نتیجے میں فی حصص ('ای پی ایس') 6.68 روپے کی آمدنی ہوئی جبکہ گزشتہ سال اسی مدت کے دوران کمپنی کو مجموعی طور پر 29 ملین روپے یا فی حصص 2.69 روپے کا نقصان ہوا تھا۔

ڈیٹا کمیونٹی کیشن آرگنائزیشن کے طور پر کمپنی کے اخراجات میں سب سے بڑا حصہ ہائرڈ میڈیا کا ہے۔ پی ڈی ایل نے اس مدت کے دوران سپیس سیگمنٹ چارجز کی مدد میں کمی کے اقدامات کیے ہیں جن کے اثرات مالی سال 2021-22 کی آخری سہ ماہی اور اس کے بعد کی مدت میں ظاہر ہوں گے۔

پاک ڈیٹا کام لمیٹڈ اپنے کاروباری تنوع کو بڑھانے کے لیے کوشاں ہے۔ اس سلسلے میں ہم عصر ٹیکنالوجی کے کئی شعبوں میں کام جاری ہے۔ اس تناظر میں ہماری توجہ ملک بھر میں ڈیجیٹل کنکٹوٹیٹی کی ضرورت پر مرکوز ہے اور ہمارا عزم ہے کہ وی سیٹ نیٹ ورک اور ٹیرسٹرل ڈیجیٹل کنکٹوٹیٹی کی صلاحیتوں کو استعمال کرتے ہوئے پاکستان

کے دور دراز علاقوں میں رسائی کو ممکن بنایا جائے۔ اس پالیسی پر عمل کرتے ہوئے کمپنی ریونیو کے نئے ذرائع پیدا کرنے میں بھی کامیاب ہوگی۔

بورڈ اس موقع پر کمپنی کے شیئر ہولڈرز، قابل قدر صارفین، سرکاری اداروں، مالیاتی اداروں، ملازمین اور کمپنی کے دیگر تمام سٹیک ہولڈرز کا ان کے مسلسل تعاون اور معاونت پر شکریہ ادا کرتا ہے جس کے بغیر اس طرح کے شاندار نتائج حاصل کرنا ممکن نہیں تھا۔

بورڈ کے لئے اور اس کی طرف سے

روبینہ سفیر
ڈائریکٹر

برگیڈیئر سید ذوالفقار علی (ر)
چیف ایگزیکٹو

اسلام آباد
21 اپریل، 2022ء

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT MARCH 31, 2022

		March 31, 2022 Un-audited	June 30, 2021 Audited
	Note	Rupees	
NON-CURRENT ASSETS			
Property and equipment	4	170,731,130	189,474,260
Intangible assets	5	3,843,000	4,163,250
Deferred taxation		72,393,794	45,709,756
		246,967,924	239,347,266
CURRENT ASSETS			
Trade debts	6	515,335,965	782,358,217
Contract assets	7	203,639,931	28,711,284
Contract work in progress		59,853,180	1,947,624
Advances		9,056,201	7,796,934
Trade deposits and short term prepayments		24,461,815	18,277,681
Other receivables		4,676,602	9,153,020
Interest accrued		573,903	822,202
Tax refunds due from the Government		37,729,305	25,441,001
Short term investments		234,362,124	112,976,532
Cash and bank balances	8	121,040,386	114,791,166
		1,210,729,412	1,102,275,661
		1,457,697,336	1,341,622,927
SHARE CAPITAL AND RESERVES			
Authorised share capital		1,000,000,000	1,000,000,000
Issued, subscribed and paid up capital	9	118,592,100	107,811,000
General reserve		591,500,000	591,500,000
Unappropriated profits		190,230,533	138,000,644
		900,322,633	837,311,644
NON-CURRENT LIABILITIES			
Deferred employees' benefits		47,625,211	48,700,240
Lease liabilities		22,476,393	28,514,186
		70,101,604	77,214,426
CURRENT LIABILITIES			
Customers' deposits		230,598,226	197,739,212
Contract liability		4,571,553	5,032,427
Trade and other payables	10	231,560,352	204,240,723
Current portion of lease liabilities		9,688,228	9,490,970
Unclaimed dividend		10,591,642	9,859,875
Unpaid dividend		263,098	733,650
		487,273,099	427,096,857
		1,457,697,336	1,341,622,927
CONTINGENCIES AND COMMITMENTS			
	11	-	-

The annexed notes 1 - 22 form an integral part of these financial statements.

Asif Makhdoomi
Chief Financial Officer

Brig Syed Zulfiqar Ali (R)
Chief Executive

Rubina Safir
Director

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
(UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022**

	Note	Three months period ended		Nine months period ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		Rupees		Rupees	
Revenue - net	12	162,536,848	181,538,925	665,465,769	565,617,765
Cost of services	13	(123,088,335)	(154,552,625)	(540,135,814)	(475,241,249)
Gross profit		39,448,513	26,986,300	125,329,955	90,376,516
Administrative expenses	14	(33,685,677)	(33,638,998)	(131,835,387)	(94,551,084)
Marketing expenses	15	(6,339,724)	(7,259,175)	(21,658,486)	(21,400,709)
Impairment reversal / (loss) on financial assets		(10,665,266)	1,570,680	(4,147,279)	50,877
Finance income / (cost)	16	12,335,688	(12,192,890)	51,410,662	(21,386,201)
		1,093,534	(24,534,083)	19,099,465	(46,910,601)
Other income	17	4,657,898	4,186,334	36,571,671	31,261,335
Profit before taxation		5,751,432	(20,347,749)	55,671,136	(15,649,266)
Taxation		3,787,647	(6,549,558)	23,511,503	(13,338,768)
Profit / (loss) for the period		9,539,079	(26,897,307)	79,182,639	(28,988,034)
Earnings / (loss) per share - basic and diluted		0.80	(2.49)	6.68	(2.69)

The annexed notes 1 - 22 form an integral part of these financial statements.

Asif Makhdoomi
Chief Financial Officer

Brig Syed Zulfiqar Ali (R)
Chief Executive

Rubina Safir
Director

CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE
INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Three months period ended		Nine months period ended	
	March 31,	March 31,	March 31,	March 31,
	2022	2021	2022	2021
	Rupees		Rupees	
Profit / (loss) for the period	9,539,079	(26,897,307)	79,182,639	(28,988,034)
Other comprehensive income	-	-	-	-
Total comprehensive income/ (loss) for the period	9,539,079	(26,897,307)	79,182,639	(28,988,034)

The annexed notes 1 - 22 form an integral part of these financial statements.

Asif Makhdoomi
Chief Financial Officer

Brig Syed Zulfiqar Ali (R)
Chief Executive

Rubina Safir
Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022**

	Share capital	Revenue Reserves		Total
	Issued, subscribed and paid-up	General Reserve	Unappropriated profits	
Rupees				
Balance as at July 01, 2020 (audited)	98,010,000	591,500,000	153,359,597	842,869,597
Total comprehensive income or (loss)				
Loss for the period	-	-	(28,988,034)	(28,988,034)
Other comprehensive income	-	-	-	-
Transactions with owners of the Company:				
Final dividend for the year ended June 30, 2020: Rs. 1.00 per share	-	-	(9,801,000)	(9,801,000)
Bonus Shares for the year ended June 30, 2020: 1 share for every 10 shares	9,801,000	-	(9,801,000)	-
Balance as at March 31, 2021	<u>107,811,000</u>	<u>591,500,000</u>	<u>104,769,563</u>	<u>804,080,563</u>
Balance as at July 01, 2021 (audited)	107,811,000	591,500,000	138,000,644	837,311,644
Total comprehensive income or (loss)				
Profit for the period	-	-	79,182,639	79,182,639
Other comprehensive income	-	-	-	-
Transactions with owners of the Company:				
Final dividend for the year ended June 30, 2021: Rs. 1.50 per share	-	-	(16,171,650)	(16,171,650)
Bonus Shares for the year ended June 30, 2021: 1 share for every 10 shares	10,781,100	-	(10,781,100)	-
Balance as at March 31, 2022	<u>118,592,100</u>	<u>591,500,000</u>	<u>190,230,533</u>	<u>900,322,633</u>

The annexed notes 1 - 22 form an integral part of these financial statements.

Asif Makhdoomi
Chief Financial Officer

Brig Syed Zulfiqar Ali (R)
Chief Executive

Rubina Safir
Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Note	Nine months period ended	
		March 31, 2022	March 31, 2021
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) for the period - before taxation		55,671,136	(15,649,266)
Adjustments for non-cash items:			
Depreciation		19,995,910	21,072,131
Amortization		320,250	320,250
Loss on disposal of property and equipment		505,965	23,114
Property and equipment - write off		194,028	853,688
Impairment (reversal) / loss on financial assets		4,147,279	(50,877)
Finance cost		5,724,359	3,182,775
Unrealized exchange (gain) / loss		(57,135,021)	18,203,426
Interest income		(13,299,513)	(13,539,944)
Provision for gratuity		15,111,000	11,364,000
Provision for earned leave encashment		8,112,729	-
Provision for provident fund		12,741,031	4,348,372
		52,089,153	30,127,669
Changes in working capital			
Decrease / (increase) in trade debts		266,189,075	(46,158,811)
Decrease / (increase) in contract assets		(177,982,186)	9,699,166
Decrease / (increase) in contract work in progress		(57,905,556)	(40,008,904)
Decrease / (increase) in advances		(1,259,267)	(740,494)
Decrease / (increase) in trade deposits and short term prepayments		(6,433,887)	13,138,747
Decrease / (increase) in other receivables		4,476,418	(416,442)
Increase / (decrease) in customers' deposits		32,859,014	(13,086,819)
Increase / (decrease) in contract liability		(460,874)	(1,206,380)
Increase / (decrease) in trade and other payables		148,520	(72,973,421)
		59,631,257	(151,753,358)
		111,720,410	(121,625,690)
Taxes paid		(15,460,839)	(19,608,974)
Provident fund paid		(680,922)	(5,051,156)
Leave encashment paid		(9,187,758)	(1,594,655)
Net cash generated from / (used in) operating activities		86,390,891	(147,880,475)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		(3,852,802)	(17,413,212)
Proceeds from sale of property and equipment		1,900,029	170,507
Purchase of short term investments		(118,000,000)	-
Interest and profit received		10,162,220	20,828,285
Net cash used in investing activities		(109,790,553)	3,585,580
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(15,910,435)	(8,910,141)
Payment of finance lease obligation		(5,840,535)	(3,129,487)
Finance cost paid		(5,724,359)	(607,710)
Net cash used in financing activities		(27,475,329)	(12,647,337)
Net increase / (decrease) in cash and cash equivalents		(50,874,991)	(156,942,232)
Cash and cash equivalents at the beginning of the year		114,848,213	268,800,641
Effect of movements in exchange rates on cash and cash equivalents		57,135,021	(18,203,426)
Cash and cash equivalents at the end of the period	18	121,108,243	93,654,983

The annexed notes 1 - 22 form an integral part of these financial statements.

Asif Makhdoomi
Chief Financial Officer

Brig Syed Zulfiqar Ali (R)
Chief Executive

Rubina Safir
Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

1 LEGAL STATUS AND ITS OPERATIONS

Pak Datacom Limited (the Company) was incorporated in Pakistan on July 13, 1992 as a private limited company under the Companies Ordinance, 1984 (which is repealed with the enactment of the Companies Act, 2017 on May 30, 2017) and was converted into a public limited company on June 26, 1994. The Company has its shares quoted on the Pakistan Stock Exchange Limited.

The Company commenced its commercial activities from July 1, 1994 and is principally engaged in setting up, operating and maintaining a network of data communication and serving the needs of the customers.

The Company is a subsidiary of Telecom Foundation, Pakistan. The registered office of the Company is situated at 1st Floor, TF Complex, 7 - Mauve Area, G - 9/4, Islamabad.

2 STATEMENT OF COMPLIANCE

2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting standards (IFAC) issued by Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 These condensed interim financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual audited financial statements for the year ended June 30, 2021.
- 2.3 These condensed interim financial statements are un-audited and being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

3 ACCOUNTING POLICIES

- 3.1 The accounting policies adopted and methods of computation followed in the preparation of these interim financial statements are same as those applied in the preparation of financial statements for the year ended June 30, 2021.
- 3.2 The preparation of these interim financial statements in conformity with approved accounting standards require management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 3.3 The significant estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2021.

		March 31, 2022 Un-audited	June 30, 2021 Audited
	Note	Rupees	
4 PROPERTY AND EQUIPMENT			
Operating fixed assets	4.1	141,981,281	149,828,154
Right of use assets	4.2	28,749,849	39,646,106
		<u>170,731,130</u>	<u>189,474,260</u>
4.1 Operating fixed assets			
Opening net book value		149,828,154	162,415,626
Additions		3,852,802	8,756,186
Disposal:			
Cost		(8,285,095)	(4,231,133)
Accumulated depreciation		5,879,101	4,022,001
		(2,405,994)	(209,132)
Write off:			
Cost		(400,416)	(652,679)
Accumulated depreciation		206,388	536,576
		(194,028)	(116,103)
Transfer from leased to owned:			
Cost		16,632,000	2,198,000
Accumulated depreciation		(11,362,322)	(1,482,810)
		5,269,678	715,190
Depreciation charge		(14,369,331)	(21,733,613)
Closing net book value		<u>141,981,281</u>	<u>149,828,154</u>
4.2 Right of use (ROU) assets			
Opening net book value		39,646,106	39,358,064
Additions		-	8,868,000
Transfer from leased to owned:			
Cost		(16,632,000)	(2,198,000)
Accumulated depreciation		11,362,322	1,482,810
		(5,269,678)	(715,190)
Write off:			
Cost		-	(1,889,000)
Accumulated depreciation		-	1,035,312
		-	(853,688)
Depreciation charge		(5,626,579)	(7,011,080)
Closing net book value		<u>28,749,849</u>	<u>39,646,106</u>

	March 31, 2022 Un-audited	June 30, 2021 Audited
	Rupees	
5 INTANGIBLE ASSETS		
Software and infrastructure license		
Opening net book value	4,163,250	4,590,250
Amortization charge	(320,250)	(427,000)
Closing net book value	<u>3,843,000</u>	<u>4,163,250</u>
6 TRADE DEBTS		
Trade debts	613,881,844	880,070,919
Less: Impairment loss allowance	(98,545,879)	(97,712,702)
	<u>515,335,965</u>	<u>782,358,217</u>
7 CONTRACT ASSETS		
Unbilled revenue	225,760,599	45,332,935
Less: Impairment loss allowance	(22,120,668)	(16,621,651)
	<u>203,639,931</u>	<u>28,711,284</u>
8 CASH AND BANK BALANCES		
Cash in hand	952,445	163,694
Cash at bank:		
Current accounts	12,318,950	8,089,318
Deposit accounts	88,681,897	70,665,850
Deposit accounts with Islamic Banks		
-under Shariah arrangements	6,797,515	23,916,397
Current accounts-dividend	12,357,436	12,012,954
	<u>121,108,243</u>	<u>114,848,213</u>
Less: Impairment loss allowance	(67,857)	(57,047)
	<u>121,040,386</u>	<u>114,791,166</u>
9 SHARE CAPITAL		
9.1 Authorised Share Capital		
100,000,000 ordinary shares of Rs 10 each (June 30, 2021: 100,000,000 ordinary shares of Rs 10/- each)	<u>1,000,000,000</u>	<u>1,000,000,000</u>
9.2 Issued, subscribed and paid up capital:		
Shares issued for cash		
5,400,000 ordinary shares of Rs 10 each (June 30, 2021: 5,400,000 ordinary shares of Rs 10/- each)	54,000,000	54,000,000
Shares issued as fully paid bonus shares:		
6,459,210 ordinary shares of Rs 10 each (June 30, 2021: 5,381,100 ordinary shares of Rs 10/- each)	64,592,100	53,811,000
11,859,210 ordinary shares of Rs 10 each (June 30, 2021: 10,781,100 ordinary shares of Rs 10/- each)	<u>118,592,100</u>	<u>107,811,000</u>

March 31, 2022	June 30, 2021
Un-audited	Audited
Rupees	

10 TRADE AND OTHER PAYABLES

Trade creditors	153,362,536	157,922,892
Advances from employees for vehicle lease	2,348,011	3,839,328
License fee payable	2,518,945	3,202,760
Accrued liabilities	8,527,178	7,549,375
Sales tax payable	-	764,917
Withholding tax payable	5,331,015	3,528,960
Payable to employees	9,445,918	4,622,699
Bonus payable	45,848	-
Employees' retirement and other service benefits :		
Gratuity fund	25,550,558	10,439,558
Provident fund	24,430,343	12,370,234
	<u>231,560,352</u>	<u>204,240,723</u>

11 CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

- 11.1.1 There has been no significant change in the the status of contingencies as disclosed in Note 23 to the audited financial statements of the Company for the year ended June 30, 2021 except for the following:
- 11.1.2 The Deputy Commissioner Inland Revenue vide order dated December 30, 2021 raised demand of Rs. 20.13 million under section 161 of Income Tax Ordinance, 2001 for tax year 2017. An appeal is being filed against the order of DC IRR to Commissioner Appeal (Inland Revenue) Islamabad.
- 11.1.3 The Deputy Commissioner Inland Revenue vide order dated March 31, 2022 raised demand of Rs. 41.55 million under section 11 (2) of Sales Tax Act, 1990 for tax year 2018. An appeal is being filed against the order of DC IRR to Commissioner Appeal (Inland Revenue) Islamabad.
- 11.1.4 The Company has letter of guarantee facilities aggregating Rs. 200 million (June 30, 2021: Rs. 200 million) available from Soneri Bank. The amount availed on these facilities as at March 31, 2022 is Rs. 108.05 million (June 30, 2021: 147.71 million).

March 31, 2022	June 30, 2021
Un-audited	Audited
Rupees	

11.2 Commitments

The Company has following commitments in respect of:

Capital expenditure commitments	466,006,000	167,061,773
Outstanding letter of credits	50,479,844	24,972,142

12 REVENUE	Note	Three months period ended		Nine months period ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		Rupees		Rupees	
Communication Value Added Services (CVAS)		196,361,479	178,346,634	599,807,159	557,418,529
Telecom infrastructure services		344,990	412,264	1,034,972	1,236,795
Specialised projects		-	32,117,760	165,816,764	98,028,022
Gross revenue		196,706,469	210,876,659	766,658,895	656,683,347
Less:					
Sales tax / Federal Excise Duty		(28,590,137)	(27,106,744)	(89,119,598)	(85,331,069)
Advance tax		(5,579,484)	(2,230,989)	(12,073,528)	(5,734,512)
		162,536,848	181,538,925	665,465,769	565,617,765

13 COST OF SERVICES

Channel and local lead rentals		47,215,918	44,245,822	156,298,817	141,854,665
Space segment rentals		18,076,344	19,289,088	3,893,644	60,932,734
Salaries and other benefits	13.1	44,814,406	46,845,405	144,819,437	136,398,570
Repair and maintenance expenses		1,780,925	1,577,929	4,795,299	5,601,251
License fee		819,584	754,006	2,518,723	2,385,185
Depreciation - operating fixed assets		3,187,804	3,666,359	9,196,372	14,446,509
Depreciation - right of use assets		377,356	698,947	1,270,422	1,152,588
Amortization		106,750	106,750	320,250	320,250
Travelling and local conveyance		1,687,302	171,249	2,643,876	605,445
Communication expenses		446,389	477,353	1,320,443	1,185,488
Vehicle running expenses		3,713,319	3,766,290	11,989,263	10,700,802
Insurance		147,058	172,014	654,297	770,503
Entertainment		386,019	272,050	834,954	823,623
Rent, rates and taxes		1,314,125	1,623,843	5,537,345	5,595,074
Utilities		617,114	1,039,947	3,318,316	3,736,022
Other projects costs		(1,602,078)	29,845,573	140,724,356	88,732,540
		123,088,335	154,552,625	540,135,814	475,241,249

13.1 Salaries and other benefits include employees' retirement and other service benefits of Rs. 18.6 million (March 31, 2021: Rs. 9.24 million).

14 ADMINISTRATIVE EXPENSES	Note	Three months period ended		Nine months period ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		Rupees		Rupees	
Salaries and other benefits		24,439,739	22,425,898	74,266,191	68,401,176
Travelling and local conveyance		389,659	244,335	894,157	385,010
Communication expenses		390,507	340,165	1,212,807	1,069,927
Vehicle running expenses		1,610,482	1,380,119	4,454,627	3,909,868
Repair and maintenance expenses		908,352	674,611	2,281,371	1,753,521
Insurance		98,368	57,616	251,354	253,830
Depreciation - operating fixed assets		1,394,664	357,459	4,023,413	1,197,869
Depreciation - right of use assets		1,202,397	2,188,010	4,048,038	3,608,103
Entertainment		179,670	231,067	841,000	827,470
Rent, rates and taxes		-	58,869	3,465	95,712
Legal and professional charges		1,307,991	1,931,785	5,695,475	5,195,420
Printing and stationery		223,707	941,605	1,367,473	1,446,349
Utilities		474,541	807,459	1,804,211	2,092,704
Donation		1,000,000	2,000,000	3,000,000	4,000,000
Loss from project		-	-	27,326,205	-
Auditors' remuneration		65,600	-	365,600	314,125
		33,685,677	33,638,998	131,835,387	94,551,084

14.1 Salaries and other benefits include employees' retirement and other service benefits of Rs. 8.1 million (March 31, 2021: Rs. 3.9 million).

		Three months period ended		Nine months period ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Note		Rupees		Rupees	
15 MARKETING EXPENSES					
		63,800	783,171	510,137	2,508,649
	15.1	4,897,881	5,323,904	17,284,990	16,400,198
		453,244	6,800	676,815	13,800
		41,425	51,784	134,408	141,262
		358,926	467,482	1,375,918	1,341,981
		33,052	245,641	73,391	270,671
		398,475	197,488	1,149,546	416,499
		91,521	151,945	308,119	250,563
		1,400	18,960	145,162	45,086
		-	12,000	-	12,000
		6,339,724	7,259,175	21,658,486	21,400,709

15.1 Salaries and other benefits include employees' retirement and other service benefits of Rs. 2.3 million (March 31, 2021: Rs. 1.12 million).

	Three months period ended		Nine months period ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Rupees		Rupees	
16 FINANCE INCOME/ (COST)				
Exchange gain / (loss) - net	13,909,405	(11,102,214)	57,135,021	(18,203,426)
Finance lease charges	(794,390)	(848,231)	(2,374,343)	(2,575,065)
Bank charges	(779,327)	(242,445)	(3,350,016)	(607,710)
	<u>12,335,688</u>	<u>(12,192,890)</u>	<u>51,410,662</u>	<u>(21,386,201)</u>
17 OTHER INCOME				
Income from financial assets				
Return on short term investments	4,069,144	2,469,878	9,618,145	8,796,113
Return on bank deposits	550,000	-	3,387,645	4,436,692
Return on bank deposits with Islamic Banks	110,510	101,918	293,723	307,139
Income from non-financial assets				
Excessive plan assets of gratuity-fund realised back	-	-	-	10,964,936
Loss on property & equipment	(596,462)	-	(699,993)	(23,114)
Others	524,706	1,614,538	23,972,151	6,779,569
	<u>4,657,898</u>	<u>4,186,334</u>	<u>36,571,671</u>	<u>31,261,335</u>

18 CASH AND CASH EQUIVALENTS

Cash and bank balances	8	121,040,386	93,598,894
Allowance for impairment		67,857	59,089
		<u>121,108,243</u>	<u>93,654,983</u>

19 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related Parties include holding company, associated company, directors, key management personal, employee benefit trust and post employment benefit / contribution plans. The Company in the normal course of business carries out transactions with various related parties. The details of transactions are as follows;

	Aggregate age of % shareholding	Three months period ended		Nine months period ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		Rupees		Rupees	
Telecom Foundation - Holding Company	55.08%				
Dividend paid		-	-	8,907,282	5,398,353
Bonus Shares		-	-	5,938,188	5,398,353
Donations payable		1,000,000	2,000,000	3,000,000	4,000,000
Associates					
TF Technologies	Nil				
Receivable against consultancy charges		118,525	217,689	118,525	217,689
Directors					
Dividend paid		-	-	2,325	1,000
Bonus shares issued		-	-	1,550	1,000
Directorship fee		1,250,000	1,750,000	4,687,500	9,037,500
Others		4,103,591	2,673,712	4,242,328	2,805,966
Remuneration of other key management personnel		3,496,219	8,227,148	22,647,453	24,384,931
Other related parties					
Staff retirement benefit plan - Gratuity fund:					
Payable to Gratuity fund		5,037,000	7,176,936	25,550,558	17,243,401
Staff retirement contribution plan - Provident fund:					
Payable to Provident fund		3,301,840	1,448,539	24,430,343	4,348,372

20 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2021. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the company for the year ended June 30, 2021

The carrying amount of all financial assets and liabilities are estimated to approximate their fair values.

21 GENERAL

Figures have been rounded off to the nearest rupee.

22 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue by the Board of Directors of the Company on April 21, 2022.

Asif Makhdoomi
Chief Financial Officer

Brig Syed Zulfiqar Ali (R)
Chief Executive

Rubina Safir
Director

Complete > Network > Solutions >



Pak Datacom

PAK DATACOM LIMITED

3rd Floor, Umar Plaza, Blue Area, Islamabad, Pakistan

Tel: (051) 2344117 - 2344125, Fax: (051) 2344111

www.pakdatacom.com.pk