



Pak Datacom

Condensed Interim Financial Statements

For the three months ended
September 30, 2024



COMPANY INFORMATION**BOARD OF DIRECTORS**

- | | |
|--------------------------------|--|
| 1. Syed Zomma Mohiuddin | Chairman / Non-Executive Director |
| 2. Brig. Syed Zulfiqar Ali (R) | Chief Executive / Executive Director |
| 3. Ms. Rubina Safir | Independent Director / Female Director |
| 4. Engr. Perwaiz Khan | Non-Executive Director |
| 5. Syed Junaid Imam | Non-Executive Director |
| 6. Mr. Muhammad Izqar Khan | Non-Executive Director |
| 7. Mr. Shamim Ahmed Sherazi | Independent Director |
| 8. Mr. Muhammad Waheed | Non-Executive Director |

AUDIT COMMITTEE

- | | |
|----------------------------|-------------|
| 1. Ms. Rubina Safir | Chairperson |
| 2. Mr. Muhammad Izqar Khan | Member |
| 3. Engr. Perwaiz Khan | Member |
| 4. Mr. Muhammad Waheed | Member |

HUMAN RESOURCE & REMUNERATION COMMITTEE

- | | |
|-------------------------------|----------|
| 1. Mr. Shamim Ahmed Sherazi | Chairman |
| 2. Brig Syed Zulfiqar Ali (R) | Member |
| 3. Syed Junaid Imam | Member |
| 4. Mr. Muhammad Waheed | Member |

PROCUREMENT COMMITTEE

- | | |
|-----------------------------|----------|
| 1. Syed Zomma Mohiuddin | Chairman |
| 2. Mr. Shamim Ahmed Sherazi | Member |
| 3. Engr. Perwaiz Khan | Member |

NOMINATION COMMITTEE

- | | |
|----------------------------|----------|
| 1. Syed Zomma Mohiuddin | Chairman |
| 2. Mr. Muhammad Izqar Khan | Member |
| 3. Mr. Muhammad Waheed | Member |

STRATEGY & PROJECT APPRAISAL COMMITTEE

- | | |
|----------------------------|----------|
| 1. Syed Zomma Mohiuddin | Chairman |
| 2. Syed Junaid Imam | Member |
| 3. Mr. Muhammad Izqar Khan | Member |
| 4. Ms. Rubina Safir | Member |

CHIEF FINANCIAL OFFICER

Mr. Ahmed Rafiq (A)

COMPANY SECRETARY

Mr. Ali Saleem Rana

REGISTERED OFFICE

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

HEAD OFFICE

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

SHARES DEPARTMENT

CDC Shares Registrar Services Limited (CDCSRSL), CDC House, 99-B, Block B, S.M.C.H.S., Main Shakra-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.

DIRECTORS' REPORT

The Board of Directors of the Company take pleasure in presenting the unaudited condensed interim financial statements together with their report on the performance of the Company for the three months' period from July 01, 2024 to September 30, 2024.

The financial year 2023-24 was highly challenging as it saw exorbitantly high inflation which resultantly intensified Pakistan's challenging balance of payment issues and put enormous pressure on the value of Pak Rupee against the US Dollar. The data communication sector, being heavily subject to import of telecom equipment, was notably affected by restrictions on issuance of Letter of Credits by commercial banks and rupee-dollar parity. Further, international telecom businesses being run by your Company are closing down their activities in Pakistan impacting the revenue streams. Nevertheless, telecom industry has a promising potential for growth due to the Country's demographics, as rising demand for high-speed data services and rapid pace of digitalization, specifically entails an ideal position for us to capitalize on these opportunities.

Considering the above constricted significance, revenue of the Company as on September 30, 2024 was recorded at Rs. 287.164 million, compared to Rs. 375.591 million on September 30, 2023. The Company recorded an increase in other income of Rs. 21.663 million as compared to Rs. 14.673 million for the corresponding period of last year i.e. an increase of 47 percent. Net profit of the Company for the three month's period ended September 30, 2024, was Rs. 38.465 million, resulting in earnings per share ('EPS') of Rs. 3.24.

As digitalization accelerates, there is increasing demand for high-speed data services. This includes not just mobile internet but also broadband services, which are crucial for supporting online education, remote work, e-commerce, entertainment including service industries. The rapid pace of digital transformation across various sectors—such as banking, healthcare, and retail—creates a growing need for robust and reliable telecom infrastructure. This trend is likely to drive further investments in network expansion and technological upgrades. The company has designed pro-active measures in its enthusiastically agile 5-year strategic master plan to address these challenges. Digitalization is one such measure; paperless environment and automation is the future due to rapid transformation of nearly all industries, including services industries. This in turn would translate into a major growth opportunity in Information Communication Technology (ICT) segment.

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 resolute cooperation and support without which it would have not been possible to achieve such outstanding results.

For and on behalf of the Board

Islamabad
October 22, 2024

Brig Syed Zulfiqar Ali (R)
Chief Executive

Rubina Safir
Director

انٹرنیشنل سمیت سروس انڈسٹریز کو چلانے کے لیے انتہائی اہم ہیں۔ بینکنگ، ہیلتھ کیئر اور ریٹیل جیسے مختلف شعبوں میں تیز رفتار ڈیجیٹل تبدیلی مضبوط اور قابل اعتماد ٹیلی کام انفراسٹرکچر کی مرہون منت ہے۔ اس رجحان سے نیٹ ورک کی توسیع اور تکنیکی اپ گریڈیشن میں مزید سرمایہ کاری کا امکان ہے۔ کمپنی نے ان چیلنجز سے نمٹنے کے لئے اپنے 5 سالہ پر عزم سٹریٹجک ماسٹر پلان میں فعال اقدامات شامل کیے ہیں۔ ڈیجیٹلائزیشن بھی ایسا ہی ایک اقدام ہے۔ خدمات کی صنعتوں سمیت تقریباً تمام صنعتیں کاغذ سے پاک دفتری ماحول اور خود کار نظام کی طرف بڑھ رہی ہیں۔ اس کے نتیجے میں انفارمیشن اینڈ کمیونیکیشن ٹیکنالوجی (آئی سی ٹی) کے شعبے میں ترقی کا ایک بڑا موقع ملے گا۔

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 تعاون اور حمایت پر شکریہ ادا کرتا ہے جس کے بغیر اس طرح کے شاندار نتائج کا حصول ممکن نہ ہوتا۔

منجانب بورڈ

روبینہ سفیر
ڈائریکٹر

بریگیڈیئر (ر) سید ذوالفقار علی
چیف ایگزیکٹو

اسلام آباد
بتاریخ: 22 اکتوبر 2024ء

ڈائریکٹرز کی رپورٹ

کمپنی کے بورڈ آف ڈائریکٹرز کی طرف سے یکم جولائی 2024 سے 30 ستمبر 2024 تک کی ششماہی کے لئے کمپنی کی کارکردگی پر رپورٹ کے ساتھ غیر آڈٹ شدہ عبوری مالیاتی بیانات پیش خدمت ہیں۔

مالی سال 2023-24 انتہائی مشکل تھا کیونکہ اس میں بہت زیادہ افراط زر دیکھا گیا جس کے نتیجے میں پاکستان کے ادائیگیوں کے توازن کے مسائل میں اضافہ ہوا اور امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر پر بہت زیادہ باؤ پڑا۔ ڈیٹا کمیونیکیشن کا شعبہ ٹیلی کام آلات کی درآمد پر بہت زیادہ انحصار کرتا ہے اور کمرشل بینکوں کی جانب سے لیٹر آف کریڈٹ کے اجراء پر پابندی اور روپے کی قدر میں تنزلی کی وجہ سے کافی متاثر ہوا ہے۔ مزید برآں، پاکستان میں ٹیلی کام کاروبار کرنے والے آپ کی کمپنی کے غیر ملکی کلائنٹ پاکستان میں اپنی سرگرمیاں بند کر رہے ہیں جس سے آمدنی کے ذرائع متاثر ہو رہے ہیں۔ اس کے باوجود ٹیلی کام کی صنعت میں ملک کی بڑھتی آبادی کی وجہ سے ترقی کی امید افزا اصلاحیت موجود ہے۔ تیز رفتار ڈیٹا خدمات کی بڑھتی ہوئی طلب اور ڈیجیٹلائزیشن کی تیز رفتار، خاص طور پر ہمارے لئے ان مواقع سے فائدہ اٹھانے کے لئے ایک مثالی پوزیشن فراہم کر رہی ہے۔

مذکورہ بالا اہمیت کو مد نظر رکھتے ہوئے 30 ستمبر 2024ء تک کمپنی کی آمدنی 287.164 ملین روپے ریکارڈ کی گئی جو کہ 30 ستمبر 2023ء کو 375.591 ملین روپے تھی۔ دیگر ذرائع سے کمپنی کی آمدنی میں 21.663 ملین روپے کا اضافہ ریکارڈ کیا گیا جو گزشتہ سال کے اسی عرصے کے 14.673 ملین روپے کے مقابلے میں 47 فیصد زیادہ ہے۔ 30 ستمبر 2024ء کو ختم ہونے والے تین ماہ کی مدت کے دوران کمپنی کا خالص منافع 38.465 ملین روپے رہا جس کے نتیجے میں فی حصص آمدنی ('ای پی ایس') 3.24 روپے رہی۔

جیسے جیسے ڈیجیٹلائزیشن میں تیزی آرہی ہے، تیز رفتار ڈیٹا خدمات کی طلب میں اضافہ ہو رہا ہے۔ اس میں نہ صرف موبائل انٹرنیٹ بلکہ براڈ بینڈ سروسز بھی شامل ہیں جو آن لائن تعلیم، ریوٹ ورک، ای کامرس،

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT SEPTEMBER 30, 2024

		September 30, 2024 Un-audited	June 30, 2024 Audited
	Note	Rupees	
NON-CURRENT ASSETS			
Property and equipment	4	197,862,844	199,270,212
Intangible assets	5	7,208,262	8,046,851
Deferred taxation		75,687,319	79,204,939
		280,758,425	286,522,002
CURRENT ASSETS			
Stock-in-trade		5,151,896	8,731,113
Trade debts	6	220,198,664	276,050,924
Contract assets	7	138,861,206	149,483,613
Contract work in progress		237,279,314	130,178,306
Advances		25,290,821	21,018,130
Trade deposits and short term prepayments		43,847,346	79,126,226
Taxation - net		24,175,733	9,836,493
Other receivables		62,320,792	52,793,335
Interest accrued		2,203,341	2,626,689
Short term investments		175,363,790	177,475,496
Cash and bank balances	8	754,759,116	787,232,411
		1,689,452,019	1,694,552,736
		1,970,210,444	1,981,074,738
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	118,592,100
Reserves			
General reserve		700,000,000	700,000,000
Unappropriated profits		596,517,488	558,052,396
		1,415,109,588	1,376,644,496
NON-CURRENT LIABILITIES			
Deferred employees' benefits		54,710,931	62,169,181
Lease liabilities		63,106,877	64,168,905
		117,817,808	126,338,086
CURRENT LIABILITIES			
Customers' deposits		97,200,527	101,295,843
Contract liability		2,981,942	13,633,145
Trade and other payables	10	315,991,918	334,981,749
Current portion of lease liabilities		7,485,534	14,552,760
Unclaimed dividend		13,623,127	11,878,120
Unpaid dividend		-	1,750,539
		437,283,048	478,092,156
CONTINGENCIES AND COMMITMENTS			
	11	1,970,210,444	1,981,074,738

The annexed notes 1 - 21 form an integral part of these condensed interim financial statements

Ahmed Rafiq
Chief Financial Officer (A)

Brig Syed Zulfiqar Ali (R)
Chief Executive

Rubina Safir
Director

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Note	Three months period ended	
		September 30, 2024	September 30, 2023
		Rupees	
Revenue - net	12	287,164,086	375,591,441
Cost of revenue	13	(201,921,657)	(242,955,720)
Gross profit		85,242,429	132,635,721
Administrative expenses	14	(50,076,845)	(50,328,606)
Marketing expenses	15	(7,422,719)	(9,850,867)
Impairment (Loss)/reversal on financial assets		10,489,127	(3,541,311)
Finance income / (cost)	16	(5,495,737)	10,080,797
		32,736,255	78,995,733
Other income	17	21,663,492	14,672,818
Profit / (Loss) before taxation		54,399,747	93,668,551
Taxation		(15,934,655)	(27,151,979)
Profit / (Loss) for the period		38,465,092	66,516,572
Earnings per share - basic and diluted		3.24	5.61

The annexed notes 1 - 21 form an integral part of these condensed interim financial statements

Ahmed Rafiq
Chief Financial Officer (A)

Brig Syed Zulfiqar Ali (R)
Chief Executive

Rubina Safir
Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE
INCOME (UN-AUDITED)**

FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Note	Three months period ended	
		September 30, 2024	September 30, 2023
		Rupees	
Profit / (Loss) for the period		38,465,092	66,516,572
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gain on defined benefit plan		-	-
Total comprehensive income / (loss) for the period		<u>38,465,092</u>	<u>66,516,572</u>

The annexed notes 1 - 21 form an integral part of these financial statements.

Ahmed Rafiq
Chief Financial Officer (A)

Brig Syed Zulfiqar Ali (R)
Chief Executive

Rubina Safir
Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

	Share Capital Issued, subscribed and paid-up	Reserves		Total
		General Reserve	Unappropriated profit	
Rupees				
Balance as at July 01, 2023	118,592,100	650,500,000	516,535,060	1,285,627,160
Total comprehensive income or (loss)				
Profit for the period	-	-	66,516,572	66,516,572
Other comprehensive income	-	-	-	-
	-	-	66,516,572	66,516,572
Transfer to general reserve	-	49,500,000	(49,500,000)	-
Balance as at September 30, 2023	<u>118,592,100</u>	<u>700,000,000</u>	<u>533,551,632</u>	<u>1,352,143,732</u>
Balance as at June 30, 2024 (audited)	<u>118,592,100</u>	<u>700,000,000</u>	<u>558,052,396</u>	<u>1,376,644,496</u>
Balance as at July 1, 2024	<u>118,592,100</u>	<u>700,000,000</u>	<u>558,052,396</u>	<u>1,376,644,496</u>
Total comprehensive income or (loss)				
Profit for the period	-	-	38,465,092	38,465,092
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	38,465,092	38,465,092
Transfer to general reserve	-	-	-	-
Balance as at September 30, 2024	<u>118,592,100</u>	<u>700,000,000</u>	<u>596,517,488</u>	<u>1,415,109,588</u>

The annexed notes 1 - 21 form an integral part of these condensed interim financial statements

Ahmed Rafiq
Chief Financial Officer (A)

Brig Syed Zulfiqar Ali (R)
Chief Executive

Rubina Safir
Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

Note	Three months period ended	
	September 30, 2024	September 30, 2023
	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) for the period - before taxation	54,399,747	93,668,551
Adjustments for non-cash items:		
Depreciation	7,141,807	6,908,187
Amortization	838,589	728,665
Property and equipment - write off	8,600	-
Loss / (gain) on disposal of property, plant and equipment	121,688	-
Impairment reversal on financial assets	(10,489,127)	3,541,311
Finance cost	2,432,766	2,474,100
Unrealized exchange (gain) / loss	3,021,868	(9,307,306)
Interest income	(16,913,465)	(11,247,480)
Provision for gratuity	784,622	4,840,486
Provision for earned leave encashment	2,360,411	2,066,511
Provision for provident fund	(3,482,907)	2,388,729
	40,224,598	96,061,755
Changes in working capital		
Decrease / (increase) in inventories	3,579,217	(18,598,723)
Decrease / (increase) in trade debts	58,991,845	(33,009,834)
Decrease / (increase) in contract assets	17,586,739	(57,681,693)
Decrease / (increase) in contract work in progress	(107,101,008)	774,861
Decrease / (increase) in advances	(4,272,691)	34,038,294
Decrease / (increase) in trade deposits and short term prepayments	35,255,782	(435,136)
Decrease / (increase) in other receivables	(9,527,457)	14,488
Increase / (decrease) in customers' deposits	(3,842,826)	(2,559,645)
Increase / (decrease) in contract liability	(10,651,203)	583,425
Increase / (decrease) in trade and other payables	(16,214,698)	(8,385,219)
	(36,196,299)	(85,259,181)
	4,028,299	10,802,574
Taxes paid	(26,756,275)	(18,279,398)
Leave encashment paid	(9,818,661)	(1,371,356)
Net cash generated from / (used in) operating activities	(32,546,637)	(8,848,181)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(6,991,516)	(2,002,380)
Proceeds from sale of property and equipment	1,126,788	-
(Purchase) / sale of short term investments	(7,630,000)	21,000,000
Purchase of intangibles	-	(4,677,982)
Interest and profit received	27,078,520	22,651,186
Net cash used in investing activities	13,583,792	36,970,824
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of finance lease obligation	(9,949,923)	(8,384,917)
Dividend paid	(5,532)	(10,773)
Finance cost paid	(598,446)	(219,099)
Net cash used in financing activities	(10,553,901)	(8,614,789)
Net increase / (decrease) in cash and cash equivalents	(29,516,746)	19,507,855
Cash and cash equivalents at the beginning of the year	787,378,910	352,613,157
Effect of movements in exchange rates on cash and cash equivalents	(3,005,028)	5,692,311
Cash and cash equivalents at the end of the period	8	754,857,136
		377,813,322

The annexed notes 1 - 21 form an integral part of these condensed interim financial statements

Ahmed Rafiq
Chief Financial Officer (A)

Brig Syed Zulfiqar Ali (R)
Chief Executive

Rubina Safir
Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

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; and
- Islamic Financial Accounting standards (IFAC) issued by institute of Chartered Accountants of Pakistan as are 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, 2024.

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, 2024.

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, 2024.

		September 30, 2024 Un-audited	June 30, 2024 Audited
		Rupees	
4 PROPERTY AND EQUIPMENT	Note		
Operating fixed assets	4.1	140,880,851	135,994,087
Right of use assets	4.2	56,981,993	63,276,125
		<u>197,862,844</u>	<u>199,270,212</u>
4.1 Operating fixed assets			
Opening net book value		135,994,087	133,445,678
Additions		6,991,516	21,728,865
Disposal:			
Cost		(3,411,730)	(127,115,698)
Accumulated depreciation		2,163,254	124,560,178
		(1,248,476)	(2,555,520)
Write off:			
Cost		(69,900)	(5,451,136)
Accumulated depreciation		61,300	5,415,135
		(8,600)	(36,001)
Transfer from leased to owned:			
Cost		8,868,000	-
Accumulated depreciation		(5,339,450)	-
		3,528,550	-
Depreciation charge		(4,376,226)	(16,588,935)
Closing net book value		<u>140,880,852</u>	<u>135,994,087</u>
4.2 Right of use (ROU) assets			
Opening net book value		63,276,125	75,306,537
Additions		-	-
Transfer from leased to owned:			
Cost		(8,868,000)	-
Accumulated depreciation		5,339,450	-
		(3,528,550)	-
Write off:			
Cost		-	-
Accumulated depreciation		-	-
		-	-
Depreciation charge		(2,765,582)	(12,030,412)
Closing net book value		<u>56,981,993</u>	<u>63,276,125</u>
5 INTANGIBLE ASSETS			
Opening net book value		8,046,851	3,847,269
Additions		-	7,462,982
Amortization charge		(838,589)	(3,263,400)
Closing net book value		<u>7,208,262</u>	<u>8,046,851</u>
6 TRADE DEBTS			
Trade debts		274,515,974	333,507,050
Less: Impairment loss allowance		(54,317,310)	(57,456,126)
		<u>220,198,664</u>	<u>276,050,924</u>

	September 30, 2024 Un-audited	June 30, 2024 Audited
	Rupees	
7 CONTRACT ASSETS		
Unbilled revenue	140,585,711	158,509,949
Less: Impairment loss allowance	(1,724,505)	(9,026,336)
	<u>138,861,206</u>	<u>149,483,613</u>
8 CASH AND BANK BALANCES		
Cash in hand	1,176,957	1,145,128
Cash at bank		
- Current accounts		
Local currency- conventional	66,568,077	45,581,625
Foreign currency- conventional	487,207,143	440,893,244
- Deposit accounts		
Local currency - conventional	190,451,198	293,001,622
Local currency - under shariah arrangements	9,453,761	6,757,291
	<u>754,857,136</u>	<u>787,378,910</u>
Less: Impairment loss allowance	(98,020)	(146,499)
	<u>754,759,116</u>	<u>787,232,411</u>
9 SHARE CAPITAL		
9.1 Authorised Share Capital		
100,000,000 ordinary shares of Rs 10 each (June 30, 2024: 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, 2024: 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, 2024: 6,459,210 ordinary shares of Rs 10 each)	64,592,100	64,592,100
11,859,210 ordinary shares of Rs 10 each (June 30, 2024: 11,859,210 ordinary shares of Rs 10 each)	<u>118,592,100</u>	<u>118,592,100</u>
10 TRADE AND OTHER PAYABLES		
Trade creditors	203,840,870	234,445,229
Advances from employees for vehicle lease	-	348,874
License fee payable	4,883,665	3,814,703
Accrued liabilities	14,157,249	13,204,980
Withholding tax payable	11,576,540	11,911,284
Payable to employees	32,150,507	18,390,685
Employees' retirement and other service benefits :		
Provident fund	49,383,087	52,865,994
	<u>315,991,918</u>	<u>334,981,749</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 26 to the audited financial statements of the Company for the year ended June 30, 2024.

11.1.2 The Company has letter of guarantee facilities aggregating Rs. 300 million (June 30, 2024: Rs. 250 million) available from Soneri Bank. The amount availed on these facilities as at September 30, 2024 is Rs. 155.089 million (June 30, 2024: 156.464 million).

11.2 Commitments

The Company has following commitments in respect of:

Capital expenditure commitments
Outstanding letter of credits

September 30, 2024	June 30, 2024
Un-audited	Audited

Rupees

25,331,318	25,771,348
120,092,576	135,429,888

Three months period ended

September 30, 2024	September 30, 2023
-----------------------	-----------------------

Rupees

12 REVENUE

Class Value Added Services
(CVAS) / data communication services
Telecom infrastructure services
Specialised projects
Solar equipment sales
Gross revenue
Less:
Sales tax / Federal Excise Duty
Advance tax

Note

326,479,676	320,466,519
261,705	387,164
14,002,850	91,040,966
5,919,480	27,872,100
346,663,711	439,766,749
(45,448,763)	(49,692,157)
(14,050,862)	(14,483,151)
287,164,086	375,591,441

13 COST OF REVENUE

Channel and local lead rentals
Space segment rentals
Cost of goods sold
Salaries and other benefits
Repair and maintenance expenses
License fee
Depreciation - operating fixed assets
Depreciation - right of use assets
Amortization
Travelling and local conveyance
Communication expenses
Vehicle running expenses
Insurance
Entertainment
Rent, rates and taxes
Utilities
Other project costs

13.1

80,849,971	74,218,988
25,689,318	27,338,163
5,490,167	20,556,477
50,017,540	62,489,916
2,138,305	1,679,134
1,068,962	925,428
3,524,819	3,561,895
28,377	185,269
838,589	728,665
1,155,529	616,136
411,186	306,403
5,462,536	5,851,084
125,703	89,601
366,674	422,489
982,429	631,560
2,336,365	2,445,673
21,435,187	40,908,839
201,921,657	242,955,720

13.1 Salaries and other benefits include employees' retirement and other service benefits of Rs. 23.98 Million (September 30, 2023: Rs. 30.16 million).

	Note	Three months period ended	
		September 30, 2024	September 30, 2023
		Rupees	
14 ADMINISTRATIVE EXPENSES			
Salaries and other benefits	14.1	32,753,887	36,018,663
Travelling and local conveyance		1,462,973	1,378,707
Communication expenses		467,231	477,692
Vehicle running expenses		3,076,820	3,176,208
Repair and maintenance expenses		856,247	547,106
Insurance		225,033	185,628
Depreciation - operating fixed assets		804,928	304,585
Depreciation - right of use assets		2,737,205	2,822,334
Entertainment		1,103,130	727,776
Rent, rates and taxes		402,286	-
Legal and professional charges		2,432,613	1,090,852
Printing and stationery		374,131	463,650
Utilities		1,088,736	915,155
Donation		1,880,000	1,845,000
Auditors' remuneration		411,625	375,250
		<u>50,076,845</u>	<u>50,328,606</u>

14.1 Salaries and other benefits include employees' retirement and other service benefits of Rs. 9.97 million (September 30, 2023: Rs. 14.87 million).

	Note	Three months period ended	
		September 30, 2024	September 30, 2023
		Rupees	
15 MARKETING EXPENSES			
Advertisement and marketing		171,742	2,555,187
Salaries and other benefits	15.1	5,833,152	5,752,311
Travelling and local conveyance		579,896	819,364
Communication expenses		23,759	13,560
Vehicle running expenses		698,259	645,492
Insurance		3,584	3,167
Depreciation - operating fixed assets		46,478	34,104
Repair and maintenance expenses		61,789	27,682
Entertainment		4,060	-
		<u>7,422,719</u>	<u>9,850,867</u>

15.1 Salaries and other benefits include employees' retirement and other service benefits of Rs. 1.1 million (September 30, 2023: Rs. 1.6 million).

	Three months period ended	
	September 30, 2024	September 30, 2023
	Rupees	
16 FINANCE INCOME / (COST)		
Exchange gain / (loss) - net	(3,062,971)	12,554,897
Finance lease charges	(1,834,320)	(2,255,001)
Bank charges	(598,446)	(219,099)
	<u>(5,495,737)</u>	<u>10,080,797</u>
17 OTHER INCOME		
Income from financial assets		
Return on short term investments	7,668,070	5,684,751
Return on bank deposits	9,021,070	5,106,520
Return on bank deposits with Islamic Banks	224,325	456,209
Income from non-financial assets		
Gain / (Loss) on property & equipment	(130,288)	-
Others	4,880,315	3,425,338
	<u>21,663,492</u>	<u>14,672,818</u>

18 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related Parties include holding company, associated company, directors, key management personnel, 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 % of shareholding	Three months period ended	
		September 30, 2024	September 30, 2023
		Rupees	
Telecom Foundation - Holding Company	55.08%		
Donations payable		1,500,000	1,500,000
TF Technologies - Associated Company	Nil		
Receivable against consultancy charges		-	118,525
Key management personnel			
Directors			
Directorship fee		2,940,000	1,615,000
Sale of solar systems		8,921,810	-
Others		1,275,521	97,110
Receiveable against solar system sales		9,136,761	-
Unbilled against solar panels		3,488,010	-
Advances received against solar panels		640,000	-
Remuneration of other key management personnel		12,766,730	15,336,769
Other related parties			
Staff retirement benefit plan - Gratuity fund (Receiveable from) / Payable to Gratuity fund		(10,089,190)	19,218,765
Staff retirement contribution plan - Provident fund Payable to Provident fund		49,383,087	37,208,888

19 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, 2024. 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, 2024.

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

20 GENERAL

Figures have been rounded off to the nearest rupee.

21 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue by the Board of Directors of the Company on October 22, 2024.

Ahmed Rafiq
Chief Financial Officer (A)

Brig Syed Zulfiqar Ali (R)
Chief Executive

Rubina Safir
Director

• Complete >
• Network >
• Solutions >



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