

SPREADING TECHNOLOGY



Pak Datacom



Condensed Interim Financial Statements

For the three months ended
September 30, 2023

CORPORATE PROFILE**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. Shamim Ahmed Sherazi | Member |
| 3. | Mr. Muhammad Waheed | Member |

HUMAN RESOURCE & REMUNERATION COMMITTEE

- | | | |
|----|--------------------------|----------|
| 1. | Mr. Shamim Ahmed Sherazi | Chairman |
| 2. | Mr. Muhammad Izqar Khan | Member |
| 3. | Ms. Rubina Safir | Member |
| 4. | Syed Junaid Imam | Member |

PROCUREMENT COMMITTEE

- | | | |
|----|-------------------------|----------|
| 1. | Syed Zomma Mohiuddin | Chairman |
| 2. | Mr. Muhammad Izqar Khan | Member |
| 3. | Engr. Perwaiz Khan | Member |
| 4. | Mr. Muhammad Waheed | Member |

NOMINATION COMMITTEE

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

STRATEGY & PROJECT APPRAISAL COMMITTEE

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

DIRECTORS' REPORT

The Board of Directors of the Company take pleasure in presenting the un-audited condensed interim financial statements together with their report on the performance of the Company for the three months' period from July 01, 2023 to September 30, 2023.

The financial year 2022-23 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 deteriorating rupee-dollar parity and restrictions on issuance of Letter of Credits by commercial banks. Nevertheless, despite these challenges, 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.

Revenue of the Company for the three months' period from July 01, 2023 to September 30, 2023 was Rs. 375.591 million compared to Rs. 442.474 million for the same period of previous year. In terms of percentage, this is a decline of 15 percent in revenue from that in the corresponding three months' period of the previous year. In comparison to the third quarter and fourth quarter of the previous year, however, where revenue of the Company was Rs. 235.543 million and Rs. 266.161 million respectively, it is an increase of 59.46 percent in revenue from that in the third quarter of the previous year, and an increase of 41.12 percent in revenue from that in the fourth quarter of the previous year.

In terms of profit, gross profit of the Company for the three months' period ended September 30, 2023 was Rs. 132.636 million compared to Rs. 65.392 million for the same period the previous year – up by approximately 103 percent. Resultantly, net profit of the Company for the three month's period ended September 30, 2023, was Rs. 66.517 million, resulting in earnings per share ('EPS') of Rs. 5.61, as compared to a profit of Rs. 64.959 million and EPS of Rs. 5.48 for the same period last year.

Significant expansion of high-speed data services during last few years has played a pivotal role in reshaping the focus of telecom sector thus becoming one of the core factors for shift in the way communication and interaction takes place. New ways of communication and interaction such as work from home, e-learning and digitization are more reliant on and are fueling the demand for data (high speed internet). Companies operating in the ICT sector are currently focused on increasing their offered speed and achieving sustainable growth. PDL is no different and is also focusing on providing high-speed internet, including high-speed internet over satellite to remote and under-served areas of Pakistan.

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 13, 2023

Brig Syed Zulfiqar Ali (R)
Chief Executive

Rubina Safir
Director

دوران کمپنی کا خالص منافع 66.517 ملین روپے رہا جس کے نتیجے میں فی حصص آمدنی ('ای پی ایس') 5.61 روپے رہی جبکہ گزشتہ سال کے اسی عرصے میں 64.959 ملین روپے کا منافع اور 5.48 روپے فی حصص آمدنی تھی۔

گزشتہ چند سالوں کے دوران تیز رفتار ڈیٹا سروسز کی نمایاں توسیع نے ٹیلی کام سیکٹر کی ترجیحات کو نئی شکل دینے میں اہم کردار ادا کیا ہے اور اس طرح یہ شعبہ موصلات اور باہمی روابط کے طریقہ کار میں تبدیلی کے بنیادی عوامل میں سے ایک بن گیا ہے۔ موصلات اور تعامل کے نئے طریقوں جیسے گھر سے کام، ای لرننگ اور ڈیجیٹلائزیشن کا انحصار ٹیلی کام کے شعبے پر ہے اور ڈیٹا (تیز رفتار انٹرنیٹ) کی مانگ میں اضافہ ہو رہا ہے۔ آئی سی ٹی کے شعبے میں کام کرنے والی کمپنیاں فی الحال پیش کردہ انٹرنیٹ کی رفتار بڑھانے اور پائیدار ترقی کے حصول پر توجہ مرکوز کر رہی ہیں۔ پی ڈی ایل بھی ان سے مختلف نہیں ہے اور پاکستان کے دور دراز اور پسماندہ علاقوں میں سیٹلائٹ کے ذریعے تیز رفتار انٹرنیٹ کی فراہمی پر توجہ مرکوز کر رہی ہے۔

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

منجانب بورڈ

روبینہ سفیر
ڈائریکٹر

بریگیڈیئر (ر) سید ذوالفقار علی
چیف ایگزیکٹو

اسلام آباد
بتاریخ: 13 اکتوبر 2023ء

ڈائریکٹرز رپورٹ

کمپنی کے بورڈ آف ڈائریکٹرز کی طرف سے یکم جولائی 2023 سے 30 ستمبر 2023 تک کی سہ ماہی مدت کے لئے کمپنی کی کارکردگی پر رپورٹ اور غیر آڈٹ شدہ عبوری مالیاتی گوشوارے پیش خدمت ہیں۔

مالی سال 2022-23 انتہائی مشکل رہا، افراط زر کی شرح انتہائی بلند رہی 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 شدید دباؤ پڑا۔ ڈیٹا کمیونیکیشن کا شعبہ ٹیلی کام آلات کی درآمد پر بہت زیادہ انحصار کرتا ہے، ڈالر کے مقابلے میں روپے کی گرتی ہوئی قدر اور کمرشل بینکوں کی جانب سے لیٹر آف کریڈٹ کے اجراء پر پابندیوں کی وجہ سے یہ شعبہ خاصا متاثر ہوا۔ تاہم، ان مشکلات کے باوجود، ٹیلی کام کی صنعت میں ملک کی بڑی آبادی کی وجہ سے امید افزا ترقی کی صلاحیت موجود ہے، کیونکہ تیز رفتار ڈیٹا خدمات کی بڑھتی ہوئی مانگ اور ڈیجیٹلائزیشن کی تیز رفتار، خاص طور پر ہمارے لئے ان مواقع سے فائدہ اٹھانے کے لئے ایک مثالی پوزیشن فراہم کرتی ہے۔

یکم جولائی 2023ء سے 30 ستمبر 2023ء تک کے تین ماہ کے عرصے میں کمپنی کی آمدنی 375.591 ملین روپے رہی جو گزشتہ سال کے اسی عرصے میں 442.474 ملین روپے تھی۔ فیصد کے لحاظ سے یہ گزشتہ سال کی اسی سہ ماہی کے مقابلے میں 15 فیصد کم ہے۔ تاہم گزشتہ سال کی تیسری اور چوتھی سہ ماہی کے مقابلے میں آمدنی میں بالترتیب 59.46 فیصد اور 41.12 فیصد کا اضافہ ہوا، گزشتہ سال کی تیسری اور چوتھی سہ ماہی میں کمپنی کی آمدنی بالترتیب 235.543 ملین روپے اور 266.161 ملین روپے تھی۔

منافع کے لحاظ سے دیکھا جائے تو 30 ستمبر 2023ء کو ختم ہونے والے تین ماہ کے دوران کمپنی کا مجموعی منافع 132.636 ملین روپے رہا جو گزشتہ سال کے اسی عرصے کے 65.392 ملین روپے کے مقابلے میں تقریباً 103 فیصد زیادہ ہے۔ اس کے نتیجے میں 30 ستمبر 2023ء کو ختم ہونے والی سہ ماہی کے

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT SEPTEMBER 30, 2023

		September 30, 2023	June 30, 2023
		Un-audited	Audited
	Note	Rupees	
NON-CURRENT ASSETS			
Property and equipment	4	203,846,408	208,752,215
Intangible assets	5	7,796,586	3,847,269
Deferred taxation		94,947,788	94,211,555
		306,590,782	306,811,039
CURRENT ASSETS			
Inventories		18,598,723	-
Trade debts	6	782,316,910	748,662,850
Contract assets	7	301,725,220	242,502,038
Contract work in progress		142,052,415	142,827,275
Advances		10,257,112	44,295,406
Trade deposits and short term prepayments		58,049,475	57,552,745
Other receivables		9,398,907	9,413,395
Interest accrued		2,024,607	3,827,119
Short term investments		114,176,299	144,777,493
Cash and bank balances	8	377,731,087	352,530,697
		1,816,330,755	1,746,389,018
		2,122,921,537	2,053,200,057
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	650,500,000
Unappropriated profits		533,551,632	516,535,060
		1,352,143,732	1,285,627,160
NON-CURRENT LIABILITIES			
Deferred employees' benefits		39,437,056	38,741,901
Lease liabilities		69,196,132	75,637,643
		108,633,188	114,379,544
CURRENT LIABILITIES			
Customers' deposits		111,078,668	112,891,873
Contract liability		2,059,518	1,476,093
Trade and other payables	10	487,661,045	487,482,879
Taxation - net		35,747,800	26,138,986
Current portion of lease liabilities		13,709,497	13,304,660
Unclaimed dividend		11,888,089	10,829,488
Unpaid dividend		-	1,069,374
		662,144,617	653,193,353
CONTINGENCIES AND COMMITMENTS			
	11	2,122,921,537	2,053,200,057

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, 2023

	Note	Three months period ended	
		September 30, 2023	September 30, 2022
		Rupees	
Revenue - net	12	375,591,441	442,474,115
Cost of revenue	13	(242,955,720)	(377,082,312)
Gross profit		132,635,721	65,391,803
Administrative expenses	14	(50,328,606)	(45,271,753)
Marketing expenses	15	(9,850,867)	(11,756,085)
Impairment (Loss)/reversal on financial assets		(3,541,311)	(7,871,359)
Finance income / (cost)	16	10,080,797	74,787,247
		78,995,734	75,279,852
Other income	17	14,672,818	13,365,038
Profit / (Loss) before taxation		93,668,551	88,644,890
Taxation		(27,151,979)	(23,685,987)
Profit / (Loss) for the period		66,516,572	64,958,903
Earnings per share - basic and diluted		5.61	5.48

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, 2023

	Note	Three months period ended	
		September 30, 2023	September 30, 2022
		Rupees	
Profit / (Loss) for the period		66,516,572	64,958,903
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>66,516,572</u>	<u>64,958,903</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, 2023**

	Share Capital Issued, subscribed and paid-up	Reserves		Total
		General Reserve	Unappropriated profit	
Rupees				
Balance as at July 01, 2022	118,592,100	591,500,000	362,781,809	1,072,873,909
Total comprehensive income or (loss)				
Profit for the period	-	-	64,958,903	64,958,903
Other comprehensive income	-	-	-	-
	-	-	64,958,903	64,958,903
Transactions with owners of the company				
Final dividend for the year ended June 30, 2023: Rs. 6 per share	-	-	(71,155,260)	(71,155,260)
Balance as at September 30, 2022	<u>118,592,100</u>	<u>591,500,000</u>	<u>356,585,452</u>	<u>1,066,677,552</u>
Balance as at June 30, 2023 (audited)	118,592,100	650,500,000	516,535,060	1,285,627,160
Balance as at July 1, 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	-	-	-	-
Total comprehensive income for the period	-	-	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>

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, 2023

	Note	Three months period ended	
		September 30, 2023	September 30, 2022
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) for the period - before taxation		93,668,551	88,644,890
Adjustments for non-cash items:			
Depreciation		6,908,187	6,902,514
Amortization		728,665	116,735
Property and equipment - write off		-	338,178
Loss / (gain) on disposal of property, plant and equipment		-	(313,000)
Impairment reversal on financial assets		3,541,311	7,871,359
Finance cost		2,474,100	4,113,040
Unrealized exchange (gain) / loss		(9,307,306)	(78,900,286)
Interest income		(11,247,480)	(9,886,407)
Provision for gratuity		4,840,486	4,941,634
Provision for earned leave encashment		2,066,511	1,800,000
Provision for provident fund		2,388,729	1,415,746
		96,061,755	27,044,403
Changes in working capital			
Decrease / (increase) in inventories		(18,598,723)	-
Decrease / (increase) in trade debts		(33,009,834)	154,852,287
Decrease / (increase) in contract assets		(57,681,693)	(162,702,079)
Decrease / (increase) in contract work in progress		774,861	(112,019,621)
Decrease / (increase) in advances		34,038,294	(4,951,559)
Decrease / (increase) in trade deposits and short term prepayments		(435,136)	71,805,997
Decrease / (increase) in other receivables		14,488	2,472,125
Increase / (decrease) in customers' deposits		(2,559,645)	7,799,823
Increase / (decrease) in contract liability		583,425	(1,844,667)
Increase / (decrease) in trade and other payables		(8,385,219)	159,523,207
		(85,259,181)	114,935,513
		10,802,574	141,979,916
Taxes paid		(18,279,398)	(7,120,579)
Leave encashment paid		(1,371,356)	(3,636,023)
Net cash generated from / (used in) operating activities		(8,848,180)	131,223,315
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		(2,002,380)	(3,566,146)
Proceeds from sale of property and equipment		-	776,132
(Purchase) / sale of short term investments		21,000,000	(11,803,810)
Purchase of intangibles		(4,677,982)	(225,094)
Interest and profit received		22,651,186	6,381,576
Net cash used in investing activities		36,970,824	(8,437,341)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of finance lease obligation		(8,384,917)	(7,416,099)
Dividend paid		(10,773)	-
Finance cost paid		(219,099)	(1,677,087)
Net cash used in financing activities		(8,614,789)	(9,093,186)
Net increase / (decrease) in cash and cash equivalents		19,507,855	113,692,787
Cash and cash equivalents at the beginning of the year		352,613,157	251,196,514
Effect of movements in exchange rates on cash and cash equivalents		5,692,311	95,408,754
Cash and cash equivalents at the end of the period	8	377,813,323	460,298,055

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, 2023

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, 2023.

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, 2023.

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, 2023.

		September 30, 2023 Un-audited	June 30, 2023 Audited
	Note	Rupees	
4 PROPERTY AND EQUIPMENT			
Operating fixed assets	4.1	131,547,474	133,445,678
Right of use assets	4.2	72,298,934	75,306,537
		<u>203,846,408</u>	<u>208,752,215</u>
4.1 Operating fixed assets			
Opening net book value		133,445,678	129,866,904
Additions		2,002,380	22,341,466
Disposal:			
Cost		-	(15,395,498)
Accumulated depreciation		-	13,512,049
		-	(1,883,449)
Write off:			
Cost		-	(13,222,692)
Accumulated depreciation		-	12,401,621
		-	(821,071)
Transfer from leased to owned:			
Cost		-	-
Accumulated depreciation		-	-
		-	-
Depreciation charge		(3,900,584)	(16,058,172)
Closing net book value		<u>131,547,474</u>	<u>133,445,678</u>
4.2 Right of use (ROU) assets			
Opening net book value		75,306,537	87,735,321
Additions		-	-
Transfer from leased to owned:			
Cost		-	-
Accumulated depreciation		-	-
		-	-
Write off:			
Cost		-	-
Accumulated depreciation		-	-
		-	-
Depreciation charge		(3,007,603)	(12,428,784)
Closing net book value		<u>72,298,934</u>	<u>75,306,537</u>
5 INTANGIBLE ASSETS			
Software and infrastructure license			
Opening net book value		3,847,269	4,164,146
Additions		4,677,982	225,094
Amortization charge		(728,665)	(541,971)
Closing net book value		<u>7,796,586</u>	<u>3,847,269</u>
6 TRADE DEBTS			
Trade debts		878,149,468	841,245,059
Less: Impairment loss allowance		(95,832,557)	(92,582,209)
		<u>782,316,910</u>	<u>748,662,850</u>

	September 30, 2023 Un-audited	June 30, 2023 Audited
	Rupees	
7 CONTRACT ASSETS		
Unbilled revenue	338,873,466	279,250,971
Less: Impairment loss allowance	(37,148,246)	(36,748,933)
	<u>301,725,220</u>	<u>242,502,038</u>
8 CASH AND BANK BALANCES		
Cash in hand	1,473,577	1,072,157
Cash at bank:		
Current accounts	192,320,897	146,427,137
Deposit accounts	162,952,756	141,577,391
Deposit accounts with Islamic Banks under Shariah arrangements	6,969,762	49,429,369
Current accounts-dividend	14,096,330	14,107,103
	<u>377,813,323</u>	<u>352,613,157</u>
Less: Impairment loss allowance	(82,235)	(82,459)
	<u>377,731,087</u>	<u>352,530,697</u>
9 SHARE CAPITAL		
9.1 Authorised Share Capital		
100,000,000 ordinary shares of Rs 10 each (June 30, 2023: 100,000,000 ordinary shares of Rs 10 each)	1,000,000,000	1,000,000,000
9.2 Issued, subscribed and paid up capital:		
Shares issued for cash		
5,400,000 ordinary shares of Rs 10 each (June 30, 2023: 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, 2023: 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, 2023: 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	344,474,145	386,092,737
Advances from employees for vehicle lease	268,999	242,374
License fee payable	3,373,972	2,448,544
Accrued liabilities	14,359,562	15,694,452
Sales tax payable	6,461,469	9,025,817
Withholding tax payable	7,737,833	7,627,862
Payable to employees	54,557,412	17,152,656
Employees' retirement and other service benefits :		
Gratuity fund	19,218,765	14,378,279
Provident fund	37,208,888	34,820,159
	<u>487,661,045</u>	<u>487,482,879</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 24 to the audited financial statements of the Company for the year ended June 30, 2023.
- 11.1.2 The Company has letter of guarantee facilities aggregating Rs. 250 million (June 30, 2023: Rs. 250 million) available from Soneri Bank. The amount availed on these facilities as at September 30, 2023 is Rs. 208.743 million (June 30, 2023: 174.648 million).

11.2 Commitments

The Company has following commitments in respect of:

	September 30, 2023 Un-audited	June 30, 2023 Audited
Capital expenditure commitments	62,606,697	48,032,452
Outstanding letter of credits	172,583,892	199,636,995

Rupees

Three months period ended
September 30, 2023 **September 30, 2022**

12 REVENUE

Note

Rupees

Class Value Added Services (CVAS) / data communication services	320,466,519	261,592,006
Telecom infrastructure services	387,164	412,263
Specialised projects	91,040,966	233,150,390
Solar equipment sales	27,872,100	-
Gross revenue	439,766,749	495,154,659
Less:		
Sales tax / Federal Excise Duty	(49,692,157)	(44,677,981)
Advance tax	(14,483,151)	(8,002,563)
	<u>375,591,441</u>	<u>442,474,115</u>

13 COST OF REVENUE

Channel and local lead rentals	74,218,988	61,400,384
Space segment rentals	27,338,163	20,326,020
Cost of goods sold	20,556,477	-
Salaries and other benefits	62,489,916	72,171,223
Repair and maintenance expenses	1,679,134	2,371,058
License fee	925,428	1,081,414
Depreciation - operating fixed assets	3,561,895	3,407,128
Depreciation - right of use assets	185,269	247,026
Amortization	728,665	116,735
Travelling and local conveyance	616,136	189,993
Communication expenses	306,403	431,453
Vehicle running expenses	5,851,084	5,800,327
Insurance	89,601	126,367
Entertainment	422,489	296,064
Rent, rates and taxes	631,560	1,627,994
Utilities	2,445,673	1,814,731
Other project costs	40,908,839	205,674,395
	<u>242,955,720</u>	<u>377,082,312</u>

- 13.1 Salaries and other benefits include employees' retirement and other service benefits of Rs. 30.16 Million (September 30, 2022: Rs. 41.76 million).

	Note	Three months period ended	
		September 30, 2023	September 30, 2022
		Rupees	
14 ADMINISTRATIVE EXPENSES			
Salaries and other benefits	14.1	36,018,663	32,720,052
Travelling and local conveyance		1,378,707	123,510
Communication expenses		477,692	388,089
Vehicle running expenses		3,176,208	2,325,647
Repair and maintenance expenses		547,106	811,184
Insurance		185,628	142,130
Depreciation - operating fixed assets		304,585	320,295
Depreciation - right of use assets		2,822,334	2,860,170
Entertainment		727,776	428,244
Legal and professional charges		1,090,852	2,137,407
Printing and stationery		463,650	256,660
Utilities		915,155	808,365
Donation		1,845,000	1,700,000
Auditors' remuneration		375,250	250,000
		<u>50,328,606</u>	<u>45,271,753</u>

14.1 Salaries and other benefits include employees' retirement and other service benefits of Rs. 14.87 million (September 30, 2022: Rs. 16.58 million).

	Note	Three months period ended	
		September 30, 2023	September 30, 2022
		Rupees	
15 MARKETING EXPENSES			
Advertisement and marketing		2,555,187	684,771
Salaries and other benefits	15.1	5,752,311	10,348,986
Travelling and local conveyance		819,364	16,650
Communication expenses		13,560	34,489
Vehicle running expenses		645,492	517,668
Insurance		3,167	15,186
Depreciation - operating fixed assets		34,104	67,895
Repair and maintenance expenses		27,682	70,440
		<u>9,850,867</u>	<u>11,756,085</u>

15.1 Salaries and other benefits include employees' retirement and other service benefits of Rs. 1.6 million (September 30, 2022: Rs.6.1 million).

	Three months period ended	
	September 30, 2023	September 30, 2022
	Rupees	
16 FINANCE INCOME / (COST)		
Exchange gain / (loss) - net	12,554,897	78,900,286
Finance lease charges	(2,255,001)	(2,435,953)
Bank charges	(219,099)	(1,677,087)
	<u>10,080,797</u>	<u>74,787,247</u>
17 OTHER INCOME		
Income from financial assets		
Return on short term investments	5,684,751	4,437,030
Return on bank deposits	5,106,520	5,150,000
Return on bank deposits with Islamic Banks	456,209	299,377
Income from non-financial assets		
Gain / (Loss) on property & equipment	-	25,178
Others	3,425,338	3,453,453
	<u>14,672,818</u>	<u>13,365,038</u>

18 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 % of shareholding	Three months period ended	
		September 30, 2023	September 30, 2022
		Rupees	
Telecom Foundation - Holding Company	55.08%		
Donations payable		1,500,000	1,700,000
TF Technologies - Associated Company	Nil		
Receivable against consultancy charges		118,525	118,525
Key management personal			
Directors			
Directorship fee		1,615,000	1,062,500
Others		97,110	168,242
Remuneration of other key management personnel		15,336,769	8,421,744
Other related parties			
Staff retirement benefit plan - Gratuity fund			
Payable to Gratuity fund		19,218,765	9,035,886
Staff retirement contribution plan - Provident fund			
Payable to Provident fund		37,208,888	26,590,853

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, 2023. 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, 2023.

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 13, 2023.

Ahmed Rafiq

Chief Financial Officer (A)

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