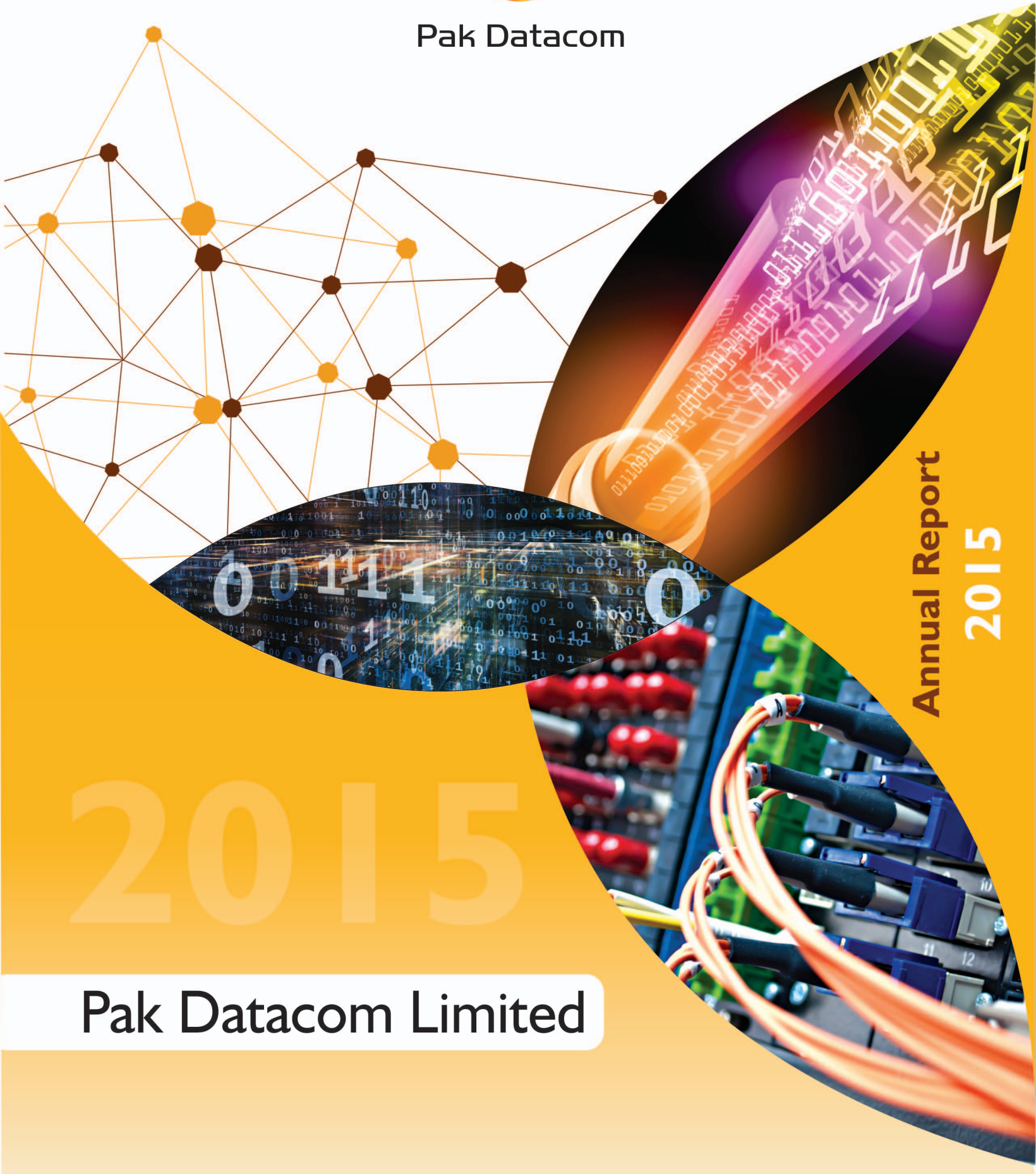




Pak Datacom



Annual Report
2015

2015

Pak Datacom Limited

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COMPANY PROFILE

BOARD OF DIRECTORS

1. Maj. Gen. (R) Muhammad Khalid Rao Chairman
2. Muhammad Arshad Khan Kayani Chief Executive
3. Amjad Hussain Qureshi
4. Jamil Anwar
5. Engr. Shahzad Sami Qureshi
6. Raja Waheed Zaman
7. Taimur Faiz Cheema

AUDIT COMMITTEE

1. Raja Waheed Zaman Chairman
2. Amjad Hussain Qureshi
3. Engr. Shahzad Sami Qureshi

HUMAN RESOURCE & REMUNERATION COMMITTEE

1. Engr. Shahzad Sami Qureshi Chairman
2. Muhammad Arshad Khan Kayani
3. Amjad Hussain Qureshi

CFO/ COMPANY SECRETARY

Syed Sajjad Hasan Jafri

REGISTERED OFFICE

1st Floor, TF Complex, 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

Hassan Farooq Associates (Pvt.) Limited, HF House,
7/3-G Mushtaq Ahmed Gormani Road, Gulberg-II, Lahore.

Tel: (042) 35761661-2, Fax: (042) 35755215

AUDITORS

HLB Ijaz Tabussum & Co., Chartered Accountants, 303, Sawan Road, G-10/1, Islamabad

LEGAL ADVISOR

Abbasi Law Chambers, House # 271, Street # 69, G-10/3, Islamabad

BOARD OF DIRECTORS



Right to Left: Raja Waheed Zaman, Engr. Shahzad Sami Qureshi, Maj. Gen. (R) Muhammad Khalid Rao
Muhammad Arshad Khan Kayani, Amjad Hussain Qureshi, Syed Sajjad Hasan Jafri

VISION STATEMENT

Progressive and reliable member of the Economic Global Village

MISSION STATEMENT

To provide enhanced, fast, cost effective and dependable worldwide communication services with optimised return to shareholders of the Company

CORPORATE STRATEGY

To provide reliable high speed data transmission and other communication facilities at competitive rates with constant up-gradation in the service range incorporating the penetrative marketing strategy to broaden the clientele base with optimum of satisfaction, safeguarding the interest of shareholders and utilize Company resources ensuring maximum return

NOTICE OF MEETING

Notice is hereby given that the 23rd Annual General Meeting of Pak Datacom Limited will be held on Thursday, October 29, 2015 at 11:00 a.m. at the Registered Office, Telecom Foundation Headquarters, TF Complex, 7 – Mauve Area, G-9/4, Islamabad to transact the following business;

ORDINARY BUSINESS

1. To confirm the minutes of the 22nd Annual General Meeting held on October 22, 2014.
2. To receive, consider and adopt the audited accounts of the Company for the year ended June 30, 2015 together with the Directors' and Auditors' Reports thereon.
3. To approve the payment of final cash dividend to the shareholders @ 30% i.e. Rs. 3.00 per share for the year ended June 30, 2015. This final cash dividend is in addition to 20% i.e. Rs. 2.00 per share interim cash dividend already paid.
4. To appoint auditors for the year ending June 30, 2016 and fix their remuneration. Retiring auditors M/S HLB Ijaz Tabussum & Co., Chartered Accountants, being eligible, have offered themselves for re-appointment.
5. To transact such other business as may be placed before the meeting with the permission of the Chair.

On behalf of the Board

**Islamabad
October 06, 2015**

**Syed Sajjad Hasan
Company Secretary**

Notes:

1. Share Transfer Books of the Company will remain closed from October 22, 2015 to October 29, 2015 (both days inclusive).
2. A member entitled to attend and vote at the meeting is entitled to appoint another member as proxy.
3. Proxies in order to be effective must be received at the Head Office of the Company not less than 48 hours before the meeting and must be duly stamped, signed and witnessed.
4. Shareholders are requested to promptly notify in writing to the Company of any change in their address.
5. In accordance with the notification of the Securities and Exchange Commission of Pakistan, SRO 779 (I) 2011 dated 18 August, 2011 dividend warrants should bear CNIC number of the registered member or the authorized person except in case of minors(s) and corporate members. Accordingly, the members who have not yet submitted a copy of their valid CNIC/ NTN (in case of corporate entities) are requested to submit the same to the Company with the member's folio number mentioned thereon for updating record. All members are, therefore, requested to please provide us a copy of your CNIC without any further delay failing which your future dividend warrant(s) will be withheld in compliance of the aforesaid direction of the SECP at our following address:

Hassan Farooq Associates (Private) Limited,
Share Registrar: Pak Datacom Limited, 7/3 - G, Mushtaq Ahmed Gormani
Road, Gulberg – II, Lahore. Pakistan. Ph: 042-35761661-62

6. The dividend mandate form is attached with the annual report to facilitate shareholders to opt the mandate option and provide required information to make payment of cash dividend through direct credit to shareholder's bank account, declared by the Company.
7. CDC account holders further have to follow the under mentioned guidelines as laid down in circular No. 1 dated 26th January, 2000 of Securities & Exchange Commission of Pakistan for attending the meeting;
 - a) In case of individuals, the account holder or sub-account holder and/ or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate his/her identity by showing his original Computerized National Identity Card (CNIC) or original Passport at the time of attending the meeting. The shareholders registered on CDC are also required to bring their participant's I.D. Number and account numbers in CDS.
 - b) In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

8. Pursuant to the provisions of Finance Act, 2015, effective July 01, 2015, reforms have been made with regards to deduction of income tax. For cash dividend, the rates of deduction of income tax, under section 150 of the Income Tax Ordinance, 2001 have been revised as follows:

- | | |
|---------------------------------------------------------------|-------|
| i) Rate of tax deduction for filer of income tax returns | 12.5% |
| ii) Rate of tax deduction for non-filer of income tax returns | 17.5% |

A 'filer' is a taxpayer whose name appears in the Active Taxpayers List (ATL) issued by FBR, from time to time whereas 'non-filer' is a person other than a 'filer'. FBR has loaded an ATL on its web-site, which can be accessed at <http://fbr.gov.pk>

The Company will check each shareholder's status on the latest ATL at the first day of Book Closure. If the shareholder's name does not appear on the ATL, increased rate of withholding tax at the rate 17.5% would be applied. In case of 'filer', withholding tax of 12.5% will be applicable.

9. Audited accounts of the Company for the year ended June 30, 2015 have been placed on the Company's website www.pakdatacom.com.pk

BOARD MEMBERS



Maj. Gen. (R) Muhammad Khalid Rao
Chairman



Muhammad Arshad Khan Kayani
Chief Executive



Amjad Hussain Qureshi
Director



Engr. Shahzad Sami Qureshi
Director

BOARD MEMBERS



Jamil Anwar
Director



Raja Waheed Zaman
Director



Taimur Faiz Cheema
Director



Syed Sajjad Hasan Jafri
Chief Financial Officer

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors feels pleasure to present Annual Report together with the audited accounts of Pak Datacom Limited (PDL) for the financial year ended June 30, 2015. Salient features of the Company operations are highlighted below.

PDL Operations

During the financial year 2014-15, PDL activities remained steady by retaining major customers, tapping new business and exploring other segments of telecommunication sector. In this regard, PDL won optic fiber laying project in collaboration with Telecom Foundation. Further PDL has signed framework agreement with one of the leading telecom operators to improve backhauling services of their networks. It is expected that demand for data will increase further due to launch of 3G and 4G technologies. Similarly, a project for sale of satellite equipment has been commissioned and now entered into the second phase for provisional acceptance test, which will soon be commenced. The management understands that the best tool for success is a satisfied customer. Your Company has extended Complaint Management System for all customers in addition to one major customer during the year. Major portion of revenue of the Company is earned in US Dollars, therefore revenue slightly decreased from CVAS due to depreciation of the US Dollar against Pak Rupee. PDL made strenuous efforts to decrease operational cost to offset the effect of slight decrease in revenue. Internal controls and procedures have been improved which will yield better results.

Future Plans

Diversification is an important key for success in a business. In this regard, PDL will continue to endeavor a strategy, locally and internationally to add new profitable revenue streams in the shape of optic fiber to home, optic fiber cable laying projects, installation and maintenance of a teleport, backhauling services, enhance relationship with present customers, new joint venture and service level agreements with other telecommunication companies in future. It is expected that such ventures will transform into new segments of revenue, but would also improve earnings per share.

Keeping this strategy intact, PDL will participate in major government/ national projects and international projects. It requires an efficient and objective based marketing and business development strategy that matches with the Company's new requirements and face challenges. That is why, PDL has launched an aggressive marketing strategy based on performance and market based incentives.

Social Welfare

We take pleasure to report that apart from our business strategy and being socially responsible, the Company is contributing to the society through community welfare programs focusing on education for children.

Realizing the social responsibility, PDL has contributed Rs. 4.00 million towards social welfare in the financial year 2014-15 in the field of education.

Changes in Board of Directors

Certain changes took place in the composition of the Board at the election of the Board of Directors in last Annual General Meeting held on October 22, 2014. Mr. Iftikar Ahmed Raja, Mr. Muhammad Arif, Mr. Nessar Ahmed and Mr. Muhammad Yaqoob retired from the Board and Mr. Shahzad Sami, Raja Waheed Zaman and Mr. Muhammad Raeesuddin Paracha were elected as Directors. Later on Mr. Muhammad Amir Malik and Mr. Muhammad Raeesuddin Paracha resigned from the Board and Mr. Taimur Faiz Cheema and Mr. Jamil Anwar were elected in their place. The Board takes the opportunity to welcome the newly appointed members of the Board and expresses appreciation for the services rendered by the outgoing Directors during their association with the Company.

Financials

The Company has posted pre-tax profit of Rs. 131.740 million during the financial year ended on June 30, 2015. Profit before tax is proposed for appropriation as follows;

	<u>Pak Rupees</u>
Profit for the year before taxation	131,740,821
Provision for taxation	(43,595,184)
Profit after taxation	<u>88,145,637</u>
Basic earning per share (EPS)	<u>8.99</u>
<u>Interim Dividend (already paid)</u>	
Interim cash dividend @ 20% i.e. Rs. 2.00 per share	<u>19,602,000</u>
<u>Subsequent Effects</u>	
Transfer to General Reserves	50,000,000
Proposed final cash dividend @ 30% i.e. Rs. 3.00 per share	<u>29,403,000</u>

Value of Investments of Gratuity Fund

The value of investments of gratuity fund based on its un-audited accounts of June 30, 2015 was Rs. 148.311 million. The fund is being managed by an independent Board of Trustees comprising of management and employees.

Auditors

The retiring auditors, M/S HLB Ijaz Tabussum & Co., Chartered Accountants, being eligible, offer themselves for re-appointment for the year ending June 30, 2016. The Audit Committee and the Board of Directors have endorsed their re-appointment for shareholders consideration in the forthcoming AGM.

Compliance of Code of Corporate Governance

Compliance statement of Code of Corporate Governance formulated by Securities and Exchange Commission of Pakistan is annexed with this report.

Shareholding Pattern

Statement showing the pattern of shareholding as at June 30, 2015 is annexed with this report.

Acknowledgement

We thank our valued customers for their continued confidence in PDL to operate and maintain their data networks. We also express our thanks to shareholders for their confidence and support and the employees of the company for their commitment.

For and on Behalf of the Board

Islamabad
October 02, 2015

Muhammad Arshad Khan Kayani
Chief Executive

CORPORATE GOVERNANCE

Statement of Directors Responsibilities

The Board is committed to follow the code of Corporate Governance to maintain high quality standard of good corporate governance. The Company is complying with the provisions of the codes as set out by the Securities and Exchange Commission of Pakistan. There has been no material departure from the practices of code of corporate governance as detailed in listing regulations.

Presentation of Financial Statements

The financial statements, prepared by the management of the Company, fairly present Company's state of affairs, the results of its operations, cash flows and changes in equity.

Books of Accounts

The company has maintained proper books of accounts.

Accounting Policies

Appropriate accounting policies have been consistently applied in preparation of financial statements except those disclosed in the financial statements of the Company.

Application of International Financial Reporting Standards

International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in preparation of financial statements.

Internal Control Systems

The system of internal control is sound in design and has been effectively implemented and monitored.

Going Concern

There is no doubt about the Company's ability to operate in foreseeable future.

Board Meetings

During the financial year, seven meetings of the Board of Directors were held while attendance by each Director is given below;

<u>Name of Directors</u>	<u>Number of meetings attended</u>
Mr. Muhammad Khalid Rao	6/7
Mr. Muhammad Arshad Khan Kayani	7/7
Mr. Muhammad Amir Malik	3/4
Mr. Amjad Hussain Qureshi	7/7
Mr. Iftikhar Ahmed Raja	2/2
Mr. Muhammad Arif	2/2
Mr. Nessar Ahmed	2/2
Mr. Muhammad Yaqoob	2/2
Mr. Shahzad Sami Qureshi	5/5
Raja Waheed Zaman	5/5
Mr. Muhammad Raeesuddin Paracha	2/2
Mr. Taimur Faiz Cheema	2/3
Mr. Jamil Anwar	3/3

The Board granted leave of absence to the members who could not attend the meeting(s).

Audit Committee Meetings

During the financial year, five meetings of the Audit Committee were held while attendance by each Director is given below;

<u>Name of Directors</u>	<u>Number of meetings</u>
	<u>attended</u>
Mr. Nessar Ahmed	2/2
Mr. Iftikhar Ahmed Raja	2/2
Mr. Muhammad Arif	2/2
Raja Waheed Zaman	3/3
Mr. Shahzad Sami Qureshi	3/3
Mr. Amjad Hussain Qureshi	5/5
Mr. Muhammad Arshad Khan Kayani	5/5

HR & Remuneration Committee Meetings

During the financial year, five meetings of the HR & Remuneration Committee were held while attendance by each Director is given below;

<u>Name of Directors</u>	<u>Number of meetings</u>
	<u>attended</u>
Mr. Iftikhar Ahmed Raja	1/1
Mr. Muhammad Yaqoob	1/1
Mr. Shahzad Sami Qureshi	4/4
Mr. Amjad Hussain Qureshi	4/4
Mr. Muhammad Arshad Khan Kayani	5/5

Transfer Pricing Policy Compliance

Transactions involving related parties arising in normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation mode as admissible. The company has fully complied with best practice on transfer pricing as contained in listing regulation of stock exchanges in Pakistan.

COMPARISON OF KEY FINANCIAL DATA OF THE LAST SIX FINANCIAL YEARS

	Year Ended June 30			(Rs. in million)		
	2014	2013	2012	2011	2010	2009
Non Current Assets	276.218	318.469	361.320	381.061	397.196	405.265
Share Capital and Reserves	798.286	751.044	713.323	659.628	687.641	591.274
Revenue	732.659	771.645	775.691	675.119	1,058.616	1,042.099
Operating Profit	96.778	129.214	56.946	16.501	227.093	227.643
Profit before taxation	150.393	143.683	121.280	37.379	249.541	248.947
Profit after taxation	99.715	96.046	78.409	22.953	159.093	161.816
Earning per Share - Rupees	10.17	9.80	8.00	2.34	20.29	20.64
Dividend (%) - Cash	60	50	50	25	80	70
- Bonus Shares	-	-	25	-	-	-

Statement of Compliance with the Code of Corporate Governance

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in the listing regulations of all the three Stock Exchanges of the Country for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the Code in the following manner:

1. The Company encourages representation of independent non-executive directors and directors representing minority on its Board of Directors. At present, the Board includes;

Name	Category
Mr. Muhammad Khalid Rao	Non-Executive Director
Mr. Jamil Anwar	Non-Executive/ Independent Director
Mr. Muhammad Arshad Khan Kayani	Executive Director
Mr. Shahzad Sami Qureshi	Non-Executive Director
Raja Waheed Zaman	Non-Executive Director
Mr. Taimur Faiz Cheema	Non-Executive Director
Mr. Amjad Hussain Qureshi	Non-Executive Director

The independent directors meet the criteria for independence under the CCG.

2. The Directors of the Company have confirmed that none of them is serving as a Director in more than seven listed companies including this Company.
3. All the resident Directors of the Company are registered taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI, an NBFIs or being a member of a Stock Exchange has been declared as a defaulter by that Stock Exchange.
4. All casual vacancies in the Board were filled in within 90 days thereof.
5. The Company has prepared code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures
6. The Board has developed vision/mission statement, overall corporate strategy and significant policies of the Company.
7. A complete record of particulars of significant policies and Board decisions along with the dates on which they were approved or amended has been maintained.

8. The powers of the Board have been duly exercised and decision on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive, other executive and non-executive Directors have been taken by the Board/ Shareholders.
9. The meetings of the Board were presided over by the Chairman and held at least in each quarter. Written notices of Board meetings, along with agenda and working papers were circulated at least seven days before the meetings. Where the period was short for emergent meetings, it was agreed by the members of the Board. The minutes of the meetings were appropriately recorded and circulated.
10. All the Directors on the Boards have adequate exposure of corporate matters and are well aware of their duties and responsibilities. Appropriate orientation courses of the Directors were arranged in consultation with the Board.
11. The Board approves appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment.
12. The Directors' Report for this year has been prepared in compliance with the requirements of the Code of Corporate Governance and fully describes the salient matters which are required to be disclosed.
13. The Chief Executive and CFO have duly endorsed the financial statements of the Company before approval of the Board.
14. The Board, as required by CCG for reporting on trade in shares of the Company, has defined that the expression "Executive" shall mean the Chief Financial Officer, Company Secretary, Head of Internal Audit, Departmental Heads including managerial posts of the Company by whatever name called.
15. The Directors, Chief Executive and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding. None of the Chief Executive, Directors, Chief Financial Officer, Company Secretary, their spouse and minor children made any sale/ purchase of Company's share during the financial year.
16. The Company has complied with all the corporate and financial reporting requirements of the Code of Corporate Governance.
17. The Board has formed an Audit Committee. It comprises three members, of whom all are non-executive Directors including the Chairman of the Committee.
18. The Board has formed an HR & Remuneration Committee comprising of three members. Two members are non-executive including the Chairman while one is executive director.
19. The Board has set-up an effective internal audit function, members of which are considered suitably qualified and experienced for the purpose and are conversant with the policies and the procedures of the Company.
20. The meetings of the Audit Committee were held in every quarter prior to approval of the interim and final results of the Company as required by the Code of Corporate Governance. The terms of reference of the Audit Committee have been formed and duly approved by the Board and advised to the Committee for compliance.
21. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on the code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.

22. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Listing Regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
23. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of Company's securities, was determined and intimated to directors, employees and stock exchange(s).
24. Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).
25. We confirm that all other material principles contained in the Code have been complied with.

For and on Behalf of the Board

**Islamabad
October 02, 2015**

**Muhammad Arshad Khan Kayani
Chief Executive**

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Pak Datacom Limited** as at **June 30, 2015** and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) in our opinion, proper books of accounts have been kept by the company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
 - (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - (ii) the expenditure incurred during the year was for the purpose of the company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the company's affairs as at June 30, 2015 and of the profit, its comprehensive income, its cash flows and changes in equity for the year then ended; and
- (d) in our opinion, Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 was deducted by the company and deposited in the Central Zakat Fund established under Section 7 of that Ordinance.

DATED: October 02, 2015
ISLAMABAD

HLB IJAZ TABUSSUM & CO.
Chartered Accountants
Engagement Partner
IJAZ AKBER - FCA

REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the 'Code') prepared by the Board of Directors of Pak Datacom Limited (the 'Company') for the year ended June 30, 2015 to comply with the requirements of Listing Regulation No. 35 of the Karachi, Lahore and Islamabad Stock Exchanges where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any no-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

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

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism.

We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended June 30, 2015.

**DATED: October 02, 2015
ISLAMABAD**

HLB IJAZ TABUSSUM & CO.
Chartered Accountants
Engagement Partner
IJAZ AKBER - FCA

**BALANCE SHEET
AS AT JUNE 30, 2015**

	<u>Note</u>	<u>June 30, 2015 Rupees</u>	<u>June 30, 2014 Rupees</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital-100,000,000 ordinary shares (June 2014: 100,000,000) of Rupees 10 each		1,000,000,000	1,000,000,000
Issued, subscribed and paid up capital	4	98,010,000	98,010,000
Reserves	5	717,269,198	700,276,769
		815,279,198	798,286,769
NON-CURRENT LIABILITIES			
Deferred taxation	6	-	2,291,509
Employees' retirement and other service benefits- leave encashment	7	39,330,185	32,220,966
		39,330,185	34,512,475
CURRENT LIABILITIES			
Customers' deposits		114,481,932	103,622,326
Trade and other payables	8	87,219,208	125,812,835
Provision for taxation		49,039,681	57,638,970
		250,740,821	287,074,131
		1,105,350,204	1,119,873,375
CONTINGENCIES AND COMMITMENTS			
	9		
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	10	248,584,782	269,065,862
Intangible assets	11	6,725,250	7,152,250
		255,310,032	276,218,112
Deferred taxation	6	4,066,734	-
CURRENT ASSETS			
Trade debts	12	99,953,056	94,165,212
Advances	13	166,695,112	246,776,927
Trade deposits and short term prepayments	14	80,713,563	65,586,683
Other receivables		11,975,667	6,491,821
Interest accrued		4,161,824	4,176,985
Advance tax		62,169,443	64,312,048
Short term investments	15	334,844,000	295,875,000
Cash and bank balances	16	85,460,773	66,270,587
		845,973,438	843,655,263
		1,105,350,204	1,119,873,375

The annexed notes from 1 to 33 form an integral part of these financial statements.

Amjad Hussain Qureshi
Director

Muhammad Arshad Khan Kayani
Chief Executive

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2015**

	Note	June 30, 2015 Rupees	June 30, 2014 Rupees
Revenue	18	706,422,030	732,659,578
Cost of services	19	(487,017,323)	(529,775,100)
Gross profit		<u>219,404,707</u>	<u>202,884,478</u>
Administrative expenses	20	(101,222,847)	(89,786,543)
Marketing expenses	21	(22,870,862)	(16,319,903)
		<u>(124,093,709)</u>	<u>(106,106,446)</u>
Operating profit		95,310,998	96,778,032
Other income/ (loss)	22	37,966,038	55,400,964
		<u>133,277,036</u>	<u>152,178,996</u>
Finance cost		(1,536,215)	(1,785,643)
Profit before taxation		<u>131,740,821</u>	<u>150,393,353</u>
Provision for taxation	23	(43,595,184)	(50,677,418)
Profit after taxation		<u>88,145,637</u>	<u>99,715,935</u>
Earning per share	24	<u>8.99</u>	<u>10.17</u>

The annexed notes from 1 to 33 form an integral part of these financial statements.

Amjad Hussain Qureshi
Director

Muhammad Arshad Khan Kayani
Chief Executive

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Note</u>	<u>June 30, 2015 Rupees</u>	<u>June 30, 2014 Rupees</u>
Profit after taxation		88,145,637	99,715,935
Other comprehensive income/ (loss)			
Actuarial gains/ (losses) recognised in OCI	25	(12,347,208)	(3,468,650)
Total comprehensive income		<u>75,798,429</u>	<u>96,247,285</u>

The annexed notes from 1 to 33 form an integral part of these financial statements.

Amjad Hussain Qureshi
Director

Muhammad Arshad Khan Kayani
Chief Executive

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2015

	Note	June 30, 2015 Rupees	June 30, 2014 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period before taxation		131,740,821	150,393,353
<u>Adjustments for non-cash and other items:</u>			
Depreciation		42,700,591	49,807,770
Amortisation-intangible assets		427,000	760,649
Property, plant and equipment- charged off		1,247,822	-
(Gain)/ loss on disposal of property, plant and equipment		(3,513,766)	(3,584,713)
Finance cost		1,536,215	1,785,643
Exchange gain		(5,271,836)	(11,920,413)
Return on bank deposits/ short term investments		(14,624,584)	(12,954,355)
Provision for gratuity		12,159,195	15,338,340
Provision for earned leave encashment		7,662,450	3,697,798
		<u>42,323,087</u>	<u>42,930,719</u>
Operating profit before working capital changes		174,063,908	193,324,072
<u>Movement in working capital:</u>			
<u>(Increase)/decrease in current assets;</u>			
Trade debts - unsecured		(5,787,844)	43,254,004
Advances		80,081,815	(101,571,169)
Trade deposits and short term prepayments		(15,126,880)	11,661,732
Other receivables		(5,483,846)	(5,823,296)
<u>Increase/(decrease) in current liabilities;</u>			
Customers deposits		10,859,606	2,945,916
Trade and other payables		(34,519,751)	(146,131,920)
		<u>30,023,100</u>	<u>(195,664,733)</u>
Cash generated from operations		204,087,008	(2,340,661)
<u>Taxes paid</u>			
Taxes paid		(56,410,111)	(85,801,043)
Gratuity paid/adjusted		(29,479,122)	(14,329,657)
Earned leave paid/ adjusted		(553,231)	(71,827)
Return on bank deposits/ short term investments		14,639,745	12,442,959
Finance cost		(1,536,215)	(1,785,643)
		<u>(73,338,934)</u>	<u>(89,545,211)</u>
Net cash flows from operating activities		130,748,074	(91,885,872)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(26,320,117)	(11,008,960)
Proceeds on the disposal of property, plant and equipment		6,366,550	6,276,190
Net cash flows from investing activities		(19,953,567)	(4,732,770)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(57,907,157)	(48,319,849)
Net increase/ (decrease) in cash and cash equivalents		52,887,350	(144,938,491)
Cash and cash equivalents at the beginning of the year		362,145,587	495,163,665
Effect of foreign exchange rate change		5,271,836	11,920,413
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	17	<u>420,304,773</u>	<u>362,145,587</u>

The annexed notes from 1 to 33 form an integral part of these financial statements.

Amjad Hussain Qureshi
Director

Muhammad Arshad Khan Kayani
Chief Executive

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2015**

	Share capital		Revenue Reserves		Total Rupees
	Issued, subscribed and paid-up Rupees	General reserve Rupees	Unappropriated profit Rupees		
Balance as at June 30, 2013	98,010,000	431,500,000	221,534,484		751,044,484
Total comprehensive income for the year	-	-	96,247,285		96,247,285
Transfer to general reserve	-	50,000,000	(50,000,000)		-
Transactions with owners					
Final dividend for the year ended June 30, 2013 (Rs. 3.00 per share)	-	-	(29,403,000)		(29,403,000)
Interim dividend for the year ended June 30, 2014 (Rs. 2.00 per share)	-	-	(19,602,000)		(19,602,000)
Balance as at June 30, 2014	98,010,000	481,500,000	218,776,769		798,286,769
Total comprehensive income for the year	-	-	75,798,429		75,798,429
Transfer to general reserve	-	50,000,000	(50,000,000)		-
Transactions with owners					
Final dividend for the year ended June 30, 2014 (Rs. 4.00 per share)	-	-	(39,204,000)		(39,204,000)
Interim dividend for the year ended June 30, 2015 (Rs. 2.00 per share)	-	-	(19,602,000)		(19,602,000)
Balance as at June 30, 2015	98,010,000	531,500,000	185,769,198		815,279,198

The annexed notes from 1 to 33 form an integral part of these financial statements.

Amjad Hussain Qureshi
Director

Muhammad Arshad Khan Kayani
Chief Executive

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

1 LEGAL STATUS AND OPERATIONS

Pak Datacom Limited (the Company), a subsidiary of Telecom Foundation, was incorporated in Pakistan on July 13, 1992 as a private limited company under the Companies Ordinance, 1984 and was converted into a public limited company on June 26, 1994. The Company started its commercial activities on July 1, 1994. The Company is listed on all stock exchanges of Pakistan. The registered office of the Company is located at 1st Floor, TF Complex, 7 - Mauve Area, G - 9/4, Islamabad. The objective of the Company is to set up, operate and maintain a network of data communication and to serve the needs of the subscribers against approved tariff charges. The Company is also authorised to carry out any business relating to communication and information technology whether manufacturing or otherwise, that may seem to the Company capable of being conveniently carried on to enhance the value of or render profitable any of the Company's property or rights or which it may be advisable to undertake with a view to improve the profitability of the Company subject to applicable licenses from Pakistan Telecommunication Authority.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan, directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the requirements of Companies Ordinance, 1984. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board as are notified under the provisions of the Companies Ordinance, 1984. Wherever requirements of the Companies Ordinance, 1984 or directives issued by the SECP differ with the requirements of these standards, the requirements of Companies Ordinance, 1984 or the said directives take precedence.

2.2 Adoption of new and revised standards, interpretations and amendments

The new standards and amendments to the approved accounting standards and interpretations that are mandatory for the accounting periods beginning on or after January 01, 2015 are either considered not to be relevant or to have any insignificant impact on the company's operations and therefore, are not detailed in these financial statements.

2.3 Accounting convention

These financial statements have been prepared under the historical cost convention except for recognition of certain employees retirement and other service benefits which are measured at present value.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of measurements

The accounting policies and methods of computation adopted in the preparation of these financial statements are the same as those applied in the preparation of audited annual financial statements for the year ended June 30, 2014.

3.2 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupee which is the Company's functional and presentation currency.

3.3 Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The estimates and associated assumptions are based on historical experience, industry trends, legal and technical pronouncements and various other factors that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised. Significant areas requiring the use of management estimates in these financial statements relate to useful life of depreciable assets, provisions for doubtful debts and provision for income tax and deferred tax. The determination of provision for employee retirement benefits that are defined benefit plans require actuarial valuation. The Company employs the services of professional actuaries to make such estimates and assumptions using actuarial techniques.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

3.4 Employees' retirement and other service benefits

3.4.1 Gratuity

The Company has established an approved gratuity fund under defined benefit plan covering all its employees who have completed the minimum qualifying period of six months of the service. The fund operates under a trust administered by the Board of Trustees. The amount of gratuity admissible shall be a sum equal to one month gross salary drawn immediately preceding the date of his service for each completed year in the Company. Actuarial valuation of the fund was carried out as at June 30, 2015 using Projected Unit Credit (PUC) Actuarial Cost method. Provisions are made annually to cover the obligation based on actuarial valuation and are charged to profit and loss account. The amount recognised in the balance sheet represents the present value of the defined benefit obligation less the fair value of plan assets. The company accounts for actuarial gains/ losses in accordance with IAS-19 "Employee Benefits" revised.

3.4.2 Leave encashment

The Company provides a facility to its employees for accumulating their annual earned leave. Unutilized earned leave may be encashed up to thirty (30) days during the year subject to the Company's approval at any time by retaining minimum forty days leave balance. Up to 100 days of accumulated leaves can be encashed on retirement. Actuarial valuation of the scheme was carried out as at June 30, 2015 using Projected Unit Credit (PUC) Actuarial Cost method. Provisions are made annually to cover the obligation for accumulating compensated absences based on actuarial valuation and are charged to profit. The amount recognised in the balance sheet represents the present value of the benefit obligation.

3.5 Taxation

Current

Provision for taxation is based on taxable income at applicable tax rates after taking into account tax credits and rebates available, if any.

Deferred

The Company provides for deferred taxation using the liability method on all major temporary timing differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all major taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at the balance sheet date. Unrecognised deferred tax assets are re-assessed at each balance sheet date and recognised to the extent that it become probable that future taxable profit will allow deferred tax asset to be recovered. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

3.6 Dividend

Dividend is recognised as a liability in the period in which it is approved.

3.7 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for goods received and services rendered, whether or not billed to the Company.

3.8 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

3.9 Property, plant and equipment

These assets, except free-hold land and capital work in progress, are stated at cost less accumulated depreciation and impairment loss, (if any). Free-hold land and capital work in progress are stated at cost.

Depreciation is charged to profit and loss account using the reducing balance method, at the rates specified in the fixed assets schedule given in note 10. Lease hold land is amortised over the period of leased term.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

Depreciation is charged on additions from the first day of the month in which the asset is available for use while no depreciation is charged in the month in which the asset is disposed off.

Maintenance and normal repairs are charged to profit and loss account in the period in which they are incurred. Assets having cost exceeding the minimum threshold as determined by the management are capitalised.

Gains and losses on disposal of fixed assets are charged to profit and loss account.

3.10 Intangible assets

These are carried at cost less accumulated amortisation and any identified impairment losses. Amortisation is calculated using the straight line method over the period of useful life of the asset at the rates specified in the intangible assets schedule given in note 11. Costs associated with maintaining intangibles are recognised as expense as and when incurred.

Amortisation on additions is charged from the month in which an intangible asset is acquired or capitalised, while no amortisation is charged for the month in which the intangible asset is disposed off.

3.11 Trade debts

Trade debts are originally recognized at nominal value and reduced by doubtful debts. Debts considered bad and irrecoverable are written off when identified. Provision for impairment of trade and receivables is made in financial statements when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables, the basis including age analysis and management understanding of collectability of the debts.

Significant financial difficulties of debtors, probability that the debtor will enter bankruptcy or financial re-organisation and default or delinquency in payments are considered indicators that the trade receivable is impaired.

3.12 Short term investments

Short term investments are kept with different banks in term deposits and may be encashed at any time even before maturity. These are stated at fair values with any resulting gains or losses directly recognised in the profit and loss account.

3.13 Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise of cash in hand and at bank and includes short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Cash and cash equivalents are carried in the balance sheet at cost.

3.14 Operating segments

Operating segments are reported in a manner consistent with the internal reporting.

3.15 Revenue recognition

Revenue arising from provision of data communication, maintenance of network and allied services to customer is recognised as the services are rendered. However, revenue from sale of equipment incidental to rendering of services is recognised on delivery of equipment to customers. Return on bank deposits and short term investments is recognised on accrual basis.

3.16 Joint operation arrangements

The Company has entered into a joint operation arrangement to carry out the cable laying and associated works. The company has accounts for its share of the assets, liabilities, revenue and expenses relating to its interest in the joint operation in accordance with applicable IFRSs.

3.17 Impairment

The carrying amount of the Company's assets are reviewed at the date of each balance sheet to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of such assets is estimated and impairment losses are recognised in the profit and loss account.

3.18 Operating leases

Leases in which a significant portion of the risk and rewards of ownership is retained by the lesser are classified as operating leases. Payments made under operating leases/ Ijara contracts are charged to profit and loss on a straight-line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

3.19 Related party transactions

Transactions involving related parties arising in the normal course of business are conducted at arm's length and at normal commercial rates on the same terms and conditions as third party transactions using valuation modes as admissible.

3.20 Foreign currency transactions and balances

All monetary assets and liabilities in foreign currencies are translated into Pak Rupee at exchange rates prevailing at the balance sheet date. Transactions in foreign currencies are translated into Pak Rupee at the rate prevailing at transaction date. Any component of an exchange gain or loss relating to a recognised change in the fair value of non-monetary asset is charged to profit and loss account.

3.21 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument and de-recognized when the Company loses control of the contractual rights that comprise the financial assets and in case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expires. All financial assets and liabilities are initially recognized at fair value plus transaction costs other than financial assets and liabilities carried at fair value through profit or loss. Financial assets and liabilities carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are charged to income for the year. These are subsequently measured at fair value, amortized cost or cost, as the case may be. Any gain or loss on derecognition of financial assets and financial liabilities is included in income for the year;

Financial Assets

Classification and subsequent measurement

The Company classifies its financial assets in the following categories: investments at fair value through profit or loss, held-to-maturity investments, loans and receivables and available for sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Regular purchases and sales of financial assets are recognized on the trade date - the date on which the Company commits to purchase or sell the asset.

Fair value through profit or loss

Financial assets at fair value through profit or loss, include financial assets held for trading and financial assets, designated upon initial recognition, at fair value through profit or loss. Financial assets at fair value through profit or loss are carried in the balance sheet at their fair value, with changes therein recognized in the income for the year. Assets in this category are classified as current assets.

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Company has the positive intention and ability to hold these assets to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments, that are not quoted in an active market. After initial measurement, these financial assets are measured at amortized cost, using the effective interest rate method, less impairment. The Company's loans and receivables comprise 'Trade debts', 'Trade deposits', 'Advances', 'Accrued interest', 'Due from associated companies', 'Other receivables' and 'Cash and bank balances'.

Available-for-sale

Available-for-sale financial assets are non-derivatives, that are either designated in this category, or not classified in any of the other categories. These are included in non-current assets, unless management intends to dispose them off within twelve months of the date of the balance sheet. After initial measurement, available-for-sale financial investments are measured at fair value, with unrealized gains or losses recognized as other comprehensive income, until the investment is derecognized, at which time the cumulative gain or loss is recognized in income for the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

Financial Liabilities

Initial recognition and measurement

The Company classifies its financial liabilities at fair value through profit or loss and other financial liabilities. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of other financial liabilities, also include directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Fair value through profit or loss

Financial liabilities at fair value through profit or loss, include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liabilities upon initial recognition as being at fair value through profit or loss.

Other financial liabilities

After initial recognition, other financial liabilities are measured at amortized cost using the effective interest rate method.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the balance sheet, if the Company has a legally enforceable right to set-off the recognized amounts, and the Company either intends to settle on a net basis, or realize the asset and settle the liability simultaneously.

	June 30, 2015 Rupees	June 30, 2014 Rupees
4 ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
5,400,000 (June 2014: 5,400,000) ordinary shares of Rs. 10/- each fully paid in cash	54,000,000	54,000,000
4,401,000 (June 2014: 4,401,000) ordinary shares of Rs. 10/- each issued as fully paid bonus shares	44,010,000	44,010,000
	<u>98,010,000</u>	<u>98,010,000</u>

Out of total issued share capital, 5,398,353 (June 2014: 5,398,353) ordinary shares are held by Telecom Foundation, Pakistan.

	June 30, 2015 Rupees	June 30, 2014 Rupees
5 RESERVES		
Revenue		
General	531,500,000	481,500,000
Unappropriated profit	185,769,198	218,776,769
	<u>717,269,198</u>	<u>700,276,769</u>

6 DEFERRED TAXATION

Deferred tax has been calculated at the corporate tax rate of 33% (June 2014: 34%) arising on account of accelerated depreciation on property, plant & equipment of Rs 23.01 million (June 2014: Rs. 29.52 million), accelerated amortisation on intangible assets of Rs. 0.42 million (June 2014: Rs 0.37 million) and provisions of Rs. 27.50 million (June 2014: Rs. 27.61 million).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

	Note	June 30, 2015 Rupees	June 30, 2014 Rupees
7 EMPLOYEES' RETIREMENT AND OTHER SERVICE BENEFITS- LEAVE ENCASHMENT			
Opening balance		32,220,966	28,594,995
Add: provision for the period	7.1	7,662,450	3,697,798
		39,883,416	32,292,793
Less: payments/adjustments during the period		(553,231)	(71,827)
Net payable		39,330,185	32,220,966
7.1 Leave encashment			
Results of actuarial valuation as on June 30 are as follows;			
Projected benefits obligations (PBO)		37,227,299	30,099,232
Payables		2,102,886	2,121,734
Total actuarial liability		39,330,185	32,220,966
Liability provision as at June 30 (previous year)		(32,220,966)	(28,594,995)
Less: payments/adjustments during the year		553,231	71,827
Increase in provision		7,662,450	3,697,798
7.2 Actuarial assumptions			
Valuation discount rate		10.50% p.a.	13.50% p.a.
Salary increase rate- 1 year		10.00% p.a.	13.50% p.a.
Salary increase rate- long term		10.50% p.a.	13.50% p.a.
Leave accumulation factor		15 days p.a.	15 days p.a.
8 TRADE AND OTHER PAYABLES			
Advances from customers		5,625,484	6,343,191
Trade creditors		54,063,705	69,233,094
License fee payable		3,587,886	3,742,331
Accrued liabilities		4,900,297	16,924,573
Taxes payable		847,027	7,300,961
Employees' retirement and other service benefits - Gratuity payable	8.1	10,386,752	15,359,471
Unclaimed dividend		7,808,057	6,909,214
		87,219,208	125,812,835
8.1 Employees' retirement and other service benefits - Gratuity payable			
Opening balance - (receivable)/ payable		15,359,471	10,882,138
Actuarial gains/ (losses) recognised in OCI		12,347,208	3,468,650
Provision for the period		12,159,195	15,338,340
		39,865,874	29,689,128
Less: Contribution paid to gratuity fund		(29,479,122)	(14,329,657)
Payable to defined benefit obligation		10,386,752	15,359,471
8.1.1 Disclosure as per IAS-19 (revised 2011) Gratuity fund actuarial valuation as at June 30,			
Reconciliation of payable to / (receivable from) defined benefit plan			
Present value of defined benefit obligation		157,062,133	123,161,172
Gratuity due but not paid		2,882,468	3,048,808
Total actuarial liability		159,944,601	126,209,980
Fair value of any plan assets		(149,557,849)	(110,850,509)
		10,386,752	15,359,471

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

	June 30, 2015 Rupees	June 30, 2014 Rupees
<u>Movement in net liability/ (asset) recognised</u>		
Opening net liability	15,359,471	10,882,138
OCI	12,347,208	3,468,650
Expense for the year	12,159,195	15,338,340
Contributions	(29,479,122)	(14,329,657)
Closing net liability	<u>10,386,752</u>	<u>15,359,471</u>
<u>Charge for/ (income from) the defined benefit plan</u>		
Current service cost	12,075,508	15,266,937
Net Interest	83,687	71,403
	<u>12,159,195</u>	<u>15,338,340</u>
<u>Actuarial assumptions:</u>		
- Valuation discount rate	10.50 %	13.50 %
- Salary increase rate- short term (1 year)	10.00 %	10.00 %
- Salary increase rate- long term	10.50 %	13.50 %
- Expected return on plan assets	10.50 %	13.50 %
<p>The expected return on plan assets is based on the market expectations and depend upon the asset portfolio of the Company, at the beginning of the year, for return over the entire life of the related obligation. The total contribution required for the next one year works out to Rs. 8,849,941 (June 2014: Rs. 12,075,507). The actual return on plan assets amounts to Rs.10,739,802 (June 2014: Rs. 8,501,045).</p>		
	June 30, 2015 Rupees	June 30, 2014 Rupees
<u>Working for disclosure as per IAS-19 (revised 2011)</u>		
<u>Actuarial (gain)/ loss in obligations</u>		
Present value of obligation (opening balance)	126,209,980	99,024,245
Current service cost	12,075,508	15,266,937
Interest cost	16,936,315	11,024,668
Payments made during the year	(1,511,584)	(122,300)
Actuarial loss on obligation (balancing figure)	6,234,382	1,016,430
Present value of obligation as at June 30	<u>159,944,601</u>	<u>126,209,980</u>
<u>Actuarial gain / (loss) in assets</u>		
Total assets (opening balance)	110,850,509	88,142,107
Expected return on plan assets	16,852,628	10,953,265
Contributions	29,479,122	14,329,657
Payments made during the year	(1,511,584)	(122,300)
Actuarial gain / (loss) on assets (balancing figure)	(6,112,826)	(2,452,220)
Fair value of the plan assets as at June 30	<u>149,557,849</u>	<u>110,850,509</u>
<u>Actuarial gains / (losses) recognised in OCI</u>		
Actuarial loss on obligations	(6,234,382)	(1,016,430)
Actuarial gain / (loss) on assets	(6,112,826)	(2,452,220)
Actuarial gains / (losses) recognised in OCI	<u>(12,347,208)</u>	<u>(3,468,650)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

	June 30, 2015 Rupees	June 30, 2014 Rupees
<u>Expense / (income) for the year ended June 30</u>		
Current service cost	12,075,508	15,266,937
Net interest cost	83,687	71,403
	<u>12,159,195</u>	<u>15,338,340</u>
<u>(Asset)/ liability to be recognized in the balance sheet</u>		
Present value of defined benefit obligation	159,944,601	126,209,980
Fair value of any plan assets	(149,557,849)	(110,850,509)
	<u>10,386,752</u>	<u>15,359,471</u>
<u>Movement in net asset / (liability) in balance sheet</u>		
Movement in net liability/ (asset) recognised		
Opening liability/ (asset)	15,359,471	10,882,138
OCI	12,347,208	3,468,650
Expense for the year	12,159,195	15,338,340
Contributions	(29,479,122)	(14,329,657)
Closing net liability	<u>10,386,752</u>	<u>15,359,471</u>

	June 30, 2015 Rupees	June 30, 2014 Rupees	June 30, 2013 Rupees	June 30, 2012 Rupees	June 30, 2011 Rupees
			(Restated)	(Restated)	(Restated)
<u>Composition of plan assets</u>					
Amount invested in TDRs	143,600,000	93,000,000	82,000,000	72,000,000	72,500,000
Fair value					
TDRs	143,127,484	93,595,827	83,688,451	73,415,689	72,985,791
Amount in banks	4,711,825	16,236,432	4,453,656	4,796,800	1,473,425
Total value assets as at June 30,	<u>147,839,309</u>	<u>109,832,259</u>	<u>88,142,107</u>	<u>78,212,489</u>	<u>74,459,216</u>
Percentage of investment (in TDRs)	97%	85%	95%	94%	98%
Realizable value					
TDRs	144,846,024	94,614,077	84,192,313	73,584,388	73,387,483
Amount in banks	4,711,825	16,236,432	4,453,656	4,796,800	1,473,425
Total value assets as at June 30,	<u>149,557,849</u>	<u>110,850,509</u>	<u>88,645,969</u>	<u>78,381,188</u>	<u>74,860,908</u>
<u>Gratuity fund experience</u>					
<u>Adjustment funding</u>					
<u>(surplus)/ deficit</u>					
Present value of obligation	159,944,601	126,209,980	99,024,245	89,409,816	74,682,643
Fair value of any plan assets	(149,557,849)	(110,850,509)	(88,142,107)	(78,212,489)	(74,459,216)
Net defined benefit obligation	<u>10,386,752</u>	<u>15,359,471</u>	<u>10,882,138</u>	<u>11,197,327</u>	<u>223,427</u>
<u>Remeasurement of;</u>					
gain/ (loss) on obligation	6,234,382	1,016,430	(3,682,943)	4,338,965	(3,324,749)
gain/ (loss) on plan assets	6,112,826	2,452,220	3,202,383	1,040,423	(2,197,638)
Other comprehensive (income)/ loss	12,347,208	3,468,650	(480,560)	5,379,388	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

9 CONTINGENCIES AND COMMITMENTS

- 9.1** Guarantees and letter of credits issued by the bank on behalf of the Company amounted to Rs. 273.92 million (June 2014: Rs. 274.33 million).
- 9.2** The Company had entered into an agreement with a reseller of satellite bandwidth in Pakistan for provisioning of satellite segment. Due to certain technical issues, the bandwidth was never operational or utilised. Management after appropriate measures for the recovery of advance payments of US\$ 0.64 million; equivalent to Rs. 64.56 million (June 2014: US\$ 0.64 million; equivalent to Rs. 62.41 million) referred the matter to the arbitration, which in its award given on May 03, 2012 imposed additional payment of US \$ 0.64 million; equivalent to Rs. 64.56 million on the Company. The Company has filed the case in Islamabad High Court against the award, outcome of which is still pending. The Company had made provision against the advance payment of US \$ 0.64 million; equivalent to Rs. 64.56 million during the year ended June 30, 2012 as a matter of abandon caution. However the Board and the management is of the opinion that the maximum loss even if the case is decided against the Company will not exceed US\$ 1.27 million; equivalent to Rs. 129.12 million (June 2014 : US\$ 1.27 million; equivalent to Rs. 124.83 million). The reseller had also filed a counter claim in the Civil Court, Islamabad for recovery of the Arbitration Award, which has been adjourned sine-die since the matter is already in the Honourable Islamabad High Court.
- 9.3** The Company did not withheld tax on dividend amounting to Rs. 0.90 million (June 2014: Rs. 0.90 million) due to exemption available under clause 47B of the second schedule of Income Tax Ordinance 2001. The CIT (Appeals) in the appeal has withheld the decision of tax levied by the tax authority and appeal is now pending with the Income Tax Appellate Tribunal, Islamabad. The case is expected to be decided in favour of the Company.
- 9.4** Capital commitments outstanding in respect of purchase of equipment amounted to Rs. 58.72 million (June 2014: Rs. 48.28 million).

	Note	June 30, 2015 Rupees	June 30, 2014 Rupees
10 PROPERTY, PLANT AND EQUIPMENT			
Net book value - Pakistan	10.1, 10.5	248,118,690	268,477,382
Net book value - UAE	10.2, 10.6	466,092	588,480
		<u>248,584,782</u>	<u>269,065,862</u>

10.1 PROPERTY, PLANT AND EQUIPMENT - PAKISTAN - JUNE 30, 2015

Particulars	C O S T				Rate %	D E P R E C I A T I O N				Net book value as at 30-Jun-15 Rs.
	As at 1-Jul-14 Rs.	For the Year		As at 30-Jun-15 Rs.		As at 1-Jul-14 Rs.	For the Year		As at 30-Jun-15 Rs.	
		Additions Rs.	Disposals Rs.				Additions Rs.	Disposals Rs.		
Free hold land	38,400,000	-	-	38,400,000	-	-	-	-	38,400,000	
Free hold office building	22,318,020	-	-	22,318,020	5	5,895,995	821,101	-	6,717,096	15,600,924
Lease hold land	2,884,000	-	-	2,884,000	1.2	141,456	32,911	-	174,367	2,709,633
Lease hold office building	7,006,000	-	-	7,006,000	5	1,309,049	284,848	-	1,593,897	5,412,103
Datacom system machinery	705,068,372	10,425,235	(14,499,973)	700,993,634	20	527,661,010	36,248,065	(11,078,568)	552,830,507	148,163,127
Office equipment	13,171,406	2,062,197	(107,775)	15,125,828	25	9,918,181	1,068,830	(52,797)	10,934,214	4,191,614
Testing equipment	26,260,193	3,627,583	(67,392)	29,820,384	10	12,234,216	1,595,304	(36,855)	13,792,665	16,027,719
Air conditioners	4,232,266	692,202	-	4,924,468	10	1,642,910	273,954	-	1,916,864	3,007,604
Furniture and fixtures	3,830,002	-	-	3,830,002	10	2,530,606	129,940	-	2,660,546	1,169,456
Vehicles	27,799,434	9,512,900	(3,412,466)	33,899,868	20	21,158,888	2,123,250	(2,818,780)	20,463,358	13,436,510
	<u>850,969,693</u>	<u>26,320,117</u>	<u>(18,087,606)</u>	<u>859,202,204</u>		<u>582,492,311</u>	<u>42,578,203</u>	<u>(13,987,000)</u>	<u>611,083,514</u>	<u>248,118,690</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

10.2 PROPERTY, PLANT AND EQUIPMENT - UAE - JUNE 30, 2015

Particulars	C O S T				Rate %	D E P R E C I A T I O N				Net book value as at 30-Jun-15 Rs.
	As at 1-Jul-14 Rs.	For the Year		As at 30-Jun-15 Rs.		As at 1-Jul-14 Rs.	For the Year		As at 30-Jun-15 Rs.	
		Additions Rs.	Disposals Rs.				Additions Rs.	Disposals Rs.		
Plant and equipment	639,623	-	-	639,623	20	144,981	98,928	-	243,909	395,714
Office equipment	130,558	-	-	130,558	25	36,720	23,460	-	60,180	70,378
	770,181	-	-	770,181		181,701	122,388	-	304,089	466,092
	851,739,874	26,320,117	(18,087,606)	859,972,385		582,674,012	42,700,591	(13,987,000)	611,387,603	248,584,782

10.3 1st charge of Rs. 140.00 million (June 2014: Rs. 140.00 million) on fixed assets, present and future current assets of the Company of Rs. 400.00 million (June 2014: Rs. 400.00 million) with lien on import documents and US\$ 1.50 million; equivalent to Rs. 150.29 million (June 2014: US\$ 1.50 million; equivalent to Rs. 147.53 million) in shape of F.C-FDR (proportionately adjustable on receipt of shipping documents under letter of credit) has been created in favour of Soneri Bank Limited for an unfunded facility of Rs. 273.53 million (June 2014: Rs. 281.05 million).

10.4 DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT- JUNE 30, 2015

Particulars	Cost Rs.	Accumulat Depreciation Rs.	Net book value Rs.	Disposal Proceeds/ Adjustments Rs.	Mode of disposal	Particulars of Disposal
Datacom system machinery						
-Vsat equipment						
Satellite Modems	11,847,940	9,378,776	2,469,164	4,526,550	Sold	M/S Speedcast Limited, 9/F Phase II China Taiping Tower, 8 Sunnung Road, Causeway Bay, Hong Kong
Vsat Equipment - Misc.	1,809,952	1,008,155	801,797	-	Charged off	Damaged and charged off
	13,657,892	10,386,931	3,270,961	4,526,550		
-Packet switches DXX equipment	842,081	691,637	150,444	-	Charged off	Damaged and charged off
	14,499,973	11,078,568	3,421,405	4,526,550		
Office equipment						
Laptop Compaq	52,200	43,824	8,376	-	Charged off	Damaged and charged off
Laptop Dell	55,575	8,973	46,602	-	Compensation	Compensation to deceased employee
	107,775	52,797	54,978	-		
Testing equipment	67,392	36,855	30,537	-	Charged off	Damaged and charged off
Vehicles						
Motor- vehicles						
Suzuki Liana 2010 MW 428	860,000	338,934	210,066	-	Compensation	Compensation to deceased employee
Suzuki Bolan 2008 CT 2140	549,000	663,864	196,136	330,000	Insurance claim	M/S Adamjee Insurance Company, Islamabad
Suzuki Mehran 1999 IDJ-7604	339,880	332,068	7,812	284,545	Auctioned	Nisar Ahmad (37405-1567737-3), Wah Cantt
Suzuki Bolan 2007 LY-763	404,000	335,960	68,040	428,182	Auctioned	Amjad Ali (37406-1653495-9), Wah cantt
Suzuki Alto 2004 HG-127	467,850	426,825	41,025	288,182	Auctioned	Shahid Baig (37406-5240016-7), Taxilla
Suzuki Bolan 2004 HF-974	397,793	362,321	35,472	279,091	Auctioned	Amjad Ali (37406-1653495-9), Wah Cantt
Suzuki Bolan 2005 CN-8693	393,943	358,808	35,135	230,000	Auctioned	Shahid Baig (37406-5240016-7), Taxilla
	3,412,466	2,818,780	593,686	1,840,000		
	18,087,606	13,987,000	4,100,606	6,366,550		

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

10.5 PROPERTY, PLANT AND EQUIPMENT - PAKISTAN - JUNE 30, 2014

Particulars	C O S T				Rate %	D E P R E C I A T I O N				Net book value as at 30-Jun-14 Rs.
	As at 1-Jul-13	For the Year		As at 30-Jun-14		As at 1-Jul-13	For the Year		As at 30-Jun-14	
	Rs.	Additions Rs.	Disposals Rs.	Rs.		Rs.	Additions Rs.	Disposals Rs.	Rs.	
Free hold land	38,400,000	-	-	38,400,000	-	-	-	-	38,400,000	
Free hold office building	22,318,020	-	-	22,318,020	5	5,031,678	864,317	-	5,895,995	16,422,025
Lease hold land	2,884,000	-	-	2,884,000	1.2	108,146	33,310	-	141,456	2,742,544
Lease hold office building	7,006,000	-	-	7,006,000	5	1,009,209	299,840	-	1,309,049	5,696,951
Datacom system machinery	696,379,550	9,585,669	(896,847)	705,068,372	20	484,539,180	43,792,845	(671,015)	527,661,010	177,407,362
Office equipment	12,461,526	762,080	(52,200)	13,171,406	25	9,030,463	928,750	(41,032)	9,918,181	3,253,225
Testing equipment	26,260,193	-	-	26,260,193	10	10,675,774	1,558,442	-	12,234,216	14,025,977
Air conditioners	3,634,665	597,601	-	4,232,266	10	1,406,937	235,973	-	1,642,910	2,589,356
Furniture and fixtures	3,766,392	63,610	-	3,830,002	10	2,389,804	140,802	-	2,530,606	1,299,396
Vehicles	36,999,784	-	(9,200,350)	27,799,434	20	26,106,210	1,798,551	(6,745,873)	21,158,888	6,640,546
	850,110,130	11,008,960	(10,149,397)	850,969,693		540,297,401	49,652,830	(7,457,920)	582,492,311	268,477,382

10.6 PROPERTY, PLANT AND EQUIPMENT - UAE - JUNE 30, 2014

Particulars	C O S T				Rate %	D E P R E C I A T I O N				Net book value as at 30-Jun-14 Rs.
	As at 1-Jul-13	For the Year		As at 30-Jun-14		As at 1-Jul-13	For the Year		As at 30-Jun-14	
	Rs.	Additions Rs.	Disposals Rs.	Rs.		Rs.	Additions Rs.	Disposals Rs.	Rs.	
Plant and equipment	639,623	-	-	639,623	20	21,321	123,660	-	144,981	494,642
Office equipment	130,558	-	-	130,558	25	5,440	31,280	-	36,720	93,838
	770,181	-	-	770,181		26,761	154,940	-	181,701	588,480
	850,880,311	11,008,960	(10,149,397)	851,739,874		540,324,162	49,807,770	(7,457,920)	582,674,012	269,065,862

11 INTANGIBLE ASSETS - JUNE 30, 2015

Particulars	C O S T				Rate %	A M O R T I S A T I O N				Net book value as at 30-Jun-15 Rs.
	As at 1-Jul-14	For the Year		As at 30-Jun-15		As at 1-Jul-14	For the Year		As at 30-Jun-15	
	Rs.	Additions Rs.	Disposals Rs.	Rs.		Rs.	Additions Rs.	Disposals Rs.	Rs.	
Software	3,204,006	-	-	3,204,006	33.33	3,204,006	-	-	3,204,006	-
Infrastructure license	8,540,000	-	-	8,540,000	5	1,387,750	427,000	-	1,814,750	6,725,250
	11,744,006	-	-	11,744,006		4,591,756	427,000	-	5,018,756	6,725,250

11.1 INTANGIBLE ASSETS - JUNE 30, 2014

Particulars	C O S T				Rate %	A M O R T I S A T I O N				Net book value as at 30-Jun-14 Rs.
	As at 1-Jul-13	For the Year		As at 30-Jun-14		As at 1-Jul-13	For the Year		As at 30-Jun-14	
	Rs.	Additions Rs.	Disposals Rs.	Rs.		Rs.	Additions Rs.	Disposals Rs.	Rs.	
Software	3,204,006	-	-	3,204,006	33.33	2,870,357	333,649	-	3,204,006	-
Infrastructure license	8,540,000	-	-	8,540,000	5	960,750	427,000	-	1,387,750	7,152,250
	11,744,006	-	-	11,744,006		3,831,107	760,649	-	4,591,756	7,152,250

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

	Note	June 30, 2015 Rupees	June 30, 2014 Rupees
12 TRADE DEBTS - unsecured			
Trade debts		118,736,883	112,949,039
Less: provision for doubtful debts		(18,783,827)	(18,783,827)
		<u>99,953,056</u>	<u>94,165,212</u>
13 ADVANCES			
Advances - considered good to Suppliers - secured		164,644,779	244,590,789
Employees - unsecured	13.1	2,050,333	2,186,138
		<u>166,695,112</u>	<u>246,776,927</u>
13.1 Advances to employees include Rs. 0.30 million (June 2014: Rs. 0.39 million) given to executives against their salaries.			
14 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Margin and guarantees with banks		6,309,475	4,297,213
Trade deposits	14.1	26,966,261	25,612,038
Prepayments	14.2	47,437,827	35,677,432
		<u>80,713,563</u>	<u>65,586,683</u>
14.1 Trade deposits		59,245,599	56,818,888
Less: Provision for doubtful deposits		(32,279,338)	(31,206,850)
		<u>26,966,261</u>	<u>25,612,038</u>
14.1.1 Change in the doubtful provision as compared to the previous year balance is due to the currency rate fluctuation.			
14.2 Prepayments		79,717,165	66,884,282
Less: Provision for doubtful prepayments		(32,279,338)	(31,206,850)
		<u>47,437,827</u>	<u>35,677,432</u>
14.2.1 Change in the doubtful provision as compared to the previous year balance is due to the currency rate fluctuation.			
15 SHORT TERM INVESTMENTS			
These represent investments in term deposit receipts maturing in the short term and carry interest rate ranging from 1.50 % to 9.40 % (June 2014: 1.25 % to 10.00 %) per annum. Included in these investments are foreign currency term deposit receipts amounting to US\$ 2.80 million; equivalent to Rs. 284.84 million (June 2014: US\$ 2.50 million; equivalent to Rs. 245.87 million). Out of total investments, US\$ 1.30 million; equivalent to Rs. 132.25 million (June 2014: US\$ 1.50 million; equivalent to Rs. 147.53 million) and Rs. 50.00 million (June 2014: Rs. 50.00 million) are pledged against unfunded bank facility.			
16 CASH AND BANK BALANCES			
Cash in hand		-	-
Cash at bank in			
Current accounts	16.1	20,755,543	2,020,853
Deposit accounts	16.2	56,240,740	56,820,360
Current accounts-dividend		8,464,490	7,429,374
		<u>85,460,773</u>	<u>66,270,587</u>
16.1 Current accounts include foreign currency deposits of UAE Dirham 0.52 million equivalent to Rs. 14.28 million (June 2014: UAE Dirham 0.05 million equivalent to Rs. 1.23 million) and US\$0.05 equivalent to Rs. 4.73 million (June 2014: nil).			
16.2 Deposit accounts include foreign currency deposits of US\$ 0.20 million equivalent to Rs. 20.12 million (June 2014: US\$ 0.08 million equivalent to Rs. 7.50 million).			

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

	Note	June 30, 2015 Rupees	June 30, 2014 Rupees
17 CASH AND CASH EQUIVALENTS			
Short term investments		334,844,000	295,875,000
Cash and bank balances		85,460,773	66,270,587
		<u>420,304,773</u>	<u>362,145,587</u>
18 REVENUE			
CVAS Data License		684,238,218	728,707,978
Telecom Infrastructure Provider License		6,667,681	3,951,600
Joint Operations - PDL share		15,516,131	-
		<u>706,422,030</u>	<u>732,659,578</u>
18.1 Revenue is exclusive of Provincial Sales Tax of Rs. 100.70 million (June 2014: Rs. 108.76 million).			
19 COST OF SERVICES			
Channel and local lead rentals		121,406,425	170,364,325
Space segment rentals		116,518,599	133,913,038
Salaries and other benefits	19.1	139,860,470	128,065,908
Repair and maintenance expenses		18,625,282	14,156,343
License fee		3,787,886	4,253,365
Depreciation		42,700,591	49,807,770
Amortisation		427,000	760,649
Travelling and local conveyance		4,830,181	2,837,311
Telephone expenses		1,398,293	911,829
Vehicle running expenses		13,443,508	15,122,465
Insurance		945,035	910,059
Entertainment		985,031	1,130,782
Rent, rates and taxes		3,514,824	2,993,052
Utilities		3,830,897	2,503,388
Operating lease rentals	21.2	2,405,366	2,044,816
Joint Operational expenses - PDL share	19.2	12,337,935	-
		<u>487,017,323</u>	<u>529,775,100</u>
19.1 Salaries and other benefits include employees' retirement and other service benefits of Rs. 13.34 million (June 2014: Rs. 11.61 million).			
20 ADMINISTRATIVE EXPENSES			
Salaries and other benefits	20.1	70,314,721	58,912,201
Travelling and local conveyance		1,897,217	1,004,532
Telephone expenses		1,267,994	1,790,013
Vehicle running expenses		6,351,941	6,756,149
Insurance		251,824	302,593
Entertainment		1,348,807	1,870,434
Rent, rates and taxes		5,306,557	4,873,296
Legal and professional charges		3,988,006	3,462,006
Printing and stationery		1,514,319	1,921,750
Utilities		1,084,862	2,389,812
Welfare expenses		4,196,136	3,000,000
Auditors' remuneration	20.2	785,000	775,900
Operating lease rentals	21.2	2,915,463	2,727,857
		<u>101,222,847</u>	<u>89,786,543</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Note</u>	<u>June 30, 2015 Rupees</u>	<u>June 30, 2014 Rupees</u>
20.1 Salaries and other benefits include employees' retirement and other service benefits of Rs. 5.43 million (June 2014: Rs. 5.91 million) and Directors' remuneration of Rs. 14.10 million (June 2014: Rs. 9.37 million).			
20.2 Auditors' remuneration			
Audit fee		650,000	600,000
Certification fee		115,000	150,500
Out of pocket expenses		20,000	25,400
		<u>785,000</u>	<u>775,900</u>
21 MARKETING EXPENSES			
Advertisement and marketing expenses		3,091,115	1,008,858
Salaries and other benefits	21.1	16,924,766	12,560,961
Travelling and local conveyance		709,360	215,734
Telephone expenses		239,192	360,258
Vehicle running expenses		1,078,907	1,228,289
Insurance		80,129	45,322
Entertainment		29,025	182,113
Operating lease rentals	21.2	718,368	718,368
		<u>22,870,862</u>	<u>16,319,903</u>
21.1 Salaries and other benefits include employees' retirement and other service benefits of Rs. 1.06 million (June 2014: Rs. 1.52 million).			
21.2 All operating (Ijara) lease payments are under cancellable operating lease arrangements and are due as follows;			
For the next one year		6,960,240	5,559,516
More than one year but not later than five year		8,378,382	10,155,787
More than five year		-	-
		<u>15,338,622</u>	<u>15,715,303</u>
22 OTHER OPERATING INCOME/ (LOSS)			
<u>Income from financial assets</u>			
Return on short term investments		11,810,485	10,335,921
Return on bank deposits		2,814,099	2,618,434
Exchange gain		5,271,836	11,920,413
Net income - from other projects	22.1	14,569,782	26,941,483
		<u>34,466,202</u>	<u>51,816,251</u>
<u>Income from non-financial assets</u>			
Gain/(loss) on disposal of property, plant and equipment		3,499,836	3,584,713
		<u>37,966,038</u>	<u>55,400,964</u>
22.1 Included in the net income from other projects is an amount of Rs.10.50 million receipt against reconciliation of UAE G-PON project which was closed in the financial year 2013. No expense was incurred against this income.			

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

	Note	June 30, 2015 Rupees	June 30, 2014 Rupees
23 PROVISION FOR TAXATION			
Current - for the year		49,039,681	57,638,970
Prior years		913,746	(197,595)
Deferred		(6,358,243)	(6,763,957)
	23.1	<u>43,595,184</u>	<u>50,677,418</u>
23.1 Reconciliation of tax charged for the year			
Accounting profit		131,740,821	150,393,353
Tax on accounting profit at 33% (June 2014: 34%)		43,474,470	51,133,740
Tax effect of expenses that are inadmissible for tax purposes		14,151,798	15,711,245
Tax effect of expenses that are admissible for tax purposes		(8,586,587)	(9,206,015)
		<u>49,039,681</u>	<u>57,638,970</u>
Tax effect of prior years		913,746	(197,595)
Tax effect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purposes		(6,358,243)	(6,763,957)
		<u>43,595,184</u>	<u>50,677,418</u>
24 EARNING PER SHARE (BASIC AND DILUTED)			
Profit after taxation		88,145,637	99,715,935
Basic and diluted earnings per share (Pak Rs./share)		<u>8.99</u>	<u>10.17</u>
Weighted average number of ordinary shares as at June 30, 2015 are 9,801,000 (June 2014: 9,801,000) and there are no dilutive ordinary shares till June 30, 2015 (June 2014: Nil).			
25 ACTUARIAL GAINS/ (LOSSES) RECOGNISED IN OCI			
Actuarial loss on obligation		(6,234,382)	(1,016,430)
Actuarial gain/ (loss) on assets		(6,112,826)	(2,452,220)
Actuarial gains/ (losses) recognised in OCI		<u>(12,347,208)</u>	<u>(3,468,650)</u>

26 RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign exchanges rates, market interest rates, credit and liquidity risk associated with various financial assets and liabilities respectively as referred in note 26.4.

The Company finances its operations through equity, short-term borrowings and management of working capital with a view to maintaining a reasonable mix and to minimize risk.

Taken as a whole, risk arising from the Company's financial instruments is limited as there is no significant exposure to market risk in respect of such instruments.

26.1 Market risk

Market risk is the risk that change in market prices, such as foreign exchange rates, interest rates and service charge out rate will effect the Company's incomes or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures with in acceptable parameters, while optimizing the return on risk.

a) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to change in market interest rates. The Company does not have any long term bank borrowing and short term borrowings. The Company adopts policy to make fixed rate investment in instrument like TDRs so as to minimize the interest rate risk.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument was:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

	June 30, 2015 %	June 30, 2014 %	June 30, 2013 Rupees	June 30, 2012 Rupees
Fixed rate instrument				
Financial assets				
Short term investments	1.50 to 9.40	1.25 to 10.00	334,844,000	295,875,000
Bank balances - deposit accounts	4.50 to 5.00	5.00 to 5.00	56,240,740	56,820,360
			<u>391,084,740</u>	<u>352,695,360</u>
Financial liabilities				
			-	-
			<u>391,084,740</u>	<u>352,695,360</u>

The Company does not account for any fixed rate financial asset and liability at fair value through 'profit and loss' therefore a change in interest rate at the balance sheet date would not affect profit or loss of the company.

b) Currency risk

Most of the Company's transactions are carried out in Pak Rupees and US Dollars. Exposure to Company's receivables and payables, which are primarily denominated in the currency other than Pak Rupees, arises from the currency exchange rate fluctuation. The activities of the Company expose it to foreign exchange risk, primarily with respect of US Dollars and AE Dirham. To mitigate the Company's exposure to foreign currency risk, non-Pak Rupees cash flows are monitored in accordance with Company's risk management policies. Generally, the Company's risk management procedures distinguish short-term foreign currency cash flows (due within 6 months) from long-term cash flows. Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no further hedging activity is undertaken.

Foreign currency denominated financial assets and liabilities, translated into Pak Rupees at the closing rate, are as follows:

	June 30, 2015 Rupees	June 30, 2014 Rupees
Short-term exposure		
Financial assets- US Dollars	318,709,222	262,094,135
Financial assets- AED	14,283,533	5,103,052
	<u>332,992,755</u>	<u>267,197,187</u>
Financial liabilities-US Dollars	(106,494,773)	(101,100,191)
	<u>226,497,982</u>	<u>166,096,996</u>
Long-term exposure		
Financial assets	-	-
Financial liabilities	-	-
	<u>-</u>	<u>-</u>

The following table illustrates the sensitivity of the net result for the year and equity in regards to Company's financial assets and liabilities and US Dollar & AE Dirham - Pak Rupee exchange rate .

It assumes a -2.76 % / +1.68 % change of the US-Dollar exchange rate for the year ended June 30, 2015 (June 2014:- -7.80 % / +6.16%) and -2.75 % / +1.67 % (June 2014:- - 6.69 % / +5.70 %) change of the AE Dirham exchange rate for the year ended June 30, 2015. These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on Company's foreign currency financial instruments held at each balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

	June 30, 2015 Rupees	June 30, 2014 Rupees
If the Pak Rupee had strengthened against the US Dollar by -2.76 % (2013: -7.80 %) and against the AE Dirham by -2.75 % (June 2014: -6.69 %) then this would have the following impact:		
<u>US Dollar Currency</u>		
Net result for the year (exchange loss)	(5,829,939)	(13,261,672)
<u>AE Dirham Currency</u>		
Net result for the year (exchange loss)	(391,205)	(356,278)
If the Pak Rupee had weakened against the US Dollar by 1.68 % (June 2014: 6.16 %) and against the AE Dirham by 1.67% (June 2014: 5.70%), then this would have the following impact:		
<u>US Dollar Currency</u>		
Net result for the year (exchange gain)	3,557,311	10,474,090
<u>AE Dirham Currency</u>		
Net result for the year (exchange gain)	237,890	303,534

c) Other price risk

The Company is neither exposed to equity securities price risk nor commodity price risk.

26.2 Credit risk analysis

Credit risk represents the accounting loss that would be recognized on the reporting date if counter parties failed completely to perform as contracted. The Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the balance sheet date, as summarised below:

	June 30, 2015 Rupees	June 30, 2014 Rupees
Classes of financial assets - carrying amounts		
Trade debts - unsecured	99,953,056	94,165,212
Advances	2,050,333	2,186,138
Trade deposits	33,275,736	29,909,251
Other receivables	11,975,667	6,491,821
Interest accrued	4,161,824	4,176,985
Cash and cash equivalent	420,304,773	362,145,587
	<u>571,721,389</u>	<u>499,074,994</u>

The Company's management continuously monitors the defaults of customers and other counterparties, whether of individual or of group. Where available at reasonable cost, external credit ratings on counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

Management considers that all the above financial assets that are not impaired for each of the reporting dates under review are good credit quality, including those that are past due.

Unimpaired trade debts that are past due as at the reporting date can be shown as follows:

	June 30, 2015 Rupees	June 30, 2014 Rupees
Not more than 3 months	40,200,703	55,781,041
More than 3 months but not more than 6 months	10,924,790	11,349,835
More than 6 months but not more than 1 year	17,832,728	23,245,182
More than 1 year	49,778,662	3,789,154
	<u>118,736,883</u>	<u>94,165,212</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

	June 30, 2015 Rupees	June 30, 2014 Rupees
Some of the unimpaired other receivable that are past due as at the reporting date can be shown as follows:		
Not more than 3 months	5,898,846	1,118,070
More than 3 months but not more than 6 months	-	-
More than 6 months but not more than 1 year	145,500	4,706,450
More than 1 year	5,931,321	667,301
	<u>11,975,667</u>	<u>6,491,821</u>

In respect of trade receivables, the Company is not exposed to any significant credit risk exposure to any single counter party or any group of counterparties having similar characteristic. Trade receivables consists of large number of customers in various industries and geographical areas.

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality credit ratings.

26.3 Liquidity risk analysis

Liquidity risk reflects an enterprise's inability in raising funds to meet commitments. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding to an adequate amount of committed credit facilities and the ability to close out market positions due to dynamic nature of business. The Company follows an effective cash flow management and planning policy to ensure the availability of funds and to take appropriate measures for new requirements.

At balance sheet date, the Company's liabilities have contractual maturities which are summarised below:

	June 30, 2015 Rupees	June 30, 2014 Rupees
Financial liabilities		
Customers deposits		
Maturity with in 1 year	114,481,932	103,622,326
Maturity after 1 year	-	-
	<u>114,481,932</u>	<u>103,622,326</u>
Trade and other payables		
Maturity with in 1 year	80,746,697	112,168,683
Maturity after 1 year	-	-
	<u>80,746,697</u>	<u>112,168,683</u>
	<u>195,228,629</u>	<u>215,791,009</u>

The above contractual maturities reflect the gross cash flows, which may differ to the carrying values of the liabilities at the balance sheet date.

26.4 Summary of financial assets and liabilities by category

The carrying amounts of the Company's financial assets and liabilities are recognised at the balance sheet date of the reporting period under review may also be categorised as follow:

	June 30, 2015 Rupees	June 30, 2014 Rupees
Financial assets		
Financial assets are measured at amortised cost		
Trade debts - unsecured	99,953,056	94,165,212
Advances	2,050,333	2,186,138
Trade deposits	33,275,736	29,909,251
Other receivables	11,975,667	6,491,821
Interest accrued	4,161,824	4,176,985
Cash and cash equivalent	420,304,773	362,145,587
	<u>571,721,389</u>	<u>499,074,994</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

	June 30, 2015 Rupees	June 30, 2014 Rupees
Financial liabilities		
Financial liabilities are measured at amortized cost		
Trade and other payables	80,746,697	112,168,683
Customers' deposits	114,481,932	103,622,326
	<u>195,228,629</u>	<u>215,791,009</u>

26.5 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The capital consists of equity as stated in balance sheet. The Board of Directors monitor the return on capital and the level of dividend to the shareholders. There were no changes to the company's approach to capital management during the period and the company is not subject to externally imposed capital requirements.

27 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of holding and associated companies, companies with common directorship, directors, key management staff and employees retirement and other service benefits;

Telecom Foundation

	June 30, 2015 Rupees	June 30, 2014 Rupees
Dividend	32,390,124	26,991,765
Welfare expenses	4,000,000	3,000,000
	<u>36,390,124</u>	<u>29,991,765</u>

27.1 There were no transaction with the holding company (Telecom Foundation) during the period other than those disclosed in these financial statements.

27.2 The Company has no subsidiary company and there are no transactions with companies with common directorship other than those disclosed in these financial statements.

27.3 There were no transactions with the directors and key management personnel other than their terms of employment and are disclosed in note 13 and 28 to these financial statements.

27.4 Transactions regarding employees retirement benefits under the account head of Salaries and other benefits are disclosed in notes 7, 8, 19, 20 and 21 to these financial statements.

28 REMUNERATION TO CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration, including all benefits to the Chief Executive, Directors and Executives of the Company, are as follows;

	June 30, 2015 Rupees			June 30, 2014 Rupees		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
Managerial remuneration	3,612,400	-	23,705,906	2,160,000	-	20,527,045
Other allowances	1,472,000	-	6,729,224	1,924,000	-	5,944,558
Meeting fee/Honorarium/Bonus	2,140,000	6,750,976	6,017,348	1,240,000	4,042,604	6,583,777
Training cost	-	120,000	-	-	-	-
	<u>7,224,400</u>	<u>6,870,976</u>	<u>36,452,478</u>	<u>5,324,000</u>	<u>4,042,604</u>	<u>33,055,380</u>
Number of persons	1	12	13	1	8	12

28.1 The Chief Executive and Executives of the Company are also provided Company maintained vehicles for official purpose only.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

	June 30, 2015	June 30, 2014
29 NUMBER OF EMPLOYEES		
Total number of employees at the end of year	239	236
Average number of employees during the year	238	236

30 OPERATING SEGMENTS

These financial statement have been prepared on the basis of a single reportable segment.

Out of total revenue, 97 % (June 2014: 99.46 %) is generated from CVAS Data License while 3 % (June 2014: Rs. 0.54 %) is generated from Telecom Infrastructure Provider license and other projects.

Revenue from major customers of the Company amounts to Rs. 415.00 million (June 2014: Rs. 446.71 million) representing 57 % (June 2014: 80.18 %) of the total revenue.

Out of total non-current assets of the company, 99.81 % (June 2014: 99.78 %) assets are located in Pakistan.

31 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Company on October 02, 2015.

32 MOVEMENT BETWEEN RESERVES AND PROPOSED DIVIDEND

The Board of Directors in its meeting held on October 02, 2015 approved i) transfer of Rs. 50.00 million (June 2014: Rs. 50.00 million) from unappropriated profit to general reserves; ii) final cash dividend of Rs. 3.00 per share (June 2014: Rs. 4 per share) amounting to Rs. 29.40 (June 2014: Rs. 39.20 million). The financial statements for the year ended June 30, 2015 do not include the effect of aforementioned movement between reserves and proposed dividend.

33 GENERAL

Figures have been rounded off to the nearest Rupee, unless otherwise stated.

Amjad Hussain Qureshi
Director

Muhammad Arshad Khan Kayani
Chief Executive

**PATTERN OF HOLDING OF THE SHARES HELD BY THE
SHAREHOLDERS OF PAK DATACOM LIMITED AS AT JUNE 30, 2015
FORM 34 (SECTION - 236)**

NUMBER OF SHAREHOLDERS	SHAREHOLDING		TOTAL SHARES HELD
	FROM	TO	
1,370	11	100	49,445
370	101	500	111,483
74	501	1,000	58,265
83	1,001	5,000	200,581
23	5,001	10,000	170,774
9	10,001	15,000	115,190
5	15,001	20,000	84,968
1	25,001	30,000	30,000
1	35,001	40,000	39,094
1	40,001	45,000	41,905
1	45,001	50,000	47,000
1	70,001	75,000	72,500
2	80,001	85,000	163,507
1	95,001	100,000	96,500
1	145,001	150,000	150,000
1	175,001	180,000	178,898
1	430,001	435,000	433,200
1	750,001	755,000	750,791
1	755,001	760,000	756,288
1	850,001	855,000	852,258
1	5,395,001	5,400,000	5,398,353
1,949			9,801,000

CATEGORIES OF SHAREHOLDERS	SHARES HELD	PERCENTAGE (%)
Associated Companies	5,398,353	55.08
Directors & Executives	-	-
Insurance Companies	756,288	7.72
Financial Institutions	750,891	7.66
Joint Stock Companies	66,999	0.68
Investment Companies	133	0.00
Others	28,552	0.29
Individuals	2,799,784	28.57
TOTAL	9,801,000	100.00

**NAME WISE DETAIL OF SHAREHOLDERS
AS AT JUNE 30, 2015**

Categories of shareholders	Physical	CDC	Total Shares Held	Percentage (%)
Associated Companies, Undertakings & Related Parties				
Telecom Foundation	5,398,353	-	5,398,353	55.08
NIT & ICP (Name Wise Detail)				
IDBP (ICP Unit)	-	8	8	0.00
Industrial Development Bank of Pakistan	125	-	125	0.00
Insurance Companies				
M/s. State Life Insurance Corp. of Pakistan	-	756,288	756,288	7.72
Financial Institutions				
M/s. National Bank of Pakistan	-	100	100	0.00
M/s. National Bank of Pakistan	-	750,791	750,791	7.66
Mudarabas & Mutual Funds				
CDC - Trustee AKD Opportunity Fund	-	852,258	852,258	8.70
Other Companies				
Ali Husain Rajabali Limited	-	17,000	17,000	0.17
M/s. Y. S. Securities & Services (Pvt) Limited	-	2,175	2,175	0.02
Trustee - NBP Employees Pension Fund	-	16,356	16,356	0.17
Trustee - NBP Employees Benevolent Fund Trust	-	574	574	0.01
M/s. Sarfraz Mahmood (Private) Limited	-	157	157	0.00
Nh Capital Fund Limited	-	6	6	0.00
Maple Leaf Capital Limited	-	1	1	0.00
M/s. Stock Master Securities (Private) Limited	-	57	57	0.00
M/s. Darson Securities (Pvt) Limited	-	53	53	0.00
M/s. Amin Tai Securities (Private) Limited	-	47,000	47,000	0.48
M/s. Al-Haq Securities (Pvt) Limited	-	550	550	0.01
Cdc - Trustee National Investment (unit) Trust	-	178,898	178,898	1.83
Non Residents				
M/s. CMB (1) As Trustee For GT	440	-	440	0.00
M/s. Dester Management Limited	137	-	137	0.00
M/s. Lehman Brothers Securities	13,100	-	13,100	0.13
M/s. Somers Nominees (Far East) Limited	6,765	-	6,765	0.07
M/s. Morgan Stanley Bank Luxembourg	6,385	-	6,385	0.07
M/s. Pictet & Cie	1,725	-	1,725	0.01
General Public	234,754	1,516,944	1,751,698	17.87
	5,661,784	4,139,216	9,801,000	100.00

SHAREHOLDERS HOLDING FIVE PERCENT OR MORE VOTING RIGHTS IN THE COMPANY

Name(s) of Shareholder(s)	Shares Held	Percentage %
Telecom Foundation	5,398,353	55.08
CDC - Trustee AKD Opportunity Fund	852,258	8.70
State Life Insurance Corp. of Pakistan	756,288	7.72
National Bank of Pakistan	750,791	7.66

DIVIDEND MANDATE FORM

Dear Shareholder,

Re: Dividend Mandate Form

With reference to the captioned subject, it is to inform you that under Section 250 of the Companies Ordinance 1984 a shareholder may, if so desire, directs the Company to pay dividend through his/her/its Bank Account.

In pursuance of the directions given by the Securities & Exchange Commission of Pakistan vide Circular Number 19 of 2012 & Reference No. SMD/CJW/Misc/19/2009 date June 05, 2012, I/we _____ request being the registered shareholder of _____ having Folio No. _____ hereby gives the opportunity to authorize the Company to directly credit in your bank account cash dividend, if any, declared by the Company in future.

[PLEASE NOTE THAT THIS DIVIDEND MANDATE IS OPTIONAL AND NOT COMPULSORY, IN CASE YOU DO NOT WISH YOUR DIVIDEND TO BE DIRECTLY CREDITED INTO YOUR BANK ACCOUNT THEN THE SAME SHALL BE PAID TO YOU THROUGH THE DIVIDEND WARRANTS].

Do you wish that the cash dividend declared by the Company, if any, is directly credited in your bank account, instead of issue of dividend warrants. Please tick "✓" any of the following boxes:

Yes

No

If yes then please provide the following information:

Transferee Detail	
Title of Bank Account	
Bank Account Number	
Bank Name	
Branch Name And Address	
Computerized National Identity Card [CNIC]	
Cell Number of Transferee	
Landline Number of Transferee, if any	

It is stated that the above mentioned information is correct, that I will intimate the changes in the above mentioned information to the Company and the concerned Share Registrar as soon as these occur.

Signature of the Member/Shareholder

Note:

Physical certificate holders are requested to please submit the Dividend Mandate Form duly completed to the Share Registrar. In case of CDC account holder, please submit this Mandate Form to the concerned Participant/ Broker.

PAK DATACOM LIMITED

I/ We, _____

of _____

being member(s) of Pak Datacom Limited and a holder of _____
(Number of Shares)

ordinary shares as per Share Register Folio Number/ CDC A/C No. _____

_____ hereby appoint _____
(Name)

of _____ holding Share Register Folio Number/ CDC A/C No. _____

who is also a member of Pak Datacom Limited as my/ our proxy to vote for me/ us and on my/ our behalf at the Annual General Meeting of the Company to be held on October 29, 2015 at 11:00 am and at any adjournment thereof.

Signed _____ day of _____
(Signature)

Name _____

Please affix
revenue stamp

Specimen Signature of Proxy

Specimen Signature of Proxy

WITNESS 1: _____

Signature _____

Name _____

Address _____

CNIC No _____

WITNESS 2: _____

Signature _____

Name _____

Address _____

CNIC No _____

Note:

1. The proxy in order to be valid must be signed across a revenue stamp duly witnessed and should be deposited in the Head Office of the Company not later than 48 hours before the time of holding the meeting.
2. No person shall act as proxy unless he/ she is a member of the Company.
3. Signature should agree with the specimen signature registered with the Company.
4. If a proxy is granted by a member who has deposited his/ her shares into Central Depository Company of Pakistan Limited, the proxy must be accompanied with participant's ID number and account/ sub-account number alongwith attested copies of the Computerized National Identity Card (CNIC) or the Passport of the beneficial owner. Representative of corporate members should bring the usual documents required for such purpose.

Complete >
Corporate >
Solutions >

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

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