UNIVERSAL SERVICE FUND

(A Company incorporated under Section 42 of Companies Act,2017

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

Deloitte.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSAL SERVICE FUND

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Universal Service Fund (the Company) which comprise statement of financial position as at June 30, 2020 and statement of income and expenditure and other comprehensive income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of income and expenditure and other comprehensive income and statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), 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, 2020 and of the surplus, other comprehensive income, and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of the Company for the year ended June 30, 2019 were audited by another firm of chartered accountants, whose report dated September 6, 2019, included emphasis of matter paragraph regarding uncertainty related to the outcome of certain cases.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for other information. However, no such information is published along with these financial statements.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the interim statement of financial position, the interim statement of income and expenditure and other comprehensive income and the interim statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the half year were for the purpose of the Company's business; and

d) No Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Mr. Shahzad Ali.

Deloitte Yousuf Adil

Chartered Accountants

Place: Islamabad
Date: October 19, 2020

UNIVERSAL SERVICE FUND
(A Company incorporated under Section 42 of the Companies Act, 2017)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020

	Note	June 30, 2020	June 30, 2019
		-------- Rupees ---------	
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	**16,141,873**	24,680,063
Intangible assets	5	**32,028,972**	24,994,338
Long term deposits		**127,500**	127,500
Long term advances	6	**2,267,085**	498,259
		50,565,430	50,300,160
CURRENT ASSETS			
Advances	7	**1,891,923,984**	504,941,286
Short-term prepayments	8	**6,331,777**	2,775,593
Interest accrued		**133,093,896**	85,152,640
Other receivables	9	**1,096,216,888**	1,096,016,872
Cash and bank balance	10	**2,877,921,554**	3,713,359,650
		6,005,488,099	5,402,246,041
TOTAL ASSETS		**6,056,053,529**	5,452,546,201
EQUITY AND LIABILITIES			
EQUITY		-	-
NON-CURRENT LIABILITIES			
Fund balance (restricted)	11	**5,754,152,775**	5,017,064,385
Deferred capital grant	12	**48,170,845**	49,674,401
		5,802,323,620	5,066,738,786
CURRENT LIABILITIES			
Trade and other payables	13	**253,729,909**	385,807,415
TOTAL EQUITY AND LIABILITIES		**6,056,053,529**	5,452,546,201
CONTINGENCIES AND COMMITMENTS	14		

The annexed notes, from 1 to 23 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

UNIVERSAL SERVICE FUND

(A Company incorporated under Section 42 of the Companies Act, 2017)

STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2020

	Note	June 30, 2020	June 30, 2019
		-------- Rupees ---------	
INCOME			
Amortization of deferred capital grant	12	**19,589,046**	15,027,063
EXPENDITURE			
Administrative and general expenses	15	**402,651,485**	338,523,611
Subsidy grant for projects	16	**4,026,608,808**	7,397,099,688
Fee to technical auditors for projects	17	**24,268,108**	34,416,102
		4,453,528,401	7,770,039,401
		(4,433,939,355)	(7,755,012,338)
FUNDS (RESTRICTED) RECOGNIZED AS GRANT AGAINST EXPENDITURE	11	**4,444,257,081**	7,759,025,410
NET SURPLUS FOR THE YEAR		**10,317,726**	4,013,072
OTHER COMPREHENSIVE INCOME			
Item not to be reclassified to statement of income and expenditure account in subsequent periods			
Re-measurement loss on defined benefit plan		**(10,317,726)**	(4,013,072)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**-**	-

The annexed notes, from 1 to 23 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

UNIVERSAL SERVICE FUND
(A Company incorporated under Section 42 of the Companies Act, 2017)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

	Note	June 30, 2020	June 30, 2019
		-------- Rupees ---------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Subsidy grant disbursement	16	**(5,472,282,626)**	(6,205,120,282)
Technical audit fee	17	**(24,268,108)**	(34,451,262)
Liquidated damages, profit on deposit account and others		**251,171,979**	356,100,482
Payment to suppliers and employees		**(461,973,851)**	(181,140,390)
Net cash used in operating activities		**(5,707,352,606)**	(6,064,611,452)
CASH FLOWS FROM INVESTING ACTIVITIES			
Procurement of property and equipment	4	**(1,300,061)**	(13,857,637)
Procurement of intangible assets	5	**(16,785,429)**	(23,740,402)
Net cash used in investing activities		**(18,085,490)**	(37,598,039)
CASH FLOWS FROM FINANCING ACTIVITIES			
Grant received	11	4,890,000,000	6,949,000,000
Net cash generated from financing activities		**4,890,000,000**	6,949,000,000
Net (decrease)/increase in cash & cash equivalents		**(835,438,096)**	846,790,509
Cash & cash equivalents at beginning of year		**3,713,359,650**	2,866,569,141
Cash & cash equivalents at end of year	10	**2,877,921,554**	3,713,359,650

The annexed notes, from 1 to 23 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

UNIVERSAL SERVICE FUND
(A Company incorporated under Section 42 of the Companies Act, 2017)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

1 STATUS AND ACTIVITIES

The Universal Service Fund Company ("the Company") was incorporated in Pakistan as a Public Company, limited by guarantee, not having a share capital and licensed under section 42 of the repealed Companies Ordinance, 1984 (replaced with Companies Act, 2017) on December 12, 2006 as a not-for-profit entity. The Company was formed under Section 10 of the Universal Service Fund Rules, 2006 ("the Rules") and its registered office is situated at 5th floor, HBL Tower, Jinnah Avenue, Islamabad.

Pursuant to Section 16 of the Rules, operations of the Company are funded by The Federal Government through the Universal Service Fund ("USF"), a separate entity established under section 33 A of the Telecommunication Re-organization Act, 1996. USF is kept in the non-lapsable public fund account of the Federal Government maintained with the Federal Treasury Office. The account is operated by Ministry of Information Technology (MoIT). The primary objective of the Company is to plan, develop, finance and execute communication network projects and services to un-served or under-served areas of Pakistan as defined under Section 26 of the Rules mainly through disbursement of grants received from Government of Pakistan, in the form of subsidies to selected contributories to USF, for execution of the related telecom projects.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);

- Accounting Standard for Not for Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for liability for gratuity, which is carried at present value of defined benefit obligation net of fair value of plan asset.

2.3 ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

New accounting standards / amendments and IFRS interpretations that are effective for the year ended June 30, 2020

	Effective from accounting period beginning on or after
IFRS 16 'Leases': This standard superseded IAS 17 'Leases', IFRIC 4, SIC 15 and SIC 27 upon its effective date	January 01, 2019
IFRS 14 – Regulatory Deferral Accounts - IFRS 14 was originally issued in January 2014 and applies to an entity's first annual IFRS financial statements for a period beginning on or after 1 January 2016. However, SECP has adopted from July 01, 2019.	July 01, 2019
Amendments to IFRS 9 'Financial Instruments' - prepayment features with negative compensation	January 01, 2019
Amendments to IAS 28 'Investments in Associates and Joint Ventures' - Long-term interests in associates and joint ventures	January 01, 2019
Amendments to IAS 19 'Employee Benefits' - Plan amendment, curtailment or settlement	January 01, 2019
IFRIC 23 'Uncertainty over Income Tax Treatments': Clarifies the accounting treatment in relation to determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 'Income Taxes'	January 01, 2019

2.4 New accounting standards / amendments and IFRS interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective from accounting period beginning on or after
Amendments to the conceptual framework for financial reporting, including amendments to references to the conceptual framework in IFRS	January 01, 2020
Amendments to IFRS 3 'Business Combinations' - Definition of a business	January 01, 2020
Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of material and Classification of liabilities as current or non-current.	January 01, 2020
Amendments to IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures' - Interest rate benchmark reform	January 01, 2020
Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	January 01, 2022
Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	January 01, 2022

Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts — cost of fulfilling a contract	January 01, 2022
Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions	January 01, 2020

Certain annual improvements have also been made to a number of IFRSs.

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than the impact on presentation/disclosures.

Further, the following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:

IFRS 17	Insurance Contracts
IFRS 1	First-time Adoption of International Financial Reporting Standards

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies have been applied consistently to all periods presented in these financial statements except the Note 3.1

3.1 Changes in accounting policy

IFRS 16 "Leases" has replaced IAS 17 "Leases", the former leaser accounting standard, and has become effective from annual accounting periods beginning on or after January 1, 2019. Under the new standard, almost all leases which meet the criteria disclosed in the standard will be recognized on the statement of financial position with on exeptions of short term and low value leases. Under IFRS 16, an asset (the right to use the leases item) is recognized along with corresponding financial liability to pay rentals at the present value of future lease payments over the lease term, discounted with the specfic incremental borrowing rate.

The Company has adopted IFRS 16 from July 01, 2019 using the modified retrospective approach and the Company has assessed that the adoption of IFRS 16 does not have any material financial impact on these financial statements.

3.2 Functional and presentation currency

These financial statements have been presented in Pakistan Rupees which is the Company's functional and presentation currency.

3.3 Significant accounting judgments and estimates

The preparation of financial statements in conformity with approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in future periods affected.

In the process of applying the Company's accounting policies, management has made the following estimates and judgments, which are significant to the financial statements:

3.3.1 Property, equipment and intangible assets

The Company reviews the appropriateness of the rate of depreciation, useful lives and residual values used in the calculation of depreciation/ amortization on an annual basis. Any change in estimates in the future years might affect the carrying amounts of the respective items of property and equipment and intangible assets, with a corresponding effect on the depreciation and amortization charge.

3.3.2 Employee benefits

Certain actuarial assumptions have been adopted for valuation of present value of defined benefit obligations. Changes in these assumptions in future years may affect the liability under this scheme in those years.

3.3.3 Taxation

In making the estimate for income tax payable by the Company, the Company takes into account the applicable tax laws, and decisions taken by the taxation authorities. In instances where the Company's views differ from the views taken by the income tax department at the assessment stage, and where the Company considers that its views on items of a material nature are in accordance with the law, the related amounts are disclosed as contingent liabilities.

3.3.4 Provisions and contingencies

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as a finance cost, if any.

Where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability, it is disclosed as contingent liability.

3.4 Property and equipment

These are stated at cost less accumulated depreciation and impairment losses (if any). Cost comprises of acquisition cost, non-refundable indirect taxes and any other directly attributable costs.

Depreciation is charged on assets using the straight line method, at the rates stated in note 4. A full month's depreciation is charged in the month of acquisition of an asset, while no depreciation is charged in the month of an assets' retirement.

Useful lives are determined by the management based on the expected usage of an asset, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of assets and other similar factors.

The assets' residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year end. The effects of adjustments to residual values, useful lives and methods are recognized prospectively as a change in accounting estimates.

An item of property and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the assets (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income and expenditure statement in the year the asset is derecognized.

The cost of replacing part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The cost of the day-to-day servicing of property and equipment is recognized in the income and expenditure statement as incurred.

3.5 Right-of-use assets and their related lease liability

3.5.1 Right of-use assets

On initial recognition, right-of-use assets are measured at an amount equal to initial lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

Right-of-use assets are subsequently stated at cost less any accumulated depreciation/ accumulated impairment losses and are adjusted for any remeasurement of lease liability. The remeasurement of lease liability will only occur in cases where the terms of the lease are changed during the lease tenor.

Right-of-use assets are depreciated over their expected useful lives using the straight-line method. Depreciation on additions (new leases) is charged from the month in which the leases are entered into. No depreciation is charged in the month in which the leases mature or are terminated.

3.5.2 Lease liability against right-of-use assets

The lease liabilities are initially measured as the present value of the remaining lease payments, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. Remeasurements of lease liabilities only occur in cases where the terms of the lease are changed during the lease tenor. These remeasurements of lease liabilities are recognised as adjustments to the carrying amount of related right-of-use assets after the date of initial recognition.

Each lease payment is allocated between a reduction of the liability and a finance cost. The finance cost is charged to the statement of income and expenditure over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

3.6 Intangibles

An intangible asset is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Company and that cost of such an asset can also be measured reliably.

Intangible assets are measured on initial recognition at cost, being the fair value of the consideration given. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment, if any.

The useful lives of intangible assets are assessed either as finite or indefinite. The Company does not have an intangible asset with indefinite useful life. Intangible assets with finite useful lives are amortized over the period of their useful life, at rate mentioned in note 5. In respect of additions and disposal of intangible assets during a year, amortization is charged to statement of income and expenditure from the month of acquisition and up to the month preceding the disposal of such intangible assets.

Gains and losses arising from the de-recognition of intangible assets are measured as the difference between the net disposal proceeds and carrying amount of the asset, and recognized in income and expenditure statement when the asset is de-recognized.

Changes in expected useful lives or the expected pattern of consumption of future economic benefits, embodied in intangible assets, are accounted for by changing the useful life or amortization method, as appropriate, and treated as a change in accounting estimate.

3.7 Advances, deposits and other receivables

These are recognized at cost, which is the fair value of the consideration given. However, an assessment is made at each statement of financial position date to determine whether there is an indication that a financial asset or group of assets may be impaired. If such an indication exists, the estimated recoverable amount of that asset is determined and any impairment loss is recognized for the difference between the asset's recoverable amount and its carrying value.

3.8 Cash and cash equivalents

Cash and cash equivalents are carried at cost in the statement of financial position in case of local currency balances and at closing exchange rate, in case of foreign currency balances.

3.9 Fund balance (restricted)

Grants received from MoIT are classified as restricted grants and transferred to fund balance (restricted). Such grant is recognized to the statement of income and expenditure to the extent of actual expenditure incurred there against.

3.10 Deferred capital grant

Restricted funds utilized for capital expenditure are transferred from the Fund balance (restricted) and accounted for as a deferred capital grant. An amount equal to the charge for depreciation and amortization for the year, on property and equipment and intangible assets acquired, is then recognized in the income and expenditure statement.

3.11 Trade and other payables

Creditors and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received.

3.12 Provision

Provisions are recognized when the Company has a present legal or constructive obligation, as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3.13 Staff benefits

i) Defined benefit plan

The Company operates a funded gratuity scheme for employees who have completed the minimum qualifying period of service to the Company. Provision for gratuity is made to cover obligations under the scheme in accordance with the actuarial recommendations using the Projected Unit Credit Method. Actuarial gain or loss is recorded in other comprehensive income. The latest actuarial valuation was carried out as at June 30, 2020, details are given in the note 13 of the financial statements.

ii) Compensated absences

The compensated absences provides a short-term leave encashment benefit to its employees whereby, employees can carry forward up to a maximum of 10 leaves for a year. Employees can either avail these leaves or en-cash them.

3.14 Taxation

i) Current

Provision for taxation is based on taxable profits, at the current rates of taxation, after taking into account tax credits and tax rebates, if any. Further, the Company's income is not liable for minimum tax, under Section 113 of the Income Tax Ordinance, 2001, as the Company considers the amount received from the MoIT as grant.

ii) Deferred

Deferred tax is recognized using the liability method, on all major temporary differences at the statement of financial position date, between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences and carry-forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and / or carry-forward of unused tax losses can be utilized.

The carrying amount of all deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date.

3.15 Income

i) Profit on bank deposits

Profit on bank deposit is accrued using the effective interest rate method.

ii) Other income

Any other income is recorded on an accrual basis.
Profit on bank deposits and other receipts are made part of fund balance (restricted) and are adjusted against future funding from MoIT.

3.16 Foreign currency translation

Foreign currency transactions during the year are recorded at the exchange rates approximating those ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange which approximate those prevailing on the statement of financial position date. Gains and losses on translation are taken to the income and expenditure statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

3.17 Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit or loss.

3.17.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

<u>Classification of financial assets:</u>

(i) Debt instruments designated at amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

• the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
• the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Debt instrument designated at other comprehensive income

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

• the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
• the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

For financial instruments other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition

<u>Amortised cost and effective interest rate method:</u>

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "finance income - interest income"

(iii) Equity instruments designated as at FVTOCI

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'finance income' line item in profit or loss.

(iv) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss.

Impairment of financial assets:

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables, contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic
In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;

- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

- an actual or expected significant deterioration in the operating results of the debtor;

- significant increases in credit risk on other financial instruments of the same debtor;

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise.

(ii) Definition of default:

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or

- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company).

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 360 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets:

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

(e) the disappearance of an active market for that financial asset because of financial difficulties

(iv) Write-off policy:

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(v) Measurement and recognition of expected credit losses:

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16 Leases.

For a financial guarantee contract, as the Company is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Company expects to receive from the holder, the debtor or any other party.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition of financial assets:

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

3.17.2 Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

(i) Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on changes in fair value recognised in the consolidated statement of profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in the consolidated statement profit or loss incorporates any interest paid on the financial liability.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in statement of other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch statement of in profit or loss.

The remaining amount of change in the fair value of liability is recognised in statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in statement of other comprehensive income are not subsequently reclassified to statement of profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts issued by the Company that are designated by the Company as at FVTPL are recognised in profit or loss.

(ii) Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not designated as FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

ii) Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognized in the income and expenditure statement.

Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro-rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and fair value less cost to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss recognized in the prior periods is assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability; or
ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Chief Financial Officer determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement. External valuers may be involved for valuation of significant assets and significant liabilities. For the purpose of fair value disclosures, the Company determines classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

The Company does not measure any of its assets or liabilities at fair value, except plan assets for gratuity, under the gratuity scheme.

4 PROPERTY AND EQUIPMENT

	COST					ACCUMULATED DEPRECIATION				NET BOOK VALUE
	As at July 01, 2019	Additions	Disposals	As at June 30, 2020	Rate	As at July 01, 2019	Charge for the year	On disposals	As at June 30, 2020	As at June 30, 2020
June 30, 2020	Rupees				%	Rupees				Rupees
Vehicles	29,704,498	-	-	29,704,498	20	29,422,956	281,472	-	29,704,428	70
Furniture and equipment	51,164,556	338,767	-	51,503,323	20	35,401,505	4,311,761	-	39,713,266	11,790,057
Computer and accessories	36,241,498	780,587	-	37,022,085	33	28,876,910	4,915,444	-	33,792,354	3,229,731
Communication equipment	1,968,039	180,707	-	2,148,746	20-33	697,157	329,574	-	1,026,731	1,122,015
	119,078,591	1,300,061	-	120,378,652		94,398,528	9,838,251	-	104,236,779	16,141,873

4.1 Additions during the year represent assets purchased by the Company utilizing the grant received by the Company from MoIT.

4.2 Depreciation for the year is charged to administrative and general expenses (refer to note 15).

	COST					ACCUMULATED DEPRECIATION				NET BOOK VALUE
	As at July 01, 2018	Additions	Disposals	As at June 30, 2019	Rate	As at July 01, 2018	Charge for the year	On disposals	As at June 30, 2019	As at June 30, 2019
June 30, 2019	Rupees				%	Rupees				Rupees
Vehicles	29,704,498	-	-	29,704,498	20	29,085,182	337,774	-	29,422,956	281,542
Furniture and equipment	37,446,504	13,740,520	(22,468)	51,164,556	20	28,159,176	7,264,797	(22,468)	35,401,505	15,763,051
Computer and accessories	39,661,955	2,694,842	(6,115,299)	36,241,498	33	30,741,224	4,250,985	(6,115,299)	28,876,910	7,364,588
Communication equipment	1,988,039	-	(20,000)	1,968,039	20-33	375,595	326,562	(5,000)	697,157	1,270,882
	108,800,996	16,435,362	(6,157,767)	119,078,591		88,361,177	12,180,118	(6,142,767)	94,398,528	24,680,063

5 INTANGIBLE ASSETS

June 30, 2020	COST					ACCUMULATED AMORTIZATION				NET BOOK VALUE
	As at July 01, 2019	Additions	Disposals	As at June 30, 2020	Rate	As at July 01, 2019	Charge for the year	On disposals	As at June 30, 2020	As at June 30, 2020
	Rupees				%	Rupees				Rupees
Digital Maps	7,500,000	-	-	7,500,000	20	7,499,990	-	-	7,499,990	10
Software	39,953,527		-	39,953,527	33	14,959,199	9,750,795	-	24,709,994	15,243,533
Capital Work in progress - Software	- -	16,785,429	-	16,785,429		-	-	-	-	16,785,429
	47,453,527	**16,785,429**	-	**64,238,956**		**22,459,189**	**9,750,795**	-	**32,209,984**	**32,028,972**

5.1 Amortization for the year is charged to administrative and general expenses (refer to note 15).

June 30, 2019	COST					ACCUMULATED AMORTIZATION				NET BOOK VALUE
	As at July 01, 2018	Additions	Disposals	As at June 30, 2019	Rate	As at July 01, 2018	Charge for the year	On disposals	As at June 30, 2019	As at June 30, 2019
	Rupees				%	Rupees				Rupees
Digital Maps	7,500,000	-	-	7,500,000	20	7,499,990	-	-	7,499,990	10
Software	16,213,125	23,740,402	-	39,953,527	33	12,112,254	2,846,945	-	14,959,199	24,994,328
	23,713,125	23,740,402	-	47,453,527		19,612,244	2,846,945	-	22,459,189	24,994,338

6	LONG TERM ADVANCES	Note	June 30, 2020	June 30, 2019
			-------- Rupees ---------	
	Advance against gratuity balance to employees		**2,267,085**	498,259
			2,267,085	498,259

6.1 The above advances were given against employees' gratuity in accordance with Company's service rules with repayment terms of maximum twenty four (24) months and carry no markup.

7	ADVANCES	Note	June 30, 2020	June 30, 2019
			-------- Rupees ---------	
	Considered good			
	To employees - secured:			
	- Advance against gratuity - current portion		**4,647,592**	2,918,277
	- Advance as against salary/TADA		**-**	256,266
	Advance against projects - secured	7.1	**1,887,276,392**	501,071,743
	To suppliers		**-**	695,000
			1,891,923,984	504,941,286

7.1 This represents unutilized portion of an advance paid to service providers, in respect of following projects:

	June 30, 2020	June 30, 2019
	-------- Rupees ---------	
Advances to related parties:		
PTCL-OFC KPK	**-**	79,612,278
PTCL-OFC FATA	**-**	140,000,000
PTML-BSD KharanWashuk	**-**	58,250,000
PTML-NG-BSD Small Lot-P4	**9,800,000**	-
TELENOR-BSD Mohmand	**-**	2,384,969
TELENOR-BSD Kohistan	**331,087,248**	-
TELENOR-NG- BSD Dadu	**67,206,683**	43,359,151
TELENOR-NG-BSD NH&MW Lot-2(NH 25&65)	**65,167,259**	50,128,661
TELENOR-NG-BSD NH&MW Lot-3(NH 50&70)	**86,347,029**	82,235,266
TELENOR-NG-BSD Hyderabad	**112,423,036**	-
TELENOR-NG-BSD Bahawalpur	**257,780,779**	-
TELENOR-NG-BSD Small Lot S3	**16,942,374**	-
TELENOR-NG-BSD Tharparker	**479,093,772**	-
TELENOR-NG-BSD Sanghar	**117,633,831**	-
TELENOR-NG-BSD Muzaffargarh	**130,043,980**	-
TELENOR-NG-BSD Small Lot IBA-1	**6,049,105**	-
Advances to other than related parties:		
PMCL-BSD North Waziristan	**-**	27,082,149
PMCL-BSD South Waziristan	**18,019,269**	18,019,269
PMCL-NG-BSD Bahawalnagar	**33,322,227**	
PMCL-NG-BSD Rahimyarkhan	**39,705,142**	
PMCL-NG-BSD Dera Ghazi Khan	**98,205,509**	
PMCL-NG-BSD Khurram	**18,449,149**	
	1,887,276,392	501,071,743

8	SHORT-TERM PREPAYMENTS	Note	June 30, 2020	June 30, 2019
			-------- Rupees ---------	
	Rent		-	-
	Insurance		**1,721,258**	1,706,805
	Others		**4,610,519**	1,068,788
			6,331,777	2,775,593

9	OTHER RECEIVABLES	Note	June 30, 2020	June 30, 2019
			-------- Rupees ---------	
	From Related Party			
	PTCL Mustung	9.1	**281,929,919**	281,929,919
	PTCL OFC BP-05	9.1	**787,860,677**	787,860,677
	PTCL BB HTR	9.1	**26,171,616**	26,171,616
	From Others		**254,676**	54,660
			1,096,216,888	1,096,016,872

Age Analysis of other receivables from related parties

Name of Related Party	Amount not past due	Amount past due				
		0-30 Days	31-60 Days	61-90 Days	91-365 Days	Above 365 Days
PTCL	-	-	-	-	-	281,929,919
PTCL	-					787,860,677
PTCL	-					26,171,616
	-	-	-	-	-	**1,095,962,212**

9.1 These represent late delivery charges recognized on delayed implementation of projects milestones. Management believe that no expected credit losses are required to recognize because these are secured through performance bond. Further, it is maximum outstanding balance at any time during the year. The receivables are secured with bank guarantees of Projects.

10	CASH AND BANK BALANCE	Note	June 30, 2020	June 30, 2019
			-------- Rupees ---------	
	Cash in hand		**24,494**	40,106
	Cash at bank			
	- Deposit account - local currency	10.1	**2,877,897,060**	3,713,319,544
			2,877,921,554	3,713,359,650

10.1 This carries mark-up at rate **6.10% to 12 % per annum** (2019: 4.25% to 11% per annum). The profit on bank deposit is receivable with reference to the daily balance in the bank account..

11	FUND BALANCE (RESTRICTED)	Note	June 30, 2020	June 30, 2019
			-------- Rupees ---------	
	Balance at the beginning of the year		**5,017,064,385**	3,839,836,759
	Grant received during the year		**4,890,000,000**	6,949,000,000
	Profit on deposit account	11.1	**298,360,152**	150,862,877
	Miscellaneous receipts / receivables	11.2	**753,083**	1,872,537,851
			5,189,113,235	8,972,400,728
	Grants transferred to:			
	-Deferred capital grant	12	**18,085,490**	40,160,764
	-Income and expenditure statement		**4,444,257,081**	7,759,025,410
	-Experience adjustment	13.3.4	**(10,317,726)**	(4,013,072)
			4,452,024,845	7,795,173,102
			5,754,152,775	5,017,064,385

11.1 Profit on bank deposit and other receipts are adjustable against future funding from MoIT, Government of Pakistan and accordingly they are included in the fund balance.

11.2 This includes amount of **Rs.215,776** (2019: Rs. 1,871,029,167) against liquidated damages, recovered from operators.

12	DEFERRED CAPITAL GRANT	Note	June 30, 2020	June 30, 2019
			-------- Rupees ---------	
	Balance at beginning of the year		**49,674,401**	24,540,700
	Transferred from fund balance (restricted)	11	**18,085,490**	40,160,764
	Depreciation/amortization charged during the year	12.1	**(19,589,046)**	(15,027,063)
	Balance at end of the year		**48,170,845**	49,674,401

12.1 As at the reporting date, the Company has utilized **Rs.198.8 million** (2019: Rs.180.72 million) out of grant received for capital expenditure.

13	TRADE AND OTHER PAYABLES	Note	June 30, 2020	June 30, 2019
			-------- Rupees ---------	
	Project subsidy payable	13.1	**115,763,726**	175,232,895
	Technical auditor fee payable		**102,741**	102,741
	Payable to suppliers		**7,192,302**	9,557,086
	Rent payable		**10,502,800**	10,502,800
	Accrued liabilities		**2,370,924**	3,593,281
	Payable to gratuity fund	13.2	**16,787,416**	5,273,612
	Earnest money		**101,010,000**	181,545,000
			253,729,909	385,807,415

13.1 This includes an amount of **Rs. 102.40 million** (2019: 80.71 million) payable to related parties.

		June 30, 2020	June 30, 2019
		-------- Rupees ---------	
13.2	**Payable to gratuity fund**		
	The movement in net liability is as follows:		
	Balance at beginning of the period	**5,273,612**	7,079,152
	Charge for the period	**13,708,184**	11,859,026
	Remeasurement loss	**10,317,726**	4,013,072
	Contribution	**(12,512,106)**	(17,677,638)
	Balance at end of the year - Payable	**16,787,416**	5,273,612

13.3 The details of actuarial valuation carried by Nauman Associates as at 30 June, 2020 are as follows:

		Note	June 30, 2020	June 30, 2019
			-------- Rupees ---------	
13.3.1	Reconciliation of payable to gratuity fund:			
	Present value of the defined benefit obligation	13.3.2	**87,489,648**	77,754,649
	Fair value of the plan assets	13.3.5	**(70,702,232)**	(72,481,037)
			16,787,416	5,273,612
13.3.2	Change in the present value of defined benefit obligation			
	Opening balance		**77,754,649**	63,580,017
	Current service cost	13.3.3	**13,850,638**	12,034,992
	Interest cost on defined benefit obligation	13.3.3	**9,812,439**	6,037,268
	Benefits paid		**(20,165,308)**	(6,414,680)
	Actuarial gain / (loss)		**6,237,230**	2,517,052
			87,489,648	77,754,649
13.3.3	**Charge for the year is as follows:**			
	Current service cost		**13,850,638**	12,034,992
	Interest expense		**9,812,439**	6,037,268
	Interest income on plan assets		**(9,954,893)**	(6,213,234)
	Interest income - net		**(142,454)**	(175,966)
			13,708,184	11,859,026
13.3.4	**Remeasurement gain - net is as follows:**			
	Actuarial (gain) / loss recognized		**6,237,230**	2,517,052
	Return on plan assets excluding the interest income		**4,080,496**	1,496,020
			10,317,726	4,013,072
13.3.5	**Change in fair value of plan assets**			
	Opening balance		**72,481,037**	56,500,865
	Interest income		**9,954,893**	6,213,234
	Contribution made directly to gratuity fund		**9,086,760**	11,262,958
	Payments made on behalf of the gratuity fund		**3,425,346**	6,414,680
	Benefits paid		**(20,165,308)**	(6,414,680)
	Return on plan assets, excluding interest income		**(4,080,496)**	(1,496,020)
			70,702,232	72,481,037

Major categories of the plan assets as a percentage of total plan assets are as follows:

	June 30, 2020	June 30, 2019
	-------- Rupees ---------	
Cash and other deposits:		
-Bank balance	**70,702,232**	72,481,037
-Percentage	**100%**	100%

13.3.6 The principal actuarial assumptions used were as follows:

Actuarial valuation of the plan was carried out as at 30 June, 2020 by an independent valuer using projected unit credit method, on following assumptions:

	June 30, 2020	June 30, 2019
Discount rate used for Interest Cost in P&L Charge	**14.50%**	10.00%
Discount rate used for year end obligation	**9.25%**	14.50%
Salary increase used for year end obligation	**8.75%**	13.50%
Salary Increase FY 2021 Onward	**8.75%**	13.50%
Next salary is increased on	**1-Jul-20**	1-Jul-19
Mortality rates	**SLIC 2001-2005 Setback 1 year**	SLIC 2001-2005 Setback 1 year
Withdrawal rates	**Age-Based (per appendix)**	Age-Based (per appendix)
Retirement assumption	**Age 60**	Age 60

13.3.7 Estimated expenses to be charged to statement of income & expenditure

	Financial Year 2021	Financial Year 2020
	-------- Rupees ---------	
Current service cost	**13,888,116**	13,850,638
Interest cost on defined benefit obligation	**7,902,458**	10,995,601
Interest income on plan assets	**(6,928,307)**	(11,512,556)
	14,862,267	13,333,683

13.3.8 For a change of 100 basis points in these assumptions, keeping other present value of defined benefit obligation as at 30 June, 2020 would have been as follows:

	June 30, 2020		June 30, 2019	
	Present value of obligation		Present value of obligation	
	1 % Increase	1 % decrease	1 % Increase	1 % decrease
	------Rupees------		------Rupees------	
Discount rate	**78,122,839**	**98,470,418**	70,046,892	86,680,529
Salary increase rate	**98,557,355**	**77,877,524**	86,801,463	69,811,587

	June 30, 2020	June 30, 2019
The average duration of the defined benefit obligation is	**12 Years**	11 Years

13.4

Historical information	2020	2019	2018	2017
	---------- Rupees ----------			
Net staff retirement benefit liability	**16,787,416**	5,273,612	7,079,152	3,290,150
Experience adjustment	**10,317,726**	4,013,072	4,206,951	(726,186)

14 CONTINGENCIES AND COMMITMENTS

		June 30, 2020	June 30, 2019
		-------- Rupees ---------	
14.1 Commitments			
Subsidy grant commitments	16	**10,168,293,254**	10,322,964,919
Technical auditor's fee	17	**99,457,812**	30,047,062
Monitoring auditor's fee		**9,545,293**	-

14.2 Contingencies

14.2.1 During FY 2013-14, the Additional Commissioner Inland Revenue (ACIR) raised a demand in respect of tax years 2008 to 2014, amounting to Rs. 3,939,571,607 by treating the grant received from MoIT as taxable income, after giving benefit for the Company's Administrative and General expenses. The Company filed appeals against this demand, with the Commissioner Inland Revenue Appeals [CIR(A)], for re-examining of facts for, ignoring the provision of clause 59 of part of 2nd Schedule, limiting the scope of Charitable purpose under section 2(11A) and ignoring the provisions of section 9, of Income Tax Ordinance, 2001 as well as limiting the admissibility of expense by disallowing expenses for projects subsidy grant and projects technical auditors fee. CIR (A) set aside all the orders and remanded back for admissibility of expenses not allowed and instructions that taxation should be made as is done on normal business/profession.

The Company filed appeals with the Appellate Tribunal Inland Revenue (ATIR) against the ACIR's & CIR(A) refusal to treat the Company funding from Government as Government Grants and its operations not of welfare organizations. The decision of the ATIR is pending.

Further, management believes that it is not chargeable to tax as the objective of incorporation of the Company is to purse and implement the objective of the telecom policy announched by Federal Government (FG) to develop communication network in unserved and underserved areas, for this purpose it intends to obtain tax exemption from FG and is hopeful of successful outcome.

Also, based upon the advice of its tax advisors, is confident of a favorable outcome of the above cases. Accordingly, no provision in this regard has been recognized.

14.2.2 In respect of the Tax Year 2013, the Officer Inland Revenue (OIR) raised a demand of Rs.139,511,568, under section 161/205 of the Income Tax Ordinance 2001, alleging short payment of withholding tax. On an appeal filed by the Company, the CIR(A) set-aside the order on September 30, 2015 and directed the OIR to re-examine the matter, which is pending.

14.2.3 There are some litigations filed against the USF, in which the Company is involved as proforma defendant/respondent and has no direct financial impact even if cases are decided against USF. Further litigations filed by Company or where Company is Petitioner/Appellant, management is of the opinion that USF has good prima facie cases and cases are likely to be decided in favor of Company and so no provision is made for these litigations in these financial statements.

15 ADMINISTRATIVE AND GENERAL EXPENSES

	Note	**June 30, 2020**	June 30, 2019
		-------- **Rupees** ---------	
Salaries and benefits	15.1	**281,893,291**	244,160,554
Training & HR development		**2,366,574**	1,371,550
Legal and professional charges		**22,358,480**	1,244,650
Rent		**31,508,400**	29,598,800
Utilities and office supplies		**2,543,253**	2,209,624
Communication charges		**1,293,483**	1,085,856
Entertainment		**718,728**	778,534
Traveling		**11,666,274**	20,528,196
Printing and stationery		**1,748,646**	1,545,754
Vehicle fuel expenses		**10,174,291**	9,450,500
Repairs and maintenance		**5,204,257**	1,567,364
Advertisement		**8,547,563**	7,820,094
Depreciation	4	**9,838,251**	12,180,118
Amortization of intangible asset	5	**9,750,795**	2,846,945
Auditors' remuneration	15.2	**446,000**	240,000
Insurance expense		**2,572,881**	1,874,774
Bank charges		**20,318**	20,298
		402,651,485	338,523,611

15.1 Salaries and benefits include Rs.**24,025,910** (2019: Rs.15,872,098) charged in respect of defined benefit scheme.

15.2 Auditors' remuneration:

	June 30, 2020	June 30, 2019
	-------- **Rupees** ---------	
Annual audit fee	**200,000**	125,000
Interim audit fee	**100,000**	60,000
Review of Code of Corporate Governanace	**50,000**	55,000
Out of pocket expense	**35,000**	-
Sales tax	**61,000**	-
	446,000	240,000

16 SUBSIDY GRANT FOR PROJECTS

Sr. No.	Project / Lot	Allotted to	Contract date	Total subsidy as per contract	Subsidy due					Subsidy disbursed			Liquidated damages for the year	Balance commitment	Bank guarantee	Milestones achieved
					As of 30 June 2019	For the year Capex	For the year Opex	For the year Total	As of 30 June 2020	As of 30 June 2019	For the year	As of 30 June 2020				
									Rupees							
	A) BROADBAND FOR SUSTAINABLE DEVELOPMENT PROGRAM															
1	Malakand	Telenor*	4-Oct-07	62,029,745	62,029,745	-	-	-	62,029,745	62,029,745	-	62,029,745	-	-	-	Closed
2	Sukkur	PMCL**	15-Jan-08	112,300,000	112,300,000	-	-	-	112,300,000	112,300,000	-	112,300,000	-	-	-	Completed
3	DG Khan	Warid***	7-Feb-08	78,847,036	78,847,036	-	-	-	78,847,036	78,847,036	-	78,847,036	-	-	-	Completed
4	Pishin	PTCL****	29-May-08	175,000,000	175,000,000	-	-	-	175,000,000	175,000,000	-	175,000,000	-	-	-	Completed
5	Mansehra	PTCL****	24-Jun-08	40,548,153	40,548,153	-	-	-	40,548,153	40,548,153	-	40,548,153	-	-	-	De-scoped
6	Dadu	PTCL****	25-Jul-08	250,000,000	250,000,000	-	-	-	250,000,000	250,000,000	-	250,000,000	-	-	-	Completed
7	Bahawalpur	Telenor*	22-Sep-08	248,381,865	248,381,865	-	-	-	248,381,865	248,381,865	-	248,381,865	-	-	-	Completed
8	Mirpur Khas	Telenor*	13-Mar-09	930,000,000	930,000,000	-	-	-	930,000,000	930,000,000	-	930,000,000	-	-	-	Completed
9	Larkana	PTCL****	17-May-09	136,800,000	136,800,000	-	-	-	136,800,000	136,800,000	-	136,800,000	-	-	-	Up to 2nd/Closed
10	Nasirabad	CM Pak *****	28-Jul-09	1,277,855,892	1,277,855,892	-	-	-	1,277,855,892	1,277,855,892	-	1,277,855,892	-	-	-	Completed
11	Mastung	PTCL****	31-May-12	2,407,732,977	2,392,132,977	-	8,666,666	8,666,666	2,400,799,643	2,443,391,334	-	2,443,391,334	-	6,933,334	1,262,400,000	Completed
12	Turbat	CM Pak *****	21-Feb-13	3,496,727,885	3,383,401,653	-	113,326,232	113,326,232	3,496,727,885	3,351,469,335	128,353,205	3,479,822,540	-	-	1,581,024,697	Completed
13	Chitral	Telenor*	19-Feb-15	1,884,709,142	1,811,159,969	-	51,268,794	51,268,794	1,862,428,763	1,785,583,949	74,059,767	1,859,643,716	-	22,280,379	762,157,340	Completed
14	Shangla	Telenor*	15-Jun-15	1,948,731,000	1,906,840,486	-	39,457,633	39,457,633	1,946,298,119	1,895,595,155	43,404,313	1,938,999,468	-	2,432,881	780,000,000	Completed
15	Zhob	Telenor*	7-Aug-15	3,324,808,090	3,285,784,235	-	31,229,237	31,229,237	3,317,013,472	3,279,649,110	35,805,433	3,315,454,543	-	7,794,618	1,445,953,618	Completed
16	Sibi	PTML******	14-Sep-15	3,175,494,904	3,108,653,481	-	54,873,331	54,873,331	3,163,526,812	3,094,182,249	65,355,195	3,159,537,444	-	11,968,092	1,278,100,000	Completed
17	Kalat	PTML******	16-Dec-15	2,037,836,383	2,027,730,717	-	8,114,041	8,114,041	2,035,844,758	2,025,089,966	10,090,917	2,035,180,883	-	1,991,625	873,800,000	Completed
18	Khuzdar	PTML******	9-Sep-16	2,350,354,559	2,260,355,004	-	61,463,111	61,463,111	2,321,818,115	2,243,726,283	68,289,003	2,312,015,286	-	28,536,444	967,400,000	Completed
19	Chagai	PTML******	9-Sep-16	1,219,703,340	1,200,549,743	-	15,664,766	15,664,766	1,216,214,509	1,193,325,081	21,561,819	1,214,886,900	-	3,488,831	520,700,000	Completed
20	Awaran-Lasbela	PTML******	2-Jan-17	2,257,557,475	2,257,557,475	-	-	-	2,257,557,475	2,257,557,475	-	2,257,557,475	-	-	932,199,600	Completed
21	Kohistan	Telenor*	14-Mar-17	3,504,683,943	1,346,744,650	993,261,756	36,045,243	1,029,306,999	2,376,051,649	1,341,027,285	1,350,150,634	2,691,177,919	-	1,128,632,294	1,402,819,846	up to 3rd
22	Kharan-Washuk	PTML******	31-May-17	885,602,064	880,988,324	(3,064,445)	7,511,528	4,447,083	885,435,407	937,631,261	(52,195,854)	885,435,407	-	166,657	473,999,600	Completed
23	Dera Bugti	PTML******	31-May-17	1,584,000,000	310,301,600	-	-	-	310,301,600	310,301,600	-	310,301,600	-	1,273,698,400	633,600,000	Mobilization Adv.
24	Khyber	PTML******	23-Oct-17	1,937,947,014	1,121,490,214	690,547,014	52,871,559	743,418,573	1,864,908,787	1,117,473,394	743,799,307	1,861,272,701	-	73,038,227	794,000,000	Completed
25	Small Lot Punjab-1	PTML******	25-Oct-17	117,046,260	117,046,260	-	-	-	117,046,260	117,046,260	-	117,046,260	-	-	48,000,000	Completed
26	Small Lot Punjab-2	Telenor*	3-Nov-17	30,480,571	29,117,409	-	775,131	775,131	29,892,540	29,037,223	801,860	29,839,083	-	588,031	12,192,228	Completed
27	Small Lot Sindh-1	PTML******	4-Jan-18	23,000,000	23,000,000	-	-	-	23,000,000	23,000,000	-	23,000,000	-	-	9,200,000	Completed
28	Small Lot Balochistan-1	PTML******	4-Jan-18	365,000,000	365,000,000	-	-	-	365,000,000	365,000,000	-	365,000,000	-	-	146,000,000	Completed
29	Mohmand	Telenor*	12-Jan-18	849,647,146	143,098,208	2,384,969	-	2,384,969	145,483,177	145,483,177	-	145,483,177	-	704,163,969	339,858,858	Mobilization Adv.
30	D.I.Khan	Telenor*	26-Jan-18	596,126,153	515,132,101	-	40,737,118	40,737,118	555,869,219	505,545,367	45,567,216	551,112,583	-	40,256,934	238,647,735	Completed
31	North Waziristan	PMCL**	11-Dec-18	192,083,284	-	27,082,149	-	27,082,149	27,082,149	27,082,149	-	27,082,149	-	165,001,135	76,833,314	Mobilization Adv.
32	South Waziristan	PMCL**	26-Jun-19	90,096,348	-	-	-	-	-	18,019,269	-	18,019,269	-	90,096,348	36,092,114	Mobilization Adv.
	Sub-total (A)			**37,591,131,229**	**31,797,847,197**	**1,710,211,443**	**522,004,390**	**2,232,215,833**	**34,030,063,030**	**31,817,979,613**	**2,535,042,815**	**34,353,022,428**	**-**	**3,561,068,199**	**14,614,978,950**	
	B) NEXT GENERATION- BROADBAND FOR SUSTAINABLE DEVELOPMENT PROGRAM															
1	NH&MW Lot-1(NH 10&25)	PTML******	11-Dec-18	759,000,000	151,800,000	455,400,000	-	455,400,000	607,200,000	151,800,000	455,400,000	607,200,000	-	151,800,000	303,600,000	upto 3rd
2	Dadu	Telenor*	26-Jun-19	216,795,758	-	62,870,770	-	62,870,770	62,870,770	43,359,151	86,718,302	130,077,453	-	153,924,988	86,718,303	upto 2nd
3	NH&MW Lot-2(NH 25&65)	Telenor*	26-Jun-19	250,643,306	-	35,090,063	-	35,090,063	35,090,063	50,128,661	50,128,661	100,257,322	-	215,553,243	100,257,322	upto 1st
4	NH&MW Lot-3(NH 50&70)	Telenor*	26-Jun-19	411,176,333	-	78,123,503	-	78,123,503	78,123,503	82,235,266	82,235,266	164,470,532	-	333,052,830	164,470,533	upto 1st
5	Hyderabad	Telenor*	22-Jul-19	449,692,147	-	157,392,251	-	157,392,251	157,392,251	-	269,815,287	269,815,287	-	292,299,896	179,876,859	upto 2nd
6	Bahawalpur	Telenor*	23-Sep-19	343,707,707	-	17,185,385	-	17,185,385	17,185,385	-	274,966,164	274,966,164	-	326,522,322	137,483,083	upto 3rd
7	Bahawalnagar	PMCL**	30-Oct-19	166,611,139	-	-	-	-	-	-	33,322,227	33,322,227	-	166,611,139	66,644,456	Mobilization Adv.
8	Rahimyarkhan	PMCL**	30-Oct-19	198,525,713	-	-	-	-	-	-	39,705,142	39,705,142	-	198,525,713	79,410,285	Mobilization Adv.
9	Dera Ghazi Khan	PMCL**	13-Dec-19	491,027,547	-	-	-	-	-	-	98,205,509	98,205,509	-	491,027,547	196,411,019	Mobilization Adv.
10	Small Lot S3	Telenor*	23-Dec-19	84,711,871	-	-	-	-	-	-	16,942,374	16,942,374	-	84,711,871	33,884,748	Mobilization Adv.
11	Tharparker	Telenor*	23-Dec-19	1,197,734,432	-	-	-	-	-	-	479,093,772	479,093,772	-	1,197,734,432	479,093,773	upto 1st
12	Sanghar	Telenor*	2-Mar-20	588,169,155	-	-	-	-	-	-	117,633,831	117,633,831	-	588,169,155	235,267,662	Mobilization Adv.
13	Kurram	PMCL**	9-Mar-20	92,245,746	-	-	-	-	-	-	18,449,149	18,449,149	-	92,245,746	36,898,298	Mobilization Adv.
14	Small Lot P4	PTML******	5-Jun-20	49,000,000	-	-	-	-	-	-	9,800,000	9,800,000	-	49,000,000	19,600,000	Mobilization Adv.
15	Muzaffargarh	Telenor*		650,219,902	-	-	-	-	-	-	130,043,980	130,043,980	-	650,219,902	260,087,961	Mobilization Adv.
16	Small Lot Islamabad-1	Telenor*		30,245,525	-	-	-	-	-	-	6,049,105	6,049,105	-	30,245,525	12,098,210	Mobilization Adv.
	Sub-total (B)			**5,979,506,281**	**151,800,000**	**806,061,972**	**-**	**806,061,972**	**957,861,972**	**327,523,078**	**2,168,508,769**	**2,496,031,847**	**-**	**5,021,644,309**	**2,391,802,512**	

Sr. No.	Project / Lot	Allotted to	Contract date	Total subsidy as per contract	Subsidy due					Subsidy disbursed			Liquidated damages for the year	Balance commitment	Bank guarantee	Milestones achieved
					As of 30 June 2019	For the year			As of 30 June 2020	As of 30 June 2019	For the year	As of 30 June 2020				
						Capex	Opex	Total								
C) OPTICAL FIBER CABLE- OFC																
1	Sindh-Package	Wateen Telecom	11-Feb-09	449,000,000	449,000,000	-	-	-	449,000,000	449,000,000	-	449,000,000	-	-	179,600,000	Completed
2	Balochistan Package-1	Wateen Telecom	17-May-09	374,000,000	374,000,000	-	-	-	374,000,000	374,000,000	-	374,000,000	-	-	149,600,000	Completed
3	Balochistan Package-2	PTCL****	25-Jun-09	1,200,000,000	960,000,000	-	-	-	960,000,000	960,000,000	-	960,000,000	-	240,000,000	480,000,000	Up to 3rd
4	Balochistan- Punjab Package-3	Wateen Telecom	24-Nov-09	986,000,000	591,600,000	-	-	-	591,600,000	591,600,000	-	591,600,000	-	394,400,000	394,400,000	Up to 2nd
5	Balochistan- Punjab Package-5	PTCL****	17-May-10	1,498,000,000	1,498,000,000	-	-	-	1,498,000,000	898,800,000	-	898,800,000	-	-	599,200,000	Completed
6	Balochistan-Package-4	Wateen Telecom	13-Jul-11	1,965,000,000	1,965,000,000	-	-	-	1,965,000,000	1,965,000,000	-	1,965,000,000	-	-	790,000,000	Completed
7	KPK	PTCL****	8-Mar-18	779,894,680	240,387,722	539,506,958	-	539,506,958	779,894,680	320,000,000	459,894,680	779,894,680	-	-	320,000,000	Completed
8	FATA-Package-1	PTCL****	27-Jun-18	700,000,000	-	280,000,000	-	280,000,000	280,000,000	140,000,000	140,000,000	280,000,000	-	420,000,000	280,000,000	Up to 1st
	Sub-total (C)			**7,951,894,680**	**6,077,987,722**	**819,506,958**	**-**	**819,506,958**	**6,897,494,680**	**5,698,400,000**	**599,894,680**	**6,298,294,680**	**-**	**1,054,400,000**	**3,192,800,000**	
D) BROADBAND																
1	FTR	PTCL****	27-Apr-09	1,183,720,000	1,183,720,000	-	-	-	1,183,720,000	1,183,720,000	-	1,183,720,000	-	-	-	Completed
2	FTR-1	Wateen Telecom	27-Apr-09	238,832,000	238,832,000	-	-	-	238,832,000	238,832,000	-	238,832,000	-	-	-	Completed
3	MTR	PTCL****	25-Jun-09	1,152,452,500	1,152,452,500	-	-	-	1,152,452,500	1,152,452,500	-	1,152,452,500	-	-	-	Completed
4	STR-1	PTCL****	25-Jun-09	480,651,511	480,651,511	-	-	-	480,651,511	480,651,511	-	480,651,511	-	-	-	Completed
5	MTR	Worldcall Telecom	28-Jul-09	745,323,255	745,323,255	-	-	-	745,323,255	745,323,255	-	745,323,255	-	-	-	Completed
6	HTR	PTCL****	24-Nov-09	196,295,292	196,295,292	-	-	-	196,295,292	169,273,356	-	169,273,356	-	-	84,636,679	Completed
7	HTR	Wateen Telecom	24-Nov-09	54,799,000	54,799,000	-	-	-	54,799,000	54,799,000	-	54,799,000	-	-	-	Completed
8	GTR	PTCL****	22-Mar-10	394,283,250	394,283,250	-	-	-	394,283,250	394,283,250	-	394,283,250	-	-	-	Completed
9	GTR	Worldcall Telecom	30-Mar-10	426,245,870	426,245,870	-	-	-	426,245,870	426,245,870	-	426,245,870	-	-	-	Completed
10	GTR	Wateen Telecom	13-Apr-10	244,869,250	244,869,250	-	-	-	244,869,250	244,869,250	-	244,869,250	-	-	-	Completed
11	CTR	Wateen Telecom	28-Apr-10	-	-	-	-	-	-	-	-	-	-	-	-	SSA terminated
12	CTR	PTCL****	28-Apr-10	503,272,000	503,272,000	-	-	-	503,272,000	503,272,000	-	503,272,000	-	-	-	Completed
13	STR-V	PTCL****	8-May-12	941,132,300	941,132,300	-	-	-	941,132,300	941,132,300	-	941,132,300	-	-	482,470,000	Completed
14	RTR	PTCL****	11-Dec-13	1,391,972,500	1,391,972,500	-	-	-	1,391,972,500	1,391,972,500	-	1,391,972,500	-	-	556,789,000	Completed
15	NTR-1	PTCL****	11-Dec-13	1,162,000,000	1,162,000,000	-	-	-	1,162,000,000	1,162,000,000	-	1,162,000,000	-	-	-	Completed
	Sub-total (D)			**9,115,848,728**	**9,115,848,728**	**-**	**-**	**-**	**9,115,848,728**	**9,088,826,792**	**-**	**9,088,826,792**	**-**	**-**	**1,123,895,679**	
E) SPECIAL PROJECTS- TELECENTERS																
1	Broadband for Mera Baghwal	NAYATEL	15-Mar-10	9,210,918	9,210,918	-	-	-	9,210,918	9,210,918	-	9,210,918	-	-	-	Completed
2	Broadband for Pilot MCT Sites	PTCL	16-Mar-10	27,899,147	27,899,147	-	-	-	27,899,147	27,899,147	-	27,899,147	-	-	-	Project Closed
3	Broadband for Pilot MCT Sites	World Call	31-Mar-10	5,944,157	5,944,157	-	-	-	5,944,157	5,944,157	-	5,944,157	-	-	-	Completed
4	Telecenters (Ten Sites)	PMCL**	14-Apr-17	-	-	-	-	-	-	-	-	-	-	-	-	Terminated
	Sub-total (E)			**43,054,222**	**43,054,222**	**-**	**-**	**-**	**43,054,222**	**43,054,222**	**-**	**43,054,222**	**-**	**-**	**-**	

Sr. No.	Project / Lot	Allotted to	Contract date	Total subsidy as per contract	Subsidy due: As of 30 June 2019	Subsidy due: For the year: Capex	Subsidy due: For the year: Opex	Subsidy due: For the year: Total	Subsidy due: As of 30 June 2020	Subsidy disbursed: As of 30 June 2019	Subsidy disbursed: For the year	Subsidy disbursed: As of 30 June 2020	Liquidated damages for the year	Balance commitment	Bank guarantee	Milestones achieved
F) SPECIAL PROJECTS-OTHER ICT SERVICES																
1	Rawalpindi / Sukkur / Kohat	Alshifa Trust- ICT for Disabled- Up gradation / Establishment of Computerized Low Vision rehabilitation centre	8-Jul-08	24,716,660	24,716,660	-	-	-	24,716,660	24,716,660	-	24,716,660	-	-	-	Completed
2	Rawalpindi /Islamabad	Pakistan Foundation Fighting Blindness- PFFB - ICT for Disabled- Up gradation of Audio World & Access Internet Café(I.T Help & Audio World Programmes)	15-Sep-08	6,494,118	6,494,118	-	-	-	6,494,118	6,494,118	-	6,494,118	-	-	-	Completed
3	Rawalpindi / Karachi / Multan	Oratier Technologies Pvt Ltd - Telemedicine Project	14-Oct-11	59,657,213	59,657,213	-	-	-	59,657,213	59,657,213	-	59,657,213	-	-	-	Completed
4	Petaro	Cadet College Petaro- Model ICT Labs	2-Apr-11	23,690,883	23,690,883	-	-	-	23,690,883	23,690,883	-	23,690,883	-	-	-	Completed
5	Educational Institutions, Bait ul Mall, Sweet Homes	Establishment of 13 Computer labs in Selected Institutions- Analytical Solutions Pvt Ltd	5-Nov-15	26,793,249	26,793,249	-	-	-	26,793,249	26,793,249	-	26,793,249	-	-	-	Upto 4th (3rd Year)
6	Women Empowerment Centers-WEC1	Establishment of 50 Computer labs- Computer Marketing Co Pvt Ltd	17-May-16	108,448,711	101,218,797	7,229,914	-	7,229,914	108,448,711	101,218,797	7,229,914	108,448,711	215,776	-	4,019,808	Completed
7	Women Empowerment Centers-WECII	Establishment of 50 Computer labs Analytical Solutions Pvt Ltd	9-Jan-17	98,950,950	92,354,220	6,596,730	-	6,596,730	98,950,950	92,354,220	6,596,730	98,950,950	-	-	-	Completed
8	Computer labs-Government Girls School-ICT Rural Areas FDE-1	Establishment of 107 Computer labs in Government Girls School in Rural Areas of ICT-Computer Marketing Co Pvt Ltd	5-Jun-17	168,538,758	151,684,881	5,617,958	-	5,617,958	157,302,839	151,684,881	5,617,958	157,302,839	-	11,235,919	16,853,876	Upto 3rd (Ist year)
9	ICTGS-HR-FDE-1	Recruitment, Management, Deployment & Monitoring Operations of 202 Computer Teachers in Govt Girls Schools of Rural Area of ICT-Pak Multi Services Pvt Ltd	24-Oct-17	413,081,568	186,804,791	6,581,817	131,813,762	138,395,579	325,200,370	182,559,224	138,407,696	320,967,120	-	87,881,198	2,524,156	Task-2/Salary JUne & Admin June
10	Women Empowerment Centers-WECIII	Establishment of 45 Computer Labes in Women Empowerment Centers -Analytical Solutions Pvt Ltd	24-Oct-17	52,475,700	47,228,130	1,749,190	-	1,749,190	48,977,320	47,228,130	1,749,190	48,977,320	-	3,498,380	1,749,200	Upto 3rd (1st Year)
11	Computer labs-Government Girls School-ICT Rural Areas FDE-II	Establishment of 119 Computer labs in Government Girls School in Rural Areas of ICT-Analytical Solutions Pvt Ltd	24-Oct-17	228,089,222	202,776,499	7,474,574	963,000	8,437,574	211,214,073	202,776,499	8,437,574	211,214,073	-	16,875,149	7,602,974	Upto 3rd (1st Y Wararant)/ BB upto 6th Qtr
12	Computer labs-ICT For National Library & Sp. Sdu Ins of CADD	Establishment of 6 Computer labs - Analytical Solutions Pvt Ltd	8-May-18	23,913,000	21,521,700	797,100	-	797,100	22,318,800	21,521,700	797,100	22,318,800	-	1,594,200	797,100	Upto 1st (1st Y Wararant)
13	Computer labs-ICT at Six Girls Educational Institutions	Establishment of 6 Computer labs - Analytical Solutions Pvt Ltd	31-Dec-18	10,959,000	9,863,100	-	-	-	9,863,100	9,863,100	-	9,863,100	-	1,095,900	1,095,900	Upto 1st
	Sub-total (F)			1,245,809,032	954,804,241	36,047,283	132,776,762	168,824,045	1,123,628,286	950,558,674	168,836,362	1,119,395,036	215,776	122,180,746	34,643,014	
G) SPECIAL PROJECTS- DITIGAL INCLUSION																
1	Empowerment of SME/MSMES through E-Commerce	Excellence Delivered(ExD)Pvt.Ltd	1-Aug-18	409,000,000	-	-	-	-	-	-	-	-	-	409,000,000	40,900,000	Contract Signed

Sr. No.	Project / Lot	Allotted to	Contract date	Total subsidy as per contract	Subsidy due					Subsidy disbursed			Liquidated damages for the year	Balance commitment	Bank guarantee	Milestones achieved
					As of 30 June 2019	For the year			As of 30 June 2020	As of 30 June 2019	For the year	As of 30 June 2020				
						Capex	Opex	Total								
	Sub-total (G)			409,000,000	-	-	-	-	-	-	-	-	-	409,000,000	40,900,000	
	Total (A+B+C+D+E+F+G)			62,336,244,172	48,141,342,110	3,371,827,656	654,781,152	4,026,608,808	52,167,950,918	47,926,342,379	5,472,282,626	53,398,625,005	215,776	10,168,293,254	21,399,020,155	

* Telenor Pakistan (Private) Limited (Telenor) (a related party)

** Pakistan Mobile Communications Limited (PMCL)

*** Warid Telecom (Private) Limited (Warid)

**** Pakistan Telecommunication Company Limited (PTCL) (a related party)

***** CM Pak Limited

****** Pakistan Telecomm Mobile Limited (PTML Ufone) (a related party)

16.1 SUBSIDY GRANT FOR PROJECTS

Sr. No.	Project / Lot	Allotted to	Contract date	Total subsidy as per contract	Subsidy due					Subsidy disbursed			Liquidated damages for the year	Balance commitment	Bank guarantee	Milestones achieved
					As of 30 June 2018	For the year			As of 30 June 2019	As of 30 June 2018	For the year	As of 30 June 2019				
						Capex	Opex	Total								
									Rupees							
A) BROADBAND FOR SUSTAINABLE DEVELOPMENT PROGRAM																
1	Malakand	Telenor*	4-Oct-07	62,029,745	62,029,745	-	-	-	62,029,745	62,029,745	-	62,029,745	-	-	-	Closed
2	Sukkur	PMCL**	15-Jan-08	112,300,000	112,300,000	-	-	-	112,300,000	112,300,000	-	112,300,000	-	-	-	Completed
3	DG Khan	Warid***	7-Feb-08	78,847,036	78,847,036	-	-	-	78,847,036	78,847,036	-	78,847,036	-	-	-	Completed
4	Pishin	PTCL****	29-May-08	175,000,000	175,000,000	-	-	-	175,000,000	175,000,000	-	175,000,000	-	-	-	Completed
5	Mansehra	PTCL****	24-Jun-08	40,548,153	40,548,153	-	-	-	40,548,153	40,548,153	-	40,548,153	-	-	-	De-scoped
6	Dadu	PTCL****	25-Jul-08	250,000,000	250,000,000	-	-	-	250,000,000	250,000,000	-	250,000,000	-	-	-	Completed
7	Bahawalpur	Telenor*	22-Sep-08	248,381,865	248,381,865	-	-	-	248,381,865	248,381,865	-	248,381,865	-	-	-	Completed
8	Mirpur Khas	Telenor*	13-Mar-09	930,000,000	930,000,000	-	-	-	930,000,000	930,000,000	-	930,000,000	-	-	-	Completed
9	Larkana	PTCL****	17-May-09	228,000,000	136,800,000	-	-	-	136,800,000	136,800,000	-	136,800,000	-	91,200,000	-	Up to 2nd
10	Nasirabad	CM Pak *****	28-Jul-09	1,277,855,892	1,277,855,892	-	-	-	1,277,855,892	1,277,855,892	-	1,277,855,892	-	-	629,098,286	Completed
11	Mastung	PTCL****	31-May-12	2,407,732,977	2,472,316,334	(85,383,357)	5,200,000	(80,183,357)	2,392,132,977	2,443,391,334	-	2,443,391,334	196,546,562	15,600,000	1,262,400,000	Completed
12	Turbat	CM Pak *****	21-Feb-13	3,497,982,324	3,039,258,767	-	344,142,886	344,142,886	3,383,401,653	2,892,745,777	458,723,558	3,351,469,335	-	114,580,671	1,581,024,697	Completed
13	Chitral	Telenor*	19-Feb-15	1,885,567,151	1,419,769,147	284,398,579	106,992,243	391,390,822	1,811,159,969	1,399,670,388	385,913,561	1,785,583,949	16,925,167	74,407,182	762,157,340	Completed
14	Shangla	Telenor*	15-Jun-15	1,949,118,578	1,817,580,712	-	89,259,774	89,259,774	1,906,840,486	1,786,277,617	109,317,538	1,895,595,155	-	42,278,092	780,000,000	Completed
15	Zhob	Telenor*	7-Aug-15	3,325,209,930	3,229,637,816	-	56,146,419	56,146,419	3,285,784,235	3,210,478,132	69,170,978	3,279,649,110	-	39,425,695	1,445,953,618	Completed
16	Sibi	PTML******	14-Sep-15	3,175,494,904	2,995,437,381	-	113,216,100	113,216,100	3,108,653,481	2,946,598,674	147,583,575	3,094,182,249	-	66,841,423	1,278,100,000	Completed
17	Kalat	PTML******	16-Dec-15	2,037,836,383	2,009,909,334	-	17,821,383	17,821,383	2,027,730,717	2,005,306,460	19,783,506	2,025,089,966	-	10,105,666	873,800,000	Completed
18	Khuzdar	PTML******	9-Sep-16	2,350,354,559	1,797,477,754	378,320,371	84,556,879	462,877,250	2,260,355,004	1,787,735,067	455,991,216	2,243,726,283	-	89,999,555	967,400,000	Completed
19	Chagai	PTML******	9-Sep-16	1,219,722,883	1,171,481,814	-	29,067,929	29,067,929	1,200,549,743	1,163,886,656	29,438,425	1,193,325,081	-	19,173,140	520,700,000	Completed
20	Awaran-Lasbela	PTML******	2-Jan-17	2,257,557,475	1,398,299,400	859,258,075	-	859,258,075	2,257,557,475	1,398,299,400	859,258,075	2,257,557,475	-	-	932,199,600	Completed
21	Kohistan	Telenor*	14-Mar-17	3,506,575,801	662,174,502	662,174,502	22,395,646	684,570,148	1,346,744,650	662,174,502	678,852,783	1,341,027,285	-	2,159,831,151	1,402,819,846	up to 1st
22	Kharan-Washuk	PTML******	31-May-17	1,184,916,259	466,208,323	407,750,000	7,030,001	414,780,001	880,988,324	466,000,000	471,631,251	937,631,261	-	303,927,935	473,999,600	Up to 3rd
23	Dera Bugti	PTML******	31-May-17	1,584,000,000	-	310,301,600	-	310,301,600	310,301,600	310,301,600	-	310,301,600	-	1,273,698,400	633,600,000	Mobilization Adv.
24	Khyber	PTML******	23-Oct-17	1,985,000,000	-	1,106,400,000	15,090,214	1,121,490,214	1,121,490,214	368,800,000	748,673,394	1,117,473,394	-	863,509,786	794,000,000	up to 2nd
25	Small Lot Punjab-1	PTML******	25-Oct-17	117,046,260	117,046,260	-	-	-	117,046,260	117,046,260	-	117,046,260	-	-	48,000,000	Completed
26	Small Lot Punjab-2	Telenor*	3-Nov-17	30,480,571	5,711,221	22,844,886	561,302	23,406,188	29,117,409	5,711,221	23,326,002	29,037,223	-	1,363,162	12,192,228	Completed
27	Small Lot Sindh-1	PTML******	4-Jan-18	23,000,000	23,000,000	-	-	-	23,000,000	23,000,000	-	23,000,000	-	-	9,200,000	Completed
28	Small Lot Balochistan-1	PTML******	4-Jan-18	365,000,000	-	365,000,000	-	365,000,000	365,000,000	73,000,000	292,000,000	365,000,000	-	-	146,000,000	Completed
29	Mohmand	Telenor*	12-Jan-18	849,647,146	-	143,098,208	-	143,098,208	143,098,208	145,483,177	-	145,483,177	-	706,548,938	339,858,858	Mobilization Adv.
30	D.I.Khan	Telenor*	26-Jan-18	596,619,338	-	502,735,462	12,396,639	515,132,101	515,132,101	100,547,092	404,998,275	505,545,367	1,527,059	81,487,237	238,647,735	Completed
31	North Waziristan	PMCL**	11-Dec-18	192,083,284	-	-	-	-	-	-	27,082,149	27,082,149	-	192,083,284	76,833,314	Mobilization Adv.
32	South Waziristan	PMCL**	26-Jun-19	90,096,348	-	-	-	-	-	-	18,019,269	18,019,269	-	90,096,348	36,092,114	Mobilization Adv.
	Sub-total (A)			**38,034,004,862**	**25,937,071,456**	**4,956,898,326**	**903,877,415**	**5,860,775,741**	**31,797,847,197**	**26,618,216,048**	**5,199,763,565**	**31,817,979,613**	**214,998,788**	**6,236,157,665**	**15,244,077,236**	
B) NEXT GENERATION- BROADBAND FOR SUSTAINABLE DEVELOPMENT PROGRAM																
1	NH&MW Lot-1(NH 10&25)	PTML******	11-Dec-18	759,000,000	-	151,800,000	-	151,800,000	151,800,000	-	151,800,000	151,800,000	-	607,200,000	303,600,000	Mobilization Adv.
2	NG-BSD Dadu	Telenor*	26-Jun-19	216,795,758	-	-	-	-	-	-	43,359,151	43,359,151	-	216,795,758	86,718,303	Mobilization Adv.
3	NH&MW Lot-2(NH 25&65)	Telenor*	26-Jun-19	250,643,306	-	-	-	-	-	-	50,128,661	50,128,661	-	250,643,306	100,257,322	Mobilization Adv.
4	NH&MW Lot-3(NH 50&70)	Telenor*	26-Jun-19	411,176,333	-	-	-	-	-	-	82,235,266	82,235,266	-	411,176,333	164,470,533	Mobilization Adv.
	Sub-total (B)			**1,637,615,397**	**-**	**151,800,000**	**-**	**151,800,000**	**151,800,000**	**-**	**327,523,078**	**327,523,078**	**-**	**1,485,815,397**	**655,046,158**	

Sr. No.	Project / Lot	Allotted to	Contract date	Total subsidy as per contract	Subsidy due: As of 30 June 2018	Subsidy due: For the year: Capex	Subsidy due: For the year: Opex	Subsidy due: For the year: Total	Subsidy due: As of 30 June 2019	Subsidy disbursed: As of 30 June 2018	Subsidy disbursed: For the year	Subsidy disbursed: As of 30 June 2019	Liquidated damages for the year	Balance commitment	Bank guarantee	Milestones achieved
C) OPTICAL FIBER CABLE- OFC																
1	Sindh-Package	Wateen Telecom	11-Feb-09	449,000,000	449,000,000	-		-	449,000,000	449,000,000	-	449,000,000	-	-	179,600,000	Completed
2	Balochistan Package-1	Wateen Telecom	17-May-09	374,000,000	374,000,000	-		-	374,000,000	374,000,000	-	374,000,000	-	-	149,600,000	Completed
3	Balochistan Package-2	PTCL****	25-Jun-09	1,200,000,000	960,000,000	-		-	960,000,000	960,000,000	-	960,000,000	-	240,000,000	480,000,000	Up to 3rd
4	Balochistan- Punjab	Wateen Telecom	24-Nov-09	986,000,000	591,600,000	-		-	591,600,000	591,600,000	-	591,600,000	-	394,400,000	394,400,000	Up to 2nd
5	Balochistan- Punjab	PTCL****	17-May-10	1,498,000,000	898,800,000	599,200,000		599,200,000	1,498,000,000	898,800,000	-	898,800,000	1,387,060,677	-	599,200,000	Completed
6	Balochistan-Package-4	Wateen Telecom	13-Jul-11	1,965,000,000	1,965,000,000	-		-	1,965,000,000	1,965,000,000	-	1,965,000,000	-	-	790,000,000	Completed
7	KPK	PTCL****	8-Mar-18	800,000,000	-	240,387,722		240,387,722	240,387,722	160,000,000	160,000,000	320,000,000	-	559,612,278	320,000,000	up to 1st
8	FATA-Package-1	PTCL****	27-Jun-18	700,000,000	-	-		-	-	140,000,000	-	140,000,000	-	700,000,000	280,000,000	Mobilization Adv.
	Sub-total (C)			**7,972,000,000**	**5,238,400,000**	**839,587,722**	**-**	**839,587,722**	**6,077,987,722**	**5,538,400,000**	**160,000,000**	**5,698,400,000**	**1,387,060,677**	**1,894,012,278**	**3,192,800,000**	
D) BROADBAND																
1	FTR	PTCL****	27-Apr-09	1,183,720,000	1,183,720,000	-	-	-	1,183,720,000	1,183,720,000	-	1,183,720,000	-	-	476,648,000	Completed
2	FTR-1	Wateen Telecom	27-Apr-09	238,832,000	238,832,000	-	-	-	238,832,000	238,832,000	-	238,832,000	-	-	95,656,000	Completed
3	MTR	PTCL****	25-Jun-09	1,152,452,500	1,152,452,500	-	-	-	1,152,452,500	1,152,452,500	-	1,152,452,500	-	-	464,417,600	Completed
4	STR-1	PTCL****	25-Jun-09	480,651,511	480,651,511	-	-	-	480,651,511	480,651,511	-	480,651,511	-	-	219,822,300	Completed
5	MTR	Worldcall Telecom	28-Jul-09	745,323,255	745,323,255	-	-	-	745,323,255	745,323,255	-	745,323,255	-	-	314,288,500	Completed
6	HTR	PTCL****	24-Nov-09	196,295,292	169,273,356	27,021,936	-	27,021,936	196,295,292	169,273,356	-	169,273,356	53,193,552	-	84,636,679	Completed
7	HTR	Wateen Telecom	24-Nov-09	54,799,000	54,799,000	-	-	-	54,799,000	54,799,000	-	54,799,000	-	-	21,919,600	Completed
8	GTR	PTCL****	22-Mar-10	394,283,250	394,283,250	-	-	-	394,283,250	394,283,250	-	394,283,250	-	-	157,714,000	Completed
9	GTR	Worldcall Telecom	30-Mar-10	426,245,870	426,245,870	-	-	-	426,245,870	426,245,870	-	426,245,870	-	-	192,566,100	Completed
10	GTR	Wateen Telecom	13-Apr-10	244,869,250	244,869,250	-	-	-	244,869,250	244,869,250	-	244,869,250	-	-	97,947,700	Completed
11	CTR	Wateen Telecom	28-Apr-10	-	-	-	-	-	-	-	-	-	-	-	-	SSA terminated
12	CTR	PTCL****	28-Apr-10	503,272,000	503,272,000	-	-	-	503,272,000	503,272,000	-	503,272,000	-	-	205,108,800	Completed
13	STR-V	PTCL****	8-May-12	941,132,300	723,705,000	217,427,300	-	217,427,300	941,132,300	723,705,000	217,427,300	941,132,300	210,140,582	-	482,470,000	Completed
14	RTR	PTCL****	11-Dec-13	1,391,972,500	1,391,972,500	-	-	-	1,391,972,500	1,391,972,500	-	1,391,972,500	-	-	556,789,000	Completed
15	NTR-1	PTCL****	11-Dec-13	1,162,000,000	1,162,000,000	-	-	-	1,162,000,000	1,162,000,000	-	1,162,000,000	-	-	464,800,000	Completed
	Sub-total (D)			**9,115,848,728**	**8,871,399,492**	**244,449,236**	**-**	**244,449,236**	**9,115,848,728**	**8,871,399,492**	**217,427,300**	**9,088,826,792**	**263,334,134**	**-**	**3,834,784,279**	
E) SPECIAL PROJECTS- TELECENTERS																
1	Broadband for Mera Baghwal	NAYATEL	15-Mar-10	9,210,918	9,210,918	-	-	-	9,210,918	9,210,918	-	9,210,918	-	-	-	Completed
2	Broadband for Pilot MCT Sites	PTCL	16-Mar-10	34,873,934	27,899,147	-	-	-	27,899,147	27,899,147	-	27,899,147	-	6,974,787	-	Up to 3rd
3	Broadband for Pilot MCT Sites	World Call	31-Mar-10	5,944,157	5,944,157	-	-	-	5,944,157	5,944,157	-	5,944,157	-	-	-	Completed
4	Telecenters (Ten Sites)	PMCL**	14-Apr-17	-	-	-	-	-	-	-	-	-	-	-	-	Terminated
	Sub-total (E)			**50,029,009**	**43,054,222**	**-**	**-**	**-**	**43,054,222**	**43,054,222**	**-**	**43,054,222**	**-**	**6,974,787**	**-**	

Sr. No.	Project / Lot	Allotted to	Contract date	Total subsidy as per contract	Subsidy due					Subsidy disbursed			Liquidated damages for the year	Balance commitment	Bank guarantee	Milestones achieved
					As of 30 June 2018	For the year			As of 30 June 2019	As of 30 June 2018	For the year	As of 30 June 2019				
						Capex	Opex	Total								
F) SPECIAL PROJECTS-OTHER ICT SERVICES																
1	Rawalpindi / Sukkur / Kohat	Alshifa Trust- ICT for Disabled- Up gradation / Establishment of Computerized Low Vision rehabilitation centre	8-Jul-08	24,716,660	24,716,660	-	-	-	24,716,660	24,716,660	-	24,716,660	-	-	-	Completed
2	Rawalpindi /Islamabad	Pakistan Foundation Fighting Blindness-PFFB - ICT for Disabled- Up gradation of Audio World & Access Internet Café(I.T Help & Audio World Programmes)	15-Sep-08	6,494,118	6,494,118	-	-	-	6,494,118	6,494,118	-	6,494,118	-	-	-	Completed
3	Rawalpindi / Karachi / Multan	Oratier Technologies Pvt Ltd - Telemedicine Project	14-Oct-11	59,657,213	59,657,213	-	-	-	59,657,213	59,657,213	-	59,657,213	-	-	-	Completed
4	Petaro	Cadet College Petaro- Model ICT Labs	2-Apr-11	23,690,883	23,690,883	-	-	-	23,690,883	23,690,883	-	23,690,883	-	-	-	Completed
5	Educational Institutions, Bait ul Mall, Sweet Homes	Establishment of 13 Computer labs in Selected Institutions-Analytical Solutions Pvt Ltd	5-Nov-15	26,793,249	25,900,141	893,108	-	893,108	26,793,249	25,900,141	893,108	26,793,249	-	-	893,109	Upto 4th (3rd Year)
6	Women Empowerment Centers-WEC1	Establishment of 50 Computer labs-Computer Marketing Co Pvt Ltd	17-May-16	108,448,712	101,218,797	-	-	-	101,218,797	101,218,797		101,218,797	-	7,229,915	5,999,713	Upto 2nd
7	Women Empowerment Centers-WECII	Establishment of 50 Computer labs Analytical Solutions Pvt Ltd	9-Jan-17	98,950,950	89,055,855	-	3,298,365	3,298,365	92,354,220	89,055,855	3,298,365	92,354,220	-	6,596,730	9,895,095	Upto 3rd (1st Year)
8	Computer labs-Government Girls School-ICT Rural Areas FDE-1	Establishment of 107 Computer labs in Government Girls School in Rural Areas of ICT-Computer Marketing Co Pvt Ltd	5-Jun-17	168,538,758	117,977,130	33,707,751		33,707,751	151,684,881	117,977,130	33,707,751	151,684,881	4,550,546	16,853,877	16,853,876	Upto 2nd
9	ICTGS-HR-FDE-1	Recruitment, Management, Deployment & Monitoring Operations of 202 Computer Teachers in Govt Girls Schools of Rural Area of ICT-Pak Multi Services Pvt Ltd	24-Oct-17	413,081,568	48,640,400	5,483,465	132,680,926	138,164,391	186,804,791	44,475,483	138,083,741	182,559,224	-	226,276,777	2,524,156	Task-2/Salary & Admin Jun-19
10	Women Empowerment Centers-WECIII	Establishment of 45 Computer Labes in Women Empowerment Centers - Analytical Solutions Pvt Ltd	24-Oct-17	52,475,700	-	47,228,130	-	47,228,130	47,228,130	-	47,228,130	47,228,130	-	5,247,570	5,247,570	Upto 2nd
11	Computer labs-Government Girls School-ICT Rural Areas FDE-II	Establishment of 119 Computer labs in Government Girls School in Rural Areas of ICT-Analytical Solutions Pvt Ltd	24-Oct-17	228,089,222	156,966,055	45,810,444	-	45,810,444	202,776,499	156,966,055	45,810,444	202,776,499	-	25,312,723	22,808,922	Upto 2nd/BB Y1, Q1,2,3
12	Computer labs-ICT For National Library & Sp. Sdu Ins of CADD	Establishment of 6 Computer labs - Analytical Solutions Pvt Ltd	8-May-18	23,913,000	-	21,521,700	-	21,521,700	21,521,700	-	21,521,700	21,521,700	789,129	2,391,300	2,391,300	Upto 1st
13	Computer labs-ICT at Six Girls Educational Institutions	Establishment of 6 Computer labs - Analytical Solutions Pvt Ltd	31-Dec-18	10,959,000	-	9,863,100	-	9,863,100	9,863,100	-	9,863,100	9,863,100	295,893	1,095,900	1,095,900	Upto 1st
		Sub-total (F)		1,245,809,033	654,317,252	164,507,698	135,979,291	300,486,989	954,804,241	650,152,335	300,406,339	950,558,674	5,635,568	291,004,792	67,709,641	
G) SPECIAL PROJECTS- DITIGAL INCLUSION																
1	Empowerment of SME/MSMES through E-	Excellence Delivered(ExD)Pvt.Ltd.	1-Aug-18	409,000,000	-			-	-	-	-	-	-	409,000,000	40,900,000	Contract Signed
		Sub-total (G)		409,000,000	-	-	-	-	-	-	-	-	-	409,000,000	40,900,000	
		Total (A+B+C+D+E+F+G)		58,464,307,029	40,744,242,422	6,357,242,982	1,039,856,706	7,397,099,688	48,141,342,110	41,721,222,097	6,205,120,282	47,926,342,379	1,871,029,167	10,322,964,919	23,035,317,314	

* *Telenor Pakistan (Private) Limited (Telenor) (a related party)*
** *Pakistan Mobile Communications Limited (PMCL)*
*** *Warid Telecom (Private) Limited (Warid)*
**** *Pakistan Telecommunication Company Limited (PTCL) (a related party)*
***** *CM Pak Limited*
****** *Pakistan Telecomm Mobile Limited (PTML Ufone) (a related party)*

17 FEE TO TECHNICAL AUDITORS FOR PROJECTS

Sr. No.	Project / Lot	Allotted to	Contract date	Total cost as per contract	Technical audit fee due			Technical audit fee disbursed			Balance commitment	Milestones achieved
					As of 30 June, 2019	For the year	As of 30 June, 2020	As of 30 June, 2019	For the year	As of 30 June, 2020		
							Rupees					
A) BROADBAND FOR SUSTAINABLE DEVELOPMENT PROGRAM												
1	Malakand	Telecom Services *	02-Aug-08	5,000,000	5,000,000	-	5,000,000	5,000,000	-	5,000,000	-	Contract Closed
2	DG Khan	Telecom Services *	01-Jan-09	12,594,400	12,594,400	-	12,594,400	12,594,400	-	12,594,400	-	Completed
3	Sukkur	Optiwave **	01-Jan-09	11,327,700	11,327,700	-	11,327,700	11,327,700	-	11,327,700	-	Completed
4	Bahawalpur	Telecom Services *	26-Mar-09	8,975,000	8,975,000	-	8,975,000	8,975,000	-	8,975,000	-	Completed
5	Dadu	Myson Engineering Systems	15-Apr-09	6,400,000	6,400,000	-	6,400,000	6,400,000	-	6,400,000	-	Completed
6	Pishin	Myson Engineering Systems	15-Apr-09	6,700,000	6,700,000	-	6,700,000	6,700,000	-	6,700,000	-	Completed
7	Mansehra	Optiwave **	09-Dec-09	5,264,040	5,264,040	-	5,264,040	5,264,040	-	5,264,040	-	Up to 2nd, Contract Closed
8	MirpurKhas	Telecom Services *	30-Dec-09	3,375,000	3,375,000	-	3,375,000	3,375,000	-	3,375,000	-	Completed
9	Nasirabad	Technology at Work Pvt. Ltd.	08-Feb-10	7,809,678	7,809,678	-	7,809,678	7,809,678	-	7,809,678	-	Completed/Idle days
10	Turbat	Technology at Work Pvt. Ltd.	21-May-14	5,636,303	4,252,911	-	4,252,911	4,150,170	-	4,150,170	1,383,392	Up to 4th
11	Mastung	Komkonsult ****	23-May-14	2,895,572	2,895,572	-	2,895,572	2,895,572	-	2,895,572	-	Completed
12	Chitral	Myson Engineering Systems	03-Nov-15	10,108,262	10,108,262	-	10,108,262	10,108,262	-	10,108,262	-	Completed
13	Sibi	Komkonsult ****	11-May-16	3,818,570	3,818,570	-	3,818,570	3,818,570	-	3,818,570	-	Completed
14	Shangla	GloTech Services *****	30-Jun-16	3,457,792	3,457,792	-	3,457,792	3,457,792	-	3,457,792	-	Completed
15	Zhob	Myson Engineering System	05-Dec-16	5,163,991	5,163,991	-	5,163,991	5,163,991	-	5,163,991	-	Completed
16	Khuzdar	GloTech Services *****	28-Mar-17	5,525,869	5,525,869	-	5,525,869	5,525,869	-	5,525,869	-	Completed
17	Chagai	Futursit Pvt Ltd	24-Mar-17	2,530,079	2,530,079	-	2,530,079	2,530,079	-	2,530,079	-	Completed
18	Awaran-Lasbela	Komkonsult ****	31-Jul-17	3,667,540	3,667,540	-	3,667,540	3,667,540	-	3,667,540	-	Completed
19	Kharan-Washuk	Komkonsult ****	20-Dec-17	5,624,665	4,165,764	1,458,901	5,624,665	4,165,764	1,458,901	5,624,665	-	Completed
20	Kohistan	Futursit Pvt Ltd	20-Dec-17	11,500,000	2,300,000	2,300,000	4,600,000	2,300,000	2,300,000	4,600,000	6,900,000	up to 2nd
21	Khyber	Exceleron Communications	14-Feb-19	9,195,579	3,801,900	3,680,343	7,482,243	3,801,900	3,680,343	7,482,243	1,713,336	Up to 4th
22	DI Khan	Myson Engineering System	14-Feb-19	11,111,750	10,986,750	125,000	11,111,750	10,986,750	125,000	11,111,750	-	Completed
23	North Waziristan	Ranop Solutions Private	17-Dec-19	6,888,050	-	-	-	-	-	-	6,888,050	Contract Signed
24	South Waziristan	Ranop Solutions Private	17-Dec-19	8,209,404	-	-	-	-	-	-	8,209,404	Contract Signed
25	Dera Bugti	Komkonsult ****	20-Feb-20	5,375,831	-	-	-	-	-	-	5,375,831	Contract Signed
26	Mohmand	Komkonsult ****	20-Feb-20	6,579,069	-	-	-	-	-	-	6,579,069	Contract Signed
				-	-	-	-	-	-	-	-	
	Sub-total (A)			**174,734,144**	**130,120,818**	**7,564,244**	**137,685,062**	**130,018,077**	**7,564,244**	**137,582,321**	**37,049,082**	
B) NEXT GENERATION-BROADBAND FOR SUSTAINABLE DEVELOPMENT PROGRAM												
1	NH&MW Lot-1	Komkonsult ****	23-Jul-19	4,950,498	-	3,470,426	3,470,426	-	3,470,426	3,470,426	1,480,072	Up to 3rd
2	Dadu	Myson Engineering System	25-Nov-19	10,388,000	-	4,761,000	4,761,000	-	4,761,000	4,761,000	5,627,000	Up to 2nd
3	NH&MW Lot-2(NH 25&65)	Myson Engineering System	03-Feb-20	3,819,450	-	752,468	752,468	-	752,468	752,468	3,066,982	Up to 1st
4	NH&MW Lot-3(NH 50&70)	Myson Engineering System	03-Feb-20	3,455,806	-	949,560	949,560	-	949,560	949,560	2,506,246	Up to 1st
5	Hyderabad	Komkonsult Private Limited	20-Feb-20	7,861,555	-	-	-	-	-	-	7,861,555	Contract Signed
6	Bahawalpur	Komkonsult Private Limited	20-Feb-20	5,985,310	-	771,355	771,355	-	771,355	771,355	5,213,955	Up to 1st
7	Bahawalnagar	Komkonsult Private Limited	06-May-20	4,595,985		-	-	-	-	-	4,595,985	Contract Signed
8	Rahimyarkhan	Komkonsult Private Limited	06-May-20	5,495,586		-	-	-	-	-	5,495,586	Contract Signed
9	Dera Ghazi Khan	Komkonsult Private Limited	06-May-20	6,997,725		-	-	-	-	-	6,997,725	Contract Signed
10	Small Lot S3	Myson Engineering System	06-May-20	1,307,500		-	-	-	-	-	1,307,500	Contract Signed
11	Tharparker	Ranop Solutions Private	25-May-20	4,569,017		-	-	-	-	-	4,569,017	Contract Signed
12				-		-	-	-	-	-	-	
					-		-				-	
	Sub-total (B)			**59,426,432**	**-**	**10,704,809**	**10,704,809**	**-**	**10,704,809**	**10,704,809**	**48,721,623**	
C) OPTICAL FIBER CABLE- OFC												
1	Sindh-Package	Technology at Work Pvt. Ltd.	29-Sep-09	12,002,488	12,002,488	-	12,002,488	12,002,488	-	12,002,488	-	Completed & Idle days
2	Balochistan Package-1	Technology at Work Pvt. Ltd.	17-Mar-10	7,226,443	7,226,443	-	7,226,443	7,226,443	-	7,226,443	-	Completed, 2 Idle days
3	Balochistan Package-2	Shaukat Hayat Javed	21-May-10	8,601,988	6,245,588	-	6,245,588	6,245,588	-	6,245,588	2,356,400	Up to 3rd, 2 Idle days

Sr. No.	Project / Lot	Allotted to	Contract date	Total cost as per contract	Technical audit fee due			Technical audit fee disbursed			Balance commitment	Milestones achieved
					As of 30 June, 2019	For the year	As of 30 June, 2020	As of 30 June, 2019	For the year	As of 30 June, 2020		
4	Balochistan-Punjab	Teralight Limited	27-Sep-10	835,858	835,858	-	835,858	835,858	-	835,858	-	Up to 1st, Contract Closed
5	Balochistan-Punjab	TEACH ***	19-May-11	1,425,000	1,425,000	-	1,425,000	1,425,000	-	1,425,000	-	Up to 2nd/3rd 50% Contract
6	Balochistan-Punjab	TEACH ***	28-Oct-13	3,952,193	3,952,193	-	3,952,193	3,952,193	-	3,952,193	-	Completed
7	Balochistan-Punjab	TEACH ***	16-Apr-14	8,974,928	4,487,464	-	4,487,464	4,487,464	-	4,487,464	4,487,464	Up to 3rd
8	FATA Package-1	Global Enterprises		8,823,350	-	3,166,209	3,166,209	-	3,166,209	3,166,209	5,657,141	Up to 1st
	Sub-total (C)			51,842,248	36,175,034	3,166,209	39,341,243	36,175,034	3,166,209	39,341,243	12,501,005	

Sr. No.	Project / Lot	Allotted to	Contract date	Total cost as per contract	Technical audit fee due			Technical audit fee disbursed			Balance commitment	Milestones achieved
					As of 30 June, 2019	For the year	As of 30 June, 2020	As of 30 June, 2019	For the year	As of 30 June, 2020		
D) BROADBAND												
1	STR-1	BIDCON	27-Jul-10	13,689,376	13,689,376	-	13,689,376	13,689,376	-	13,689,376	-	Completed
2	HTR-PTCL	People Logic Pakistan Pvt. Ltd.	27-Jul-10	4,217,788	3,387,516	-	3,387,516	3,422,676	-	3,422,676	830,272	Up to 4th & Idle days
3	HTR-Wateen	People Logic Pakistan Pvt. Ltd.	27-Jul-10	2,343,463	1,987,633	-	1,987,633	1,987,633	-	1,987,633	355,830	Up to 4th and Idle days
4	MTR-World call	Emerging Systems	27-Jul-10	7,336,740	7,336,740	-	7,336,740	7,336,740	-	7,336,740	-	Completed
5	MTR-PTCL	Emerging Systems	27-Jul-10	10,567,406	10,567,406	-	10,567,406	10,567,406	-	10,567,406	-	Completed
6	CTR	Optiwave **	05-Aug-11	-	-	-	-	-	-	-	-	Advance refunded, Contract
7	GTR-World call	Technology at Work Pvt. Ltd.	05-Aug-11	3,508,042	3,508,042	-	3,508,042	3,508,042	-	3,508,042	-	Completed
8	GTR-Wateen	Technology at Work Pvt. Ltd.	05-Aug-11	1,590,300	1,590,300	-	1,590,300	1,590,300	-	1,590,300	-	Completed
9	GTR-PTCL	Technology at Work Pvt. Ltd.	05-Aug-11	2,783,025	2,783,025	-	2,783,025	2,783,025	-	2,783,025	-	Completed
10	FTR-PTCL	Technology at Work Pvt. Ltd.	18-Apr-14	5,492,920	5,492,920	-	5,492,920	5,492,920	-	5,492,920	-	Completed, Descoped
11	FTR-Wateen	Technology at Work Pvt. Ltd.	18-Apr-14	1,386,228	1,386,228	-	1,386,228	1,386,228	-	1,386,228	-	Completed
12	STR-V PTCL	Seronic Pvt Limited	22-May-14	2,766,000	2,766,000	-	2,766,000	2,766,000	-	2,766,000	-	upto 2nd Contract Closed
13	NTR-1 PTCL	Seronic Pvt Limited	17-Oct-14	4,840,500	4,840,500	-	4,840,500	4,840,500	-	4,840,500	-	Completed
14	RTR-1 PTCL	Makkays	23-Oct-14	3,678,350	3,678,350	-	3,678,350	3,678,350	-	3,678,350	-	Completed
15	STR-V PTCL	Emerging Systems	26-Dec-18	8,331,900	5,499,054	2,832,846	8,331,900	5,499,054	2,832,846	8,331,900	-	Completed
	Sub-total (D)			**72,532,038**	**68,513,090**	**2,832,846**	**71,345,936**	**68,548,250**	**2,832,846**	**71,381,096**	**1,186,102**	
	Total (A+B+C+D)			**358,534,862**	**234,808,942**	**24,268,108**	**259,077,050**	**234,741,361**	**24,268,108**	**259,009,469**	**99,457,812**	

* *Telecom Services & Consultants (Private) Limited- Tel-e-Com*

** *Optiwave Technologies (Pvt.) Ltd.*

*** *Telecom Engineering & Consultancy House (Pvt) Limited- TEACH*

**** *Komkonsult Private Limited*

***** *GloTech Services Pakistan Pvt Ltd*

17.1 FEE TO TECHNICAL AUDITORS FOR PROJECTS

Sr. No.	Project / Lot	Allotted to	Contract date	Total cost as per contract	Technical audit fee due			Technical audit fee disbursed			Balance commitment	Milestones achieved
					As of 30 June, 2018	For the year	As of 30 June, 2019	As of 30 June, 2018	For the year	As of 30 June, 2019		
				Rupees								
A) BROADBAND FOR SUSTAINABLE DEVELOPMENT PROGRAM												
1	Malakand	Telecom Services *	02-Aug-08	5,000,000	5,000,000	-	5,000,000	5,000,000	-	5,000,000	-	Contract Closed
2	DG Khan	Telecom Services *	01-Jan-09	12,594,400	12,594,400	-	12,594,400	12,594,400	-	12,594,400	-	Completed
3	Sukkur	Optiwave **	01-Jan-09	11,327,700	11,327,700	-	11,327,700	11,327,700	-	11,327,700	-	Completed
4	Bahawalpur	Telecom Services *	26-Mar-09	8,975,000	8,975,000	-	8,975,000	8,975,000	-	8,975,000	-	Completed
5	Dadu	Myson Engineering	15-Apr-09	6,400,000	6,400,000	-	6,400,000	6,400,000	-	6,400,000	-	Completed
6	Pishin	Myson Engineering	15-Apr-09	6,700,000	6,700,000	-	6,700,000	6,700,000	-	6,700,000	-	Completed
7	Mansehra	Optiwave **	09-Dec-09	5,264,040	5,264,040	-	5,264,040	5,264,040	-	5,264,040	-	Up to 2nd,
8	MirpurKhas	Telecom Services *	30-Dec-09	3,375,000	3,375,000	-	3,375,000	3,375,000	-	3,375,000	-	Completed
9	Nasirabad	Technology at Work	08-Feb-10	7,809,678	7,809,678	-	7,809,678	7,809,678	-	7,809,678	-	Completed/Idle
10	Turbat	Technology at Work	21-May-14	5,636,303	4,252,911	-	4,252,911	4,150,170	-	4,150,170	1,383,392	Up to 4th
11	Mastung	Komkonsult ****	23-May-14	2,895,572	1,784,526	1,111,046	2,895,572	1,784,526	1,111,046	2,895,572	-	Completed
12	Chitral	Myson Engineering	03-Nov-15	10,108,262	6,155,346	3,952,916	10,108,262	6,155,346	3,952,916	10,108,262	-	Completed
13	Sibi	Komkonsult ****	11-May-16	3,818,570	3,329,469	489,101	3,818,570	3,329,469	489,101	3,818,570	-	Completed
14	Shangla	GloTech Services	30-Jun-16	3,457,792	3,457,792	-	3,457,792	3,457,792	-	3,457,792	-	Completed
15	Zhob	Myson Engineering	05-Dec-16	5,163,991	5,163,991	-	5,163,991	5,163,991	-	5,163,991	-	Completed
16	Khuzdar	GloTech Services	28-Mar-17	5,525,869	3,900,612	1,625,257	5,525,869	3,900,612	1,625,257	5,525,869	-	Completed
17	Chagai	Futursit Pvt Ltd	24-Mar-17	2,530,079	2,530,079	-	2,530,079	2,530,079	-	2,530,079	-	Completed
18	Awaran-Lasbela	Komkonsult ****	31-Jul-17	3,667,540	1,759,478	1,908,062	3,667,540	1,759,478	1,908,062	3,667,540	-	Completed
19	Kharan-Washuk	Komkonsult ****	20-Dec-17	6,942,943	1,388,588	2,777,176	4,165,764	1,388,588	2,777,176	4,165,764	2,777,179	Up to 3rd
20	Kohistan	Futursit Pvt Ltd	20-Dec-17	11,500,000	-	2,300,000	2,300,000	-	2,300,000	2,300,000	9,200,000	up to 1st
21	Khyber	Exceleron	14-Feb-19	9,195,579	-	3,801,900	3,801,900	-	3,801,900	3,801,900	5,393,679	Up to 2nd
22	DI Khan	Myson Engineering	14-Feb-19	11,416,750	-	10,986,750	10,986,750	-	10,986,750	10,986,750	430,000	Up to 4th
	Sub-total (A)			**149,305,068**	**101,168,610**	**28,952,208**	**130,120,818**	**101,065,869**	**28,952,208**	**130,018,077**	**19,184,250**	
B) OPTICAL FIBER CABLE- OFC												
1	Sindh-Package	Technology at Work	29-Sep-09	12,002,488	12,002,488	-	12,002,488	12,002,488	-	12,002,488	-	Completed & Idle
2	Balochistan Package-	Technology at Work	17-Mar-10	7,226,443	7,226,443	-	7,226,443	7,226,443	-	7,226,443	-	Completed, 2
3	Balochistan Package-	Shaukat Hayat Javed	21-May-10	8,601,988	6,245,588	-	6,245,588	6,245,588	-	6,245,588	2,356,400	Up to 3rd, 2 Idle
4	Balochistan-Punjab	Teralight Limited	27-Sep-10	835,858	835,858	-	835,858	835,858	-	835,858	-	Up to 1st,
5	Balochistan-Punjab	TEACH ***	19-May-11	1,425,000	1,425,000	-	1,425,000	1,425,000	-	1,425,000	-	Up to 2nd/3rd
6	Balochistan-Punjab	TEACH ***	28-Oct-13	3,952,193	3,952,193	-	3,952,193	3,952,193	-	3,952,193	-	Completed
7	Balochistan-Punjab	TEACH ***	16-Apr-14	8,974,928	4,487,464	-	4,487,464	4,487,464	-	4,487,464	4,487,464	Up to 3rd
	Sub-total (B)			**43,018,898**	**36,175,034**	**-**	**36,175,034**	**36,175,034**	**-**	**36,175,034**	**6,843,864**	

Sr. No.	Project / Lot	Allotted to	Contract date	Total cost as per contract	Technical audit fee due			Technical audit fee disbursed			Balance commitment	Milestones achieved
					As of 30 June, 2018	For the year	As of 30 June, 2019	As of 30 June, 2018	For the year	As of 30 June, 2019		
					Rupees							
C) BROADBAND												
1	STR-1	BIDCON	27-Jul-10	13,689,376	13,689,376	-	13,689,376	13,689,376	-	13,689,376	-	Completed
2	HTR-PTCL	People Logic	27-Jul-10	4,217,788	3,422,676	(35,160)	3,387,516	3,422,676	-	3,422,676	830,272	Up to 4th & Idle
3	HTR-Wateen	People Logic	27-Jul-10	2,343,463	1,987,633	-	1,987,633	1,987,633	-	1,987,633	355,830	Up to 4th and
4	MTR-World call	Emerging Systems	27-Jul-10	7,336,740	7,336,740	-	7,336,740	7,336,740	-	7,336,740	-	Completed
5	MTR-PTCL	Emerging Systems	27-Jul-10	10,567,406	10,567,406	-	10,567,406	10,567,406	-	10,567,406	-	Completed
6	CTR	Optiwave **	05-Aug-11	-	-	-	-	-	-	-	-	Advance
7	GTR-World call	Technology at Work	05-Aug-11	3,508,042	3,508,042	-	3,508,042	3,508,042	-	3,508,042	-	Completed
8	GTR-Wateen	Technology at Work	05-Aug-11	1,590,300	1,590,300	-	1,590,300	1,590,300	-	1,590,300	-	Completed
9	GTR-PTCL	Technology at Work	05-Aug-11	2,783,025	2,783,025	-	2,783,025	2,783,025	-	2,783,025	-	Completed
10	FTR-PTCL	Technology at Work	18-Apr-14	5,492,920	5,492,920	-	5,492,920	5,492,920	-	5,492,920	-	Completed,
11	FTR-Wateen	Technology at Work	18-Apr-14	1,386,228	1,386,228	-	1,386,228	1,386,228	-	1,386,228	-	Completed
12	STR-V PTCL	Seronic Pvt Limited	22-May-14	2,766,000	2,766,000	-	2,766,000	2,766,000	-	2,766,000	-	upto 2nd
13	NTR-1 PTCL	Seronic Pvt Limited	17-Oct-14	4,840,500	4,840,500	-	4,840,500	4,840,500	-	4,840,500	-	Completed
14	RTR-1 PTCL	Makkays	23-Oct-14	3,678,350	3,678,350	-	3,678,350	3,678,350	-	3,678,350	-	Completed
15	STR-V PTCL	Emerging Systems	26-Dec-18	8,331,900	-	5,499,054	5,499,054	-	5,499,054	5,499,054	2,832,846	3rd & 4th
	Sub-total (C)			**72,532,038**	**63,049,196**	**5,463,894**	**68,513,090**	**63,049,196**	**5,499,054**	**68,548,250**	**4,018,948**	
	Total (A+B+C)			**264,856,004**	**200,392,840**	**34,416,102**	**234,808,942**	**200,290,099**	**34,451,262**	**234,741,361**	**30,047,062**	

* *Telecom Services & Consultants (Private) Limited- Tel-e-Com*

** *Optiwave Technologies (Pvt.) Ltd.*

*** *Telecom Engineering & Consultancy House (Pvt) Limited- TEACH*

**** *Komkonsult Private Limited*

***** *GloTech Services Pakistan Pvt Ltd*

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors of the Company oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

18.1 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties. The Company's credit risk is primarily attributable to advances, deposits, interest accrued, other receivables and balance at bank.

The Company limits its exposure to credit risk by maintaining bank account only with counterparties that have a credit rating of at least A1 and A. Considering the high credit rating, the credit risk in respect of bank balance is considered to be low. The Company's other financial assets are not significant to its operations. The carrying values of financial assets represents the maximum credit exposure at the reporting date are as follows:

	June 30, 2020	June 30, 2019
	-------- Rupees	**---------**
Long term deposits	**127,500**	127,500
Long term advances	**2,267,085**	498,259
Advances	**1,891,923,984**	504,941,286
Interest accrued	**133,093,896**	85,152,640
Other receivables	**1,096,216,888**	1,096,016,872
Bank balance	**2,877,897,060**	3,713,319,544
	6,001,526,413	5,400,056,101

The credit quality of financial assets, for which the counter party is a bank, can be assessed by reference to external credit ratings as shown below:

Bank name:	**Rating**	**Rating Agency**	**June 30, 2020**	June 30, 2019
			-------- Rupees	**---------**
National Bank of Pakistan	AAA/A-1+	JCR-VIS/PACRA		
Bank balance			**2,877,897,060**	3,713,319,544
Interest accrued			**133,093,896**	85,152,640
			3,010,990,956	**3,798,472,184**

The management believes that no expected credit loss allowance is required in respect of these financial assets unless explicitly stated in the respective notes.

18.2 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed condition, without incurring any unacceptable loss or damage to the Company's reputation.

The maturity profile of the Company's financial liabilities based on the contractual amounts is as follows:

	Carrying amount	Contractual cash flows	Maturity up to 1 year	Maturity over 1 year and up to 5 years
		---------------Rupees---------------		
June 30, 2020				
Project subsidy payable	**115,763,726**	**115,763,726**	**115,763,726**	**-**
Technical auditor fee payable	**102,741**	**102,741**	**102,741**	**-**
Payable to suppliers	**7,192,302**	**7,192,302**	**7,192,302**	**-**
Accrued liabilities	**2,370,924**	**2,370,924**	**2,370,924**	**-**
Earnest money	**101,010,000**	**101,010,000**	**101,010,000**	**-**
Rent Payable	**10,502,000**	**10,502,000**	**10,502,000**	
Payable to Gratuity fund	**16,787,416**	**16,787,416**	**16,787,416**	
	253,729,109	**253,729,109**	**253,729,109**	**-**
June 30, 2019				
Project subsidy payable	175,232,895	175,232,895	175,232,895	-
Technical auditor fee payable	102,741	102,741	102,741	-
Payable to suppliers	9,557,086	9,557,086	9,557,086	-
Accrued liabilities	3,593,281	3,593,281	3,593,281	-
Earnest money	181,545,000	181,545,000	181,545,000	-
Rent Payable	10,502,000	10,502,000	10,502,000	
Payable to Gratuity fund	5,273,612	5,273,612	5,273,612	
	385,806,615	385,806,615	385,806,615	-

It is not expected that the cash flows included in the maturity analysis would occur significantly earlier or at significantly different amounts.

18.3 Market risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, due to changes in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk. The Company is not significantly exposed to market risk.

18.3.1 Currency risk

Currency risk is the risk that the value of financial asset or a liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into foreign currencies.

The Company is not exposed to currency risks as it has no transaction in foreign currency.

18.3.2 Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rate.
The Company has no significant long-term interest bearing financial asset and liability whose fair value or future cash flows will fluctuate because of changes in market interest rates.
Financial assets include **Rs. 2,877,897,060** (2019: Rs. 3,713,319,544) which earn interest. Applicable interest rates for financial assets have been indicated in note 10.1.
As the interest rates on the Company's financial assets are fixed, there is no exposure to any fluctuation in future cash flows.

Fair value sensitivity analysis for fixed rate instruments
The Company does not hold any financial asset at fair value through profit and loss. Therefore a change in interest rate at reporting date would not affect income and expenditure account of the Company.

18.3.3 Other price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

At the year end the Company is not exposed to price risk since there are no financial instruments whose fair value or future cash flows will fluctuate because of changes in market prices.

18.4 Off-setting of financial assets and liabilities

The Company does not off-set any of its financial assets and financial liabilities.

18.5 Determination of fair values

Fair values of financial and non-financial assets and liabilities are determined for measurement and/or disclosure on the basis of accounting policies disclosed in the financial statements. As at the reporting date, carrying value of the Company's financial assets and liabilities are reasonable approximation of their fair value. Accordingly, no fair value information has been disclosed in these financial statements.

18.6 Capital risk management

The Board of Directors monitors the Company's performance against target set on an annual basis. All of the financing required by the Company, for its activities, is provided through Grant from MoIT. The outstanding balance of the Grant is normally adequate for a year's operation. MoIT remains committed to met the requirements of the company.

19 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The Company is governed by the Ministry of Information Technology, Government of Pakistan (GoP). Therefore, all departments and agencies controlled by the GoP ("State-controlled entities") are related parties of the Company. Other related parties include directors, members, key management personnel, USF Employees' Gratuity Fund and entities under common directorship. Remuneration to the chief executive, directors and executives is disclosed in note 20 to these financial statements. Balances with related parties are disclosed in note 7, 13 and 16 to the financial statements and significant transactions with related parties are as follows:

	Note	**June 30, 2020**	June 30, 2019
		-------- Rupees ---------	
State-controlled entities			
- MoIT- grant received during the year		**4,890,000,000**	6,949,000,000
Associate due to common directorship			
Subsidy grant disbursement	16		
- Pakistan Telecommunication Company Limited		**599,894,680**	377,427,300
- Pak Telecom Mobile Limited (Ufone)		**1,322,100,387**	3,176,159,452
- Pakistan Mobile Communication Limited-Jazz		**-**	45,101,418
- Telenor Pakistan Private Limited-Telenor		**3,063,415,965**	-
		4,985,411,032	3,598,688,170
USF Employees' Gratuity Fund			
Contributions paid by the Company	13	**12,512,106**	17,677,638

20 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		Directors		Executives	
	30-Jun-20	30-Jun-19	**30-Jun-20**	30-Jun-19	**30-Jun-20**	30-Jun-19
	----------Rupees----------					
Meeting fee	**-**	-	**2,740,000**	284,000	**-**	-
Managerial remuneration	**1,599,315**	11,017,500	**-**	-	**83,751,751**	64,377,779
Allowances	**1,129,426**	8,112,433	**-**	-	**69,880,835**	58,399,945
Bonus	**4,407,000**	1,300,000	**-**	-	**24,064,141**	16,527,388
	7,135,741	20,429,933	**2,740,000**	284,000	**177,696,727**	139,305,112
Number of persons	**1**	1	**9**	9	**33**	29

20.1 Allowances includes monetization allowance, amounting to **Rs. 11,619,688** (2019: Rs. 11,761,250) provided in lieu of the Company maintained car to the entitled employees. Further, the Chief Executive Officer is also entitled to gratuity on leaving the Company.

20.2 The Directors of the Company were not paid any remuneration during the year except for the meeting fee.

21 NUMBER OF EMPLOYEES

	June 30, 2020	June 30, 2019
Employees at the year end (Number)	**88**	88
Average employees during the year (Number)	**88**	88

22 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company on 19 October, 2020.

23 GENERAL

Figures in these financial statements have been rounded off to the nearest rupee unless otherwise stated.

CHIEF EXECUTIVE OFFICER

DIRECTOR