

TELECARD LIMITED
Half Yearly Accounts
For the period ended
31 December 2019

Company Information

Board of Directors	Mr. Shams ul Arfeen (Chairman) Syed Aamir Hussain (CEO) Mr. Tipu Saeed Khan Mr. Hissan ul Arfeen Mr. Waseem Ahmad Syed Hashim Ali Syed Mohammad Pervez Sadiq
Board Audit Committee	Mr. Tipu Saeed Khan (Chairman) Mr. Shams ul Arfeen Syed Muhammad Pervez Sadiq
Human Resource & Remuneration Committee	Mr. Shams ul Arfeen (Chairman) Syed Aamir Hussain Mr. Hissan ul Arfeen
Chief Executive Officer	Syed Aamir Hussain (CEO)
Legal Advisor	Mohsin Tayebaly & Co.
Chief Financial Officer	Syed Hashim Ali
Company Secretary	Mr. Waseem Ahmad
Banks	Habib Metropolitan Bank Ltd National Bank of Pakistan Silk Bank Limited Summit Bank Habib Bank Limited
Registrar and Share Transfer Office	Jwaffs Registrar Services (Pvt.) Ltd. 407-408, 4 th Floor, Al Ameera Centre Sharah-e-Iraq Karachi
Registered Office	3 rd Floor, 75 East, Blue Area, Fazal-ul-Haq Road, Islamabad Pakistan
Corporate Office	7 th Floor, World Trade Center, 10- Khayaban-e-Roomi, Clifton, Karachi Pakistan



Directors' Report

The Board of Directors of Telecard Limited are pleased to present the Financial Statements and review of your Company's performance for the period ended December 31, 2019.

Review of Current Operations

The revenue for the period ended December 31, 2019 was Rs. 607 million as against the revenue of Rs. 552 million for the corresponding financial period, the increase in revenue is attributable to the appreciation of the exchange rate. Your Company's direct cost was lower when compared with similar period of the preceding financial year due to decrease in various charges. Company has posted Gross Profit of Rs. 254 million compared to a Gross Profit of Rs. 186 million last time due to the foregoing reasons.

The administrative and distribution cost was higher when compared with the corresponding financial period due to booking of doubtful debts. Finance cost for the period under review was higher when compared with similar period of the preceding financial year due to increase in discount rates.

The Company incurred a loss after taxation of Rs. (37) million as against a loss after taxation Rs. (8.6) million during the corresponding financial period. The loss per share stood at Rs. (0.12) compared to a loss of Rs. (0.03) last time.

On a consolidated basis the Company posted revenue of Rs. 2.128 billion as against revenue of Rs. 1.960 billion for the corresponding financial period. Your Company's direct cost for the period was higher in comparison with the preceding financial period. Company has posted Gross Profit of Rs. 649 million compared to a Gross Profit of Rs. 627 million for the preceding financial period.

The administrative and distribution cost was higher in comparison with the corresponding period. Finance cost for the period under review was higher when compared with the preceding financial period.

On a consolidated basis the Company posted a loss after taxation of Rs. (8.6) million as against a profit of Rs. 51.3 million for the corresponding period. The loss per share stood at Rs. (0.03) as against a profit of Rs. 0.17 last time.

Future Prospects

Your Company stands committed to enhance revenue streams, with a sense of purpose and commitment.

On behalf of the Board


Syed Amir Hussain
Chief Executive Officer

28 February, 2020

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Telecard Limited Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of **TELECARD LIMITED** (the "Company") as at December 31, 2019, and the related condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of other comprehensive income, condensed interim unconsolidated statement of changes in equity, condensed interim unconsolidated statement of cash flows and notes to the condensed interim unconsolidated financial statements for the six-months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

The figures of the condensed interim unconsolidated statement of profit or loss and condensed interim unconsolidated statement of other comprehensive income for the quarters ended December 31, 2019 and 2018 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2019.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

PRAYS

Emphasis of matter

We draw attention to the matters referred in notes 8.1 and 15.1 to the condensed interim financial statements for the half year ended December 31, 2019. The ultimate outcome of the legal cases and financial claims, as fully explained in the referred notes to the annual unconsolidated financial statements for the year ended June 30, 2019, cannot presently be determined and accordingly, no provision for any liability and reversal of any financial claim has been made in the condensed interim financial statements. Our conclusion is not qualified in respect of these matters.

The engagement partner on the audit resulting in this independent auditor's report is Hina Kazi.

Parker Randall AJS
Chartered Accountants
PKAS

Engagement Partner:

Hina Kazi

Date: 02 MAR 2020

Place: Karachi

TELECARD LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2019

		Dec 31, 2019 (Un-audited)	June 30, 2019 (Audited)
	Note	---- (Rupees in '000') ----	
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property, plant and equipment	4	479,563	505,300
Intangible assets	5	8,926	9,903
Right-of-use assets	6	62,758	-
		<u>551,247</u>	<u>515,203</u>
Long-term investments		340,537	340,537
Long-term deposits		57,612	53,912
Deferred taxation		302,762	302,762
		<u>1,252,158</u>	<u>1,212,414</u>
CURRENT ASSETS			
Trade debts		292,048	336,673
Loans and advances		45,622	45,083
Deposits and prepayments		33,173	28,209
Accrued mark-up	7	30,918	24,793
Other receivables	8	2,745,105	2,743,054
Taxation – net		130,785	132,067
Bank balances	9	59,708	22,503
		<u>3,337,359</u>	<u>3,332,382</u>
TOTAL ASSETS		<u><u>4,589,517</u></u>	<u><u>4,544,796</u></u>

The annexed notes from 1 to 21 form an integral part of these condensed interim unconsolidated financial statements.

PRAS

~~CHIEF EXECUTIVE OFFICER~~


 CHIEF FINANCIAL OFFICER



 DIRECTOR

TELECARD LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2019

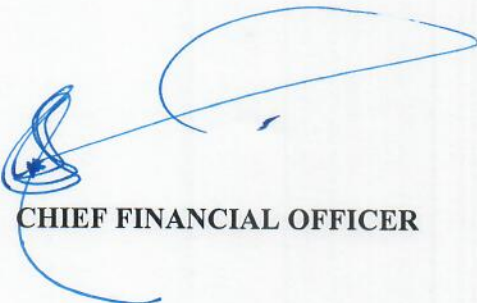
	Dec 31, 2019 (Un-audited)	June 30, 2019 (Audited)
Note	---- (Rupees in '000') ----	
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Share capital authorised		
400,000,000 (2019: 400,000,000) ordinary shares of Rs. 10/- each		
	<u>4,000,000</u>	<u>4,000,000</u>
Issued, subscribed and paid-up capital	3,000,000	3,000,000
Accumulated loss	<u>(880,260)</u>	<u>(843,340)</u>
	2,119,740	2,156,660
NON-CURRENT LIABILITIES		
Term finance certificates	10	165,649
Advance from a contractor	336,870	337,900
Lease liabilities	11	-
Deferred liabilities	5,366	5,147
	370,032	508,696
CURRENT LIABILITIES		
Trade and other payables	12	1,008,145
Unclaimed dividend	4,394	4,394
Current portion of lease liabilities	11	-
Accrued interest / mark-up	13	150,746
Short-term financing	14	716,155
	2,099,745	1,879,440
Contingencies and commitments	15	
TOTAL EQUITY AND LIABILITIES	<u>4,589,517</u>	<u>4,544,796</u>

The annexed notes from 1 to 21 form an integral part of these condensed interim unconsolidated financial statements.

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CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

TELECARD LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

	Note	Half-year ended		Quarter ended	
		Dec 31, 2019	Dec 31, 2018	Dec 31, 2019	Dec 31, 2018
----- (Rupees in '000') -----					
Revenue – net		606,799	551,842	307,454	286,713
Direct costs		<u>(352,525)</u>	<u>(365,582)</u>	<u>(182,451)</u>	<u>(208,223)</u>
Gross profit		254,274	186,260	125,003	78,490
Distribution costs and administrative expenses	16	<u>(208,980)</u>	<u>(148,867)</u>	<u>(102,707)</u>	<u>(35,864)</u>
Other operating expenses		<u>(3,660)</u>	<u>-</u>	<u>(1,587)</u>	<u>-</u>
		(212,640)	(148,867)	(104,294)	(35,864)
Other income		4,395	4,309	3,565	1,946
		<u>(208,245)</u>	<u>(144,558)</u>	<u>(100,729)</u>	<u>(33,918)</u>
Operating profit		46,029	41,702	24,274	44,572
Finance costs		<u>(60,191)</u>	<u>(34,655)</u>	<u>(34,319)</u>	<u>(20,770)</u>
(Loss) / profit before taxation		(14,162)	7,047	(10,045)	23,802
Taxation		<u>(22,758)</u>	<u>(15,699)</u>	<u>(9,498)</u>	<u>(7,073)</u>
Net (loss) / profit for the period		<u>(36,920)</u>	<u>(8,652)</u>	<u>(19,543)</u>	<u>16,729</u>
(Loss)/earning per share - basic and diluted (rupees)		<u>(0.12)</u>	<u>(0.03)</u>	<u>(0.07)</u>	<u>0.06</u>

The annexed notes from 1 to 21 form an integral part of these condensed interim unconsolidated financial statements.

PRAS

CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TELECARD LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF OTHER
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

	<u>Half-year ended</u>		<u>Quarter ended</u>	
	<u>Dec 31,</u> <u>2019</u>	<u>Dec 31,</u> <u>2018</u>	<u>Dec 31,</u> <u>2019</u>	<u>Dec 31,</u> <u>2018</u>
	----- (Rupees in '000') -----			
Net (loss) / profit for the period	(36,920)	(8,652)	(19,543)	16,729
Other comprehensive income	-	-	-	-
Total comprehensive (loss) / income for the period	<u><u>(36,920)</u></u>	<u><u>(8,652)</u></u>	<u><u>(19,543)</u></u>	<u><u>16,729</u></u>

The annexed notes from 1 to 21 form an integral part of these condensed interim unconsolidated financial statements.

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CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TELECARD LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

	Half-year ended	
	Dec 31, 2019	Dec 31, 2018
	---- (Rupees in '000') ----	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(14,162)	7,047
Adjustments for non cash and other items:		
Depreciation	41,121	29,468
Provision for gratuity	219	219
Finance costs	60,009	32,823
Amortisation of intangible assets	977	977
Provision for doubtful debt	57,586	-
Advance from a contractor	(1,030)	(3,090)
	158,882	60,397
Profit before working capital changes	144,720	67,444
Increase in current assets		
Trade debts	(12,961)	(13,444)
Loans and advances	(539)	(754)
Deposits, prepayments and other receivables	(16,143)	(52,983)
	(29,643)	(67,181)
Decrease in current liabilities		
Trade and other payables	(5,909)	8,038
Cash generated from operations	109,168	8,301
Income tax paid	(21,475)	(15,788)
Gratuity paid	-	(69)
Finance cost against lease liabilities paid	(4,462)	-
Long-term deposit paid	(3,700)	(278)
	(29,637)	(16,135)
Net cash generated from / (used in) from operating activities	79,531	(7,834)
CASH FLOWS FROM INVESTING ACTIVITY		
Fixed capital expenditure	(2,833)	(3,832)
Net cash used in investing activities	(2,833)	(3,832)
CASH FLOWS FROM FINANCING ACTIVITY		
Payment made against diminishing musharakah	(25,000)	-
Payment made against lease liabilities	(14,493)	-
Net cash used in investing activities	(39,493)	-
Net increase / (decrease) in cash and cash equivalents	37,205	(11,666)
Cash and cash equivalents at the beginning of the period	22,503	16,228
Cash and cash equivalents at the end of the period	59,708	4,562

The annexed notes from 1 to 21 form an integral part of these condensed interim unconsolidated financial statements.

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CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TELECARD LIMITED

**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019**

	Issued, subscribed and paid-up capital	Accumulated loss	Total
	----- (Rupees in '000') -----		
Balance as at June 30, 2018 - (Audited)	3,000,000	(761,293)	2,238,707
Net loss for the period	-	(8,652)	(8,652)
Other comprehensive income	-	-	-
Total comprehensive loss for the period	-	(8,652)	(8,652)
Balance as at Dec 31, 2018 - (Un-audited)	<u>3,000,000</u>	<u>(769,945)</u>	<u>2,230,055</u>
Balance as at June 30, 2019 - (Audited)	3,000,000	(843,340)	2,156,660
Net loss for the period	-	(36,920)	(36,920)
Other comprehensive income	-	-	-
Total comprehensive loss for the period	-	(36,920)	(36,920)
Balance as at Dec 31, 2019 - (Un-audited)	<u>3,000,000</u>	<u>(880,260)</u>	<u>2,119,740</u>

The annexed notes from 1 to 21 form an integral part of these condensed interim unconsolidated financial statements.

PRAYS

CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TELECARD LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

1. THE COMPANY AND ITS OPERATIONS

Telecard Limited (the Company) was incorporated in Pakistan on October 29, 1992 as a public limited company under the Companies Ordinance, 1984 (the Ordinance), [Repealed with the enactment of Companies Act, 2017]. The shares of the Company are listed on the Pakistan Stock Exchange. The Company itself and through its subsidiary is licensed to provide fully integrated telecommunication services, these include basic wireless telephony, long distance and international services.

The registered office of the Company is located at World Trade Centre 75-East Blue Area, Fazal-ul-Haq road, Islamabad. The principal place of business of the Company is located at World Trade Centre, 10-Khayaban-e-Roomi, Clifton, Karachi while the site office is situated at B-1, SITE area, Manghopir road, Karachi.

The regional offices of the Company are situated at the following addresses:

- House no. 1 White House Lane near Aitchison College, Sundreas Road, Zaman Park, Lahore.
- Near Guttwala Bridge Sheikhpura Road, Faisalabad.
- 4th Floor, Evacuee Trust Property Board Building Opposite PTCL Dera Adda Exchange Multan.

2. BASIS OF PREPARATION

The condensed interim unconsolidated financial statements has been prepared for the six months period ended December 31, 2019 in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Act 2017. In case where the requirements differ, the provisions of or directives issued under the Companies Act 2017 shall prevail.

The condensed interim unconsolidated financial statements is being submitted to the shareholders as required by the listing regulation of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

The condensed interim unconsolidated financial statements does not include all the information and disclosures required in an annual financial statements and should be read in conjunction with the annual audited financial statements as at and for the year ended June 30, 2019.

3. SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The preparation of condensed interim unconsolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets and liabilities, income or expenses. Actual results may differ from these estimates.

The accounting policies, estimates, judgments and methods of computation adopted for the preparation of the condensed interim unconsolidated financial statements are same as those applied in the preparation of the annual financial statements of the Company as at and for the year ended June 30, 2019, except for the adoption of IFRS 16 'Leases' as fully explained below:

PRAYS

3.1 IFRS 16 'Leases'

IFRS 16 'Leases' became effective for annual periods beginning on or after January 01, 2019 as notified by the Securities and Exchange Commission of Pakistan (SECP) through its SRO 434(I)/2018 dated April 09, 2018 which has been fully adopted by the Company during the period under review.

On adoption of IFRS 16, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 "Leases". These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of January 01, 2019.

The Company has adopted modified retrospective approach with cumulative effect of initially applying the Standard as an adjustment to the opening balance of retained earnings as at the date of initial application of the said Standard and accordingly, the Company has not restated comparative information. Therefore, except for the recognition of right-of-use (ROU) assets and corresponding lease liabilities as disclosed below, adoption of IFRS 16 does not have any impact on opening retained earnings as at July 01, 2019.

The Company has applied practical expedients by applying signal discount rate to a portfolio of leases with reasonably similar characteristics and using hindsight in determining the lease term where the contract contains options to extend or terminate the lease as permitted by the Standard.

3.1.1 The effect of adoption of IFRS 16 as at July 01, 2019 is as follows:

	July 01, 2019 Rupees. '000'
Operating lease commitments subject to IFRS 16	160,957
Incremental borrowing rate as at July 01, 2019	13.25%
Present value of lease liabilities against right of use assets	72,309
Adjustment for prepayment and deposits	3,000
Right of use assets	75,309

3.1.2 Movement in right of use assets and corresponding lease liabilities are as follows:

	Right of use asset	Lease liability
	-----Rupees in '000'-----	
As at July 01, 2019	75,309	72,309
Depreciation on ROU assets	(12,551)	-
Finance charge	-	4,462
Lease payments made during the year	-	(18,955)
	<u>62,758</u>	<u>57,816</u>

Prays

3.2 SUMMARY OF NEW ACCOUNTING POLICY

The summary of new accounting policy as a result of first time adoption of IFRS 16 is set out below:

Lease liability

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Right-of-use asset

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfer's ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. Right of use assets are subject to annual impairment review in accordance with IAS 36.

		Dec 31, 2019 (Un-audited)	June 30, 2019 (Audited)
	Note	---- (Rupees in '000') ----	
4. PROPERTY, PLANT AND EQUIPMENT			
4.1 Operating fixed assets			
Opening net book value		505,300	556,648
Additions during the period / year	4.1.1	<u>2,833</u>	<u>7,195</u>
		508,133	563,843
Net book value of disposals during the year		<u>-</u>	<u>(55)</u>
Depreciation charged during the period / year		<u>(28,570)</u>	<u>(58,488)</u>
		<u>(28,570)</u>	<u>(58,543)</u>
		<u>479,563</u>	<u>505,300</u>

Praxs

	Dec 31, 2019 (Un-audited) ---- (Rupees in '000') ----	June 30, 2019 (Audited)
4.1.1 Details of additions during the period / year are as follows:		
Owned		
Apparatus, plant and equipment	2,363	4,200
Computers & accessories	319	706
Furniture, fixtures and office equipment	151	2,289
	<u>2,833</u>	<u>7,195</u>
5. INTANGIBLE ASSETS		
At cost		
Wireless local loop (WLL) license	8,120	8,120
Long distance international (LDI) license	29,029	29,029
	<u>37,149</u>	<u>37,149</u>
Accumulated amortisation to date	(28,223)	(27,246)
	<u>8,926</u>	<u>9,903</u>
6. RIGHT-OF-USE ASSETS		
Cost as at July 01, 2019	75,309	-
Depreciation for the period	(12,551)	-
Closing net book value as at Dec 31, 2019	<u>62,758</u>	<u>-</u>
7. ACCRUED MARK-UP		
Due from a bank	7,000	7,000
Mark-up on current accounts with related parties	23,918	17,793
	<u>30,918</u>	<u>24,793</u>
8. OTHER RECEIVABLES		
Considered good		
Related parties	974	867
Others		
Karachi relief rebate	325,771	325,771
Due from PTCL against PTA - Escrow	96,041	96,041
Due from PTCL	56,218	56,218
In escrow account with PTA	345,594	345,594
Pakistan Telecommunication Authority (PTA)	1,778,964	1,778,964
Late payment additional fees and others to PTA	96,794	94,552
Claim against a bank	998	998
Insurance claims	56	56
Due from a contractor	3,726	4,613
Punjab Revenue Authority (PRA)	34,956	34,956
Others	5,013	4,424
	<u>2,745,105</u>	<u>2,743,054</u>
Considered doubtful		
Due from PTCL	243,890	243,890
Karachi Relief Rebate Package	325,770	325,770
	569,660	569,660
Provision for other receivables considered doubtful	(569,660)	(569,660)
	<u>2,745,105</u>	<u>2,743,054</u>

PRAYS

8.1 There has been no significant change in status of legal cases / financial claims as reported in the audited financial statements of the Company for the year ended June 30, 2019.

		Dec 31, 2019 (Un-audited)	June 30, 2019 (Audited)
		---- (Rupees in '000') ----	
9. BANK BALANCES	Note		
Cash at banks:			
In current accounts			
Local currency		3,158	12,605
Foreign currency		34	45
		3,192	12,650
In saving accounts			
Local currency	9.1	56,516	9,853
		59,708	22,503

9.1 These carry mark-up at rates, ranging between 2.6% and 11.2% (June 30, 2019: 2.02% to 10.30%) per annum.

		Dec 31, 2019 (Un-audited)	June 30, 2019 (Audited)
		---- (Rupees in '000') ----	
10. TERM FINANCE CERTIFICATES	Note		
Secured			
Term finance certificates	10.1	736,190	736,190
Overdue instalments shown under current liabilities		(736,190)	(294,471)
Current maturity shown under current liabilities		-	(276,070)
		-	165,649

10.1 This represents listed Term Finance Certificates (TFC's) issued by the Company. Effective December 31, 2015 these TFC's have been restructured for the period of five years carrying mark-up payable on quarterly basis and principal amount redeemable in 12 unequal quarterly instalments starting from March 31, 2018. These TFC's carry mark-up at the rate of 3 months KIBOR (June 30, 2019: 3 months KIBOR).

These are secured against a first charge over the specific fixed assets of the Company, aggregating to Rs. 800.000 (June 30, 2019: Rs. 800.000) million and charge over the specific intangible assets (frequency spectrum) procured from the PTA.

PRAYS

Dec 31, June 30,
2019 2019
(Un-audited) (Audited)
---- (Rupees in '000') ----

11. LEASE LIABILITIES

Present value of lease liabilities against ROU assets	57,816	-
Current maturity shown under current liabilities	(30,020)	-
Non-current portion of lease liabilities	27,796	-

12. TRADE AND OTHER PAYABLES

Pakistan Telecommunication Company Limited

LL & LDI charges	141,739	130,721
Others	803	786
	142,542	131,507

Interconnect operators	13,864	12,520
Others	73,584	85,247
	229,990	229,274

Other payables

Current account with related parties	318,417	313,097
Current maturity of spectrum fee payable	317,100	317,100
Accrued liabilities	119,493	113,372
Advances from customers	11,479	29,545
Unearned income	793	793
Workers' welfare fund	4,964	4,964
	772,246	778,871
	1,002,236	1,008,145

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		Dec 31, 2019 (Un-audited)	June 30, 2019 (Audited)
	Note	---- (Rupees in '000') ----	
13. ACCRUED INTEREST / MARK-UP			
On secured:			
Diminishing musharakah		23,190	19,772
Term finance certificates		<u>152,462</u>	<u>102,695</u>
		<u>175,652</u>	<u>122,467</u>
On unsecured:			
Current accounts with related parties		<u>30,639</u>	<u>28,279</u>
		<u><u>206,291</u></u>	<u><u>150,746</u></u>
14. SHORT-TERM FINANCING			
Diminishing musharakah	14.1	120,614	145,614
Overdue instalment of term finance certificates	10	<u>736,190</u>	<u>570,541</u>
		<u><u>856,804</u></u>	<u><u>716,155</u></u>

14.1 This represents Diminishing Musharakah facility from an Islamic bank. The facility was created by conversion of running finance facility from commercial bank due to its merger with an Islamic bank. The facility carries profit at the rate of 3 month KIBOR with the floor of 7.5% (June 30, 2019: 3 month KIBOR with a floor of 7.5%) per annum and it is secured against pari passu charge over the current assets of the Company and ranking charged over the fixed assets of the Company. During the reporting period, the Company paid Rs. 25.00 million as a part of negotiation process with the Bank, however, as no term has been finalised for the repayment of this facility yet, therefore the entire amount has been classified as short-term financing.

15. CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

There has been no significant change in the status of contingencies as reported in the annual unconsolidated financial statements for the year ended June 30, 2019.

15.2 Commitments

Counter guarantees given to banks

<u><u>43,625</u></u>	<u><u>43,625</u></u>
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PRAYS

16. **DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES**

16.1 This includes Rs. 26.25 million related to short-term leases.

17. **TRANSACTIONS WITH RELATED PARTIES**

The related parties include a subsidiary company, entities having directors in common with the Company, major shareholders of the Company, directors and other key management personnel and retirement benefit plans. Transactions with related parties, other than those disclosed elsewhere in the financial statements are as under:

	Half-year ended	
	Dec 31, 2 0 1 9	Dec 31, 2 0 1 8
Subsidiary of wholly owned subsidiary company		
Supernet E-Solutions (Private) Limited		
Services received	3,246	3,228
Entities having directors in common with the Company		
Arfeen International (Private) Limited		
Rent charged to the Company	2,760	2,760
Mark-up charged to the Company	1,152	948
Services rendered	230	84
World Trade Center (Private) Limited		
Service received	31,117	14,340
Service rendered	56	18
Mark-up charged to the Company	1,208	2,279
Mark-up charged by the Company	2,376	1,589
Envicrete Limited		
Services rendered	128	67
Instaphone Infrastructure (Private) Limited		
Services rendered	-	154
Services received	949	829
Port Grand Limited		
Services rendered	84	67
Key management personnel		
Remuneration and benefits	39,685	32,085
Contribution paid to provident fund	3,597	2,908

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18. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual unconsolidated financial statements for the year ended June 30, 2019.

19. CORRESPONDING FIGURES

Certain corresponding figures have been reclassified and rearranged for the purpose of better presentation, however, there was no material reclassifications during the period other than the following:

		-- (Rupees in '000') ----
Reclassification from	Reclassification to	
Trade and other payables - LL & LDI charges	Other receivables - Due from PTCL	56,218
Trade debts - Others	Trade and other payables - Advances from customers	20,596

20. AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorised for issue on 02-MARCH-2020 by the Board of Directors of the Company.

21. GENERAL

Figures have been rounded off to the nearest thousand rupees except as stated otherwise.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TELECARD LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DEC 31, 2019

		Dec 31, 2019	June 30, 2019
	Note	---- (Rupees in '000') ----	
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Property, plant and equipment	4.	762,910	817,797
Intangible assets		81,870	82,050
Right-of-use assets	5.	<u>62,758</u>	<u>-</u>
		907,538	899,847
Long-term deposits		88,022	84,357
Deferred taxation		<u>332,964</u>	<u>336,583</u>
		1,328,524	1,320,787
CURRENT ASSETS			
Communication stores		126,514	128,151
Trade debts		1,211,632	1,441,529
Loans and advances		113,077	93,102
Deposits and prepayment		75,403	61,519
Accrued mark-up		30,918	24,793
Other receivables	6.	2,754,025	2,756,610
Taxation – net		367,033	313,459
Bank balances		176,560	194,305
		4,855,162	5,013,468
TOTAL ASSETS		<u><u>6,183,686</u></u>	<u><u>6,334,255</u></u>

The annexed notes from 1 to 11 form an integral part of these condensed interim consolidated financial statements

~~CHIEF EXECUTIVE~~

CHIEF FINANCIAL OFFICER

DIRECTOR

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TELECARD LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DEC 31, 2019

Dec 31, June 30,
2019 2019
---- (Rupees in '000) ----

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Share capital authorized

400,000,000 (2019: 400,000,000) ordinary shares of Rs. 10/- each

4,000,000 4,000,000

Issued, subscribed and paid-up capital

3,000,000 3,000,000

Foreign currency translation reserve

(15) (375)

Accumulated loss attributable to owners of the company

(285,876) (277,270)

Non-Controlling Interest

1,549 (846)

Total equity

2,715,658 2,721,509

NON-CURRENT LIABILITIES

Long-term loans

39,572 58,188

Term finance certificate

- 165,649

Advance from contractor

336,870 337,900

Liability against asset subject to finance lease

9,549 -

Deferred liabilities

8,227 8,008

394,218 569,745

CURRENT LIABILITIES

Trade and other payables

7. 1,773,014 1,985,850

Unclaimed dividend

4,394 4,394

Accrued interest/mark-up

215,023 158,839

Current portion of lease liabilities

48,267 -

Short-term financing

1,033,112 893,918

3,073,810 3,043,001

Contingencies & commitments

- -

TOTAL EQUITY AND LIABILITIES

6,183,686 6,334,255

The annexed notes from 1 to 11 form an integral part of these condensed interim consolidated financial statements


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR



TELECARD LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT
FOR SIX MONTHS ENDED DECEMBER 31, 2019
(UN-AUDITED)

	Half-year ended		Quarter ended	
	Dec 31, 2019	Dec 31, 2018	Dec 31, 2019	Dec 31, 2018
	----- (Rupees in '000') -----			
Revenue – net	2,128,083	1,960,966	1,029,767	1,026,292
Direct costs	<u>(1,478,978)</u>	<u>(1,333,864)</u>	<u>(793,193)</u>	<u>(719,868)</u>
Gross profit	649,105	627,102	236,574	306,424
Distribution costs and administrative expenses	<u>(408,269)</u>	<u>(344,271)</u>	<u>(203,598)</u>	<u>(117,204)</u>
Other operating expenses	<u>(45,333)</u>	<u>(51,767)</u>	<u>(13,515)</u>	<u>(27,522)</u>
	(453,602)	(396,038)	(217,113)	(144,726)
Other income	<u>8,273</u>	<u>3,740</u>	<u>4,801</u>	<u>2,792</u>
	(445,329)	(392,298)	(212,312)	(141,934)
Operating profit	203,776	234,804	24,262	164,490
Finance costs	<u>(79,281)</u>	<u>(49,643)</u>	<u>(43,646)</u>	<u>(28,490)</u>
(Loss) / profit before taxation	124,495	185,161	(19,384)	136,000
Taxation	<u>(133,101)</u>	<u>(133,848)</u>	<u>(60,507)</u>	<u>(70,849)</u>
Net (loss) / profit for the period	<u>(8,606)</u>	<u>51,313</u>	<u>(79,891)</u>	<u>65,151</u>
Attributable to :				
Group	(10,155)	51,313	(82,516)	65,151
NCI	<u>1,549</u>	<u>-</u>	<u>2,625</u>	<u>-</u>
	<u>(8,606)</u>	<u>51,313</u>	<u>(79,891)</u>	<u>65,151</u>
(Loss)/earning per share - basic and diluted (rupees)	<u>(0.03)</u>	<u>0.17</u>	<u>(0.27)</u>	<u>0.22</u>

The annexed notes from 1 to 11 form an integral part of these condensed interim consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR



TELECARD LIMITED
 CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOW
 FOR SIX MONTHS ENDED DECEMBER 31, 2019
 (UN-AUDITED)

Dec 31, Dec 31,
 2019 2018
 ---- (Rupees in '000') ----

CASH FLOWS FROM OPERATING ACTIVITIES

Cash generated from operations	287,945	512,206
Income tax paid	(190,294)	(227,832)
Finance costs paid	(17,067)	(31,181)
Retirement benefits paid	-	(100)
Liability for long-term deposits	-	(3)
Long-term deposits	(3,665)	(3,948)
Net cash generated from operating activities	76,919	249,142

CASH FLOWS FROM INVESTING ACTIVITIES

Additions to property, plant and equipment	(30,449)	(234,314)
Additions to intangible assets	(927)	-
Net cash used in investing activities	(31,376)	(234,314)

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of obligation under finance lease	(18,217)	(1,834)
(Repayment)/proceeds from long-term finances	(44,349)	15,500
Repayment of short-term running finance	(722)	(7,500)
Proceeds from short-term running finances	-	35
Net cash used in financing activities	(63,288)	6,201

Net (decrease)/increase in cash and cash equivalents	(17,745)	21,029
Cash and cash equivalents at the beginning of the period	194,305	42,625
Cash and cash equivalents at the end of the period	176,560	63,654

The annexed notes from 1 to 11 form an integral part of these condensed interim consolidated financial statements.


 CHIEF EXECUTIVE


 CHIEF FINANCIAL OFFICER


 DIRECTOR



TELECARD LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR SIX MONTHS ENDED DECEMBER 31, 2019
(UN-AUDITED)

	Half Year Ended		Quarter Ended	
	Dec 31, 2019	Dec 31, 2018	Dec 31, 2019	Dec 31, 2018
	--- (Rupees in '000') ---		--- (Rupees in '000') ---	
Net (loss) / profit for the period	(8,606)	51,313	(79,891)	65,151
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	<u><u>(8,606)</u></u>	<u><u>51,313</u></u>	<u><u>(79,891)</u></u>	<u><u>65,151</u></u>

The annexed notes from 1 to 11 form an integral part of these condensed interim consolidated financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR



TELECARD LIMITED
 CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR SIX MONTHS ENDED DECEMBER 31, 2019
 (UN-AUDITED)

	Issued subscribed paid-up capital	Un- appropriated (loss)	Foreign currency translation reserve	Non - controlling interest	Total
	----- (Rupees in '000') -----				
Balance as at June 30, 2018	3,000,000	(210,026)	-	-	2,789,974
Net profit for the period		51,313	-	-	51,313
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	51,313	-	-	51,313
Balance as at December 31, 2018	<u>3,000,000</u>	<u>(158,713)</u>	<u>-</u>	<u>-</u>	<u>2,841,287</u>
Balance as at June 30, 2019	3,000,000	(277,270)	(375)	(846)	2,721,509
Net loss for the period	-	(8,606)	-	-	(8,606)
Other comprehensive income	-	-	360	2,395	2,755
Total comprehensive income	-	(8,606)	360	2,395	(5,851)
Balance as at Dec 31, 2019	<u>3,000,000</u>	<u>(285,876)</u>	<u>(15)</u>	<u>1,549</u>	<u>2,715,658</u>

The annexed notes from 1 to 11 form an integral part of these condensed interim consolidated financial statements.

~~CHIEF EXECUTIVE~~

CHIEF FINANCIAL OFFICER

DIRECTOR

M.A.

TELECARD LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR SIX MONTHS ENDED DECEMBER 31, 2019

1. THE GROUP AND ITS OPERATIONS

The Group comprises of:

- > Telecard Limited - Holding Company
- > Supernet Limited - Subsidiary Company
- > Supernet E-Solution (Pvt) Limited - Subsidiary Company
- > Telegateway Limited - Subsidiary Company
- > Nexus Communications (Private) Limited - Subsidiary Company
- > Glitz Communications (Private) Limited - Subsidiary Company
- > Globetech Communications (Private) Limited - Subsidiary Company
- > Supernet Secure Solution (Pvt) Limited - Subsidiary of Supernet Limited
- > Phoenix Global FZE - Subsidiary of Supernet Limited

Telecard Limited was incorporated in Pakistan on October 29, 1992 as a public limited company. The shares of the Holding Company are listed on the Pakistan Stock Exchange. The Holding Company is licensed to provide fully integrated telecommunication services, including basic wireless telephony, long distance and international services and payphones. The registered office of the Holding Company is located at World Trade Centre 75-East Blue Area, Fazal-ul-Haq road, Islamabad. The principal place of business of the Company is located at World Trade Centre, 10- Khayaban-e-Roomi, Clifton, Karachi.

Supernet Limited is engaged in providing satellite and microwave communication services e.g. internet, radio links, Single Channel Per Carrier (SCPC), Time Division Multiple Access (TDMA), etc. and sale and installation of related equipment and accessories. Telecard Limited holds 100% equity of Supernet Limited.

Supernet E-Solutions (Private) Limited is engaged in providing telecommunication solutions and other IT related Services. Telecard Limited holds 100% equity of Supernet E-Solutions (Private) Limited.

Telegateway Limited is engaged in the business of providing means of communicating audio, video or audio/video messages transmitted by radio cable, impulses and beams or by any combination thereof or by any other means through space, air, land, water, underground or underwater as permissible under the law. Telecard Limited holds 100% equity of Telegateway Limited.

Nexus Communications (Private) Limited has been incorporated to provide telecommunication and other related services. Telecard Limited holds 100% equity of Nexus Communications (Private) Limited.

Glitz Communications (Private) Limited has been incorporated to provide telecommunication and other related services. Telecard Limited holds 100% equity of Glitz Communications (Private) Limited.

Globetech Communications (Private) Limited has been incorporated to provide telecommunication and other related services. Telecard Limited holds 100% equity of Globetech Communications (Private) Limited.

Supernet Secure Solutions (Pvt) Limited has been incorporated as a subsidiary of Supernet Limited, operating in the IT security domain with the focus of providing security solutions having the objective of becoming a leading service provider of IT security products. Supernet Limited holds 80% equity of Supernet Secure Solutions (Private) Limited

Phoenix Global FZE has been acquired during the last financial year, the purpose of company is to engage in import, export, Trading of IT related products, electronics and Telecommunication products. Supernet Limited holds 100% equity of Phoenix Global FZE.

2. BASIS OF CONSOLIDATION

These consolidated financial statements comprise the financial statements of the Holding Company and its Subsidiary Companies and prepared using uniform accounting policies. The assets, liabilities, income and expenses of the Subsidiary Companies have been consolidated on a line by line basis. Inter-group transactions and balances have been eliminated for the purpose of consolidation.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation followed in the preparation of these consolidated financial statements are same as those applied in preparing the consolidated financial statements for the year ended June, 30 2019, except for the adoption of IFRS 16 'Leases' as fully explained below.

3.1 IFRS 16 'Leases'

IFRS 16 'Leases' became effective for annual periods beginning on or after January 01, 2019 as notified by the Securities and Exchange Commission of Pakistan (SECP) through its SRO 434(I)/2018 dated April 09, 2018 which has been fully adopted by the Company during the period under review.

On adoption of IFRS 16, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January, 2019.

The Company has adopted modified retrospective approach with cumulative effect of initially applying the Standard as an adjustment to the opening balance of retained earnings at the date of initial application of the said Standard and accordingly, the Company has not restated comparative information. Therefore, except for the recognition of right of use assets and corresponding lease liabilities as disclosed below, adoption of IFRS 16 does not have any impact on opening retained earnings as at July 01, 2019.

The Company has applied practical expedients by applying signal discount rate to a portfolio of leases with reasonably similar characteristics and using hindsight in determining the lease term where the contract contains options to extend or terminate the lease as permitted by the Standard.

3.1.1 The effect of adoption of IFRS 16 as at July 01, 2019 is as follows:

	July 01, 2019 Rupees, '000'
Operating lease commitments subject to IFRS 16	160,957
Incremental borrowing rate as at July 01, 2019	13.25%
Present value of lease liabilities against right of use assets	72,309
Adjustment for prepayment and deposits	3,000
Right of use assets	75,309

3.1.2 Movement in right of use assets and corresponding lease liabilities are as follows:

	Right of use asset	Lease liability
	-----Rupees in '000'-----	
As at July 01, 2019	75,309	72,309
Depreciation on ROU assets	(12,551)	-
Finance charge	-	4,462
Lease payments made	-	(18,955)
	<u>62,758</u>	<u>57,816</u>

3.2 SUMMARY OF NEW ACCOUNTING POLICY

The summary of new accounting policy as a result of first time adoption of IFRS 16 is set out below:

Lease liability

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Right of use asset

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfer's ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. Right of use assets are subject to annual impairment review in accordance with IAS 36.

	Dec 31, 2019	June 30, 2019
	--- (Rupees in '000) ---	
4. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	<u>762,910</u>	<u>817,797</u>
4.1. Operating fixed assets		
Opening net book value	817,797	883,664
Additions during the period / year	<u>30,449</u>	<u>103,471</u>
	848,246	987,135
Disposals during the period	-	6,617
Accumulated depreciation on disposal	-	(6,562)
Depreciation charged during the period / year	<u>85,336</u>	<u>169,283</u>
	<u>762,910</u>	<u>817,797</u>
5. RIGHT-OF-USE ASSETS		
Cost	75,309	-
Depreciation	<u>(12,551)</u>	-
Closing net book value	<u>62,758</u>	-

	Dec 31, 2019	June 30, 2019
	--- (Rupees in '000) ---	
6. OTHER RECEIVABLES		
Considered good		
Related parties	393,891	1,586
Others		
Karachi relief rebate	325,771	325,771
Amount withheld by PTCL against PTA-Escrow	96,041	96,041
In Escrow account with PTA	345,594	345,594
Pakistan Telecommunication Authority	1,778,964	1,778,964
Late payment additional fees to PTA	96,794	94,552
Claim against a bank	998	998
Insurance claims	3,092	2,938
Due from a contractor	3,726	4,613
Deposit with FBR under Tax Amnesty scheme	2,991	2,991
Others	42,374	46,344
	2,696,345	2,698,806
Considered doubtful		
Pakistan Telecommunication Company Limited	243,890	243,890
Karachi relief rebate	325,770	325,770
	569,660	569,660
Provision for other receivables considered doubtful	(569,660)	(569,660)
	-	-
	3,090,236	2,700,392
7. TRADE AND OTHER PAYABLES		
Trade		
Pakistan Telecommunication Company Limited	142,542	131,507
Interconnect operators	13,864	12,520
Others	975,672	971,149
	1,132,078	1,115,176
Other payables		
Current accounts with related parties	150,596	149,501
ISF	317,099	317,100
Advances from customer	11,479	73,962
Advances from franchisees	200	200
Unearned income	-	793
Accrued liabilities	138,650	290,844
Payable to employees provident fund	900	1,755
Workers' welfare fund	7,746	7,746
Others	14,266	28,773
	640,936	870,674
	1,773,014	1,985,850
8. CONTINGENCIES AND COMMITMENTS		
(a) Contingencies		
8.1 There has been no change in the status of other contingencies reported in the consolidated financial statements for the year ended June 30, 2019.		
(b) Commitments		
8.2 Counter guarantees given to banks	88,305	89,819

9. TRANSACTIONS WITH RELATED PARTIES

The related parties include entities having directors in common with the Group, major shareholders of the Group, directors and other key management personnel and retirement benefit plans. Transactions with related parties, other than those disclosed elsewhere in the financial statements are as under:

	Dec 31, 2019	Dec 31, 2018
	-- (Rupees in '000) --	
Entities having directors in common with the Group		
Arfeen International (Private) Limited		
Services rendered	546	600
Markup charged to the Group	1,152	948
Rent charged during the year	2,760	2,760
World Trade Center (Private) Limited		
Service received	34,907	34,948
Services rendered	173	246
Markup charged to the group	1,208	2,279
Markup charged by the group	2,376	1,589
Envicrete Limited		
Services rendered	277	205
Port Grand		
Services rendered	84	120
Instaphone Infrastructure (Private) Limited		
Services rendered	-	829
Services received	949	154
Key Management Personnel		
Remuneration and benefits	168,342	148,800
Staff retirement benefits - Provident fund	8,172	7,326

10. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on _____ by the board of directors of the Group.

11. GENERAL

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

~~CHIEF EXECUTIVE~~

CHIEF FINANCIAL OFFICER

DIRECTOR